

Consolidated Statements of Income

	Millions of yen, except per-share amounts			Thousands of U.S. dollars, except per- share amounts
	Year ended March 31			Year ended March 31
	2006	2005	2004	2006
Net sales.....	¥184,176	¥178,325	¥168,947	\$1,567,863
Cost of sales	147,123	140,786	132,103	1,252,437
Gross profit.....	37,053	37,538	36,844	315,425
Selling, general and administrative expenses (Notes 12 and 17).....	31,824	27,956	26,491	270,917
Operating income.....	5,228	9,582	10,352	44,508
Other income:				
Interest and dividend income	270	255	253	2,306
Gain on sales of property, plant and equipment	2,000	55	58	17,029
Gain on sales of investments in securities	1,373	78	384	11,689
Gain on transfer of logistic operation	270	—	—	2,298
Equity in gain of affiliates.....	222	136	112	1,894
Others.....	1,055	609	878	8,984
	5,192	1,134	1,688	44,202
Other expenses:				
Interest expenses.....	835	1,501	2,339	7,114
Net loss on foreign currency transactions.....	327	468	159	2,783
Loss on sales and disposal of property, plant and equipment	812	89	946	6,919
Impairment loss on fixed assets.....	1,335	270	—	11,367
Additional severance costs.....	417	—	43	3,556
Patent fee for prior years	335	120	—	2,858
Loss on devaluation of investments in securities.....	54	96	15	467
Provision for doubtful accounts.....	—	2,690	—	—
Others.....	1,767	2,529	2,635	15,043
	5,886	7,766	6,139	50,112
Income before income taxes.....	4,534	2,950	5,900	38,599
Provision (benefit) for income taxes:				
Current	588	546	669	5,009
Deferred	(1,925)	(2,874)	(1,184)	(16,393)
	(1,337)	(2,328)	(514)	(11,383)
Income before minority interests.....	5,871	5,279	6,415	49,982
Minority interests in subsidiaries.....	8	167	109	72
Net income	¥ 5,862	¥ 5,111	¥ 6,305	\$ 49,910
Per share:				
Net income.....	¥20.76	¥18.09	¥22.32	\$0.177
Cash dividends	¥ 2.00	¥ —	¥ —	\$0.017

The accompanying notes are an integral part of these consolidated financial statements.