

# Consolidated Balance Sheets

As of March 31, 2012 and 2011

Millions of yen

Assets	2012	2011
<b>Current assets</b>		
Cash and deposits	¥ <b>101,650</b>	¥ 85,027
Notes and accounts receivable—trade	<b>154,029</b>	110,201
Short-term investment securities	<b>55,034</b>	34,245
Merchandise and finished goods	<b>4,564</b>	4,167
Work in process	<b>4,725</b>	4,518
Raw materials and supplies	<b>17,136</b>	14,807
Deferred tax assets	<b>4,572</b>	3,868
Other current assets	<b>30,620</b>	22,624
Allowance for doubtful accounts	<b>(281)</b>	(283)
<b>Total current assets</b>	<b>372,052</b>	279,177
<b>Noncurrent assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	<b>144,920</b>	141,622
Accumulated depreciation	<b>(69,224)</b>	(65,839)
Buildings and structures, net	<b>75,696</b>	75,783
Machinery, equipment and vehicles	<b>227,628</b>	211,340
Accumulated depreciation	<b>(154,734)</b>	(143,275)
Machinery, equipment and vehicles, net	<b>72,893</b>	68,065
Tools, furniture and fixtures	<b>98,944</b>	96,355
Accumulated depreciation	<b>(87,515)</b>	(85,007)
Tools, furniture and fixtures, net	<b>11,428</b>	11,348
Land	<b>24,555</b>	22,974
Lease assets	<b>356</b>	392
Accumulated depreciation	<b>(215)</b>	(202)
Lease assets, net	<b>140</b>	190
Construction in progress	<b>5,118</b>	11,915
<b>Total property, plant and equipment</b>	<b>189,832</b>	190,277
<b>Intangible assets</b>		
Goodwill	<b>3,670</b>	2,319
Other intangible assets	<b>755</b>	521
<b>Total intangible assets</b>	<b>4,426</b>	2,841
<b>Investments and other assets</b>		
Investments in securities	<b>10,499</b>	10,766
Deferred tax assets	<b>15,148</b>	15,719
Other investments	<b>5,862</b>	5,855
Allowance for doubtful accounts	<b>(168)</b>	(165)
<b>Total investments and other assets</b>	<b>31,342</b>	32,175
<b>Total noncurrent assets</b>	<b>225,602</b>	225,294
<b>Total assets</b>	¥ <b>597,654</b>	¥ 504,472

Millions of yen

Liabilities and net assets	2012	2011
<b>Current liabilities</b>		
Notes and accounts payable—trade	¥ <b>158,305</b>	¥ 110,225
Short-term loans payable	<b>16,282</b>	7,246
Current portion of long-term loans payable	<b>35,181</b>	11,500
Accrued expenses	<b>37,771</b>	31,723
Income taxes payable	<b>4,527</b>	3,518
Provision for product warranties	<b>1,478</b>	1,515
Provision for bonuses to directors and corporate auditors	<b>191</b>	233
Asset retirement obligation	<b>—</b>	3
Other current liabilities	<b>18,465</b>	19,316
<b>Total current liabilities</b>	<b>272,204</b>	185,282
<b>Noncurrent liabilities</b>		
Long-term loans payable	<b>103,918</b>	94,244
Allowance for employee retirement benefits	<b>26,141</b>	23,094
Provision for retirement benefits for directors and corporate auditors	<b>860</b>	997
Asset retirement obligation	<b>323</b>	320
Other noncurrent liabilities	<b>3,857</b>	3,539
<b>Total noncurrent liabilities</b>	<b>135,101</b>	122,196
<b>Total liabilities</b>	<b>407,306</b>	307,479
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	<b>8,400</b>	8,400
Capital surplus	<b>9,098</b>	9,098
Retained earnings	<b>176,630</b>	176,177
Treasury stock	<b>(4,675)</b>	(4,675)
<b>Total shareholders' equity</b>	<b>189,454</b>	189,001
<b>Accumulated other comprehensive income</b>		
Net unrealised gains on other securities	<b>785</b>	657
Foreign currency translation adjustment	<b>(29,224)</b>	(24,594)
<b>Total accumulated other comprehensive income</b>	<b>(28,439)</b>	(23,936)
<b>Subscription rights to shares</b>	<b>972</b>	872
<b>Minority interests</b>	<b>28,360</b>	31,055
<b>Total net assets</b>	<b>190,347</b>	196,992
<b>Total liabilities and net assets</b>	<b>¥ 597,654</b>	¥ 504,472

# Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

For the years ended March 31, 2012 and 2011

## Consolidated Statements of Income

Millions of yen

	2012	2011
Net sales	¥ <b>964,295</b>	¥ 983,727
Cost of sales	<b>885,098</b>	895,076
Gross profit	<b>79,196</b>	88,650
Selling, general and administrative expenses		
Transportation and warehousing expenses	<b>6,762</b>	6,738
Salaries and bonuses	<b>19,876</b>	18,099
Welfare expenses	<b>3,682</b>	3,357
Retirement benefit expenses	<b>915</b>	783
Provision for bonuses to directors and corporate auditors	<b>204</b>	248
Provision for directors' retirement benefits	<b>308</b>	381
Taxes and dues	<b>1,437</b>	1,559
Depreciation	<b>3,042</b>	2,720
Research and development expenses	<b>1,839</b>	1,434
Amortisation of goodwill	<b>1,413</b>	1,115
Other selling, general and administrative expenses	<b>18,804</b>	15,354
Total selling, general and administrative expenses	<b>58,286</b>	51,793
Operating income	<b>20,910</b>	36,856
Non-operating income		
Interest income	<b>1,334</b>	1,090
Dividends income	<b>55</b>	43
Rental income on noncurrent assets	<b>784</b>	776
Equity in net earnings of affiliates	<b>1,177</b>	1,670
Gain on valuation of derivatives	<b>36</b>	302
Other non-operating income	<b>5,523</b>	4,224
Total non-operating income	<b>8,913</b>	8,107
Non-operating expenses		
Interest expenses	<b>1,766</b>	1,674
Loss on disposal of noncurrent assets	<b>664</b>	514
Depreciation	<b>1,163</b>	1,071
Foreign exchange losses	<b>120</b>	3,675
Other non-operating expenses	<b>2,882</b>	2,001
Total non-operating expenses	<b>6,598</b>	8,937
Ordinary income	<b>23,225</b>	36,027
Extraordinary loss		
Loss from disaster	<b>3,288</b>	1,866
Loss on valuation of investment securities	<b>—</b>	291
Amount from application of accounting standard for asset retirement obligations	<b>—</b>	254
Total extraordinary loss	<b>3,288</b>	2,412
Income before income taxes	<b>19,937</b>	33,615
Income taxes—current	<b>11,738</b>	13,303
Income taxes—deferred	<b>(325)</b>	302
Total income taxes	<b>11,412</b>	13,605
Net income before minority interests	<b>8,524</b>	20,009
Minority interest in net income of subsidiaries	<b>5,291</b>	8,542
Net income	¥ <b>3,232</b>	¥ 11,466

## Consolidated Statements of Comprehensive Income

Net income before minority interests	¥ <b>8,524</b>	¥ 20,009
Other comprehensive income		
Net unrealised gains (losses) on other securities	<b>126</b>	(159)
Foreign currency translation adjustments	<b>(4,690)</b>	(8,557)
Amount corresponding to equity interest in equity method affiliates	<b>(174)</b>	(511)
Total other comprehensive income	<b>(4,738)</b>	(9,227)
Comprehensive income	<b>3,786</b>	10,781
(Breakdown)		
Comprehensive income attributable to parent company shareholders	<b>(1,269)</b>	4,509
Comprehensive income attributable to minority shareholders	<b>5,056</b>	6,272

# Consolidated Statements of Changes in Net Assets

For the years ended March 31, 2012 and 2011

Millions of yen

	2012	2011
<b>Shareholders' equity</b>		
<b>Capital stock</b>		
Balance at beginning of year	¥ <b>8,400</b>	¥ 8,400
Changes of items during the year		
Total changes of items during the year	<b>—</b>	<b>—</b>
<b>Balance at end of year</b>	<b>8,400</b>	8,400
<b>Capital surplus</b>		
Balance at beginning of year	<b>9,098</b>	9,106
Changes of items during the year		
Disposal of treasury stock	<b>—</b>	(7)
<b>Total changes of items during the year</b>	<b>—</b>	(7)
<b>Balance at end of year</b>	<b>9,098</b>	9,098
<b>Retained earnings</b>		
Balance at beginning of year	<b>176,177</b>	167,679
Changes of items during the year		
Dividends from surplus	<b>(2,779)</b>	(2,969)
Net income	<b>3,232</b>	11,466
<b>Total changes of items during the year</b>	<b>453</b>	8,497
<b>Balance at end of year</b>	<b>176,630</b>	176,177
<b>Treasury stock</b>		
Balance at beginning of year	<b>(4,675)</b>	(3,926)
Changes of items during the year		
Purchase of treasury stock	<b>(0)</b>	(759)
Disposal of treasury stock	<b>—</b>	10
<b>Total changes of items during the year</b>	<b>(0)</b>	(748)
<b>Balance at end of year</b>	<b>(4,675)</b>	(4,675)
<b>Total shareholders' equity</b>		
Balance at beginning of year	<b>189,001</b>	181,260
Changes of items during the year		
Dividends from surplus	<b>(2,779)</b>	(2,969)
Net income	<b>3,232</b>	11,466
Purchase of treasury stock	<b>(0)</b>	(759)
Disposal of treasury stock	<b>—</b>	2
<b>Total changes of items during the year</b>	<b>453</b>	7,740
<b>Balance at end of year</b>	<b>¥ 189,454</b>	¥ 189,001

Millions of yen

	2012	2011
<b>Accumulated other comprehensive income</b>		
<b>Net unrealised gains on other securities</b>		
Balance at beginning of year	¥ 657	¥ 816
Changes of items during the year		
Net changes of items other than shareholders' equity during the year	127	(158)
<b>Total changes of items during the year</b>	<b>127</b>	<b>(158)</b>
Balance at end of year	<b>785</b>	657
<b>Foreign currency translation adjustment</b>		
Balance at beginning of year	(24,594)	(17,795)
Changes of items during the year		
Net changes of items other than shareholders' equity during the year	(4,630)	(6,798)
<b>Total changes of items during the year</b>	<b>(4,630)</b>	<b>(6,798)</b>
Balance at end of year	<b>(29,224)</b>	(24,594)
<b>Total accumulated other comprehensive income</b>		
Balance at beginning of year	(23,936)	(16,978)
Changes of items during the year		
Net changes of items other than shareholders' equity during the year	(4,502)	(6,957)
<b>Total changes of items during the year</b>	<b>(4,502)</b>	<b>(6,957)</b>
Balance at end of year	<b>(28,439)</b>	(23,936)
<b>Subscription rights to shares</b>		
Balance at beginning of year	872	625
Changes of items during the year		
Net changes of items other than shareholders' equity during the year	99	246
<b>Total changes of items during the year</b>	<b>99</b>	<b>246</b>
Balance at end of year	<b>972</b>	872
<b>Minority interests</b>		
Balance at beginning of year	31,055	31,637
Changes of items during the year		
Net changes of items other than shareholders' equity during the year	(2,695)	(582)
<b>Total changes of items during the year</b>	<b>(2,695)</b>	<b>(582)</b>
Balance at end of year	<b>28,360</b>	31,055
<b>Total net assets</b>		
Balance at beginning of year	196,992	196,545
Changes of items during the year		
Dividends from surplus	(2,779)	(2,969)
Net income	3,232	11,466
Purchase of treasury stock	(0)	(759)
Disposal of treasury stock	—	2
Net changes of items other than shareholders' equity during the year	(7,098)	(7,293)
<b>Total changes of items during the year</b>	<b>(6,645)</b>	<b>447</b>
Balance at end of year	¥ <b>190,347</b>	¥ 196,992

# Consolidated Statements of Cash Flows

For the years ended March 31, 2012 and 2011

Millions of yen

	2012	2011
<b>Cash flows from operating activities</b>		
Income before income taxes	¥ <b>19,937</b>	¥ 33,615
Depreciation and amortisation	<b>31,529</b>	32,342
Amortisation of negative goodwill	<b>1,413</b>	1,115
Increase (decrease) in allowance for doubtful accounts	<b>(138)</b>	(472)
Increase in provision for employee retirement benefits	<b>2,302</b>	808
Interest and dividends income	<b>(1,390)</b>	(1,134)
Interest expenses	<b>1,766</b>	1,674
Foreign exchange loss	<b>228</b>	3,835
Equity in earnings of affiliates	<b>(1,177)</b>	(1,670)
Gain on sales of property, plant and equipment	<b>(363)</b>	(341)
Loss on disposal of property, plant and equipment	<b>664</b>	514
Decrease (increase) in trade notes and accounts receivable	<b>(41,549)</b>	31,018
Decrease (increase) in inventories	<b>(1,256)</b>	(1,793)
Increase (decrease) in accounts receivable—other	<b>(9,155)</b>	7,012
Increase (decrease) in notes and accounts payable—trade	<b>46,818</b>	(35,131)
Increase (decrease) in accounts payable—other	<b>1,336</b>	1,265
Increase (decrease) in accrued expenses	<b>5,241</b>	974
Others	<b>(392)</b>	1,690
<b>Sub-total</b>	<b>55,813</b>	75,324
Interest and dividend income received	<b>3,280</b>	2,116
Interest expenses paid	<b>(1,741)</b>	(1,691)
Income taxes paid	<b>(10,431)</b>	(15,117)
<b>Net cash provided by operating activities</b>	<b>46,920</b>	60,630
<b>Cash flows from investing activities</b>		
Purchase of securities	<b>(20,000)</b>	—
Purchase of property, plant and equipment	<b>(35,675)</b>	(37,331)
Proceeds from sales of property, plant and equipment	<b>1,634</b>	2,472
Purchase of investments in securities	<b>(166)</b>	(2,930)
Purchase of subsidiaries' shares resulting in changes in scope of consolidation	<b>(3,838)</b>	(54)
Payments of loans receivable	<b>(401)</b>	(51)
Collection of loans receivable	<b>199</b>	64
Payments into time deposits	<b>(42,474)</b>	(6,054)
Proceeds from withdrawal of time deposits	<b>24,984</b>	3,624
Others	<b>(372)</b>	(201)
<b>Net cash used in investing activities</b>	<b>(76,108)</b>	(40,462)
<b>Cash flows from financing activities</b>		
Net decrease in short-term loans payable	<b>7,287</b>	(5,384)
Proceeds from long-term loans payable	<b>44,982</b>	—
Repayments of long-term loans payable	<b>(11,555)</b>	—
Cash dividends paid	<b>(2,781)</b>	(2,969)
Cash dividends paid to minority shareholders	<b>(7,510)</b>	(8,453)
Proceeds from stock issuance to minority shareholders	<b>346</b>	2,039
Others	<b>(21)</b>	(577)
<b>Net cash provided by (used in) financing activities</b>	<b>30,748</b>	(15,345)
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>(1,562)</b>	(3,996)
<b>Net increase in cash and cash equivalents</b>	<b>(3)</b>	826
<b>Cash and cash equivalents at beginning of year</b>	<b>113,950</b>	113,124
<b>Cash and cash equivalents at end of year</b>	<b>¥ 113,947</b>	¥ 113,950