

Consolidated Balance Sheets (Unaudited)

	Millions of yen	
ASSETS	March31,2012	March31,2013
Current assets:		
Cash and deposits	6,706	6,896
Notes and accounts receivable-trade	7,408	6,981
Merchandise and finished goods	3,767	3,708
Work in process	307	340
Raw materials and supplies	668	822
Deferred tax assets	374	338
Other	191	231
Allowance for doubtful accounts	(14)	(11)
Total current assets	19,410	19,308
Noncurrent assets:		
Property, plant and equipment		
Buildings and structures, net	1,415	1,455
Machinery, equipment and vehicles, net	1,954	2,178
Tools, furniture and fixtures, net	289	337
Land	576	622
Construction in progress	9	48
	4,245	4,642
Intangible assets		
Goodwill	423	338
Software	53	46
Other	120	121
	596	506
Investments and other assets		
Investment securities	585	879
Deferred tax assets	136	82
Long-term time deposits	600	600
Other	704	588
Allowance for doubtful accounts	(10)	(1)
	2,016	2,149
Total noncurrent assets	6,859	7,298
Total assets	26,269	26,607

Millions of yen

LIABILITIES	March31,2012	March31,2013
Current liabilities :		
Notes and accounts payable-trade	5,997	3,180
Electroccally recrded debt	2,785	4,760
Current portion of bonds	1,040	240
Income taxes payable	411	328
Provision for bonuses	209	188
Provision for directors' bonuses	50	52
Other	575	606
Total current liabilities	11,069	9,357
Noncurrent liabilities :		
Bonds payable	240	—
Deferred tax liabilities	34	53
Provision for retirement benefits	591	589
Other	173	155
Total noncurrent liabilities	1,038	798
Total liabilities	12,108	10,156
<hr/> NET ASSETS <hr/>		
Shareholders' equity :		
Capital stock	1,825	1,825
Capital surplus	1,611	1,613
Retained earnings	13,519	14,138
Treasury stock	(1,462)	(949)
Total shareholders' equity	15,494	16,627
Valuation and translation adjustment :		
Valuation difference on available-for-sale securities	140	376
Foreign currency translation adjustment	(1,779)	(938)
Total valuation and translation adjustment	(1,638)	(562)
Subscription rights to shares	70	75
Minority interests	235	311
Total net assets	14,161	16,451
Total liabilities and net assets	26,269	26,607

Consolidated Statements of Income (Unaudited)

	Millions of yen	
	March31,2012	March31,2013
Net sales	31,504	34,768
Cost of sales	24,891	27,588
Gross profit	6,613	7,180
Selling, general and administrative expenses	5,080	5,076
Operating income	1,532	2,103
Non-operating income		
Interest income	17	15
Dividends income	14	16
Foreign exchange gains	—	7
Other	56	63
Total	88	102
Non-operating expenses		
Interest expenses	21	13
Foreign exchange losses	40	—
Other	32	94
Total	93	107
Ordinary income	1,527	2,097
Extraordinary income		
Gain on sales of noncurrent assets	1	3
Insurance margin	—	154
Other	—	1
Total	1	159
Extraordinary loss		
Loss on retirement of noncurrent assets	3	2
Loss on valuation of investment securities	1	—
Loss on valuation of golf club membership	3	—
Loss on disaster	21	—
Other	2	—
Total	32	2
Income before income taxes	1,496	2,254
Income taxes-current	814	835
Income taxes-deferred	(28)	59
Total income taxes	786	895
Income before minority interests	710	1,358
Minority interests in income	2	(6)
Net income	708	1,364

Consolidated Statements of Comprehensive Income (Unaudited)

	Millions of yen	
	March31,2012	March31,2013
Income before minority interests	710	1,358
Other comprehensive income		
Valuation difference on available-for-sale securities	33	235
Foreign currency transaction adjustment	(302)	(878)
Total	(268)	1,114
Comprehensive income	441	2,472
Comprehensive income attributable to		
Owners of the parent	452	2,441
Minority interests	(10)	(31)

Consolidated Statements of Cash Flows (Unaudited)

	Millions of yen	
	March31,2012	March31,2012
Net cash provided by (used in) operating activities :		
Income before income taxes	1,496	2,254
Depreciation and amortization	789	795
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	—
Amortization of goodwill	89	84
Increase(decrease) in provision for retirement benefits	35	(3)
Increase(decrease) in provision for bonuses	(11)	(21)
Increase(decrease) in provision for directors' bonuses	1	2
Increase(decrease) in allowance for doubtful accounts	10	(11)
Interest and dividends income	(31)	(31)
Interest expenses	21	13
Insurance margin	—	(154)
Loss (gain) on valuation of investment securities	1	—
Loss (gain) on sales of noncurrent assets	0	(3)
Loss on retirement of noncurrent assets	3	2
Decrease(increase) in notes and accounts receivable-trade	(937)	643
Decrease(increase) in inventories	(297)	209
Increase (decrease) in notes and accounts payable-trade	625	(1,088)
Decrease (increase) in other investments	105	60
Other , net	221	22
Subtotal	2,123	2,773
Interest and dividends income received	33	31
Interest expenses paid	(21)	(13)
Insurance money received	—	237
Income taxes (paid) refund	(845)	(930)
Net cash provided by operating activities	1,290	2,099
Net cash provided (used in) investing activities :		
Purchase of property, plant and equipment	(701)	(978)
Proceeds from sales of property, plant and equipment	9	7
Purchase of intangible assets	(12)	(19)
Purchase of investment securities	(7)	(7)
Payments of loans receivable	(1)	(7)
Collection of loans receivable	18	72
Net cash provided by (used in) investing activities	(694)	(933)
Net cash provided by (used in) financing activities		
Redemption of bonds	(740)	(1,040)
Repayments of lease obligations	(17)	(28)
Proceeds from stock issuance to minority shareholders	92	47
Proceeds from use of stock-option	—	17
Cash dividends paid	(234)	(250)
Cash dividends paid to minority shareholders	(2)	(3)
Net cash provided by (used in) financing activities	(902)	(1,256)
Effect of exchange rate change on cash and cash equivalents	(112)	280
Net increase (decrease) in cash and cash equivalents	(419)	190
Cash and cash equivalents at beginning of the year	7,126	6,706
Cash and cash equivalents at end of the year	6,706	6,896

Consolidated Statements of Changes in net assets (Unaudited)

Shareholders equity:

Capital sock	1,825	1,825
Changes of items during the period		
Total changes of items during the period	—	—
	1,825	1,825
 Capital surplus		
	1,611	1,611
Changes of items during the period		
Disposal of treasury stock		2
Total changes of items during the period	—	2
	1,611	1,613
 Retained earnings		
	13,045	13,519
Changes of items during the period		
Dividends from surplus	(234)	(250)
Net income	708	1,364
Retirement of treasury stock	—	(496)
Total changes of items during the period	474	618
	13,519	14,138
 Treasury stock		
	(1,462)	(1,462)
Changes of items during the period		
Disposal of treasury stock	—	16
Retirement of treasury stock	—	496
Total changes of items during the period	—	512
	(1,462)	(949)
 Total shareholders equity		
	15,020	15,494
Changes of items during the period		
Dividends from surplus	(234)	(250)
Net income	708	1,364
Disposal of treasury stock	—	18
Total changes of items during the period	474	1,133
	15,494	16,627
Shareholders equity	15,494	16,627

Valuation and translation adjustments

Valuation difference of available-for-sale securities

	106	140
Changes of items during the period		
Net changes of items other than shareholders equity	33	235
<u>Total changes of items during the period</u>	<u>33</u>	<u>235</u>
	140	376

Foreign currency translation adjustment

	(1,489)	(1,779)
Changes of items during the period		
Net changes of items other than shareholders equity	(290)	841
<u>Total changes of items during the period</u>	<u>(290)</u>	<u>841</u>
	(1,779)	(938)

Total valuation and translation adjustments

	(1,382)	(1,638)
Changes of items during the period		
Net changes of items other than shareholders equity	(256)	1,076
<u>Total changes of items during the period</u>	<u>(256)</u>	<u>1,076</u>
	(1,638)	(562)

Subscription rights to share

	31	70
Changes of items during the period		
Net changes of items other than shareholders equity	38	4
<u>Total changes of items during the period</u>	<u>38</u>	<u>4</u>
	70	75

Minority interests

	156	235
Changes of items during the period		
Net changes of items other than shareholders equity	78	75
<u>Total changes of items during the period</u>	<u>78</u>	<u>75</u>
	235	311

Net assets

	13,825	14,161
Changes of items during the period		
Dividends from surplus	(234)	(250)
Net income	708	1,364
Disposal of treasury stock	—	18
Net changes of items other than shareholders equity	(138)	1,156
<u>Total changes of items during the period</u>	<u>335</u>	<u>2,290</u>
	14,161	16,451