

Consolidated Balance Sheets (Unaudited)

	Millions of yen	
ASSETS	March31,2010	March31,2011
Current assets:		
Cash and deposits	6,606	7,126
Notes and accounts receivable-trade	7,058	6,527
Merchandise and finished goods	2,937	3,705
Work in process	192	223
Raw materials and supplies	549	649
Deferred tax assets	366	349
Other	208	301
Allowance for doubtful accounts	(11)	(11)
Total current assets	17,907	18,872
Noncurrent assets:		
Property, plant and equipment		
Buildings and structures, net	1,612	1,494
Machinery, equipment and vehicles, net	2,338	1,985
Tools, furniture and fixtures, net	301	284
Land	618	606
Construction in progress	0	117
	4,871	4,488
Intangible assets		
Goodwill	603	512
Software	132	71
Other	125	118
	861	703
Investments and other assets		
Investment securities	398	540
Deferred tax assets	189	167
Long-term time deposits	600	600
Other	895	809
Allowance for doubtful accounts	(2)	(1)
	2,081	2,114
Total noncurrent assets	7,813	7,306
Total assets	25,721	26,179

LIABILITIES	Millions of yen	
	March31,2010	March31,2011
Current liabilities:		
Notes and accounts payable-trade	8,132	8,288
Current portion of bonds	240	740
Income taxes payable	388	463
Provision for bonuses	160	220
Provision for directors' bonuses	43	49
Other	589	584
Total current liabilities	9,554	10,346
Noncurrent liabilities:		
Bonds payable	2,020	1,280
Deferred tax liabilities	56	62
Provision for retirement benefits	521	556
Asset retirement obligations	—	25
Other	62	82
Total noncurrent liabilities	2,659	2,006
Total liabilities	12,213	12,353
NET ASSETS		
Shareholders' equity:		
Capital stock	1,825	1,825
Capital surplus	1,611	1,611
Retained earnings	12,755	13,045
Treasury stock	(1,958)	(1,462)
Total shareholders' equity	14,233	15,020
Valuation and translation adjustment:		
Valuation difference on available-for-sale securities	55	106
Foreign currency translation adjustment	(933)	(1,489)
Total valuation and translation adjustment	(877)	(1,382)
Subscription rights to shares	3	31
Minority interests	147	156
Total net assets	13,507	13,825
Total liabilities and net assets	25,721	26,179

Consolidated Statements of Income (Unaudited)

	Millions of yen	
	March31,2010	March31,2011
Net sales	27,723	32,574
Cost of sales	22,023	25,281
Gross profit	5,699	7,292
Selling, general and administrative expenses	5,045	5,388
Operating income	653	1,903
Non-operating income		
Interest income	12	9
Dividends income	6	10
Rent income	15	—
Other	64	57
Total	99	77
Non-operating expenses		
Interest expenses	31	24
Foreign exchange losses	44	47
Other	38	12
Total	113	83
Ordinary income	639	1,897
Extraordinary income		
Gain on sales of noncurrent assets	1	0
Reversal of allowance for doubtful accounts	1	0
Other	0	3
Total	3	4
Extraordinary loss		
Loss on retirement of noncurrent assets	15	14
Loss on sales of noncurrent assets	2	—
Loss on valuation of investment securities	—	51
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	22
Other	82	8
Total	99	97
Income before income taxes	543	1,804
Income taxes-current	456	776
Income taxes-deferred	(106)	10
Total income taxes	349	786
Income before minority interests	—	1,017
Minority interests in income	(3)	12
Net income	198	1,005

Consolidated Statements of Comprehensive Income (Unaudited)

	Millions of yen	
	March31,2010	March31,2011
Income before minority interests	—	1,017
Other comprehensive income		
Valuation difference on available-for-sale securities	—	51
Foreign currency transaction adjustment	—	(560)
Total	—	(508)
Comprehensive income	—	509
Comprehensive income attributable to		
Owners of the parent	—	499
Minority interests	—	9

Consolidated Statements of Cash Flows (Unaudited)

	Millions of yen	
	March31,2010	March31,2011
Net cash provided by (used in) operating activities:		
Income before income taxes	543	1,804
Depreciation and amortization	909	826
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	22
Amortization of goodwill	90	90
Increase(decrease) in provision for retirement benefits	4	35
Increase(decrease) in provision for bonuses	52	61
Increase(decrease) in provision for directors' bonuses	(11)	6
Increase(decrease) in allowance for doubtful accounts	(6)	0
Interest and dividends income	(19)	(19)
Interest expenses	31	24
Loss (gain) on valuation of investment securities	—	51
Loss (gain) on sales of noncurrent assets	0	0
Loss on retirement of noncurrent assets	15	14
Decrease(increase) in notes and accounts receivable-trade	(2,120)	398
Decrease(increase) in inventories	802	(1,141)
Increase (decrease) in notes and accounts payable-trade	2,591	128
Decrease (increase) in other investments	107	21
Other , net	188	(30)
Subtotal	3,179	2,295
Interest and dividends income received	18	20
Interest expenses paid	(31)	(24)
Income taxes (paid) refund	214	(723)
Net cash provided by operating activities	3,381	1,567
Net cash provided (used in) investing activities:		
Purchase of property, plant and equipment	(520)	(483)
Proceeds from sales of property, plant and equipment	4	2
Purchase of intangible assets	(30)	(9)
Purchase of investment securities	(6)	(106)
Payments of loans receivable	(5)	(3)
Collection of loans receivable	15	21
Payments for lease deposits	(8)	—
Collection of lease deposits	110	48
Net cash provided by (used in) investing activities	(441)	(530)
Net cash provided by (used in) financing activities		
Redemption of bonds	(240)	(240)
Repayments of lease obligations	(38)	(38)
Purchase of treasury stock	—	0
Cash dividends paid	(156)	(218)
Net cash provided by (used in) financing activities	(434)	(496)
Effect of exchange rate change on cash and cash equivalents	31	(19)
Net increase (decrease) in cash and cash equivalents	2,535	519
Cash and cash equivalents at beginning of the year	4,070	6,606
Cash and cash equivalents at end of the year	6,606	7,126