

Consolidated Balance Sheets

September 30, 2008

ASSETS	Thousands of Yen
Current assets	
Cash and deposits	675,051
Notes and accounts receivable-trade	2,904,120
Short-term investment securities	184,453
Finished goods	958,715
Raw materials	303,494
Work in process	707,418
Other	105,605
Allowance for doubtful accounts	△ 12,250
Total current assets	5,826,608
Noncurrent assets	
Property, plant and equipment	
Machinery, equipment and vehicles	15,614,966
Accumulated depreciation and impairment loss	△ 13,450,762
Machinery, equipment and vehicles, net	2,164,204
Other	6,777,088
Accumulated depreciation and impairment loss	△ 4,892,200
Other, net	1,884,887
Total property, plant and equipment	4,049,091
Intangible assets	30,681
Investments and other assets	
Investment securities	1,436,647
Other	750,526
Allowance for doubtful accounts	△ 7
Total investments and other assets	2,187,167
Total noncurrent assets	6,266,939
Total assets	12,093,548

Consolidated Balance Sheets

September 30, 2008

Liabilities	Thousands of Yen
Current Liabilities	
Notes and accounts payable-trade	1,131,522
Short-term loans payable	400,000
Income taxes payable	30,842
Notes payable-facilities	237,823
Other	357,479
Total current liabilities	2,157,669
Noncurrent liabilities	
Deferred tax liabilities	146,070
Provision for retirement benefits	383,582
Other	37,260
Total noncurrent liabilities	566,912
Total liabilities	2,724,582
Net assets	
Shareholders' equity	
Capital stock	2,219,588
Capital surplus	3,341,270
Retained earnings	3,736,557
Treasury stock	△ 78,411
Total shareholders' equity	9,219,004
Valuation and translation adjustments	
Valuation difference on available-for-sale securities	201,709
Foreign currency translation adjustment	△ 51,747
Total valuation and translation adjustments	149,961
Total net assets	9,368,966
Total liabilities and net assets	12,093,548

Consolidated Statements of Income

six months ended September 30, 2008

	Thousands of Yen
Net sales	4,304,173
Cost of sales	3,488,942
Gross profit	815,231
Selling, general and administrative expenses	
Salaries and bonuses	308,806
Provision for retirement benefits	22,222
Provision of allowance for doubtful accounts	182
Other	535,837
Total selling, general and administrative expenses	867,049
Operating loss	△ 51,818
Non-Operating income	
Interest income	4,532
Dividends income	14,297
Other	11,380
Total non-operating income	30,210
Non-Operating expenses	
Interest expenses	3,332
Loss on abandonment of inventories	11,453
Other	5,695
Total non-operating expenses	20,445
Ordinary loss	△ 42,052
Extraordinary income	
Gain on sales of investment securities	90
Total extraordinary income	90
Extraordinary loss	
Loss on retirement of noncurrent assets	1,533
Total extraordinary losses	1,533
Loss before income taxes and minority interests	△ 43,495
Income taxes-current	19,101
Income taxes-deferred	—
Total income taxes	19,101
Net loss	△ 62,596

Consolidated Statements of Income

three months from July 1, 2008 to September 30, 2008

	Thousands of Yen
Net sales	2,161,824
Cost of sales	1,731,569
Gross profit	430,254
Selling, general and administrative expenses	
Salaries and bonuses	155,045
Provision for retirement benefits	10,852
Other	271,948
Total selling, general and administrative expenses	437,846
Operating loss	△ 7,591
Non-Operating income	
Interest income	2,136
Dividends income	183
Other	2,075
Total non-operating income	4,394
Non-Operating expenses	
Interest expenses	1,961
Foreign exchange losses	7,129
Other	5,723
Total non-operating expenses	14,813
Ordinary loss	△ 18,010
Extraordinary income	
Gain on sales of investment securities	90
Reversal of allowance for doubtful accounts	98
Total extraordinary income	189
Extraordinary loss	
Loss on retirement of noncurrent assets	1,412
Total extraordinary losses	1,412
Loss before income taxes and minority interests	△ 19,234
Income taxes-current	2,960
Income taxes-deferred	—
Total income taxes	2,960
Net loss	△ 22,194

Consolidated Statements of Cash Flows

six months ended September 30, 2008

	Thousands of Yen
Net cash provided by (used in) operating activities	
Loss before income taxes and minority interests	△ 43,495
Depreciation and amortization	234,087
Loss on retirement of property, plant and equipment	1,533
Increase (decrease) in provision for retirement benefits	9,536
Increase (decrease) in accounts payable-officers retiring allowance	△ 27,530
Increase (decrease) in accounts payable-bonuses	△ 1,119
Increase (decrease) in allowance for doubtful accounts	△ 27
Interest and dividend income	△ 18,829
Interest expense	3,332
Foreign exchange losses (gains)	△ 2,786
Loss (gain) on sales of investment securities	△ 90
Decrease (increase) in notes and accounts receivable-trade	△ 9,090
Decrease (increase) in inventories	△ 15,464
Increase (decrease) in notes and accounts payable-trade	△ 63,642
Increase (decrease) in accrued consumption taxes	10,591
Decrease (increase) in insurance funds	2,629
Other, net	△ 34,701
Subtotal	44,988
Interest and dividends income received	18,124
Interest expenses paid	△ 3,567
Income taxes paid	△ 19,860
Net cash provided by (used in) operating activities	39,684
Net cash provided by (used in) investment activities	
Proceeds from redemption of securities	15,000
Purchases of property, plant and equipment	△ 480,047
Proceeds from sales of investment securities	135
Purchases of investment activities	△ 15,714
Collection of long-term loans receivable to employees	1,600
Payments of long-term loans receivable to employees	△ 538
Other, net	△ 401
Net cash provided by (used in) investment activities	△ 479,966
Net cash provided by (used in) financing activities	
Net increase (decrease) in short-term loans payable	100,000
Purchase of treasury stock	△ 905
Cash dividends paid	△ 64,275
Net cash provided by (used in) financing activities	34,819
Effect of exchange rate changes on cash and cash equivalents	4,388
Net increase (decrease) in cash and cash equivalents	△ 401,073
Cash and cash equivalents at beginning of period	695,608
Cash and cash equivalents at end of period	294,534