

# Interim Financial Statements (Consolidated)

## Interim Balance Sheets (Consolidated)

	(Thousands of yen)	
	July 31, 2006	January 31, 2006
<Assets>		
<b>Current assets</b>	<b>16,892,278</b>	<b>17,119,780</b>
Cash and time deposits	4,230,211	5,373,657
Notes and accounts receivable – trade	8,786,424	8,482,454
Inventories	2,424,090	1,944,514
Deferred tax assets	397,496	387,764
Other	1,062,273	939,872
Allowance for doubtful accounts	(8,217)	(8,482)
<b>Fixed assets</b>	<b>14,137,268</b>	<b>14,338,757</b>
<b>Property, plant and equipment</b>	<b>7,476,036</b>	<b>7,494,200</b>
Buildings and structures	4,540,460	4,550,612
Land	2,512,896	2,511,776
Other	422,680	431,812
<b>Intangible fixed assets</b>	<b>822,180</b>	<b>894,761</b>
<b>Investments and other assets</b>	<b>5,839,051</b>	<b>5,949,794</b>
Investments in securities	3,096,288	3,268,128
Deferred tax assets	1,460,384	1,410,163
Other	1,409,549	1,398,672
Allowance for doubtful accounts	(127,170)	(127,170)
<b>Total assets</b>	<b>31,029,547</b>	<b>31,458,537</b>

(Notes) 1. Accumulated depreciation on property, plant and equipment 4,783,345 4,726,879  
2. Above amounts are rounded down to the nearest thousand yen.

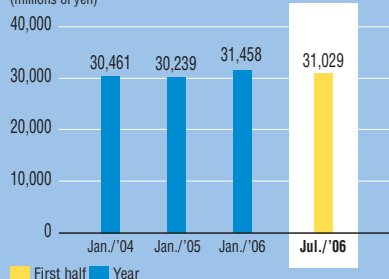
### Presentation of Net Assets in the Balance Sheet

With the enforcement of the Company Law in May 1, 2006, the existing "Shareholders' equity" section was abolished and "Net assets" section was newly established. Under the new standard, balance sheet is divided into sections on "Assets" and "Liabilities," and items that are not categorized in either of these sections are presented in "Net assets" section. This has enabled the balance sheet to show the company's financial position and ability to pay more appropriately.

	(Thousands of yen)	
	July 31, 2006	January 31, 2006
<Liabilities, minority interests and shareholders' equity>		
<b>Current liabilities</b>	<b>5,754,009</b>	<b>6,187,249</b>
Notes and accounts payable – trade	2,391,223	2,616,463
Short-term borrowings	839,116	798,076
Accrued income taxes	607,499	859,769
Accrued bonuses	471,794	433,919
Other	1,444,375	1,479,020
<b>Long-term liabilities</b>	<b>2,732,686</b>	<b>2,996,128</b>
Long-term borrowings	196,055	275,613
Accrued severance indemnities	1,889,116	1,868,995
Allowance for directors' and corporate auditors' retirement benefits	433,099	422,689
Other	214,415	428,830
<b>Total liabilities</b>	<b>8,486,695</b>	<b>9,183,377</b>
<Minority interests>		
<b>Minority interests</b>	<b>—</b>	<b>497,273</b>
<Shareholders' equity>		
<b>Common stock</b>	<b>—</b>	<b>6,586,000</b>
<b>Capital surplus</b>	<b>—</b>	<b>6,415,030</b>
<b>Retained earnings</b>	<b>—</b>	<b>9,160,602</b>
<b>Net unrealized gains on other securities</b>	<b>—</b>	<b>615,119</b>
<b>Foreign currency translation adjustments</b>	<b>—</b>	<b>(2,134)</b>
<b>Treasury stock</b>	<b>—</b>	<b>(996,730)</b>
<b>Total shareholders' equity</b>	<b>—</b>	<b>21,777,886</b>
<b>Total liabilities, minority interests and shareholders' equity</b>	<b>—</b>	<b>31,458,537</b>
<Net assets>		
<b>Shareholders' equity</b>	<b>21,619,937</b>	<b>—</b>
Common stock	6,586,000	—
Capital surplus	6,415,030	—
Retained earnings	9,615,637	—
Treasury stock	(996,730)	—
<b>Valuation and translation adjustments</b>	<b>397,085</b>	<b>—</b>
Net unrealized gains on other securities	400,108	—
Foreign currency translation adjustments	(3,022)	—
<b>Minority interests</b>	<b>525,828</b>	<b>—</b>
<b>Total net assets</b>	<b>22,542,851</b>	<b>—</b>
<b>Total liabilities and net assets</b>	<b>31,029,547</b>	<b>—</b>

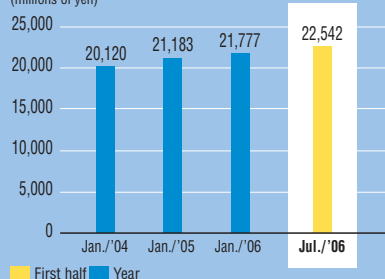
### Total Assets (Consolidated)

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



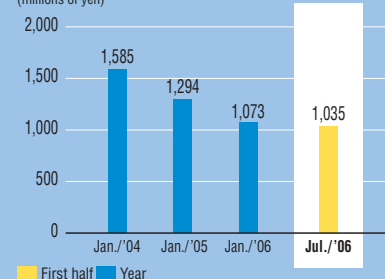
### Net Assets (Consolidated)

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



### Interest Bearing Debt (Consolidated)

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



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

(Thousands of yen)

	2006	2005
Net sales	24,384,992	21,019,116
Cost of sales	19,825,137	16,883,782
<b>Gross profit</b>	<b>4,559,854</b>	<b>4,135,334</b>
Selling, general and administrative expenses	3,316,025	2,981,069
<b>Operating income</b>	<b>1,243,828</b>	<b>1,154,264</b>
Other income	132,542	87,280
Other expenses	37,711	10,744
<b>Ordinary income</b>	<b>1,338,659</b>	<b>1,230,800</b>
Extraordinary income	148,275	175,167
Extraordinary losses	46,235	2,785
<b>Income before income taxes</b>	<b>1,440,699</b>	<b>1,403,182</b>
Income taxes	552,600	618,789
Deferred income taxes	89,295	65,113
Minority interests in net income (loss)	31,638	(5,548)
<b>Net income</b>	<b>767,164</b>	<b>724,828</b>

(Note) Above amounts are rounded down to the nearest thousand yen.

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

(Thousands of yen)

	2006	2005
Cash flows from operating activities	(466,281)	1,025,626
Cash flows from investing activities	(270,322)	(946,553)
Cash flows from financing activities	(353,496)	5,822
Effect of exchange rate changes on cash and cash equivalents	(136)	1,732
Net increase (decrease) in cash and cash equivalents	(1,090,236)	86,627
Cash and cash equivalents at beginning of period	5,432,789	5,080,328
Cash and cash equivalents at end of the interim period	4,342,553	5,166,955

(Note) Above amounts are rounded down to the nearest thousand yen.

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

(Thousands of yen)

	2005
<Capital surplus>	
Capital surplus at beginning of period	6,415,030
Capital surplus at end of the interim period	6,415,030
<Retained earnings>	
Retained earnings at beginning of period	8,289,280
Increase in retained earnings	724,828
Decrease in retained earnings	232,232
Retained earnings at end of the interim period	8,781,876

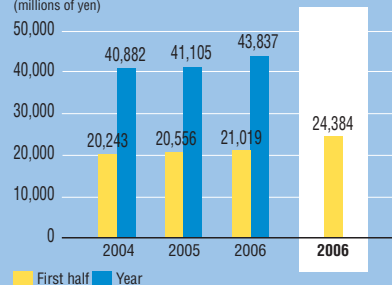
(Note) Above amounts are rounded down to the nearest thousand yen.

### Statement of Changes in Net Assets

With the enforcement of the Company Law in May 1, 2006, "Statement of Retained Earnings" was abolished and "Statement of Changes in Net Assets" was newly established. Objective for preparing this statement is mainly to disclose causes of changes for the items of shareholders' equity, the section attributable to shareholders, among changes in the net assets section of the balance sheet for a given accounting period.

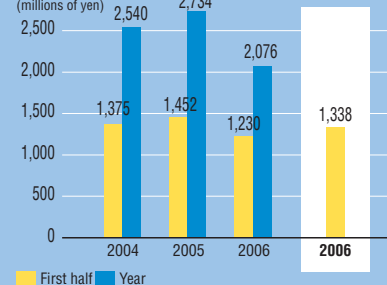
### Net Sales (Consolidated)

Years ended January 31 and six months ended July 31  
(millions of yen)



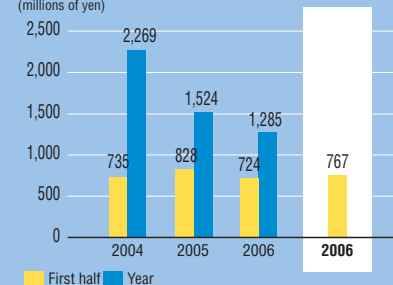
### Ordinary Income (Consolidated)

Years ended January 31 and six months ended July 31  
(millions of yen)



### Net Income (Consolidated)

Years ended January 31 and six months ended July 31  
(millions of yen)



# Interim Financial Statements (Consolidated)

## Interim Statement of Changes in Net Assets (Consolidated) Six months ended July 31, 2006

(Thousands of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of January 31, 2006	6,586,000	6,415,030	9,160,602	(996,730)	21,164,902
Changes during the interim term					
Dividends			(269,653)		(269,653)
Directors' bonuses			(42,476)		(42,476)
Net income			767,164		767,164
Net changes of items other than shareholders' equity during the interim term					—
Total changes during the interim term	—	—	455,035	—	455,035
Balance as of July 31, 2006	6,586,000	6,415,030	9,615,637	(996,730)	21,619,937

	Valuation and translation adjustments			Minority interests	Total net assets
	Net unrealized gains on other securities	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance as of January 31, 2006	615,119	(2,134)	612,984	497,273	22,275,159
Changes during the interim term					
Dividends			—		(269,653)
Directors' bonuses			—		(42,476)
Net income			—		767,164
Net changes of items other than shareholders' equity during the interim term	(215,011)	(887)	(215,898)	28,555	(187,343)
Total changes during the interim term	(215,011)	(887)	(215,898)	28,555	267,691
Balance as of July 31, 2006	400,108	(3,022)	397,085	525,828	22,542,851

(Note) Above amounts are rounded down to the nearest thousand yen.

# Interim Financial Statements (Non-Consolidated)

## Interim Balance Sheets (Non-Consolidated)

	(Thousands of yen)	
	July 31, 2006	January 31, 2006
<Assets>		
<b>Current assets</b>	<b>12,690,887</b>	<b>12,703,839</b>
<b>Fixed assets</b>	<b>14,766,544</b>	<b>14,876,764</b>
Property, plant and equipment	6,875,484	6,967,584
Intangible fixed assets	389,269	489,977
Investments and other assets	7,501,790	7,419,202
<b>Total assets</b>	<b>27,457,431</b>	<b>27,580,604</b>
<Liabilities>		
<b>Current liabilities</b>	<b>3,798,216</b>	<b>3,908,247</b>
<b>Long-term liabilities</b>	<b>1,739,035</b>	<b>2,024,760</b>
<b>Total liabilities</b>	<b>5,537,252</b>	<b>5,933,008</b>
<Shareholders' equity>		
<b>Common stock</b>	—	<b>6,586,000</b>
<b>Capital surplus</b>	—	<b>6,415,030</b>
<b>Retained earnings</b>	—	<b>9,041,807</b>
<b>Net unrealized gains on other securities</b>	—	<b>601,488</b>
<b>Treasury stock</b>	—	<b>(996,730)</b>
<b>Total shareholders' equity</b>	—	<b>21,647,595</b>
<b>Total liabilities and shareholders' equity</b>	—	<b>27,580,604</b>
<Net assets>		
<b>Shareholders' equity</b>	<b>21,534,039</b>	—
Common stock	6,586,000	—
Capital surplus	6,415,030	—
Capital reserve	6,415,030	—
Retained earnings	9,529,740	—
Legal reserve	300,783	—
Other retained earnings	9,228,956	—
Treasury stock	(996,730)	—
<b>Valuation and translation adjustments</b>	<b>386,140</b>	—
<b>Total net assets</b>	<b>21,920,179</b>	—
<b>Total liabilities and net assets</b>	<b>27,457,431</b>	—

(Notes) 1. Accumulated depreciation on property, plant and equipment 4,457,328 4,376,948  
2. Above amounts are rounded down to the nearest thousand yen.

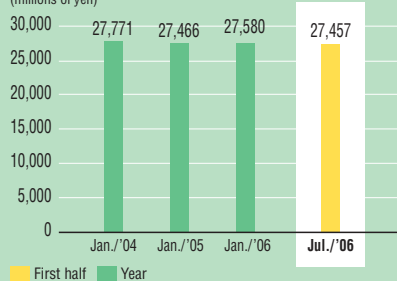
## Interim Statements of Operations (Non-Consolidated) Six months ended July 31

	(Thousands of yen)	
	2006	2005
Net sales	16,182,037	15,744,192
Cost of sales	13,072,790	12,737,937
<b>Gross profit</b>	<b>3,109,246</b>	<b>3,006,254</b>
Selling, general and administrative expenses	2,152,409	2,113,151
<b>Operating income</b>	<b>956,837</b>	<b>893,103</b>
Other income	272,657	241,685
Other expenses	30,547	2,831
<b>Ordinary income</b>	<b>1,198,947</b>	<b>1,131,957</b>
Extraordinary income	147,783	171,719
Extraordinary losses	7,774	2,785
<b>Income before income taxes</b>	<b>1,338,957</b>	<b>1,300,891</b>
Income taxes	445,126	459,989
Deferred income taxes	101,845	24,749
<b>Net income</b>	<b>791,985</b>	<b>816,152</b>
Retained earnings brought forward from the previous period	—	446,021
<b>Unappropriated retained earnings</b>	—	<b>1,262,173</b>

(Note) Above amounts are rounded down to the nearest thousand yen.

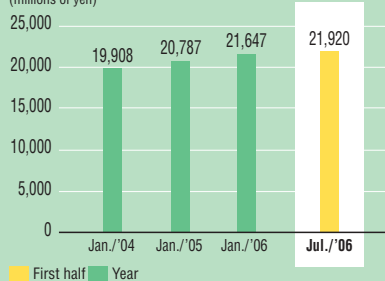
### Total Assets (Non-Consolidated)

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



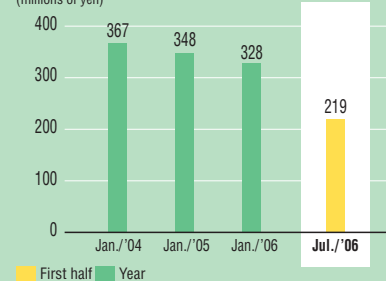
### Net Assets (Non-Consolidated)

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



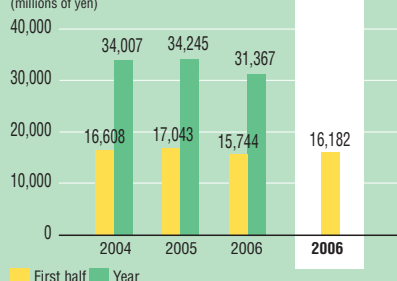
### Interest Bearing Debt (Non-Consolidated)

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



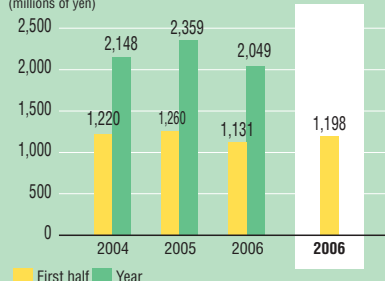
### Net Sales (Non-Consolidated)

Years ended January 31 and six months ended July 31  
(millions of yen)



### Ordinary Income (Non-Consolidated)

Years ended January 31 and six months ended July 31  
(millions of yen)



### Net Income (Non-Consolidated)

Years ended January 31 and six months ended July 31  
(millions of yen)

