

Consolidated Balance Sheets

(Unit: Million of Yen)

	2005/09/30	2004/09/30	2005/03/31	Thousands of U.S. Dollars
[Assets]				
Current assets:				
Cash and deposits	13,787	16,505	14,713	122,009
Notes and accounts receivable, trade	70,896	77,797	75,910	627,398
Inventories	41,753	42,875	41,736	369,496
Short-term loans	44,237	17,075	29,805	391,478
Deferred income taxes	15,659	15,542	15,033	138,575
Other current assets	4,288	5,164	4,612	37,947
Allowance for doubtful receivables	(80)	(107)	(99)	(708)
<u>Total current assets</u>	<u>190,540</u>	<u>174,851</u>	<u>181,710</u>	1,686,195
Fixed assets:				
Property, plant and equipment:				
Buildings and structures	34,492	30,543	32,521	305,239
Machinery and vehicle	25,465	24,237	22,990	225,354
Land	15,766	17,551	17,366	139,522
Construction in progress	2,004	6,761	7,772	17,734
Other fixed assets	4,635	4,226	3,897	41,018
Property, plant and equipment, net	82,362	83,318	84,546	728,867
Investments and other assets:				
Intangible assets	3,016	3,348	3,195	26,690
Investments in securities	13,622	10,721	11,868	120,549
Investments in unconsolidated subsidiaries and affiliates	1,342	1,265	1,416	11,876
Deferred income taxes	3,305	6,489	5,555	29,248
Other assets	2,230	2,679	2,353	19,734
Allowance for doubtful receivables	(8)	(20)	(15)	(71)
Total investments and other assets	23,507	24,482	24,372	208,026
<u>Total fixed assets</u>	<u>105,869</u>	<u>107,800</u>	<u>108,918</u>	936,893
<u>Total assets</u>	<u>296,409</u>	<u>282,651</u>	<u>290,628</u>	2,623,088

Consolidated Balance Sheets

	2005/09/30	2004/09/30	2005/03/31	Thousands of U.S. Dollars
[Liabilities]				
Current liabilities:				
Notes and accounts payable, trade	16,477	16,648	16,184	145,814
Short-term loans	6,936	6,372	6,333	61,381
Income taxes payable	6,705	3,381	4,886	59,336
Other accounts payable	15,617	16,596	19,343	138,204
Allowances	10,344	10,364	10,088	91,540
Other current liabilities	5,465	5,294	7,077	48,363
Total current liabilities	61,544	58,655	63,911	544,638
Long-term liabilities:				
Long-term debt	4,186	7,907	4,859	37,044
Accrued retirement benefits	4,053	4,824	4,345	35,867
Other long-term liabilities	453	1,436	652	4,009
Total long-term liabilities	8,692	14,167	9,856	76,920
<u>Total liabilities</u>	<u>70,236</u>	<u>72,822</u>	<u>73,767</u>	621,558
[Minority interests]				
<u>Minority interests</u>	<u>10,606</u>	<u>10,619</u>	<u>10,880</u>	93,858
[Shareholders' equity]				
Common stock	30,560	30,560	30,560	270,442
Additional paid-in capital	70,974	70,969	70,972	628,089
Retained earnings	116,357	101,974	108,071	1,029,708
Net unrealized holding gain on securities	4,839	2,658	3,425	42,823
Translation adjustments	(1,543)	(1,870)	(1,707)	(13,655)
Treasury stock, at cost	(5,620)	(5,081)	(5,340)	(49,735)
<u>Total shareholders' equity</u>	<u>215,567</u>	<u>199,210</u>	<u>205,981</u>	1,907,672
<u>Total liabilities and shareholders' equity</u>	<u>296,409</u>	<u>282,651</u>	<u>290,628</u>	2,623,088

Notes: In the current financial statements, yen amounts have been translated into U.S. dollars, for convenience only, at the rate of ¥113=U.S.\$1.00, the exchange rate on September 30, 2005.

Consolidated Statements of Income

(Unit: Million of Yen)

	2005/04/01 ~ 2005/09/30	2004/04/01 ~ 2004/09/30	2004/04/01 ~ 2005/03/31	Thousands of U.S. Dollars
Net sales	118,571	115,854	234,244	1,049,301
Cost of sales	40,747	40,081	81,712	360,593
Gross profit	77,824	75,773	152,532	688,708
Selling, general and administrative expenses	59,492	61,935	121,483	526,478
<u>Operating income</u>	<u>18,332</u>	<u>13,838</u>	<u>31,049</u>	162,230
Non-operating income:				
Interest and dividend income	141	112	186	1,248
Other income	836	632	1,075	7,398
Non-operating expenses:				
Interest expense	101	164	286	894
Other expenses	641	1,093	2,065	5,672
<u>Ordinary income</u>	<u>18,567</u>	<u>13,325</u>	<u>29,959</u>	164,310
Extraordinary income:				
Reversal to income of accrued retirement benefit obligations for employees	-	2,387	2,427	-
Gain on sales of property, plant and equipment	935	217	1,801	8,274
Gain on sales of investments in securities	795	255	264	7,035
Others	7	97	223	62
Extraordinary loss:				
Loss on disposal of fixed assets	140	232	463	1,239
Loss on sales of property, plant and equipment	-	198	206	-
Loss on impairment of fixed assets	-	3,535	3,535	-
Amortization of retirement benefit obligation at transition	-	553	1,103	-
Restructuring expenses	2,403	890	4,413	21,265
Others	-	4	560	-
Income before income taxes and minority interests	17,761	10,869	24,394	157,177
Income taxes	6,521	2,565	6,539	57,708
Deferred income taxes	582	3,868	4,848	5,151
Minority interests in losses of consolidated subsidiaries	(22)	(374)	(165)	(195)
<u>Net income</u>	<u>10,680</u>	<u>4,810</u>	<u>13,172</u>	94,513

Notes: In the current financial statements, yen amounts have been translated into U.S. dollars, for convenience only, at the rate of ¥113=U.S.\$1.00, the exchange rate on September 30, 2005.

Consolidated Statements of Shareholders' Equity

(Unit: Million of Yen)

	2005/04/01 ~ 2005/09/30	2004/04/01 ~ 2004/09/30	2004/04/01 ~ 2005/03/31	Thousands of U.S. Dollars
<u>Common stock</u>				
Balance at beginning and end of period	30,560	30,560	30,560	270,442
<u>Additional paid-in capital</u>				
Balance at beginning of period	70,972	70,964	70,964	628,071
Add:				
Increase from resale of treasury stock	2	5	8	18
Balance at end of period	<u>70,974</u>	<u>70,969</u>	<u>70,972</u>	628,089
<u>Retained earnings</u>				
Balance at beginning of period	108,071	99,456	99,456	956,381
Add:				
Net income	10,680	4,810	13,172	94,513
Increase resulting from inclusion of a consolidated subsidiary	3	-	-	27
Increase resulting from exclusion of consolidated subsidiaries	165	-	-	1,460
Deduct :				
Cash dividends	2,263	2,265	4,530	20,027
Bonuses to directors and corporate auditors	30	27	27	265
Decrease resulting from exclusion of a subsidiary accounted for by the equity method	269	-	-	2,381
Balance at end of period	<u>116,357</u>	<u>101,974</u>	<u>108,071</u>	1,029,708
<u>Net unrealized holding gain on securities</u>				
Balance at beginning of period	3,425	3,182	3,182	30,310
Net change during period	1,414	(524)	243	12,513
Balance at end of period	<u>4,839</u>	<u>2,658</u>	<u>3,425</u>	42,823
<u>Translation adjustments</u>				
Balance at beginning of period	(1,707)	(1,750)	(1,750)	(15,106)
Net change during period	164	(120)	43	1,451
Balance at end of period	<u>(1,543)</u>	<u>(1,870)</u>	<u>(1,707)</u>	(13,655)
<u>Treasury stock, at cost</u>				
	<u>(5,620)</u>	<u>(5,081)</u>	<u>(5,340)</u>	(49,735)
<u>Total shareholders' equity</u>	<u>215,567</u>	<u>199,210</u>	<u>205,981</u>	1,907,672

Notes: In the current financial statements, yen amounts have been translated into U.S. dollars, for convenience only, at the rate of ¥113=U.S.\$1.00, the exchange rate on September 30, 2005.

Consolidated Statements of Cash Flows

(Unit: Million of Yen)

	2005/04/01 ~ 2005/09/30	2004/04/01 ~ 2004/09/30	2004/04/01 ~ 2005/03/31	Thousands of U.S. Dollars
Cash flows from operating activities				
Income before income taxes and minority interests	17,761	10,869	24,394	157,177
Depreciation and amortization	5,547	5,419	11,457	49,088
Loss on impairment of fixed assets	-	3,535	3,535	-
Increase(decrease) in allowance for doubtful receivables	(26)	(18)	(31)	(230)
Increase(decrease) in accrued retirement benefits	(236)	(6,298)	(6,620)	(2,089)
Increase(decrease) in other allowances	256	712	436	2,265
Interest and dividend income	(141)	(112)	(186)	(1,248)
Interest expense	101	164	286	894
Loss(gain) on foreign exchange	(261)	(363)	(49)	(2,310)
Equity in earnings of unconsolidated subs. and affiliates	24	42	315	212
Gain on sales of investments in securities	(795)	(251)	(260)	(7,035)
Gain on sales of property, plant and equipment	(935)	(19)	(1,595)	(8,274)
Loss on disposal of property, plant and equipment	76	136	302	673
Changes in operating assets and liabilities:				
Notes and accounts receivable, trade	5,086	2,236	4,111	45,009
Inventories	143	668	1,689	1,265
Notes and accounts payable, trade	282	1,766	1,411	2,496
Consumption tax payable	(304)	(511)	(116)	(2,690)
Bonuses to board members paid	(30)	(27)	(27)	(266)
Others, net	(1,774)	611	278	(15,699)
Sub-total	24,774	18,559	39,330	219,238
Interest and dividends received	140	109	186	1,239
Interest paid	(105)	(165)	(292)	(929)
Income taxes paid	(4,556)	(9,108)	(11,791)	(40,319)
<u>Net cash provided by operating activities</u>	20,253	9,395	27,433	179,229
Cash flows from investing activities				
Purchases of property, plant and equipment	(7,505)	(5,457)	(10,483)	(66,416)
Proceeds from sales of property, plant and equipment	2,623	555	4,264	23,212
Purchases of investments in subsidiaries	-	(684)	(684)	-
Purchases of investments in securities	-	(23)	(26)	-
Proceeds from sales of investments in securities	1,385	806	829	12,257
Others, net	(190)	(188)	(850)	(1,681)
<u>Net cash provided by(used in) investing activities</u>	(3,687)	(4,991)	(6,950)	(32,628)
Cash flows from financing activities				
Increase(decrease) in short-term loans, net	653	(511)	(260)	5,779
Repayment of long-term debt	(723)	(2,009)	(5,347)	(6,398)
Cash dividends paid	(2,265)	(2,261)	(4,533)	(20,044)
Cash dividends paid to minority interests	(483)	(24)	(43)	(4,275)
Others, net	(278)	(205)	(403)	(2,460)
<u>Net cash used in financing activities</u>	(3,096)	(5,010)	(10,586)	(27,398)
Effect of exchange rate changes on cash and cash equivalents	180	(140)	99	1,593
Increase in cash and cash equivalents	13,650	(746)	9,996	120,796
Cash and cash equivalent at beginning of period	44,192	34,196	34,196	391,080
Increase in cash and cash equivalents resulting from inclusion of a consolidated subsidiary	13	-	-	115
Decrease in cash and cash equivalents resulting from exclusion of consolidated subsidiaries	(45)	-	-	(398)
Cash and cash equivalent at end of period	57,810	33,450	44,192	511,593

Non-consolidated Balance Sheets

(Unit: Million of Yen)

	2005/09/30	2004/09/30	2005/03/31	Thousands of U.S. Dollars
[Assets]				
Current assets:				
Cash and deposits	10,782	10,674	11,358	95,416
Notes and accounts receivable, trade	61,457	67,582	66,149	543,867
Inventories	19,166	25,515	24,430	169,611
Loans to subsidiaries	16,088	10,987	8,806	142,372
Loans to others	44,124	16,950	29,680	390,478
Deferred income taxes	12,878	14,114	12,954	113,965
Other current assets	3,430	3,181	3,110	30,354
<u>Total current assets</u>	<u>167,927</u>	<u>149,005</u>	<u>156,492</u>	1,486,080
Fixed assets:				
Property, plant and equipment:				
Buildings and structures	15,748	16,351	18,953	139,363
Machinery and vehicle	4,340	8,565	7,927	38,407
Land	8,464	9,796	10,365	74,903
Construction in progress	1,236	2,924	1,469	10,938
Other fixed assets	3,733	3,653	3,357	33,035
Property, plant and equipment, net	33,523	41,291	42,072	296,664
Investments and other assets:				
Intangible assets	2,190	2,798	2,638	19,381
Investments in securities	13,182	10,233	11,414	116,655
Investments in subsidiaries and affiliates	43,875	35,149	35,532	388,274
Long-term loans to subsidiary	6,240	2,400	4,140	55,221
Long-term prepaid expenses	185	432	309	1,637
Deferred income taxes	1,761	5,198	4,116	15,584
Other assets	2,175	2,591	2,181	19,248
Allowance for doubtful receivables	(7)	(115)	(15)	(62)
Total investments and other assets	69,604	58,689	60,316	615,965
<u>Total fixed assets</u>	<u>103,128</u>	<u>99,981</u>	<u>102,389</u>	912,637
<u>Total assets</u>	<u>271,055</u>	<u>248,987</u>	<u>258,881</u>	2,398,717

Non-consolidated Balance Sheets

	2005/09/30	2004/09/30	2005/03/31	Thousands of U.S. Dollars
[Liabilities]				
Current liabilities:				
Notes and accounts payable, trade	15,908	15,196	14,285	140,779
Short-term loans	10,429	6,867	8,222	92,292
Current portion of long-term debt	-	135	50	-
Other accounts payable	13,754	13,340	15,264	121,717
Income taxes payable	5,269	1,879	2,984	46,628
Accrued expenses	913	1,037	1,726	8,080
Allowances	8,046	8,619	8,320	71,204
Notes payable, construction	7	1	14	62
Other current liabilities	3,017	1,128	3,516	26,699
Total current liabilities	<u>57,347</u>	<u>48,205</u>	<u>54,384</u>	<u>507,496</u>
Long-term liabilities:				
Accrued retirement benefits	2,623	3,777	3,221	23,212
Other long-term liabilities	333	1,419	576	2,947
Total long-term liabilities	<u>2,957</u>	<u>5,196</u>	<u>3,797</u>	<u>26,168</u>
<u>Total liabilities</u>	<u>60,304</u>	<u>53,402</u>	<u>58,181</u>	<u>533,664</u>
[Shareholders' equity]				
Common stock	30,560	30,560	30,560	270,442
Additional paid-in capital	70,974	70,969	70,972	628,088
Retained earnings	110,045	96,518	101,127	973,850
Net unrealized holding gain on securities	4,790	2,618	3,378	42,389
Treasury stock, at cost	(5,620)	(5,081)	(5,340)	(49,735)
<u>Total shareholders' equity</u>	<u>210,751</u>	<u>195,585</u>	<u>200,699</u>	<u>1,865,053</u>
<u>Total liabilities and shareholders' equity</u>	<u>271,055</u>	<u>248,987</u>	<u>258,881</u>	<u>2,398,717</u>

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Non-consolidated Statements of Income

(Unit: Million of Yen)

	2005/04/01 ~ 2005/09/30	2004/04/01 ~ 2004/09/30	2004/04/01 ~ 2005/03/31	Thousands of U.S. Dollars
Net sales	100,485	98,994	197,914	889,248
Cost of sales	32,598	32,456	65,505	288,478
Gross profit	67,886	66,537	132,409	600,761
Selling, general and administrative expenses	52,376	53,796	105,763	463,504
<u>Operating income</u>	<u>15,509</u>	<u>12,741</u>	<u>26,646</u>	137,248
Non-operating income:				
Interest and dividend income	1,463	821	1,610	12,947
Other income	1,079	760	1,334	9,549
Non-operating expenses:				
Interest expense	22	24	48	195
Other expenses	603	757	1,783	5,336
<u>Ordinary income</u>	<u>17,426</u>	<u>13,539</u>	<u>27,758</u>	154,212
Extraordinary income:				
Reversal to income of accrued retirement benefit obligations for employees	-	2,387	2,427	-
Gain on sales of property, plant and equipment	935	190	1,775	8,274
Gain on sales of investments in securities	795	255	255	7,035
Gain on sales of investments in subsidiary	385	-	-	3,407
Others	7	-	17	62
Extraordinary loss:				
Loss on sales of property, plant and equipment	0	198	206	0
Loss on disposal of fixed assets	67	153	308	593
Loss on impairment of fixed assets	-	2,060	2,060	-
Amortization of retirement benefit obligation at transition	-	553	1,103	-
Provision of doubtful debts	322	360	528	2,850
Restructuring expenses	1,895	105	3,397	16,770
Loss on revaluation of investments in securities	-	-	301	-
Others	-	4	67	-
Income before income taxes	17,265	12,937	24,261	152,788
Income taxes	4,932	1,636	4,351	43,646
Deferred income taxes	1,121	3,844	5,580	9,920
<u>Net income</u>	<u>11,211</u>	<u>7,456</u>	<u>14,329</u>	99,212

Notes: In the current financial statements, yen amounts have been translated into U.S. dollars, for convenience only, at the rate of ¥113=U.S.\$1.00, the exchange rate on September 30, 2005.