

Consolidated Balance Sheets

September 30, 2012

ASSETS	Thousands of Yen
Current assets	
Cash and deposits	1,919,683
Notes and accounts receivable-trade	2,131,069
Short-term investment securities	88,558
Finished goods	1,035,537
Work in process	524,935
Raw materials and supplies	396,130
Other	24,604
Allowance for doubtful accounts	△ 2,136
Total current assets	6,118,381
Noncurrent assets	
Property, plant and equipment	
Machinery, equipment and vehicles	15,724,096
Accumulated depreciation and impairment loss	△ 14,391,481
Machinery, equipment and vehicles, net	1,332,614
Other	6,832,773
Accumulated depreciation and impairment loss	△ 5,243,205
Other, net	1,589,568
Total property, plant and equipment	2,922,183
Intangible assets	30,686
Investments and other assets	
Investment securities	754,619
Other	23,191
Allowance for doubtful accounts	△ 2,264
Total investments and other assets	775,546
Total noncurrent assets	3,728,416
Total assets	9,846,797

Consolidated Balance Sheets

September 30, 2012

<u>Liabilities</u>	<u>Thousands of Yen</u>
Current liabilities	
Notes and accounts payable-trade	1,029,298
Short-term loans payable	700,000
Income taxes payable	15,246
Notes payable-facilities	116,659
Other	321,734
Total current liabilities	2,182,938
Noncurrent liabilities	
Deferred tax liabilities	121,974
Provision for retirement benefits	538,344
Provision for environmental measures	9,322
Asset retirement obligations	6,883
Other	70,467
Total noncurrent liabilities	746,991
Total liabilities	2,929,930
Net assets	
Shareholders' equity	
Capital stock	2,219,588
Capital surplus	3,341,270
Retained earnings	1,550,159
Treasury stock	△ 84,721
Total shareholders' equity	7,026,296
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	△ 109,232
Deferred gains or losses on hedges	△ 196
Total accumulated other comprehensive income	△ 109,428
Total net assets	6,916,867
Total liabilities and net assets	9,846,797

Consolidated Income Statement and Consolidated Statement of Comprehensive
Income

six months ended September 30, 2012

	Thousands of Yen
Net sales	3,345,665
Cost of sales	2,786,362
Gross profit	559,302
Selling, general and administrative expenses	
Salaries and bonuses	255,719
Retirement benefit expenses	16,072
Other	422,299
<u>Total selling, general and administrative expenses</u>	<u>694,091</u>
Operating loss	△ 134,788
 Non-operating income	
Interest income	292
Dividends income	10,508
Other	2,471
Total non-operating income	13,273
Non-operating expenses	
Interest expenses	5,135
Foreign exchange losses	10,103
Other	398
Total non-operating expenses	15,637
Ordinary loss	△ 137,153
Extraordinary loss	
Loss on retirement of noncurrent assets	1,003
Loss on valuation of investment securities	135,129
<u>Total extraordinary losses</u>	<u>136,133</u>
Loss before income taxes and minority interests	△ 273,286
Income taxes-current	6,656
Income taxes-deferred	—
Total income taxes	6,656
Loss before minority interests	△ 279,942
Net loss	△ 279,942
Loss before minority interests	△ 279,942
Other comprehensive income	
Valuation difference on available-for-sale securities	△ 34,006
Deferred gains or losses on hedges	57
<u>Total other comprehensive income</u>	<u>△ 33,949</u>
Comprehensive income	△ 313,891
Comprehensive income attributable to	
Comprehensive income attributable to owners of the parent	△ 313,891
Comprehensive income attributable to minority interests	—

Consolidated Statements of Cash Flows

six months ended September 30, 2012

Thousands of Yen

Net cash provided by (used in) operating activities	
Loss before income taxes and minority interests	△ 273,286
Depreciation and amortization	108,195
Loss on retirement of property, plant and equipment	1,003
Increase (decrease) in provision for retirement benefits	4,916
Increase (decrease) in directors' retirement benefits payable	△ 11,280
Increase (decrease) in accounts payable-bonuses	△ 4,008
Increase (decrease) in allowance for doubtful accounts	△ 391
Interest and dividends income	△ 10,801
Interest expenses	5,135
Loss (gain) on valuation of investment securities	135,129
Decrease (increase) in notes and accounts receivable-trade	383,229
Decrease (increase) in inventories	△ 191,677
Increase (decrease) in notes and accounts payable-trade	26,716
Increase (decrease) in accrued consumption taxes	△ 13,786
Other, net	7,587
Subtotal	166,683
Interest and dividends income received	10,782
Interest expenses paid	△ 5,256
Income taxes paid	△ 7,973
Income taxes refund	4,850
Net cash provided by (used in) operating activities	169,085
Net cash provided by (used in) investing activities	
Payments into time deposits	△ 505,000
Proceeds from withdrawal of time deposits	505,000
Purchase of property, plant and equipment	△ 118,873
Purchase of intangible assets	△ 1,358
Payments of long-term loans receivable from employees	△ 420
Collection of long-term loans receivable from employees	402
Net cash provided by (used in) investing activities	△ 120,250
Net cash provided by (used in) financing activities	
Repayments of lease obligations	△ 9,929
Purchase of treasury stock	△ 375
Proceeds from disposal of treasury stock	7
Cash dividends paid	△ 38,357
Net cash provided by (used in) financing activities	△ 48,655
Effect of exchange rate change on cash and cash equivalents	△ 3,748
Net increase (decrease) in cash and cash equivalents	△ 3,568
Cash and cash equivalents at beginning of period	846,809
Cash and cash equivalents at end of period	843,241