

CONSOLIDATED STATEMENTS OF INCOME

Millions of Yen

	Three Months Ended June 30, 2006		Three Months Ended June 30, 2007		Increase Decrease	Percent Change
	Amount	Ratio	Amount	Ratio		
Net Sales	693,720	%	796,010	%	+ 102,290	+ 14.7
Cost of Sales	530,897	76.5	615,168	77.3	+ 84,271	+ 15.9
Gross profit	162,823	23.5	180,842	22.7	+ 18,019	+ 11.1
Selling, General and Administrative Expenses	122,393	17.7	138,587	17.4	+ 16,194	+ 13.2
Operating income	40,430	5.8	42,255	5.3	+ 1,825	+ 4.5
Other Income (Expenses), net	(972)	0.1	(4,800)	0.6	- 3,828	+ 393.8
Income before income taxes and minority interests	39,458	5.7	37,455	4.7	- 2,003	- 5.1
Income Taxes	15,489	2.3	13,166	1.7	- 2,323	- 15.0
Minority Interests in Income of Consolidated Subsidiaries	(77)	0.0	(72)	0.0	+ 5	- 6.5
Net income	23,892	3.4	24,217	3.0	+ 325	+ 1.4

Note:

1. Until the first quarter of the previous year (the three months ended June 30, 2006), royalty and technical assistance fees had been included in "Other income," and the costs of the royalty and technical assistance fees had been calculated in "Other expenses." However, starting from the first half of the previous year, these were included in "Net sales" and "Cost of sales," respectively. If calculated on the new basis, for the three months ended June 30, 2006, net sales, cost of sales and operating income would be up 4,327 million yen, 1,525 million yen and 2,802 million yen, respectively. However, these would have no impact on income before income taxes and minority interests.
2. Starting from this period (the three months ended June 30, 2007), the method of depreciation and amortization was changed, in accordance with the revision of the Japanese Corporate Tax Law in fiscal 2007. With this change, for the three months ended June 30, 2007, operating income and income before income taxes and minority interests were down 2,442 million yen each, compared to the previous method.