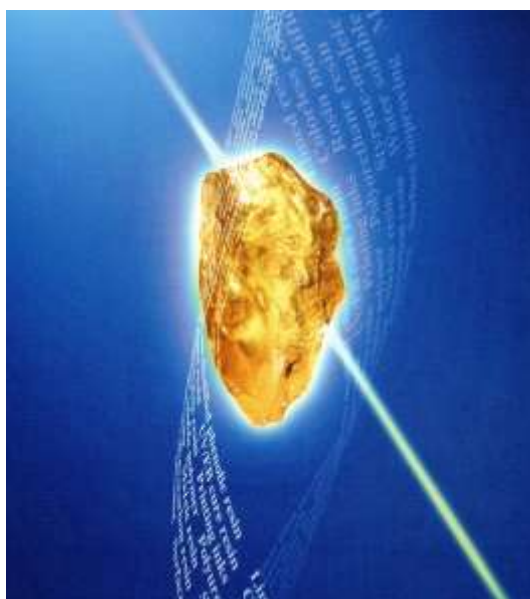


DATA BOOK 2010

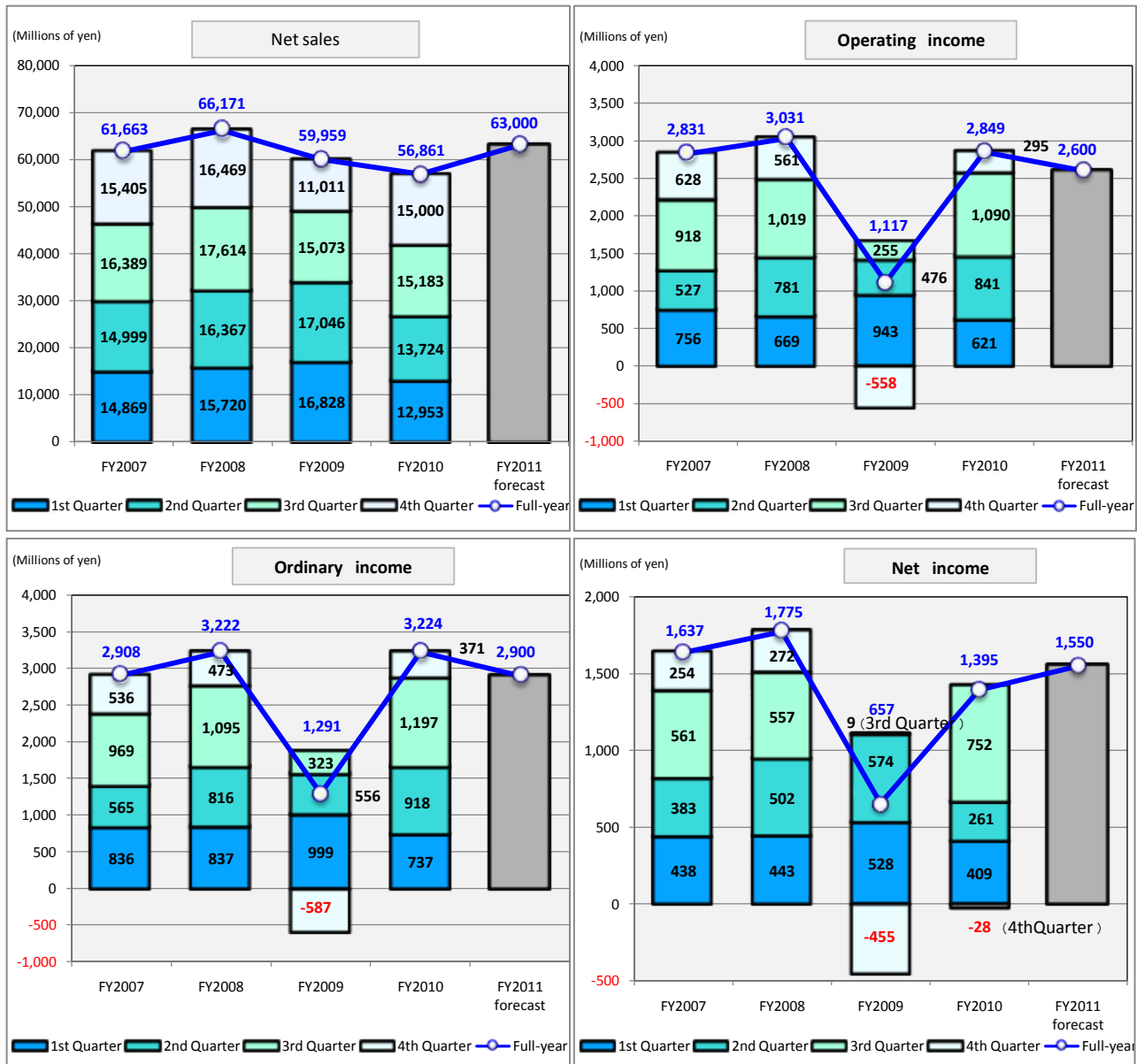
May 6th, 2010

Year ended March 31, 2010



ARAKAWA CHEMICAL INDUSTRIES, LTD.

*** Achievement transition(Consolidated)**



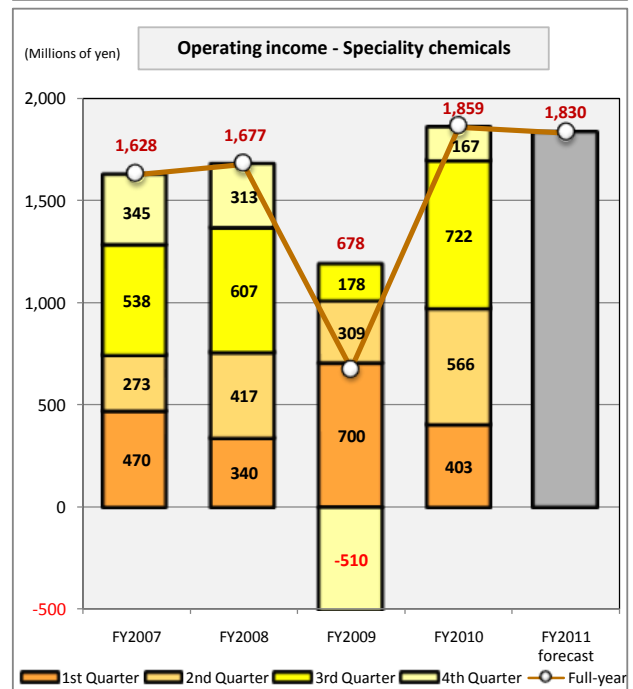
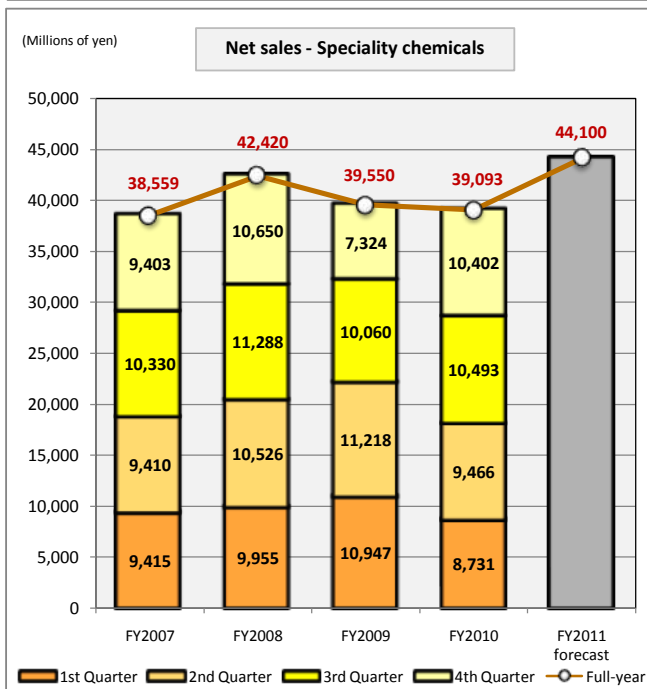
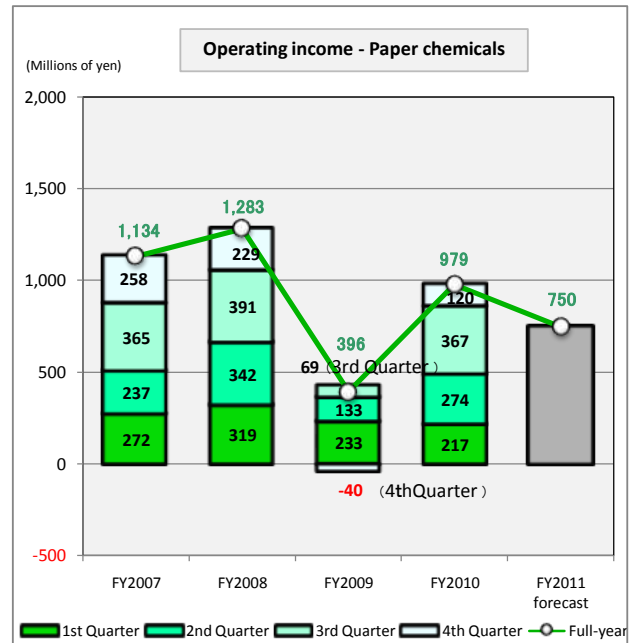
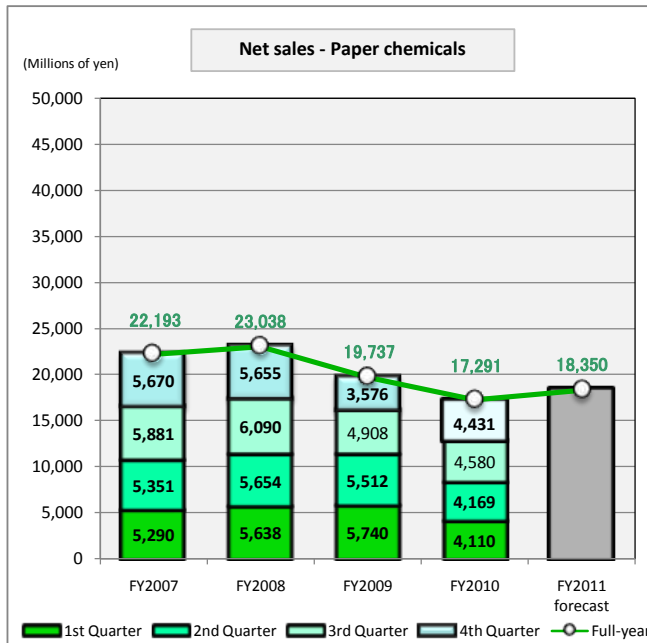
Consolidated	FY2007 (06/4-'07/3)		FY2008 (07/4-'08/3)		FY2009 (08/4-'09/3)		FY2010 (09/4-'10/3)		FY2011 forecast (10/4-'11/3)	
	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change
Net sales	61,663	10.1	66,171	7.3	59,959	△ 9.4	56,861	△ 5.2	63,000	10.8
Operating income	2,831	25.6	3,031	7.1	1,117	△ 63.1	2,849	155.1	2,600	△ 8.8
Ordinary income	2,908	13.5	3,222	10.8	1,291	△ 59.9	3,224	149.6	2,900	△ 10.1
Net income	1,637	23.2	1,775	8.4	657	△ 63.0	1,395	112.3	1,550	11.1

*** Achievement transition(Non-consolidated)**

Non-consolidated	FY2007 (06/4-'07/3)		FY2008 (07/4-'08/3)		FY2009 (08/4-'09/3)		FY2010 (09/4-'10/3)		FY2011 forecast (10/4-'11/3)	
	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change
Net sales	51,389	6.7	54,410	5.9	49,850	△ 8.4	47,205	△ 5.3	51,500	9.1
Operating income	1,296	11.9	1,434	10.6	586	△ 59.1	1,652	181.9	1,500	△ 9.2
Ordinary income	2,112	12.1	2,433	15.2	1,465	△ 39.8	2,495	70.4	2,200	△ 11.9
Net income	1,359	9.4	1,571	15.6	695	△ 55.8	1,112	60.1	1,350	21.3

* The Quarter Performances of FY2008 in this appendix are for reference purpose only, due to the New Accounting Principles which came into effect in FY2009.

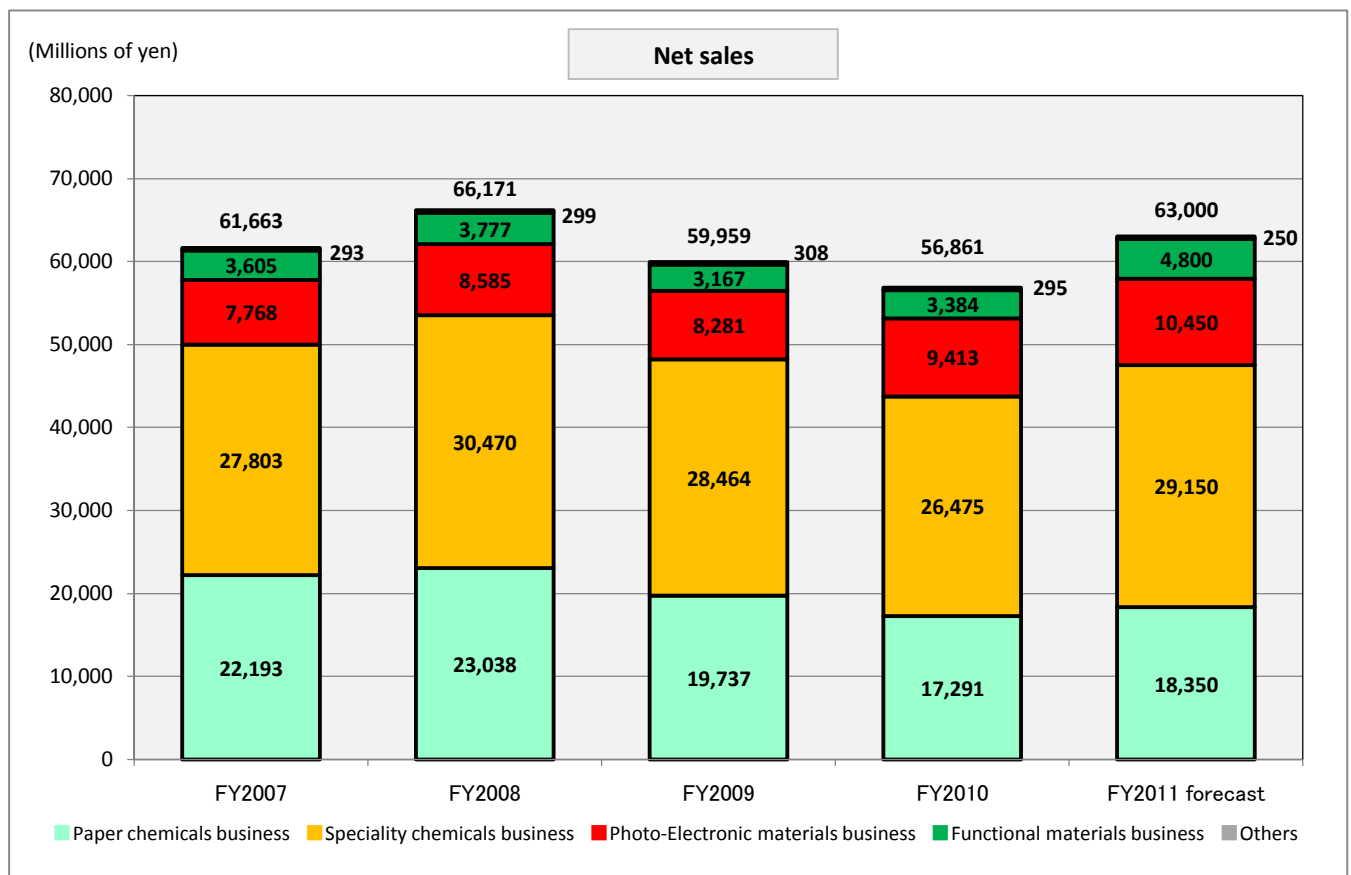
*** Segment information(Consolidated)**



Consolidated		FY2007 (06/4-'07/3)		FY2008 (07/4-'08/3)		FY2009 (08/4-'09/3)		FY2010 (09/4-'10/3)		FY2011 forecast (10/4-'11/3)	
		Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change
Paper chemicals	Net sales	22,193	3.8	23,038	3.8	19,737	△ 14.3	17,291	△ 12.4	18,350	6.1
	Operating income	1,134	52.9	1,283	13.1	396	△ 69.1	979	147.0	750	△ 23.4
	Operating income/sales	5.1%		5.6%		2.0%		5.7%		4.1%	
Speciality chemicals	Net sales	38,559	14.5	42,420	10.0	39,550	△ 6.8	39,093	△ 1.2	44,100	12.8
	Operating income	1,628	14.9	1,677	3.0	678	△ 59.6	1,859	174.1	1,830	△ 1.6
	Operating income/sales	4.2%		4.0%		1.7%		4.8%		4.1%	
Others	Net sales	910	△ 3.0	712	△ 21.8	671	△ 5.7	476	△ 29.1	550	15.5
	Operating income	67	△ 28.1	69	2.8	42	△ 39.2	11	△ 73.6	20	78.7
	Operating income/sales	7.4%		9.8%		6.3%		2.4%		3.6%	
Consolidated total	Net sales	61,663	10.1	66,171	7.3	59,959	△ 9.4	56,861	△ 5.2	63,000	10.8
	Operating income	2,831	25.6	3,031	7.1	1,117	△ 63.1	2,849	155.1	2,600	△ 8.8
	Operating income/sales	4.6%		4.6%		1.9%		5.0%		4.1%	

* The Quarter Performances of FY2008 in this appendix are for reference purpose only, due to the New Accounting Principles which came into effect in FY2009.

*** Business segment information(consolidated)**



Consolidated	FY2007 (06/4-'07/3)		FY2008 (07/4-'08/3)		FY2009 (08/4-'09/3)		FY2010 (09/4-'10/3)		FY2011 forecast (10/4-'11/3)	
	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change
Paper chemicals business	22,193	3.8	23,038	3.8	19,737	△ 14.3	17,291	△ 12.4	18,350	6.1
Speciality chemicals business	27,803	13.6	30,470	9.6	28,464	△ 6.6	26,475	△ 7.0	29,150	10.1
Total Basis business	49,996	9.0	53,509	7.0	48,202	△ 9.9	43,767	△ 9.2	47,500	8.5
Share	81.1%		80.9%		80.4%		77.0%		75.4%	
Photo-Electronic materials business	7,768	12.6	8,585	10.5	8,281	△ 3.5	9,413	13.7	10,450	11.0
Functional materials business	3,605	19.3	3,777	4.8	3,167	△ 16.1	3,384	6.8	4,800	41.8
Total Expansion business	11,373	14.6	12,362	8.7	11,448	△ 7.4	12,798	11.8	15,250	19.2
Share	18.4%		18.7%		19.1%		22.5%		24.2%	
Others	293	40.0	299	2.0	308	3.0	295	△ 4.3	250	△ 15.4
Total	61,663	10.1	66,171	7.3	59,959	△ 9.4	56,861	△ 5.2	63,000	10.8

* Paper chemicals business.....Size agent, Paper strengthening agent, Ratex, etc.

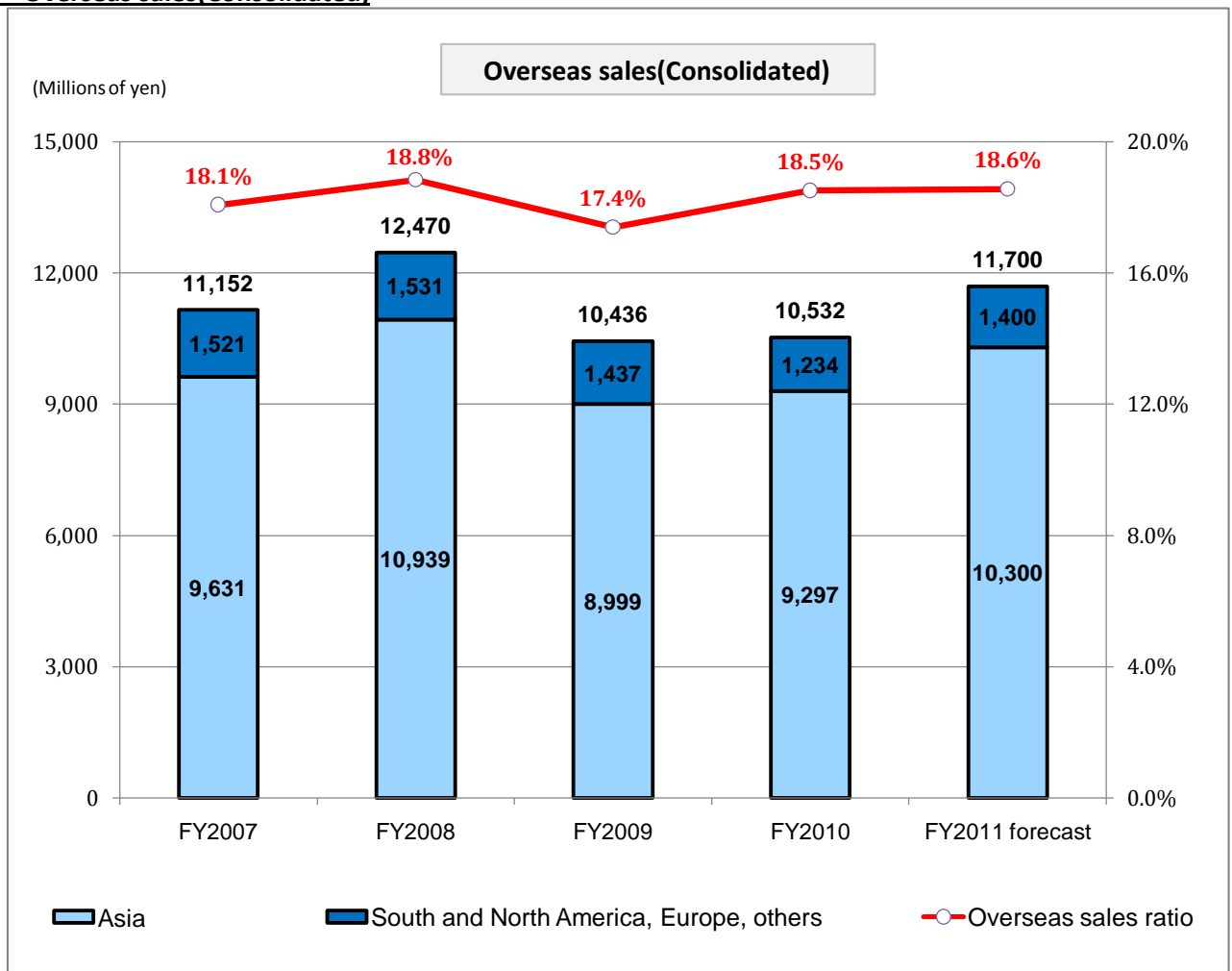
* Speciality chemicals business.....Printing ink resin, Paint resin, Adhesive resin, Polymerization emulsifier, Colorless rosin derivatives, etc.

* Photo-Electronic materials business.....UV/EB curable resin, Compound materials for electronics, Organic/inorganic hybrid resin, etc.

* Functional materials business.....Flux cleaning solvent, Flux cleaning system, Functional fine chemical materials, Solder paste, etc.

* OthersReal estate agent, Insurance business, etc.

*** Overseas sales(Consolidated)**



Consolidated	FY2007 (06/4-'07/3)		FY2008 (07/4-'08/3)		FY2009 (08/4-'09/3)		FY2010 (09/4-'10/3)		FY2011 forecast (10/4-'11/3)	
	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change
Overseas sales	11,152	26.7	12,470	11.8	10,436	△ 16.3	10,532	0.9	11,700	11.1
Overseas sales in Asia	9,631	33.1	10,939	13.6	8,999	△ 17.7	9,297	3.3	10,300	10.8
Overseas sales ratio	18.1%		18.8%		17.4%		18.5%		18.6%	

Management index

		FY2007	FY2008	FY2009	FY2010	FY2011 forecast
		('06/4-'07/3)	('07/4-'08/3)	('08/4-'09/3)	('09/4-'10/3)	('10/4-'11/3)
Capital investment (Completion basis) (Millions of Yen)	Consolidated	1,574	2,991	1,349	3,106	4,660
	Non-consolidated	989	958	1,098	1,945	3,840
Capital investment (Cash flows basis) (Millions of Yen)	Consolidated	2,624	2,274	1,562	3,725	5,970
	Non-consolidated	1,070	1,070	1,316	3,084	5,300
Depreciation and amortization (Millions of Yen)	Consolidated	1,832	2,091	2,183	2,185	2,790
	Non-consolidated	1,150	1,370	1,462	1,468	1,900
R & D expenses (Millions of Yen)	Consolidated	2,321	2,495	2,637	2,830	2,920
	Non-consolidated	1,971	2,170	2,325	2,536	2,630
Interest-bearing debt (Millions of Yen)	Consolidated	9,829	8,275	10,147	9,109	11,390
	Non-consolidated	7,286	5,896	7,563	6,830	9,630
Total assets (Millions of Yen)	Consolidated	67,732	64,799	58,531	64,048	69,800
	Non-consolidated	58,203	55,038	51,070	55,247	61,400
Shareholders' equity (Millions of Yen)	Consolidated	35,446	35,639	34,148	35,762	36,800
	Non-consolidated	33,220	33,259	32,595	33,838	34,700
Shareholders' equity to total assets (%)	Consolidated	52.3	55.0	58.3	55.8	52.7
	Non-consolidated	57.1	60.4	63.8	61.2	56.5
Return on equity (%)	Consolidated	4.7	5.0	1.9	4.0	4.4
	Non-consolidated	4.1	4.7	2.1	3.3	4.1
Operating income to net sales (%)	Consolidated	4.6	4.6	1.9	5.0	4.1
	Non-consolidated	2.5	2.6	1.2	3.5	2.9
Ordinary income to net sales (%)	Consolidated	4.7	4.9	2.2	5.7	4.6
	Non-consolidated	4.1	4.5	2.9	5.3	4.3
Earnings per share-Basic (Yen)	Consolidated	81.31	88.18	32.64	69.28	76.96
	Non-consolidated	67.51	78.05	34.51	55.25	67.03
Book-value per share (Yen)	Consolidated	1,759.95	1,769.62	1,695.62	1,775.81	1,830.00
	Non-consolidated	1,649.44	1,651.46	1,618.53	1,680.28	1,720.00
Price to earnings ratio	Consolidated	18.0	13.1	19.1	15.8	—
	Non-consolidated	21.7	14.8	18.1	19.9	—
Annual Dividends per share (Yen)		24.00	25.00	22.50	25.00	25.00
Payout ratio (%)	Consolidated	29.5	28.4	68.9	36.1	32.5
	Non-consolidated	35.6	32.0	65.2	45.2	37.3
Number of employees	Consolidated	1,128	1,179	1,218	1,298	1,335
	Non-consolidated	642	646	658	676	710

Balance Sheets (Consolidated)

(Unit: Millions of yen)

Assets	FY2006 (‘05/4-‘06/3)	FY2007 (‘06/4-‘07/3)	FY2008 (‘07/4-‘08/3)	FY2009 (‘08/4-‘09/3)	FY2010 (‘09/4-‘10/3)
◇ Current Assets	35,451	41,172	39,977	36,563	40,585
Cash and deposits	4,187	2,457	3,981	6,928	6,857
Notes and accounts receivable-trade	21,167	25,846	24,341	17,906	21,719
Short-term investment securities	506	—	—	—	—
Inventories	8,492	11,685	10,613	10,675	10,673
Deferred tax assets	411	511	528	451	705
Other	808	791	629	709	745
Allowance for doubtful accounts	△ 122	△ 120	△ 116	△ 107	△ 116
◇ Noncurrent assets	26,561	26,560	24,821	21,968	23,462
• Property, plant and equipment	17,988	18,765	18,799	17,686	18,657
Buildings and structures	6,088	5,988	6,954	6,465	6,647
Machinery, equipment and vehicles	5,871	5,807	5,519	4,644	4,475
Land	5,240	5,241	5,235	5,270	5,424
Construction in progress	32	996	400	612	1,497
Other	755	730	689	692	612
• Intangible assets	924	830	667	460	411
• Investments and other assets	7,648	6,964	5,354	3,821	4,393
Investment securities	7,036	6,320	4,678	2,935	3,719
Deferred tax assets	140	165	158	396	169
Other	751	555	529	497	526
Allowance for doubtful accounts	△ 280	△ 77	△ 11	△ 8	△ 22
Total Assets	62,012	67,732	64,799	58,531	64,048
Liabilities					
◇ Current liabilities	21,455	26,589	24,545	18,539	23,297
Notes and accounts payable-trade	10,910	13,346	12,171	7,964	10,122
Short-term loans payable	6,530	8,958	7,601	7,658	7,673
Income taxes payable	698	717	690	75	1,179
Accrued consumption taxes	45	50	153	44	127
Provision for bonuses	—	—	—	—	1,050
Notes payable-facilities	84	78	140	83	93
Other	3,185	3,437	3,786	2,712	3,051
◇ Noncurrent liabilities	3,833	4,080	3,234	4,755	3,870
Long-term loans payable	254	870	673	2,489	1,436
Deferred tax liabilities	1,293	876	269	—	129
Provision for retirement benefits	1,976	2,016	2,015	2,039	2,064
Provision for retirement allowances for directors	272	316	—	—	—
Other	35	0	275	226	239
Total Liabilities	25,289	30,670	27,779	23,294	27,167
Net assets					
◇ Shareholders' equity	31,956	33,194	34,445	34,589	35,541
Capital stock	3,128	3,128	3,128	3,128	3,128
Capital surplus	3,350	3,350	3,350	3,350	3,350
Retained earnings	25,482	26,725	27,977	28,121	29,073
Treasury stock	△ 3	△ 9	△ 10	△ 10	△ 11
◇ Valuation and translation adjustments	2,709	2,251	1,193	△ 440	221
Valuation difference on available-for-sale securities	2,625	1,952	926	72	653
Foreign currency translation adjustment	84	299	266	△ 513	△ 431
◇ Minority interests	2,057	1,616	1,380	1,088	1,117
Total Net assets	36,723	37,062	37,019	35,237	36,880
Total Liabilities and net assets	62,012	67,732	64,799	58,531	64,048

* Conventional "Shareholders' Equity" section is reclassified into "Net Assets."

Statements of Income (Consolidated)

(Unit : Millions of Yen)

	FY2006 (‘05/4-‘06/3)	FY2007 (‘06/4-‘07/3)	FY2008 (‘07/4-‘08/3)	FY2009 (‘08/4-‘09/3)	FY2010 (‘09/4-‘10/3)
◇ Net sales	55,991	61,663	66,171	59,959	56,861
◇ Cost of sales	44,212	48,882	52,921	48,585	43,499
Gross profit	11,778	12,781	13,250	11,374	13,361
Selling, general and administrative expenses	9,524	9,950	10,218	10,257	10,511
Operating income	2,254	2,831	3,031	1,117	2,849
◇ Non-operating income	440	500	596	567	573
Interest income	19	17	18	16	8
Dividends income	56	74	94	100	78
Technical support fee	99	134	145	140	118
Real estate rent	56	59	90	102	104
Foreign exchange gains	78	46	—	—	23
Equity in earnings of affiliates	49	86	94	86	69
Other	79	83	152	120	170
◇ Non-operating expenses	131	423	404	392	198
Interest expenses	67	130	187	202	170
Stock issuance cost	21	—	—	—	—
Foreign exchange losses	—	—	43	144	—
Other	42	292	173	45	28
Ordinary income	2,563	2,908	3,222	1,291	3,224
◇ Extraordinary income	53	9	6	310	42
Gain on sales of noncurrent assets	50	3	1	282	0
Gain on sales of investment securities	—	—	—	5	—
Reversal of allowance for doubtful accounts	3	5	5	7	—
Other	—	—	—	15	42
◇ Extraordinary loss	69	28	161	319	619
Loss on sales and retirement of noncurrent assets	34	28	61	52	101
Impairment loss	—	—	—	—	510
Loss on valuation of noncurrent assets	0	0	0	6	6
Loss on sales of investment securities	13	—	—	—	—
Loss on valuation of investment securities	—	—	0	260	0
Other	22	—	99	—	—
Income before income taxes	2,547	2,888	3,067	1,282	2,647
Income taxes—current	1021	1,207	1,129	498	1,412
Income taxes—deferred	0	△ 74	94	156	△ 287
Minority interests in income	196	117	68	△ 29	128
Net income	1,329	1,637	1,775	657	1,395

Statements of Cash Flows (consolidated)

(Unit : Millions of Yen)

	FY2006 (‘05/4-‘06/3)	FY2007 (‘06/4-‘07/3)	FY2008 (‘07/4-‘08/3)	FY2009 (‘08/4-‘09/3)	FY2010 (‘09/4-‘10/3)
I . Net cash provided by (used in) operating					
Income before income taxes	2,547	2,888	3,068	1,282	2,647
Depreciation and amortization	1,655	1,832	2,091	2,183	2,185
Amortization of consolidation difference	216	—	—	—	—
Impairment loss	—	—	—	—	510
Amortization of goodwill	—	248	226	108	18
Increase (decrease) in allowance for doubtful accounts	△ 13	△ 205	△ 67	△ 6	7
Increase (decrease) in provision for bonuses	—	—	—	—	1,050
Increase (decrease) in provision for retirement benefits	29	40	△ 1	33	23
Loss (gain) on valuation of investment securities	—	—	0	260	0
Loss (gain) on sales of investment securities	13	0	—	△ 5	—
Interest and dividends income	△ 76	△ 91	△ 112	△ 117	△ 87
Interest expenses	67	130	187	202	170
Decrease (increase) in notes and accounts receivable-trade	△ 1,858	△ 4,643	1,465	6,079	△ 3,720
Increase (decrease) in notes and accounts payable-trade	930	2,408	△ 1,135	△ 3,962	2,113
Other, net	△ 1,470	△ 2,663	1,275	△ 1,647	279
Sub-total	2,039	△ 54	6,998	4,411	5,200
Interest and dividends income received	83	132	178	158	134
Interest expenses paid	△ 65	△ 126	△ 194	△ 200	△ 161
Income taxes paid	△ 1,042	△ 1,189	△ 1,155	△ 1,108	△ 204
Other, net	—	—	△ 99	—	—
Net cash provided by (used in) operating activities	1,015	△ 1,238	5,727	3,261	4,969
II . Net cash provided by (used in) investment activities					
Purchase of noncurrent assets	△ 4,467	△ 2,624	△ 2,274	△ 1,562	△ 3,725
Purchase of investment securities	△ 37	△ 366	△ 69	△ 70	△ 19
Proceeds from sales of investment securities	7	1	—	11	—
Purchase of investments in (capital of) subsidiaries	—	△ 528	—	△ 173	△ 122
Other, net	△ 140	880	337	△ 63	416
Net cash provided by (used in) investment activities	△ 4,637	△ 2,637	△ 2,006	△ 1,858	△ 3,451
III . Net cash provided by (used in) financing activities					
Net increase (decrease) in short-term loans payable	651	2,899	△ 1,373	363	△ 978
Proceeds from long-term loans payable	328	966	78	2,200	273
Repayment of long-term loans payable	△ 217	△ 883	△ 243	△ 384	△ 428
Proceeds from issuance of common stock	1,525	—	—	—	—
Cash dividends paid	△ 331	△ 369	△ 523	△ 513	△ 443
Cash dividends paid to minority shareholders	△ 121	△ 105	△ 120	△ 20	△ 64
Other, net	88	△ 5	△ 1	△ 0	△ 0
Net cash provided by (used in) financing activities	1,923	2,502	△ 2,183	1,645	△ 1,642
IV . Effect of exchange rate change on cash and cash equivalents	269	23	△ 22	△ 146	57
V . Net increase (decrease) in cash and cash equivalents	△ 1,429	△ 1,350	1,514	2,901	△ 67
VI . Cash and cash equivalents, Beginning of term	5,175	3,746	2,396	3,911	6,812
VII . Cash and cash equivalents, End of term	3,746	2,396	3,911	6,812	6,745

Balance Sheets (Non-consolidated)

(Unit : Millions of Yen)

Assets	FY2006 (05/4-06/3)	FY2007 (06/4-07/3)	FY2008 (07/4-08/3)	FY2009 (08/4-09/3)	FY2010 (09/4-10/3)
◇ Current assets	28,011	33,118	31,907	29,805	32,194
Cash and deposits	2,081	1,008	2,023	5,012	3,842
Notes and accounts receivable-trade	18,716	22,806	21,030	15,547	18,612
Short-term investment securities	503	—	—	—	—
Inventories	5,704	7,395	6,860	7,243	7,497
Other	1,095	1,998	2,082	2,090	2,331
Allowance for doubtful accounts	△ 90	△ 90	△ 90	△ 90	△ 90
◇ Noncurrent assets	25,648	25,084	23,130	21,265	23,053
• Property, plant and equipment	12,794	12,548	12,101	11,907	12,647
Buildings and structures	4,452	4,262	4,006	3,853	3,963
Machinery, equipment and vehicles	3,273	3,244	2,905	2,534	2,189
Land	4,583	4,584	4,578	4,615	4,699
Other	484	457	611	903	1,794
• Intangible assets	155	276	333	272	213
• Investments and other assets	12,698	12,260	10,696	9,085	10,192
Investment securities	6,658	5,897	4,257	2,628	3,607
Stocks of subsidiaries and affiliates	3,292	3,637	3,637	3,637	3,817
Investments in capital of subsidiaries and affiliates	1,828	2,011	2,185	1,787	2,002
Other	1,124	721	624	1,039	773
Allowance for doubtful accounts	△ 206	△ 8	△ 8	△ 8	△ 7
Total Assets	53,659	58,203	55,038	51,070	55,247
Liabilities					
◇ Current liabilities	17,237	21,524	19,206	14,213	18,317
Notes and accounts payable-trade	9,169	11,467	10,231	6,651	8,467
Short-term loans payable	5,100	6,450	5,300	5,000	4,500
Current portion of long-term loans payable	225	239	233	233	1,200
Accounts payable-other	1,483	1,827	1,826	1,370	1,934
Accrued expenses	662	798	809	647	181
Income taxes payable	434	449	539	55	882
Accrued consumption taxes	24	36	144	23	122
Deposits received	52	88	36	44	45
Provision for bonuses	—	—	—	—	845
Notes payable-facilities	84	52	48	69	77
Other	—	113	37	118	61
◇ Noncurrent liabilities	3,496	3,459	2,572	4,260	3,091
Long-term loans payable	246	596	363	2,330	1,130
Deferred tax liabilities	1,286	869	265	—	—
Provision for retirement benefits	1,686	1,717	1,682	1,724	1,741
Provision for retirement allowances for directors	241	275	—	—	—
Other	34	—	260	206	219
Total Liabilities	20,733	24,983	21,778	18,474	21,408
Net assets					
◇ Shareholders' equity	30,319	31,279	32,326	32,507	33,177
Capital stock	3,128	3,128	3,128	3,128	3,128
Capital surplus	3,350	3,350	3,350	3,350	3,350
Retained earnings	23,845	24,810	25,858	26,040	26,709
Treasury stock	△ 3	△ 9	△ 10	△ 10	△ 11
◇ Valuation and translation adjustments	2,606	1,940	932	87	661
Valuation difference on available-for-sale securities	2,606	1,940	932	87	661
Total Net assets	32,925	33,220	33,259	32,595	33,838
Total Liabilities and net assets	53,659	58,203	55,038	51,070	55,247

* Conventional "Shareholders' Equity" section is reclassified into "Net Assets."

Statements of Income (Non-consolidated)

(Unit : Millions of Yen)

	FY2006 (‘05/4-‘06/3)	FY2007 (‘06/4-‘07/3)	FY2008 (‘07/4-‘08/3)	FY2009 (‘08/4-‘09/3)	FY2010 (‘09/4-‘10/3)
◇ Net sales	48,183	51,389	54,410	49,850	47,205
◇ Cost of sales	39,612	42,444	45,147	41,398	37,151
Gross profit	8,570	8,945	9,263	8,451	10,054
Selling, general and	7,412	7,648	7,828	7,865	8,402
Operating income	1,158	1,296	1,434	586	1,652
◇ Non-operating income	805	1,032	1,181	973	934
Interest income	23	20	25	24	20
Dividends income	316	395	612	405	344
Technical support fee	208	293	278	239	229
Real estate rent	54	82	130	150	149
Foreign exchange gains	57	59	18	53	48
Other	145	181	115	100	142
◇ Non-operating expenses	79	216	182	94	90
Interest expenses	31	47	71	66	64
Stock issuance cost	21	—	—	—	—
Loss on abandonment of goods	15	27	7	—	—
Other	11	141	103	27	25
Ordinary income	1,885	2,112	2,433	1,465	2,495
◇ Extraordinary income	52	3	1	286	27
Gain on sales of noncurrent assets	49	2	1	281	—
Gain on sales of investment securities	—	0	—	5	—
Reversal of allowance for doubtful accounts	2	0	0	0	0
Other	—	—	—	—	26
◇ Extraordinary loss	50	20	65	769	835
Loss on sales and retirement of noncurrent assets	28	20	35	24	86
Impairment loss	—	—	—	—	360
Loss on valuation of noncurrent assets	0	0	0	6	5
Loss on valuation of investment securities	—	—	0	257	—
Loss on valuation of investments in capital of subsidiaries and affiliates	—	—	—	480	383
Other	22	—	28	—	—
Income before income taxes	1,886	2,095	2,369	982	1,687
Income taxes-current	650	760	730	310	970
Income taxes-deferred	△ 6	△ 24	68	△ 22	△ 394
Net income	1,243	1,359	1,571	695	1,112

※The statements concerning future performance that are presented in this document are based on information available to issuing date of this report, and therefore the actual results may differ from these forecasted figures due to various unknown factors.

Balance sheets(Consolidated)

(Unit: Millions of yen)

Item	FY2009		FY2010		Increase /Decrease
	As of March 31, 2009		As of March 31, 2010		
	Amount	Com- position ratio	Amount	Com- position ratio	
(Assets)		%		%	
I Current assets					
1. Cash and deposits	6,928		6,857		△ 71
2. Notes and accounts receivable-trade	17,906		21,719		3,813
3. Merchandise and finished goods	5,570		5,679		108
4. Work in process	495		611		115
5. Raw materials and supplies	4,608		4,382		△ 225
6. Deferred tax assets	451		705		254
7. Other	709		745		35
Allowance for doubtful accounts	△ 107		△ 116		△ 8
Total Current assets	36,563	62.5	40,585	63.4	4,022
II Noncurrent assets					
1. Property, plant and equipment					
(1) Buildings and structures	6,465		6,647		181
(2) Machinery, equipment and vehicles	4,644		4,475		△ 169
(3) Land	5,270		5,424		153
(4) Construction in progress	612		1,497		885
(5) Other	692		612		△ 79
Total Property, plant and equipment	17,686	30.2	18,657	29.1	971
2. Intangible assets	460	0.8	411	0.6	△ 48
3. Investments and other assets					
(1) Investment securities	2,935		3,719		783
(2) Deferred tax assets	396		169		△ 227
(3) Other	497		526		28
Allowance for doubtful accounts	△ 8		△ 22		△ 13
Total Investments and other assets	3,821	6.5	4,393	6.9	571
Total Noncurrent assets	21,968	37.5	23,462	36.6	1,494
Total Assets	58,531	100.0	64,048	100.0	5,516

(Unit: Millions of yen)

Item	FY2009		FY2010		Increase /Decrease
	As of March 31, 2009		As of March 31, 2010		
	Amount	Com- position ratio	Amount	Com- position ratio	
(Liabilities)		%		%	
I Current liabilities					
1. Notes and accounts payable-trade	7,964		10,122		2,157
2. Short-term loans payable	7,658		7,673		14
3. Income taxes payable	75		1,179		1,103
4. Accrued consumption taxes	44		127		83
5. Provision for bonuses	-		1,050		1,050
6. Provision for directors' bonuses	25		45		20
7. Notes payable-facilities	83		93		10
8. Other	2,687		3,005		318
Total Current liabilities	18,539	31.7	23,297	36.4	4,757
II Noncurrent liabilities					
1. Long-term loans payable	2,489		1,436		△ 1,052
2. Deferred tax liabilities	-		129		129
3. Provision for retirement benefits	2,039		2,064		24
4. Provision for repairs	-		42		42
5. Other	226		197		△ 28
Total Noncurrent liabilities	4,755	8.1	3,870	6.0	△ 884
Total Liabilities	23,294	39.8	27,167	42.4	3,873
(Net assets)					
I Shareholders' equity					
1. Capital stock	3,128		3,128		-
2. Capital surplus	3,350		3,350		-
3. Retained earnings	28,121		29,073		952
4. Treasury stock	△ 10		△ 11		△ 0
Total Shareholders' equity	34,589	59.1	35,541	55.5	951
II Valuation and translation adjustments					
1. Valuation difference on available-for-sale securities	72		653		580
2. Foreign currency translation adjustment	△ 513		△ 431		81
Total Valuation and translation adjustments	△ 440	△ 0.8	221	0.4	662
III Minority interests	1,088	1.9	1,117	1.7	29
Total Net assets	35,237	60.2	36,880	57.6	1,643
Total Liabilities and net assets	58,531	100.0	64,048	100.0	5,516

Statements of income(Consolidated)

(Unit: Millions of yen)

Item	FY2009 '08/4-'09/3		FY2010 '09/4-'10/3		Increase /Decrease	
	Amount	Ratio	Amount	Ratio	Amount	Rate of change
		%		%		%
I Net sales	59,959	100.0	56,861	100.0	△ 3,098	△ 5.2
II Cost of sales	48,585	81.0	43,499	76.5	△ 5,085	△ 10.5
Gross profit	11,374	19.0	13,361	23.5	1,986	17.5
III Selling, general and administrative expenses	10,257	17.1	10,511	18.5	254	2.5
Operating income	1,117	1.9	2,849	5.0	1,732	155.1
IV Non-operating income						
Interest income	16		8		△ 8	
Dividends income	100		78		△ 22	
Technical support fee	140		118		△ 21	
Real estate rent	102		104		1	
Equity in earnings of affiliates	86		69		△ 16	
Foreign exchange gains	–		23		23	
Subsidy income	–		60		60	
Other	120		109		△ 10	
Total Non-operating income	567	1.0	573	1.0	6	1.1
V Non-operating expenses						
Interest expenses	202		170		△ 32	
Foreign exchange losses	144		–		△ 144	
Other	45		28		△ 17	
Total Non-operating expenses	392	0.7	198	0.3	△ 194	△ 49.5
Ordinary income	1,291	2.2	3,224	5.7	1,932	149.6
VI Extraordinary income						
Gain on sales of noncurrent assets	282		0		△ 281	
Gain on sales of investment securities	5		–		△ 5	
Reversal of allowance for doubtful accounts	7		–		△ 7	
State subsidy	–		42		42	
Other	15		–		△ 15	
Total Extraordinary income	310	0.5	42	0.1	△ 267	△ 86.2
VII Extraordinary loss						
Loss on sales and retirement of noncurrent assets	52		101		49	
Impairment loss	–		510		510	
Loss on valuation of noncurrent assets	6		6		△ 0	
Loss on valuation of investment securities	260		0		△ 259	
Total Extraordinary loss	319	0.5	619	1.1	299	93.9
Income before income taxes	1,282	2.2	2,647	4.7	1,365	106.4
Income taxes-current	498	0.8	1,412	2.5	913	183.4
Income taxes-deferred	156	0.3	△ 287	△0.5	△ 444	–
Minority interests in income	△ 29	△ 0.0	128	0.2	157	–
Net income	657	1.1	1,395	2.5	738	112.3

Statements of cash flows (Consolidated)

(Unit: Millions of yen)

Item	FY2009	FY2010	Increase /Decrease
	'08/4-'09/3	'09/4-'10/3	
	Amount	Amount	
I Net cash provided by (used in) operating			
Income before income taxes	1,282	2,647	1,365
Depreciation and amortization	2,183	2,185	2
Impairment loss	–	510	510
Amortization of goodwill	108	18	△ 90
Increase (decrease) in allowance for doubtful accounts	△ 6	7	14
Increase (decrease) in provision for bonuses	–	1,050	1,050
Increase (decrease) in provision for directors' bonuses	△ 14	20	34
Increase (decrease) in provision for retirement benefits	33	23	△ 9
Loss (gain) on valuation of investment securities	260	0	△ 259
Loss on valuation of noncurrent assets	6	6	△ 0
Loss (gain) on sales of investment securities	△ 5	–	5
Loss (gain) on sales and retirement of noncurrent assets	△ 229	100	330
Interest and dividends income	△ 117	△ 87	30
Interest expenses	202	170	△ 32
Equity in (earnings) losses of affiliates	△ 86	△ 69	16
Decrease (increase) in notes and accounts receivable-trade	6,079	△ 3,720	△ 9,800
Decrease (increase) in inventories	△ 556	107	664
Increase (decrease) in notes and accounts payable-trade	△ 3,962	2,113	6,075
Increase (decrease) in accrued consumption taxes	△ 108	83	192
Other, net	△ 658	30	689
Sub-total	4,411	5,200	788
Interest and dividends income received	158	134	△ 23
Interest expenses paid	△ 200	△ 161	38
Income taxes paid	△ 1,108	△ 204	904
Net cash provided by (used in) operating activities	3,261	4,969	1,707
II Net cash provided by (used in) investment activities			
Decrease (increase) in time deposits	△ 45	3	49
Purchase of property, plant and equipment	△ 1,520	△ 3,687	△ 2,166
Proceeds from sales of property, plant and equipment	370	374	3
Purchase of investment securities	△ 70	△ 19	51
Proceeds from sales of investment securities	11	–	△ 11
Purchase of intangible assets	△ 41	△ 38	3
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	–	46	46
Purchase of investments in capital of subsidiaries	△ 173	△ 122	51
Purchase of investments and other assets	△ 30	△ 10	20
Proceeds from sales of investments and other assets	26	26	0
Increase (decrease) in notes payable-facilities	△ 57	–	57
Other, net	△ 326	△ 24	301
Net cash provided by (used in) investment activities	△ 1,858	△ 3,451	△ 1,593
III Net cash provided by (used in) financing activities			
Net increase (decrease) in short-term loans payable	363	△ 978	△ 1,342
Proceeds from long-term loans payable	2200	273	△ 1,926
Repayment of long-term loans payable	△ 384	△ 428	△ 44
Purchase of treasury stock	△ 0	△ 0	0
Cash dividends paid	△ 513	△ 443	70
Cash dividends paid to minority shareholders	△ 20	△ 64	△ 44
Net cash provided by (used in) financing activities	1,645	△ 1,642	△ 3,287
IV Effect of exchange rate change on cash and cash equivalents	△ 146	57	203
V Net increase (decrease) in cash and cash equivalents	2,901	△ 67	△ 2,968
VI Cash and cash equivalents, Beginning of term	3,911	6,812	2,901
VII Cash and cash equivalents, End of term	6,812	6,745	△ 67

Balance sheets (Non-consolidated)

(Unit: Millions of yen)

Item	FY2009		FY2010		Increase /Decrease
	As of March 31, 2009		As of March 31, 2010		
	Amount	Com- position ratio	Amount	Com- position ratio	
		%		%	
(Assets)					
I Current assets					
Cash and deposits	5,012		3,842		△ 1,170
Notes receivable-trade	940		993		53
Accounts receivable-trade	14,607		17,619		3,012
Merchandise and finished goods	4,222		4,383		161
Work in process	376		495		119
Raw materials and supplies	2,645		2,618		△ 27
Prepaid expenses	82		85		3
Deferred tax assets	329		540		211
Short-term loans receivable to subsidiaries and affiliates	1,210		1,100		△ 110
Other	468		605		136
Allowance for doubtful accounts	△ 90		△ 90		-
Total Current assets	29,805	58.4	32,194	58.3	2,389
II Noncurrent assets					
1. Property, plant and equipment					
Buildings	3,170		3,317		147
Structures	683		646		△ 37
Machinery and equipment	2,508		2,173		△ 335
Vehicles	18		10		△ 7
Tools, furniture and fixtures	495		437		△ 58
Land	4,615		4,699		84
Lease assets	6		5		△ 1
Construction in progress	408		1,357		949
Total Property, plant and equipment	11,907	23.3	12,647	22.9	740
2. Intangible assets					
Leasehold right	3		3		-
Software	253		194		△ 59
Telephone subscription right	12		12		-
Other	2		2		△ 0
Total Intangible assets	272	0.5	213	0.4	△ 59
3. Investments and other assets					
Investment securities	2,628		3,607		978
Stocks of subsidiaries and affiliates	3,637		3,817		179
Investments in capital of subsidiaries and affiliates	1,787		2,002		214
Long-term loans receivable from subsidiaries and affiliates	400		360		△ 40
Deferred tax assets	427		224		△ 203
Claims provable in bankruptcy, claims provable in rehabilitation and other	8		7		△ 0
Long-term prepaid expenses	2		1		△ 0
Other	200		178		△ 21
Allowance for doubtful accounts	△ 8		△ 7		0
Total Investments and other assets	9,085	17.8	10,192	18.4	1,106
Total Noncurrent assets	21,265	41.6	23,053	41.7	1,787
Total Assets	51,070	100.0	55,247	100.0	4,176

(Unit: Millions of yen)

Item	FY2009		FY2010		Increase /Decrease
	As of March 31, 2009		As of March 31, 2010		
	Amount	Com- position ratio	Amount	Com- position ratio	
(Liabilities)		%		%	
I Current liabilities					
Notes payable-trade	1,490		1,755		265
Accounts payable-trade	5,160		6,711		1,551
Short-term loans payable	5,000		4,500		△ 500
Current portion of long-term loans payable	233		1,200		966
Lease obligations	1		1		-
Accounts payable-other	1,370		1,934		563
Accrued expenses	647		181		△ 465
Income taxes payable	55		882		826
Accrued consumption taxes	23		122		98
Deposits received	44		45		15
Provision for bonuses	-		845		845
Provision for directors' bonuses	25		45		20
Provision for repairs	91		-		△ 91
Notes payable-facilities	69		77		8
Other	-		14		
Total Current liabilities	14,213	27.8	18,317	33.2	4,103
II Noncurrent liabilities					
Long-term loans payable	2,330		1,130		△ 1,200
Long-term lease obligations	5		3		△ 1
Provision for retirement benefits	1,724		1,741		16
Provision for repairs	-		42		42
Other	201		174		△ 27
Total Noncurrent liabilities	4,260	8.4	3,091	5.6	△ 1,169
Total Liabilities	18,474	36.2	21,408	38.8	2,934
(Net assets)					
I Shareholders' equity					
1 Capital stock	3,128	6.1	3,128	5.6	-
2 Capital surplus					
(1)Legal capital surplus	3,350		3,350		-
Total Capital surplus	3,350	6.6	3,350	6.1	-
3 Retained earnings					
(1)Legal retained earnings	307		307		-
(2)Other retained earnings					
Reserve for special depreciation	1		-		△ 1
Reserve for advanced depreciation of noncurrent assets	613		619		6
General reserve	23,300		23,300		-
Retained earnings brought forward	1,817		2,482		664
Total Retained earnings	26,040	50.9	26,709	48.3	669
4 Treasury stock	△ 10	△ 0.0	△ 11	△ 0.0	△ 0
Total Shareholders' equity	32,507	63.6	33,177	60.0	669
II Valuation and translation adjustments					
Valuation difference on	87		661		573
Total Valuation and translation	87	0.2	661	1.2	573
Total Net assets	32,595	63.8	33,838	61.2	1,242
Total Liabilities and net assets	51,070	100.0	55,247	100.0	4,176

Statements of income(Non-consolidated)

(Unit: Millions of yen)

Item	FY2009 '08/4-'09/3		FY2010 '09/4-'10/3		Increase /Decrease	
	Amount	Ratio	Amount	Ratio	Amount	Rate of change
		%		%		%
I Net sales	49,850	100.0	47,205	100.0	△ 2,644	△ 5.3
II Cost of sales	41,398	83.0	37,151	78.7	△ 4,247	△ 10.3
Gross profit	8,451	17.0	10,054	21.3	1,602	19.0
III Selling, general and administrative expenses	7,865	15.8	8,402	17.8	536	6.8
Operating income	586	1.2	1,652	3.5	1,066	181.9
IV Non-operating income						
Interest income	24		20			
Dividends income	405		344			
Technical support fee	239		229			
Real estate rent	150		149			
Foreign exchange gains	53		48			
Other	100	973	142	934	△ 39	△ 4.0
V Non-operating expenses						
Interest expenses	66		64			
Other	27	94	25	90	△ 3	△ 3.9
Ordinary income	1,465	2.9	2,495	5.3	1,030	70.4
VI Extraordinary income						
Gain on sales of noncurrent assets	281		-			
Gain on sales of investment securities	5		-			
Reversal of allowance for doubtful	0		0			
State subsidy	-	286	26	27	△ 259	△ 90.6
VII Extraordinary loss						
Loss on sales and retirement of noncurrent assets	24		86			
Impairment loss	-		360			
Loss on valuation of noncurrent assets	6		5			
Loss on valuation of investment	257		-			
Loss on valuation of investments in capital of subsidiaries and affiliates	480	769	383	835	65	8.6
Income before income taxes	982	2.0	1,687	3.6	705	71.8
Income taxes-current	310		970			
Income taxes-deferred	△ 22	287	△ 394	575	287	100.1
Net income	695	1.4	1,112	2.4	417	60.1