

Consolidated Financial Statements

1. Consolidated Balance Sheets

[Millions of yen]

	As of June 30, 2006		As of June 30, 2005		Increase/Decrease		As of March 31, 2006	
	Amount	% of total	Amount	% of total	Amount	Y of Y %	Amount	% of total
Assets								
Current assets	509,766	55.7	531,495	56.3	(21,728)	(4.1)	540,152	57.2
Cash and deposits	65,960		59,348		6,611		80,878	
Trade notes and accounts receivable	229,992		226,478		3,513		246,264	
Marketable securities	—		149		(149)		—	
Inventories	146,765		183,307		(36,541)		149,428	
Deferred tax assets	42,798		34,388		8,409		43,242	
Other accounts receivable	9,833		13,442		(3,609)		10,048	
Other current assets	23,511		22,979		531		19,681	
Allowance for doubtful accounts	(9,094)		(8,599)		(494)		(9,393)	
Fixed assets	405,666	44.3	412,243	43.7	(6,577)	(1.6)	403,902	42.8
Tangible fixed assets	224,012	24.5	223,888	23.7	124	0.1	216,127	22.9
Buildings and structures	63,186		73,567		(10,381)		63,426	
Machinery and vehicles	64,515		53,478		11,036		55,607	
Tools and equipment	25,729		25,772		(43)		25,227	
Land	35,531		35,655		(123)		35,871	
Construction in progress	13,009		13,458		(448)		13,128	
Rental business-use assets	22,039		21,955		83		22,866	
Intangible fixed assets	100,896	11.0	107,539	11.4	(6,642)	(6.2)	103,483	11.0
Consolidated goodwill	79,442		86,811		(7,369)		80,789	
Other intangible fixed assets	21,454		20,727		726		22,694	
Investments and others	80,757	8.8	80,816	8.6	(58)	(0.1)	84,291	8.9
Investment securities	33,720		31,628		2,092		37,459	
Long-term loans	1,006		1,480		(474)		1,051	
Long-term prepaid expenses	4,248		5,164		(916)		4,462	
Deferred tax assets	29,385		28,354		1,030		29,135	
Other investments	13,521		15,336		(1,814)		13,328	
Allowance for doubtful accounts	(1,124)		(1,147)		23		(1,146)	
Total assets	915,433	100.0	943,739	100.0	(28,306)	(3.0)	944,054	100.0

[Millions of yen]

	As of June 30, 2006		As of June 30, 2005		Increase/Decrease		As of March 31, 2006	
	Amount	% of total	Amount	% of total	Amount	Y of Y %	Amount	% of total
Liabilities								
Current liabilities	447,602	48.9	443,852	47.0	3,749	0.8	476,559	50.5
Notes and account payable - trade	113,067		135,179		(22,111)		117,974	
Short-term loans	132,528		175,096		(42,567)		135,362	
Long-term loans due within one year	8,085		5,778		2,306		8,086	
Bonds due within one year	11,062		17,367		(6,304)		14,037	
Account payable - other	28,191		15,469		12,721		27,948	
Accrued expenses	66,279		60,906		5,372		77,044	
Accrued income taxes	2,469		853		1,616		8,778	
Allowance for product warranty	4,633		5,134		(501)		5,084	
Provision for loss on discontinued operations	49,624		—		49,624		58,078	
Other current liabilities	31,659		28,067		3,592		24,163	
Long-term liabilities	162,592	17.8	152,820	16.2	9,772	6.4	170,924	18.1
Bonds	5,000		10,084		(5,084)		5,030	
Long-term loans	74,036		54,605		19,430		74,045	
Deferred tax assets on land revaluation	4,042		4,290		(248)		4,042	
Reserve for retirement benefits and pension plans	64,098		64,846		(748)		64,869	
Reserve for directors' retirement benefits	448		359		88		442	
Other long-term liabilities	14,967		18,632		(3,665)		22,493	
Total liabilities	610,194	66.7	596,673	63.2	13,521	2.3	647,483	68.6

[Millions of yen]

	As of June 30, 2006		As of June 30, 2005		Increase/Decrease		As of March 31, 2006	
	Amount	% of total	Amount	% of total	Amount	Y of Y %	Amount	% of total
Minority Interests	—	—	1,836	0.2	—	—	2,753	0.3
Shareholders' equity								
Capital stock	—	—	37,519	4.0	—	—	37,519	4.0
Additional paid-in capital	—	—	226,069	24.0	—	—	226,069	23.9
Retained earnings	—	—	84,315	8.9	—	—	20,088	2.1
Unrealized gain on securities	—	—	4,103	0.4	—	—	10,180	1.1
Translation adjustment	—	—	(5,975)	(0.6)	—	—	875	0.1
Treasury stock	—	—	(802)	(0.1)	—	—	(915)	(0.1)
Total shareholders' equity	—	—	345,229	36.6	—	—	293,817	31.1
Total liabilities, minority interests, and shareholders' equity	—	—	943,739	100.0	—	—	944,054	100.0
Net assets								
Shareholders' equity	293,818	32.1	—	—	—	—	—	—
Capital stock	37,519	4.1	—	—	—	—	—	—
Additional paid-in capital	204,141	22.3	—	—	—	—	—	—
Retained earnings	53,099	5.8	—	—	—	—	—	—
Treasury stock	(942)	(0.1)	—	—	—	—	—	—
Revaluation and translation adjustments	8,588	0.9	—	—	—	—	—	—
Unrealized gain on securities	8,327	0.9	—	—	—	—	—	—
Gain (loss) on deferred hedge	(3)	0.0	—	—	—	—	—	—
Translation adjustment	265	0.0	—	—	—	—	—	—
Minority Interests	2,831	0.3	—	—	—	—	—	—
Net assets	305,238	33.3	—	—	—	—	—	—
Total liabilities and shareholders' equity	915,433	100.0	—	—	—	—	—	—