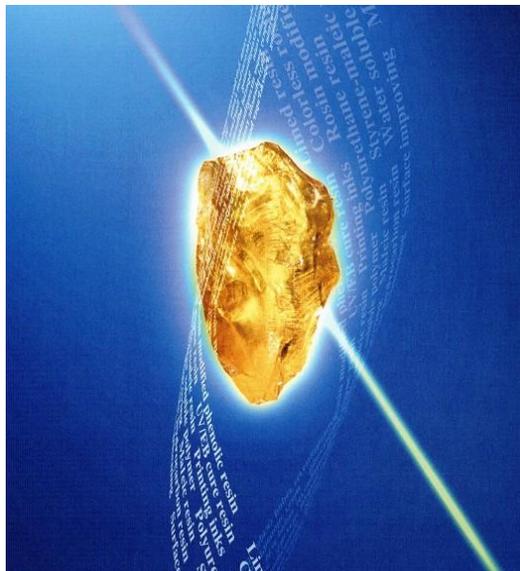


DATA BOOK 2011

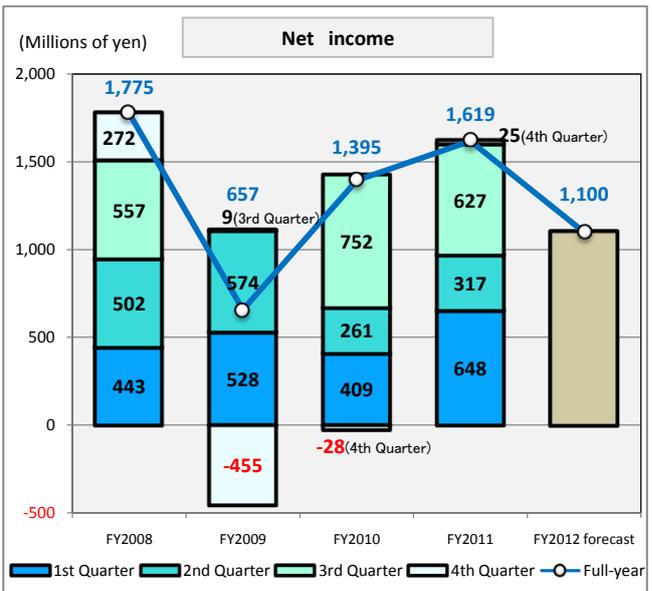
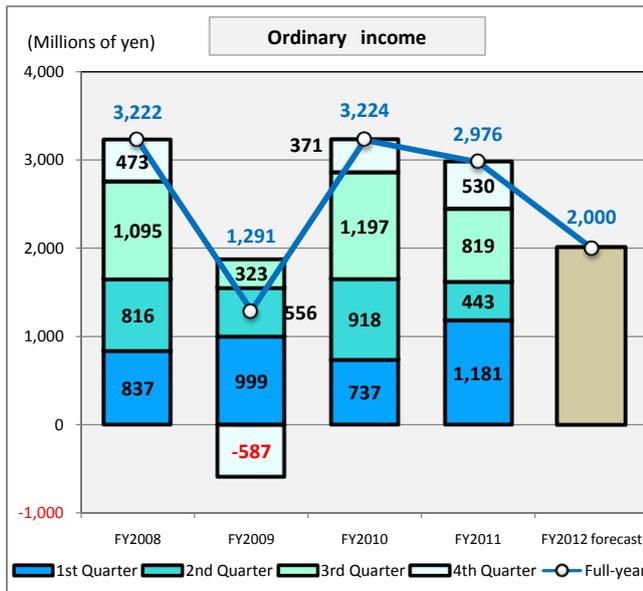
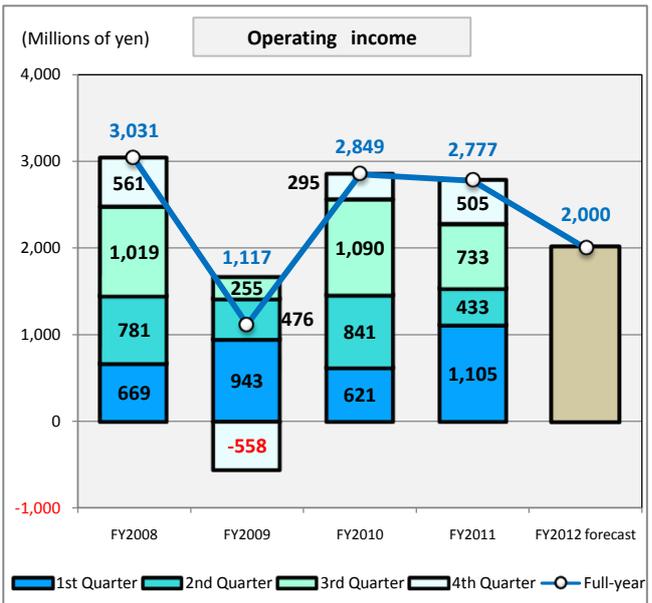
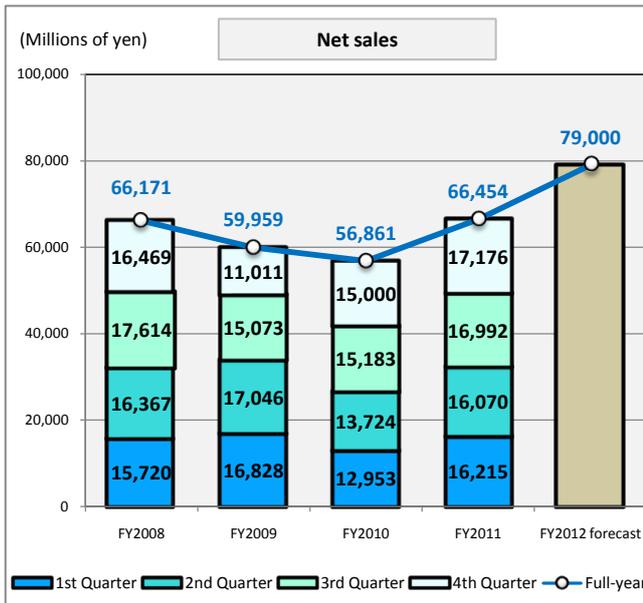
May 9th, 2011

Year ended March 31, 2011



ARAKAWA CHEMICAL INDUSTRIES, LTD.

*** Achievement Transition(Consolidated)**



| Consolidated | FY2008 ('07/4-'08/3) | | FY2009 ('08/4-'09/3) | | FY2010 ('09/4-'10/3) | | FY2011 ('10/4-'11/3) | | FY2012 forecast ('11/4-'12/3) | |
|------------------|----------------------|---------|----------------------|---------|----------------------|---------|----------------------|---------|-------------------------------|---------|
| | Millions of yen | %Change | Millions of yen | %Change |
| Net sales | 66,171 | 7.3 | 59,959 | △ 9.4 | 56,861 | △ 5.2 | 66,454 | 16.9 | 79,000 | 18.9 |
| Operating income | 3,031 | 7.1 | 1,117 | △ 63.1 | 2,849 | 155.1 | 2,777 | △ 2.5 | 2,000 | △ 28.0 |
| Ordinary income | 3,222 | 10.8 | 1,291 | △ 59.9 | 3,224 | 149.6 | 2,976 | △ 7.7 | 2,000 | △ 32.8 |
| Net income | 1,775 | 8.4 | 657 | △ 63.0 | 1,395 | 112.3 | 1,619 | 16.1 | 1,100 | △ 32.1 |

*** Management Index(Consolidated)**

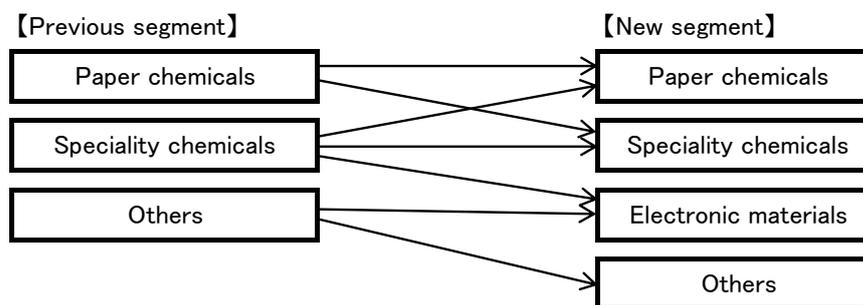
| Non-consolidated | FY2008 ('07/4-'08/3) | | FY2009 ('08/4-'09/3) | | FY2010 ('09/4-'10/3) | | FY2011 ('10/4-'11/3) | |
|------------------|----------------------|---------|----------------------|---------|----------------------|---------|----------------------|---------|
| | Millions of yen | %Change |
| Net sales | 54,410 | 5.9 | 49,850 | △ 8.4 | 47,205 | △ 5.3 | 52,010 | 10.2 |
| Operating income | 1,434 | 10.6 | 586 | △ 59.1 | 1,652 | 181.9 | 1,180 | △ 28.5 |
| Ordinary income | 2,433 | 15.2 | 1,465 | △ 39.8 | 2,495 | 70.4 | 2,088 | △ 16.3 |
| Net income | 1,571 | 15.6 | 695 | △ 55.8 | 1,112 | 60.1 | 1,275 | 14.7 |

*** Segment Information(Consolidated)**

| Consolidated | | FY2010 (‘09/4-‘10/3) | | FY2011 (‘10/4-‘11/3) | | FY2012 forecast (‘11/4-‘12/3) | |
|----------------------|----------------------|-------------------------|---------|-------------------------|---------|----------------------------------|---------|
| | | Millions of yen | %Change | Millions of yen | %Change | Millions of yen | %Change |
| Paper chemicals | Net sales | 16,471 | — | 17,974 | 9.1 | 20,000 | 11.3 |
| | Segment income | 1,055 | — | 813 | △ 22.9 | 680 | △ 16.4 |
| | Segment income/sales | 6.4% | | 4.5% | | 3.4% | |
| Speciality chemicals | Net sales | 27,309 | — | 33,914 | 24.2 | 44,000 | 29.7 |
| | Segment income | 865 | — | 1,498 | 73.2 | 1,200 | △ 19.9 |
| | Segment income/sales | 3.2% | | 4.4% | | 2.7% | |
| Electronic materials | Net sales | 12,794 | — | 14,284 | 11.7 | 14,700 | 2.9 |
| | Segment income | 926 | — | 447 | △ 51.7 | 360 | △ 19.5 |
| | Segment income/sales | 7.2% | | 3.1% | | 2.4% | |
| Others | Net sales | 285 | — | 280 | △ 1.9 | 300 | 7.1 |
| | Segment income | 6 | — | 10 | 54.5 | 10 | △ 1.0 |
| | Segment income/sales | 2.3% | | 3.6% | | 3.3% | |
| Consolidated total | Net sales | 56,861 | — | 66,454 | 16.9 | 79,000 | 18.9 |
| | Segment income | 2,853 | — | 2,769 | △ 3.0 | 2,250 | △ 18.8 |
| | Segment income/sales | 5.0% | | 4.2% | | 2.8% | |

* As a result of the application of “Accounting Standard for Disclosure of Segment Information”, the segment information has been changed from FY2011. The amounts for FY2010 stated above have been modified to reflect the operating results based on the segments after the change for reference purposes.

* Relationship between new segment and previous segment is stated as follows.



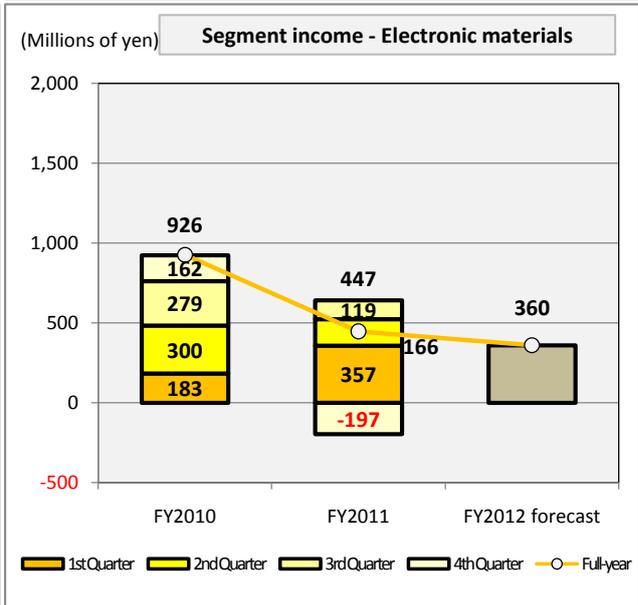
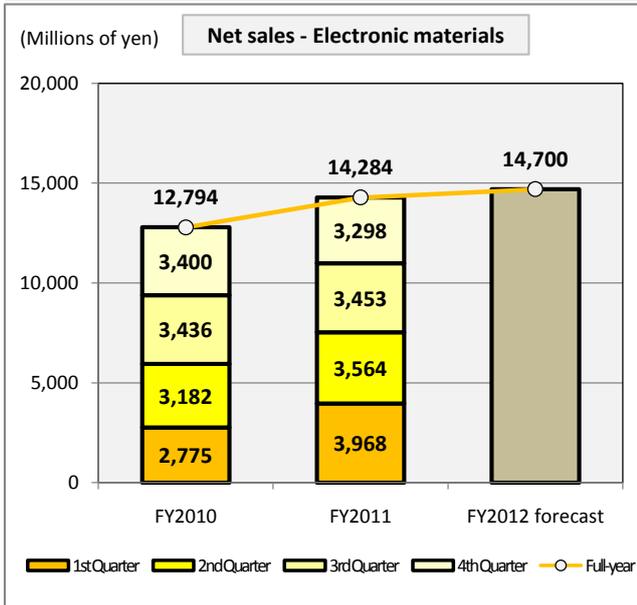
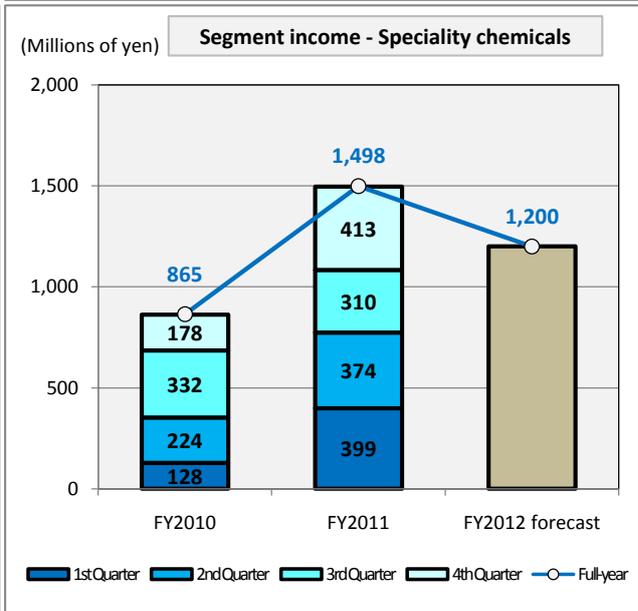
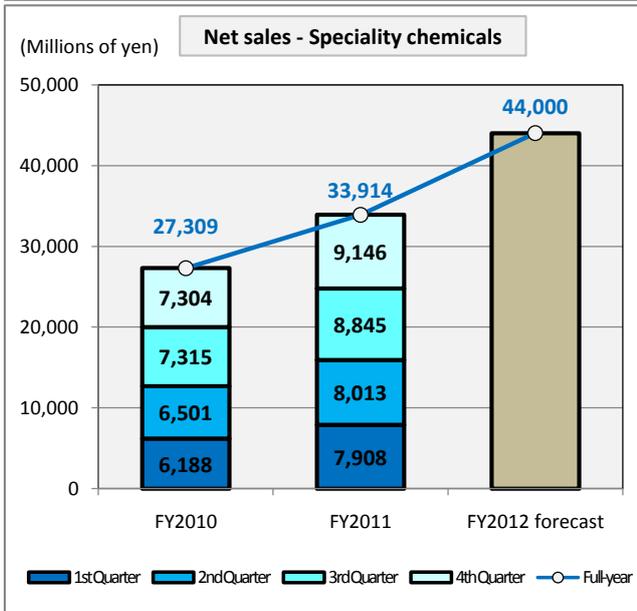
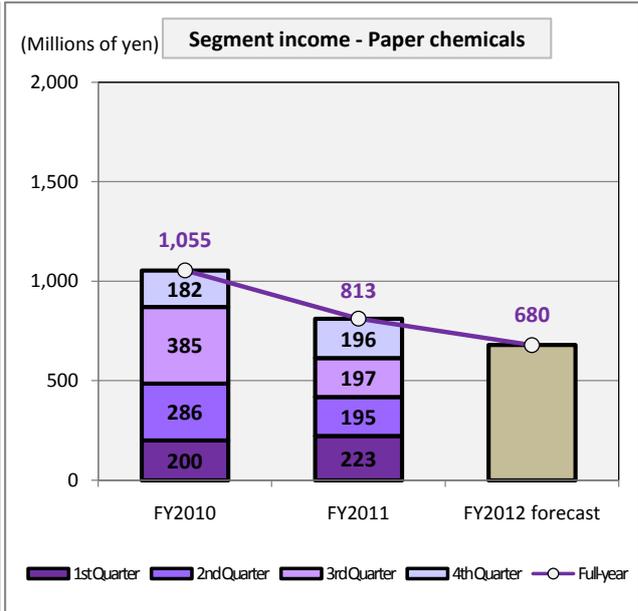
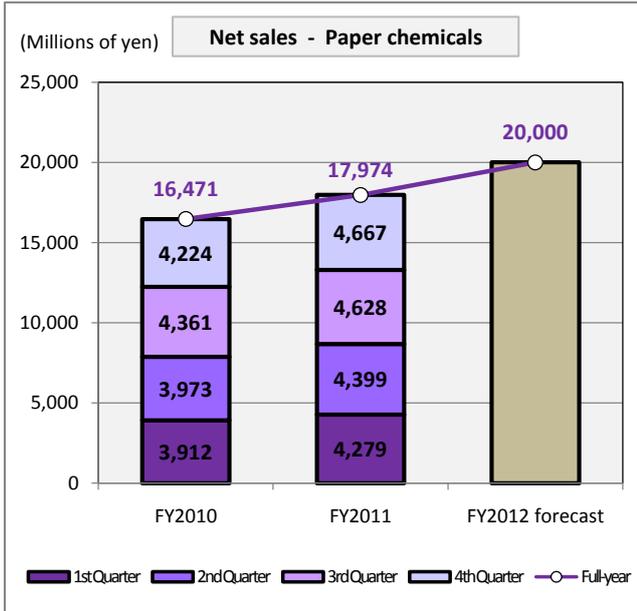
* Paper chemicals.....Size agent, Paper strengthening agent, Ratex, etc.

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

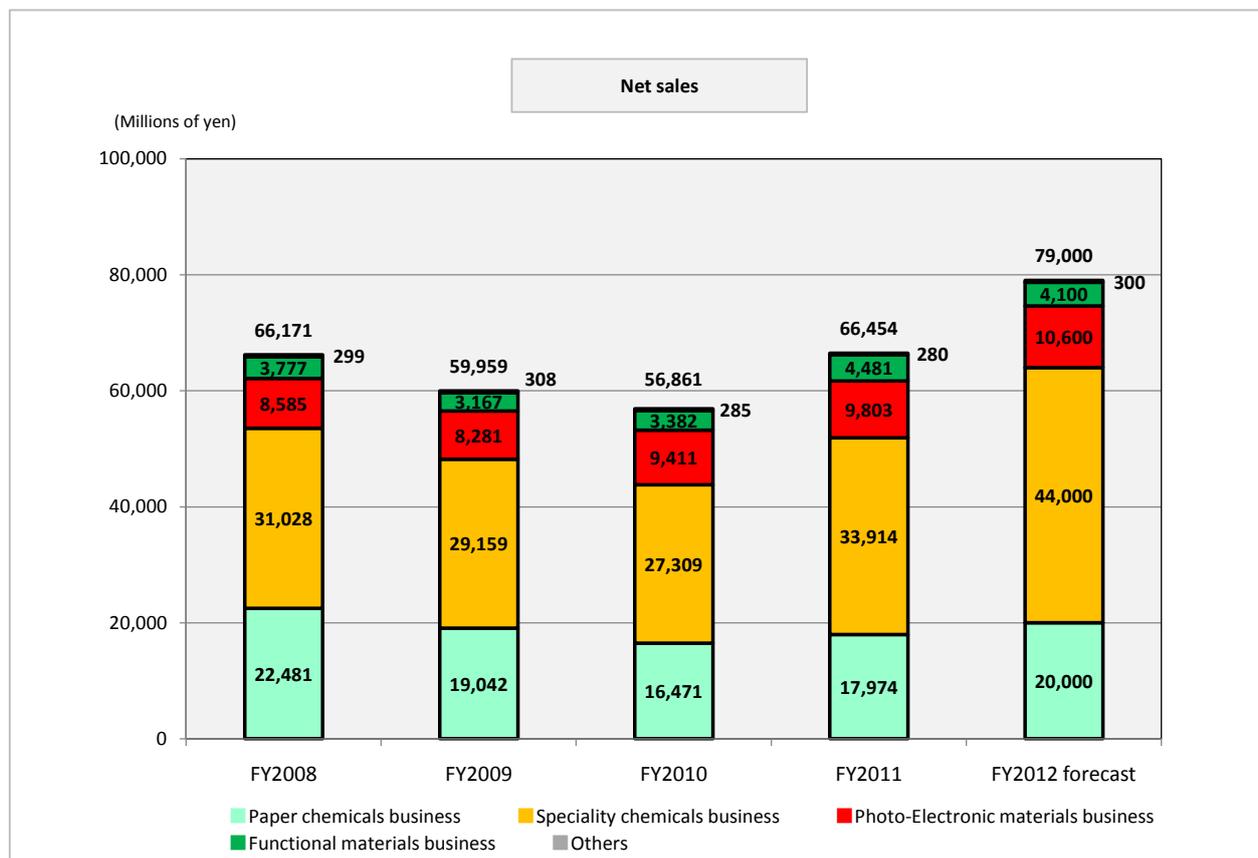
* Electronic materials.....UV/EB curable resin, Compound materials for electronics,
Flux cleaning solvent, Flux cleaning system, Functional fine chemical materials etc.

* OthersInsurance business, Real estate agent, etc.

*** Segment Information(Consolidated)**



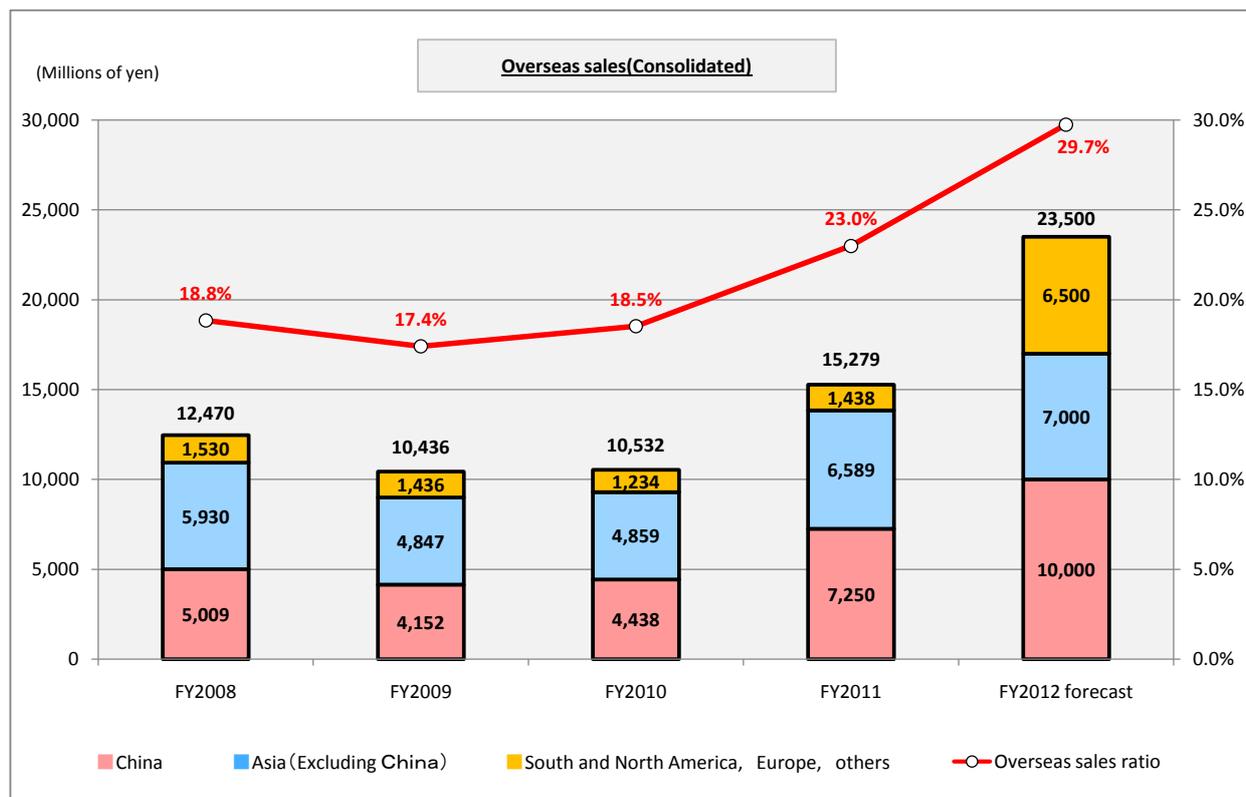
* Business Segment Information(Consolidated)



| Consolidated | FY2008 (^{07/4} - ^{08/3}) | | FY2009 (^{08/4} - ^{09/3}) | | FY2010 (^{09/4} - ^{10/3}) | | FY2011 (^{10/4} - ^{11/3}) | | FY2012 forecast (^{11/4} - ^{12/3}) | |
|-------------------------------------|---|---------|---|---------|---|---------|---|---------|--|---------|
| | Millions of yen | %Change | Millions of yen | %Change |
| Paper chemicals business | 22,481 | 3.9 | 19,042 | △ 15.3 | 16,471 | △ 13.5 | 17,974 | 9.1 | 20,000 | 11.3 |
| Speciality chemicals business | 31,028 | 9.4 | 29,159 | △ 6.0 | 27,309 | △ 6.3 | 33,914 | 24.2 | 44,000 | 29.7 |
| Total basis business | 53,509 | 7.0 | 48,202 | △ 9.9 | 43,781 | △ 9.2 | 51,889 | 18.5 | 64,000 | 23.3 |
| Share | 80.9% | | 80.4% | | 77.0% | | 78.1% | | 81.0% | |
| Photo-Electronic materials business | 8,585 | 10.5 | 8,281 | △ 3.5 | 9,411 | 13.7 | 9,803 | 4.2 | 10,600 | 8.1 |
| Functional materials business | 3,777 | 4.8 | 3,167 | △ 16.1 | 3,382 | 6.8 | 4,481 | 32.5 | 4,100 | △ 8.5 |
| Total expansion business | 12,362 | 8.7 | 11,448 | △ 7.4 | 12,794 | 11.8 | 14,284 | 11.7 | 14,700 | 2.9 |
| Share | 18.7% | | 19.1% | | 22.5% | | 21.5% | | 18.6% | |
| Others | 299 | 2.0 | 308 | 3.0 | 285 | △ 7.5 | 280 | △ 1.9 | 300 | 7.1 |
| Total | 66,171 | 7.3 | 59,959 | △ 9.4 | 56,861 | △ 5.2 | 66,454 | 16.9 | 79,000 | 18.9 |

* Some manufactures belonging to the business segment have been restructured from FY2011. The amounts for FY2008, FY2009 and FY2010 stated above have been modified to reflect the operating results based on the business segment after the change.

- * 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.
- * OthersInsurance business, Real estate agent, etc.

*** Overseas Sales(Consolidated)**

| Consolidated | FY2008 (‘07/4-‘08/3) | | FY2009 (‘08/4-‘09/3) | | FY2010 (‘09/4-‘10/3) | | FY2011 (‘10/4-‘11/3) | | FY2012 forecast (‘11/4-‘12/3) | |
|-------------------------|-------------------------|---------|-------------------------|---------|-------------------------|---------|-------------------------|---------|----------------------------------|---------|
| | Millions of yen | %Change | Millions of yen | %Change |
| Overseas sales | 12,470 | 11.8 | 10,436 | △ 16.3 | 10,532 | 0.9 | 15,279 | 45.1 | 23,500 | 53.8 |
| Overseas sales in Asia | 10,939 | 13.6 | 8,999 | △ 17.7 | 9,297 | 3.3 | 13,840 | 48.9 | 17,000 | 22.8 |
| Overseas sales in China | 5,009 | 32.9 | 4,152 | △ 17.1 | 4,438 | 6.9 | 7,250 | 63.4 | 10,000 | 37.9 |
| Overseas sales ratio | 18.8% | | 17.4% | | 18.5% | | 23.0% | | 29.7% | |

Management Index

| | | FY2007 (‘06/4-‘07/3) | FY2008 (‘07/4-‘08/3) | FY2009 (‘08/4-‘09/3) | FY2010 (‘09/4-‘10/3) | FY2011 (‘10/4-‘11/3) | FY2012 forecast (‘11/4-‘12/3) |
|---|------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------------------|
| Capital investment (Completion basis) (Millions of yen) | Consolidated | 1,574 | 2,991 | 1,349 | 3,106 | 3,258 | 8,000 |
| | Non-consolidated | 989 | 958 | 1,098 | 1,945 | 2,780 | — |
| Capital investment (Cash flows basis) (Millions of yen) | Consolidated | 2,624 | 2,274 | 1,562 | 3,725 | 4,242 | 4,700 |
| | Non-consolidated | 1,070 | 1,070 | 1,316 | 3,084 | 3,170 | — |
| Depreciation and amortization (Millions of yen) | Consolidated | 1,832 | 2,091 | 2,183 | 2,185 | 2,409 | 3,400 |
| | Non-consolidated | 1,154 | 1,371 | 1,464 | 1,471 | 1,541 | — |
| R & D expenses (Millions of yen) | Consolidated | 2,321 | 2,495 | 2,637 | 2,830 | 2,743 | 2,900 |
| | Non-consolidated | 1,971 | 2,170 | 2,325 | 2,536 | 2,388 | — |
| Interest-bearing debt (Millions of yen) | Consolidated | 9,829 | 8,275 | 10,147 | 9,109 | 19,396 | 21,500 |
| | Non-consolidated | 7,286 | 5,896 | 7,563 | 6,830 | 16,539 | — |
| Debt equity ratio (Times) | Consolidated | 0.28 | 0.23 | 0.30 | 0.25 | 0.53 | 0.58 |
| | Non-consolidated | 0.22 | 0.18 | 0.23 | 0.20 | 0.48 | — |
| Total assets (Millions of yen) | Consolidated | 67,732 | 64,799 | 58,531 | 64,048 | 76,441 | 85,000 |
| | Non-consolidated | 58,203 | 55,038 | 51,070 | 55,247 | 65,527 | — |
| Shareholders' equity (Millions of yen) | Consolidated | 35,446 | 35,639 | 34,148 | 35,762 | 36,280 | 37,000 |
| | Non-consolidated | 33,220 | 33,259 | 32,595 | 33,838 | 34,484 | — |
| Shareholders' equity to total assets (%) | Consolidated | 52.3 | 55.0 | 58.3 | 55.8 | 47.5 | 43.5 |
| | Non-consolidated | 57.1 | 60.4 | 63.8 | 61.2 | 52.6 | — |
| Return on equity (%) | Consolidated | 4.7 | 5.0 | 1.9 | 4.0 | 4.5 | 3.0 |
| | Non-consolidated | 4.1 | 4.7 | 2.1 | 3.3 | 3.7 | — |
| Operating income to net sales (%) | Consolidated | 4.6 | 4.6 | 1.9 | 5.0 | 4.2 | 2.5 |
| | Non-consolidated | 2.5 | 2.6 | 1.2 | 3.5 | 2.3 | — |
| Ordinary income to net sales (%) | Consolidated | 4.7 | 4.9 | 2.2 | 5.7 | 4.5 | 2.5 |
| | Non-consolidated | 4.1 | 4.5 | 2.9 | 5.3 | 4.0 | — |
| Earnings per share (Yen) | Consolidated | 81.31 | 88.18 | 32.64 | 69.28 | 80.43 | 54.60 |
| | Non-consolidated | 67.51 | 78.05 | 34.51 | 55.25 | 63.35 | — |
| Book-value per share (Yen) | Consolidated | 1,759.95 | 1,769.62 | 1,695.62 | 1,775.81 | 1,801.54 | 1,840.00 |
| | Non-consolidated | 1,649.44 | 1,651.46 | 1,618.53 | 1,680.28 | 1,712.33 | — |
| Price to earnings ratio (Times) | Consolidated | 18.0 | 13.1 | 19.1 | 15.8 | 10.2 | — |
| | Non-consolidated | 21.7 | 14.8 | 18.1 | 19.9 | 13.0 | — |
| Annual dividends per share (Yen) | | 24.00 | 25.00 | 22.50 | 25.00 | 25.00 | 23.00 |
| Payout ratio (%) | Consolidated | 29.5 | 28.4 | 68.9 | 36.1 | 31.1 | 42.1 |
| | Non-consolidated | 35.6 | 32.0 | 65.2 | 45.2 | 39.5 | — |
| Number of employees | Consolidated | 1,128 | 1,179 | 1,218 | 1,298 | 1,321 | 1,370 |
| | Non-consolidated | 642 | 646 | 658 | 676 | 692 | — |

Balance Sheets (Consolidated)

(Unit : Millions of yen)

| | FY2007 ('06/4-'07/3) | FY2008 ('07/4-'08/3) | FY2009 ('08/4-'09/3) | FY2010 ('09/4-'10/3) | FY2011 ('10/4-'11/4) |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Assets | | | | | |
| ◇ Current assets | 41,172 | 39,977 | 36,563 | 40,585 | 47,427 |
| Cash and deposits | 2,457 | 3,981 | 6,928 | 6,857 | 6,443 |
| Notes and accounts receivable-trade | 25,846 | 24,341 | 17,906 | 21,719 | 25,554 |
| Inventories | 11,685 | 10,613 | 10,675 | 10,673 | 13,656 |
| Deferred tax assets | 511 | 528 | 451 | 705 | 695 |
| Other | 791 | 629 | 709 | 745 | 1,187 |
| Allowance for doubtful accounts | △ 120 | △ 116 | △ 107 | △ 116 | △ 110 |
| ◇ Noncurrent assets | 26,560 | 24,821 | 21,968 | 23,462 | 29,013 |
| • Property, plant and equipment | 18,765 | 18,799 | 17,686 | 18,657 | 23,846 |
| Buildings and structures | 5,988 | 6,954 | 6,465 | 6,647 | 6,929 |
| Machinery, equipment and vehicles | 5,807 | 5,519 | 4,644 | 4,475 | 7,581 |
| Land | 5,241 | 5,235 | 5,270 | 5,424 | 5,328 |
| Construction in progress | 996 | 400 | 612 | 1,497 | 3,428 |
| Other | 730 | 689 | 692 | 612 | 578 |
| • Intangible assets | 830 | 667 | 460 | 411 | 729 |
| • Investments and other assets | 6,964 | 5,354 | 3,821 | 4,393 | 4,438 |
| Investment securities | 6,320 | 4,678 | 2,935 | 3,719 | 3,861 |
| Deferred tax assets | 165 | 158 | 396 | 169 | 286 |
| Other | 555 | 529 | 497 | 526 | 313 |
| Allowance for doubtful accounts | △ 77 | △ 11 | △ 8 | △ 22 | △ 23 |
| Total assets | 67,732 | 64,799 | 58,531 | 64,048 | 76,441 |
| Liabilities | | | | | |
| ◇ Current liabilities | 26,589 | 24,545 | 18,539 | 23,297 | 28,824 |
| Notes and accounts payable-trade | 13,346 | 12,171 | 7,964 | 10,122 | 11,999 |
| Short-term loans payable | 8,958 | 7,601 | 7,658 | 7,673 | 11,549 |
| Income taxes payable | 717 | 690 | 75 | 1,179 | 226 |
| Accrued consumption taxes | 50 | 153 | 44 | 127 | 41 |
| Provision for bonuses | — | — | — | 1,050 | 864 |
| Provision for loss on disaster | — | — | — | — | 270 |
| Notes payable-facilities | 78 | 140 | 83 | 93 | 214 |
| Other | 3,437 | 3,786 | 2,712 | 3,051 | 3,657 |
| ◇ Noncurrent liabilities | 4,080 | 3,234 | 4,755 | 3,870 | 10,210 |
| Bonds payable | — | — | — | — | 5,000 |
| Long-term loans payable | 870 | 673 | 2,489 | 1,436 | 2,847 |
| Deferred tax liabilities | 876 | 269 | — | 129 | — |
| Provision for retirement benefits | 2,016 | 2,015 | 2,039 | 2,064 | 2,078 |
| Provision for retirement allowances for directors | 316 | — | — | — | — |
| Other | 0 | 275 | 226 | 239 | 284 |
| Total liabilities | 30,670 | 27,779 | 23,294 | 27,167 | 39,034 |
| Net assets | | | | | |
| ◇ Shareholders' equity | 33,194 | 34,445 | 34,589 | 35,541 | 36,647 |
| 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 | 26,725 | 27,977 | 28,121 | 29,073 | 30,180 |
| Treasury stock | △ 9 | △ 10 | △ 10 | △ 11 | △ 11 |
| ◇ Accumulated other comprehensive income | 2,251 | 1,193 | △ 440 | 221 | △ 366 |
| Valuation difference on available-for-sale securities | 1,952 | 926 | 72 | 653 | 528 |
| Foreign currency translation adjustment | 299 | 266 | △ 513 | △ 431 | △ 895 |
| ◇ Minority interests | 1,616 | 1,380 | 1,088 | 1,117 | 1,126 |
| Total net assets | 37,062 | 37,019 | 35,237 | 36,880 | 37,407 |
| Total liabilities and net assets | 67,732 | 64,799 | 58,531 | 64,048 | 76,441 |

Statements of Income (Consolidated)

(Unit : Millions of yen)

| | FY2007 (‘06/4-‘07/3) | FY2008 (‘07/4-‘08/3) | FY2009 (‘08/4-‘09/3) | FY2010 (‘09/4-‘10/3) | FY2011 (‘10/4-‘11/4) |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| ◇ Net sales | 61,663 | 66,171 | 59,959 | 56,861 | 66,454 |
| ◇ Cost of sales | 48,882 | 52,921 | 48,585 | 43,499 | 52,992 |
| Gross profit | 12,781 | 13,250 | 11,374 | 13,361 | 13,462 |
| Selling, general and administrative expenses | 9,950 | 10,218 | 10,257 | 10,511 | 10,684 |
| Operating income | 2,831 | 3,031 | 1,117 | 2,849 | 2,777 |
| ◇ Non-operating income | 500 | 596 | 567 | 573 | 550 |
| Interest income | 17 | 18 | 16 | 8 | 42 |
| Dividends income | 74 | 94 | 100 | 78 | 90 |
| Technical support fee | 134 | 145 | 140 | 118 | 133 |
| Real estate rent | 59 | 90 | 102 | 104 | 109 |
| Foreign exchange gains | 46 | — | — | 23 | — |
| Equity in earnings of affiliates | 86 | 94 | 86 | 69 | 66 |
| Other | 83 | 152 | 120 | 170 | 108 |
| ◇ Non-operating expenses | 423 | 404 | 392 | 198 | 352 |
| Interest expenses | 130 | 187 | 202 | 170 | 216 |
| Foreign exchange losses | — | 43 | 144 | — | 57 |
| Other | 292 | 173 | 45 | 28 | 78 |
| Ordinary income | 2,908 | 3,222 | 1,291 | 3,224 | 2,976 |
| ◇ Extraordinary income | 9 | 6 | 310 | 42 | 166 |
| Gain on sales of noncurrent assets | 3 | 1 | 282 | 0 | 98 |
| Gain on sales of investment securities | — | — | 5 | — | — |
| Reversal of allowance for doubtful accounts | 5 | 5 | 7 | — | 13 |
| Other | — | — | 15 | 42 | 53 |
| ◇ Extraordinary loss | 28 | 161 | 319 | 619 | 657 |
| Loss on sales and retirement of noncurrent assets | 28 | 61 | 52 | 101 | 255 |
| Impairment loss | — | — | — | 510 | — |
| Loss on disaster | — | — | — | — | 328 |
| Loss on valuation of noncurrent assets | 0 | 0 | 6 | 6 | 6 |
| Loss on sales of investment securities | — | — | — | — | 0 |
| Loss on valuation of investment securities | — | 0 | 260 | 0 | — |
| Other | — | 99 | — | — | 67 |
| Income before income taxes | 2,888 | 3,067 | 1,282 | 2,647 | 2,484 |
| Income taxes-current | 1,207 | 1,129 | 498 | 1,412 | 903 |
| Income taxes-deferred | △ 74 | 94 | 156 | △ 287 | △ 147 |
| Minority interests in income | 117 | 68 | △ 29 | 128 | 107 |
| Net income | 1,637 | 1,775 | 657 | 1,395 | 1,619 |

Statements of Cash Flows (Consolidated)

(Unit : Millions of yen)

| | FY2007 (‘06/4-‘07/3) | FY2008 (‘07/4-‘08/3) | FY2009 (‘08/4-‘09/3) | FY2010 (‘09/4-‘10/3) | FY2011 (‘10/4-‘11/4) |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| I. Net cash provided by (used in) operating | | | | | |
| Income before income taxes | 2,888 | 3,068 | 1,282 | 2,647 | 2,484 |
| Depreciation and amortization | 1,832 | 2,091 | 2,183 | 2,185 | 2,409 |
| Impairment loss | — | — | — | 510 | — |
| Amortization of goodwill | 248 | 226 | 108 | 18 | — |
| Increase (decrease) in allowance for doubtful accounts | △ 205 | △ 67 | △ 6 | 7 | △ 8 |
| Increase (decrease) in provision for bonuses | — | — | — | 1,050 | △ 185 |
| Increase (decrease) in provision for retirement benefits | 40 | △ 1 | 33 | 23 | △ 14 |
| Loss on disaster | — | — | — | — | 328 |
| Loss (gain) on valuation of investment securities | — | 0 | 260 | 0 | — |
| Loss (gain) on sales of investment securities | 0 | — | △ 5 | — | 0 |
| Interest and dividends income | △ 91 | △ 112 | △ 117 | △ 87 | △ 133 |
| Interest expenses | 130 | 187 | 202 | 170 | 216 |
| Decrease (increase) in notes and accounts receivable-trade | △ 4,643 | 1,465 | 6,079 | △ 3,720 | △ 2,890 |
| Increase (decrease) in notes and accounts payable-trade | 2,408 | △ 1,135 | △ 3,962 | 2,113 | 1,010 |
| Other, net | △ 2,663 | 1,275 | △ 1,647 | 279 | △ 3,079 |
| Sub-total | △ 54 | 6,998 | 4,411 | 5,200 | 139 |
| Interest and dividends income received | 132 | 178 | 158 | 134 | 156 |
| Interest expenses paid | △ 126 | △ 194 | △ 200 | △ 161 | △ 219 |
| Income taxes paid | △ 1,189 | △ 1,155 | △ 1,108 | △ 204 | △ 1,848 |
| Other, net | — | △ 99 | — | — | △ 37 |
| Net cash provided by (used in) operating activities | △ 1,238 | 5,727 | 3,261 | 4,969 | △ 1,810 |
| II. Net cash provided by (used in) investment activities | | | | | |
| Purchase of noncurrent assets | 2,624 | 2,274 | 1,562 | △ 3,725 | △ 4,242 |
| Purchase of investment securities | △ 366 | △ 69 | △ 70 | △ 19 | △ 362 |
| Proceeds from sales of investment securities | 1 | — | 11 | — | 2 |
| Purchase of investments in (capital of) subsidiaries | △ 528 | — | △ 173 | △ 122 | △ 815 |
| Other, net | 880 | 337 | △ 63 | 416 | △ 2,428 |
| Net cash provided by (used in) investment activities | △ 2,637 | △ 2,006 | △ 1,858 | △ 3,451 | △ 7,846 |
| III. Net cash provided by (used in) financing activities | | | | | |
| Net increase (decrease) in short-term loans payable | 2,899 | △ 1,373 | 363 | △ 978 | 2,906 |
| Proceeds from long-term loans payable | 966 | 78 | 2,200 | 273 | 3,410 |
| Repayment of long-term loans payable | △ 883 | △ 243 | △ 384 | △ 428 | △ 1,382 |
| Proceeds from issuance of bonds | — | — | — | — | 4,965 |
| Cash dividends paid | △ 369 | △ 523 | △ 513 | △ 443 | △ 513 |
| Cash dividends paid to minority shareholders | △ 105 | △ 120 | △ 20 | △ 64 | △ 34 |
| Other, net | △ 5 | △ 1 | △ 0 | △ 0 | △ 0 |
| Net cash provided by (used in) financing activities | 2,502 | △ 2,183 | 1,645 | △ 1,642 | 9,352 |
| IV. Effect of exchange rate change on cash and cash equivalents | 23 | △ 22 | △ 146 | 57 | △ 107 |
| V. Net increase (decrease) in cash and cash equivalents | △ 1,350 | 1,514 | 2,901 | △ 67 | △ 411 |
| VI. Cash and cash equivalents, beginning of term | 3,746 | 2,396 | 3,911 | 6,812 | 6,745 |
| VII. Cash and cash equivalents, end of term | 2,396 | 3,911 | 6,812 | 6,745 | 6,333 |

Balance Sheets (Non-Consolidated)

(Unit : Millions of yen)

| Assets | FY2007 (‘06/4-‘07/3) | FY2008 (‘07/4-‘08/3) | FY2009 (‘08/4-‘09/3) | FY2010 (‘09/4-‘10/3) | FY2011 (‘10/4-‘11/4) |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| ◇ Current assets | 33,118 | 31,907 | 29,805 | 32,194 | 34,631 |
| Cash and deposits | 1,008 | 2,023 | 5,012 | 3,842 | 2,856 |
| Notes and accounts receivable-trade | 22,806 | 21,030 | 15,547 | 18,612 | 19,766 |
| Inventories | 7,395 | 6,860 | 7,243 | 7,497 | 8,695 |
| Other | 1,998 | 2,082 | 2,090 | 2,331 | 3,402 |
| Allowance for doubtful accounts | △ 90 | △ 90 | △ 90 | △ 90 | △ 90 |
| ◇ Noncurrent assets | 25,084 | 23,130 | 21,265 | 23,053 | 30,896 |
| • Property, plant and equipment | 12,548 | 12,101 | 11,907 | 12,647 | 15,267 |
| Buildings and structures | 4,262 | 4,006 | 3,853 | 3,963 | 4,453 |
| Machinery, equipment and vehicles | 3,244 | 2,905 | 2,534 | 2,189 | 2,891 |
| Land | 4,584 | 4,578 | 4,615 | 4,699 | 4,605 |
| Other | 457 | 611 | 903 | 1,794 | 3,316 |
| • Intangible assets | 276 | 333 | 272 | 213 | 276 |
| • Investments and other assets | 12,260 | 10,696 | 9,085 | 10,192 | 15,352 |
| Investment securities | 5,897 | 4,257 | 2,628 | 3,607 | 3,763 |
| Stocks of subsidiaries and affiliates | 3,637 | 3,637 | 3,637 | 3,817 | 3,817 |
| Investments in capital of subsidiaries and affiliates | 2,011 | 2,185 | 1,787 | 2,002 | 3,978 |
| Other | 721 | 624 | 1,039 | 773 | 3,802 |
| Allowance for doubtful accounts | △ 8 | △ 8 | △ 8 | △ 7 | △ 7 |
| Total assets | 58,203 | 55,038 | 51,070 | 55,247 | 65,527 |
| Liabilities | | | | | |
| ◇ Current liabilities | 21,524 | 19,206 | 14,213 | 18,317 | 21,504 |
| Notes and accounts payable-trade | 11,467 | 10,231 | 6,651 | 8,467 | 8,287 |
| Short-term loans payable | 6,450 | 5,300 | 5,000 | 4,500 | 7,153 |
| Current portion of long-term loans payable | 239 | 233 | 233 | 1,200 | 1,786 |
| Accounts payable-other | 1,827 | 1,826 | 1,370 | 1,934 | 2,780 |
| Accrued expenses | 798 | 809 | 647 | 181 | 175 |
| Income taxes payable | 449 | 539 | 55 | 882 | 66 |
| Accrued consumption taxes | 36 | 144 | 23 | 122 | — |
| Deposits received | 88 | 36 | 44 | 45 | 100 |
| Provision for bonuses | — | — | — | 845 | 683 |
| Provision for loss on disaster | — | — | — | — | 270 |
| Notes payable-facilities | 52 | 48 | 69 | 77 | 62 |
| Other | 113 | 37 | 118 | 61 | 138 |
| ◇ Noncurrent liabilities | 3,459 | 2,572 | 4,260 | 3,091 | 9,539 |
| Bonds payable | — | — | — | — | 5,000 |
| Long-term loans payable | 596 | 363 | 2,330 | 1,130 | 2,600 |
| Deferred tax liabilities | 869 | 265 | — | — | — |
| Provision for retirement benefits | 1,717 | 1,682 | 1,724 | 1,741 | 1,702 |
| Provision for retirement allowances for directors | 275 | — | — | — | — |
| Other | — | 260 | 206 | 219 | 235 |
| Total liabilities | 24,983 | 21,778 | 18,474 | 21,408 | 31,043 |
| Net assets | | | | | |
| ◇ Shareholders' equity | 31,279 | 32,326 | 32,507 | 33,177 | 33,939 |
| 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 | 24,810 | 25,858 | 26,040 | 26,709 | 27,472 |
| Treasury stock | △ 9 | △ 10 | △ 10 | △ 11 | △ 11 |
| ◇ Valuation and translation adjustments | 1,940 | 932 | 87 | 661 | 544 |
| Valuation difference on available-for-sale securities | 1,940 | 932 | 87 | 661 | 544 |
| Total net assets | 33,220 | 33,259 | 32,595 | 33,838 | 34,484 |
| Total liabilities and net assets | 58,203 | 55,038 | 51,070 | 55,247 | 65,527 |

Statements of Income (Non-Consolidated)

(Unit : Millions of yen)

| | FY2007 (‘06/4-‘07/3) | FY2008 (‘07/4-‘08/3) | FY2009 (‘08/4-‘09/3) | FY2010 (‘09/4-‘10/3) | FY2011 (‘10/4-‘11/4) |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| ◇ Net sales | 51,389 | 54,410 | 49,850 | 47,205 | 52,010 |
| ◇ Cost of sales | 42,444 | 45,147 | 41,398 | 37,151 | 42,401 |
| Gross profit | 8,945 | 9,263 | 8,451 | 10,054 | 9,609 |
| Selling, general and | 7,648 | 7,828 | 7,865 | 8,402 | 8,428 |
| Operating income | 1,296 | 1,434 | 586 | 1,652 | 1,180 |
| ◇ Non-operating income | 1,032 | 1,181 | 973 | 934 | 1,083 |
| Interest income | 20 | 25 | 24 | 20 | 58 |
| Dividends income | 395 | 612 | 405 | 344 | 495 |
| Technical support fee | 293 | 278 | 239 | 229 | 276 |
| Real estate rent | 82 | 130 | 150 | 149 | 160 |
| Foreign exchange gains | 59 | 18 | 53 | 48 | 38 |
| Other | 181 | 115 | 100 | 142 | 54 |
| ◇ Non-operating expenses | 216 | 182 | 94 | 90 | 176 |
| Interest expenses | 47 | 71 | 66 | 64 | 113 |
| Bond issuance cost | — | — | — | — | 34 |
| Loss on abandonment of goods | 27 | 7 | — | — | — |
| Other | 141 | 103 | 27 | 25 | 28 |
| Ordinary income | 2,112 | 2,433 | 1,465 | 2,495 | 2,088 |
| ◇ Extraordinary income | 3 | 1 | 286 | 27 | 96 |
| Gain on sales of noncurrent assets | 2 | 1 | 281 | — | 96 |
| Gain on sales of investment securities | 0 | — | 5 | — | — |
| Reversal of allowance for doubtful accounts | 0 | 0 | 0 | 0 | 0 |
| Other | — | — | — | 26 | — |
| ◇ Extraordinary loss | 20 | 65 | 769 | 835 | 630 |
| Loss on sales and retirement of noncurrent assets | 20 | 35 | 24 | 86 | 39 |
| Impairment loss | — | — | — | 360 | — |
| Loss on disaster | — | — | — | — | 328 |
| Loss on valuation of noncurrent assets | 0 | 0 | 6 | 5 | 6 |
| Loss on valuation of investment securities | — | 0 | 257 | — | — |
| Loss on valuation of investments in capital of subsidiaries and affiliates | — | — | 480 | 383 | 209 |
| Other | — | 28 | — | — | 47 |
| Income before income taxes | 2,095 | 2,369 | 982 | 1,687 | 1,554 |
| Income taxes-current | 760 | 730 | 310 | 970 | 500 |
| Income taxes-deferred | △ 24 | 68 | △ 22 | △ 394 | △ 221 |
| Net income | 1,359 | 1,571 | 695 | 1,112 | 1,275 |

※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 | FY2010 | | FY2011 | | Increase /Decrease |
|--|----------------------|---------------------------|----------------------|---------------------------|--------------------|
| | As of March 31, 2010 | | As of March 31, 2011 | | |
| | Amount | Com- position ratio | Amount | Com- position ratio | |
| (Assets) | | % | | % | |
| I Current assets | | | | | |
| 1. Cash and deposits | 6,857 | | 6,443 | | △ 413 |
| 2. Notes and accounts receivable-trade | 21,719 | | 25,554 | | 3,835 |
| 3. Merchandise and finished goods | 5,679 | | 6,818 | | 1,138 |
| 4. Work in process | 611 | | 763 | | 152 |
| 5. Raw materials and supplies | 4,382 | | 6,074 | | 1,691 |
| 6. Deferred tax assets | 705 | | 695 | | △ 10 |
| 7. Other | 745 | | 1,187 | | 442 |
| Allowance for doubtful accounts | △ 116 | | △ 110 | | 5 |
| Total current assets | 40,585 | 63.4 | 47,427 | 62.0 | 6,842 |
| II Noncurrent assets | | | | | |
| 1. Property, plant and equipment | | | | | |
| (1) Buildings and structures | 6,647 | | 6,929 | | 282 |
| (2) Machinery, equipment and vehicles | 4,475 | | 7,581 | | 3,105 |
| (3) Land | 5,424 | | 5,328 | | △ 95 |
| (4) Construction in progress | 1,497 | | 3,428 | | 1,931 |
| (5) Other | 612 | | 578 | | △ 34 |
| Total property, plant and equipment | 18,657 | 29.1 | 23,846 | 31.2 | 5,189 |
| 2. Intangible assets | | | | | |
| (1) Goodwill | - | | 214 | | 214 |
| (2) Other | 411 | | 514 | | 102 |
| Total intangible assets | 411 | 0.6 | 729 | 1.0 | 317 |
| 3. Investments and other assets | | | | | |
| (1) Investment securities | 3,719 | | 3,861 | | 141 |
| (2) Deferred tax assets | 169 | | 286 | | 117 |
| (3) Other | 526 | | 313 | | △ 213 |
| Allowance for doubtful accounts | △ 22 | | △ 23 | | △ 1 |
| Total investments and other assets | 4,393 | 6.9 | 4,438 | 5.8 | 44 |
| Total noncurrent assets | 23,462 | 36.6 | 29,013 | 38.0 | 5,551 |
| Total assets | 64,048 | 100.0 | 76,441 | 100.0 | 12,393 |

(Unit: Millions of yen)

| Item | FY2010 | | FY2011 | | Increase /Decrease |
|---|----------------------|---------------------------|----------------------|---------------------------|-----------------------|
| | As of March 31, 2010 | | As of March 31, 2011 | | |
| | Amount | Com- position ratio | Amount | Com- position ratio | |
| (Liabilities) | | % | | % | |
| I Current liabilities | | | | | |
| 1. Notes and accounts payable-trade | 10,122 | | 11,999 | | 1,877 |
| 2. Short-term loans payable | 7,673 | | 11,549 | | 3,876 |
| 3. Income taxes payable | 1,179 | | 226 | | △ 952 |
| 4. Accrued consumption taxes | 127 | | 41 | | △ 86 |
| 5. Provision for bonuses | 1,050 | | 864 | | △ 185 |
| 6. Provision for directors' bonuses | 45 | | 40 | | △ 5 |
| 7. Provision for repairs | - | | 93 | | 93 |
| 8. Provision for loss on disaster | - | | 270 | | 270 |
| 9. Notes payable-facilities | 93 | | 214 | | 121 |
| 10. Other | 3,005 | | 3,523 | | 518 |
| Total current liabilities | 23,297 | 36.4 | 28,824 | 37.7 | 5,526 |
| II Noncurrent liabilities | | | | | |
| 1. Bonds payable | - | | 5,000 | | 5,000 |
| 2. Long-term loans payable | 1,436 | | 2,847 | | 1,410 |
| 3. Deferred tax liabilities | 129 | | - | | △ 129 |
| 4. Provision for retirement benefits | 2,064 | | 2,078 | | 13 |
| 5. Provision for repairs | 42 | | - | | △ 42 |
| 6. Asset retirement obligations | - | | 96 | | 96 |
| 7. Other | 197 | | 188 | | △ 9 |
| Total noncurrent liabilities | 3,870 | 6.0 | 10,210 | 13.4 | 6,339 |
| Total liabilities | 27,167 | 42.4 | 39,034 | 51.1 | 11,866 |
| (Net assets) | | | | | |
| I Shareholders' equity | | | | | |
| 1. Capital stock | 3,128 | | 3,128 | | - |
| 2. Capital surplus | 3,350 | | 3,350 | | - |
| 3. Retained earnings | 29,073 | | 30,180 | | 1,106 |
| 4. Treasury stock | △ 11 | | △ 11 | | △ 0 |
| Total shareholders' equity | 35,541 | 55.5 | 36,647 | 47.9 | 1,106 |
| II Accumulated other comprehensive income | | | | | |
| 1. Valuation difference on available-for-sale securities | 653 | | 528 | | △ 124 |
| 2. Foreign currency translation adjustment | △ 431 | | △ 895 | | △ 463 |
| Total accumulated other comprehensive income | 221 | 0.4 | △ 366 | △ 0.5 | △ 588 |
| III Minority interests | 1,117 | 1.7 | 1,126 | 1.5 | 8 |
| Total net assets | 36,880 | 57.6 | 37,407 | 48.9 | 526 |
| Total liabilities and net assets | 64,048 | 100.0 | 76,441 | 100.0 | 12,393 |

Statements of Income(Consolidated)

(Unit: Millions of yen)

| Item | FY2010 '09/4-'10/3 | | FY2011 '10/4-'11/3 | | Increase /Decrease | |
|--|-----------------------|-------|-----------------------|-------|-----------------------|----------------|
| | Amount | Ratio | Amount | Ratio | Amount | Rate of change |
| I Net sales | 56,861 | 100.0 | 66,454 | 100.0 | 9,593 | 16.9 |
| II Cost of sales | 43,499 | 76.5 | 52,992 | 79.7 | 9,492 | 21.8 |
| Gross profit | 13,361 | 23.5 | 13,462 | 20.3 | 100 | 0.8 |
| III Selling, general and administrative expenses | 10,511 | 18.5 | 10,684 | 16.1 | 172 | 1.6 |
| Operating income | 2,849 | 5.0 | 2,777 | 4.2 | △ 71 | △ 2.5 |
| IV Non-operating income | | | | | | |
| Interest income | 8 | | 42 | | 34 | |
| Dividends income | 78 | | 90 | | 11 | |
| Technical support fee | 118 | | 133 | | 15 | |
| Real estate rent | 104 | | 109 | | 4 | |
| Equity in earnings of affiliates | 69 | | 66 | | △ 2 | |
| Foreign exchange gains | 23 | | - | | △ 23 | |
| Subsidy income | 60 | | - | | △ 60 | |
| Other | 109 | | 108 | | △ 1 | |
| Total non-operating income | 573 | 1.0 | 550 | 0.8 | △ 22 | △ 4.0 |
| V Non-operating expenses | | | | | | |
| Interest expenses | 170 | | 216 | | 46 | |
| Foreign exchange losses | - | | 57 | | 57 | |
| Other | 28 | | 78 | | 50 | |
| Total non-operating expenses | 198 | 0.3 | 352 | 0.5 | 153 | 77.6 |
| Ordinary income | 3,224 | 5.7 | 2,976 | 4.5 | △ 248 | △ 7.7 |
| VI Extraordinary income | | | | | | |
| Gain on sales of noncurrent assets | 0 | | 98 | | 98 | |
| Reversal of allowance for doubtful accounts | - | | 13 | | 13 | |
| State subsidy | 42 | | 15 | | △ 26 | |
| Gain on step acquisitions | - | | 38 | | 38 | |
| Total extraordinary income | 42 | 0.1 | 166 | 0.2 | 123 | 286.1 |
| VII Extraordinary loss | | | | | | |
| Loss on sales and retirement of noncurrent assets | 101 | | 255 | | 154 | |
| Impairment loss | 510 | | - | | △ 510 | |
| Loss on disaster | - | | 328 | | 328 | |
| Loss on valuation of noncurrent assets | 6 | | 6 | | △ 0 | |
| Loss on sales of investment securities | - | | 0 | | △ 0 | |
| Loss on valuation of investment securities | 0 | | - | | △ 0 | |
| Loss on adjustment for changes of accounting standard for asset retirement obligations | - | | 67 | | 67 | |
| Total extraordinary loss | 619 | 1.1 | 657 | 1.0 | 38 | 6.2 |
| Income before income taxes | 2,647 | 4.7 | 2,484 | 3.7 | △ 163 | △ 6.2 |
| Income taxes-current | 1,412 | 2.5 | 903 | 1.3 | △ 508 | △ 36.0 |
| Income taxes-deferred | △ 287 | △ 0.5 | △ 147 | △ 0.2 | 140 | △ 48.9 |
| Income before minority interests | 1,523 | 2.7 | 1,727 | 2.6 | 203 | 13.4 |
| Minority interests in income | 128 | 0.2 | 107 | 0.2 | △ 20 | △ 16.0 |
| Net income | 1,395 | 2.5 | 1,619 | 2.4 | 224 | 16.1 |

<Reference> Statements of Comprehensive Income(Consolidated)

(Unit: Millions of yen)

| | | | | | | |
|---|-------|--|-------|--|---------|--------|
| Income before minority interests | 1,523 | | 1,727 | | 203 | 13.4 |
| Other comprehensive income | | | | | | |
| Valuation difference on available-for-sale securities | 580 | | △ 124 | | △ 705 | |
| Foreign currency translation adjustment | 136 | | △ 469 | | △ 606 | |
| Share of other comprehensive income of associates accounted for using equity method | △ 27 | | △ 59 | | △ 31 | |
| Total other comprehensive income | 690 | | △ 653 | | △ 1,343 | |
| Comprehensive income | 2,214 | | 1,074 | | △ 1,139 | △ 51.5 |

Statements of Cash Flows (Consolidated)

(Unit: Millions of yen)

| Item | FY2010 | FY2011 | Increase /Decrease |
|---|-------------|-------------|-----------------------|
| | '09/4-'10/3 | '10/4-'11/3 | |
| | Amount | Amount | |
| I Net cash provided by (used in) operating | | | |
| Income before income taxes | 2,647 | 2,484 | △ 163 |
| Depreciation and amortization | 2,185 | 2,409 | △ 223 |
| Impairment loss | 510 | — | △ 510 |
| Amortization of goodwill | 18 | — | △ 18 |
| Loss on adjustment for changes of accounting standard for asset retirement obligations | — | 67 | 67 |
| Increase (decrease) in allowance for doubtful accounts | 7 | △ 8 | △ 16 |
| Increase (decrease) in provision for bonuses | 1,050 | △ 185 | △ 1,235 |
| Increase (decrease) in provision for directors' bonuses | 20 | △ 5 | △ 25 |
| Increase (decrease) in provision for retirement benefits | 23 | △ 14 | △ 38 |
| Loss on disaster | — | 328 | 328 |
| Loss (gain) on valuation of investment securities | 0 | — | △ 0 |
| Loss on valuation of noncurrent assets | 6 | 6 | △ 0 |
| Loss (gain) on sales of investment securities | — | 0 | 0 |
| Loss (gain) on sales and retirement of noncurrent assets | 100 | 156 | 56 |
| Interest and dividends income | △ 87 | △ 133 | △ 45 |
| Interest expenses | 170 | 216 | 46 |
| Equity in (earnings) losses of affiliates | △ 69 | △ 66 | 2 |
| Decrease (increase) in notes and accounts receivable-trade | △ 3,720 | △ 2,890 | 830 |
| Decrease (increase) in inventories | 107 | △ 2,423 | △ 2,531 |
| Increase (decrease) in notes and accounts payable-trade | 2,113 | 1,010 | △ 1,102 |
| Increase (decrease) in accrued consumption taxes | 83 | △ 86 | △ 169 |
| Other, net | 30 | △ 728 | △ 758 |
| Sub-total | 5,200 | 139 | △ 5,061 |
| Interest and dividends income received | 134 | 156 | 22 |
| Interest expenses paid | △ 161 | △ 219 | △ 57 |
| Payments for loss on disaster | — | △ 37 | △ 37 |
| Income taxes paid | △ 204 | △ 1,848 | △ 1,644 |
| Net cash provided by (used in) operating activities | 4,969 | △ 1,810 | △ 6,779 |
| II Net cash provided by (used in) investment activities | | | |
| Decrease (increase) in time deposits | 3 | 1 | △ 2 |
| Purchase of property, plant and equipment | △ 3,687 | △ 4,042 | △ 355 |
| Proceeds from sales of property, plant and equipment | 374 | 188 | △ 185 |
| Purchase of investment securities | △ 19 | △ 362 | △ 343 |
| Proceeds from sales of investment securities | — | 2 | 2 |
| Purchase of intangible assets | △ 38 | △ 199 | △ 161 |
| Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation | 46 | — | △ 46 |
| Proceeds from investments in subsidiaries' equity resulting in change in scope of consolidation | — | 421 | 421 |
| Purchase of investments in capital of subsidiaries | △ 122 | △ 1,236 | △ 1,113 |
| Purchase of investments and other assets | △ 10 | △ 65 | △ 55 |
| Proceeds from sales of investments and other assets | 26 | 7 | △ 19 |
| Payments of loans receivable | — | △ 2,552 | △ 2,552 |
| Other, net | △ 24 | △ 6 | 18 |
| Net cash provided by (used in) investment activities | △ 3,451 | △ 7,846 | △ 4,394 |
| III Net cash provided by (used in) financing activities | | | |
| Net increase (decrease) in short-term loans payable | △ 978 | 2,906 | 3,884 |
| Proceeds from long-term loans payable | 273 | 3,410 | 3,137 |
| Repayment of long-term loans payable | △ 428 | △ 1,382 | △ 953 |
| Proceeds from issuance of bonds | — | 4,965 | 4,965 |
| Purchase of treasury stock | △ 0 | △ 0 | 0 |
| Cash dividends paid | △ 443 | △ 513 | △ 70 |
| Cash dividends paid to minority shareholders | △ 64 | △ 34 | 30 |
| Net cash provided by (used in) financing activities | △ 1,642 | 9,352 | 10,994 |
| IV Effect of exchange rate change on cash and cash equivalents | 57 | △ 107 | △ 165 |
| V Net increase (decrease) in cash and cash equivalents | △ 67 | △ 411 | △ 344 |
| VI Cash and cash equivalents, beginning of term | 6,812 | 6,745 | △ 67 |
| VII Cash and cash equivalents, end of term | 6,745 | 6,333 | △ 411 |

Balance Sheets (Non-Consolidated)

(Unit: Millions of yen)

| Item | FY2010 | | FY2011 | | Increase /Decrease |
|--|----------------------|---------------------------|----------------------|---------------------------|-----------------------|
| | As of March 31, 2010 | | As of March 31, 2011 | | |
| | Amount | Com- position ratio | Amount | Com- position ratio | |
| (Assets) | | % | | % | |
| I Current assets | | | | | |
| Cash and deposits | 3,842 | | 2,856 | | △ 985 |
| Notes receivable-trade | 993 | | 1,008 | | 14 |
| Accounts receivable-trade | 17,619 | | 18,758 | | 1,138 |
| Merchandise and finished goods | 4,383 | | 4,789 | | 405 |
| Work in process | 495 | | 646 | | 150 |
| Raw materials and supplies | 2,618 | | 3,260 | | 641 |
| Advance payments-trade | 54 | | 46 | | △ 8 |
| Prepaid expenses | 85 | | 87 | | 1 |
| Deferred tax assets | 540 | | 558 | | 18 |
| Short-term loans receivable to subsidiaries and affiliates | 1,100 | | 1,866 | | 766 |
| Other | 550 | | 843 | | 293 |
| Allowance for doubtful accounts | △ 90 | | △ 90 | | - |
| Total current assets | 32,194 | 58.3 | 34,631 | 52.8 | 2,437 |
| II Noncurrent assets | | | | | |
| 1. Property, plant and equipment | | | | | |
| Buildings | 3,317 | | 3,738 | | 421 |
| Structures | 646 | | 714 | | 68 |
| Machinery and equipment | 2,173 | | 2,864 | | 691 |
| Vehicles | 10 | | 22 | | 12 |
| Tools, furniture and fixtures | 437 | | 418 | | △ 18 |
| Land | 4,699 | | 4,605 | | △ 93 |
| Lease assets | 5 | | 3 | | △ 1 |
| Construction in progress | 1,357 | | 2,897 | | 1,539 |
| Total property, plant and equipment | 12,647 | 22.9 | 15,267 | 23.3 | 2,619 |
| 2. Intangible assets | | | | | |
| Leasehold right | 3 | | 3 | | - |
| Software | 194 | | 256 | | 62 |
| Telephone subscription right | 12 | | 12 | | - |
| Other | 2 | | 2 | | 0 |
| Total intangible assets | 213 | 0.4 | 276 | 0.4 | 63 |
| 3. Investments and other assets | | | | | |
| Investment securities | 3,607 | | 3,763 | | 155 |
| Stocks of subsidiaries and affiliates | 3,817 | | 3,817 | | - |
| Investments in capital of subsidiaries and affiliates | 2,002 | | 3,978 | | 1,975 |
| Long-term loans receivable | 5 | | - | | △ 5 |
| Long-term loans receivable from subsidiaries and affiliates | 360 | | 3,065 | | 2,705 |
| Deferred tax assets | 224 | | 512 | | 287 |
| Claims provable in bankruptcy, claims provable in rehabilitation and other | 7 | | 7 | | △ 0 |
| Long-term prepaid expenses | 1 | | 5 | | 3 |
| Other | 173 | | 211 | | 37 |
| Allowance for doubtful accounts | △ 7 | | △ 7 | | 0 |
| Total investments and other assets | 10,192 | 18.4 | 15,352 | 23.5 | 5,160 |
| Total noncurrent assets | 23,053 | 41.7 | 30,896 | 47.2 | 7,843 |
| Total assets | 55,247 | 100.0 | 65,527 | 100.0 | 10,280 |

(Unit: Millions of yen)

| Item | FY2010 | | FY2011 | | Increase /Decrease |
|--|----------------------|---------------------------|----------------------|---------------------------|--------------------|
| | As of March 31, 2010 | | As of March 31, 2011 | | |
| | Amount | Com- position ratio | Amount | Com- position ratio | |
| (Liabilities) | | % | | % | |
| I Current liabilities | | | | | |
| Notes payable-trade | 1,755 | | 1,722 | | △ 33 |
| Accounts payable-trade | 6,711 | | 6,565 | | △ 146 |
| Short-term loans payable | 4,500 | | 7,153 | | 2,653 |
| Current portion of long-term loans payable | 1,200 | | 1,786 | | 586 |
| Lease obligations | 1 | | 1 | | - |
| Accounts payable-other | 1,934 | | 2,780 | | 846 |
| Accrued expenses | 181 | | 175 | | △ 5 |
| Income taxes payable | 882 | | 66 | | △ 815 |
| Accrued consumption taxes | 122 | | - | | △ 122 |
| Advances received | 14 | | 3 | | △ 11 |
| Deposits received | 45 | | 100 | | 55 |
| Provision for bonuses | 845 | | 683 | | △ 161 |
| Provision for directors' bonuses | 45 | | 40 | | △ 5 |
| Provision for repairs | - | | 93 | | 93 |
| Provision for loss on disaster | - | | 270 | | 270 |
| Notes payable-facilities | 77 | | 62 | | △ 15 |
| Total current liabilities | 18,317 | 33.2 | 21,504 | 32.8 | 3,187 |
| II Noncurrent liabilities | | | | | |
| Bonds payable | - | | 5,000 | | 5,000 |
| Long-term loans payable | 1,130 | | 2,600 | | 1,470 |
| Long-term lease obligations | 3 | | 1 | | △ 1 |
| Provision for retirement benefits | 1,741 | | 1,702 | | △ 38 |
| Provision for repairs | 42 | | - | | △ 42 |
| Asset retirement obligations | - | | 66 | | 66 |
| Other | 174 | | 167 | | △ 7 |
| Total noncurrent liabilities | 3,091 | 5.6 | 9,539 | 14.6 | 6,447 |
| Total liabilities | 21,408 | 38.8 | 31,043 | 47.4 | 9,635 |
| (Net assets) | | | | | |
| I Shareholders' equity | | | | | |
| 1 Capital stock | 3,128 | 5.6 | 3,128 | 4.7 | - |
| 2 Capital surplus | | | | | |
| (1)Legal capital surplus | 3,350 | | 3,350 | | - |
| Total capital surplus | 3,350 | 6.1 | 3,350 | 5.1 | - |
| 3 Retained earnings | | | | | |
| (1)Legal retained earnings | 307 | | 307 | | - |
| (2)Other retained earnings | | | | | |
| Reserve for special depreciation | - | | 4 | | 4 |
| Reserve for advanced depreciation of noncurrent assets | 619 | | 607 | | △ 12 |
| General reserve | 23,300 | | 23,900 | | 600 |
| Retained earnings brought forward | 2,482 | | 2,652 | | 170 |
| Total retained earnings | 26,709 | 48.3 | 27,472 | 42.0 | 762 |
| 4 Treasury stock | △ 11 | △ 0.0 | △ 11 | △ 0.0 | △ 0 |
| Total shareholders' equity | 33,177 | 60.0 | 33,939 | 51.8 | 762 |
| II Valuation and translation adjustments | | | | | |
| Valuation difference on available-for-sale securities | 661 | | 544 | | △ 116 |
| Total valuation and translation | 661 | 1.2 | 544 | 0.8 | △ 116 |
| Total net assets | 33,838 | 61.2 | 34,484 | 52.6 | 645 |
| Total liabilities and net assets | 55,247 | 100.0 | 65,527 | 100.0 | 10,280 |

Statements of Income(Non-Consolidated)

(Unit: Millions of yen)

| Item | FY2010 '09/4-'10/3 | | FY2011 '10/4-'11/3 | | Increase /Decrease | |
|--|-----------------------|-------|-----------------------|-------|-----------------------|-------------------|
| | Amount | Ratio | Amount | Ratio | Amount | Rate of change |
| I Net sales | 47,205 | 100.0 | 52,010 | 100.0 | 4,804 | 10.2 |
| II Cost of sales | 37,151 | 78.7 | 42,401 | 81.5 | 5,250 | 14.1 |
| Gross profit | 10,054 | 21.3 | 9,609 | 18.5 | △ 445 | △ 4.4 |
| III Selling, general and administrative expenses | 8,402 | 17.8 | 8,428 | 16.2 | 26 | 0.3 |
| Operating income | 1,652 | 3.5 | 1,180 | 2.3 | △ 471 | △ 28.5 |
| IV Non-operating income | | | | | | |
| Interest income | 20 | | 58 | | | |
| Dividends income | 344 | | 495 | | | |
| Technical support fee | 229 | | 276 | | | |
| Real estate rent | 149 | | 160 | | | |
| Foreign exchange gains | 48 | | 38 | | | |
| Other | 142 | 934 | 54 | 1,083 | 149 | 16.0 |
| V Non-operating expenses | | | | | | |
| Interest expenses | 64 | | 113 | | | |
| Bond issuance cost | - | | 34 | | | |
| Rent cost of real estate | 18 | | 18 | | | |
| Other | 7 | 90 | 9 | 176 | 85 | 93.9 |
| Ordinary income | 2,495 | 5.3 | 2,088 | 4.0 | △ 407 | △ 16.3 |
| VI Extraordinary income | | | | | | |
| Gain on sales of noncurrent assets | - | | 96 | | | |
| Reversal of allowance for doubtful accounts | 0 | | 0 | | | |
| State subsidy | 26 | 27 | - | 96 | 69 | 257.3 |
| VII Extraordinary loss | | | | | | |
| Loss on sales and retirement of noncurrent assets | 86 | | 39 | | | |
| Impairment loss | 360 | | - | | | |
| Loss on disaster | - | | 328 | | | |
| Loss on valuation of noncurrent assets | 5 | | 6 | | | |
| Loss on valuation of investments in capital of subsidiaries and affiliates | 383 | | 209 | | | |
| Loss on adjustment for changes of accounting standard for asset retirement obligations | - | 835 | 47 | 630 | 204 | 24.5 |
| Income before income taxes | 1,687 | 3.6 | 1,554 | 3.0 | △ 133 | △ 7.9 |
| Income taxes-current | 970 | | 500 | | | |
| Income taxes-deferred | △ 394 | 575 | △ 221 | 278 | △ 297 | △ 51.6 |
| Net income | 1,112 | 2.4 | 1,275 | 2.5 | 163 | 14.7 |