


[Pre-amendment]



Nov. 16, 2006

Name of listed company: ISEKI & CO., LTD.  Stock Exchange Listing Tokyo, Osaka
Company Code: 6310 (URL <http://www.iseki.co.jp>) Head Office: Tokyo
Representative: Title President Name Hiroyuki Nakano
Enquiries: Title General Manager of Finance Name Yasunori Maki
Telephone: +81 3 5604 7671
Date of meeting of Board of Directors to approve financial results: Nov. 16, 2006
Adoption of U.S. GAAP: None

Summary Announcement of Consolidated Financial Results
for the Six Months Ended September 30, 2006

I. Financial Results for the six months ended September 30, 2006 (April 1, 2006—September 30, 2006)

A. Results of operations

(Rounded down to millions of yen, %)

	Six Months Ended Sep. 30, 2006	%	Six Months Ended Sep. 30, 2005	%	Year Ended Mar. 31, 2006
Net Sales	76,240	(3.8)	79,213	3.4	161,744
Operating Income	<u>2,978</u>	<u>(12.0)</u>	<u>3,383</u>	<u>19.2</u>	<u>7,458</u>
Ordinary Income	<u>2,890</u>	<u>(12.6)</u>	<u>3,305</u>	<u>27.5</u>	<u>6,860</u>
Net Income	<u>1,990</u>	<u>21.3</u>	<u>1,641</u>	<u>(18.0)</u>	<u>3,756</u>
Net Income per Share (yen)					
Non-diluted	<u>8.81</u>		<u>7.58</u>		<u>17.23</u>
Fully Diluted	<u>8.09</u>		<u>6.67</u>		<u>15.27</u>

Notes:

1. Investment gain (loss) by equity method:

Six months ended Sep. 30, 2006	—
Six months ended Sep. 30, 2005	—
Year ended Mar. 31, 2006	—

2. Average number of shares outstanding (consolidated):

Six months ended Sep. 30, 2006	225,862,188 shares
Six months ended Sep. 30, 2005	216,433,707 shares
Year ended Mar. 31, 2006	217,996,080 shares


3. Change in accounting policies: None

4. Changes (%) in net sales, operating income, ordinary income and net income for the period represent the increase or decrease relative to the same period of the previous year.

[Post-amendment]



May 24, 2007

Name of listed company: ISEKI & CO., LTD.  Stock Exchange Listing Tokyo, Osaka
Company Code: 6310 (URL <http://www.iseki.co.jp>) Head Office: Tokyo
Representative: Title President Name Hiroyuki Nakano
Enquiries: Title General Manager of Finance Name Yasunori Maki
Telephone: +81 3 5604 7671
Date of meeting of Board of Directors to approve financial results: Nov. 16, 2006
Adoption of U.S. GAAP: None

Summary Announcement of Consolidated Financial Results for the Six Months Ended September 30, 2006

I. Financial Results for the six months ended September 30, 2006 (April 1, 2006—September 30, 2006)

A. Results of operations

(Rounded down to millions of yen, %)

	Six Months Ended Sep. 30, 2006	%	Six Months Ended Sep. 30, 2005	%	Year Ended Mar. 31, 2006
Net Sales	76,240	(3.8)	79,213	3.4	161,744
Operating Income	<u>2,402</u>	<u>(19.3)</u>	<u>2,975</u>	<u>16.9</u>	<u>6,319</u>
Ordinary Income	<u>2,314</u>	<u>(20.1)</u>	<u>2,897</u>	<u>26.1</u>	<u>5,721</u>
Net Income	<u>1,273</u>	<u>4.9</u>	<u>1,213</u>	<u>(25.1)</u>	<u>2,661</u>
Net Income per Share (yen)					
Non-diluted	<u>5.64</u>		<u>5.61</u>		<u>12.21</u>
Fully Diluted	<u>5.18</u>		<u>4.93</u>		<u>10.82</u>

Notes:

1. Investment gain (loss) by equity method:

Six months ended Sep. 30, 2006	—
Six months ended Sep. 30, 2005	—
Year ended Mar. 31, 2006	—

2. Average number of shares outstanding (consolidated):

Six months ended Sep. 30, 2006	225,862,188 shares
Six months ended Sep. 30, 2005	216,433,707 shares
Year ended Mar. 31, 2006	217,996,080 shares

3. Change in accounting policies: None

4. Changes (%) in net sales, operating income, ordinary income and net income for the period represent the increase or decrease relative to the same period of the previous year.

[Pre-amendment]

B. Financial Position

(Rounded down to millions of yen)

	Six Months Ended Sep. 30 2006	Six Months Ended Sep. 30 2005	Year Ended Mar. 31, 2006
Total Assets	<u>193,302</u>	<u>192,144</u>	<u>183,831</u>
Net Assets	<u>61,300</u>	<u>53,132</u>	<u>58,644</u>
Shareholders' Equity to Total Assets Ratio (%)	<u>30.9</u>	<u>27.7</u>	<u>31.9</u>
Net Assets per share (yen)	<u>264.48</u>	<u>245.52</u>	<u>259.64</u>

Notes: Number of shares outstanding as of Sep. 30, 2006 (Consolidated): 225,856,581shares

Number of shares outstanding as of Sep. 30, 2005 (Consolidated): 216,406,650shares

Number of shares outstanding as of Mar. 31, 2006 (Consolidated): 225,869,383shares

C. Cash Flows

(Rounded down to millions of yen)

	Six Months Ended Sep. 30 2006	Six Months Ended Sep. 30 2005	Year Ended Mar. 31, 2006
Cash Flows from Operating Activities	(4,177)	<u>(5,523)</u>	<u>4,338</u>
Cash Flows from Investing Activities	(2,420)	<u>(859)</u>	<u>(2,606)</u>
Cash Flows from Financing Activities	6,874	5,748	(3,048)
Cash and Cash Equivalents at End of Period	6,844	7,296	6,589

D. Notes concerning the scope of consolidation and application of the equity method

Number of consolidated subsidiaries: 35

Number of non- consolidated subsidiaries accounted for by the equity method: —

Number of affiliated companies accounted for by the equity method: —

E. Changes in scope of consolidation and application of the equity method

Number of consolidated subsidiaries added: 1 excluded: —

Number of companies commenced using equity method added: — excluded: —

II. Performance Forecast (April 1, 2006—March 31, 2007)

(Millions of yen)

	Year ending Mar.31,2007
Net Sales	160,000
Operating Income	5,500
Ordinary Income	5,000
Net Income	2,500

For reference: The estimated net income per share for the year is ¥11.07

Cautionary statement: The forecast for operating results has been produced based on information presently available. It is possible that in the future actual results may differ from the anticipated figures for a variety of reasons. Please refer to page 8 of attached material for the matter concerning the above-mentioned expectation.

[Post-amendment]

B. Financial Position

(Rounded down to millions of yen)

	Six Months Ended Sep. 30 2006	Six Months Ended Sep. 30 2005	Year Ended Mar. 31, 2006
Total Assets	<u>189,396</u>	<u>189,336</u>	<u>180,439</u>
Net Assets	<u>57,029</u>	<u>50,246</u>	<u>55,092</u>
Shareholders' Equity to Total Assets Ratio (%)	<u>29.3</u>	<u>26.5</u>	<u>30.5</u>
Net Assets per share (yen)	<u>245.57</u>	<u>232.19</u>	<u>243.91</u>

Notes: Number of shares outstanding as of Sep. 30, 2006 (Consolidated): 225,856,581shares

Number of shares outstanding as of Sep. 30, 2005 (Consolidated): 216,406,650shares

Number of shares outstanding as of Mar. 31, 2006 (Consolidated): 225,869,383shares

C. Cash Flows

(Rounded down to millions of yen)

	Six Months Ended Sep. 30 2006	Six Months Ended Sep. 30 2005	Year Ended Mar. 31, 2006
Cash Flows from Operating Activities	(4,177)	<u>(5,579)</u>	<u>4,016</u>
Cash Flows from Investing Activities	(2,420)	<u>(804)</u>	<u>(2,285)</u>
Cash Flows from Financing Activities	6,874	5,748	(3,048)
Cash and Cash Equivalents at End of Period	6,844	7,296	6,589

D. Notes concerning the scope of consolidation and application of the equity method

Number of consolidated subsidiaries: 35

Number of non- consolidated subsidiaries accounted for by the equity method: —

Number of affiliated companies accounted for by the equity method: —

E. Changes in scope of consolidation and application of the equity method

Number of consolidated subsidiaries added: 1 excluded: —

Number of companies commenced using equity method added: — excluded: —

II. Performance Forecast (April 1, 2006—March 31, 2007)

(Millions of yen)

	Year ending Mar.31,2007
Net Sales	160,000
Operating Income	5,500
Ordinary Income	5,000
Net Income	2,500

For reference: The estimated net income per share for the year is ¥11.07

Cautionary statement: The forecast for operating results has been produced based on information presently available. It is possible that in the future actual results may differ from the anticipated figures for a variety of reasons. Please refer to page 8 of attached material for the matter concerning the above-mentioned expectation.

Management Performance & Financial Position

1. Management Performance

(1) The Interim Period in Review

[Pre-amendment]

The recovery phase of the Japanese economy continued in the interim fiscal period just ended, fed by an increase in domestic demand such as consumer spending and capital expenditures as well as exports. Nevertheless, the business environment continues to preclude us from being optimistic in light of intense market competition and material prices which remain at a high level.

In regard to the domestic agricultural environment, Japanese agriculture is undergoing a period of major structural changes. Three reform laws such as “New Law for Stabilization of Management of Principal Bearers of Agriculture” were made into law in June this year and “Outline of the Program for Stabilization of Management Income” was adopted in July. The domestic agricultural machinery market remained inactive in the interim fiscal period just ended possibly due to delayed purchasing in a move to wait and see the direction of the agricultural policy in the midst of promotion to foster bearers of agriculture and a resultant increase of certified farmers and further accelerated organization of collective farming. On the other hand, exports in total industry continued to shift favorably.

Under the circumstances, in spite of efforts of the ISEKI Group to broaden its line of new products to meet the diverse needs of customers, and to increase both domestic sales and exports, sales for the interim fiscal period just ended declined ¥3.0 billion from the same period last year to ¥76.2 billion (down 3.8%). Domestic sales declined ¥2.3 billion to ¥67.5 billion (down 3.3%) due to inactive agricultural machinery market. Overseas sales declined ¥0.7 billion from the same period last year to ¥8.7 billion (down 7.5%).

Operating income declined ¥0.404 billion from the same period last year to ¥2.978 billion (down 12.0%) mostly due to decreased gross income by reduced revenue.

Ordinary income decreased ¥0.415 billion from the same period last year to ¥2.89 billion (down 12.6%). Interim net income increased ¥0.349 billion to ¥1.99 billion (up 21.3%) mainly due to lower corporate tax.

Management Performance & Financial Position

1. Management Performance

(2) The Interim Period in Review

[Post-amendment]

The recovery phase of the Japanese economy continued in the interim fiscal period just ended, fed by an increase in domestic demand such as consumer spending and capital expenditures as well as exports. Nevertheless, the business environment continues to preclude us from being optimistic in light of intense market competition and material prices which remain at a high level.

In regard to the domestic agricultural environment, Japanese agriculture is undergoing a period of major structural changes. Three reform laws such as “New Law for Stabilization of Management of Principal Bearers of Agriculture” were made into law in June this year and “Outline of the Program for Stabilization of Management Income” was adopted in July. The domestic agricultural machinery market remained inactive in the interim fiscal period just ended possibly due to delayed purchasing in a move to wait and see the direction of the agricultural policy in the midst of promotion to foster bearers of agriculture and a resultant increase of certified farmers and further accelerated organization of collective farming. On the other hand, exports in total industry continued to shift favorably.

Under the circumstances, in spite of efforts of the ISEKI Group to broaden its line of new products to meet the diverse needs of customers, and to increase both domestic sales and exports, sales for the interim fiscal period just ended declined ¥3.0 billion from the same period last year to ¥76.2 billion (down 3.8%). Domestic sales declined ¥2.3 billion to ¥67.5 billion (down 3.3%) due to inactive agricultural machinery market. Overseas sales declined ¥0.7 billion from the same period last year to ¥8.7 billion (down 7.5%).

Operating income declined ¥0.572 billion from the same period last year to ¥2.402 billion (down 19.3%) mostly due to decreased gross income by reduced revenue.

Ordinary income decreased ¥0.583 billion from the same period last year to ¥2.314 billion (down 20.1%). Interim net income was more or less the same as the same period last year with ¥1.273 billion (up 4.9%) mainly due to lower corporate tax.

2. Financial Position

[Pre-amendment]

1) Financial Position

Total assets as of the end of the interim fiscal period just ended increased ¥1.2 billion from the same period last year to ¥193.3 billion. In terms of assets, current assets decreased ¥1.5 billion. Main components were a ¥4.5 billion decrease in notes receivables and accounts receivable, a ¥5.0 billion increase in inventories and a ¥2.2 billion decrease in other current assets such as deferred tax assets. Fixed assets increased ¥2.7 billion from the same period last year. Respectively, tangible fixed assets increased ¥1.0 billion mainly due to increased construction in progress, and investment and other assets increased ¥1.7 billion mainly due to increased advance pension payment and deferred tax asset.

Meantime, total liabilities decreased ¥5.5 billion. Interest bearing liabilities decreased ¥4.3 billion due to a ¥3.3 billion reduction of bonds with stock warrant by exercise of the warrant and a partial repayment of long-term debt. Net assets increased to ¥61.3 billion. Equity ratio was improved to 30.9%, up 3.2% from the same period last year.

2) Cash Flow

Cash flow from operating activities for the interim period results in net expenditures every year due to the seasonal nature of the agriculture business. In the interim period just ended, it resulted in net expenditures of ¥4.2 billion (¥1.3 billion reduction from the same period last year). Cash flow from investment activities resulted in net expenditures of ¥2.4 billion (an increase of ¥1.5 billion from the same period last year). Cash flow from financing activities resulted in revenues of ¥6.8 billion (an increase of ¥1.1 billion from the same period last year).

The trend of cash flow indicators is as follows.

Indicator	Mar. 31, 2004	Mar. 31, 2005	Sep.30 2005	Mar. 31, 2006	Sep. 30, 2006
Equity ratio (%)	<u>25.1</u>	<u>28.0</u>	<u>27.7</u>	<u>31.9</u>	<u>30.9</u>
Market-based equity ratio (%)	<u>34.3</u>	<u>38.7</u>	<u>38.9</u>	<u>65.0</u>	<u>41.2</u>
Years until debt redeemed (years)	6.3	<u>9.6</u>	—	<u>12.8</u>	—
Interest coverage ratio (times)	7.0	<u>4.9</u>	—	<u>4.3</u>	—

- Equity ratio: Shareholders' equity / Total assets
- Market-based equity ratio: Total market price of shares / Total assets
- Years until debt recovered: Interest-bearing liabilities / Operating cash flow
- Interest coverage ratio: Cash flow from operating activities / Interest payments

Notes: 1. All figures have been calculated using consolidated-based financial figures.

2. The total market price of shares is the product of the per-share closing price at the end of the interim period and the total number of shares outstanding (less treasury stocks) at the end of the interim period.
3. The Operating cash flow uses the cash flows from operating activities as per the Consolidated Statement of Cash Flows. Interest-bearing liabilities use all the borrowings and debt as recorded in the Consolidated Balance Sheets. The Interest payments use the interest paid as recorded in the Consolidated Statement of Cash Flows.
4. Years until debt redeemed and interest coverage ratio for the interim period were not given due to negative operating cash flow.

2. Financial Position

[Post-amendment]

1) Financial Position

Total assets as of the end of the interim fiscal period just ended were almost unchanged from the same period of the previous year with ¥189.4 billion. In terms of assets, current assets decreased ¥2.4 billion. Main components were a ¥4.5 billion decrease in notes receivable and accounts receivable, a ¥4.2 billion increase in inventories and a ¥2.2 billion decrease in other current assets such as deferred tax assets. Fixed assets increased ¥2.4 billion from the same period last year. Respectively, tangible fixed assets increased ¥0.7 billion mainly due to increased construction in progress, and investment and other assets increased ¥1.6 billion mainly due to increased advanced pension payment and deferred tax asset.

Meantime, total liabilities decreased ¥5.2 billion. Interest bearing liabilities decreased ¥4.3 billion due to a ¥3.3 billion reduction of bonds with stock warrant by exercise of the warrant and a partial repayment of long-term debt. Net assets increased to ¥57.0 billion. Equity ratio was improved to 29.3%, up 2.8% from the same period last year.

2) Cash Flow

Cash flow from operating activities for the interim period results in net expenditures every year due to the seasonal nature of the agriculture business. In the interim period just ended, it resulted in net expenditures of ¥4.2 billion (¥1.4 billion reduction from the same period last year). Cash flow from investment activities resulted in net expenditures of ¥2.4 billion (an increase of ¥1.6 billion from the same period last year). Cash flow from financing activities resulted in revenues of ¥6.8 billion (an increase of ¥1.1 billion from the same period last year).

The trend of cash flow indicators is as follows.

Indicator	Mar. 31, 2004	Mar. 31, 2005	Sep.30 2005	Mar. 31, 2006	Sep. 30, 2006
Equity ratio (%)	<u>24.8</u>	<u>27.1</u>	<u>26.5</u>	<u>30.5</u>	<u>29.3</u>
Market-based equity ratio (%)	<u>34.4</u>	<u>39.2</u>	<u>39.4</u>	<u>66.2</u>	<u>42.1</u>
Years until debt redeemed (years)	6.3	<u>9.7</u>	—	<u>13.8</u>	—
Interest coverage ratio (times)	7.0	<u>4.8</u>	—	<u>4.0</u>	—

- Equity ratio: Shareholders' equity / Total assets
- Market-based equity ratio: Total market price of shares / Total assets
- Years until debt recovered: Interest-bearing liabilities / Operating cash flow
- Interest coverage ratio: Cash flow from operating activities / Interest payments

Notes: 1. All figures have been calculated using consolidated-based financial figures.

2. The total market price of shares is the product of the per-share closing price at the end of the interim period and the total number of shares outstanding (less treasury stocks) at the end of the interim period.
3. The Operating cash flow uses the cash flows from operating activities as per the Consolidated Statement of Cash Flows. Interest-bearing liabilities use all the borrowings and debt as recorded in the Consolidated Balance Sheets. The Interest payments use the interest paid as recorded in the Consolidated Statement of Cash Flows.
4. Years until debt redeemed and interest coverage ratio for the interim period were not given due to negative operating cash flow.

Consolidated Interim Financial Statements

Consolidated Interim Balance Sheets

[Pre-amendment]

(millions of yen)

Account	Interim Period (as at Sep. 30, 2006)		Previous Period (as at Sep. 30, 2005)		Change from Previous Period	FY 2006 (as at Mar. 31, 2006)	
	Amount	Ratio	Amount	Ratio		Amount	Ratio
(Assets)		%		%			%
I Current Assets	<u>97,968</u>	<u>50.7</u>	<u>99,522</u>	<u>51.8</u>	<u>(1,553)</u>	<u>89,910</u>	<u>48.9</u>
Cash and time deposits	7,293		7,715		(421)	6,971	
Notes and accounts receivable	40,033		44,499		(4,465)	34,742	
Inventories	<u>47,004</u>		<u>42,014</u>		<u>4,990</u>	<u>42,486</u>	
Others	<u>3,790</u>		<u>5,961</u>		<u>(2,171)</u>	<u>5,836</u>	
Allowance for doubtful accounts	(154)		(669)		514	(126)	
II Fixed Assets	<u>95,334</u>	<u>49.3</u>	<u>92,622</u>	<u>48.2</u>	<u>2,711</u>	<u>93,921</u>	<u>51.1</u>
1. Tangible fixed assets	<u>80,176</u>	<u>41.5</u>	<u>79,208</u>	<u>41.2</u>	<u>967</u>	<u>79,018</u>	<u>43.0</u>
Buildings and structures	15,196		15,028		168	15,044	
Machinery, equipment and vehicles	8,661		8,766		(104)	8,503	
Land	50,206		50,287		(80)	50,173	
Others	<u>6,111</u>		<u>5,127</u>		<u>983</u>	<u>5,296</u>	
2. Intangible fixed assets	<u>1,059</u>	<u>0.5</u>	<u>1,026</u>	<u>0.5</u>	<u>32</u>	<u>1,036</u>	<u>0.6</u>
3. Investments and other assets	<u>14,098</u>	<u>7.3</u>	<u>12,387</u>	<u>6.5</u>	<u>1,711</u>	<u>13,865</u>	<u>7.5</u>
Investment securities	8,953		8,417		535	9,234	
Others	<u>5,905</u>		4,816		<u>1,088</u>	5,289	
Allowance for doubtful accounts	(759)		(847)		88	(659)	
Total Assets	<u>193,302</u>	<u>100</u>	<u>192,144</u>	<u>100</u>	<u>1,157</u>	<u>183,831</u>	<u>100</u>

Consolidated Interim Financial Statements

Consolidated Interim Balance Sheets

[Post-amendment]

(millions of yen)

Account	Interim Period (as at Sep. 30, 2006)		Previous Period (as at Sep. 30, 2005)		Change from Previous Period	FY 2006 (as at Mar. 31, 2006)	
	Amount	Ratio	Amount	Ratio	Amount	Amount	Ratio
(Assets)		%		%			%
I Current Assets	<u>94,454</u>	<u>49.9</u>	<u>96,810</u>	<u>51.1</u>	<u>(2,355)</u>	<u>86,868</u>	<u>48.1</u>
Cash and time deposits	7,293		7,715		(421)	6,971	
Notes and accounts receivable	40,033		44,499		(4,465)	34,742	
Inventories	<u>43,955</u>		<u>39,714</u>		<u>4,241</u>	<u>39,798</u>	
Others	<u>3,325</u>		<u>5,550</u>		<u>(2,224)</u>	<u>5,482</u>	
Allowance for doubtful accounts	(154)		(669)		514	(126)	
II Fixed Assets	<u>94,942</u>	<u>50.1</u>	<u>92,525</u>	<u>48.9</u>	<u>2,416</u>	<u>93,570</u>	<u>51.9</u>
1. Tangible fixed assets	<u>79,846</u>	<u>42.1</u>	<u>79,111</u>	<u>41.8</u>	<u>734</u>	<u>78,668</u>	<u>43.6</u>
Buildings and structures	15,196		15,028		168	15,044	
Machinery, equipment and vehicles	8,661		8,766		(104)	8,503	
Land	50,206		50,287		(80)	50,173	
Others	<u>5,782</u>		<u>5,030</u>		<u>751</u>	<u>4,946</u>	
2. Intangible fixed assets	<u>1,059</u>	<u>0.6</u>	<u>1,026</u>	<u>0.6</u>	<u>32</u>	<u>1,036</u>	<u>0.6</u>
3. Investments and other assets	<u>14,036</u>	<u>7.4</u>	<u>12,387</u>	<u>6.5</u>	<u>1,649</u>	<u>13,865</u>	<u>7.7</u>
Investment securities	8,953		8,417		535	9,234	
Others	<u>5,842</u>		4,816		<u>1,025</u>	5,289	
Allowance for doubtful accounts	(759)		(847)		88	(659)	
Total Assets	<u>189,396</u>	<u>100</u>	<u>189,336</u>	<u>100</u>	<u>60</u>	<u>180,439</u>	<u>100</u>

Consolidated Interim Balance Sheets

[Pre-amendment]

(millions of yen)

Account	Interim Period (as at Sep. 30, 2006)		Previous Period (as at Sep. 30, 2005)		Change from Previous Period	FY2006 (as at Mar.31, 2006)	
	Amount	Ratio	Amount	Ratio	Amount	Amount	Ratio
(Liabilities)							
I Current Liabilities	<u>95,144</u>	<u>49.2</u>	<u>92,095</u>	<u>47.9</u>	<u>3,048</u>	<u>89,836</u>	<u>48.9</u>
Notes and accounts payable, trade	<u>42,655</u>		44,839		<u>(2,184)</u>	<u>41,536</u>	
Short-term borrowings	27,185		28,086		(900)	19,885	
Bonds	140		100		40	100	
(due within one year)							
Long-term debt	15,534		9,599		5,935	18,290	
(due within one year)							
Accrued income taxes	738		1,518		(779)	1,249	
Others	<u>8,889</u>		<u>7,952</u>		<u>937</u>	<u>8,774</u>	
II Long - term Liabilities	<u>36,857</u>	<u>19.1</u>	<u>45,388</u>	<u>23.6</u>	<u>(8,530)</u>	<u>33,790</u>	<u>18.4</u>
Bonds	8,065		11,360		(3,295)	8,135	
Long-term debt	12,039		18,159		(6,119)	8,905	
Deferred tax liability from land revaluation gain	7,595		7,261		334	7,595	
Accrued retirement benefits for employees	5,044		4,655		388	4,809	
Accrued directors' retirement benefits	276		212		64	258	
Others	3,836		<u>3,740</u>		<u>96</u>	<u>4,087</u>	
Total Liabilities	<u>132,001</u>	<u>68.3</u>	<u>137,484</u>	<u>71.5</u>	<u>(5,482)</u>	<u>123,627</u>	<u>67.3</u>
(Minority Interests in Consolidated Subsidiaries)							
Minority interests in consolidated subsidiaries	—	—	<u>1,527</u>	<u>0.8</u>	—	<u>1,558</u>	<u>0.8</u>
(Shareholders' Equity)							
I Common stock	—	—	22,534	<u>11.7</u>	—	22,784	<u>12.4</u>
II Capital surplus	—	—	11,693	<u>6.1</u>	—	12,815	<u>7.0</u>
III Retained earnings	—	—	<u>7,627</u>	<u>4.0</u>	—	<u>9,760</u>	<u>5.3</u>
IV Land revaluation reserve	—	—	10,891	5.7	—	10,527	<u>5.7</u>
V Net unrealized holding gain on securities	—	—	2,369	1.2	—	2,896	1.6
VI Foreign currency translation adjustments	—	—	(5)	(0.0)	—	15	0.0
VII Treasury stock	—	—	(1,978)	(1.0)	—	(154)	(0.1)
Total Shareholders' Equity	—	—	<u>53,132</u>	<u>27.7</u>	—	<u>58,644</u>	<u>31.9</u>
Total liabilities, Minority interests and Shareholders' Equity	—	—	<u>192,144</u>	<u>100</u>	—	<u>183,831</u>	<u>100</u>

Consolidated Interim Balance Sheets

[Post-amendment]

(millions of yen)

Account	Interim Period (as at Sep. 30, 2006)		Previous Period (as at Sep. 30, 2005)		Change from Previous Period	FY2006 (as at Mar.31, 2006)	
	Amount	Ratio	Amount	Ratio	Amount	Amount	Ratio
(Liabilities)							
I Current Liabilities	<u>95,509</u>	<u>50.4</u>	<u>92,115</u>	<u>48.7</u>	<u>3,393</u>	<u>89,943</u>	<u>49.8</u>
Notes and accounts payable, trade	<u>42,974</u>		44,839		<u>(1,865)</u>	<u>41,621</u>	
Short-term borrowings	27,185		28,086		(900)	19,885	
Bonds	140		100		40	100	
(due within one year)							
Long-term debt	15,534		9,599		5,935	18,290	
(due within one year)							
Accrued income taxes	738		1,518		(779)	1,249	
Others	<u>8,935</u>		<u>7,971</u>		<u>963</u>	<u>8,795</u>	
II Long - term Liabilities	<u>36,857</u>	<u>19.5</u>	<u>45,445</u>	<u>24.0</u>	<u>(8,588)</u>	<u>33,846</u>	<u>18.8</u>
Bonds	8,065		11,360		(3,295)	8,135	
Long-term debt	12,039		18,159		(6,119)	8,905	
Deferred tax liability from land revaluation gain	7,595		7,261		334	7,595	
Accrued retirement benefits for employees	5,044		4,655		388	4,809	
Accrued directors' retirement benefits	276		212		64	258	
Others	3,836		<u>3,797</u>		<u>38</u>	<u>4,142</u>	
Total Liabilities	<u>132,366</u>	<u>69.9</u>	<u>137,561</u>	<u>72.7</u>	<u>(5,194)</u>	<u>123,789</u>	<u>68.6</u>
(Minority Interests in Consolidated Subsidiaries)							
Minority interests in consolidated subsidiaries	—	—	<u>1,527</u>	<u>0.8</u>	—	<u>1,558</u>	<u>0.9</u>
(Shareholders' Equity)							
I Common stock	—	—	22,534	<u>11.9</u>	—	22,784	<u>12.6</u>
II Capital surplus	—	—	11,693	<u>6.2</u>	—	12,815	<u>7.1</u>
III Retained earnings	—	—	<u>4,741</u>	<u>2.5</u>	—	<u>6,207</u>	<u>3.5</u>
IV Land revaluation reserve	—	—	10,891	5.7	—	10,527	<u>5.8</u>
V Net unrealized holding gain on securities	—	—	2,369	1.2	—	2,896	1.6
VI Foreign currency translation adjustments	—	—	(5)	(0.0)	—	15	0.0
VII Treasury stock	—	—	(1,978)	(1.0)	—	(154)	(0.1)
Total Shareholders' Equity	—	—	<u>50,246</u>	<u>26.5</u>	—	<u>55,092</u>	<u>30.5</u>
Total liabilities, Minority interests and Shareholders' Equity	—	—	<u>189,336</u>	<u>100</u>	—	<u>180,439</u>	<u>100</u>

Consolidated Interim Balance Sheets

[Pre-amendment]

(millions of yen)

Account	Interim Period (as at Sep.30, 2006)		Previous Period (as at Sep. 30, 2005)		Change from Previous Period	FY2006 (as at Mar. 31, 2006)	
	Amount	Ratio	Amount	Ratio		Amount	Ratio
(Net Assets)		%		%			%
I Shareholders' Equity	<u>46,513</u>	<u>24.1</u>	—	—	—	—	—
Common stock	22,784	<u>11.8</u>	—	—	—	—	—
Capital surplus	12,815	<u>6.7</u>	—	—	—	—	—
Retained earnings	<u>11,073</u>	<u>5.7</u>	—	—	—	—	—
Treasury stock	(159)	(0.1)	—	—	—	—	—
II Difference of Appreciation and Conversion	13,220	<u>6.8</u>	—	—	—	—	—
Net unrealized holding gain on securities	2,679	1.4	—	—	—	—	—
Land revaluation reserve	10,527	<u>5.4</u>	—	—	—	—	—
Foreign currency translation adjustments	14	0.0	—	—	—	—	—
III Minority Interests in Consolidated Subsidiaries	1,566	0.8	—	—	—	—	—
Total Net Assets	<u>61,300</u>	<u>31.7</u>	—	—	—	—	—
Total Liabilities and Net Assets	<u>193,302</u>	100	—	—	—	—	—

Consolidated Interim Balance Sheets

[Post-amendment]

(millions of yen)

Account	Interim Period (as at Sep.30, 2006)		Previous Period (as at Sep. 30, 2005)		Change from Previous Period	FY2006 (as at Mar. 31, 2006)	
	Amount	Ratio	Amount	Ratio		Amount	Ratio
(Net Assets)		%		%			%
I Shareholders' Equity	<u>42,243</u>	<u>22.3</u>	—	—	—	—	—
Common stock	22,784	<u>12.0</u>	—	—	—	—	—
Capital surplus	12,815	<u>6.8</u>	—	—	—	—	—
Retained earnings	<u>6,802</u>	<u>3.6</u>	—	—	—	—	—
Treasury stock	(159)	(0.1)	—	—	—	—	—
II Difference of Appreciation and Conversion	13,220	<u>7.0</u>	—	—	—	—	—
Net unrealized holding gain on securities	2,679	1.4	—	—	—	—	—
Land revaluation reserve	10,527	<u>5.6</u>	—	—	—	—	—
Foreign currency translation adjustments	14	0.0	—	—	—	—	—
III Minority Interests in Consolidated Subsidiaries	1,566	0.8	—	—	—	—	—
Total Net Assets	<u>57,029</u>	<u>30.1</u>	—	—	—	—	—
Total Liabilities and Net Assets	<u>189,396</u>	100	—	—	—	—	—

Consolidated Interim Statements of Income

[Pre-amendment]

(millions of yen)

Account	Interim Period (Apr. 1, 2006 - Sep. 30, 2006)		Previous Period (Apr. 1, 2005 - Sep. 30, 2005)		Change from Previous Period	FY2006 (Apr. 1, 2005 - Mar. 31, 2006)	
	Amount	Ratio	Amount	Ratio		Amount	Ratio
I Net sales	76,240	100	79,213	100	(2,973)	161,744	100
II Cost of sales	50,570	66.3	52,912	66.8	(2,342)	107,958	66.7
Gross Profit	25,669	33.7	26,300	33.2	(630)	53,785	33.3
III Selling, general and administrative expenses	22,691	29.8	22,917	28.9	(225)	46,326	28.7
Operating Income	2,978	3.9	3,383	4.3	(404)	7,458	4.6
IV Non-operating Income	731	1.0	797	1.0	(66)	1,763	1.1
Interest and dividend income	148		157		(8)	403	
Others	582		640		(57)	1,360	
V Non-operating Expenses	818	1.1	875	1.1	(56)	2,361	1.5
Interest expenses	540		570		(29)	1,121	
Others	278		304		(26)	1,240	
Ordinary Income	2,890	3.8	3,305	4.2	(415)	6,860	4.2
VI Extraordinary Gains	35	0.0	787	1.0	(752)	907	0.6
Gain on sale and property, plant and equipment	35		109		(74)	186	
Gain on sale of investment securities	—		677		(677)	720	
VII Extraordinary Losses	313	0.4	864	1.1	(550)	1,940	1.2
Loss on sale of property, plant and equipment	114		189		(74)	412	
Impairment loss	25		382		(356)	505	
Transfer to allowance for doubtful accounts	130		41		88	195	
Loss on Liquidation of a subsidiary	—		—		—	522	
Loss from prior period adjustment	—		177		(177)	177	
Others	42		73		(30)	127	
Income before income taxes and minority interests	2,612	3.4	3,229	4.1	(616)	5,827	3.6
Income taxes	559	0.7	1,476	1.9	(917)	1,655	1.0
Income taxes, deferred	48	0.1	86	0.1	(37)	364	0.2
Minority interests in consolidated subsidiaries	13	0.0	24	0.0	(11)	50	0.1
Net Income	1,990	2.6	1,641	2.1	349	3,756	2.3

Consolidated Interim Statements of Income

[Post-amendment]

(millions of yen)

Account	Interim Period (Apr. 1, 2006 - Sep. 30, 2006)		Previous Period (Apr. 1, 2005 - Sep. 30, 2005)		Change from Previous Period	FY2006 (Apr. 1, 2005 - Mar. 31, 2006)	
	Amount	Ratio	Amount	Ratio		Amount	Ratio
I Net sales	76,240	100	79,213	100	(2,973)	161,744	100
II Cost of sales	51,137	67.1	53,321	67.3	(2,183)	109,088	67.4
Gross Profit	25,102	32.9	25,892	32.7	(789)	52,656	32.6
III Selling, general and administrative expenses	22,700	29.8	22,917	28.9	(216)	46,337	28.7
Operating Income	2,402	3.1	2,975	3.8	(572)	6,319	3.9
IV Non-operating Income	731	1.0	797	1.0	(66)	1,763	1.1
Interest and dividend income	148		157		(8)	403	
Others	582		640		(57)	1,360	
V Non-operating Expenses	818	1.1	875	1.1	(56)	2,361	1.5
Interest expenses	540		570		(29)	1,121	
Others	278		304		(26)	1,240	
Ordinary Income	2,314	3.0	2,897	3.7	(583)	5,721	3.5
VI Extraordinary Gains	35	0.1	787	1.0	(752)	907	0.6
Gain on sale and property, plant and equipment	35		109		(74)	186	
Gain on sale of investment securities	—		677		(677)	720	
VII Extraordinary Losses	313	0.4	864	1.1	(550)	1,940	1.2
Loss on sale of property, plant and equipment	114		189		(74)	412	
Impairment loss	25		382		(356)	505	
Transfer to allowance for doubtful accounts	130		41		88	195	
Loss on Liquidation of a subsidiary	—		—		—	522	
Loss from prior period adjustment	—		177		(177)	177	
Others	42		73		(30)	127	
Income before income taxes and minority interests	2,036	2.7	2,821	3.6	(785)	4,688	2.9
Income taxes	559	0.7	1,476	1.9	(917)	1,655	1.0
Income taxes, deferred	189	0.3	106	0.1	83	320	0.2
Minority interests in consolidated subsidiaries	13	0.0	24	0.1	(11)	50	0.1
Net Income	1,273	1.7	1,213	1.5	59	2,661	1.6

Consolidated Interim Statements of Changes in Net Assets

[Pre-amendment]

Interim Period (Apr.1, 2006-Sep. 30, 2006)

(millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at end of year	22,784	12,815	<u>9,760</u>	(154)	<u>45,206</u>
Changes of items during the period					
Dividends from surplus	—	—	(677)	—	(677)
Net income	—	—	<u>1,990</u>	—	<u>1,990</u>
Purchases of treasury stock	—	—	—	(5)	(5)
Net changes of items other than shareholders' equity	—	—	—	—	—
Total changes of items during the period	—	—	<u>1,313</u>	(5)	<u>1,307</u>
Balance at end of interim period	22,784	12,815	<u>11,073</u>	(159)	<u>46,513</u>

	Difference of appreciation and conversion				Minority interests in consolidated subsidiaries	Total net assets
	Net unrealized holding gain on securities	Land revaluation reserve	Foreign currency translation adjustments	Total difference of appreciation and conversion		
Balance at end of year	2,896	10,527	15	13,438	1,558	<u>60,203</u>
Changes of items during the period						
Dividends from surplus	—	—	—	—	—	(677)
Net income	—	—	—	—	—	<u>1,990</u>
Purchases of treasury stock	—	—	—	—	—	(5)
Net changes of items other than shareholders' equity	(217)	—	(1)	(218)	7	(210)
Total changes of items during the period	(217)	—	(1)	(218)	7	<u>1,097</u>
Balance at end of interim period	2,679	10,527	14	13,220	1,566	<u>61,300</u>

Consolidated Interim Statements of Changes in Net Assets

[Post-amendment]

Interim Period (Apr.1, 2006-Sep. 30, 2006)

(millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at end of year	22,784	12,815	<u>6,207</u>	(154)	<u>41,653</u>
Changes of items during the period					
Dividends from surplus	—	—	(677)	—	(677)
Net income	—	—	<u>1,273</u>	—	<u>1,273</u>
Purchases of treasury stock	—	—	—	(5)	(5)
Net changes of items other than shareholders' equity	—	—	—	—	—
Total changes of items during the period	—	—	<u>595</u>	(5)	<u>590</u>
Balance at end of interim period	22,784	12,815	<u>6,802</u>	(159)	<u>42,243</u>

	Difference of appreciation and conversion				Minority interests in consolidated subsidiaries	Total net assets
	Net unrealized holding gain on securities	Land revaluation reserve	Foreign currency translation adjustments	Total difference of appreciation and conversion		
Balance at end of year	2,896	10,527	15	13,438	1,558	<u>56,650</u>
Changes of items during the period						
Dividends from surplus	—	—	—	—	—	(677)
Net income	—	—	—	—	—	<u>1,273</u>
Purchases of treasury stock	—	—	—	—	—	(5)
Net changes of items other than shareholders' equity	(217)	—	(1)	(218)	7	(210)
Total changes of items during the period	(217)	—	(1)	(218)	7	<u>379</u>
Balance at end of interim period	2,679	10,527	14	13,220	1,566	<u>57,029</u>

Consolidated Interim Statements of Surplus

[Pre-amendment]

(millions of yen)

Account	Previous Period (Apr.1, 2005 - Sep.30, 2005)	FY2006 (Apr.1, 2005 - Mar.31, 2006)
(Capital Surplus)		
I Balance of capital surplus at beginning of the year	11,664	11,664
II Increase in capital surplus	29	1,151
Issuance of common stock	—	250
Gain on disposal of treasury stock	29	900
III Balance of capital surplus at the end of the period	11,693	12,815
(Retained Earnings)		
I Balance of retained earnings at beginning of the year	<u>6,829</u>	<u>6,829</u>
II Increase in retained earnings	<u>1,641</u>	<u>3,756</u>
Net income	<u>1,641</u>	<u>3,756</u>
III Decrease in retained earnings	844	826
Cash dividends	649	649
Transfer from land revaluation reserve	194	176
IV Balance of retained earnings at the end of the period	<u>7,627</u>	<u>9,760</u>

Consolidated Interim Statements of Surplus

[Post-amendment]

(millions of yen)

Account	Previous Period (Apr.1, 2005 - Sep.30, 2005)	FY2006 (Apr.1, 2005 - Mar.31, 2006)
(Capital Surplus)		
I Balance of capital surplus at beginning of the year	11,664	11,664
II Increase in capital surplus	29	1,151
Issuance of common stock	—	250
Gain on disposal of treasury stock	29	900
III Balance of capital surplus at the end of the period	11,693	12,815
(Retained Earnings)		
I Balance of retained earnings at beginning of the year	<u>4,372</u>	<u>4,372</u>
II Increase in retained earnings	<u>1,213</u>	<u>2,661</u>
Net income	<u>1,213</u>	<u>2,661</u>
III Decrease in retained earnings	844	826
Cash dividends	649	649
Transfer from land revaluation reserve	194	176
IV Balance of retained earnings at the end of the period	<u>4,741</u>	<u>6,207</u>

Consolidated Interim Statements of Cash Flows

[Pre-amendment]

(millions of yen)

Account	Interim Period (Apr.1, 2006- Sep.30, 2006)	Previous Period (Apr.1, 2005- Sep.30, 2005)	Change from Previous Period	FY2006 (Apr.1, 2005- Mar.31, 2006)
I Cash Flows from Operating Activities				
Income before income taxes and minority interests	2,612	3,229	(616)	5,827
Depreciation and amortization	1,798	1,949	(151)	3,910
Impairment loss	25	382	(356)	505
Amortization of consolidated adjustment account	—	(107)	107	(215)
Goodwill Amortization	(110)	—	(110)	—
Increase in reserve for retirement benefits	234	141	93	295
Loss (gain) on sales of investment securities	—	(677)	677	(720)
Interest and dividend income	(148)	(157)	8	(403)
Interest expenses	481	510	(29)	1,000
Effect of exchange rate changes	16	28	(11)	74
Loss on sales of tangible and intangible fixed assets	78	79	(0)	225
Loss on liquidation of a subsidiary	—	—	—	522
Decrease(increase) in notes and accounts receivable	(5,163)	(7,772)	2,609	862
Decrease(increase)in inventories	(4,400)	(965)	(3,435)	(1,535)
Increase(decrease) in notes and accounts payable	1,135	236	899	(3,066)
Others	117	(101)	219	724
Subtotal	(3,321)	(3,224)	(96)	8,005
Interest and dividends received	145	157	(12)	404
Interest paid	(472)	(506)	34	(1,000)
Income taxes paid	(1,106)	(1,950)	844	(3,071)
Refunded income taxes	575	—	575	—
Net cash provided by (used in) operating activities	(4,177)	(5,523)	1,346	4,338
II Cash Flows from Investing Activities				
Payments for purchases of marketable securities	(21)	(3)	(18)	(4)
Proceeds from sale of short-term securities	145	188	(43)	282
Payments for purchases of tangible and intangible fixed assets	(2,999)	(2,685)	(314)	(5,651)
Proceeds from sale of tangible and intangible fixed assets	552	688	(135)	1,646
Payments for purchase of investment securities	(100)	(0)	(99)	(0)
Proceeds from sale of investment securities	—	858	(858)	943
Payment for purchase of subsidiary	(276)	—	(276)	—
Net decrease (increase) of loans receivable	(16)	22	(39)	8
Net decrease (increase) of time deposits	(66)	(19)	(47)	16
Others	362	91	270	151
Net cash used in (provided by) investing activities	(2,420)	(859)	(1,561)	(2,606)
III Cash Flows from Financing Activities				
Net increase in short-term borrowings	7,303	7,734	(431)	(470)
Proceeds from long-term debt	6,840	1,887	4,953	4,966
Repayments of long-term debt	(6,503)	(4,219)	(2,283)	(7,861)
Proceeds from bonds issued	—	1,000	(1,000)	1,000
Redemption of bonds	(80)	(20)	(60)	(40)
Proceeds from sale of treasury stock	—	56	(56)	56
Payments for purchases of treasury stock	(5)	(37)	31	(46)
Payment of dividends	(677)	(649)	(27)	(649)
Others	(3)	(3)	—	(3)
Net cash used in financing activities	6,874	5,748	1,125	(3,048)
IV Effect of Exchange rate Changes on Cash and Cash Equivalents	(20)	(19)	(1)	(44)
V Net Increase (decrease) in Cash and Cash Equivalents	254	(654)	909	(1,361)
VI Cash and Cash Equivalents at beginning of year	6,589	7,803	(1,213)	7,803
VII Increase in Cash and Cash Equivalents by Merger	—	147	(147)	147
VIII Cash and Cash Equivalents at end of interim period	6,844	7,296	(452)	6,589

Consolidated Interim Statements of Cash Flows
[Post-amendment]

(millions of yen)

Account	Interim Period (Apr.1, 2006- Sep.30, 2006)	Previous Period (Apr.1, 2005- Sep.30, 2005)	Change from Previous Period	FY2006 (Apr.1, 2005- Mar.31, 2006)
I Cash Flows from Operating Activities				
Income before income taxes and minority interests	2,036	2,821	(785)	4,688
Depreciation and amortization	1,777	1,944	(166)	3,892
Impairment loss	25	382	(356)	505
Amortization of consolidated adjustment account	—	(107)	107	(215)
Goodwill Amortization	(110)	—	(110)	—
Increase in reserve for retirement benefits	234	141	93	295
Loss (gain) on sales of investment securities	—	(677)	677	(720)
Interest and dividend income	(148)	(157)	8	(403)
Interest expenses	481	510	(29)	1,000
Effect of exchange rate changes	16	28	(11)	74
Loss on sales of tangible and intangible fixed assets	78	79	(0)	225
Loss on liquidation of a subsidiary	—	—	—	522
Decrease(increase) in notes and accounts receivable	(5,163)	(7,772)	2,609	862
Decrease(increase)in inventories	(4,038)	(607)	(3,431)	(790)
Increase(decrease) in notes and accounts payable	1,369	236	1,133	(2,981)
Others	119	(101)	220	730
Subtotal	(3,321)	3,280	(40)	7,683
Interest and dividends received	145	157	(12)	404
Interest paid	(472)	(506)	34	(1,000)
Income taxes paid	(1,106)	(1,950)	844	(3,071)
Refunded income taxes	575	—	575	—
Net cash provided by (used in) operating activities	(4,177)	(5,579)	1,401	4,016
II Cash Flows from Investing Activities				
Payments for purchases of marketable securities	(21)	(3)	(18)	(4)
Proceeds from sale of short-term securities	145	188	(43)	282
Payments for purchases of tangible and intangible fixed assets	(2,999)	(2,629)	(369)	(5,330)
Proceeds from sale of tangible and intangible fixed assets	552	688	(135)	1,646
Payments for purchase of investment securities	(100)	(0)	(99)	(0)
Proceeds from sale of investment securities	—	858	(858)	943
Payment for purchase of subsidiary	(276)	—	(276)	—
Net decrease (increase) of loans receivable	(16)	22	(39)	8
Net decrease (increase) of time deposits	(66)	(19)	(47)	16
Others	362	91	270	151
Net cash used in (provided by) investing activities	(2,420)	(804)	(1,616)	(2,285)
III Cash Flows from Financing Activities				
Net increase in short-term borrowings	7,303	7,734	(431)	(470)
Proceeds from long-term debt	6,840	1,887	4,953	4,966
Repayments of long-term debt	(6,503)	(4,219)	(2,283)	(7,861)
Proceeds from bonds issued	—	1,000	(1,000)	1,000
Redemption of bonds	(80)	(20)	(60)	(40)
Proceeds from sale of treasury stock	—	56	(56)	56
Payments for purchases of treasury stock	(5)	(37)	31	(46)
Payment of dividends	(677)	(649)	(27)	(649)
Others	(3)	(3)	—	(3)
Net cash used in financing activities	6,874	5,748	1,125	(3,048)
IV Effect of Exchange rate Changes on Cash and Cash Equivalents	(20)	(19)	(1)	(44)
V Net Increase (decrease) in Cash and Cash Equivalents	254	(654)	909	(1,361)
VI Cash and Cash Equivalents at beginning of year	6,589	7,803	(1,213)	7,803
VII Increase in Cash and Cash Equivalents by Merger	—	147	(147)	147
VIII Cash and Cash Equivalents at end of interim period	6,844	7,296	(452)	6,589

Basis of Interim Consolidated Financial Statements

[Pre-amendment]

(Change in essential matters which provide a basis for preparation of Interim Consolidated Financial Statements)

From this interim fiscal period just ended, we have adopted “Accounting Standard for Recording Shareholders’ Equity of Balance Sheet”, (Corporate Accounting Standard No. 5, December 9, 2005) and “The guideline for the Application of Accounting Standards for Shareholders’ Equity of Balance Sheet” (Guideline for Application of Corporate Accounting No. 8, December 9, 2005). Corresponding amount to the former Shareholders’ Equity is ¥59,734 million.

As a consequence of a revision of regulations for interim period consolidated financial statements, net assets in the interim consolidated balance sheet for the interim consolidated fiscal period has been prepared in accordance with the revised regulations for the interim consolidated financial statements.

[Post-amendment]

(Change in essential matters which provide a basis for preparation of Interim Consolidated Financial Statements)

From this interim fiscal period just ended, we have adopted “Accounting Standard for Recording Shareholders’ Equity of Balance Sheet”, (Corporate Accounting Standard No. 5, December 9, 2005) and “The guideline for the Application of Accounting Standards for Shareholders’ Equity of Balance Sheet” (Guideline for Application of Corporate Accounting No. 8, December 9, 2005). Corresponding amount to the former Shareholders’ Equity is ¥55,463 million.

As a consequence of a revision of regulations for interim period consolidated financial statements, net assets in the interim consolidated balance sheet for the interim consolidated fiscal period has been prepared in accordance with the revised regulations for the interim consolidated financial statements.

Notes

(Consolidated Interim Balance Sheet information)

[Pre-amendment]

	Interim Period	Previous Period	FY 2006
1. Accumulated depreciation of tangible fixed assets	<u>86,866 million yen</u>	<u>85,317 million yen</u>	<u>85,962 million yen</u>

Notes

(Consolidated Interim Balance Sheet information)

[Post-amendment]

	Interim Period	Previous Period	FY 2006
1. Accumulated depreciation of tangible fixed assets	<u>86,827 million yen</u>	<u>85,311 million yen</u>	<u>85,944 million yen</u>