

Balance Sheets

March 31, 2007

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ASSETS		
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Current assets		
Cash on hand and in banks	2,097,353,742	17,766,656.01
Notes receivable - trade	489,123,264	4,143,356.75
Accounts receivable - trade	2,437,162,565	20,645,172.09
Inventories	1,807,365,649	15,310,170.68
Deferred tax assets	57,063,510	483,384.24
Other current assets	222,163,073	1,881,940.47
Allowance for doubtful accounts	(7,535,126)	(63,829.95)
Total current assets	7,102,696,677	60,166,850.29
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Fixed assets		
Tangible assets		
Buildings	1,141,089,864	9,666,157.26
Structures	28,459,257	241,077.99
Machinery and equipment	2,276,744,952	19,286,276.59
Land	814,055,792	6,895,855.93
Construction in progress	28,074,051	237,814.92
Total property, plant and equipment	4,288,423,916	36,327,182.69
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Intangible assets	29,490,762	249,815.86
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Investments and other assets		
Investment securities	2,296,250,567	19,451,508.40
Other investment	763,220,550	6,465,231.26
Total investments and other assets	3,059,471,117	25,916,739.66
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Total assets	14,480,082,472	122,660,588.50
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March 31, 2007

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LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities

Notes payable	598,450,318	5,069,464.79
accounts payable	675,374,399	5,721,087.67
Income and enterprise taxes payable	22,118,830	187,368.32
Other current liabilities	480,246,910	4,068,165.27
Total current liabilities	1,776,190,457	15,046,086.04

Long-term liabilities

Deferred tax liabilities	329,137,784	2,788,121.85
Accrued retirement benefits for employees	273,159,083	2,313,927.01
Accrued retirement benefits for directors and corporate auditors	64,410,000	545,616.26
Total long-term liabilities	666,706,867	5,647,665.12

Shareholders' equity

Common stock	2,219,588,726	18,802,106.95
Capital surplus	3,341,270,124	28,303,855.35
Retained earnings	5,792,417,292	49,067,490.83
Net unrealized holding gains on securities	743,047,590	6,294,346.38
Treasury stock, at cost	(59,138,584)	(500,962.17)
Total shareholders' equity	12,037,185,148	101,966,837.34
Total liabilities and shareholders' equity	14,480,082,472	122,660,588.50

Income Statement

Year ended March 31, 2007

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Net sales	8,049,451,366	68,822,258.60
Cost of sales	6,593,587,281	56,374,720.25
Gross profit	1,455,864,085	12,447,538.35
Selling, general and administrative expenses	1,652,915,166	14,132,311.61
Operating income	(197,051,081)	(1,684,773.26)
Non-Operating income	47,933,777	409,830.51
Interest income	10,709,572	91,566.11
Interest on securities	1,407,659	12,035.39
Dividends received	28,111,196	240,348.80
Miscellaneous income	7,705,350	65,880.22
Non-Operating expenses	57,563,827	492,166.78
Interest expenses	1,610,686	13,771.26
Exchange loss	6,497,500	55,553.18
Loss resulted from valuation of inventory	32,880,882	281,129.29
Loss on retirement of inventory	6,325,294	54,080.83
Miscellaneous losses	10,249,465	87,632.22
Extraordinary gains	564,474,425	4,826,217.72
Gain on sales of investment securities	564,466,109	4,826,146.62
Other extraordinary gains	8,316	71.10
Extraordinary losses	303,461,444	2,594,574.59
Loss from prior period adjustment	4,647,049	39,731.95
Loss on retirement of fixed assets	155,754,357	1,331,689.10
Loss on sales of fixed assets	3,182,301	27,208.46
Loss on retirement of inventory	31,316,637	267,755.10
Loss of support for affiliated company	100,000,000	854,993.16
Removal expenses of branch office	8,561,100	73,196.82
Income before income taxes	54,331,850	464,533.60
Provision for income taxes	12,922,811	110,489.15
Net income	41,409,039	354,044.45

Statements of Shareholders' Equity

Year ended March 31, 2007

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	Common stock	Capital surplus	Retained earnings	Net unrealized holding gains on securities	Treasury stock
Balance at March 31, 2006	2,219,588,726	3,341,270,124	5,993,114,499	974,308,516	(153,948,935)
Net income			41,409,039		
Adjustments from translation of foreign currency financial statements					
Decrease in net unrealized holding gains on securities				(231,260,926)	
Cash dividends			(78,668,010)		
Treasury stock			(163,438,236)		94,810,351
Balance at March 31, 2007	2,219,588,726	3,341,270,124	5,792,417,292	743,047,590	(59,138,584)

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	Common stock	Capital surplus	Retained earnings	Net unrealized holding gains on securities	Treasury stock
Balance at March 31, 2006	18,802,106.95	28,303,855.35	50,767,594.23	8,253,354.65	(1,304,099.41)
Net income			350,775.43		
Adjustments from translation of foreign currency financial statements					
Decrease in net unrealized holding gains on securities				(1,959,008.27)	
Cash dividends			(666,395.68)		
Treasury stock			(1,384,483.15)		803,137.24
Balance at March 31, 2007	18,802,106.95	28,303,855.35	49,067,490.83	6,294,346.38	(500,962.17)

Notes

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1. Short-term credit to subsidiaries	184,487,020
Long-term credit to subsidiaries	300,000,000
2. Short-term debts on subsidiaries	58,138,012
3. Accumulated depreciations of tangible assets	15,328,098,690
4. Number of treasury shares	296,238
5. Sales to subsidiaries	204,549,916
Purchases from subsidiaries	698,387,850
Income from subsidiaries	5,413,037
6. Research and development expenses	297,012,170
7. Net income per share	1.59
Net income	41,409,039
Average number of shares outstanding	26,001,061
8. Net assets per share	464.33
Net assets	12,037,185,148
Number of outstanding stocks	25,923,762