

Interim Financial Statements (Consolidated)

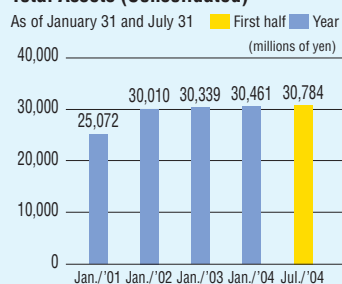
Interim Balance Sheets (Consolidated)

	(Thousands of yen)			(Thousands of yen)	
	July 31, 2004	January 31, 2004		July 31, 2004	January 31, 2004
<Assets>			<Liabilities, minority interests and shareholders' equity>		
Current assets	16,655,487	17,182,039	Current liabilities	6,797,649	7,045,632
Cash and time deposits	5,256,834	4,722,805	Notes and accounts payable – trade	2,923,396	3,365,781
Notes and accounts receivable – trade	8,157,270	9,106,829	Short-term borrowings	1,422,260	1,193,260
Inventories	2,584,020	2,602,088	Accrued income taxes	662,069	601,935
Deferred tax assets	298,204	276,125	Accrued bonuses	354,427	347,555
Other	368,063	485,358	Other	1,435,496	1,537,099
Allowance for doubtful accounts	(8,905)	(11,167)	Long-term liabilities	3,134,310	3,143,298
Fixed assets	14,129,150	13,279,449	Long-term borrowings	307,640	392,520
Property, plant and equipment	7,992,390	8,017,719	Accrued severance indemnities	2,449,823	2,361,738
Building and structures	4,876,656	4,851,418	Allowance for directors' and corporate auditors' retirement benefits	376,847	389,040
Land	2,612,545	2,612,545	Total liabilities	9,931,959	10,188,930
Other	503,188	553,754	<Minority interests>		
Intangible fixed assets	522,035	531,235	Minority interests	159,749	152,273
Investments and other assets	5,614,723	4,730,495	<Shareholders' equity>		
Investments in securities	2,898,428	2,001,547	Common stock	6,586,000	6,586,000
Deferred tax assets	1,514,686	1,460,692	Capital surplus	6,415,030	6,415,030
Other	1,359,937	1,433,135	Retained earnings	7,778,815	7,192,214
Allowance for doubtful accounts	(158,330)	(164,880)	Net unrealized gains on investment in securities	220,002	234,883
Total assets	30,784,637	30,461,489	Foreign currency translation adjustments	(7,464)	(8,411)
			Treasury stock	(299,455)	(299,432)
			Total shareholders' equity	20,692,928	20,120,285
			Total liabilities, minority interests and shareholders' equity	30,784,637	30,461,489

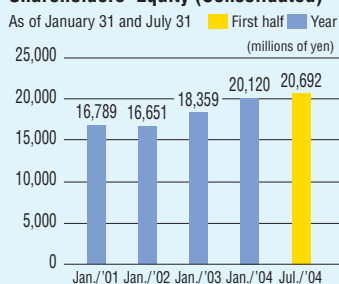
Accumulated depreciation on property, plant and equipment 4,326,270

4,407,559

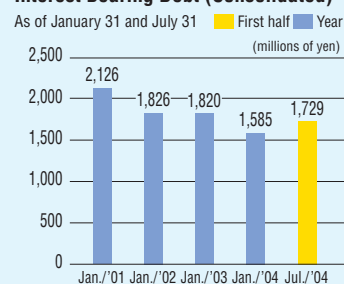
Total Assets (Consolidated)



Shareholders' Equity (Consolidated)



Interest Bearing Debt (Consolidated)



Interim Statements of Operations (Consolidated)
Six months ended July 31

(Thousands of yen)

	2004	2003
Net sales	20,556,751	20,243,134
Cost of sales	16,575,158	16,479,055
Gross profit	3,981,592	3,764,078
Selling, general and administrative expenses	2,646,157	2,477,208
Operating income	1,335,435	1,286,870
Other income	158,017	110,673
Other expenses	41,197	22,090
Ordinary income	1,452,255	1,375,454
Extraordinary income	3,311	8,457
Extraordinary losses	24,133	82,669
Income before income taxes	1,431,433	1,301,242
Income taxes	662,282	677,326
Deferred income taxes	(69,684)	(115,034)
Minority interests in net income	10,285	3,791
Net income	828,549	735,157

Interim Statements of Retained Earnings (Consolidated)
Six months ended July 31

(Thousands of yen)

	2004	2003
<Capital surplus>		
Capital surplus at beginning of period	6,415,030	6,415,030
Capital surplus at end of the interim period	6,415,030	6,415,030
<Retained earnings>		
Retained earnings at beginning of period	7,192,214	5,417,071
Increase in retained earnings	828,549	735,157
Decrease in retained earnings	241,948	308,599
Retained earnings at end of the interim period	7,778,815	5,843,629

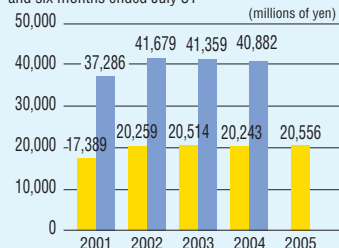
Interim Statements of Cash Flows (Consolidated)
Six months ended July 31

(Thousands of yen)

	2004	2003
Cash flows from operating activities	1,565,785	(38,966)
Cash flows from investing activities	(988,419)	(889,230)
Cash flows from financing activities	(43,828)	(254,137)
Effect of exchange rate changes on cash and cash equivalents	488	—
Net increase (decrease) in cash and cash equivalents	534,026	(1,182,334)
Cash and cash equivalents at beginning of period	4,681,951	4,341,447
Cash and cash equivalents at end of the interim period	5,215,978	3,159,113

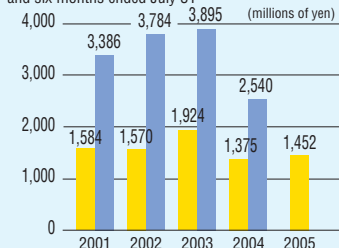
Net Sales (Consolidated)

Fiscal years ended January 31 and six months ended July 31



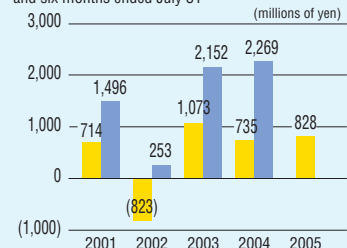
Ordinary Income (Consolidated)

Fiscal years ended January 31 and six months ended July 31



Interim Net Income (Consolidated)

Fiscal years ended January 31 and six months ended July 31



For the year ended January 31, 2002, the transition difference due to the adoption of a new accounting standard for employees' retirement benefits totaling ¥2,868 million was collectively incurred as the extraordinary losses.

Interim Financial Statements (Non-Consolidated)

Interim Balance Sheets (Non-Consolidated)

	(Thousands of yen)	
	July 31, 2004	January 31, 2004
<Assets>		
Current assets	13,731,283	14,459,997
Cash and time deposits	4,766,711	4,076,083
Notes receivable	121,624	104,749
Accounts receivable – trade	6,542,559	7,682,989
Inventories	1,641,006	1,494,928
Deferred tax assets	225,347	217,003
Other	441,121	892,250
Allowance for doubtful accounts	(7,087)	(8,006)
Fixed assets	13,942,001	13,311,977
Property, plant and equipment	7,498,583	7,518,130
Building and structures	4,569,615	4,538,116
Land	2,383,494	2,383,494
Other	545,473	596,518
Intangible fixed assets	513,861	522,320
Software	477,774	485,948
Other	36,087	36,371
Investments and other assets	5,929,555	5,271,526
Investments in securities	2,189,304	1,380,679
Investments in subsidiaries	1,502,960	1,652,960
Equity investments	80,505	112,490
Equity investments in subsidiaries	59,700	59,700
Guarantee and deposits	627,922	650,770
Deferred tax assets	1,087,723	1,031,800
Other	458,289	466,526
Allowance for doubtful accounts	(76,850)	(83,400)
Total assets	27,673,284	27,771,975

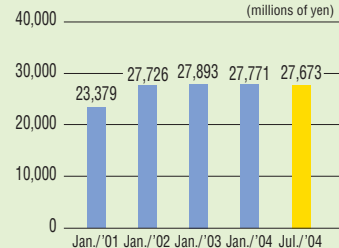
Accumulated depreciation on property, plant and equipment 4,069,141

4,156,318

	(Thousands of yen)	
	July 31, 2004	January 31, 2004
<Liabilities and shareholders' equity>		
Current liabilities	4,827,210	5,484,042
Accounts payable – trade	2,603,223	3,243,059
Short-term borrowings	319,200	319,200
Accrued income taxes	561,186	474,282
Accrued bonuses	216,665	234,445
Other	1,126,935	1,213,055
Long-term liabilities	2,454,857	2,379,035
Long-term borrowings	38,400	48,000
Accrued severance indemnities	2,051,602	1,961,170
Allowance for directors' and corporate auditors' retirement benefits	364,855	369,865
Total liabilities	7,282,068	7,863,077
<Shareholders' equity>		
Common stock	6,586,000	6,586,000
Capital reserves	6,415,030	6,415,030
Capital surplus	6,415,030	6,415,030
Retained earnings	7,471,777	6,972,663
Revenue reserve	300,783	300,783
Voluntary reserve	5,934,233	4,257,747
Unappropriated retained earnings	1,236,759	2,414,132
Net unrealized gains on investments in securities	217,864	234,636
Treasury stock	(299,455)	(299,432)
Total shareholders' equity	20,391,216	19,908,897
Total liabilities and shareholders' equity	27,673,284	27,771,975

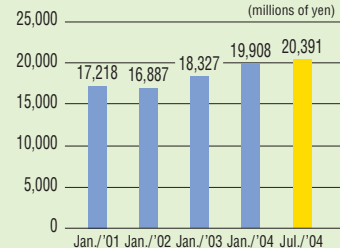
Total Assets (Non-Consolidated)

As of January 31 and July 31 (millions of yen)



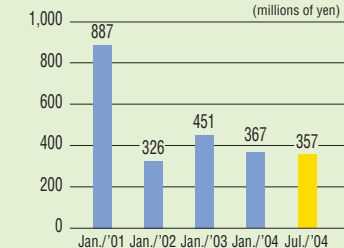
Shareholders' Equity (Non-Consolidated)

As of January 31 and July 31 (millions of yen)



Interest Bearing Debt (Non-Consolidated)

As of January 31 and July 31 (millions of yen)



Interim Statements of Operations (Non-Consolidated)
Six months ended July 31

(Thousands of yen)

	2004	2003
Net sales	17,043,592	16,608,193
Cost of sales	13,806,615	13,492,854
Gross profit	3,236,977	3,115,338
Selling, general and administrative expenses	2,069,946	1,981,834
Operating income	1,167,030	1,133,503
Other income	129,526	101,696
Other expenses	35,774	14,848
Ordinary income	1,260,783	1,220,351
Extraordinary income	—	8,319
Extraordinary losses	19,423	81,778
Income before income taxes	1,241,359	1,146,891
Income taxes	557,446	583,524
Deferred income taxes	(52,756)	(90,065)
Net income	736,669	653,433
Unappropriated retained earnings brought forward from the previous period	500,090	520,308
Unappropriated retained earnings	1,236,759	1,173,741

Basic Policy for Appropriation of Retained Earnings

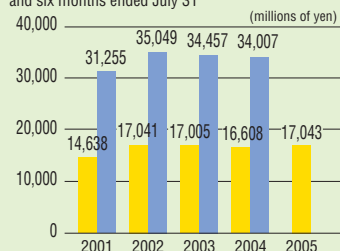
The Company's policy on profit distribution is to increase retained earnings on a long-term basis and to maintain a steady distribution of earnings in consideration of overall future business environment and dividend payout.

In addition, the Company enhances our business fundamentals by allocating retained earnings to capital expenditures such as research and development for advanced technologies and infrastructure development for improving business operations.

From the above, the Company decided to pay an interim dividend of ¥10 per share.

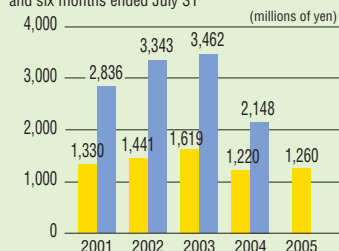
Net Sales (Non-Consolidated)

Fiscal years ended January 31 and six months ended July 31



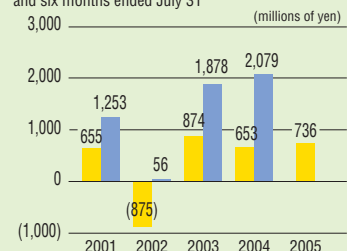
Ordinary Income (Non-Consolidated)

Fiscal years ended January 31 and six months ended July 31



Interim Net Income (Non-Consolidated)

Fiscal years ended January 31 and six months ended July 31



For the year ended January 31, 2002, the transition difference due to the adoption of a new accounting standard for employees' retirement benefits totaling ¥2,789 million was collectively incurred as the extraordinary losses.