

**Consolidated Statement**  
**(1) Consolidated Balance Sheet**

(Unit: JY thousand, with figures rounded down to nearest thousand)

Accounting item	Accounting period	Previous consolidated fiscal year (as of March 31, 2006)		Current consolidated fiscal year (as of March 31, 2007)		Variances
		Amount	Component ratio	Amount	Component ratio	
	(Assets)		%		%	
<b>I Current assets</b>						
1	Cash and cash equivalents	1,342,260		1,572,842		230,581
2	Notes and accounts receivable	5,862,166		6,348,322		486,156
3	Inventories	3,147,584		2,920,800		226,783
4	Deferred income taxes	435,678		430,382		5,295
5	Other current assets	150,923		221,856		70,933
	Allowance for doubtful receivables	14,582		15,425		842
	Total current assets	10,924,029	34.4	1,148,779	36.1	554,749
<b>II. Fixed assets</b>						
1	Tangible fixed assets					
(1)	Buildings and structures	7,656,513		7,209,242		447,271
(2)	Equipment and vehicles	2,628,466		2,357,965		270,501
(3)	Tools, instruments and fixtures	164,184		162,403		1,780
(4)	Land	2,006,600		2,006,600		-
(5)	Buildings under construction	17,896		1,522,701		1,504,805
	Total tangible assets	12,473,661	39.2	13,258,913	41.7	785,251
2	Intangible fixed assets	35,244	0.1	28,806	0.1	6,437
3	Investments and other assets					
(1)	Investment securities	8,217,628		6,910,153		1,307,474
(2)	Deferred income tax assets	20,346		16,991		3,354
(3)	Other assets	228,036		199,003		29,033
	Allowance for doubtful receivables	108,497		91,126		17,370
	Total investments and other assets	8,357,513	26.3	7,035,021	22.1	1,322,491
	Total fixed assets	20,866,419	65.6	20,322,741	63.9	543,677
<b>Total assets</b>		<b>31,790,449</b>	<b>100.0</b>	<b>31,801,520</b>	<b>100.0</b>	<b>11,071</b>

(Unit: JY thousand, with figures rounded down to nearest thousand)

Accounting item	Previous consolidated fiscal year (as of March 31, 2006)		Current consolidated fiscal year (as of March 31, 2007)		Variances
	Amount	Component ratio	Amount	Component ratio	
(Liabilities)		%		%	
I. Current liabilities					
1 Notes and accounts payable	832,461		986,242		153,781
2 Short-term borrowings	2,388,313		2,325,112		63,201
3 Expenses payable	612,997		1,628,008		1,015,010
4 Income taxes payable	288,177		252,291		35,886
5 Allowance for bonus payable	391,860		411,690		19,830
6 Allowance for directors' bonus payable	-		18,000		18,000
7 Other current liabilities	117,386		61,264		56,121
Total current liabilities	4,631,197	14.6	5,682,609	17.9	1,051,412
II. Fixed liabilities					
1 Deferred income tax liabilities	2,734,452		2,044,827		689,624
2 Allowance for employee retirement benefits	2,866,110		2,797,571		68,538
3 Allowance for directors' retirement benefits	258,025		298,675		40,650
4 Other fixed liabilities	448		448		-
Total fixed liabilities	5,859,035	18.4	5,141,521	16.1	717,513
Total liabilities	10,490,232	33.0	10,824,130	34.0	333,898
(Minority shareholders' equity)					
Minority shareholders' equity	-	-	-	-	-
(Shareholders' equity)					
I. Capital fund	3,594,803	11.3	-	-	-
II. Capital surplus	2,323,393	7.3	-	-	-
III. Retained earnings	13,051,501	41.0	-	-	-
IV. Other profits and losses from revaluation of securities	3,327,480	10.5	-	-	-
V. Equity adjustment from foreign currency translation	53,352	0.2	-	-	-
VI. Treasury stock	1,050,314	3.3	-	-	-
Total Shareholders' equity	21,300,216	67.0	-	-	-
Total Liabilities and minority shareholders' equity and capital	31,790,449	100	-	-	-

(Unit: JY thousand, with figures rounded down to nearest thousand)

Accounting item	Accounting period	Previous consolidated fiscal year (as of March 31, 2006)		Current consolidated fiscal year (as of March 31, 2007)		Variances
		Amount	Component ratio	Amount	Component ratio	
(Net assets)			%		%	
I. Capital stock						
1 Capital fund				3,594,803		
2 Capital surplus				2,323,670		
3 Retained earnings				13,536,948		
4 Treasury stock				1,055,067		
Capital stock total				18,400,355	57.9	
II. Evaluation and translation gains and losses						
1 Other profits and losses from revaluation of securities				2,492,882		
2 Equity adjustment from foreign currency translation				84,152		
Total for profits and losses from revaluation and translation				2,577,034	8.1	
Total net assets				20,977,389	66.0	
Total for liabilities and net assets				31,801,520	100	

## (2) Consolidated Income Statement

(Unit: JY thousand, with figures rounded down to nearest thousand)

Accounting item	Accounting period	Previous consolidated fiscal year From: April 1, 2005 To: March 31, 2006		Current consolidated fiscal year From: April 1, 2006 To: March 31, 2007		Variances
		Amount	Percentage	Amount	Percentage	
I. Net sales		13,952,017	100	14,123,275	100	171,258
II. Cost of sales		8,262,127	59.2	8,157,335	57.8	104,791
Gross income on sales		5,689,890	40.8	5,965,940	42.2	276,049
III. General and administrative expenses		4,410,425	31.6	4,395,171	31.1	15,253
Operating income		1,279,464	9.2	1,570,768	11.1	291,303
IV. Other income						
1 Interest income		4,472		5,025		552
2 Dividend income		69,537		82,662		13,125
3 Miscellaneous income		71,476		109,298		37,822
Total other income		145,486	1.0	196,985	1.4	51,499
V. Other expenses						
1 Interest expenses		51,924		51,404		520
2 Product disposal losses		225,440		231,174		5,733
3 Miscellaneous losses		131,120		188,459		57,339
Total other expenses		408,485	2.9	471,038	3.3	62,552
Ordinary income		1,016,464	7.3	1,296,715	9.2	280,251
VI. Extraordinary losses						
1 Loss on retirement of fixed assets		-		62,806		62,806
2 Trade name alteration expenses		84,392		-		84,392
3 Decreases and losses		64,261		-		64,261
4 Golf club membership revaluation losses		6,180		-		6,180
Total extraordinary losses		154,834	1.1	62,806	0.5	92,027
Current term net income before income tax adjustments		861,630	6.2	1,233,909	8.7	372,278
Corporate income taxes, resident taxes and business taxes		698,185	5.0	631,726	4.4	66,458
Corporate income tax adjustment amounts		286,879	2.0	99,832	0.7	187,046
Current term net income		450,324	3.2	702,014	5.0	251,690

### (3) Statement of Consolidated Retained Earnings

(Unit: JY thousand, with figures rounded down to nearest thousand)

Accounting item	Accounting period	Previous consolidated fiscal year From: April 1, 2005 To: March 31, 2006
(Capital surplus)		
I. Capital surplus at the beginning of fiscal term		2,322,439
II. Increase in capital surplus		954
Gain on disposal of treasury stock		954
III. Capital surplus at the end of fiscal term		2,323,393
(Retained earnings)		
I. Retained earnings at the beginning of fiscal term		12,823,390
II. Increase in retained earnings		450,324
Current term net income		450,324
III. Decrease in retained earnings		222,212
1 Cash dividends		205,212
2 Bonuses to directors		17,000
IV. Retained earnings at the end of fiscal term		13,051,501

#### (4) Consolidated Capital Stock Statement of Variances

Current consolidated fiscal year (From April 1, 2006 to March 31, 2007)

(Unit: JY thousand, with figures rounded down to nearest thousand)

	Capital stock				
	Capital fund	Capital surplus	Retained earnings	Treasury stock	Capital stock total
Balance as of March 31, 2006	3,594,803	2,323,393	13,051,50	1,050,314	17,919,384
Variances in consolidated fiscal year					
Dividends of surplus funds (Note)			94,002		94,002
Dividends of surplus funds (Interim dividend)			107,420		107,420
Current net income			702,014		702,014
Disposal of treasury stock		277		966	1,243
Purchase of treasury stock				5,719	5,719
Bonuses to directors (Note)			15,000		15,000
Employee incentive welfare funds			144		144
Variances (net) of items other than capital stock during current consolidated accounting term					
Total variance for consolidated fiscal year	-	277	485,447	4,753	480,971
Balance as of March 31, 2007	3,594,803	2,323,670	13,536,948	1,055,067	18,400,355

	Evaluation and translation gains and losses			Total net assets
	Other profits and losses from revaluation of securities	Equity adjustment from foreign currency translation	Total for profits and losses from revaluation and translation	
Balance as of March 31, 2006	3,327,480	53,352	3,380,832	21,300,216
Variances in consolidated fiscal year				
Dividends of surplus funds (Note)				94,002
Dividends of surplus funds (Interim dividend)				107,420
Current net income				702,014
Disposal of treasury stock				1,243
Purchase of treasury stock				5,719
Bonuses to directors (Note)				15,000
Employee incentive welfare funds				144
Variances (net) of items other than capital stock during current consolidated accounting term	834,598	30,800	803,797	803,797
Total variance for consolidated fiscal year	834,598	30,800	803,797	322,826
Balance as of March 31, 2007	2,492,882	84,152	2,577,034	20,977,389

Note: Items for appropriation of retained earnings as disclosed at the ordinary general meeting of shareholders in June 2006.

## (5) Consolidated Statement of Cash Flow

(Unit: JY thousand, with figures rounded down to nearest thousand)

Accounting item	Accounting period	Previous consolidated fiscal year	Current consolidated fiscal year
		From: April 1, 2005 To: March 31, 2006	From: April 1, 2006 To: March 31, 2007
<b>I. Cash flow from operating activities</b>			
Current term income before income taxes		861,630	1,233,909
Depreciation and amortization		961,481	973,586
Decreases and losses		64,261	-
Variance ( ) in allowance for doubtful receivables		11,991	16,527
Increase in allowance for bonus payable		13,693	19,830
Increase in allowance for directors' bonus payable		-	18,000
Variance ( ) in allowance for employee retirement benefits payable		197,666	68,538
Increase in allowance for directors' retirement benefits payable		8,209	40,650
Interest income and dividend income		74,009	87,687
Interest expenses		51,924	51,404
Foreign exchange profits		6,460	651
Loss on retirement of fixed assets		-	62,806
Increase in accounts receivable		322,637	437,306
Decrease in inventory assets		975	232,442
Variance ( ) in stocking liability		59,124	117,604
Increase in income receivable		8,819	15,769
Increase in expenses payable		39,254	135,988
Decrease in consumption taxes payable		22,512	12,328
Other variances		213,795	36,916
Subtotal		1,931,320	2,284,330
Interest and dividend payments received		74,009	87,687
Interest expense outlays		50,413	54,623
Corporate income tax outlays		756,961	736,940
Cash flow from operating activities		1,197,955	1,580,453
<b>II. Cash flow from investing activities</b>			
Payments for purchases of investment securities		312,596	108,673
Tangible fixed asset acquisition outlays		1,043,631	1,051,282
Intangible fixed asset acquisition outlays		649	5,663
Golf club membership redemption sales income		9,600	17,552
Other variances		53,925	50,348
Cash flow from investing activities		1,293,352	1,097,719
<b>III. Cash flow from financing activities</b>			
Increase in short-term borrowings		396,536	23,027
Long-term borrowings repayment outlays		560,000	87,500
Treasury stock sales income		3,241	1,243
Treasury stock acquisition outlays		440,477	5,719
Dividend payment outlays		204,979	201,589
Cash flow from financing activities		805,678	270,537
<b>IV. Cash and cash equivalent related translation adjustments</b>			
		11,397	18,385
<b>V. Variance ( ) in cash and cash equivalent</b>			
		889,677	230,581
<b>VI. Cash and cash equivalent balance at the beginning of fiscal term</b>			
		2,231,938	1,342,260
<b>VII. Cash and cash equivalent at the end of fiscal term</b>			
		1,342,260	1,572,842