

Financial Statement for the Six Months Ended September 30, 2007

November 28, 2007

Trade Name: Nihon Micro Coating Co., Ltd.

Stock Exchange: JQ

Stock Code: 5381

(URL <http://www.mipox.co.jp>)

Name and Title of Representative: Nobuyoshi Watanabe, President

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1. Summary of Consolidated Financial Results.

1. Financial Result for the Six Months Ended September 30, 2007

(1) Consolidated Operating Result

Amounts to nearest Million yen

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
September 30, 2007	3,101	(34.4)	335	()	364	()	165	()
September 30, 2006	4,724	(19.9)	571	(132.1)	590	(116.0)	406	(166.3)
Year Ended March 31, 2007	8,329		518		541		340	

	Net Income Per Share	Diluted Net Income Per Share
Six months ended	Yen	Yen
September 30, 2007	16. 27	
September 30, 2006	39. 93	
Year Ended March 31, 2007	33 48	

(Note) Equity in net losses of affiliates (Millions of Yen): As of September 30, 2007 27 As of September 30, 2006 (0)
As of March 31, 2007 (0)

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Shareholders' Equity Ratio	Total Net Assets Per Share
Six months ended	Millions of Yen	Millions of Yen	%	Yen
September 30, 2007	11,519	7,962	69.1	782. 06
September 30, 2006	13,444	8,301	61.7	815. 27
Year Ended March 31, 2007	11,981	8,261	69.0	811. 39

(Note) Equity capital (Millions of Yen): As of September 30, 2007 7,962 As of September 30, 2006 8,301
As of March 31, 2007 8,261

(3) Cash Flows

	Cash Flow from Operating Activities	Cash Flow from Investment Activities	Cash flow from Financing Activities	Cash and Cash Equivalents at End of Fiscal Year
Six months ended	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
September 30, 2007	78	210	199	1,201
September 30, 2006	146	360	626	1,968
Year Ended March 31, 2007	302	591	1,262	1,549

2. Dividends

	Cash dividends per share		
	Interim	Year ended	For the Year
Fiscal Year ended	Yen	Yen	Yen
March 31, 2007		9. 00	9. 00
March 31, 2008 (actual)		-	5. 00
March 31, 2008 (estimate)		5. 00	

3. Financial forecasts for the Consolidated Fiscal Year Ending March 31, 2008

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income Per Share
Year ending	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
March 31, 2008	5,937		890		1,130		941		92. 41

4. Other

(1) Changes in Scope of Consolidation and Application of Equity Method : NO

(2) Changes in Accounting Rules, Procedures, Presentation Method, etc. for Consolidated Financial Statements

Changes in consolidated accounting methods : Yes

Changes other than above : No

(3) Number of shares issued and outstanding (common stock)

Number of shares outstanding (Including treasury stock)	As of September 30, 2007	10,696,320 shares
	As of September 30, 2006	10,696,320 shares
	As of March 31, 2007	10,696,320 shares
Treasury stock at end of period	As of September 30, 2007	514,538 shares
	As of September 30, 2006	513,858 shares
	As of March 31, 2007	514,358 shares

(Reference) Non-Consolidated Financial Statement

1. Non-Consolidated Financial Result for the Six Months Ended September 30, 2007

(1) Non-Consolidated Operating Result Amounts to nearest Million yen

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
September 30, 2007	2,534	(40.6)	368	()	323	()	59	(79.4)
September 30, 2006	4,262	(22.4)	448	(102.3)	458	(88.7)	286	(105.6)
Year Ended March 31, 2007	7,427		295		423		256	

	Net Income Per Share
Six months ended	Yen
September 30, 2007	5. 80
September 30, 2006	28. 13
Year Ended March 31, 2007	25. 17

(2) Non-Consolidated Financial Position

	Total Assets	Total Net Assets	Shareholders' Equity Ratio	Total Net Assets Per Share
Six months ended	Millions of Yen	Millions of Yen	%	Yen
September 30, 2007	11,454	8,021	70.0	787. 79
September 30, 2006	13,181	8,103	61.5	795. 86
Year Ended March 31, 2007	11,721	8,063	68.8	791. 91

(Note) Equity capital (Millions of Yen): As of September 30, 2007 8,021 As of September 30,2006 8,103
As of March 31, 2007 8,063

2. Financial Forecasts for the Non-Consolidated Fiscal Year Ending March 31, 2008

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income Per Share	
Year ending	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen	
March 31, 2008	4,914		848		803		407		39. 97	

Consolidated Financial Statement for the Six Months Ended September 30, 2007

(1) Consolidated Balance Sheet

(Unit: Thousand Yen)

Item	Period	As of Sep 30,2006		As of Sep 30,2007		As of March 31,2007	
		Amount	Composition (%)	Amount	Composition (%)	Amount	Composition (%)
(Assets)							
Current Assets							
1	Cash and Cash Equivalents						
		2,115,548		1,555,275		1,695,741	
2	Notes Receivable and Accounts Receivable						
		3,355,310		1,981,947		1,995,385	
3	Inventories						
		1,377,914		1,628,007		1,705,331	
4	Deferred Tax Assets						
		167,108		84,870		145,665	
5	Others						
		128,100		292,165		169,249	
	Doubtful Notes and Accounts						
		9,108		7,822		8,798	
	Total Current Assets	7,134,872	53.1	5,534,444	48.0	5,702,574	47.6
Fixed Assets							
1 Tangible Fixed Assets							
	(1) Buildings and Structures	5,663,744		5,721,418		5,692,644	
	(2) Equipment and Vehicles	1,473,108		1,598,964		1,543,974	
	(3) Others	402,678		424,025		414,894	
	Total Depreciation Expenses	3,938,368		4,339,624		3,478,541	
	(4) Land	1,444,289		1,454,819		1,444,289	
	Total Tangible Fixed Assets	5,045,452	37.5	4,859,603	42.2	4,922,831	41.1
2 Intangible Fixed Assets							
	(1) Others	248,757		203,501		228,756	
	Total intangible Fixed Assets	248,757	1.9	203,501	1.8	228,756	1.9
3 Investments and Other Assets							
	(1) Investment Securities	549,272		227,722		661,319	
	(2) Deferred Tax Assets	213,101		311,463		222,657	
	(3) Others	264,373		394,871		254,911	
	Allowance for Doubtful Debts	11,497		11,777		11,777	
	Total Investments and Other Assets	1,015,249	7.5	922,280	8.0	1,127,111	9.4
	Total Fixed Assets	6,309,459	46.9	5,985,386	52.0	6,278,699	52.4
	Total Assets	13,444,332	100.0	11,519,830	100.0	11,981,274	100.0

Item	Period	As of Sep 30,2006		As of Sep 30,2007		As of March 31,2007	
		Amount	Composition (%)	Amount	Composition (%)	Amount	Composition (%)
(Liabilities)							
Current Liabilities							
1	Notes Receivable and Accounts Receivable	1,243,121		548,731		657,143	
2	Short-term Borrowings	1,550,000		600,000		450,000	
3	Current Position of Long-term Borrowings	426,561		446,803		488,773	
4	Accrued Income Taxes and Other Taxes	192,445		21,359		59,192	
5	Reserve for Employees Bonuses	130,069		130,934		120,000	
6	Reserve for Directors' Bonuses	—		—		17,000	
7	Others	357,088		342,992		276,297	
	Total Current Liabilities	3,899,287	29.0	2,090,820	18.2	2,068,407	17.2
Fixed Liabilities							
1	Long-term Borrowings	721,350		907,892		1,123,798	
2	Reserve for Employees' Retirement Benefits	196,180		214,226		202,513	
3	Unpaid Amount for Directors Retirement Benefits	311,050		311,050		311,050	
4	Deferred Tax Liabilities	15,035		33,078		13,991	
	Total Fixed Liabilities	1,243,616	9.3	1,466,248	12.7	1,651,353	13.8
	Total Liabilities	5,142,903	38.3	3,557,069	30.9	3,719,761	31.0
(Net Assets Section)							
Shareholders' Equity							
1	Capital Stock	1,998,700	14.8	1,998,700	17.4	1,998,700	16.7
2	Capital Surplus	2,953,700	22.0	2,953,700	25.7	2,953,700	24.7
3	Earned Surplus	3,616,566	26.9	3,265,747	28.3	3,550,825	29.6
4	Treasury Stock	480,756	3.6	481,234	4.2	481,141	4.0
	Total Shareholders' Equity	8,088,210	60.1	7,736,912	67.2	8,022,084	67.0
Valuation and Foreign Currency Translation							
1	Revaluation of Investment Securities	76,709	0.6	57,181	0.5	66,695	0.6
2	Foreign Currency Translation Adjustments	136,508	1.0	168,667	1.4	172,733	1.4
	Total Valuation and Foreign Currency Translation	213,218	1.6	225,848	1.9	239,428	2.0
	Total Net Assets	8,301,428	61.7	7,962,761	69.1	8,261,513	69.0
	Total Liabilities and Net Assets	13,444,332	100.0	11,519,830	100.0	11,981,274	100.0

(2) Consolidated Statements of Income

(Unit: Thousand Yen)

Item	Period	Six Months Ended Sep 30, 2006 (From Apr 1, 2006 to Sep 30, 2006)		Six Months Ended Sep 30, 2007 (From Apr 1, 2007 to Sep 30, 2007)		Fiscal Year Ended Mar 31, 2007 (From Apr 1, 2006 to Mar 31, 2007)	
		Amount	Composition (%)	Amount	Composition (%)	Amount	Composition (%)
Net Sales		4,724,984	100.0	3,101,905	100.0	8,329,063	100.0
Cost of Sales		2,857,610	60.5	2,229,143	71.9	5,277,546	63.4
Gross Profit		1,867,374	39.5	872,762	28.1	3,051,516	36.6
Selling and General Administrative Expenses							
1 Freight Outwards		79,411		29,678		128,263	
2 Payroll and Bonuses		322,399		326,003		705,037	
3 Provision for Bonuses Reserve		25,221		49,454		30,600	
4 Provision for Directors' Bonuses Reserve		—		—		17,000	
5 Expenses for Employees' Retirement Benefits		8,333		15,674		17,670	
6 Depreciation Expenses		50,256		63,092		114,740	
7 Research and Development Expenses		414,405		360,146		706,968	
8 Others		395,753	27.4	364,095	38.9	812,454	30.4
Operating Income or Losses		571,592	12.1	335,383	10.8	518,780	6.2
Non-Operating Income							
1 Interest Income		3,675		4,576		8,688	
2 Dividends Income		6,984		7,155		—	
3 Rent Income		11,088		8,831		19,807	
4 Foreign Currency Exchange Gain		7,775		—		3,510	
5 Others		13,426	0.9	12,148	1.1	34,037	0.8
Non-Operating Expenses							
1 Interest Expenses		21,245		14,809		36,313	
2 Commitment line Expenses		—		1,320		—	
3 Foreign Currency Exchange Losses		—		17,076		—	
4 Investment loss on Equity Method		—		27,422		—	
5 Others		2,814	0.5	830	2.0	7,310	0.5
Ordinary Income or Losses		590,482	12.5	364,131	11.7	541,202	6.5
Extraordinary Income							
1 Reversal of allowance for Bad debt		—		865		—	
2 Loss on Sales of Fixed Assets		—		2,423		—	
3 Gain on Sale of Investment Securities		—		9,000		—	
4 Gain from Sale of Business		—	—	209,395	7.1	—	—
Extraordinary Losses							
1 Loss on Disposal of Fixed Assets		1,556		1,839		2,488	
2 Doubtful Debts		—	0.0	—	0.0	280	0.0
Net income or Losses before tax adjustment		588,926	12.5	144,286	4.6	538,433	6.5
Income Taxes-Current		185,514		17,828		183,690	
Deferred Income Taxes		—		6,342		—	
Income Taxes-Deferred		3,201	3.9	2,780	0.7	13,869	2.4
Net Income or Losses		406,614	8.6	165,676	5.3	340,873	4.1

(3) Consolidated Statement of Changes in Shareholders' Equity

Consolidated Six Months Ended September 30, 2006 (From April 1, 2006 to September 30, 2006)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Earned Surplus	Treasury Stock	Total Shareholders' Equity
Balance as of March 31,2006 (Thousand Yen)	1,998,700	2,953,700	3,368,329	480,415	7,840,313
Changes during the period					
Dividends of Retained Earnings	—	—	132,377	—	132,377
Director's Bonuses	—	—	26,000	—	26,000
Net Income	—	—	406,614	—	406,614
Purchase of Treasury Stock	—	—	—	340	340
Net Changes in Items other than Shareholders' Equity	—	—	—	—	—
Total Changes during the period (Thousand Yen)	—	—	248,237	340	247,896
Balance as of September 30,2006 (Thousand Yen)	1,998,700	2,953,700	3,616,566	480,756	8,088,210

	Valuation and Translation Adjustments			Total Net Assets
	Revaluation of Other Investment Securities	Foreign Currency Translation Adjustments	Total Valuation and Translation Adjustments	
Balance as of March 31,2006 (Thousand Yen)	82,194	128,527	210,722	8,051,035
Changes during the period				
Dividends of Retained Earnings	—	—	—	132,377
Director's Bonuses	—	—	—	26,000
Net Income	—	—	—	406,614
Purchase of Treasury Stock	—	—	—	340
Net Changes in Items other than Shareholders' Equity	5,484	7,980	2,496	2,496
Total Changes during the period (Thousand Yen)	5,484	7,980	2,496	250,392
Balance as of September 30,2006 (Thousand Yen)	76,709	136,508	213,218	8,301,428

Consolidated Six Months Ended September 30, 2007 (From April 1, 2007 to September 30, 2007)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Earned Surplus	Treasury Stock	Total Shareholders' Equity
Balance as of March 31,2007 (Thousand Yen)	1,998,700	2,953,700	3,550,825	481,141	8,022,084
Changes during the period					
Dividends of Retained Earnings	—	—	91,637	—	91,637
Director's Bonuses	—	—	—	—	—
Net Losses ()	—	—	165,676	—	165,676
Net decrease from newly consolidated subsidiaries	—	—	27,763	—	27,763
Purchase of Treasury Stock	—	—	—	93	93
Net Changes in Items other than Shareholders' Equity	—	—	—	—	—
Total Changes during the period (Thousand Yen)	—	—	285,078	93	285,171
Balance as of September 30,2007 (Thousand Yen)	1,998,700	2,953,700	3,265,747	481,234	7,736,912

	Valuation and Translation Adjustments			Total Net Assets
	Revaluation of Other Investment Securities	Foreign Currency Translation Adjustments	Total Valuation and Translation Adjustments	
Balance as of March 31,2007 (Thousand Yen)	66,695	172,733	239,428	8,261,513
Changes during the period				
Dividends of Retained Earnings	—	—	—	91,637
Director's Bonuses	—	—	—	—
Net Losses ()	—	—	—	165,676
Net decrease from newly consolidated subsidiaries	—	—	—	27,763
Purchase of Treasury Stock	—	—	—	93
Net Changes in Items other than Shareholders' Equity	9,514	4,066	13,580	13,580
Total Changes during the period (Thousand Yen)	9,514	4,066	13,580	298,752
Balance as of September 30,2007 (Thousand Yen)	57,181	168,667	225,848	7,962,761

Consolidated Fiscal Year Ended March 31, 2007 (From April 1, 2006 to March 31, 2007)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Earned Surplus	Treasury Stock	Total Shareholders' Equity
Balance as of March 31,2006 (Thousand Yen)	1,998,700	2,953,700	3,368,329	480,415	7,840,313
Changes during the period					
Dividends of Retained Earnings	—	—	132,377	—	132,377
Director's Bonuses	—	—	26,000	—	26,000
Net Income	—	—	340,873	—	340,873
Purchase of Treasury Stock	—	—	—	725	725
Net Changes in Items other than Shareholders' Equity	—	—	—	—	—
Total Changes during the period (Thousand Yen)	—	—	182,496	725	181,770
Balance as of March 31,2007 (Thousand Yen)	1,998,700	2,953,700	3,550,825	481,141	8,022,084

	Valuation and Translation Adjustments			Total Net Assets
	Revaluation of Other Investment Securities	Foreign Currency Translation Adjustments	Total Valuation and Translation Adjustments	
Balance as of March 31,2006 (Thousand Yen)	82,194	128,527	210,722	8,051,035
Changes during the period				
Dividends of Retained Earnings	—	—	—	132,377
Director's Bonuses	—	—	—	26,000
Net Income	—	—	—	340,873
Purchase of Treasury Stock	—	—	—	725
Net Changes in Items other than Shareholders' Equity	15,498	44,205	28,706	28,706
Total Changes during the period (Thousand Yen)	15,498	44,205	28,706	210,477
Balance as of March 31,2007 (Thousand Yen)	66,695	172,733	239,428	8,261,513

(4) Consolidated Statement of Cash Flows

(Unit: Thousand Yen)

	Six Months Ended Sep 30, 2006 (From Apr 1, 2006 to Sep 30, 2006)	Six Months Ended Sep 30, 2007 (From Apr 1, 2007 to Sep 30, 2007)	Fiscal Year Ended Mar 31, 2007 (From Apr 1, 2006 to Mar 31, 2007)
	Amount	Amount	Amount
Cash Flow from Operating Activities			
1 Net Income Before Taxes	588,926	144,286	538,433
2 Depreciation Expense	240,141	243,839	496,431
3 Increase/Decrease in Allowance for Employees' Bonuses (Decrease())	69	10,934	10,000
4 Increase/Decrease in Allowance for Directors' Bonuses (Decrease())	—	17,000	17,000
5 Increase/Decrease in Allowance for Employees' Retirement Benefits (Decrease())	4,498	11,713	10,830
6 Interest and Dividends Earned	10,659	11,731	15,942
7 Interest Expenses	21,245	14,809	36,313
8 Foreign Currency Translation Losses(Gain ())	574	943	5,112
9 Investment loss on Equity Method(Gain ())	—	27,422	—
10 Gain from Sale of Business	—	209,395	—
11 Increase/Decrease in Accounts Receivable (Increase())	239,545	13,391	1,120,379
12 Increase/Decrease in Inventories (Increase())	473,454	80,808	800,871
13 Increase/Decrease in Accounts Payable (Decrease())	11,284	62,289	572,261
14 Increase/Decrease in Advance Receipt (Decrease())	7,888	17,736	2,192
15 Cash paid for Director's Bonuses	26,000	—	26,000
16 Others	29,179	4,271	122,616
Sub Total	94,642	18,831	674,615
17 Interest and Dividends Received	10,679	11,242	15,883
18 Interest Paid	21,124	14,477	35,444
19 Income Taxes Paid	230,506	56,389	352,309
Net Cash Provided by Operating Activities	146,309	78,456	302,744
Cash Flows from Investing Activities			
1 Payments for Time Deposits	650	208,088	64
2 Payments for Investment Securities	15,085	—	14,085
3 Proceeds from Investment Securities	—	309,000	—
4 Payments for Tangible Fixed Assets	189,666	144,636	280,916
5 Proceeds from Tangible Fixed Assets	—	2,564	—
6 Payments for Intangible Fixed Assets	153,917	4,614	157,504
7 Payments for Investment in Affiliate	—	—	129,934
8 Payments for Incorporation of Affiliate company	—	300,000	—
9 Proceeds from Sale of Business	—	135,094	—
10 Increase/Decrease in Other Investments (Increase())	1,606	243	9,190
Net Cash Provided by Investing Activities	360,926	210,435	591,697
Cash Flows from Financing Activities			
1 Proceeds from Short-term Loans	—	300,000	300,000
2 Repayments of Short-term Loans	119,861	150,000	1,519,861
3 Proceeds from Long-term Loans	—	—	700,000
4 Repayments of Long-term Loans	374,091	257,876	609,431
5 Payments for Purchases Treasury Stock	340	93	725
6 Amount Paid for Dividend Payable by Parent Company	131,723	91,841	132,268
Net Cash Provided by Financing Activities	626,015	199,810	1,262,285
Effect of Exchange Rate Changes on Cash and Equivalents	6,431	594	5,196
Increase/Decrease in Cash and Cash Equivalents (Decrease())	1,126,820	488,107	1,546,042
Cash and Cash Equivalents at Beginning of Year	3,095,669	1,549,626	3,095,669
Increase/Decrease in Cash and Cash Equivalents for Consolidation of a new Subsidiary (Decrease())	—	139,553	—
Cash and Cash Equivalents at Mid year Ending (Year Ending)	1,968,848	1,201,073	1,549,626

Non-Consolidated Financial Statement for the Six Months Ended September 30, 2007

(1) Non-Consolidated Balance Sheet

(Unit: Thousand Yen)

Item	Period	As of Sep 30,2006		As of Sep 30,2007		As of March 31,2007	
		Amount	Composition (%)	Amount	Composition (%)	Amount	Composition (%)
(Assets)							
Current Assets							
1	Cash and Cash Equivalents	1,601,365		1,070,373		1,329,561	
2	Notes Receivable	572,022		208,219		165,860	
3	Accounts Receivable	2,891,924		1,746,085		1,835,763	
4	Inventories	1,111,472		1,275,245		1,300,244	
5	Others	210,492		377,946		320,694	
6	Doubtful Notes and Accounts	5,914		4,531		5,543	
	Total Current Assets	6,381,363	48.4	4,673,338	40.8	4,946,581	42.2
Fixed Assets							
1 Tangible Fixed Assets							
	(1) Buildings	2,759,208		2,574,331		2,651,924	
	(2) Land	1,444,289		1,454,819		1,444,289	
	(3) Others	523,545		489,083		520,968	
	Total Tangible Fixed Assets	4,727,044	35.9	4,518,235	39.4	4,617,182	39.4
2 Intangible Fixed Assets							
	(1) Others	247,759		202,611		227,636	
	Total Intangible Fixed Assets	247,759	1.9	202,611	1.8	227,636	1.9
3 Investments and Other Assets							
	(1) Investment in Affiliated Company	882,686		1,309,208		1,012,621	
	(2) Others	954,364		762,833		929,552	
	(3) Allowance for Doubtful Debts	11,497		11,777		11,777	
	Total Investments and Other Assets	1,825,554	13.8	2,060,264	18.0	1,930,396	16.5
	Total Fixed Assets	6,800,357	51.6	6,781,110	59.2	6,775,215	57.8
	Total Assets	13,181,721	100.0	11,454,449	100.0	11,721,796	100.0

(Unit: Thousand Yen)

Item	Period	As of Sep 30,2006		As of Sep 30,2007		As of March 31,2007	
		Amount	Composition (%)	Amount	Composition (%)	Amount	Composition (%)
(Liabilities)							
Current Liabilities							
1	Accounts Payable	1,256,894		596,232		692,452	
2	Short-term Borrowings	1,550,000		600,000		450,000	
3	Current Position of Long-term Borrowings	426,561		446,803		488,773	
4	Income Taxes Payable	186,500		20,842		56,000	
5	Reserve for Employees' Bonuses	120,000		107,000		120,000	
6	Reserve for Director' Bonuses	—		—		17,000	
7	Others	309,321		229,325		196,970	
	Total Current Liabilities	3,849,277	29.2	2,000,203	17.5	2,021,196	17.2
Fixed Liabilities							
1	Long-term Borrowings	721,350		907,892		1,123,798	
2	Reserve for Employees' Retirement Benefits	196,180		214,226		202,513	
3	Unpaid Amount Directors' Retirement Benefits	311,050		311,050		311,050	
	Total Fixed Liabilities	1,228,581	9.3	1,433,169	12.5	1,637,361	14.0
	Total Liabilities	5,077,858	38.5	3,433,373	30.0	3,658,558	31.2
(Net Assets Section)							
Shareholders' Equity							
1	Capital Stock	1,998,700	15.2	1,998,700	17.4	1,998,700	17.1
2	Capital Surplus						
	(1) Capital Appropriation	2,953,700		2,953,700		2,953,700	
	Total Capital Surplus	2,953,700	22.4	2,953,700	25.8	2,953,700	25.2
3	Earned Surplus						
	(1) Earned Surplus Reserve	60,000		60,000		60,000	
	(2) Other Earned Surplus Reserve						
	Voluntary Reserve	2,510,000		2,610,000		2,510,000	
	Un-appropriated Profits	985,509		822,729		955,284	
	Total Earned Surplus	3,555,509	27.0	3,492,729	30.5	3,525,284	30.0
4	Treasury Stock	480,756	3.7	481,234	4.2	481,141	4.1
	Total Shareholders' Equity	8,027,152	60.9	7,963,894	69.5	7,996,542	68.2
Valuation and Foreign Currency Translation							
1	Revaluation of Investment Securities	76,709		57,181		66,695	
	Total Valuation and Foreign Currency Translation	76,709	0.6	57,181	0.5	66,695	0.6
	Total Net Assets Section	8,103,862	61.5	8,021,076	70.0	8,063,238	68.8
	Total Liabilities and Net Assets	13,181,721	100.0	11,454,449	100.0	11,721,796	100.0

(2) Non-Consolidated Statements of Income

(Unit: Thousand Yen)

Item	Period	Six Months Ended Sep 30, 2006 (From Apr 1, 2006 to Sep 30, 2006)		Six Months Ended Sep 30, 2007 (From Apr 1, 2007 to Sep 30, 2007)		Fiscal Year Ended Mar 31, 2007 (From Apr 1, 2006 to Mar 31, 2007)		
		Amount	Composition (%)	Amount	Composition (%)	Amount	Composition (%)	
Net Sales		4,262,892	100.0	2,534,201	100.0	7,427,967	100.0	
Cost of Sales		2,699,037	63.3	1,946,621	76.8	4,981,408	67.1	
Gross Profit		1,563,855	36.7	587,579	23.2	2,446,558	32.9	
Selling and General Administrative Expenses		1,115,850	26.2	956,541	37.8	2,150,752	28.9	
Operating Income or Losses		448,004	10.5	368,962	14.6	295,805	4.0	
Non-Operating Income		33,175	0.8	74,459	2.9	169,390	2.3	
Non-Operating Expenses		22,218	0.5	28,846	1.1	41,728	0.6	
Ordinary Income or Losses		458,961	10.8	323,348	12.8	423,468	5.7	
Extraordinary Gains		—	—	415,286	16.5	—	—	
Extraordinary Losses		472	0.0	1,627	0.1	1,265	0.0	
Net income or Losses before tax adjustment		458,488	10.8	90,310	3.6	422,202	5.7	
Income Taxes-Current	176,580			12,596		153,289		
Deferred Income Taxes	—			6,342		—		
Income Taxes-Deferred	4,575	172,005	4.1	12,288	31,227	12,654	165,944	2.3
Net Income or Losses		286,483	6.7	59,082	2.3	256,258	3.4	

(3) Consolidated Statement of Changes in Shareholders' Equity

Non-Consolidated Six Months Ended September 30, 2006 (From April 1, 2006 to September 30, 2006)

	Shareholders' Equity								
	Capital Stock	Capital Surplus		Earned Surplus			Treasury Stock	Total Shareholders' Equity	
		Capital Appropriation	Total Capital Surplus	Earned Surplus Reserve	Other Earned Surplus				Total Earned Surplus
					Contingent reserve	Earned Surplus carried Forward			
Balance as of March 31,2006 (Thousand Yen)	1,998,700	2,953,700	2,953,700	60,000	2,410,000	957,402	3,427,402	480,415	7,899,386
Changes during the period									
Dividends of Retained Earnings	—	—	—	—	—	132,377	132,377	—	132,377
Director's Bonuses	—	—	—	—	—	26,000	26,000	—	26,000
Contingent reserve	—	—	—	—	100,000	100,000	—	—	—
Net Income	—	—	—	—	—	286,483	286,483	—	286,483
Purchase of Treasury Stock	—	—	—	—	—	—	—	340	340
Net Changes in Items other than Shareholders' Equity	—	—	—	—	—	—	—	—	—
Total Changes during the period (Thousand Yen)	—	—	—	—	100,000	28,106	128,106	340	127,766
Balance as of September 30,2006 (Thousand Yen)	1,998,700	2,953,700	2,953,700	60,000	2,510,000	985,509	3,555,509	480,756	8,027,152

	Valuation and Translation Adjustments		Total Net Assets
	Revaluation of Other Investment Securities	Total Valuation and Translation Adjustments	
Balance as of March 31,2006 (Thousand Yen)	82,194	82,194	7,981,580
Changes during the period			
Dividends of Retained Earnings	—	—	132,377
Director's Bonuses	—	—	26,000
Contingent reserve	—	—	—
Net Income	—	—	286,483
Purchase of Treasury Stock	—	—	340
Net Changes in Items other than Shareholders' Equity	5,484	5,484	5,484
Total Changes during the period (Thousand Yen)	5,484	5,484	122,281
Balance as of September 30,2006 (Thousand Yen)	76,709	76,709	8,103,862

Non-Consolidated Six Months Ended September 30, 2007 (From April 1, 2007 to September 30, 2007)

	Shareholders' Equity								
	Capital Stock	Capital Surplus		Earned Surplus			Treasury Stock	Total Shareholders' Equity	
		Capital Appropriation	Total Capital Surplus	Earned Surplus Reserve	Other Earned Surplus				Total Earned Surplus
					Contingent reserve	Earned Surplus carried Forward			
Balance as of March 31,2007 (Thousand Yen)	1,998,700	2,953,700	2,953,700	60,000	2,510,000	955,284	3,525,284	481,141	7,996,542
Changes during the period									
Dividends of Retained Earnings	—	—	—	—	—	91,637	91,637	—	91,637
Director's Bonuses	—	—	—	—	—	—	—	—	—
Contingent reserve	—	—	—	—	100,000	100,000	—	—	—
Net Income	—	—	—	—	—	59,082	59,082	—	59,082
Purchase of Treasury Stock	—	—	—	—	—	—	—	93	93
Net Changes in Items other than Shareholders' Equity	—	—	—	—	—	—	—	—	—
Total Changes during the period (Thousand Yen)	—	—	—	—	100,000	132,554	32,554	93	32,648
Balance as of September 30,2007 (Thousand Yen)	1,998,700	2,953,700	2,953,700	60,000	2,610,000	822,729	3,492,729	481,234	7,963,894

	Valuation and Translation Adjustments		Total Net Assets
	Revaluation of Other Investment Securities	Total Valuation and Translation Adjustments	
Balance as of March 31,2007 (Thousand Yen)	66,695	66,695	8,063,238
Changes during the period			
Dividends of Retained Earnings	—	—	91,637
Director's Bonuses	—	—	—
Contingent reserve	—	—	—
Net Income	—	—	59,082
Purchase of Treasury Stock	—	—	93
Net Changes in Items other than Shareholders' Equity	9,514	9,514	9,514
Total Changes during the period (Thousand Yen)	9,514	9,514	42,162
Balance as of September 30,2007 (Thousand Yen)	57,181	57,181	8,021,076

Non-Consolidated Fiscal Year Ended March 31, 2007 (From April 1, 2006 to March 31, 2007)

	Shareholders' Equity								
	Capital Stock	Capital Surplus		Earned Surplus			Treasury Stock	Total Shareholders' Equity	
		Capital Appropriation	Total Capital Surplus	Earned Surplus Reserve	Other Earned Surplus				Total Earned Surplus
					Contingent reserve	Earned Surplus carried Forward			
Balance as of March 31,2006 (Thousand Yen)	1,998,700	2,953,700	2,953,700	60,000	2,410,000	957,402	3,427,402	480,415	7,899,386
Changes during the period									
Dividends of Retained Earnings	—	—	—	—	—	132,377	132,377	—	132,377
Director's Bonuses	—	—	—	—	—	26,000	26,000	—	26,000
Contingent reserve	—	—	—	—	100,000	100,000	—	—	—
Net Income	—	—	—	—	—	256,258	256,258	—	256,258
Purchase of Treasury Stock	—	—	—	—	—	—	—	725	725
Net Changes in Items other than Shareholders' Equity	—	—	—	—	—	—	—	—	—
Total Changes during the period (Thousand Yen)	—	—	—	—	100,000	2,118	97,881	725	97,156
Balance as of March 31,2007 (Thousand Yen)	1,998,700	2,953,700	2,953,700	60,000	2,510,000	955,284	3,525,284	481,141	7,996,542

	Valuation and Translation Adjustments		Total Net Assets
	Revaluation of Other Investment Securities	Total Valuation and Translation Adjustments	
Balance as of March 31,2006 (Thousand Yen)	82,194	82,194	7,981,580
Changes during the period			
Dividends of Retained Earnings	—	—	132,377
Director's Bonuses	—	—	26,000
Contingent reserve	—	—	—
Net Income	—	—	256,258
Purchase of Treasury Stock	—	—	725
Net Changes in Items other than Shareholders' Equity	15,498	15,498	15,498
Total Changes during the period (Thousand Yen)	15,498	15,498	81,657
Balance as of March 31,2007 (Thousand Yen)	66,695	66,695	8,063,238