

Consolidated Financial Statements (Summary)

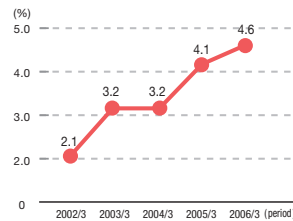
Balance Sheet

Item	Period	Previous (44th) ended March 31, 2005	Current (45th) ended March 31, 2006
Assets			
Current assets		24,795	25,302
Cash and deposits		5,218	4,954
Notes and accounts receivable		11,013	11,376
Inventories		5,210	5,653
Deferred tax assets		424	471
Other current assets		2,961	2,889
Allowance for doubtful accounts		△33	△43
Fixed assets		10,369	12,261
Property, plant, and equipment		4,672	5,384
Intangible fixed assets		491	1,257
Investments and other assets		5,205	5,618
Investment securities		2,181	2,481
Long-term loans		499	462
Long-term rental deposits		1,793	1,917
Deferred tax assets		382	342
Other		503	546
Allowance for doubtful accounts		△155	△132
Total assets		35,164	37,563

ROA

(net income ÷ average total assets)

New system development and renewal of training aircraft for lease have boosted fixed assets while curtailing profit growth to 250 million yen and further increasing asset efficiency.

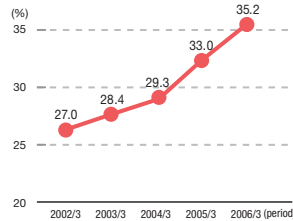


Item	Period	Previous (44th) ended March 31, 2005	Current (45th) ended March 31, 2006
Liabilities			
Current liabilities		19,541	19,957
Notes and accounts payable		10,863	11,854
Short-term debt		3,357	2,999
Accrued corporate tax, etc.		805	596
Accrued expenses		2,141	2,267
Other current liabilities		2,374	2,239
Fixed liabilities		3,272	3,500
Long-term debt		2,458	2,549
Directors' retirement allowances		329	283
Addition to reserve for compensation to retired directors		174	185
Deferred tax liabilities		-	57
Other fixed liabilities		310	424
Total liabilities		22,814	23,457
Minority interests			
Minority interests		733	881
Shareholders' equity			
Common stock		2,558	2,558
Paid-in capital		711	711
Retained earnings		8,608	9,992
Unrealized gains on securities		10	22
Conversion adjustment		△263	△51
Treasury stock		△9	△9
Total shareholders' equity		11,616	13,224
Total liabilities, minority interests, and shareholders' equity		35,164	37,563

Shareholders' equity ratio

(Shareholders' equity ÷ total assets)

A 270 million yen fall in interest-bearing debt, 1.4 billion yen rise in retained earnings and other factors led to an improvement in shareholders' equity ratio and a sustained strengthening of the financial base.



Consolidated Income Statements

Item	Period	Previous (44th) April 1, 2004 to March 31, 2005	Current (45th) April 1, 2005 to March 31, 2006
Net sales		98,622	107,952
Cost of sales		75,549	84,595
Gross profit		23,073	23,356
SG&A		20,332	20,911
Operating income		2,741	2,444
Non-operating income		349	878
Non-operating expenses		213	110
Ordinary income		2,878	3,212
Extraordinary profit		253	148
Extraordinary loss		280	192
Net income before taxes and minority interests		2,851	3,169
Current income taxes		1,349	1,246
Deferred income taxes		△78	49
Minority interests		144	184
Net income		1,435	1,689

Selling, general, and administrative expenses

Personnel, rental (including shop rental commissions), advertising, and other costs increased, but reductions in other costs cut the selling, general, and administrative expenses ratio to 19.4 percent of net sales, down from 20.6 percent in the previous period.

Non-operating income and expenses

Because an overseas subsidiary's currency conversion on the consolidated account amounting to 520 million yen was transferred as non-operating income, part of the increased profits for the aviation related business is calculated as exchange gain.

Consolidated Statement of Retained Earnings

Item	Period	Previous (44th) April 1, 2004 to March 31, 2005	Current (45th) April 1, 2005 to March 31, 2006
Paid-in capital			
At beginning		711	711
Increase		0	0
At end		711	711
Retained earnings			
At beginning		7,448	8,608
Increase		1,435	1,689
Decrease		275	305
At end		8,608	9,992

Consolidated Statement of Cash Flows

Item	Period	Previous (44th) April 1, 2004 to March 31, 2005	Current (45th) April 1, 2005 to March 31, 2006
Net cash from operating activities		2,001	2,522
Net cash from investing activities		385	△1,856
Net cash from financing activities		△1,371	△866
Conversion effects on cash and cash equivalents		12	12
Net increase in cash and cash equivalents		1,028	△187
Cash and cash equivalents at beginning		4,106	5,134
Cash and cash equivalents at end		5,134	4,946

Dividend per share (non-consolidated)

We distributed a dividend of 22 yen per share in the previous period and 24 yen in the current period. Aiming to increase the dividend payout ratio, in the next period we plan to raise the dividend another 6 yen to 30 yen per share.

