

CONSOLIDATED BALANCE SHEETS

As of March 31, 2004 and 2003	Millions of Yen		Thousands of U.S.Dollars
	2004	2003	2004
Assets			
Current assets:			
Cash and bank deposits	¥55,189	¥47,095	\$522,176
Notes and accounts receivable-trade	32,837	34,643	310,689
Marketable securities	4,903	9,672	46,388
Inventories	8,819	8,868	83,438
Deferred tax assets	873	815	8,256
Other current assets	2,038	1,470	19,279
Allowance for doubtful accounts	(0)	(119)	(0)
Total current assets	104,657	102,446	990,226
Property, plant and equipment:			
Buildings and structures	21,378	22,518	202,268
Machinery, equipment and vehicles	10,514	11,948	99,481
Land	18,835	17,340	178,208
Construction in progress	283	220	2,678
Other tangible fixed assets	957	1,137	9,058
Total property, plant and equipment	51,967	53,165	491,692
Intangible assets:			
Softwares	275	272	2,599
Softwares in progress	515	-	4,872
Other intangible assets	227	247	2,146
Total intangible assets	1,016	519	9,617
Investments and other assets:			
Investment securities	55,314	53,881	523,357
Long-term loans receivable	20	23	191
Deferred tax assets	2,583	4,120	24,438
Long-term time deposits	2,600	-	24,600
Other investments	2,813	2,878	26,612
Allowance for doubtful accounts	(264)	(346)	(2,495)
Total investments and other assets	63,066	60,556	596,703
Total Assets	¥220,706	¥216,689	\$2,088,238

	Millions of Yen		Thousands of U.S.Dollars
	2004	2003	2004
Liabilities and Shareholders' Equity			
Current liabilities:			
Notes and accounts payable-trade	¥16,639	¥16,419	\$157,429
Accrued expenses	11,401	12,302	107,868
Accrued income taxes	1,792	2,875	16,956
Other current liabilities	3,189	2,111	30,169
Total current liabilities	33,020	33,708	312,421
Long-term liabilities:			
Allowance for directors' retirement benefits	936	822	8,852
Liability for retirement benefits	9,841	8,591	93,112
Negative goodwill	21	263	197
Other long-term liabilities	645	664	6,106
Total long-term liabilities	11,443	10,342	108,267
Total liabilities	44,463	44,051	420,688
Minority interests	435	394	4,119
Shareholders' equity			
Common stock, authorized ; 2004 - 391,500,000 shares 2003 - 391,500,000 shares issued ; 2004 - 110,878,734 shares 2003 - 110,878,734 shares	9,948	9,948	94,127
Capital surplus	23,868	23,868	225,834
Retained earnings	137,735	135,962	1,303,196
Net unrealized gain on available-for-sale securities	5,662	3,050	53,574
Foreign currency translation adjustments	(653)	(513)	(6,177)
Treasury stock	(753)	(72)	(7,124)
Total shareholders' equity	175,808	172,243	1,663,430
Total Liabilities and Shareholders' Equity	¥220,706	¥216,689	\$2,088,238

CONSOLIDATED STATEMENTS OF INCOME

For the years ended March 31, 2004 and 2003	Millions of Yen		Thousands of U.S.Dollars
	2004	2003	2004
Net sales	¥188,384	¥191,413	\$1,782,419
Costs of Sales	100,579	102,411	951,639
Gross profit	87,805	89,002	830,779
Selling, general and administrative expenses	81,394	81,191	770,124
Operating income	6,411	7,810	60,655
Non-operating income:			
Interest and dividends received	928	1,203	8,782
Amortization of negative goodwill	243	242	2,295
Other	269	318	2,548
Non-operating expenses:			
Interest paid	12	191	118
Other	495	544	4,688
Ordinary income	7,343	8,837	69,476
Extraordinary income:			
Gain on sales of fixed assets	16	10	149
Gain on sales of investment securities	0	431	0
Gain on return of substitutional portion of national government welfare pension program fund	–	2,567	–
Gain on sales of affiliated company shares	141	–	1,331
Other	4	165	0
Extraordinary losses:			
Loss on disposals of fixed assets	238	654	2,248
Loss on devaluation of investment securities	33	888	315
Loss on devaluation of golf club memberships	10	134	90
Loss on liquidation of affiliated company	14	–	135
Other	1	218	10
Income before income taxes and minority interests	7,208	10,116	68,197
Income taxes:			
Current	3,539	4,479	33,485
Deferred	(339)	247	(3,211)
Total income taxes	3,200	4,727	30,274
Minority interests	46	35	433
Net income	¥3,962	¥5,353	\$37,491

CONSOLIDATED STATEMENT OF CASH FLOWS

For the years ended March 31, 2004	Millions of Yen 2004	Thousands of U.S.Dollars 2004
Cash flows from operating activities:		
Income before income taxes and minority interests	¥7,208	\$68,197
Adjustments for:		
Depreciation and amortization	4,569	43,228
Amortization of negative goodwill	(243)	(2,295)
Equity in net losses of affiliated companies	39	373
Loss on devaluation of investment securities & golf club memberships	43	405
Decrease in allowance for doubtful accounts	(92)	(875)
Increase in allowance for directors' retirement benefits	113	1,071
Increase in liability for retirement benefits	1,249	11,822
Interest and dividends receivable	(928)	(8,782)
Interest payable	12	118
Foreign exchange gain	95	901
Gain on sales of marketable and investment securities	(0)	(0)
Gain on sales of fixed assets	(16)	(149)
Loss on disposals of fixed assets	238	2,248
Gain on sales of affiliated company shares	(141)	(1,331)
Loss on liquidation of affiliated company	14	135
Decrease in trade receivables	1,396	13,205
Increase in inventories	(79)	(743)
Increase in trade payables	620	5,865
Increase in accrued bonuses	209	1,977
Increase in other assets	(384)	(3,631)
Increase in other liabilities	262	2,484
Bonuses to directors'	(86)	(810)
Subtotal	14,100	133,413
Interest and dividends received	1,015	9,602
Interest paid	(15)	(142)
Income taxes paid	(4,619)	(43,699)
Net cash provided by operating activities	10,482	99,175
Cash flows from investing activities:		
Increase in time deposits	(2,600)	(24,600)
Proceeds from sales of marketable securities	9,635	91,163
Acquisition of property, plant and equipment	(4,728)	(44,739)
Proceeds from sales of property, plant and equipment	50	473
Acquisition of intangible fixed assets	(573)	(5,417)
Acquisition of investment securities	(9,061)	(85,736)
Proceeds from sales of investment securities	7,000	66,231
Proceeds from sales of affiliated company shares	857	8,109
Net cash used in investing activities	580	5,485
Cash flows from financing activities:		
Acquisition of treasury stock	(680)	(6,436)
Dividends paid	(2,105)	(19,918)
Dividends paid to minority shareholders	(3)	(29)
Net cash used in financing activities	(2,788)	(26,383)
Effect of exchange rate changes on cash and cash equivalents	(180)	(1,704)
Net increase in cash and cash equivalents	8,093	76,573
Beginning balace of cash and cah equivalents	47,096	445,603
Ending balance of cash and cash equivalents	55,189	522,176

NON-CONSOLIDATED BALANCE SHEETS

As of March 31, 2004 and 2003	Millions of Yen		Thousands of U.S.Dollars
	2004	2003	2004
Assets			
Current assets:			
Cash and time deposits	¥47,386	¥40,945	\$448,346
Notes receivable	363	721	3,434
Accounts receivable-trade	30,042	31,228	284,243
Marketable securities	4,852	9,657	45,912
Finished products and merchandise	5,492	5,527	51,960
Raw materials	1,738	1,688	16,446
Work-in-process	597	586	5,646
Supplies	623	579	5,896
Deferred tax assets	688	677	6,510
Other current assets	1,911	2,445	18,084
Allowance for doubtful accounts	(0)	(0)	(0)
Total current assets	93,692	94,057	886,476
Property, plant and equipment:			
Buildings	17,374	18,971	164,387
Structures	979	1,025	9,263
Machinery and equipment	8,903	9,990	84,233
Vehicles and transportation equipment	102	145	965
Tools, furnitures and fixtures	858	997	8,118
Land	18,013	16,435	170,435
Construction in progress	220	136	2,080
Total property, plant and equipment	46,449	47,702	439,482
Intangible assets:			
Telephone subscription rights	46	45	431
Software	181	116	1,716
Software in progress	515	-	4,872
Other intangible assets	11	12	107
Total intangible assets	753	174	7,126
Investments and other assets:			
Investment securities	60,018	57,976	567,866
Investments in affiliated companies	1,050	394	9,934
Long-term loans receivable	2,826	1,495	26,739
Guaranty money deposits	1,417	1,489	13,409
Long-term prepaid expenses	15	26	144
Deferred tax assets	2,186	3,948	20,685
Long-term time deposits	2,500	-	23,654
Other investments	97	70	922
Allowance for doubtful accounts	(263)	(343)	(2,487)
Total investments and other assets	69,847	65,057	660,865
Total Assets	¥210,740	¥206,991	\$1,993,949

	Millions of Yen		Thousands of U.S.Dollars
	2004	2003	2004
Liabilities and Shareholders' equity			
Current liabilities:			
Notes payable	¥2,278	¥2,599	\$21,553
Accounts payable-trade	12,706	11,879	120,222
Other accounts payable	11,161	11,867	105,600
Accrued income taxes	1,384	2,617	13,095
Accrued expenses	1,868	761	17,678
Deposits received	87	191	821
Other current liabilities	405	508	3,828
Total current liabilities	29,889	30,425	282,797
Long-term liabilities:			
Liability for retirement benefits	9,364	8,157	88,601
Guarantee deposits received from customers	635	645	6,011
Allowance for directors' retirement benefits	936	822	8,852
Total long-term liabilities	10,935	9,625	103,464
Total liabilities	40,824	40,050	386,261
Shareholders' equity			
Common stock, authorized ; 2004 - 391,500,000 shares 2003 - 391,500,000 shares issued ; 2004 - 110,878,734 shares 2003 - 110,878,734 shares	9,948	9,948	94,127
Capital surplus	23,815	23,815	225,333
Retained earnings:			
Legal reserve	2,487	2,487	23,532
Other retained earnings	128,771	127,709	1,218,380
Net unrealized gain on available-for-sale	5,648	3,053	53,440
Treasury stock	(753)	(72)	(7,124)
Total shareholders' equity	169,917	166,941	1,607,688
Total Liabilities and Shareholders' Equity	¥210,740	¥206,991	\$1,993,949

NON-CONSOLIDATED STATEMENTS OF INCOME

For the years ended March 31, 2004 and 2003	Millions of Yen		Thousands of U.S.Dollars
	2004	2003	2004
Net sales	¥159,374	¥163,123	\$1,507,942
Costs of sales:	76,424	78,763	723,097
Gross profit	82,950	84,359	784,844
Selling, general and administrative expenses	77,644	77,353	734,635
Operating income	5,307	7,005	50,209
Non-operating income:			
Interest and dividends received	1,090	1,352	10,309
Rental income	376	500	3,558
Other	199	247	1,879
Non-operating expenses:			
Interest paid	14	194	132
Rental costs	159	312	1,509
Other	337	420	3,192
Ordinary income	6,460	8,178	61,121
Extraordinary income:			
Gain on sales of fixed assets	14	–	129
Reversal of allowance for doubtful accounts	4	601	39
Gain on sales of investment securities	0	431	0
Gain on return of substitutional portion of national government welfare pension program fund	–	2,567	–
Other	–	155	–
Extraordinary losses:			
Loss on disposals of fixed assets	206	550	1,948
Loss on devaluation of investment securities	33	886	315
Loss on devaluation of affiliated company securities	–	1,107	–
Loss on devaluation golf club memberships	10	131	90
Loss on liquidation of affiliated company	80	–	756
Income before income taxes	6,149	9,257	58,180
Income taxes:			
Current	2,942	4,056	27,837
Deferred	(27)	179	(253)
Total income taxes	2,915	4,236	27,584
Net income	3,234	5,020	30,596
Unappropriated retained earnings at beginning of year	1,137	937	10,757
Retirement of treasury stock	–	1,648	–
Unappropriated retained earnings at end of year	¥4,371	¥4,309	\$41,352