


[Pre-amendment]



**Summary Announcement of Consolidated Financial Results  
for the six months ended September 30, 2005**

November 17, 2005

Name of listed company: Iseki & Co., Ltd.  Stock Exchange Listings: 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: November 17, 2005  
 Adoption of U.S. GAAP: None

1. Consolidated Financial Results for the six months ended September 30, 2005 (April 1, 2005 - September 30, 2005)

(1) Consolidated results of operations (Rounded down to millions of yen)

	Net Sales		Operating Income		Ordinary Income	
	millions of yen	%	millions of yen	%	millions of yen	%
September 30, 2005	79,213	3.4	3,383	19.2	3,305	27.5
September 30, 2004	76,578	2.9	2,838	11.0	2,592	34.4
March 31, 2005	157,462		6,516		5,286	

	Net Income		Net Income per share		Fully diluted net income per share	
	millions of yen	%	yen		yen	
September 30, 2005	1,641	△18.0	7.58		6.67	
September 30, 2004	2,001	24.9	9.16		—	
March 31, 2005	2,965		13.61		12.74	

Notes: ① Investment Gain (loss) by equity method: Six months ended September 30, 2005: — million yen  
 Six months ended September 30, 2004: — million yen  
 Year ended March 31, 2005: — million yen

② Average number of shares outstanding (consolidated): Six months ended September 30, 2005: 216,433,707 shares  
 Six months ended September 30, 2004: 218,578,559 shares  
 Year ended March 31, 2005: 217,965,619 shares

③ Changes in accounting policies: Yes

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.

(2) Consolidated Financial Position

	Total Assets	Total Shareholders' Equity	Shareholders' Equity to Total Assets Ratio	Shareholders' Equity per Share
	millions of yen	millions of yen	%	yen
September 30, 2005	192,144	53,132	27.7	245.52
September 30, 2004	190,599	50,695	26.6	231.91
March 31, 2005	184,477	51,726	28.0	238.88

Note: Number of shares outstanding (consolidated) on: September 30, 2005: 216,406,650 shares  
 September 30, 2004: 218,593,641 shares  
 March 31, 2005: 216,541,301 shares

(3) Consolidated Cash Flow

	Cash Flow from Operating Activities	Cash Flow from Investing Activities	Cash Flow from Financing Activities	Cash and cash equivalents at end of Period
	millions of yen	millions of yen	millions of yen	millions of yen
September 30, 2005	△5,523	△ 859	5,748	7,296
September 30, 2004	△5,332	10,474	△ 5,659	10,515
March 31, 2005	6,350	8,758	△ 18,390	7,803

(4) Note 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 affiliates companies accounted for by the equity method: —

(5) Changes in scope of consolidation and application of the equity method

Number of consolidated subsidiaries added: —, exclusion: 1

Number of companies commenced using equity method added: —, exclusion: —

2. Forecast for the Fiscal Year Ending March 31, 2006 Operating Results (April 1, 2005 – March 31, 2006)

	Net Sales	Operating Income	Ordinary Income	Net Income
	millions of yen	millions of yen	millions of yen	millions of yen
Annual	163,000	8,500	7,500	4,000

For reference: The estimated net income per share for the year is ¥18.48.

Cautionary Statement: The above forecasts were based on information that was available as of the day of this announcement and on assumptions made as of the same day regarding a number of uncertainties that could affect future financial performance. Actual results could differ considerably depending on a variety of factors hereafter.

[Post-amendment]



MEMBERSHIP

May 24, 2007

**Summary Announcement of Consolidated Financial Results  
for the six months ended September 30, 2005**

Name of listed company: Iseki & Co., Ltd.  Stock Exchange Listings: 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: November 17, 2005  
 Adoption of U.S. GAAP: None

1. Consolidated Financial Results for the six months ended September 30, 2005 (April 1, 2005 - September 30, 2005)

(1) Consolidated results of operations (Rounded down to millions of yen)

	Net Sales		Operating Income		Ordinary Income	
	millions of yen	%	millions of yen	%	millions of yen	%
September 30, 2005	79,213	3.4	2,975	16.9	2,897	26.1
September 30, 2004	76,578	2.9	2,544	△ 0.5	2,298	19.1
March 31, 2005	157,462		5,090		3,859	

	Net Income		Net Income per share	Fully diluted net income per share
	millions of yen	%	yen	yen
September 30, 2005	1,213	△ 25.1	5.61	4.93
September 30, 2004	1,619	1.0	7.41	—
March 31, 2005	1,378		6.32	5.92

- Notes: ① Investment Gain (loss) by equity method: Six months ended September 30, 2005: — million yen  
 Six months ended September 30, 2004: — million yen  
 Year ended March 31, 2005: — million yen
- ② Average number of shares outstanding (consolidated): Six months ended September 30, 2005: 216,433,707 shares  
 Six months ended September 30, 2004: 218,578,559 shares  
 Year ended March 31, 2005: 217,965,619 shares
- ③ Changes in accounting policies: Yes
- 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.

(2) Consolidated Financial Position

	Total Assets	Total Shareholders' Equity	Shareholders' Equity to Total Assets Ratio	Shareholders' Equity per Share
	millions of yen	millions of yen	%	yen
September 30, 2005	189,336	50,246	26.5	232.19
September 30, 2004	189,473	49,442	26.1	226.18
March 31, 2005	182,182	49,268	27.1	227.52

Note: Number of shares outstanding (consolidated) on: September 30, 2005: 216,406,650 shares  
 September 30, 2004: 218,593,641 shares  
 March 31, 2005: 216,541,301 shares

(3) Consolidated Cash Flow

	Cash Flow from Operating Activities	Cash Flow from Investing Activities	Cash Flow from Financing Activities	Cash and cash equivalents at end of Period
	millions of yen	millions of yen	millions of yen	millions of yen
September 30, 2005	△5,579	△ 804	5,748	7,296
September 30, 2004	△5,332	10,474	△ 5,659	10,515
March 31, 2005	6,303	8,805	△ 18,390	7,803

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Cautionary Statement: The above forecasts were based on information that was available as of the day of this announcement and on assumptions made as of the same day regarding a number of uncertainties that could affect future financial performance. Actual results could differ considerably depending on a variety of factors hereafter.

## **Management Performance & Financial Position**

### **1. Management Performance**

#### **(1) The Interim Fiscal Period in Review**

##### **[Pre-amendment]**

The recovery phase of the Japanese economy continued in this interim fiscal period, fed by an increase in consumer spending and exports, coupled with an increase in capital expenditures on the back of improved corporate profits.

Meanwhile, in regards to the domestic agriculture environment, structural changes are taking place in the midst of continuing difficulties. These include a decreasing number of farm households, an aging of the farming population and an increase in imports of farm products. In response, the “Program for Stabilization of Farm Management and Income”, which gives specific details of the “Basic Plan for Food, Agriculture and Rural Areas”, was announced, and measures aiming at fostering a new farming generation and a market-type agricultural economy will be implemented. It is anticipated that the market changes will be further accelerated through these measures, which include moves to co-op farm management and the enlargement of farming operations.

Domestic shipments of the agricultural machinery industry, during this interim period, remained more or less consistent as compared to the corresponding period of the previous year. On the other hand, exports continued to shift strongly.

Under the circumstances, the Iseki Group has broadened its line of new products which meet the diverse needs of our customers, and we have striven to expand sales both domestically and overseas. As a result, overall sales rose ¥2.6 billion from the same period last year to ¥79.2 billion (up 3.4%). While domestic sales of agricultural machinery increased slightly from the same period last year, they decreased by ¥0.2 billion this year to ¥69.8 billion (down 0.2%) due mainly to declining sales of agricultural facilities. Overseas sales expanded sharply, especially in the European and North American markets, increasing by ¥2.8 billion from the same period last year to ¥9.4 billion (up 42.3%). Operating income reached ¥3.4 billion, an increase of ¥0.6 billion (up 19.2%) from the same period last year, as the rising price of raw materials and increasing transportation costs have been absorbed by increased gross profits and cost reductions. Ordinary income shot to ¥3.3 billion, up ¥0.7 billion (up 27.5%) from the same period last year, driven by improved financial profit due to a decrease in interest-bearing liabilities. Net income decreased to ¥1.6 billion, down ¥0.4 billion (down 18.0%), due to an increased extraordinary loss by impairment of fixed assets and increased corporate tax.

## **Management Performance & Financial Position**

### **1. Management Performance**

#### **(1) The Interim Fiscal Period in Review**

##### **[Post-amendment]**

The recovery phase of the Japanese economy continued in this interim fiscal period, fed by an increase in consumer spending and exports, coupled with an increase in capital expenditures on the back of improved corporate profits.

Meanwhile, in regards to the domestic agriculture environment, structural changes are taking place in the midst of continuing difficulties. These include a decreasing number of farm households, an aging of the farming population and an increase in imports of farm products. In response, the “Program for Stabilization of Farm Management and Income”, which gives specific details of the “Basic Plan for Food, Agriculture and Rural Areas”, was announced, and measures aiming at fostering a new farming generation and a market-type agricultural economy will be implemented. It is anticipated that the market changes will be further accelerated through these measures, which include moves to co-op farm management and the enlargement of farming operations.

Domestic shipments of the agricultural machinery industry, during this interim period, remained more or less consistent as compared to the corresponding period of the previous year. On the other hand, exports continued to shift strongly.

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## 2. Financial Position

### [Pre-amendment]

#### (1) Financial Position

Total assets as of the end of the interim fiscal period increased ¥1.5 billion from the same period last year to ¥192.1 billion. The breakdown of assets is as follows: a reduction of cash and time deposit(¥3.9 billion), an increase in inventory mainly due to increased work in process caused by increased production and anticipated procurement of parts (¥3.8 billion) and an increase in the investment securities' by market value (¥1.3 billion). In terms of liabilities, interest bearing liabilities were reduced ¥5.8 billion.

Compared to the end of the previous fiscal period (end of March, 2005), total assets increased ¥7.7 billion. Notes and accounts receivable increased ¥8.0 billion and inventories increased ¥1.2 billion due to seasonal factors of the agriculture business. Shareholders' equity increased ¥1.4 billion from the same period last year, to ¥53.1 billion.

#### (2) Cash Flow

Cash flow from operating activities for the interim fiscal period has resulted in net expenditures every year due to the seasonality of Iseki's business. The results for the current interim fiscal period were expenditures of ¥5.5 billion (an increase in expenditures of ¥0.2 billion compared to the same period last year). Cash flow from investment activities resulted in net expenditures of ¥0.9 billion (an increase in expenditures of ¥11.3 billion compared to the same period last year). Cash flow from financing activities resulted in revenue of ¥5.7 billion (an increase in revenue of ¥11.4 billion compared to the same period last year) through the financing of operating funds, etc., during the interim fiscal period (increase of short-term borrowings).

The trend of cash flow indicators is as follows.

Indicator	Mar 31, 2003	Mar 31, 2004	Sep 30, 2004	Mar 31, 2005	Sep 30, 2005
Equity ratio (%)	21.6	<u>25.1</u>	<u>26.6</u>	<u>28.0</u>	<u>27.7</u>
Market-based equity ratio (%)	9.5	<u>34.3</u>	<u>29.2</u>	<u>38.7</u>	<u>38.9</u>
Years until debt redeemed (years)	8.3	6.3	—	<u>9.6</u>	—
Interest coverage ratio	5.5	7.0	—	<u>4.9</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 closing share price at the end of the interim fiscal (full fiscal) period and the total number of shares outstanding (less treasury stocks) at the end of the interim fiscal (full fiscal) 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 this interim fiscal period have not been recorded as the cash flow from operating activities is negative.

## 2. Financial Position

### [Post-amendment]

#### (1) Financial Position

Total assets as of the end of the interim fiscal period were almost unchanged from the same period of the previous fiscal year with ¥189.3 billion. The breakdown of assets is as follows: a reduction of cash and time deposit (¥3.9 billion), an increase in inventory (¥2.4 billion) such as work in process due to increased production and anticipated procurement of parts and an increase in the investment securities by market value (¥1.3 billion). In terms of liabilities, interest bearing liabilities were reduced ¥5.8 billion.

Compared to the end of the previous fiscal period (end of March, 2005), total assets increased ¥7.2 billion. Notes and accounts receivable increased ¥7.5 billion and inventories increased ¥0.8 billion due to seasonal factors of the agriculture business. Shareholders' equity increased ¥1.0 billion from the same period last year, to ¥50.2 billion.

#### (2) Cash Flow

Cash flow from operating activities for the interim fiscal period has resulted in net expenditures every year due to the seasonality of Iseki's business. The results for the current interim fiscal period were expenditures of ¥5.6 billion (an increase in expenditures of ¥0.2 billion compared to the same period last year). Cash flow from investment activities resulted in net expenditures of ¥0.8 billion (an increase in expenditures of ¥11.3 billion compared to the same period last year). Cash flow from financing activities resulted in revenue of ¥5.7 billion (an increase in revenue of ¥11.4 billion compared to the same period last year) through the financing of operating funds, etc., during the interim fiscal period (increase of short-term borrowings).

The trend of cash flow indicators is as follows.

Indicator	Mar 31, 2003	Mar 31, 2004	Sep 30, 2004	Mar 31, 2005	Sep 30, 2005
Equity ratio (%)	21.6	<u>24.8</u>	<u>26.1</u>	<u>27.1</u>	<u>26.5</u>
Market-based equity ratio (%)	9.5	<u>34.4</u>	<u>29.4</u>	<u>39.2</u>	<u>39.4</u>
Years until debt redeemed (years)	8.3	6.3	—	<u>9.7</u>	—
Interest coverage ratio	5.5	7.0	—	<u>4.8</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 closing share price at the end of the interim fiscal (full fiscal) period and the total number of shares outstanding (less treasury stocks) at the end of the interim fiscal (full fiscal) 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 this interim fiscal period have not been recorded as the cash flow from operating activities is negative.

**Consolidated Interim Financial Statements**

**Consolidated Interim Balance Sheets**

[Pre-amendment]

(millions of yen)

Account	Interim Period as at Sep 30, 2005		Previous Period as at Sep 30, 2004		Change from previous period	Previous Period as at Mar 31, 2005	
	Amount	Ratio	Amount	Ratio		Amount	Ratio
(Assets)		%		%			%
<b>I Current Assets</b>	<b><u>99,522</u></b>	<b><u>51.8</u></b>	<b><u>99,006</u></b>	<b><u>51.9</u></b>	<b><u>515</u></b>	<b><u>91,868</u></b>	<b><u>49.8</u></b>
Cash and time deposits	7,715		11,601		△ 3,886	8,202	
Notes and accounts receivable	44,499		45,122		△ 623	37,015	
Inventories	<u>42,014</u>		<u>38,174</u>		<u>3,840</u>	<u>40,851</u>	
Others	<u>5,961</u>		<u>4,800</u>		<u>1,160</u>	<u>6,469</u>	
Allowance for doubtful accounts	△ 669		△ 694		24	△ 670	
<b>II Fixed Assets</b>	<b><u>92,622</u></b>	<b><u>48.2</u></b>	<b><u>91,593</u></b>	<b><u>48.1</u></b>	<b><u>1,029</u></b>	<b><u>92,608</u></b>	<b><u>50.2</u></b>
<b>1. Tangible fixed assets</b>	<b><u>79,208</u></b>	<b><u>41.2</u></b>	<b><u>79,185</u></b>	<b><u>41.6</u></b>	<b><u>23</u></b>	<b><u>79,418</u></b>	<b><u>43.0</u></b>
Buildings and structures	15,028		15,222		△ 194	15,170	
Machinery, equipment and vehicles	8,766		8,529		236	8,783	
Land	50,287		50,390		△ 102	50,460	
Others	<u>5,127</u>		5,042		<u>84</u>	<u>5,003</u>	
<b>2. Intangible fixed assets</b>	<b><u>1,026</u></b>	<b><u>0.5</u></b>	<b><u>1,119</u></b>	<b><u>0.6</u></b>	<b>△ 93</b>	<b><u>1,102</u></b>	<b><u>0.6</u></b>
<b>3. Investment and other assets</b>	<b><u>12,387</u></b>	<b><u>6.5</u></b>	<b><u>11,287</u></b>	<b><u>5.9</u></b>	<b><u>1,099</u></b>	<b><u>12,087</u></b>	<b><u>6.6</u></b>
Investment securities	8,417		7,077		1,340	8,404	
Others	4,816		4,633		183	4,590	
Allowance for doubtful accounts	△ 847		△ 422		△ 425	△ 906	
<b>Total Assets</b>	<b><u>192,144</u></b>	<b><u>100</u></b>	<b><u>190,599</u></b>	<b><u>100</u></b>	<b><u>1,545</u></b>	<b><u>184,477</u></b>	<b><u>100</u></b>

**Consolidated Interim Financial Statements**

**Consolidated Interim Balance Sheets**

[Post-amendment]

(millions of yen)

Account	Interim Period as at Sep 30, 2005		Previous Period as at Sep 30, 2004		Change from previous period	Previous Period as at Mar 31, 2005	
	Amount	Ratio	Amount	Ratio		Amount	Ratio
(Assets)		%		%			%
<b>I Current Assets</b>	<b>96,810</b>	<b>51.1</b>	<b>97,879</b>	<b>51.7</b>	<b>△ 1,069</b>	<b>89,621</b>	<b>49.2</b>
Cash and time deposits	7,715		11,601		△ 3,886	8,202	
Notes and accounts receivable	44,499		45,122		△ 623	37,015	
Inventories	<u>39,714</u>		<u>37,318</u>		<u>2,396</u>	<u>38,909</u>	
Others	<u>5,550</u>		<u>4,531</u>		<u>1,019</u>	<u>6,164</u>	
Allowance for doubtful accounts	△ 669		△ 694		24	△ 670	
<b>II Fixed Assets</b>	<b>92,525</b>	<b>48.9</b>	<b>91,593</b>	<b>48.3</b>	<b>932</b>	<b>92,561</b>	<b>50.8</b>
<b>1. Tangible fixed assets</b>	<b>79,111</b>	<b>41.8</b>	<b>79,185</b>	<b>41.8</b>	<b>△ 73</b>	<b>79,371</b>	<b>43.6</b>
Buildings and structures	15,028		15,222		△ 194	15,170	
Machinery, equipment and vehicles	8,766		8,529		236	8,783	
Land	50,287		50,390		△ 102	50,460	
Others	<u>5,030</u>		5,042		<u>△ 12</u>	<u>4,956</u>	
<b>2. Intangible fixed assets</b>	<b>1,026</b>	<b>0.6</b>	<b>1,119</b>	<b>0.6</b>	<b>△ 93</b>	<b>1,102</b>	<b>0.6</b>
<b>3. Investment and other assets</b>	<b>12,387</b>	<b>6.5</b>	<b>11,287</b>	<b>5.9</b>	<b>1,099</b>	<b>12,087</b>	<b>6.6</b>
Investment securities	8,417		7,077		1,340	8,404	
Others	4,816		4,633		183	4,590	
Allowance for doubtful accounts	△ 847		△ 422		△ 425	△ 906	
<b>Total Assets</b>	<b>189,336</b>	<b>100</b>	<b>189,473</b>	<b>100</b>	<b>△ 137</b>	<b>182,182</b>	<b>100</b>



**Consolidated Interim Balance Sheets**
**[Pre-amendment]**

(millions of yen)

Account	Interim Period as at Sep 30, 2005		Previous Period as at Sep 30, 2004		Change from previous period	Previous Period as at Mar 31, 2005	
	Amount	Ratio	Amount	Ratio		Amount	Ratio
(Liabilities)		%		%			%
<b>I Current liabilities</b>	<b><u>92,095</u></b>	<b><u>47.9</u></b>	<b><u>97,361</u></b>	<b><u>51.1</u></b>	<b>△ 5,265</b>	<b><u>82,602</u></b>	<b><u>44.8</u></b>
Notes and accounts payable, trade	44,839		38,463		6,376	44,493	
Short-term borrowings	28,086		38,813		△ 10,727	20,306	
Bonds (due within one year)	100		40		60	40	
Long-term debt (due within one year)	9,599		8,376		1,222	7,350	
Accrued income taxes	1,518		1,138		379	1,861	
Others	<u>7,952</u>		<u>10,528</u>		△ 2,576	<u>8,550</u>	
<b>II Long - term liabilities</b>	<b><u>45,388</u></b>	<b><u>23.6</u></b>	<b><u>41,069</u></b>	<b><u>21.5</u></b>	<b>4,318</b>	<b><u>48,646</u></b>	<b><u>26.4</u></b>
Bonds	11,360		460		10,900	10,440	
Long-term debt	18,159		25,391		△ 7,232	22,740	
Deferred tax liability from land revaluation gain	7,261		7,131		129	7,131	
Accrued retirement benefits for employees	4,655		4,631		23	4,514	
Accrued directors' retirement benefits	212		211		1	226	
Others	<u>3,740</u>		<u>3,243</u>		496	<u>3,594</u>	
<b>Total Liabilities</b>	<b><u>137,484</u></b>	<b><u>71.5</u></b>	<b><u>138,430</u></b>	<b><u>72.6</u></b>	<b>△ 946</b>	<b><u>131,249</u></b>	<b><u>71.2</u></b>
<b>(Minority interests in consolidated subsidiaries)</b>							
Minority interests in consolidated subsidiaries	<u>1,527</u>	<u>0.8</u>	<u>1,473</u>	<u>0.8</u>	<u>54</u>	<u>1,502</u>	<u>0.8</u>
<b>(Shareholders' Equity)</b>							
I Common stock	22,534	<u>11.7</u>	22,534	<u>11.8</u>	—	22,534	<u>12.2</u>
II Capital surplus	11,693	<u>6.1</u>	11,650	<u>6.1</u>	42	11,664	<u>6.3</u>
III Retained earnings	<u>7,627</u>	<u>4.0</u>	<u>5,865</u>	<u>3.1</u>	<u>1,761</u>	<u>6,829</u>	<u>3.7</u>
IV Land revaluation reserve	10,891	5.7	10,696	5.6	194	10,696	<u>5.8</u>
V Net unrealized holding gain on securities	2,369	1.2	1,345	0.7	1,023	1,956	1.1
VI Foreign currency translation adjustments	△ 5	△ 0.0	△ 5	△ 0.0	0	△ 14	△ 0.0
VII Treasury stock	△ 1,978	△ 1.0	△ 1,392	△ 0.7	△ 585	△ 1,940	△ 1.1
<b>Total Shareholders' Equity</b>	<b><u>53,132</u></b>	<b><u>27.7</u></b>	<b><u>50,695</u></b>	<b><u>26.6</u></b>	<b>2,437</b>	<b><u>51,726</u></b>	<b><u>28.0</u></b>
<b>Total liabilities, minority interests and shareholders' equity</b>	<b><u>192,144</u></b>	<b>100</b>	<b><u>190,599</u></b>	<b>100</b>	<b>1,545</b>	<b><u>184,477</u></b>	<b>100</b>

**Consolidated Interim Balance Sheets**
**[Post-amendment]**

(millions of yen)

Account	Interim Period as at Sep 30, 2005		Previous Period as at Sep 30, 2004		Change from previous period	Previous Period as at Mar 31, 2005	
	Amount	Ratio	Amount	Ratio	Amount	Amount	Ratio
(Liabilities)		%		%			%
<b>I Current liabilities</b>	<b><u>92,115</u></b>	<b><u>48.7</u></b>	<b><u>97,430</u></b>	<b><u>51.4</u></b>	<b>△ 5,314</b>	<b><u>82,715</u></b>	<b><u>45.4</u></b>
Notes and accounts payable, trade	44,839		38,463		6,376	44,493	
Short-term borrowings	28,086		38,813		△ 10,727	20,306	
Bonds (due within one year)	100		40		60	40	
Long-term debt (due within one year)	9,599		8,376		1,222	7,350	
Accrued income taxes	1,518		1,138		379	1,861	
Others	<u>7,971</u>		<u>10,597</u>		<u>△ 2,625</u>	<u>8,663</u>	
<b>II Long - term liabilities</b>	<b><u>45,445</u></b>	<b><u>24.0</u></b>	<b><u>41,126</u></b>	<b><u>21.7</u></b>	<b>4,318</b>	<b><u>48,696</u></b>	<b><u>26.7</u></b>
Bonds	11,360		460		10,900	10,440	
Long-term debt	18,159		25,391		△ 7,232	22,740	
Deferred tax liability from land revaluation gain	7,261		7,131		129	7,131	
Accrued retirement benefits for employees	4,655		4,631		23	4,514	
Accrued directors' retirement benefits	212		211		1	226	
Others	<u>3,797</u>		<u>3,301</u>		496	<u>3,645</u>	
<b>Total Liabilities</b>	<b><u>137,561</u></b>	<b><u>72.7</u></b>	<b><u>138,557</u></b>	<b><u>73.1</u></b>	<b>△ 995</b>	<b><u>131,412</u></b>	<b><u>72.1</u></b>
<b>(Minority interests in consolidated subsidiaries)</b>							
Minority interests in consolidated subsidiaries	<b>1,527</b>	<b>0.8</b>	<b>1,473</b>	<b>0.8</b>	<b>54</b>	<b>1,502</b>	<b>0.8</b>
<b>(Shareholders' Equity)</b>							
I Common stock	22,534	<u>11.9</u>	22,534	<u>11.9</u>	—	22,534	<u>12.4</u>
II Capital surplus	11,693	<u>6.2</u>	11,650	<u>6.2</u>	42	11,664	<u>6.4</u>
III Retained earnings	<u>4,741</u>	<u>2.5</u>	<u>4,612</u>	<u>2.4</u>	<u>128</u>	<u>4,372</u>	<u>2.4</u>
IV Land revaluation reserve	10,891	5.7	10,696	5.6	194	10,696	<u>5.9</u>
V Net unrealized holding gain on securities	2,369	1.2	1,345	0.7	1,023	1,956	1.1
VI Foreign currency translation adjustments	△ 5	△ 0.0	△ 5	△ 0.0	0	△ 14	△ 0.0
VII Treasury stock	△ 1,978	△ 1.0	△ 1,392	△ 0.7	△ 585	△ 1,940	△ 1.1
<b>Total Shareholders' Equity</b>	<b><u>50,246</u></b>	<b><u>26.5</u></b>	<b><u>49,442</u></b>	<b><u>26.1</u></b>	<b>804</b>	<b><u>49,268</u></b>	<b><u>27.1</u></b>
<b>Total liabilities, minority interests and shareholders' equity</b>	<b><u>189,336</u></b>	<b>100</b>	<b><u>189,473</u></b>	<b>100</b>	<b>△ 137</b>	<b><u>182,182</u></b>	<b>100</b>

**Consolidated Interim Statements of Income**

(millions of yen)

[Pre-amendment]

Account	Interim Period		Previous Period		Change from previous period	Previous Period	
	Apr 1, 2005 - Sep 30, 2005		Apr 1, 2004 - Sep 30, 2004			Apr 1, 2004 - Mar 31, 2005	
	Amount	Ratio	Amount	Ratio	Amount	Amount	Ratio
I Net sales	79,213	100	76,578	100	2,635	157,462	100
II Cost of sales	<u>52,912</u>	<u>66.8</u>	<u>51,429</u>	<u>67.2</u>	<u>1,483</u>	<u>105,128</u>	<u>66.8</u>
<b>Gross Profit</b>	<b><u>26,300</u></b>	<b><u>33.2</u></b>	<b><u>25,148</u></b>	<b><u>32.8</u></b>	<b><u>1,151</u></b>	<b><u>52,334</u></b>	<b><u>33.2</u></b>
III Selling, general and administrative expenses	22,917	28.9	22,310	29.1	606	45,817	29.1
<b>Operating Income</b>	<b><u>3,383</u></b>	<b><u>4.3</u></b>	<b><u>2,838</u></b>	<b><u>3.7</u></b>	<b><u>544</u></b>	<b><u>6,516</u></b>	<b><u>4.1</u></b>
IV Non-operating income	797	1.0	673	0.9	124	1,556	1.0
Interest and dividend income	157		145		12	331	
Others	640		528		111	1,225	
V Non-operating expenses	875	1.1	919	1.2	△ 43	2,787	1.7
Interest expenses	570		744		△ 173	1,406	
Others	304		174		129	1,381	
<b>Ordinary Income</b>	<b><u>3,305</u></b>	<b><u>4.2</u></b>	<b><u>2,592</u></b>	<b><u>3.4</u></b>	<b><u>713</u></b>	<b><u>5,286</u></b>	<b><u>3.4</u></b>
VI Extraordinary gains	787	1.0	856	1.1	△ 68	841	0.5
Gain on sale disposal of property, plant and equipment	109		32		77	69	
Gain on sale of investment securities	677		211		466	310	
Gain on sale of credit business	—		612		△ 612	461	
VII Extraordinary losses	864	1.1	249	0.3	615	1,069	0.7
Loss on sale or disposal of property, plant and equipment	189		117		71	347	
Impairment loss	382		—		382	—	
Transfer to allowance for doubtful accounts	41		—		41	475	
loss from prior period adjustment	177		—		177	—	
Others	73		131		△ 57	245	
<b>Income before income taxes and minority interests</b>	<b><u>3,229</u></b>	<b><u>4.1</u></b>	<b><u>3,199</u></b>	<b><u>4.2</u></b>	<b><u>29</u></b>	<b><u>5,058</u></b>	<b><u>3.2</u></b>
Income taxes	1,476	1.9	1,020	1.4	456	2,516	1.6
Income taxes,deferred	<u>86</u>	<u>0.1</u>	<u>166</u>	<u>0.2</u>	△ <u>79</u>	△ <u>452</u>	△ <u>0.3</u>
Minority interests in consolidated subsidiaries	24	<u>0.0</u>	12	0.0	12	28	0.0
<b>Net Income</b>	<b><u>1,641</u></b>	<b><u>2.1</u></b>	<b><u>2,001</u></b>	<b><u>2.6</u></b>	△ <b><u>359</u></b>	<b><u>2,965</u></b>	<b><u>1.9</u></b>

**Consolidated Interim Statements of Income**

(millions of yen)

[Post-amendment]

Account	Interim Period		Previous Period		Change from previous period	Previous Period	
	Apr 1, 2005 - Sep 30, 2005		Apr 1, 2004 - Sep 30, 2004			Apr 1, 2004 - Mar 31, 2005	
	Amount	Ratio	Amount	Ratio	Amount	Amount	Ratio
I Net sales	79,213	100	76,578	100	2,635	157,462	100
II Cost of sales	<u>53,321</u>	<u>67.3</u>	<u>51,723</u>	<u>67.6</u>	<u>1,597</u>	<u>106,554</u>	<u>67.7</u>
<b>Gross Profit</b>	<b><u>25,892</u></b>	<b><u>32.7</u></b>	<b><u>24,854</u></b>	<b><u>32.4</u></b>	<b><u>1,037</u></b>	<b><u>50,907</u></b>	<b><u>32.3</u></b>
III Selling, general and administrative expenses	22,917	28.9	22,310	29.1	606	45,817	29.1
<b>Operating Income</b>	<b><u>2,975</u></b>	<b><u>3.8</u></b>	<b><u>2,544</u></b>	<b><u>3.3</u></b>	<b><u>430</u></b>	<b><u>5,090</u></b>	<b><u>3.2</u></b>
IV Non-operating income	797	1.0	673	0.9	124	1,556	1.0
Interest and dividend income	157		145		12	331	
Others	640		528		111	1,225	
V Non-operating expenses	875	1.1	919	1.2	△ 43	2,787	1.7
Interest expenses	570		744		△ 173	1,406	
Others	304		174		129	1,381	
<b>Ordinary Income</b>	<b><u>2,897</u></b>	<b><u>3.7</u></b>	<b><u>2,298</u></b>	<b><u>3.0</u></b>	<b><u>598</u></b>	<b><u>3,859</u></b>	<b><u>2.5</u></b>
VI Extraordinary gains	787	1.0	856	1.1	△ 68	841	0.5
Gain on sale disposal of property, plant and equipment	109		32		77	69	
Gain on sale of investment securities	677		211		466	310	
Gain on sale of credit business	—		612		△ 612	461	
VII Extraordinary losses	864	1.1	249	0.3	615	1,069	0.7
Loss on sale or disposal of property, plant and equipment	189		117		71	347	
Impairment loss	382		—		382	—	
Transfer to allowance for doubtful accounts	41		—		41	475	
loss from prior period adjustment	177		—		177	—	
Others	73		131		△ 57	245	
<b>Income before income taxes and minority interests</b>	<b><u>2,821</u></b>	<b><u>3.6</u></b>	<b><u>2,905</u></b>	<b><u>3.8</u></b>	<b>△ 84</b>	<b><u>3,632</u></b>	<b><u>2.3</u></b>
Income taxes	1,476	1.9	1,020	1.3	456	2,516	1.6
Income taxes,deferred	<u>106</u>	<u>0.1</u>	<u>254</u>	<u>0.4</u>	<u>△ 148</u>	<u>△ 291</u>	<u>△ 0.2</u>
Minority interests in consolidated subsidiaries	24	<u>0.1</u>	12	0.0	12	28	0.0
<b>Net Income</b>	<b><u>1,213</u></b>	<b><u>1.5</u></b>	<b><u>1,619</u></b>	<b><u>2.1</u></b>	<b>△ 405</b>	<b><u>1,378</u></b>	<b><u>0.9</u></b>

**Consolidated interim Statement of Surplus**
**[Pre-amendment]**

(millions of yen)

Account	Interim Period Apr 1, 2005 - Sep 30, 2005	Previous Period Apr 1, 2004 - Sep 30, 2004	Change from previous period	Previous Period Apr 1, 2004 - Mar 31, 2005
<b>(Capital Surplus)</b>				
I Balance of capital surplus at beginning of the period	11,664	11,645	19	11,645
II Increase in capital surplus	29	5	23	19
Gain on disposition of treasury stock	29	5	23	19
III Balance of capital surplus at the end of the period	11,693	11,650	42	11,664
<b>(Retained Earnings)</b>				
I Balance of retained earnings at beginning of the period	<u>6,829</u>	<u>4,519</u>	<u>2,310</u>	<u>4,519</u>
II Increase in retained earnings	<u>1,641</u>	<u>2,001</u>	<u>△ 359</u>	<u>2,965</u>
Net income	<u>1,641</u>	<u>2,001</u>	<u>△ 359</u>	<u>2,965</u>
III Decrease in retained earnings	844	655	189	655
Cash Dividends	649	655	△ 5	655
Transfer from land revaluation reserve	194	—	194	—
IV Balance of retained earnings at the end of the period	<u>7,627</u>	<u>5,865</u>	<u>1,761</u>	<u>6,829</u>

**Consolidated interim Statement of Surplus****[Post-amendment]**

(millions of yen)

Account	Interim Period Apr 1, 2005 - Sep 30, 2005	Previous Period Apr 1, 2004 - Sep 30, 2004	Change from previous period	Previous Period Apr 1, 2004 - Mar 31, 2005
<b>(Capital Surplus)</b>				
I Balance of capital surplus at beginning of the period	11,664	11,645	19	11,645
II Increase in capital surplus	29	5	23	19
Gain on disposition of treasury stock	29	5	23	19
III Balance of capital surplus at the end of the period	11,693	11,650	42	11,664
<b>(Retained Earnings)</b>				
I Balance of retained earnings at beginning of the period	<u>4,372</u>	<u>3,648</u>	<u>723</u>	<u>3,648</u>
II Increase in retained earnings	<u>1,213</u>	<u>1,619</u>	<u>△ 405</u>	<u>1,378</u>
Net income	<u>1,213</u>	<u>1,619</u>	<u>△ 405</u>	<u>1,378</u>
III Decrease in retained earnings	844	655	189	655
Cash Dividends	649	655	△ 5	655
Transfer from land revaluation reserve	194	—	194	—
IV Balance of retained earnings at the end of the period	<u>4,741</u>	<u>4,612</u>	<u>128</u>	<u>4,372</u>

**Consolidated Interim Statements of Cash Flows**  
**[Pre-amendment]**

(millions of yen)

Account	Interim Period	Previous Period	Change from previous period	Previous Period
	Apr 1, 2005 - Sep 30, 2005	Apr 1, 2004 - Sep 30, 2004		Apr 1, 2004 - Mar 31, 2005
<b>I Cash flows from operating activities</b>				
Income before income taxes and minority interests	3,229	3,199	29	5,058
Depreciation and amortization	1,949	1,974	△ 24	4,167
Impairment loss	382	—	382	—
Amortization of consolidated adjustment account	△ 107	△ 112	4	△ 224
Increase (decrease) for retirement benefits	141	△ 189	331	△ 307
Loss (gain) on sales of investment securities	△ 677	△ 211	△ 466	△ 310
Interest and dividend income	△ 157	△ 145	△ 12	△ 331
Interest expenses	510	680	△ 170	1,276
Effect of exchange rate changes	28	△ 2	30	△ 61
Loss on sales of tangible and intangible fixed assets	79	85	△ 6	277
Gain on sale of credit business	—	△ 612	612	△ 461
Decrease (increase) in notes and accounts receivable	△ 7,772	△ 9,034	1,262	△ 926
Decrease in inventories	△ 965	1,362	△ 2,328	△ 1,930
Increase (decrease) in notes and accounts payable	236	△ 1,474	△ 1,710	4,555
Others	△ 101	1,403	△ 1,505	△ 884
Sub-total	△ 3,224	△ 3,074	△ 150	9,898
Interest and dividends received	157	145	12	332
Interest paid	△ 506	△ 690	183	△ 1,299
Income taxes paid	△ 1,950	△ 1,713	△ 236	△ 2,581
<b>Net cash provided by (used in) operating activities</b>	<b>△ 5,523</b>	<b>△ 5,332</b>	<b>△ 191</b>	<b>6,350</b>
<b>II Cash flows from investing activities</b>				
Payments for purchases of marketable securities	△ 3	△ 7	4	△ 11
Proceeds from sale of short-term securities	188	149	38	258
Payments for purchases of tangible and intangible fixed assets	△ 2,685	△ 2,546	△ 138	△ 5,411
Proceeds from sale of tangible and intangible fixed assets	688	594	93	1,291
Proceeds from sale of credit business	—	10,560	△ 10,560	10,409
Payments for purchase of investment securities	△ 0	△ 130	130	△ 588
Proceeds from sale of investment securities	858	379	478	554
Net decrease in long-term loans	22	7	14	51
Net decrease in time deposits	△ 19	1,350	△ 1,369	2,037
Others	91	116	△ 24	166
<b>Net cash provided by (used in) investing activities</b>	<b>△ 859</b>	<b>10,474</b>	<b>△ 11,333</b>	<b>8,758</b>
<b>III Cash flows from financing activities</b>				
Decrease(increases) in short-term borrowings	7,734	△ 523	8,258	△ 18,970
Proceeds from long-term debt	1,887	2,686	△ 799	4,036
Repayments of long-term debt	△ 4,219	△ 7,156	2,937	△ 12,244
Proceeds from bonds issued	1,000	—	1,000	10,000
Redemption of bonds	△ 20	△ 20	—	△ 40
Payments for purchases of treasury stock	△ 37	△ 3	△ 33	△ 562
Proceeds from sale of treasury stock	56	15	40	49
Payment of dividends	△ 649	△ 655	5	△ 655
Others	△ 3	△ 3	—	△ 3
<b>Net cash provided by (used in) financing activities</b>	<b>5,748</b>	<b>△ 5,659</b>	<b>11,408</b>	<b>△ 18,390</b>
<b>IV Effect of exchange rate changes on cash and cash equivalents</b>	<b>△ 19</b>	<b>4</b>	<b>△ 24</b>	<b>55</b>
<b>V Net decrease in cash and cash equivalents</b>	<b>△ 654</b>	<b>△ 513</b>	<b>△ 140</b>	<b>△ 3,226</b>
<b>VI Cash and cash equivalents at beginning of the period</b>	<b>7,803</b>	<b>11,029</b>	<b>△ 3,226</b>	<b>11,029</b>
<b>VII Increase in cash and cash equivalents by merger</b>	<b>147</b>	<b>—</b>	<b>147</b>	<b>—</b>
<b>VIII Cash and cash equivalents at the end of the period</b>	<b>7,296</b>	<b>10,515</b>	<b>△ 3,219</b>	<b>7,803</b>

**Consolidated Interim Statements of Cash Flows**  
**[Post-amendment]**

(millions of yen)

Account	Interim Period	Previous Period	Change from previous period	Previous Period
	Apr 1, 2005 - Sep 30, 2005	Apr 1, 2004 - Sep 30, 2004		Apr 1, 2004 - Mar 31, 2005
<b>I Cash flows from operating activities</b>				
Income before income taxes and minority interests	2,821	2,905	△ 84	3,632
Depreciation and amortization	1,944	1,974	△ 30	4,167
Impairment loss	382	—	382	—
Amortization of consolidated adjustment account	△ 107	△ 112	4	△ 224
Increase (decrease) for retirement benefits	141	△ 189	331	△ 307
Loss (gain) on sales of investment securities	△ 677	△ 211	△ 466	△ 310
Interest and dividend income	△ 157	△ 145	△ 12	△ 331
Interest expenses	510	680	△ 170	1,276
Effect of exchange rate changes	28	△ 2	30	△ 61
Loss on sales of tangible and intangible fixed assets	79	85	△ 6	277
Gain on sale of credit business	—	△ 612	612	△ 461
Decrease (increase) in notes and accounts receivable	△ 7,772	△ 9,034	1,262	△ 926
Decrease in inventories	△ 607	1,656	△ 2,263	△ 550
Increase (decrease) in notes and accounts payable	236	△ 1,474	1,710	4,555
Others	△ 101	1,403	△ 1,505	△ 884
Sub-total	△ 3,280	△ 3,074	△ 205	9,851
Interest and dividends received	157	145	12	332
Interest paid	△ 506	△ 690	183	△ 1,299
Income taxes paid	△ 1,950	△ 1,713	△ 236	△ 2,581
<b>Net cash provided by (used in) operating activities</b>	<b>△ 5,579</b>	<b>△ 5,332</b>	<b>△ 246</b>	<b>6,303</b>
<b>II Cash flows from investing activities</b>				
Payments for purchases of marketable securities	△ 3	△ 7	4	△ 11
Proceeds from sale of short-term securities	188	149	38	258
Payments for purchases of tangible and intangible fixed assets	△ 2,629	△ 2,546	△ 82	△ 5,364
Proceeds from sale of tangible and intangible fixed assets	688	594	93	1,291
Proceeds from sale of credit business	—	10,560	△ 10,560	10,409
Payments for purchase of investment securities	△ 0	△ 130	130	△ 588
Proceeds from sale of investment securities	858	379	478	554
Net decrease in long-term loans	22	7	14	51
Net decrease in time deposits	△ 19	1,350	△ 1,369	2,037
Others	91	116	△ 24	166
<b>Net cash provided by (used in) investing activities</b>	<b>△ 804</b>	<b>10,474</b>	<b>△ 11,278</b>	<b>8,805</b>
<b>III Cash flows from financing activities</b>				
Decrease(increases) in short-term borrowings	7,734	△ 523	8,258	△ 18,970
Proceeds from long-term debt	1,887	2,686	△ 799	4,036
Repayments of long-term debt	△ 4,219	△ 7,156	2,937	△ 12,244
Proceeds from bonds issued	1,000	—	1,000	10,000
Redemption of bonds	△ 20	△ 20	—	△ 40
Payments for purchases of treasury stock	△ 37	△ 3	△ 33	△ 562
Proceeds from sale of treasury stock	56	15	40	49
Payment of dividends	△ 649	△ 655	5	△ 655
Others	△ 3	△ 3	—	△ 3
<b>Net cash provided by (used in) financing activities</b>	<b>5,748</b>	<b>△ 5,659</b>	<b>11,408</b>	<b>△ 18,390</b>
<b>IV Effect of exchange rate changes on cash and cash equivalents</b>	<b>△ 19</b>	<b>4</b>	<b>△ 24</b>	<b>55</b>
<b>V Net decrease in cash and cash equivalents</b>	<b>△ 654</b>	<b>△ 513</b>	<b>△ 140</b>	<b>△ 3,226</b>
<b>VI Cash and cash equivalents at beginning of the period</b>	<b>7,803</b>	<b>11,029</b>	<b>△ 3,226</b>	<b>11,029</b>
<b>VII Increase in cash and cash equivalents by merger</b>	<b>147</b>	<b>—</b>	<b>147</b>	<b>—</b>
<b>VIII Cash and cash equivalents at the end of the period</b>	<b>7,296</b>	<b>10,515</b>	<b>△ 3,219</b>	<b>7,803</b>



**Notes****(Consolidated Interim Balance Sheet information)****[Pre-amendment]**

	Interim Period as at Sep 30, 2005	Previous Period as at Sep 30, 2004	Previous Period as at Mar 31, 2005
1. Accumulated depreciation of tangible non-current assets	<u>85,317</u> million yen	84,027 million yen	84,333 million yen

**(Consolidated Interim Balance Sheet information)****[Post-amendment]**

	Interim Period as at Sep 30, 2005	Previous Period as at Sep 30, 2004	Previous Period as at Mar 31, 2005
1. Accumulated depreciation of tangible non-current assets	<u>85,311</u> million yen	84,027 million yen	84,333 million yen