

# Non-Consolidated Financial Statement for the Fiscal year ended March 31, 2008

(1) Non-Consolidated Balance Sheet

(Unit: Thousand Yen)

Item	As of March 31, 2007		As of March 31, 2008		Increase ( Decrease)	
	Amount	Composition ( % )	Amount	Composition ( % )	Amount	
( Assets )						
Current Assets						
1 Cash and Cash Equivalents	1,329,561		2,506,178		1,176,616	
2 Notes Receivable	165,860		70,652		95,207	
3 Accounts Receivable, Trade	1,835,763		1,689,643		146,120	
4 Merchandise	91,420		18,110		73,309	
5 Finished Goods	132,898		106,729		26,169	
6 Semi-Finished Goods	169,937		219,264		49,326	
7 Raw Materials	184,868		127,020		57,847	
8 Work in Progress	656,456		497,221		159,235	
9 Supplies	64,662		17,824		46,837	
10 Advance	21,000		—		21,000	
11 Prepaid Expenses	41,670		20,904		20,765	
12 Deferred Tax Assets	79,769		—		79,769	
13 Other Accounts Receivable	169,754		304,177		134,423	
14 Others	8,500		26,425		17,925	
Doubtful Notes and Accounts	5,543		3,379		2,164	
<b>Total Current Assets</b>	<b>4,946,581</b>	<b>42.2</b>	<b>5,600,774</b>	<b>47.5</b>	<b>654,193</b>	
Fixed Assets						
1 Tangible Fixed Assets						
(1) Buildings	5,262,112		5,206,947		55,165	
Accumulated Depreciation Expense	2,610,188	2,651,924	2,802,404	2,404,543	192,216	247,381
(2) Structures	225,190		225,190		—	
Accumulated Depreciation Expense	150,606	74,584	161,503	63,687	10,897	10,897
(3) Machinery and Equipment	1,192,563		1,170,165		22,398	
Accumulated Depreciation Expense	813,244	379,319	860,003	310,162	46,758	69,156
(4) Automotive Equipment	30,624		21,855		8,769	
Accumulated Depreciation Expense	23,928	6,696	18,354	3,501	5,573	3,195
(5) Tools	332,582		335,937		3,355	
Accumulated Depreciation Expense	272,213	60,368	289,149	46,788	16,935	13,580
(6) Land	1,444,289		1,454,819		10,530	
(7) Construction in Progress	—		1,916		1,916	
<b>Total Tangible Fixed Assets</b>	<b>4,617,182</b>	<b>39.4</b>	<b>4,285,417</b>	<b>36.4</b>	<b>331,764</b>	

(Unit: Thousand Yen)

Item	As of March 31, 2007		As of March 31, 2008		Increase ( Decrease)	
	Amount	Composition ( % )	Amount	Composition ( % )	Amount	
2 Intangible Fixed Assets						
(1) Patent Property	4,005		1,560		2,445	
(2) Software	221,867		171,492		50,375	
(3) Telephone Rights	1,763		1,763		—	
Total Intangible Fixed Assets	227,636	1.9	174,815	1.5	52,820	
3 Investments and Other Assets						
(1) Investment Securities	467,074		106,528		360,546	
(2) Investment in Affiliated Company	1,012,621		1,309,208		296,586	
(3) Long-term Prepaid Expenses	8,661		5,564		3,097	
(4) Deferred Tax Assets	221,204		—		221,204	
(5) Long-term Other Accounts Receivable	—		141,848		141,848	
(6) Insurance Reserve Fund	162,637		130,470		32,167	
(7) Golf-Club Membership	24,143		24,143		—	
(8) Others	45,830		20,584		25,246	
Allowance for Doubtful Debts	11,777		11,777		—	
Total Investments and Other Assets	1,930,396	16.5	1,726,571	14.6	203,825	
Total Fixed Assets	6,775,215	57.8	6,186,804	52.5	588,410	
Total Assets	11,721,796	100.0	11,787,579	100.0	65,783	

Item	As of March 31, 2007		As of March 31, 2008		Increase ( Decrease)	
	Amount	Composition ( % )	Amount	Composition ( % )	Amount	
( Liabilities )		%		%		
Current Liabilities						
1 Accounts Payable	692,452		532,466		159,986	
2 Short-term Borrowings	450,000		2,350,000		1,900,000	
3 Current Position of Long-term Borrowings	488,773		355,122		133,651	
4 Accrued Liabilities	124,349		95,568		28,781	
5 Accrued Expenses	38,920		33,227		5,692	
6 Income Taxes Payable	56,000		3,264		52,735	
7 Advances	23,205		28,893		5,688	
8 Reserve for Employees' Bonuses	120,000		107,000		13,000	
9 Reserve for Directors' Bonuses	17,000		—		17,000	
10 Others	10,495		19,315		8,820	
Total Current Liabilities	2,021,196	17.2	3,524,859	29.9	1,503,662	
Fixed Liabilities						
1 Long-term Borrowings	1,123,798		738,676		385,122	
2 Deferred Income Taxes Liabilities	—		21,133		21,133	
3 Reserve for Employees' Retirement Benefits	202,513		223,146		20,633	
4 Reserve for Directors' Retirement Benefits	311,050		278,074		32,976	
Total Fixed Liabilities	1,637,361	14.0	1,261,029	10.7	376,331	
Total Liabilities	3,658,558	31.2	4,785,889	40.6	1,127,330	
(Net Assets)						
Shareholders' Equity						
1 Capital Stock	1,998,700	17.1	1,998,700	17.0	—	
2 Capital Surplus						
(1) Capital Appropriation	2,953,700		2,953,700		—	
Total Capital Surplus	2,953,700	25.2	2,953,700	25.0	—	
3 Earned Surplus						
(1) Earned Surplus Reserve	60,000		60,000		—	
(2) Other Earned Surplus						
Contingent Reserve	2,510,000		2,610,000		100,000	
Un-appropriated Profits	955,284		176,999		1,132,283	
Total Earned Surplus	3,525,284	30.0	2,493,000	21.1	1,032,283	
4 Treasury Stock	481,141	4.1	481,255	4.1	114	
Total Shareholders' Equity	7,996,542	68.2	6,964,144	59.0	1,032,398	
Valuation and Translation Adjustments						
1 Revaluation of Other Investment Securities	66,695		30,791		35,903	
Total Valuation and Translation Adjustments	66,695	0.6	30,791	0.3	35,903	
New Stock Reservation Right	—	—	6,754	0.1	6,754	
Total Net Assets	8,063,238	68.8	7,001,690	59.4	1,061,547	
Total Liabilities and Net Assets	11,721,796	100.0	11,787,579	100.0	65,783	

## (2) Non-Consolidated Statement of Income

(Unit: Thousand Yen)

Item	Period	Fiscal Year Ended March 31, 2007 ( From April 1, 2006 to March 31, 2007 )		Fiscal Year Ended March 31, 2008 ( From April 1, 2007 to March 31, 2008 )		Increase ( Decrease)			
		Amount	Composition ( % )	Amount	Composition ( % )	Amount			
Net Sales		7,427,967	100.0	4,934,096	100.0		2,493,870		
Cost of Sales		4,981,408	67.1	4,182,893	84.8		798,515		
Gross Profit		2,446,558	32.9	751,203	15.2		1,695,355		
Selling and General Administrative Expenses		2,150,752	28.9	1,777,766	36.0		372,985		
Operating Income or Losses ( )		295,805	4.0	1,026,563	20.8		1,322,369		
Non-Operating Income									
1 Interest Income		992		2,666			1,673		
2 Dividends Income		128,470		112,642			15,827		
3 Rent Income		7,698		7,762			63		
4 Foreign Currency Exchange Gain		16,370		—			16,370		
5 Entrusted Business Income		—		9,354			9,354		
6 Others		15,859	169,390	2.3	20,068	152,494	3.1	4,209	16,896
Non-Operating Expenses									
1 Interest Expenses		34,524		34,444			80		
2 Commitment line Expenses		—		2,626			2,626		
3 Foreign Currency Exchange Losses		—		81,093			81,093		
4 Others		7,204	41,728	0.6	6,028	124,192	2.5	1,175	82,463
Ordinary Income or Losses ( )		423,468	5.7	998,261	20.2		1,421,729		
Extraordinary Gains									
1 Gain on Doubtful Debts		—		1,753			1,753		
2 Gain on Sale of Fixed Assets		—		450			450		
3 Gain on Sale of Investment Securities		—		9,000			9,000		
4 Gain from Sale of Business		—	—	405,282	416,486	8.4	405,282	416,486	
Extraordinary Losses									
1 Loss on Sale of Fixed Assets		—		103			103		
2 Loss on Disposal of Fixed Assets		985		9,535			8,550		
3 Doubtful Debts		280		—			280		
4 Loss on Valuation of Membership		—	1,265	0.0	15,650	25,288	0.5	15,650	24,023
Net Income or Losses Before Tax ( )		422,202	5.7	607,064	12.3		1,029,266		
Income Taxes-Current		153,289		9,659			143,630		
Corporate Tax Refunds		—		29,887			29,887		
Deferred Income Taxes		—		7,061			7,061		
Refunded Corporate Tax		12,654	165,944	2.3	346,749	333,582	6.8	334,094	167,638
Net Income or Losses ( )		256,258	3.4	940,646	19.1		1,196,904		