

2008/03 Term

Summary of Interim Financial Statements for the Half-year Ended September 30, 2007



November 20, 2007

Company name	SEIKOH GIKEN Co., Ltd.	Listed market	JQ
Code number	6834	URL	http://www.seikoh-giken.co.jp
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Scheduled date of half-year report submission	December 20, 2007		

(All amounts rounded down to the nearest million yen)

1. Consolidated business results for interim term ended September 2007 (April 1, 2007 -- September 30, 2007)

(1) Consolidated business performance

(Percentage figures show the changes from the previous term)

	Sales amount		Operating profit		Ordinary profit		Net profit	
	¥Million	%	¥Million	%	¥Million	%	¥Million	%
2007/09 Interim	3,687	[9.0]	(126)	[--]	(84)	[--]	(132)	[--]
2006/09 Interim	3,382	[5.5]	5	[(99.3)]	66	[(92.5)]	308	[(38.2)]
2007/03 Term	7,156	--	(74)	--	73	--	208	--

	Net profit per share		Fully diluted earnings per share in net profit	
	Yen	Sen	Yen	Sen
2007/09 Interim	(14)	37	--	--
2006/09 Interim	33	48	33	41
2007/03 Term	22	58	22	55

(2) Consolidated financial conditions

	Total assets		Net assets		Shareholders' equity ratio		Net asset per share	
	¥Million	%	¥Million	%	Yen	Sen	Yen	Sen
2007/09 Interim	25,956		24,162		93.1		2,626	50
2006/09 Interim	26,207		24,491		93.5		2,653	68
2007/03 Term	26,214		24,510		93.5		2,655	66

(3) Consolidated cash flow

	Cash flow from operating activities		Cash flow from investing activities		Cash flow from financing activities		Cash and cash equivalents at the end of term	
	¥Million	%	¥Million	%	¥Million	%	¥Million	%
2007/09 Interim	388		(302)		(335)		1,664	
2006/09 Interim	468		(557)		(361)		2,415	
2007/03 Term	695		(1,335)		(360)		1,887	

2. Dividend status

(Base Date)	Dividend per share					
	End of Interim Term		End of Term		Full year	
	Yen	Sen	Yen	Sen	Yen	Sen
2007/03 Term	--	--	30	00	30	00
2008/03 Term	--	--			30	00
2008/03 Term (Forecast)			30	00		

3. Forecast of consolidated business performance for 2008/03 Term (April 1, 2007 - March 31, 2008)

(Percentage figures show the changes from the previous term)

	Sales amount		Operating Profit		Ordinary Profit		Net profit		Net profit per share	
	¥Million	%	¥Million	%	¥Million	%	¥Million	%	Yen	Sen
Full year	7,980	[11.5]	(140)	[--]	(70)	[--]	(130)	[--]	(14)	10

4. Others

- (1) Transfer of important subsidiaries during the term (Transfer of specified subsidiaries that needs to change the range of consolidation) ----- Does not exist
- (2) Changes in principle, procedure, display method, etc. relating to accounting procedures for the preparation of interim consolidated financial statements
- 1) Changes according to the amendment of accounting criteria and as such-----Exists
- 2) Changes other than 1) -----Does not exist

(3) Number of shares issued (common shares)

- 1) Number of shares issued at the end of term (treasury stocks included)
- | | | | | | |
|-----------------|------------------|-----------------|------------------|--------------|------------------|
| 2007/09 Interim | 9,333,654 shares | 2006/09 Interim | 9,333,654 shares | 2007/03 Term | 9,333,654 shares |
|-----------------|------------------|-----------------|------------------|--------------|------------------|
- 2) Number of treasury stocks at the end of term
- | | | | | | |
|-----------------|----------------|-----------------|----------------|--------------|----------------|
| 2007/09 Interim | 134,046 shares | 2006/09 Interim | 104,200 shares | 2007/03 Term | 103,968 shares |
|-----------------|----------------|-----------------|----------------|--------------|----------------|

(Reference) Summary of individual business results

1. Individual business results for interim term ended September 2007 (April 1, 2007 -- September 30, 2007)

(1) Individual business performance (Percentage figures show the changes from the corresponding period of the previous year)

	Sales amount		Operating Profit		Ordinary profit		Net profit	
	¥Million	%	¥Million	%	¥Million	%	¥Million	%
2007/09 Interim	3,179	[(0.8)]	(149)	[--]	(113)	[--]	(104)	[--]
2006/09 Interim	3,206	[7.0]	(3)	[(100.5)]	57	[(93.0)]	301	[(31.7)]
2007/03 Term	6,202		(121)		8		211	

	Net profit per share	
	Yen	Sen
2007/09 Interim	(11)	36
2006/09 Interim	32	66
2007/03 Term	22	96

(2) Individual financial conditions

	Total assets		Net assets		Capital ratio		Net assets per share	
	¥Million	%	¥Million	%	%		Yen	Sen
2007/09 Interim	25,858		24,112		93.2		2,621	02
2006/09 Interim	26,458		24,646		93.2		2,670	45
2007/03 Term	26,271		24,556		93.5		2,660	59

2. Forecast of individual business results for 2008/03 Term (April 1, 2007 – March 31, 2008)

(Percentage figures show the changes from the previous term)

	Sales amount		Operating profit		Ordinary profit		Net profit		Net profit per share	
	¥Million	%	¥Million	%	¥Million	%	¥Million	%	Yen	Sen
Full year	6,830	[10.1]	(230)	[--]	(180)	[--]	(190)	[--]	(20)	60

* Explanations for proper usage of the business performance forecast and other special instructions

The business performance forecast figures above are calculated based on the information available as of the disclosure date for this material, and therefore include many indefinite elements. Actual results may differ from the forecast figures above, depending on various factors such as changes in business conditions.

1. Business Results

(1) Analysis of business results

During the current interim consolidated accounting term, the Japanese economy experienced a continuous slow rebound, supported by a steady increase of equipment investment and exports with improved business earnings, although the country had been holding some negative factors such as the price increase in crude oil and raw materials as well as the instable international financing originating from the subprime lending crisis in the United States.

In the industries related to our business operations, the rise in consumption of digital electronic appliances and mobile devices continued; however, the pressure for downward price increased in reverse proportion to the expansion of demand, so the competition in the industry intensified further.

In such a business environment, our Company Group endeavored to make a base for becoming a corporation that generates steady corporate growth as well as contributing to the progress and development of our society in a wider area of business fields now and in the future. As a result, sales amount of the current interim consolidated accounting term reached ¥3,687 million (up 9.0% over the same period last year). In the profit/loss statements, as a result of an increase in general and administrative expenses incurred by an increase of research and development expenses to promote new business creation, operating profit/loss marked ¥126 million of operating loss (¥5 million of operating profit in the same period last year), and ordinary profit/loss showed ¥84 million of ordinary loss (¥66 million of ordinary profit in the same period last year). Furthermore, the interim net profit/loss marked a decrease of ¥132 million (¥308 million of interim net profit in the same period last year), resulting in an decrease from the same period of last year, where an extraordinary profit due to sale of investment securities and others was recorded.

Performances by segment of business type are as follows:

1) Optical Disc Mold Group

In the markets around the Optical Disc Mold Group handling optical disc molds as its main product, new line of recorders/players for the next generation optical discs has been launched in the market one after another, following the spread of slim-type high-definition digital televisions. However, many consumers keep watching the timing of their purchase, stopping short of a full-scale purchasing activity, because the competition for the standards of the next generation optical discs between Blue-ray disc and HD-DVD has continued, as well as from an expectation for a further drop in the distribution price. Optical disc manufacturers, who are users of our molds, withheld their investment, in an anticipation of coming expansion of manufacturing facilities for the next generation optical discs, and therefore, new sales of optical disc molds hovered at a low level. As a result, sales amount of the Optical Disc Mold Group for the current interim consolidated accounting term reduced to ¥850 million (down 18.0% over the same period last year), and operating profit/loss marked ¥79 million of operating loss (¥70 million of operating profit in the same period last year).

2) Optical Communications Group

In the markets around the Optical Communications Group handling optical telecommunication parts and the related manufacturing devices as its main product, optical telecommunication networks, which are adequate for large-capacity and high-speed telecommunications, have expanded due to an increase of distributing information combined with the popularization of the Internet. FTTH (Fiber to the Home) movements have advanced on a global basis, while existing optical line networks can not manage the continuing increase of information flow, rekindling the demand for installing submarine cables and long-distance optical communication networks that connect continents. On the other hand, although Japan has been leading the development and expansion of optical telecommunication networks in the world, it seems that the apparent positive demand for introducing optical telecommunications has already passed through, and the growth speed started to show a sign of slowing. Concurrently, a fall in price of general-purpose optical telecommunication parts was increasingly advanced. As a result, sales amount of the Optical Communications Group for the current interim consolidated accounting term was ¥2,837 million (up 21.0% over the same period last year), with ¥46 million of operating loss (¥64 million of operating loss in the same period last year).

(2) Forecast for the current accounting term

In the last half year of the term, the growth of sales amount in the Optical Communications Group is expected to be a little slow, with signs of slowing growth in the domestic markets related to optical telecommunications, which have been supported mainly by the FTTH connections. As a result, sales amount of the current consolidated accounting year is expected to be ¥7,980 million. In addition, our Company Group plans to increase the amount of research and development expenses in the last half year of the term, in order to further facilitate the development of new products and the creation of new businesses. Therefore, in the profit/loss statements, our Company Group forecasts ¥140 million of operating loss, ¥70 million of ordinary loss, and ¥130 million of net loss for the current term.

(3) Analysis of financial conditions

The balance of cash and cash equivalents at the end of the current interim consolidated accounting term was ¥1,664 million, resulting in the reduction of ¥222 million from ¥1,887 million at the end of the previous consolidated accounting year. The status and factors of cash flow from respective activities are as follows:

(Cash flow from operating activities)

The fund earned from operating activities during the accounting term was ¥388 million (down 17.0% from the previous interim consolidated accounting term). The main factors of the fund increase from operations were ¥301 million in depreciation, ¥203 million of decrease in inventory assets, ¥180 million of decrease in other current assets and others. The main factors of the fund decrease are ¥413 million of increase in trade accounts receivable and others.

(Cash flow from investing activities)

The fund used for investing activities was ¥302 million (down 45.8% from the previous interim consolidated accounting term). The main factors of the fund increase from investing activities were ¥3,602 million of income from repayment of time deposit and others. The main factors of fund decrease were ¥3,657 million of payment into time deposit, ¥252 million of payment for acquisition of tangible fixed assets and others.

(Cash flow from financing activities)

The fund used for financing activities was ¥335 million (down 7.0% from the previous interim consolidated accounting term). The main factor of the fund decrease from financing activities was ¥275 million of dividend payments.

(4) Basic policies for the allocation of earnings and dividends in this term

Considering internal reserves to prepare for future investments, we have a policy to return profits to our shareholders aiming for more than 30% of the current consolidated net profits, making it a basis to pay a stable dividend of at least ¥30 per share/annum to the

shareholders.

Although it is difficult for us to secure profit due to the severe business environment during the current term, we plan to pay a ¥30 dividend per share based on the aforementioned dividend policy.

2. Conditions of SEIKOH GIKEN Group

Disclosure of Conditions of SEIKOH GIKEN Group is omitted here, since there is no significant change from the “Business Contents” and “Conditions of Affiliated Companies” disclosed in the recent securities reports (submitted on June 21, 2007).

3. Management Policies

(1) Basic policies of corporate management

Our management philosophy is “Based on outstanding technologies and creativity, we will supply high-quality products, contribute to social evolution and development, and pursue the growth of the company and the happiness of employees, while at the same time fulfilling our social responsibilities.” To realize this philosophy, we have set up the following five management policies. We will aim at attaining the contribution to the society by implementing these policies without fail and increasing the corporate value.

1) Customer satisfaction

All employees will hold the viewpoint of gaining customer satisfaction and work to improve our products in terms of quality, prices, delivery time, and services to make our company trustworthy at all times.

2) Stable growth

We want to become a company that is constantly expanding, through reinforcing our customer bases, establishing an efficient organizational structure, and increasing the employee profitability per capita.

3) Top share of the world

From the international perspective, we will create a new value by promoting continuous technological development and the acquisition of intellectual property. We will aim at the world’s top share, offering the world’s most trusted products (or brand).

4) Growth of individuals

We will support the individual growth of our employees through self-development and training, and increase the power of the organization as a whole by bringing about the best quality and the maximum capability in each employee.

5) Social contribution

We will contribute to the creation of a better society and a better environment through our business activities by strictly abiding by laws and regulations as a member of society, and achieve mutual prosperity with all cooperators around us.

(2) Management index targets

In order to accomplish stable growth of our operating revenue, we regard the expansion of the existing business and the development of new businesses as important management targets. We are carrying out management activities with an emphasis on aiming to increase the amount of sales and profits through the effective utilization of management resources, aggressive business investment and the pursuit of efficiency.

(3) Management strategies in the long and medium terms

Our Company Group is addressing the further development of technologies such as precision processing, precision assembly and mold designing, which are core technologies of our Company Group, as well as the cultivation of external technical seeds in which we can expect multiplier effect with our technologies, in order to realize the expansion of current businesses and the cultivation of new businesses with a mid-to-long vision. Our Company Group plans to make efforts to supply high-quality products in two fields: “precision processing” and “optics”, utilizing our excellent technologies and originality that no other companies can imitate.

The Optical Disc Mold Group is preparing for the mass production of the next generation optical discs and maintaining the status of the world leading company in the optical disc molds industry, as well as making efforts to cultivate new business fields to which we can apply our precision mold technology and precision polish technology.

The Optical Communications Group continues to constantly supply connection parts (connector, ferrule, etc.) that are used as base of worldwide expanding optical telecommunication infrastructure, as well as plans to expand our product lineup into the fields such as higher value composite parts and modules. In the long and medium vision, the Group hopes to create new products that contribute to the development of society, in the fields excluding optical telecommunications, by applying technologies that we have nourished in the manufacture of optical telecommunication parts.

Our newly-established businesses include “separators for fuel cells” that are essential parts of fuel cells attracting attention as a next generation clean energy, “optical transmission devices” that the market expansion has been assured toward the widespread use of Terrestrial Digital Broadcasting, and “high heat resistance lens” to dramatically enhance the production efficiency of camera phones. These are the markets where we can expect further expansion in the future, and we are intensifying the development activities of new products in such promising fields. In the medium vision, our Company Group plans to actively invest on research and development expenses and related facilities in order to build a pillar of new businesses that support the future of our Company Group.

(4) Issues to be addressed by the Company

Disclosure of Issues to be addressed by the Company is omitted here, since there is no significant change from the contents disclosed in the Summary of Financial Statements of 2007/03 Term (disclosed on May 24, 2007).

4. Interim Consolidated Financial Statements

(1) Interim Consolidated Balance Sheet

Item	End of the Previous Interim Consolidated Accounting Term (As of September 30, 2006)		End of the Current Interim Consolidated Accounting Term (As of September 30, 2007)		Summary of Consolidated Balance Sheets of the Previous Consolidated Accounting Year (As of March 31, 2007)		
	Amount (thousand yen)	Percentage (%)	Amount (thousand yen)	Percentage (%)	Amount (thousand yen)	Percentage (%)	
[Assets]							
I. Current Assets							
1. Cash and deposits		13,427,230		13,731,076		13,399,660	
2. Notes receivable and trade accounts receivable		1,930,514		2,136,703		1,684,303	
3. Inventory assets		1,556,577		1,536,193		1,743,753	
4. Uncollected corporate taxes and others		--		--		76,614	
5. Others		482,903		381,314		546,354	
Bad debt allowance		(5,663)		(8,457)		(7,918)	
Total Current Assets		17,391,563	66.4	17,776,830	68.5	17,442,768	66.5
II. Fixed Assets							
1. Tangible fixed assets							
(1) Buildings and structures	2,478,852		2,589,758		2,610,040		
(2) Land	2,211,508		2,211,508		2,211,508		
(3) Others	1,635,379	6,325,740	1,580,767	6,382,034	1,585,990	6,407,539	
2. Intangible fixed assets							
(1) Goodwill	649,193		491,311		570,981		
(2) Others	162,863	812,057	147,719	639,031	157,162	728,143	
3. Investment and other assets							
(1) Investment securities	75,094		27,210		30,082		
(2) Others	1,603,793		1,133,127		1,607,347		
Bad debt allowance	(507)	1,678,380	(1,597)	1,158,740	(1,597)	1,635,832	
Total Fixed Assets		8,816,178	33.6	8,179,806	31.5	8,771,516	33.5
Total Assets		26,207,741	100.0	25,956,637	100.0	26,214,285	100.0

Item	End of the Previous Interim Consolidated Accounting Term (As of September 30, 2006)		End of the Current Interim Consolidated Accounting Term (As of September 30, 2007)		Summary of Consolidated Balance Sheets of the Previous Consolidated Accounting Year (As of March 31, 2007)	
	Amount (thousand yen)	Percentage (%)	Amount (thousand yen)	Percentage (%)	Amount (thousand yen)	Percentage (%)
[Liabilities]						
I. Current Liabilities						
1. Trade accounts payable	463,490		302,109		215,342	
2. Accrued corporate taxes and others	164,405		37,016		34,517	
3. Others	526,154		855,771		867,659	
Total Current Liabilities	1,154,050	4.4	1,194,896	4.6	1,117,518	4.3
II. Fixed Liabilities						
1. Allowance for retirement benefits	232,876		255,380		243,508	
2. Long-term accrued liabilities	138,570		149,410		148,570	
3. Others	190,367		194,146		193,824	
Total Fixed Liabilities	561,813	2.1	598,937	2.3	585,902	2.2
Total Liabilities	1,715,864	6.5	1,793,834	6.9	1,703,420	6.5
[Net Assets]						
I. Shareholders' Equity						
1. Capital	6,791,682		6,791,682		6,791,682	
2. Capital surplus	10,571,419		10,571,419		10,571,419	
3. Retained earnings	7,435,779		6,925,572		7,335,020	
4. Treasury stocks	(310,770)		(370,462)		(309,876)	
Total Shareholders' Equity	24,488,111	93.5	23,918,212	92.1	24,388,246	93.0
II. Valuation/Conversion Differentials and Others						
1. Differential from valuation of other securities	9,128		5,903		7,705	
2. Foreign exchange translation adjustment	(5,363)		238,687		114,912	
Total of Valuation/Conversion Differentials	3,764	0.0	244,591	1.0	122,617	0.5
Total Net Assets	24,491,876	93.5	24,162,803	93.1	24,510,864	93.5
Total Liabilities/Net assets	26,207,741	100.0	25,956,637	100.0	26,214,285	100.0

(2) Interim Consolidated Income Statement

Item	Previous Interim Consolidated Accounting Term (From April 1, 2006 to September 30, 2006)		Current Interim Consolidated Accounting Term (From April 1, 2007 to September 30, 2007)		Summary of Consolidated Income Statement of the Previous Consolidated Accounting Year (From April 1, 2006 to March 31, 2007)				
	Amount (thousand yen)	%	Amount (thousand yen)	%	Amount (thousand yen)	%			
I. Sales Amount		3,382,933	100.0		3,687,758	100.0		7,156,427	100.0
II. Cost of Sales		2,203,035	65.1		2,498,393	67.7		4,765,310	66.6
Gross Profit		1,179,898	34.9		1,189,364	32.3		2,391,116	33.4
III. Selling, General and Administrative expenses		1,174,106	34.7		1,315,757	35.7		2,465,266	34.4
Operating Profit or (loss)		5,791	0.2		(126,392)	(3.4)		(74,149)	(1.0)
IV. Non-operating Income									
1. Interest received	9,009			41,813			34,708		
2. Dividends received	93			151			145		
3. House rent income	19,200			20,234			38,400		
4. Patent royalties	11,420			10,844			21,429		
5. Foreign exchange gains	12,254			747			31,295		
6. Others	20,477	72,456	2.1	16,584	90,377	2.4	44,271	170,251	2.3
V. Non-operating Expenses									
1. Cost of house rent income	8,785			7,911			17,774		
2. Loss on retirement of inventories	--			37,427			--		
3. Others	2,463	11,248	0.3	3,130	48,469	1.3	4,426	22,200	0.3
Ordinary Profit or (loss)		66,999	2.0		(84,484)	(2.3)		73,901	1.0
VI. Extraordinary Profit									
1. Gain on sale of fixed assets	319			--			805		
2. Reversal of bad debt allowance	1,420			80			917		
3. Profit on sale of investment securities	403,848	405,588	12.0	--	80	0.1	403,848	405,572	5.7
V. Extraordinary Loss									
1. Loss on retirement of fixed assets	172			1,979			14,021		
2. Loss on inventory assets valuation and others	--			--			21,903		
3. Loss on investment securities valuation	--			--			42,763		
4. Service pay and others in prior years	--	172	0.0	--	1,979	0.1	10,000	88,687	1.2
Net Profit or (loss) before Taxes and Other Adjustment		472,415	14.0		(86,383)	(2.3)		390,785	5.5
Corporate Taxes, Local and Enterprise Taxes	155,522			32,564			168,995		
Adjustment to Corporate Taxes	7,945	163,468	4.9	13,609	46,173	1.3	13,363	182,359	2.5
Net Profit or (loss)		308,947	9.1		(132,557)	(3.6)		208,425	3.0

(3) Statement of Changes in Interim Consolidated Shareholders' Equity

Previous interim consolidated accounting term (from April 1, 2006 to September 30, 2006)

	Shareholders' Equity				
	Capital	Capital Surplus	Retained Earnings	Treasury Stocks	Total Shareholders' Equity
Balance at March 31, 2006 (thousand yen)	6,791,682	10,571,419	7,412,828	(314,340)	24,461,590
Changes During the Interim Consolidated Accounting Term					
Dividend of Surplus (Note)			(276,844)		(276,844)
Payment of Director Bonus (Note)			(8,120)		(8,120)
Interim Net Profit			308,947		308,947
Loss on Sale of Treasury Stocks			(1,031)		(1,031)
Acquisition of Treasury Stocks				(304)	(304)
Sale of Treasury Stocks				3,874	3,874
Changes in Items Other than Shareholders' Equity during the Interim Consolidated Accounting Year (Net Amount)					--
Total Amount of Changes during the Interim Consolidated Accounting Term (thousand yen)	--	--	22,951	3,570	26,521
Balance at September 30, 2006 (thousand yen)	6,791,682	10,571,419	7,435,779	(310,770)	24,488,111

	Valuation/Conversion Differentials and Others			Minority Shareholders' Interest	Total Net Assets
	Differential from Valuation of Other Securities	Account for Foreign Exchange Conversion Adjustment	Total Valuation/Conversion Differentials and Others		
Balance at March 31, 2006 (thousand yen)	241,453	6,738	248,192	78,782	24,788,565
Changes During the Interim Consolidated Accounting Term					
Dividend of Surplus (Note)					(276,844)
Payment of Director Bonus (Note)					(8,120)
Interim Net Profit					308,947
Loss on Sale of Treasury Stocks					(1,031)
Acquisition of Treasury Stocks					(304)
Sale of Treasury Stocks					3,874
Changes in Items Other than Shareholders' Equity during the Interim Consolidated Accounting Year (Net Amount)	(232,325)	(12,102)	(244,427)	(78,782)	(323,210)
Total Amount of Changes during the Interim Consolidated Accounting Term (thousand yen)	(232,325)	(12,102)	(244,427)	(78,782)	(296,688)
Balance at September 30, 2006 (thousand yen)	9,128	(5,363)	3,764	--	24,491,876

(Note) The above are the profit appropriation items as approved by the General Meeting of Shareholders in June 2006.

Current interim consolidated accounting term (from April 1, 2007 to September 30, 2007)

	Shareholders' Equity				
	Capital	Capital Surplus	Retained Earnings	Treasury Stocks	Total Shareholders' Equity
Balance at March 31, 2007 (thousand yen)	6,791,682	10,571,419	7,335,020	(309,876)	24,388,246
Changes During the Interim Consolidated Accounting Term					
Dividend of Surplus			(276,890)		(276,890)
Interim Net (Loss)			(132,557)		(132,557)
Acquisition of Treasury Stocks				(60,586)	(60,586)
Changes in Items Other than Shareholders' Equity during the Interim Consolidated Accounting Year (Net Amount)					--
Total Amount of Changes during the Interim Consolidated Accounting Term (thousand yen)	--	--	(409,448)	(60,586)	(470,034)
Balance at September 30, 2007 (thousand yen)	6,791,682	10,571,419	6,925,572	(370,462)	23,918,212

	Valuation/Conversion Differentials and Others			Total Net Assets
	Differential from Valuation of Other Securities	Account for Foreign Exchange Conversion Adjustment	Total Valuation/Conversion Differentials and Others	
Balance at March 31, 2007 (thousand yen)	7,705	114,912	122,617	24,510,864
Changes During the Interim Consolidated Accounting Term				
Dividend of Surplus				(276,890)
Interim Net (Loss)				(132,557)
Acquisition of Treasury Stocks				(60,586)
Changes in Items Other than Shareholders' Equity during the Interim Consolidated Accounting Year (Net Amount)	(1,801)	123,774	121,973	121,973
Total Amount of Changes during the Interim Consolidated Accounting Term (thousand yen)	(1,801)	123,774	121,973	(348,061)
Balance at September 30, 2007 (thousand yen)	5,903	238,687	244,591	24,162,803

Previous consolidated accounting year (from April 1, 2006 to March 31, 2007)

	Shareholders' Equity				
	Capital	Capital Surplus	Retained Earnings	Treasury Stocks	Total Shareholders' Equity
Balance at March 31, 2006 (thousand yen)	6,791,682	10,571,419	7,412,828	(314,340)	24,461,590
Changes During the Consolidated Accounting Year					
Dividend of Surplus (Note)			(276,844)		(276,844)
Payment of Director Bonus (Note)			(8,120)		(8,120)
Net Profit			208,425		208,425
Loss on Sale of Treasury Stocks			(1,269)		(1,269)
Acquisition of Treasury Stocks				(304)	(304)
Sale of Treasury Stocks				4,768	4,768
Changes in Items Other than Shareholders' Equity during the Consolidated Accounting Year (Net Amount)					--
Total Amount of Changes during the Consolidated Accounting Year (thousand yen)	--	--	(77,808)	4,464	(73,344)
Balance at March 31, 2007 (thousand yen)	6,791,682	10,571,419	7,335,020	(309,876)	24,388,246

	Valuation/Conversion Differentials and Others			Minority Shareholders' Interest	Total Net Assets
	Differential from Valuation of Other Securities	Account for Foreign Exchange Conversion Adjustment	Total Valuation/ Conversion Differentials and Others		
Balance at March 31, 2006 (thousand yen)	241,453	6,738	248,192	78,782	24,788,565
Changes During the Consolidated Accounting Year					
Dividend of Surplus (Note)					(276,844)
Payment of Director Bonus (Note)					(8,120)
Net Profit					208,425
Loss on Sale of Treasury Stocks					(1,269)
Acquisition of Treasury Stocks					(304)
Sale of Treasury Stocks					4,768
Changes in Items Other than Shareholders' Equity during the Consolidated Accounting Year (Net Amount)	(233,748)	108,174	(125,574)	(78,782)	(204,357)
Total Amount of Changes during the Consolidated Accounting Year (thousand yen)	(233,748)	108,174	(125,574)	(78,782)	(277,701)
Balance at March 31, 2007 (thousand yen)	7,705	114,912	122,617	--	24,510,864

(Note) The above are the profit appropriation items as approved by the General Meeting of Shareholders in June 2006.

(4) Interim Consolidated Cash Flow Statement

	Previous Interim Consolidated Accounting Term (From April 1, 2006 to September 30, 2006)	Current Interim Consolidated Accounting Term (From April 1, 2007 to September 30, 2007)	Summary of Consolidated Cash Flow Statement of the Previous Consolidated Accounting Year (From April 1, 2006 to March 31, 2007)
Item	Amount (thousand yen)	Amount (thousand yen)	Amount (thousand yen)
I. Cash Flow from Operating Activities			
1. Net profit or (loss) before taxes and other adjustment	472,415	(86,383)	390,785
2. Depreciation expenses	278,609	301,151	614,983
3. Depreciation of goodwill	89,648	83,957	173,507
4. Increase or (decrease) in bad debt allowance	(2,622)	183	363
5. Increase or (decrease) in allowance for retirement benefits for directors	(136,350)	--	(136,350)
6. Increase or (decrease) in long-term accrued liabilities	138,570	840	148,570
7. Increase or (decrease) in allowance for retirement benefits	9,821	11,872	20,453
8. Interest received and dividends received	(9,103)	(41,965)	(34,854)
9. Interest expenses	--	50	--
10. House rent income	(19,200)	(20,234)	(38,400)
11. Miscellaneous income	(1,584)	(1,225)	(1,584)
12. Miscellaneous payment	236	--	236
13. Profit on sale of fixed assets	(319)	--	(805)
14. Loss on retirement of fixed assets	172	1,979	14,021
15. Profit on sale of investment securities	(403,848)	--	(403,848)
16. Loss on investment securities valuation	--	--	42,763
17. Loss on inventory assets valuation and others	--	37,427	50,035
18. (Gain)/loss on valuation of foreign currency deposit	(164)	608	436
19. (Increase)/decrease in trade accounts receivable	164,787	(413,438)	439,629
20. (Increase)/decrease in inventory assets	(202,203)	203,217	(413,215)
21. (Increase)/decrease in other current assets	(112,631)	180,767	(236,695)
22. Increase or (decrease) in trade accounts payable	262,517	39,240	(18,369)
23. Increase or (decrease) in other current liabilities	171,691	37,542	534,403
24. Bonus paid to directors	(8,120)	--	(8,120)
Subtotal	692,322	335,591	1,137,947
25. Interest and dividends received	5,907	15,685	16,960
26. Interest and discounts expenses	--	(50)	--
27. Refund of corporate taxes and others	1,671	70,145	1,671
28. Payment of corporate taxes and others	(231,839)	(32,806)	(460,738)
Cash Flow from Operating Activities	468,061	388,565	695,840

	Previous Interim Consolidated Accounting Term (From April 1, 2006 to September 30, 2006)	Current Interim Consolidated Accounting Term (From April 1, 2007 to September 30, 2007)	Summary of Consolidated Cash Flow Statement of the Previous Consolidated Accounting Year (From April 1, 2006 to March 31, 2007)
Item	Amount (thousand yen)	Amount (thousand yen)	Amount (thousand yen)
II. Cash Flow from Investing Activities			
1. Payment into time deposit	(3,675,757)	(3,657,881)	(11,585,757)
2. Income from repayment of time deposit	3,175,757	3,602,214	10,585,757
3. Payment for acquisition of tangible fixed assets	(173,611)	(252,537)	(462,852)
4. Income from sale of tangible fixed assets	1,172	1,961	5,834
5. Payment for acquisition of intangible fixed assets	(16,716)	(8,093)	(25,189)
6. Payment for acquisition of investment securities	(140)	(150)	(279)
7. Income from sale of investment securities	1,076,637	--	1,076,637
8. Payment for acquisition of business	(962,457)	--	(962,457)
9. House rent income	19,200	20,234	38,400
10. Payment for other investing activities	(2,294)	(10,207)	(6,192)
11. Income from other investing activities	385	2,166	691
Cash Flow from Investing Activities	(557,825)	(302,293)	(1,335,407)
III. Cash Flow from Financing Activities			
1. Income from sale of treasury stocks	2,843	--	3,499
2. Payment for purchase of treasury stocks	(304)	(60,586)	(304)
3. Dividend payments	(277,114)	(275,217)	(277,114)
4. Payment for acquisition of minority shareholder's equity	(86,488)	--	(86,488)
Cash Flow from Financing Activities	(361,064)	(335,803)	(360,407)
IV. Conversion Differentials Related to Cash and Cash Equivalents	2,548	26,580	24,125
V. (Decrease) in Cash and Cash Equivalents	(448,279)	(222,950)	(975,849)
VI. Opening Balance of Cash and Cash Equivalents	2,863,362	1,887,512	2,863,362
VII. Ending Balance of Cash and Cash Equivalents	2,415,082	1,664,561	1,887,512

(Segment Information)

1. Segment Information by Business Type

Previous Interim Consolidated Accounting Term (April 1, 2006 – September 30, 2006)

(Unit: Thousand Yen)

	Optical Disc Mold Group	Optical Communications Group	Total	Elimination or Company-total	Consolidated
Sales Amount					
(1) Sales amount to external customers	1,036,990	2,345,942	3,382,933	--	3,382,933
(2) Internal sales amount or transfer amount between segments	--	--	--	--	--
Total	1,036,990	2,345,942	3,382,933	--	3,382,933
Operating Expenses	966,226	2,410,914	3,377,141	--	3,377,141
Operating Profit or (Loss)	70,763	(64,971)	5,791	--	5,791

Current Interim Consolidated Accounting Term (April 1, 2007 – September 30, 2007)

(Unit: Thousand Yen)

	Optical Disc Mold Group	Optical Communications Group	Total	Elimination or Company-total	Consolidated
Sales Amount					
(1) Sales amount to external customers	850,066	2,837,692	3,687,758	--	3,687,758
(2) Internal sales amount or transfer amount between segments	--	--	--	--	--
Total	850,066	2,837,692	3,687,758	--	3,687,758
Operating Expenses	930,026	2,884,125	3,814,151	--	3,814,151
Operating (Loss)	(79,959)	(46,433)	(126,392)	--	(126,392)

Previous Consolidated Accounting Year (April 1, 2006 – March 31, 2007)

(Unit: Thousand Yen)

	Optical Disc Mold Group	Optical Communications Group	Total	Elimination or Company-total	Consolidated
Sales Amount					
(1) Sales amount to external customers	1,914,493	5,241,934	7,156,427	--	7,156,427
(2) Internal sales amount or transfer amount between segments	--	--	--	--	--
Total	1,914,493	5,241,934	7,156,427	--	7,156,427
Operating Expenses	1,903,999	5,326,576	7,230,576	--	7,230,576
Operating Profit or (Loss)	10,493	(84,642)	(74,149)	--	(74,149)

(Notes) 1. The business category is defined in consideration of the product group and market similarity.

2. Main products by business category

(1) Optical Disc Mold Group:

Mold for optical disc molding, mold for powder metallurgy molding

(2) Optical Communications Group:

Optical connector, optical connector chord, optical attenuator, ferrule, isolator, optical connector polishing machine and others

2. Segment Information by Location

Previous Interim Consolidated Accounting Term (April 1, 2006 – September 30, 2006)

(Unit: Thousand Yen)

	Japan	North America	Asia	Europe	Total	Elimination or Company-total	Consolidated
Sales Amount							
(1) Sales amount to external customers	1,886,557	681,070	147,892	667,412	3,382,933	--	3,382,933
(2) Internal sales amount or transfer amount between segments	1,274,817	6,039	643,719	308	1,924,885	(1,924,885)	--
Total	3,161,374	687,110	791,611	667,721	5,307,819	(1,924,885)	3,382,933
Operating Expenses	3,199,226	661,968	790,304	614,084	5,265,584	(1,888,443)	3,377,141
Operating Profit or (Loss)	(37,851)	25,141	1,307	53,636	42,234	(36,442)	5,791

Current Interim Consolidated Accounting Term (April 1, 2007 -- September 30, 2007)

(Unit: Thousand Yen)

	Japan	North America	Asia	Europe	Total	Elimination or Company-total	Consolidated
Sales Amount							
(1) Sales amount to external customers	1,725,339	792,302	406,711	763,404	3,687,758	--	3,687,758
(2) Internal sales amount or transfer amount between segments	1,411,135	3,341	819,425	436	2,234,338	(2,234,338)	--
Total	3,136,475	795,643	1,226,136	763,840	5,922,096	(2,234,338)	3,687,758
Operating Expenses	3,315,253	758,656	1,217,326	750,755	6,041,991	(2,227,840)	3,814,151
Operating Profit or (Loss)	(178,778)	36,986	8,810	13,085	(119,895)	(6,497)	(126,392)

Previous Consolidated Accounting Year (April 1, 2006 -- March 1, 2007)

(Unit: Thousand Yen)

	Japan	North America	Asia	Europe	Total	Elimination or Company-total	Consolidated
Sales Amount							
(1) Sales amount to external customers	3,518,235	1,550,604	649,109	1,438,477	7,156,427	--	7,156,427
(2) Internal sales amount or transfer amount between segments	2,597,181	9,494	1,239,100	764	3,846,540	(3,846,540)	--
Total	6,115,416	1,560,099	1,888,210	1,439,242	11,002,967	(3,846,540)	7,156,427
Operating Expenses	6,297,511	1,479,138	1,927,366	1,374,856	11,078,873	(3,848,296)	7,230,576
Operating Profit or (Loss)	(182,095)	80,960	(39,156)	64,385	(75,906)	1,756	(74,149)

(Notes) 1. The category of country or territory is based on geographical proximity.

2. Details of countries and territories belonging to the category other than Japan are as follows:

- | | |
|--------------------|---------------|
| (1) North America: | U.S.A. |
| (2) Asia: | China, Taiwan |
| (3) Europe: | Germany |

3. Overseas Sales Amount

Previous Interim Consolidated Accounting Term (April 1, 2006 -- September 30, 2006)

(Unit: Thousand Yen)

	American regions	European regions	Asian regions and other regions	Total
I. Overseas sales amount	681,070	675,475	500,580	1,857,126
II. Consolidated sales amount	--	--	--	3,382,933
III. Overseas sales amount ratio to consolidated sales amount	20.1%	20.0%	14.8%	54.9%

Current Interim Consolidated Accounting Term (April 1, 2007 – September 30, 2007)

(Unit: Thousand Yen)

	American regions	European regions	Asian regions and other regions	Total
I. Overseas sales amount	792,302	827,299	554,368	2,173,971
II. Consolidated sales amount	--	--	--	3,687,758
III. Overseas sales amount ratio to consolidated sales amount	21.5%	22.4%	15.0%	59.0%

Previous Consolidated Accounting Year (April 1, 2006 – March 31, 2007)

(Unit: Thousand Yen)

	American regions	European regions	Asian regions and other regions	Total
I. Overseas sales amount	1,552,472	1,458,735	1,287,084	4,298,291
II. Consolidated sales amount	--	--	--	7,156,427
III. Overseas sales amount ratio to consolidated sales amount	21.7%	20.4%	18.0%	60.1%

(Notes) 1. The category of country or territory is based on geographical proximity.

2. Main countries or territories belonging to each category:

- (1) America and Regions: U.S.A.
- (2) Europe and Regions: Germany
- (3) Asia and Other Regions: China, Taiwan

3. Overseas sales amount means the sales amount of our Company and consolidated subsidiaries in countries and territories other than Japan.

5. Individual Interim Financial Statements

(1) Interim Balance Sheet

Item	End of the Previous Interim Accounting Term (As of September 30, 2006)		End of the Current Interim Accounting Term (As of September 30, 2007)		Summary of Balance Sheets of the Previous Business Year (As of March 31, 2007)	
	Amount (thousand yen)	%	Amount (thousand yen)	%	Amount (thousand yen)	%
[Assets]						
I. Current Assets						
1. Cash and deposits	12,763,120		12,848,305		12,820,193	
2. Notes receivable	116,819		137,667		111,847	
3. Trade accounts receivable	1,895,560		1,968,841		1,595,415	
4. Inventory assets	1,071,318		1,000,762		1,228,183	
5. Deferred tax assets	107,849		106,659		104,691	
6. Others	519,113		627,019		609,052	
Bad debt allowance	(720)		(530)		(610)	
Total Current Assets	16,473,061	62.3	16,688,724	64.5	16,468,774	62.7
II. Fixed Assets						
1 Tangible fixed assets						
(1) Buildings	2,257,583		2,239,214		2,275,283	
(2) Structures	65,285		55,658		60,267	
(3) Machinery and equipment	433,471		335,322		388,507	
(4) Vehicles	4,506		4,594		5,515	
(5) Tools, furniture and fixtures	422,244		479,900		431,804	
(6) Land	2,211,508		2,211,508		2,211,508	
(7) Construction in progress	59,580		11,115		28,575	
Total Tangible Fixed Assets	5,454,180		5,337,312		5,401,460	
2 Intangible fixed assets	676,234		506,723		590,448	
3 Investment and other assets						
(1) Investment securities	75,094		27,210		30,082	
(2) Equity of affiliated companies	431,322		431,322		431,322	
(3) Investment in affiliated companies	1,748,217		1,748,217		1,748,217	
(4) Long-lived deposit	500,000		--		500,000	
(5) Investments real assets	902,730		891,356		896,611	
(6) Deferred tax assets	87,673		116,039		93,017	
(7) Others	110,361		113,086		112,789	
Bad debt allowance	(507)		(1,597)		(1,597)	
Total Investment and other Assets	3,854,892		3,325,635		3,810,444	
Total Fixed Assets	9,985,307	37.7	9,169,671	35.5	9,802,353	37.3
Total Assets	26,458,369	100.0	25,858,396	100.0	26,271,127	100.0

Item	End of the Previous Interim Accounting Term (As of September 30, 2006)		End of the Current Interim Accounting Term (As of September 30, 2007)		Summary of Balance Sheets of the Previous Business Year (As of March 31, 2007)				
	Amount (thousand yen)	Percentage (%)	Amount (thousand yen)	Percentage (%)	Amount (thousand yen)	Percentage (%)			
[Net Assets]									
I. Shareholders' Equity									
1. Capital		6,791,682	25.7		6,791,682	26.3	6,791,682	25.9	
2. Capital surplus									
(1) Capital reserves	10,571,419			10,571,419			10,571,419		
Total capital surplus		10,571,419	40.0		10,571,419	40.9		10,571,419	40.2
3. Retained earnings									
(1) Earned surplus reserves	1,697,920			1,697,920			1,697,920		
(2) Other retained earnings									
Special depreciation reserves	494			201			201		
Contingent reserves	5,500,000			5,500,000			5,500,000		
Retained earnings carried forward	386,764			(84,317)			297,330		
Total retained earnings		7,585,179	28.7		7,113,804	27.5		7,495,452	28.5
4. Treasury stocks		(310,770)	(1.2)		(370,462)	(1.5)		(309,876)	(1.1)
Total Shareholders' Equity		24,637,511	93.2		24,106,444	93.2		24,548,678	93.5
II. Valuation/Conversion Differentials and Others									
1. Differential from valuation of other securities		9,128			5,903			7,705	
Total of valuation/conversion differentials		9,128	0.0		5,903	0.0		7,705	0.0
Total Net Assets		24,646,640	93.2		24,112,348	93.2		24,556,384	93.5
Total Liabilities/Net assets		26,458,369	100.0		25,858,396	100.0		26,271,127	100.0

(2) Interim Income Statement

Item	Previous Interim Accounting Term (From April 1, 2006 to September 30, 2006)		Current Interim Accounting Term (From April 1, 2007 to September 30, 2007)		Summary of Income Statement of the Previous Business Year (From April 1, 2006 to March 31, 2007)				
	Amount (thousand yen)	%	Amount (thousand yen)	%	Amount (thousand yen)	%			
I. Sales Amount		3,206,225	100.0		3,179,808	100.0		6,202,832	100.0
II. Cost of Sales		2,306,398	71.9		2,366,112	74.4		4,496,436	72.5
Gross Profit		899,826	28.1		813,695	25.6		1,706,396	27.5
III. Selling, General and Administrative Expenses		903,326	28.2		963,433	30.3		1,828,006	29.5
Operating Profit or (loss)		(3,499)	(0.1)		(149,737)	(4.7)		(121,610)	(2.0)
IV. Non-operating Income									
1. Interest received	5,355			34,418			23,641		
2. Dividends received	93			151			145		
3. House rent income	19,200			20,234			38,400		
4. Patent royalties	15,967			17,707			34,186		
5. Foreign exchange gains	16,964			1,397			31,849		
6. Others	13,562	71,143	2.2	8,253	82,163	2.6	21,995	150,218	2.4
V. Non-operating Expenses									
1. Cost of house rent income	8,785			7,911			17,774		
2. Loss on retirement of inventories	--			37,427			--		
3. Others	1,279	10,065	0.3	420	45,759	1.4	2,294	20,069	0.3
Ordinary Profit or (loss)		57,578	1.8		(113,333)	(3.5)		8,538	0.1
VI. Extraordinary Profit		405,588	12.6		80	0.0		405,094	6.5
VII. Extraordinary Loss		9,719	0.3		5,472	0.2		65,588	1.0
Net profit or (loss) before taxes		453,448	14.1		(118,725)	(3.7)		348,044	5.6
Corporate taxes, local and enterprise taxes	127,359			9,800			112,665		
Adjustment to corporate taxes	24,715	152,074	4.7	(23,768)	(13,968)	(0.4)	23,495	136,160	2.2
Net Profit or (Loss)		301,373	9.4		(104,757)	(3.3)		211,884	3.4

(3) Interim Statement of Changes in Shareholders' Equity and others

Previous Interim Accounting Term (from April 1, 2006 to September 30, 2006)

Items	Shareholders' Equity		
	Capital	Capital Surplus	
		Capital Reserves	Total Capital Surplus
Balance at March 31, 2006 (thousand yen)	6,791,682	10,571,419	10,571,419
Changes in the interim accounting term			
Dividend of surplus (Note)			--
Payment of director bonus (Note)			--
Reversal of special depreciation reserves (Note)			--
Contingent reserves accumulation (Note)			--
Interim net profit			--
Acquisition of treasury stocks			--
Disposal of treasury stocks			--
Changes in the items other than of shareholders' equity during the interim accounting term (net amount)			--
Total amount of changes during the interim accounting term (thousand yen)	--	--	--
Balance at September 30, 2006 (thousand yen)	6,791,682	10,571,419	10,571,419

Items	Shareholders' Equity						
	Retained Earnings					Treasury Stocks	Total Shareholders' Equity
	Earned Surplus Reserves	Other Retained Earnings			Total Retained Earnings		
		Special Depreciation Reserve	Contingent Reserves	Earned Surplus Carried Over			
Balance at March 31, 2006 (thousand yen)	1,697,920	799	5,100,000	771,082	7,569,802	(314,340)	24,618,564
Changes in the interim accounting term							
Dividend of surplus (Note)				(276,844)	(276,844)		(276,844)
Payment of director bonus (Note)				(8,120)	(8,120)		(8,120)
Reversal of special depreciation reserves (Note)		(304)		304	--		--
Contingent reserves accumulation (Note)			400,000	(400,000)	--		--
Interim net profit				301,373	301,373		301,373
Acquisition of treasury stocks					--	(304)	(304)
Disposal of treasury stocks				(1,031)	(1,031)	3,874	2,843
Changes in the items other than of shareholders' equity during the interim accounting term (net amount)					--		--
Total amount of changes during the interim accounting term (thousand yen)	--	(304)	400,000	(384,318)	15,377	3,570	18,947
Balance at September 30, 2006 (thousand yen)	1,697,920	494	5,500,000	386,764	7,585,179	(310,770)	24,637,511

Previous Interim Accounting Term (from April 1, 2006 to September 30, 2006)

Items	Valuation/Conversion Differentials and Others		Total Net Assets
	Differential from Valuation of Other Securities	Total of Valuation/Conversion Differentials and Others	
Balance at March 31, 2006 (thousand yen)	241,453	241,453	24,860,018
Changes in the interim accounting term			
Dividend of surplus (Note)			(276,844)
Payment of director bonus (Note)			(8,120)
Reversal of special depreciation reserves (Note)			--
Contingent reserves accumulation (Note)			--
Interim net profit			301,373
Acquisition of treasury stocks			(304)
Disposal of treasury stocks			2,843
Changes in the items other than of shareholders' equity during the interim accounting term (net amount)	(232,325)	(232,325)	(232,325)
Total amount of changes during the interim accounting term (thousand yen)	(232,325)	(232,325)	(213,378)
Balance at September 30, 2006 (thousand yen)	9,128	9,128	24,646,640

(Note) The above are the profit appropriation items as approved by the Regular Shareholders' Meeting in June 2006.

Current Interim Accounting Term (from April 1, 2007 to September 30, 2007)

Items	Shareholders' Equity		
	Capital	Capital Surplus	
		Capital Reserves	Total Capital Surplus
Balance at March 31, 2007 (thousand yen)	6,791,682	10,571,419	10,571,419
Changes in the interim accounting term			
Dividend of surplus			--
Interim net (loss)			--
Acquisition of treasury stocks			--
Changes in the items other than of shareholders' equity during the interim accounting term (net amount)			--
Total amount of changes during the interim accounting term (thousand yen)	--	--	--
Balance at September 30, 2007 (thousand yen)	6,791,682	10,571,419	10,571,419

Items	Shareholders' Equity						
	Retained Earnings					Treasury Stocks	Total Shareholders' Equity
	Earned Surplus Reserves	Other Retained Earnings			Total Retained Earnings		
		Special Depreciation Reserve	Contingent Reserves	Earned Surplus Carried Over			
Balance at March 31, 2007 (thousand yen)	1,697,920	201	5,500,000	297,330	7,495,452	(309,876)	24,548,678
Changes in the interim accounting term							
Dividend of surplus				(276,890)	(276,890)		(276,890)
Interim net (loss)				(104,757)	(104,757)		(104,757)
Acquisition of treasury stocks					--	(60,586)	(60,586)
Changes in the items other than of shareholders' equity during the interim accounting term (net amount)					--		--
Total amount of changes during the interim accounting term (thousand yen)	--	--	--	(381,648)	(381,648)	(60,586)	(442,234)
Balance at September 30, 2007 (thousand yen)	1,697,920	201	5,500,000	(84,317)	7,113,804	(370,462)	24,106,444

Current Interim Accounting Term (from April 1, 2007 to September 30, 2007)

Items	Valuation/Conversion Differentials and Others		Total Net Assets
	Differential from valuation of other securities	Total of Valuation/Conversion Differentials and Others	
Balance at March 31, 2007 (thousand yen)	7,705	7,705	24,556,384
Changes in the accounting term			
Dividend of surplus			(276,890)
Interim net (loss)			(104,757)
Acquisition of treasury stocks			(60,586)
Changes in the items other than of shareholders' equity during the interim accounting term (net amount)	(1,801)	(1,801)	(1,801)
Total amount of changes during the interim accounting term (thousand yen)	(1,801)	(1,801)	(444,035)
Balance at September 30, 2007 (thousand yen)	5,903	5,903	24,112,348

Previous Business Year (from April 1, 2006 to March 31, 2007)

Items	Shareholders' Equity		
	Capital	Capital Surplus	
		Capital Reserves	Total Capital Surplus
Balance at March 31, 2006 (thousand yen)	6,791,682	10,571,419	10,571,419
Changes in the business year			
Dividend of surplus (Note)			--
Payment of director bonus (Note)			--
Reversal of special depreciation reserves (Note)			--
Contingent reserves accumulation (Note)			--
Net profit			--
Differential from valuation of other securities inserted directly into net assets			--
Acquisition of treasury stocks			--
Disposal of treasury stocks			--
Total amount of changes during the business year (thousand yen)	--	--	--
Balance at March 31, 2007 (thousand yen)	6,791,682	10,571,419	10,571,419

Items	Shareholders' Equity						
	Retained Earnings					Treasury Stocks	Total Shareholders' Equity
	Earned Surplus Reserves	Other Retained Earnings			Total Retained Earnings		
		Special Depreciation Reserve	Contingent Reserves	Earned Surplus Carried Over			
Balance at March 31, 2006 (thousand yen)	1,697,920	799	5,100,000	771,082	7,569,802	(314,340)	24,618,564
Changes in the business year							
Dividend of surplus (Note)				(276,844)	(276,844)		(276,844)
Payment of director bonus (Note)				(8,120)	(8,120)		(8,120)
Reversal of special depreciation reserves (Note)		(598)		598	--		--
Contingent reserves accumulation (Note)			400,000	(400,000)	--		--
Net profit				211,884	211,884		211,884
Differential from valuation of other securities inserted directly into net assets					--		--
Acquisition of treasury stocks					--	(304)	(304)
Disposal of treasury stocks				(1,269)	(1,269)	4,768	3,499
Total amount of changes during the business year (thousand yen)	--	(598)	400,000	(473,751)	(74,349)	4,464	(69,885)
Balance at March 31, 2007 (thousand yen)	1,697,920	201	5,500,000	297,330	7,495,452	(309,876)	24,548,678

Previous Business Year (from April 1, 2006 to March 31, 2007)

Items	Valuation/Conversion Differentials and Others		Total Net Assets
	Differential from valuation of other securities	Total of Valuation/Conversion Differentials and Others	
Balance at March 31, 2006 (thousand yen)	241,453	241,453	24,860,018
Changes in the business year			
Dividend of surplus (Note)			(276,844)
Payment of director bonus (Note)			(8,120)
Reversal of special depreciation reserves (Note)			--
Contingent reserves accumulation (Note)			--
Net profit			211,884
Differential from valuation of other securities inserted directly into net assets	(233,748)	(233,748)	(233,748)
Acquisition of treasury stocks			(304)
Disposal of treasury stocks			3,499
Total amount of changes during the business year (thousand yen)	(233,748)	(233,748)	(303,633)
Balance at March 31, 2007 (thousand yen)	7,705	7,705	24,556,384

(Note) The above are the profit appropriation items as approved by the Regular Shareholders' Meeting in June 2006.