

Consolidated Balance Sheets

As of March 31, 2011 and 2010

(Assets)	Millions of yen		Millions of U.S. dollars
	2011	2010	2011
Current assets			
Cash and deposits	¥ 85,027	¥ 68,999	\$ 1,022
Notes and accounts receivable—trade	110,201	149,520	1,325
Short-term investment securities	34,245	47,404	411
Merchandise and finished goods	4,167	3,989	50
Work in process	4,518	4,047	54
Raw materials and supplies	14,807	14,930	178
Deferred tax assets	3,868	4,241	46
Other current assets	22,624	27,294	272
Allowance for doubtful accounts	(283)	(805)	(3)
Total current assets	279,177	319,622	3,357
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	141,622	134,200	1,703
Accumulated depreciation	(65,839)	(63,372)	(791)
Buildings and structures, net	75,783	70,827	911
Machinery, equipment and vehicles	211,340	216,710	2,541
Accumulated depreciation	(143,275)	(136,605)	(1,723)
Machinery, equipment and vehicles, net	68,065	80,104	818
Tools, furniture and fixtures	96,355	93,637	1,158
Accumulated depreciation	(85,007)	(81,394)	(1,022)
Tools, furniture and fixtures, net	11,348	12,243	136
Land	22,974	23,131	276
Lease assets	392	241	4
Accumulated depreciation	(202)	(121)	(2)
Lease assets, net	190	119	2
Construction in progress	11,915	7,630	143
Total property, plant and equipment	190,277	194,055	2,288
Intangible assets			
Goodwill	2,319	3,391	27
Other intangible assets	521	704	6
Total intangible assets	2,841	4,096	34
Investments and other assets			
Investments in securities	10,766	7,236	129
Deferred tax assets	15,719	15,563	189
Other investments	5,855	6,085	70
Allowance for doubtful accounts	(165)	(174)	(1)
Total investments and other assets	32,175	28,711	386
Total noncurrent assets	225,294	226,864	2,709
Total assets	¥ 504,472	¥ 546,486	\$ 6,067

(Liabilities and net assets)	Millions of yen		Millions of U.S. dollars
	2011	2010	2011
Current liabilities			
Notes and accounts payable—trade	¥ 110,225	¥ 152,802	\$ 1,325
Short-term loans payable	7,246	13,347	87
Current portion of long-term loans payable	11,500	0	138
Accrued expenses	31,723	31,850	381
Income taxes payable	3,518	5,260	42
Provision for product warranties	1,515	1,507	18
Provision for bonuses to directors and corporate auditors	233	218	2
Asset retirement obligation	3	—	0
Other current liabilities	19,316	12,690	232
Total current liabilities	185,282	217,677	2,228
Noncurrent liabilities			
Long-term loans payable	94,244	105,897	1,133
Allowance for employee retirement benefits	23,094	22,303	277
Provision for retirement benefits for directors and corporate auditors	997	917	11
Asset retirement obligation	320	—	3
Other noncurrent liabilities	3,539	3,145	42
Total noncurrent liabilities	122,196	132,263	1,469
Total liabilities	307,479	349,941	3,697
(Net assets)			
Shareholders' equity			
Capital stock	8,400	8,400	101
Capital surplus	9,098	9,106	109
Retained earnings	176,177	167,679	2,118
Treasury stock	(4,675)	(3,926)	(56)
Total shareholders' equity	189,001	181,260	2,273
Accumulated other comprehensive income			
Net unrealised gains on other securities	657	816	7
Foreign currency translation adjustment	(24,594)	(17,795)	(295)
Total accumulated other comprehensive income	(23,936)	(16,978)	(287)
Subscription rights to shares	872	625	10
Minority interests	31,055	31,637	373
Total net assets	196,992	196,545	2,369
Total liabilities and net assets	¥ 504,472	¥ 546,486	\$ 6,067

Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

For the years ended March 31, 2011 and 2010

Consolidated Statements of Income

	Millions of yen		Millions of U.S. dollars
	2011	2010	2011
Net sales	¥983,727	¥953,729	\$11,830
Cost of sales	895,076	880,320	10,764
Gross profit	88,650	73,409	1,066
Selling, general and administrative expenses			
Transportation and warehousing expenses	6,738	6,322	81
Salaries and bonuses	18,099	17,504	217
Welfare expenses	3,357	2,400	40
Retirement benefit expenses	783	663	9
Provision for bonuses to directors and corporate auditors	248	237	2
Provision for directors' retirement benefits	381	305	4
Taxes and dues	1,559	1,447	18
Depreciation	2,720	2,904	32
Research and development expenses	1,434	1,325	17
Amortisation of goodwill	1,115	1,101	13
Other selling, general and administrative expenses	15,354	14,053	184
Total selling, general and administrative expenses	51,793	48,265	622
Operating income	36,856	25,143	443
Non-operating income			
Interest income	1,090	930	13
Dividends income	43	41	0
Rental income on noncurrent assets	776	814	9
Equity in net earnings of affiliates	1,670	1,288	20
Gain on valuation of derivatives	302	129	3
Other non-operating income	4,224	2,697	50
Total non-operating income	8,107	5,901	97
Non-operating expenses			
Interest expenses	1,674	1,759	20
Loss on disposal of noncurrent assets	514	386	6
Depreciation	1,071	1,087	12
Foreign exchange losses	3,675	1,538	44
Other non-operating expenses	2,001	2,206	24
Total non-operating expenses	8,937	6,977	107
Ordinary income	36,027	24,067	433
Extraordinary loss			
Impairment losses	—	1,091	—
Loss from disaster	1,866	—	22
Loss on valuation of investment securities	291	—	3
Amount from application of accounting standard for asset retirement obligations	254	—	3
Total extraordinary loss	2,412	1,091	29
Income before income taxes	33,615	22,976	404
Income taxes—current	13,303	10,672	159
Income taxes—deferred	302	(2,022)	3
Total income taxes	13,605	8,649	163
Net income before minority interests	20,009	—	240
Minority interest in net income of subsidiaries	8,542	7,445	102
Net income	¥11,466	¥6,882	\$137

Consolidated Statements of Comprehensive Income

Net income before minority interests	¥20,009	¥—	\$240
Other comprehensive income			
Net unrealised gains (losses) on other securities	(159)	—	(1)
Foreign currency translation adjustments	(8,557)	—	(102)
Amount corresponding to equity interest in equity method affiliates	(511)	—	(6)
Total other comprehensive income	(9,227)	—	(110)
Comprehensive income	10,781	—	129
(Breakdown)			
Comprehensive income attributable to parent company shareholders	4,509	—	54
Comprehensive income attributable to minority shareholders	6,272	—	75

Consolidated Statements of Changes in Net Assets

For the years ended March 31, 2011 and 2010

	Millions of yen		Millions of U.S. dollars
	2011	2010	2011
Shareholders' equity			
Capital stock			
Balance at beginning of year	¥ 8,400	¥ 8,400	\$ 101
Changes of items during the year			
Total changes of items during the year	—	—	—
Balance at end of year	8,400	8,400	101
Capital surplus			
Balance at beginning of year	9,106	9,122	109
Changes of items during the year			
Disposal of treasury stock	(7)	(15)	(0)
Total changes of items during the year	(7)	(15)	(0)
Balance at end of year	9,098	9,106	109
Retained earnings			
Balance at beginning of year	167,679	162,658	2,016
Changes of items during the year			
Dividends from surplus	(2,969)	(1,860)	(35)
Net income	11,466	6,882	137
Total changes of items during the year	8,497	5,021	102
Balance at end of year	176,177	167,679	2,118
Treasury stock			
Balance at beginning of year	(3,926)	(3,055)	(47)
Changes of items during the year			
Purchase of treasury stock	(759)	(997)	(9)
Disposal of treasury stock	10	126	0
Total changes of items during the year	(748)	(870)	(9)
Balance at end of year	(4,675)	(3,926)	(56)
Total shareholders' equity			
Balance at beginning of year	181,260	177,125	2,179
Changes of items during the year			
Dividends from surplus	(2,969)	(1,860)	(35)
Net income	11,466	6,882	137
Purchase of treasury stock	(759)	(997)	(9)
Disposal of treasury stock	2	111	0
Total changes of items during the year	7,740	4,134	93
Balance at end of year	¥189,001	¥ 181,260	\$2,273

	Millions of yen		Millions of U.S. dollars
	2011	2010	2011
Accumulated other comprehensive income			
Net unrealised gains on other securities			
Balance at beginning of year	¥ 816	¥ 653	\$ 9
Changes of items during the year			
Net changes of items other than shareholders' equity during the year	(158)	162	(1)
Total changes of items during the year	(158)	162	(1)
Balance at end of year	657	816	7
Foreign currency translation adjustment			
Balance at beginning of year	(17,795)	(19,775)	(214)
Changes of items during the year			
Net changes of items other than shareholders' equity during the year	(6,798)	1,980	(81)
Total changes of items during the year	(6,798)	1,980	(81)
Balance at end of year	(24,594)	(17,795)	(295)
Total accumulated other comprehensive income			
Balance at beginning of year	(16,978)	(19,122)	(204)
Changes of items during the year			
Net changes of items other than shareholders' equity during the year	(6,957)	2,143	(83)
Total changes of items during the year	(6,957)	2,143	(83)
Balance at end of year	(23,936)	(16,978)	(287)
Subscription rights to shares			
Balance at beginning of year	625	402	7
Changes of items during the year			
Net changes of items other than shareholders' equity during the year	246	223	2
Total changes of items during the year	246	223	2
Balance at end of year	872	625	10
Minority interests			
Balance at beginning of year	31,637	30,632	380
Changes of items during the year			
Net changes of items other than shareholders' equity during the year	(582)	1,005	(7)
Total changes of items during the year	(582)	1,005	(7)
Balance at end of year	31,055	31,637	373
Total net assets			
Balance at beginning of year	196,545	189,038	2,363
Changes of items during the year			
Dividends from surplus	(2,969)	(1,860)	(35)
Net income	11,466	6,882	137
Purchase of treasury stock	(759)	(997)	(9)
Disposal of treasury stock	2	111	0
Net changes of items other than shareholders' equity during the year	(7,293)	3,371	(87)
Total changes of items during the year	447	7,506	5
Balance at end of year	¥ 196,992	¥ 196,545	\$ 2,369

Consolidated Statements of Cash Flows

For the years ended March 31, 2011 and 2010

	Millions of yen		Millions of U.S. dollars
	2011	2010	2011
Cash flows from operating activities			
Income before income taxes	¥ 33,615	¥ 22,976	\$ 404
Depreciation and amortisation	32,342	35,121	388
Impairment losses	—	1,091	—
Amortisation of negative goodwill	1,115	1,101	13
Increase (decrease) in allowance for doubtful accounts	(472)	(7)	(5)
Increase in provision for employee retirement benefits	808	1,014	9
Interest and dividends income	(1,134)	(972)	(13)
Interest expenses	1,674	1,759	20
Foreign exchange loss	3,835	417	46
Equity in earnings of affiliates	(1,670)	(1,288)	(20)
Gain on sales of property, plant and equipment	(341)	(84)	(4)
Loss on disposal of property, plant and equipment	514	386	6
Decrease (increase) in trade notes and accounts receivable	31,018	(66,602)	373
Decrease (increase) in inventories	(1,793)	10,813	(21)
Increase (decrease) in accounts receivable—other	7,012	(8,682)	84
Increase (decrease) in notes and accounts payable—trade	(35,131)	60,476	(422)
Increase (decrease) in accounts payable—other	1,265	1,651	15
Increase (decrease) in accrued expenses	974	6,572	11
Others	1,690	2,492	20
Sub-total	75,324	68,236	905
Interest and dividend income received	2,116	2,555	25
Interest expenses paid	(1,691)	(1,802)	(20)
Income taxes paid	(15,117)	(4,800)	(181)
Net cash provided by operating activities	60,630	64,188	729
Cash flows from investing activities			
Purchase of property, plant and equipment	(37,331)	(45,522)	(448)
Proceeds from sales of property, plant and equipment	2,472	1,547	29
Purchase of investments in securities	(2,930)	(50)	(35)
Payment for investments in subsidiaries resulting in change in scope of consolidation	—	80	—
Purchase of subsidiaries' shares resulting in changes in scope of consolidation	(54)	—	(0)
Payments of loans receivable	(51)	(67)	(0)
Collection of loans receivable	64	1,534	0
Payments into time deposits	(6,054)	(2,190)	(72)
Proceeds from withdrawal of time deposits	3,624	3,237	43
Others	(201)	94	(2)
Net cash used in investing activities	(40,462)	(41,337)	(486)
Cash flows from financing activities			
Net decrease in short-term loans payable	(5,384)	(1,917)	(64)
Repayments of long-term loans payable	—	(1,781)	—
Purchase of treasury stock	(759)	(997)	(9)
Cash dividends paid	(2,969)	(1,863)	(35)
Cash dividends paid to minority shareholders	(8,453)	(7,669)	(101)
Proceeds from stock issuance to minority shareholders	2,039	630	24
Others	182	51	2
Net cash used in financing activities	(15,345)	(13,547)	(184)
Effect of exchange rate change on cash and cash equivalents	(3,996)	1,363	(48)
Net increase in cash and cash equivalents	826	10,667	9
Cash and cash equivalents at beginning of year	113,124	102,457	1,360
Cash and cash equivalents at end of year	¥113,950	¥ 113,124	\$ 1,370