

【Consolidated Financial Statement】
(1)【Consolidated balance sheet】

(Unit: Less than 1,000 yen)

| | Previous consolidated accounting year (as of March 31, 2009) | This consolidated accounting year (as of March 31, 2010) |
|---|--|--|
| Assets | | |
| Current assets | | |
| Cash and deposits | 1,910,876 | 2,032,934 |
| Notes and accounts receivable-trade | 4,681,143 | 4,282,977 |
| Merchandise and finished goods | 2,570,348 | 1,892,842 |
| Work in process | 670,555 | 854,515 |
| Raw materials and supplies | 335,238 | 341,597 |
| Deferred tax assets | 301,825 | 67,258 |
| Other | 173,614 | 221,025 |
| Allowance for doubtful accounts | △63,579 | △19,921 |
| Total current assets | 10,580,023 | 9,673,229 |
| Noncurrent assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 8,023,374 | 8,357,518 |
| Machinery, equipment and vehicles, net | 2,386,986 | 2,173,919 |
| Tools, furniture and fixtures, net | 163,358 | 133,662 |
| Land | 2,006,520 | 1,998,680 |
| Lease assets, net | 13,108 | 1,807,433 |
| Construction in progress | 2,917,779 | 1,390,490 |
| Total property, plant and equipment | 15,511,127 | 15,861,704 |
| Intangible assets | 232,286 | 215,355 |
| Investments and other assets | | |
| Investment securities | 2,770,217 | 2,881,090 |
| Deferred tax assets | 15,958 | 16,963 |
| Other | 144,805 | 142,040 |
| Allowance for doubtful accounts | △65,671 | △69,456 |
| Total investments and other assets | 2,865,310 | 2,970,637 |
| Total noncurrent assets | 18,608,724 | 19,047,698 |
| Total assets | 29,188,747 | 28,720,927 |
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable-trade | 566,613 | 576,521 |
| Short-term loans payable | 3,762,390 | 4,033,544 |
| Lease obligations | 9,015 | 196,862 |
| Accounts payable-other | 1,009,536 | - |
| Income taxes payable | 129,128 | 41,437 |
| Provision for bonuses | 343,436 | 265,106 |
| Other | 77,784 | 700,250 |
| Total current liabilities | 5,897,905 | 5,813,722 |
| Noncurrent liabilities | | |
| Long-term loans payable | 1,145,000 | 885,000 |
| Long-term accounts payable-other | 111,386 | - |
| Lease obligations | 30,684 | 1,733,062 |
| Deferred tax liabilities | 568,778 | 1,639,060 |
| Provision for retirement benefits | 2,444,110 | 2,065,157 |
| Other | 448 | 106,581 |
| Total noncurrent liabilities | 4,300,407 | 6,428,860 |
| Total liabilities | 10,198,312 | 12,242,583 |
| Net assets | | |
| Shareholders' equity | | |
| Capital stock | 3,594,803 | 3,594,803 |
| Capital surplus | 2,323,443 | 2,323,218 |
| Retained earnings | 13,992,183 | 11,419,001 |
| Treasury stock | △1,060,533 | △1,060,985 |
| Total shareholders' equity | 18,849,897 | 16,276,037 |
| Valuation and translation adjustments | | |
| Valuation difference on available for sale securities | 257,003 | 335,144 |
| Foreign currency translation adjustment | △116,465 | △132,838 |
| Total valuation and translation adjustments | 140,537 | 202,306 |
| Total net assets | 18,990,434 | 16,478,344 |
| Total liabilities and net assets | 29,188,747 | 28,720,927 |

(2)【Consolidated income Statement】

(Unit:Less than 1,000 yen truncated)

| | Previous consolidated accounting year April 1, 2008 through March 31, 2009 | This consolidated accounting year April 1, 2009 through March 31, 2010 |
|--|---|---|
| Net sales | 12,593,291 | 11,081,595 |
| Cost of sales | 8,062,779 | 8,161,915 |
| Gross profit | 4,530,511 | 2,919,680 |
| Selling, general and administrative expenses | 4,260,988 | 3,576,112 |
| Operating income (loss) | 269,523 | △656,431 |
| Non-operating income | | |
| Interest income | 9,930 | 3,315 |
| Dividends income | 92,265 | 67,584 |
| Foreign exchange gains | 43,555 | 5,962 |
| Subsidy income | - | 89,163 |
| Miscellaneous income | 47,476 | 42,041 |
| Total non-operating income | 193,227 | 208,067 |
| Non-operating expenses | | |
| Interest expenses | 82,668 | 120,141 |
| Loss on retirement of noncurrent assets | 21,461 | 25,440 |
| Miscellaneous loss | 38,361 | 25,060 |
| Total non-operating expenses | 142,491 | 170,642 |
| Ordinary income (loss) | 320,259 | △619,007 |
| Extraordinary income | | |
| Gain on sales of investment securities | 420,524 | - |
| Total extraordinary income | 420,524 | - |
| Extraordinary loss | | |
| Business structure improvement expenses | - | 491,747 |
| Early extra retirement payments | - | 12,830 |
| Loss on valuation of golf club membership | 933 | - |
| Loss on valuation of investment securities | 295,461 | - |
| Impairment loss | 55,529 | 7,840 |
| Other | 25,750 | - |
| Total extraordinary losses | 377,674 | 512,417 |
| Income (loss) before income taxes | 363,109 | △1,131,424 |
| Income taxes-current | 278,905 | 86,331 |
| Income taxes for prior periods | - | 19,824 |
| Income taxes-deferred | 84,022 | 1,254,663 |
| Total income taxes | 362,927 | 1,360,818 |
| Net income (loss) | 181 | △2,492,243 |

(3) 【Consolidated capital stock, etc. variation calculation】

(Unit: Less than 1,000 yen truncated)

| | Previous consolidated accounting year April 1, 2008 through March 31, 2009 | This consolidated accounting year April 1, 2009 through March 31, 2010 |
|---|---|---|
| Shareholders' equity | | |
| Capital stock | | |
| Balance at the end of previous period | 3,594,803 | 3,594,803 |
| Changes of items during the period | | |
| Total changes of items during the period | - | - |
| Balance at the end of current period | 3,594,803 | 3,594,803 |
| Capital surplus | | |
| Balance at the end of previous period | 2,323,790 | 2,323,443 |
| Changes of items during the period | | |
| Disposal of treasury stock | △346 | △225 |
| Total changes of items during the period | △346 | △225 |
| Balance at the end of current period | 2,323,443 | 2,323,218 |
| Retained earnings | | |
| Balance at the end of previous period | 14,274,539 | 13,992,183 |
| Changes of items during the period | | |
| Dividends from surplus | △281,823 | △80,506 |
| Net income (loss) | 181 | △2,492,243 |
| Employee welfare and bonus fund | △714 | △431 |
| Total changes of items during the period | △282,356 | △2,573,181 |
| Balance at the end of current period | 13,992,183 | 11,419,001 |
| Treasury stock | | |
| Balance at the end of previous period | △1,058,612 | △1,060,533 |
| Changes of items during the period | | |
| Disposal of treasury stock | 1,486 | 707 |
| Purchase of treasury stock | △3,406 | △1,160 |
| Total changes of items during the period | △1,920 | △452 |
| Balance at the end of current period | △1,060,533 | △1,060,985 |
| Total shareholders' equity | | |
| Balance at the end of previous period | 19,134,519 | 18,849,897 |
| Changes of items during the period | | |
| Dividends from surplus | △281,823 | △80,506 |
| Net income (loss) | 181 | △2,492,243 |
| Disposal of treasury stock | 1,139 | 482 |
| Purchase of treasury stock | △3,406 | △1,160 |
| Employee welfare and bonus fund | △714 | △431 |
| Total changes of items during the period | △284,622 | △2,573,859 |
| Balance at the end of current period | 18,849,897 | 16,276,037 |
| Valuation and translation adjustments | | |
| Valuation difference on available-for-sale securities | | |
| Balance at the end of previous period | 992,042 | 257,003 |
| Changes of items during the period | | |
| Net changes of items other than shareholders' equity | △735,039 | 78,141 |
| Total changes of items during the period | △735,039 | 78,141 |
| Balance at the end of current period | 257,003 | 335,144 |
| Foreign currency translation adjustment | | |
| Balance at the end of previous period | 2,355 | △116,465 |
| Changes of items during the period | | |
| Net changes of items other than shareholders' equity | △118,821 | △16,372 |
| Total changes of items during the period | △118,821 | △16,372 |
| Balance at the end of current period | △116,465 | △132,838 |
| Total valuation and translation adjustments | | |
| Balance at the end of previous period | 994,397 | 140,537 |
| Changes of items during the period | | |
| Net changes of items other than shareholders' equity | △853,860 | 61,768 |
| Total changes of items during the period | △853,860 | 61,768 |
| Balance at the end of current period | 140,537 | 202,306 |
| Total net assets | | |
| Balance at the end of previous period | 20,128,917 | 18,990,434 |
| Changes of items during the period | | |
| Dividends from surplus | △281,823 | △80,506 |
| Net income (loss) | 181 | △2,492,243 |
| Disposal of treasury stock | 1,139 | 482 |
| Purchase of treasury stock | △3,406 | △1,160 |
| Employee welfare and bonus fund | △714 | △431 |
| Net changes of items other than shareholders' equity | △853,860 | 61,768 |
| Total changes of items during the period | △1,138,482 | △2,512,090 |
| Balance at the end of current period | 18,990,434 | 16,478,344 |

(4) 【Consolidated cash flow calculation】

(Unit: Less than 1,000 yen truncated)

| | Previous consolidated accounting year April 1, 2008 through March 31, 2009 | This consolidated accounting year April 1, 2009 through March 31, 2010 |
|---|---|---|
| Net cash provided by (used in) operating activities | | |
| Income (loss) before income taxes | 363,109 | △1,131,424 |
| Depreciation and amortization | 1,280,494 | 1,391,786 |
| Impairment loss | 55,529 | 7,840 |
| Increase (decrease) in allowance for doubtful accounts | 40,746 | △39,873 |
| Increase (decrease) in provision for bonuses | △63,669 | △78,330 |
| Increase (decrease) in provision for directors' bonuses | △15,000 | - |
| Business structure improvement expenses | - | 491,747 |
| Increase (decrease) in provision for retirement benefits | △68,608 | △378,953 |
| Interest and dividends income | △102,195 | △70,899 |
| Interest expenses | 82,668 | 120,501 |
| Foreign exchange losses (gains) | 2,037 | 5,481 |
| Loss (gain) on valuation of investment securities | 295,461 | - |
| Loss (gain) on sales of investment securities | △420,524 | - |
| Decrease (increase) in notes and accounts receivable-trade | 960,903 | 367,098 |
| Decrease (increase) in inventories | △592,418 | 456,346 |
| Increase (decrease) in notes and accounts payable-trade | △169,542 | 30,162 |
| Decrease (increase) in accounts receivable-other | △286 | △28,749 |
| Increase (decrease) in accounts payable-other | △56,831 | 7,443 |
| Increase (decrease) in accrued consumption taxes | △2,185 | 1,033 |
| Increase (decrease) in long-term accounts payable-other | △108,250 | △5,253 |
| Decrease in construction in progress | 69,150 | 22,863 |
| Other, net | 14,747 | △42,395 |
| Subtotal | 1,565,336 | 1,126,425 |
| Interest and dividends income received | 102,195 | 70,899 |
| Interest expenses paid | △83,210 | △118,524 |
| Payments for extra retirement payments | - | △457,345 |
| Income taxes paid | △432,748 | △182,531 |
| Net cash provided by (used in) operating activities | 1,151,573 | 438,923 |
| Net cash provided by (used in) investing activities | | |
| Proceeds from sales of investment securities | 510,645 | - |
| Purchase of property, plant and equipment | △2,688,638 | △2,127,199 |
| Purchase of intangible assets | △86,744 | △33,813 |
| Proceeds from redemption and sales of golf club memberships | 9,600 | - |
| Other, net | 1,863 | 2,777 |
| Net cash provided by (used in) investing activities | △2,253,274 | △2,158,235 |
| Net cash provided by (used in) financing activities | | |
| Net increase (decrease) in short-term loans payable | 1,368,556 | 173,984 |
| Repayment of long-term loans payable | - | △155,000 |
| Proceeds from sale lease back transactions | - | 1,997,284 |
| Repayments of finance lease obligations | △5,378 | △106,742 |
| Proceeds from sales of treasury stock | 1,139 | 482 |
| Purchase of treasury stock | △3,406 | △1,160 |
| Cash dividends paid | △281,603 | △81,176 |
| Net cash provided by (used in) financing activities | 1,079,308 | 1,827,672 |
| Effect of exchange rate change on cash and cash equivalents | △73,417 | 13,697 |
| Net increase (decrease) in cash and cash equivalents | △95,809 | 122,057 |
| Cash and cash equivalents at beginning of period | 2,006,686 | 1,910,876 |
| Cash and cash equivalents at end of period | 1,910,876 | 2,032,934 |