

Consolidated Financial Statements (summary) (Unit: million yen, rounded down)

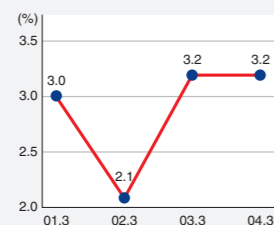
Consolidated Balance Sheet

Account	year-end Previous (42 nd) Mar 03	Current (43 rd) Mar 04
Assets		
Current assets	21,784	24,068
Cash and deposits	3,546	4,130
Notes and accounts receivable	11,007	12,042
Inventories	5,181	5,115
Deferred tax assets	288	412
Other current assets	1,786	2,401
Allowance for doubtful accounts	▲ 26	▲ 34
Fixed assets	10,872	11,638
Property, plant and equip.	4,568	4,648
Intangible fixed assets	482	540
Investments and other assets	5,822	6,449
Investment securities	2,076	2,065
Other investments	3,899	4,602
Allowance for doubtful accounts	▲ 153	▲ 218
Deferred assets	0	—
Unamortized discount of debenture	0	—
Total assets	32,657	35,706

ROA (return on assets)

(net income ÷ average total assets)

The ROA was largely unchanged from the previous year due to a 3 billion yen increase in total assets accompanying the January merger.

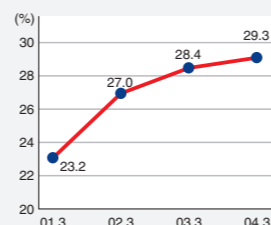


Account	year-end Previous (42 nd) Mar 03	Current (43 rd) Mar 04
Liabilities		
Current Liabilities	17,771	20,343
Notes and accounts payable	10,004	12,312
Short-term debt	2,896	3,267
Accrued expenses	1,702	2,407
Other current debt	3,168	2,355
Fixed liabilities	5,046	4,260
Long-term debt	4,448	3,618
Director's retirement allowances	136	139
Other fixed debts	461	502
Total liabilities	22,818	24,603
Minority interests		
Minority interests	557	626
Shareholders' equity		
Common stock	2,558	2,558
Paid-in capital	661	711
Retained earnings	6,148	7,448
Unrealized gains on securities	▲ 11	8
Conversion adjustment	▲ 70	▲ 242
Treasury stock	▲ 4	▲ 6
Total shareholders' equity	9,281	10,477
Total liabilities, minority interests and shareholders' equity	32,657	35,706

Equity ratio

(shareholders' equity ÷ total assets)

The equity ratio is continuously improving due to a rise in shareholders' equity of around 1.2 billion yen accompanying an increase in the retained earnings.



Consolidated Income Statements

Account	period Previous (42 nd) Apr 02 - Mar 03	Current (43 rd) Apr 03 - Mar 04
Net Sales	86,867	86,089
Cost of sales	67,402	65,845
Gross profit	19,464	20,244
SG&A	17,627	18,163
Operating income	1,836	2,081
Non-operating income	294	321
Non-operating expenses	155	488
Ordinary income	1,975	1,914
Extraordinary profits	198	429
Extraordinary losses	121	110
Net income before taxes and minority interests	2,052	2,233
Current income taxes	1,048	1,207
Deferred income taxes	▲ 159	▲ 166
Minority interests	130	106
Net income	1,032	1,085

SG&A (selling, general and administrative expenses)

SG&A increased by 540 million yen due to a rise of around 400 million yen in personnel and other costs accompanying the merger.

Non-operating income and expenses

Net non-operating income fell to 170 million yen in the red due to causes including the 340 million yen impact of the currency conversion arising from the consolidation treatment (non-operating expenses).

Extraordinary profits and losses

Net extraordinary profit rose to 320 million yen due to factors such as a 310 million yen gain from sales of fixed assets and a 120 million yen profit on sale of securities.

Consolidated Statement of Shareholders' Equity

Account	period Previous (42 nd) Apr 02 - Mar 03	Current (43 rd) Apr 03 - Mar 04
Paid-in Capital		
At beginning	661	661
Increase	—	50
At end	661	711
Retained earnings		
At beginning	5,309	6,148
Increase	1,032	1,507
Net income	1,032	1,085
Decrease	193	207
Cash dividend paid	183	195
Directors' bonuses paid	10	11
At end	6,148	7,448

Consolidated Cash Flow Statement

Account	period Previous (42 nd) Apr 02 - Mar 03	Current (43 rd) Apr 03 - Mar 04
Cash flows from operating activities	262	1,474
Cash flows from investment activities	▲ 1,146	▲ 211
Cash flows from financial activities	442	▲ 899
Conversion effect on cash and cash equivalents	▲ 1	5
Net increase in cash and cash equivalents	▲ 444	369
Cash and cash equivalents at beginning	3,967	3,523
Increase due to merger	—	212
Cash and cash equivalents at end	3,523	4,106

Dividend per share (non-consolidated basis)

We paid an ordinary dividend of 16 yen per share in the previous period. In the current period, we will add to this figure a commemorative dividend of 4 yen for listing on the 1st section of the TSE, bringing the total dividend to 20 yen per share. We are planning an ordinary dividend of 22 yen per share in the next period to accompany the rise in profit.

