

[Pre-amendment]

**Summary Announcement of Consolidated Financial Statements
for the six months ending September 30, 2004**

November 18, 2004

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 18, 2004
 Adoption of U.S. GAAP: None

1. Consolidated Financial Results for the six months ending September 30, 2004 (April 1, 2004 - September 30, 2004)

(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, 2004	76,578	2.9	2,838	11.0	2,592	34.4
September 30, 2003	74,391	0.1	2,556	18.1	1,929	49.9
March 31, 2004	153,624		6,373		5,092	

	Net Income		Net Income per share		Fully diluted net income per share
	millions of yen	%	yen		yen
September 30, 2004	2,001	24.9	9.16		—
September 30, 2003	1,602	59.8	7.25		—
March 31, 2004	3,077		13.90		—

Notes: ① Investment Gain (loss) by equity method: Six months ended September 30, 2004: — million yen
 Six months ended September 30, 2003: — million yen
 Year ended March 31, 2004: — million yen

② Average number of shares outstanding (consolidated): Six months ended September 30, 2004: 218,578,559 shares
 Six months ended September 30, 2003: 221,088,774 shares
 Year ended March 31, 2004: 221,423,508 shares

③ Changes 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.

(2) Consolidated Financial Position

	Total Assets	Total Shareholders' Equity	Shareholders' Equity to Assets Ratio	Shareholders' Equity per share
	millions of yen	millions of yen	%	yen
September 30, 2004	190,599	50,695	26.6	231.91
September 30, 2003	217,864	48,683	22.3	218.80
March 31, 2004	197,156	49,576	25.1	226.85

Note: Number of shares outstanding (consolidated) at: September 30, 2004: 218,593,641 shares
 September 30, 2003: 222,501,919 shares
 March 31, 2004: 218,546,196 shares

(3) Consolidated Cash Flow

	Cash Flow from			Cash/cash equivalents at end of period
	Operating Activities	Investing Activities	Financing Activities	millions of yen
September 30, 2004	Δ5,332	10,474	Δ 5,659	10,515
September 30, 2003	Δ3,327	188	1,771	18,210
March 31, 2004	12,368	5,633	Δ26,639	11,029

(4) Note concerning the scope of consolidation and application of the equity method

Number of consolidated subsidiaries: 36

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: —

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

2. Forecast for the Fiscal Year Ending March 31, 2005 Operating Results (April 1, 2004 – March 31, 2005)

	Net Sales	Operating Income	Ordinary Income	Net Income
	millions of yen	millions of yen	millions of yen	millions of yen
Annual	160,000	7,800	6,500	3,500

Note: The estimated net income per share for the year is ¥16.01.

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]

**Summary Announcement of Consolidated Financial Statements
for the six months ending September 30, 2004**

May 24, 2007

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 18, 2004
 Adoption of U.S. GAAP: None

1. Consolidated Financial Results for the six months ending September 30, 2004 (April 1, 2004 - September 30, 2004)

(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, 2004	76,578	2.9	2,544	△ 0.5	2,298	19.1
September 30, 2003	74,391	0.1	2,556	18.1	1,929	49.9
March 31, 2004	153,624		5,811		4,529	

	Net Income		Net Income per share		Fully diluted net income per share	
	millions of yen	%	yen		yen	
September 30, 2004	1,619	1.0	7.41		—	
September 30, 2003	1,602	59.8	7.25		—	
March 31, 2004	2,206		9.96		—	

- Notes: ① Investment Gain (loss) by equity method: Six months ended September 30, 2004: — million yen
 Six months ended September 30, 2003: — million yen
 Year ended March 31, 2004: — million yen
- ② Average number of shares outstanding (consolidated): Six months ended September 30, 2004: 218,578,559 shares
 Six months ended September 30, 2003: 221,088,774 shares
 Year ended March 31, 2004: 221,423,508 shares
- ③ Changes 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.

(2) Consolidated Financial Position

	Total Assets	Total Shareholders' Equity	Shareholders' Equity to Assets Ratio	Shareholders' Equity per share
	millions of yen	millions of yen	%	yen
September 30, 2004	189,473	49,442	26.1	226.18
September 30, 2003	217,864	48,683	22.3	218.80
March 31, 2004	196,367	48,705	24.8	222.86

Note: Number of shares outstanding (consolidated) at: September 30, 2004: 218,593,641 shares
 September 30, 2003: 222,501,919 shares
 March 31, 2004: 218,546,196 shares

(3) Consolidated Cash Flow

	Cash Flow from			Cash/cash equivalents at end of period
	Operating Activities	Investing Activities	Financing Activities	
September 30, 2004	△5,332	10,474	△ 5,659	10,515
September 30, 2003	△3,327	188	1,771	18,210
March 31, 2004	12,368	5,633	△26,639	11,029

(4) Note concerning the scope of consolidation and application of the equity method

Number of consolidated subsidiaries: 36
 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: —
 Number of companies commenced using equity method added: —, exclusion: —

2. Forecast for the Fiscal Year Ending March 31, 2005 Operating Results (April 1, 2004 – March 31, 2005)

	Net Sales	Operating Income	Ordinary Income	Net Income
	millions of yen	millions of yen	millions of yen	millions of yen
Annual	160,000	7,800	6,500	3,500

Note: The estimated net income per share for the year is ¥16.01.

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 Japanese economy in this interim fiscal period has seen a growth in exports, an increase in capital expenditure and an improvement to corporate profits, led by business conditions shifting onto tracks of mild recovery. Despite consumer spending showing signs of recovery, there is still uncertainty about the future amid fears of a deflationary spiral brought on by steep rises in the price of materials and the price of crude oil, as well as the continued appreciation of the yen.

Meanwhile, the climate that grips agriculture is expected to shift exponentially, affected by both structural problems, such as dwindling numbers of farm houses and the polarization of farm sizes, on top of the return of the “New Foods, Agriculture and Farming Village Plan” verdict in August 2004, which will see the beginning of a review into the stabilization of farm management as well as other specific measures take place from now on. Against this backdrop, the demand for agricultural machinery has moved on par to previous years.

The Iseki Group has broadened its line of new products that meet the diverse needs of the customers, and has strived to expand sales both domestically and overseas.

As a result, domestic sales rose ¥1.0 billion on the same period last year to ¥70.0 billion (up 1.5%) and overseas sales, especially in North America, rose ¥1.2 billion on the same period last year to ¥6.6 billion (up 21.6%). Overall, total sales were up ¥2.2 billion on the same period last year to be at ¥76.6 billion (up 2.9%). Operating income reached ¥2.838 billion, an increase of ¥0.281 billion (up 11.0%) on the same period last year, due to both an increased profit owing to increased revenue, and an improvement in cost percentages owing to cost reductions. Ordinary income shot to ¥2.592 billion, up ¥0.663 billion (up 34.4%) on the same period last year, driven by a decrease in interest expenses, which was the result of a decrease in interest-bearing liabilities. Net income soared to ¥2.001 billion, up ¥0.398 billion (up 24.9%) due to the recording of ¥0.6 billion of proceeds from the devolution of the credit business operations.

Management Performance & Financial Position

1. Management Performance

(1) The Interim Fiscal Period in Review

[Post-amendment]

The Japanese economy in this interim fiscal period has seen a growth in exports, an increase in capital expenditure and an improvement to corporate profits, led by business conditions shifting onto tracks of mild recovery. Despite consumer spending showing signs of recovery, there is still uncertainty about the future amid fears of a deflationary spiral brought on by steep rises in the price of materials and the price of crude oil, as well as the continued appreciation of the yen.

Meanwhile, the climate that grips agriculture is expected to shift exponentially, affected by both structural problems, such as dwindling numbers of farm houses and the polarization of farm sizes, on top of the return of the “New Foods, Agriculture and Farming Village Plan” verdict in August 2004, which will see the beginning of a review into the stabilization of farm management as well as other specific measures take place from now on. Against this backdrop, the demand for agricultural machinery has moved on par to previous years.

The Iseki Group has broadened its line of new products that meet the diverse needs of the customers, and has strived to expand sales both domestically and overseas.

As a result, domestic sales rose ¥1.0 billion on the same period last year to ¥70.0 billion (up 1.5%) and overseas sales, especially in North America, rose ¥1.2 billion on the same period last year to ¥6.6 billion (up 21.6%). Overall, total sales were up ¥2.2 billion on the same period last year to be at ¥76.6 billion (up 2.9%). Operating income was approximately the same level compared with the same period last year with ¥2.544 billion (down 0.5%) as increased gross profit by increased sales was offset by increased sales and general administrative expenses such as distribution cost. Ordinary income increased ¥0.368 billion on the same period last year to ¥2.298 billion (up 19.1%) driven by a decrease in interest expenses, which was the result of a decrease in interest-bearing liabilities. Interim net income was a similar level with the same period last year with ¥1.619 billion (up 1.0%) due to the recording of ¥0.6 billion of proceeds from the devolution of the credit business operations.

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2. Financial Position

(1) The Interim Fiscal Period in Review

[Pre-amendment]

Cash flows from operating activities for interim fiscal period result in net expenditure due to the seasonality of Iseki's businesses. The result for the current interim fiscal period was expenditure of ¥5.3 billion (an increase in expenditure of ¥2.0 billion compared to the same period last year) and was driven by an increase in notes and accounts receivable attached to the increase in sales.

Cash flows from investing activities resulted in net revenue of ¥10.5 billion (an increase in revenue of ¥10.3 billion compared to the same period last year) and was mostly due to proceeds of ¥10.6 billion from the devolution of the credit services business.

Cash flows from financing activities resulted in net expenditure of ¥5.7 billion (an increase in expenditure of ¥7.4 billion compared to the same period last year) and was mostly driven by an outlay of ¥5.0 billion for the repayment of debt.

The trend of cash flow indicators is as follows.

Indicator	Mar 31, 2002	Mar 31, 2003	Sep 30, 2003	Mar 31, 2004	Sep 30, 2004
Equity ratio (%)	19.5	21.6	22.3	<u>25.1</u>	<u>26.6</u>
Market-based equity ratio (%)	6.2	9.5	20.6	<u>34.3</u>	<u>29.2</u>
Years until debt redeemed (years)	8.1	8.3	—	6.3	—
Interest coverage ratio	5.9	5.5	—	7.0	—

- 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

(1) The Interim Fiscal Period in Review

[Post-amendment]

Cash flows from operating activities for interim fiscal period result in net expenditure due to the seasonality of Iseki's businesses. The result for the current interim fiscal period was expenditure of ¥5.3 billion (an increase in expenditure of ¥2.0 billion compared to the same period last year) and was driven by an increase in notes and accounts receivable attached to the increase in sales.

Cash flows from investing activities resulted in net revenue of ¥10.5 billion (an increase in revenue of ¥10.3 billion compared to the same period last year) and was mostly due to proceeds of ¥10.6 billion from the devolution of the credit services business.

Cash flows from financing activities resulted in net expenditure of ¥5.7 billion (an increase in expenditure of ¥7.4 billion compared to the same period last year) and was mostly driven by an outlay of ¥5.0 billion for the repayment of debt.

The trend of cash flow indicators is as follows.

Indicator	Mar 31, 2002	Mar 31, 2003	Sep 30, 2003	Mar 31, 2004	Sep 30, 2004
Equity ratio (%)	19.5	21.6	22.3	<u>24.8</u>	<u>26.1</u>
Market-based equity ratio (%)	6.2	9.5	20.6	<u>34.4</u>	<u>29.4</u>
Years until debt redeemed (years)	8.1	8.3	—	6.3	—
Interest coverage ratio	5.9	5.5	—	7.0	—

- 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

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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	Current Period as at Sep 30, 2004		Previous Period as at Sep 30, 2003		Change from previous period	Previous Period as at Mar 31, 2004	
	Amount	Ratio	Amount	Ratio	Amount	Amount	Ratio
(Assets)		%		%			%
I Current Assets	99,006	51.9	125,201	57.5	△ 26,195	104,239	52.9
Cash and time deposits	11,601		27,798		△ 16,196	13,465	
Notes and accounts receivable	44,113		39,093		5,019	33,818	
Installment accounts receivable	1,009		15,392		△ 14,382	13,091	
Inventories	38,174		38,774		△ 599	38,921	
Others	4,800		4,854		△ 53	5,699	
Allowance for doubtful accounts	△ 694		△ 712		18	△ 757	
II Property, plant and equipment	91,593	48.1	92,663	42.5	△ 1,070	92,916	47.1
1. Tangible fixed assets	79,185	41.6	80,546	37.0	△ 1,360	79,805	40.5
Buildings and structures	15,222		15,715		△ 492	15,516	
Machinery, equipment and vehicles	8,529		9,735		△ 1,205	9,335	
Land	50,390		50,321		68	50,399	
Others	5,042		4,774		268	4,552	
2. Intangible fixed assets	1,119	0.6	1,156	0.5	△ 36	1,058	0.5
3. Investment and other assets	11,287	5.9	10,960	5.0	327	12,052	6.1
Investment securities	7,077		6,739		338	7,699	
Others	4,633		4,699		△ 66	5,130	
Allowance for doubtful accounts	△ 422		△ 478		55	△ 777	
Total Assets	190,599	100	217,864	100	△ 27,265	197,156	100

Consolidated Interim Financial Statements

Consolidated Interim Balance Sheets

[Post-amendment]

(millions of yen)

Account	Current Period as at Sep 30, 2004		Previous Period as at Sep 30, 2003		Change from previous period	Previous Period as at Mar 31, 2004	
	Amount	Ratio	Amount	Ratio		Amount	Ratio
(Assets)		%		%			%
I Current Assets	97,879	51.7	125,201	57.5	△ 27,321	103,450	52.7
Cash and time deposits	11,601		27,798		△ 16,196	13,465	
Notes and accounts receivable	44,113		39,093		5,019	33,818	
Installment accounts receivable	1,009		15,392		△ 14,382	13,091	
Inventories	37,318		38,774		△ 1,456	38,358	
Others	4,531		4,854		△ 323	5,473	
Allowance for doubtful accounts	△ 694		△ 712		18	△ 757	
II Property, plant and equipment	91,593	48.3	92,663	42.5	△ 1,070	92,916	47.3
1. Tangible fixed assets	79,185	41.8	80,546	37.0	△ 1,360	79,805	40.7
Buildings and structures	15,222		15,715		△ 492	15,516	
Machinery, equipment and vehicles	8,529		9,735		△ 1,205	9,335	
Land	50,390		50,321		68	50,399	
Others	5,042		4,774		268	4,552	
2. Intangible fixed assets	1,119	0.6	1,156	0.5	△ 36	1,058	0.5
3. Investment and other assets	11,287	5.9	10,960	5.0	327	12,052	6.1
Investment securities	7,077		6,739		338	7,699	
Others	4,633		4,699		△ 66	5,130	
Allowance for doubtful accounts	△ 422		△ 478		55	△ 777	
Total Assets	189,473	100	217,864	100	△ 28,391	196,367	100

Consolidated Interim Balance Sheets
[Pre-amendment]

(millions of yen)

Account	Current Period as at Sep 30, 2004		Previous Period as at Sep 30, 2003		Change from previous period	Previous Period as at Mar 31, 2004	
	Amount	Ratio	Amount	Ratio	Amount	Amount	Ratio
(Liabilities)		%		%			%
I Current liabilities	<u>97,361</u>	<u>51.1</u>	<u>135,574</u>	<u>62.2</u>	<u>△ 38,212</u>	<u>102,196</u>	<u>51.8</u>
Notes and accounts payable, trade	38,463		35,687		2,776	39,937	
Short-term borrowings	38,813		79,695		△ 40,881	39,337	
Bonds	40		—		40	40	
(due within one year)							
Long-term debt	8,376		8,839		△ 463	10,499	
(due within one year)							
Accrued income taxes	1,138		1,183		△ 44	1,750	
Others	<u>10,528</u>		10,168		<u>360</u>	<u>10,631</u>	
II Long - term liabilities	<u>41,069</u>	<u>21.5</u>	<u>32,184</u>	<u>14.8</u>	<u>8,884</u>	<u>43,924</u>	<u>22.3</u>
Bonds	460		220		240	480	
Long-term debt	25,391		16,591		8,800	27,739	
Deferred tax liability from revaluation gain	7,131		7,131		—	7,131	
Accrued for employees' retirement benefits	4,631		4,705		△ 73	4,821	
Accrued for directors' retirement benefits	211		234		△ 23	226	
Others	<u>3,243</u>		3,301		<u>△ 57</u>	<u>3,525</u>	
Total Liabilities	<u>138,430</u>	<u>72.6</u>	<u>167,758</u>	<u>77.0</u>	<u>△ 29,328</u>	<u>146,121</u>	<u>74.1</u>
(Minority interests in consolidated subsidiaries)							
Minority interests in consolidated subsidiaries	<u>1,473</u>	<u>0.8</u>	<u>1,422</u>	<u>0.7</u>	<u>51</u>	<u>1,458</u>	<u>0.8</u>
(Shareholders' Equity)							
I Common stock	22,534	<u>11.8</u>	22,534	10.3	—	22,534	<u>11.4</u>
II Capital surplus	11,650	<u>6.1</u>	11,599	5.3	51	11,645	5.9
III Retained earnings	<u>5,865</u>	<u>3.1</u>	3,045	1.4	<u>2,820</u>	<u>4,519</u>	<u>2.3</u>
IV Land revaluation reserve	10,696	5.6	10,696	4.9	—	10,696	5.4
V Net unrealized holding gain on securities	1,345	0.7	996	0.5	348	1,584	0.8
VI Foreign currency translation adjustments	△ 5	△ 0.0	—	—	△ 5	△ 7	△ 0.0
VII Treasury stock	△ 1,392	△ 0.7	△ 189	△ 0.1	△ 1,203	△ 1,395	△ 0.7
Total Shareholders' Equity	<u>50,695</u>	<u>26.6</u>	<u>48,683</u>	<u>22.3</u>	<u>2,011</u>	<u>49,576</u>	<u>25.1</u>
Total liabilities, minority interests and shareholders' equity	<u>190,599</u>	<u>100</u>	<u>217,864</u>	<u>100</u>	<u>△ 27,265</u>	<u>197,156</u>	<u>100</u>

Consolidated Interim Balance Sheets

[Post-amendment]

(millions of yen)

Account	Current Period as at Sep 30, 2004		Previous Period as at Sep 30, 2003		Change from previous period	Previous Period as at Mar 31, 2004	
	Amount	Ratio	Amount	Ratio	Amount	Amount	Ratio
(Liabilities)		%		%			%
I Current liabilities	<u>97,430</u>	<u>51.4</u>	<u>135,574</u>	<u>62.2</u>	<u>Δ 38,144</u>	<u>102,229</u>	<u>52.1</u>
Notes and accounts payable, trade	38,463		35,687		2,776	39,937	
Short-term borrowings	38,813		79,695		Δ 40,881	39,337	
Bonds (due within one year)	40		—		40	40	
Long-term debt (due within one year)	8,376		8,839		Δ 463	10,499	
Accrued income taxes	1,138		1,183		Δ 44	1,750	
Others	<u>10,597</u>		10,168		<u>429</u>	<u>10,664</u>	
II Long - term liabilities	<u>41,126</u>	<u>21.7</u>	<u>32,184</u>	<u>14.8</u>	<u>8,942</u>	<u>43,973</u>	<u>22.4</u>
Bonds	460		220		240	480	
Long-term debt	25,391		16,591		8,800	27,739	
Deferred tax liability from revaluation gain	7,131		7,131		—	7,131	
Accrued for employees' retirement benefits	4,631		4,705		Δ 73	4,821	
Accrued for directors' retirement benefits	211		234		Δ 23	226	
Others	<u>3,301</u>		3,301		<u>Δ 0</u>	<u>3,574</u>	
Total Liabilities	<u>138,557</u>	<u>73.1</u>	<u>167,758</u>	<u>77.0</u>	<u>Δ 29,201</u>	<u>146,202</u>	<u>74.5</u>
(Minority interests in consolidated subsidiaries)							
Minority interests in consolidated subsidiaries	<u>1,473</u>	<u>0.8</u>	<u>1,422</u>	<u>0.7</u>	<u>51</u>	<u>1,458</u>	<u>0.7</u>
(Shareholders' Equity)							
I Common stock	22,534	<u>11.9</u>	22,534	10.3	—	22,534	<u>11.5</u>
II Capital surplus	11,650	<u>6.2</u>	11,599	5.3	51	11,645	5.9
III Retained earnings	<u>4,612</u>	<u>2.4</u>	3,045	1.4	<u>1,567</u>	<u>3,648</u>	<u>1.9</u>
IV Land revaluation reserve	10,696	5.6	10,696	4.9	—	10,696	5.4
V Net unrealized holding gain on securities	1,345	0.7	996	0.5	348	1,584	0.8
VI Foreign currency translation adjustments	Δ 5	Δ 0.0	—	—	Δ 5	Δ 7	Δ 0.0
VII Treasury stock	Δ 1,392	Δ 0.7	Δ 189	Δ 0.1	Δ 1,203	Δ 1,395	Δ 0.7
Total Shareholders' Equity	<u>49,442</u>	<u>26.1</u>	<u>48,683</u>	<u>22.3</u>	<u>759</u>	<u>48,705</u>	<u>24.8</u>
Total liabilities, minority interests and shareholders' equity	<u>189,473</u>	<u>100</u>	<u>217,864</u>	<u>100</u>	<u>Δ 28,391</u>	<u>196,367</u>	<u>100</u>

Consolidated Interim Statements of Income

(millions of yen)

[Pre-amendment]

Account	Current Period		Previous Period		Change from previous period	Previous Period	
	Apr 1, 2004 - Sep 30, 2004		Apr 1, 2003 - Sep 30, 2003			Apr 1, 2003 - Mar 31, 2004	
	Amount	Ratio	Amount	Ratio	Amount	Amount	Ratio
I Net sales	76,578	100	74,391	100	2,187	153,624	100
II Cost of sales	<u>51,429</u>	<u>67.2</u>	50,187	67.5	<u>1,242</u>	<u>103,100</u>	<u>67.1</u>
Gross Profit	<u>25,148</u>	<u>32.8</u>	<u>24,203</u>	<u>32.5</u>	<u>945</u>	<u>50,523</u>	<u>32.9</u>
III Selling, general and administrative expenses	22,310	29.1	21,646	29.1	663	44,149	<u>28.8</u>
Operating Income	<u>2,838</u>	<u>3.7</u>	<u>2,556</u>	<u>3.4</u>	<u>281</u>	<u>6,373</u>	<u>4.1</u>
IV Non-operating income	673	0.9	481	0.7	192	1,177	<u>0.8</u>
Interest and dividend income	145		97		47	253	
Others	528		383		144	924	
V Non-operating expenses	919	1.2	1,108	1.5	△ 189	2,459	1.6
Interest expenses	744		937		△ 193	1,749	
Others	174		170		4	709	
Ordinary Income	<u>2,592</u>	<u>3.4</u>	<u>1,929</u>	<u>2.6</u>	<u>663</u>	<u>5,092</u>	<u>3.3</u>
VI Extraordinary gains	856	1.1	536	0.7	320	553	0.4
Gain on sale or disposal of property, plant and equipment, net	32		36		△ 4	54	
Gain on sale of investment securities	211		62		149	62	
Gain on sale of credit business	612		—		612	—	
Gain on sale of leasing business	—		341		△ 341	341	
Gain on insurance claim	—		94		△ 94	94	
VII Extraordinary losses	249	0.3	372	0.5	△ 123	1,400	0.9
Loss on sale or disposal of property, plant and equipment, net	117		88		29	473	
Transfer to allowance for doubtful accounts	—		236		△ 236	566	
Write-down of property for sale	—		—		—	245	
Others	131		47		84	113	
Income before income taxes and minority interests	<u>3,199</u>	<u>4.2</u>	<u>2,093</u>	<u>2.8</u>	<u>1,106</u>	<u>4,245</u>	<u>2.8</u>
Income taxes, current	1,020	<u>1.4</u>	1,248	1.7	△ 228	2,298	1.5
Income taxes, deferred	<u>166</u>	<u>0.2</u>	△ 781	△ 1.1	<u>947</u>	<u>△ 1,188</u>	<u>△ 0.8</u>
Minority interests in consolidated subsidiaries	12	0.0	23	0.0	△ 11	58	0.1
Net Income	<u>2,001</u>	<u>2.6</u>	<u>1,602</u>	<u>2.2</u>	<u>398</u>	<u>3,077</u>	<u>2.0</u>

Consolidated Interim Statements of Income

(millions of yen)

[Post-amendment]

Account	Current Period		Previous Period		Change from previous period	Previous Period	
	Apr 1, 2004 - Sep 30, 2004		Apr 1, 2003 - Sep 30, 2003			Apr 1, 2003 - Mar 31, 2004	
	Amount	Ratio	Amount	Ratio	Amount	Amount	Ratio
I Net sales	76,578	100	74,391	100	2,187	153,624	100
II Cost of sales	<u>51,723</u>	<u>67.6</u>	50,187	67.5	<u>1,536</u>	<u>103,663</u>	<u>67.5</u>
Gross Profit	<u>24,854</u>	<u>32.4</u>	<u>24,203</u>	<u>32.5</u>	<u>650</u>	<u>49,960</u>	<u>32.5</u>
III Selling, general and administrative expenses	22,310	29.1	21,646	29.1	663	44,149	<u>28.7</u>
Operating Income	<u>2,544</u>	<u>3.3</u>	<u>2,556</u>	<u>3.4</u>	<u>△ 12</u>	<u>5,811</u>	<u>3.8</u>
IV Non-operating income	673	0.9	481	0.7	192	1,177	<u>0.7</u>
Interest and dividend income	145		97		47	253	
Others	528		383		144	924	
V Non-operating expenses	919	1.2	1,108	1.5	△ 189	2,459	1.6
Interest expenses	744		937		△ 193	1,749	
Others	174		170		4	709	
Ordinary Income	<u>2,298</u>	<u>3.0</u>	<u>1,929</u>	<u>2.6</u>	<u>368</u>	<u>4,529</u>	<u>2.9</u>
VI Extraordinary gains	856	1.1	536	0.7	320	553	0.4
Gain on sale or disposal of property, plant and equipment, net	32		36		△ 4	54	
Gain on sale of investment securities	211		62		149	62	
Gain on sale of credit business	612		—		612	—	
Gain on sale of leasing business	—		341		△ 341	341	
Gain on insurance claim	—		94		△ 94	94	
VII Extraordinary losses	249	0.3	372	0.5	△ 123	1,400	0.9
Loss on sale or disposal of property, plant and equipment, net	117		88		29	473	
Transfer to allowance for doubtful accounts	—		236		△ 236	566	
Write-down of property for sale	—		—		—	245	
Others	131		47		84	113	
Income before income taxes and minority interests	<u>2,905</u>	<u>3.8</u>	<u>2,093</u>	<u>2.8</u>	<u>812</u>	<u>3,683</u>	<u>2.4</u>
Income taxes,current	1,020	<u>1.3</u>	1,248	1.7	△ 228	2,298	1.5
Income taxes,deferred	<u>254</u>	<u>0.4</u>	△ 781	△ 1.1	<u>1,035</u>	<u>△ 880</u>	<u>△ 0.6</u>
Minority interests in consolidated subsidiaries	12	0.0	23	0.0	△ 11	58	0.1
Net Income	<u>1,619</u>	<u>2.1</u>	<u>1,602</u>	<u>2.2</u>	<u>16</u>	<u>2,206</u>	<u>1.4</u>

Consolidated Interim Statements of Income and Retained Earnings

[Pre-amendment]

(millions of yen)

Account	Current Period Apr 1, 2004 - Sep 30, 2004	Previous Period Apr 1, 2003 - Sep 30, 2003	Change from previous period	Previous Period Apr 1, 2003 - Mar 31, 2004
(Capital Surplus)				
I Balance of capital surplus at beginning of the year	11,645	11,599	45	11,599
II Increase in capital surplus	5	0	5	45
Gain on disposition of treasury stock	5	0	5	45
III Balance of capital surplus at the end of the period	11,650	11,599	51	11,645
(Retained Earnings)				
I Balance of retained earnings at beginning of the year	<u>4,519</u>	1,442	<u>3,077</u>	1,442
II Increase in retained earnings	<u>2,001</u>	1,602	<u>398</u>	<u>3,077</u>
Net income	<u>2,001</u>	1,602	<u>398</u>	<u>3,077</u>
III Decrease in retained earnings	655	—	655	—
Cash Dividends	655	—	655	—
IV Balance of retained earnings at the end of the period	<u>5,865</u>	3,045	<u>2,820</u>	<u>4,519</u>

Consolidated Interim Statements of Income and Retained Earnings

[Post-amendment]

(millions of yen)

Account	Current Period Apr 1, 2004 - Sep 30, 2004	Previous Period Apr 1, 2003 - Sep 30, 2003	Change from previous period	Previous Period Apr 1, 2003 - Mar 31, 2004
(Capital Surplus)				
I Balance of capital surplus at beginning of the year	11,645	11,599	45	11,599
II Increase in capital surplus	5	0	5	45
Gain on disposition of treasury stock	5	0	5	45
III Balance of capital surplus at the end of the period	11,650	11,599	51	11,645
(Retained Earnings)				
I Balance of retained earnings at beginning of the year	<u>3,648</u>	1,442	<u>2,206</u>	1,442
II Increase in retained earnings	<u>1,619</u>	1,602	<u>16</u>	<u>2,206</u>
Net income	<u>1,619</u>	1,602	<u>16</u>	<u>2,206</u>
III Decrease in retained earnings	655	—	655	—
Cash Dividends	655	—	655	—
IV Balance of retained earnings at the end of the period	<u>4,612</u>	3,045	<u>1,567</u>	<u>3,648</u>

Consolidated Interim Statements of Cash Flows

(millions of yen)

[Pre-amendment]

Account	Current Period (half year) Apr 1, 2004 - Sep 30, 2004	Previous Period (half year) Apr 1, 2003 - Sep 30, 2003	Change from previous period (half year)	Previous Period Apr 1, 2003 - Mar 31, 2004
I Cash flows from operating activities				
Income before income taxes and minority interests	3,199	2,093	1,106	4,245
Depreciation and amortization	1,974	2,214	△ 240	4,483
Amortization of consolidated adjustment account	△ 112	3	△ 115	△ 193
Increase (decrease) in reserve for retirement benefits	△ 189	194	△ 384	310
Loss (gain) on sales of investment securities	△ 211	△ 62	△ 149	△ 62
Interest and dividend income	△ 145	△ 97	△ 47	△ 253
Gain on insurance claim	—	△ 94	94	△ 94
Interest expenses	680	873	△ 192	1,620
Effect of exchange rate changes	△ 2	△ 13	10	△ 109
Loss on sales of tangible and intangible fixed assets	85	51	34	419
Gain on sale of credit business	△ 612	—	△ 612	—
Gain on sale of leasing business	—	△ 341	341	△ 341
Decrease (increase) in notes and accounts receivable	△ 9,034	△ 6,495	△ 2,538	309
Decrease in inventories	△ 1,362	878	484	1,141
Increase (decrease) in notes and accounts payable	△ 1,474	△ 1,733	259	2,516
Others	1,403	526	876	832
Sub-total	△ 3,074	△ 2,002	△ 1,071	14,824
Interest and dividends received	145	98	47	254
Proceeds from insurance claim	—	152	△ 152	152
Interest paid	△ 690	△ 968	278	△ 1,771
Income taxes paid	△ 1,713	△ 607	△ 1,106	△ 1,090
Net cash used in (provided by) operating activities	△ 5,332	△ 3,327	△ 2,004	12,368
II Cash flows from investing activities				
Payments for purchases of marketable securities	△ 7	△ 5	△ 2	△ 34
Proceeds from sale of short-term securities	149	231	△ 82	260
Payments for purchases of tangible and intangible fixed assets	△ 2,546	△ 2,303	△ 243	△ 5,080
Proceeds from sale of tangible and intangible fixed assets	594	154	440	894
Proceeds from sale of credit business	10,560	—	10,560	—
Proceeds from sale of leasing business	—	767	△ 767	767
Payments for purchase of investment securities	△ 130	△ 39	△ 91	△ 79
Proceeds from sale of investment securities	379	106	272	106
Net decrease in long-term loans	7	33	△ 25	71
Net decrease in time deposits	1,350	1,836	△ 486	8,988
Others	116	△ 592	709	△ 262
Net cash provided by investing activities	10,474	188	10,285	5,633
III Cash flows from financing activities				
Decrease(increases) in short-term borrowings	△ 523	7,179	△ 7,702	△ 33,178
Proceeds from long-term debt	2,686	8,435	△ 5,748	26,690
Repayments of long-term debt	△ 7,156	△ 5,950	△ 1,206	△ 11,398
Proceeds from bonds issued	—	120	△ 120	420
Redemption of bonds	△ 20	△ 8,000	7,980	△ 8,000
Payments for purchases of treasury stock	△ 3	△ 8	5	△ 1,235
Proceeds from sale of treasury stock	15	0	15	66
Payment of dividends	△ 655	—	△ 655	—
Others	△ 3	△ 3	0	△ 3
Net cash used in (provided by) financing activities	△ 5,659	1,771	△ 7,430	△ 26,639
IV Effect of exchange rate changes on cash and cash equivalents	4	13	△ 8	101
V Net decrease in cash and cash equivalents	△ 513	△ 1,354	841	△ 8,535
VI Cash and cash equivalents at beginning of year	11,029	19,565	△ 8,535	19,565
VII Cash and cash equivalents at the end of the period	10,515	18,210	△ 7,694	11,029

Consolidated Interim Statements of Cash Flows

(millions of yen)

[Post-amendment]

Account	Current Period (half year) Apr 1, 2004 - Sep 30, 2004	Previous Period (half year) Apr 1, 2003 - Sep 30, 2003	Change from previous period (half year)	Previous Period Apr 1, 2003 - Mar 31, 2004
I Cash flows from operating activities				
Income before income taxes and minority interests	2,905	2,093	812	3,683
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Gain on sale of leasing business	—	△ 341	341	△ 341
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Decrease in inventories	△ 1,656	878	778	1,703
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Others	1,403	526	876	832
Sub-total	△ 3,074	△ 2,002	△ 1,071	14,824
Interest and dividends received	145	98	47	254
Proceeds from insurance claim	—	152	△ 152	152
Interest paid	△ 690	△ 968	278	△ 1,771
Income taxes paid	△ 1,713	△ 607	△ 1,106	△ 1,090
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Proceeds from sale of tangible and intangible fixed assets	594	154	440	894
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