

## FINANCIAL RESULTS

### **【First Quarter Consolidated Financial Statements】**

**- Fiscal Year Ending March 31, 2010 -**

#### **1. Consolidated Balance Sheets**

(in million yen)

	Current 1st-qtr End (As of June 30, 2009)	Prior Year End (As of March 31, 2009)
	Amount	Amount
<b>(ASSETS)</b>		
<b>Current assets</b>		
1 Cash and cash equivalents	56,135	68,541
2 Accounts receivable	9,626	10,293
3 Short-term investments	1,500	-
4 Merchandise	323	483
5 Other current assets	6,199	7,385
Allowance for bad debt	(16)	(36)
Total current assets	73,767	86,666
<b>Fixed assets</b>		
1 Tangible fixed assets		
(1) Machinery and equipment	12,091	13,398
(2) Others	6,469	5,915
Total tangible fixed assets	18,560	19,313
2 Intangible assets	3,191	3,418
3 Investments and other assets		
(1) Affiliated company stock	8,912	11,425
(2) Others	8,496	8,230
Total investments and other assets	17,409	19,655
Total fixed assets	39,160	42,386
<b>Deferred assets</b>		
	59	-
<b>TOTAL ASSETS</b>	<b>112,986</b>	<b>129,052</b>

## Consolidated Balance Sheets (Continued)

(in million yen)

	Current 1st-qr End (As of June 30, 2009)	Prior Year End (As of March 31, 2009)
	Amount	Amount
<b>(LIABILITIES)</b>		
<b>Current liabilities</b>		
1 Trade accounts payable	2,874	4,064
2 Short-term debt	13,000	8,800
3 Current portion of Long-term debt	1,333	1,000
4 Current maturities of bonds	45,790	44,800
5 Other accounts payable	1,147	1,529
6 Accrued expenses	4,440	4,766
7 Income taxes payable	1,080	1,446
8 Provision for employee bonuses	141	141
9 Other current liabilities	3,270	3,420
Total current liabilities	73,076	69,968
<b>Long-term liabilities</b>		
1 Bonds	15,010	33,000
2 Long-term debt	8,667	9,000
3 Provision for retirement benefits	-	73
4 Other long-term liabilities	4,206	4,309
Total long-term liabilities	27,883	46,382
<b>TOTAL LIABILITIES</b>	<b>100,959</b>	<b>116,349</b>
<b>(NET ASSETS)</b>		
<b>Shareholders' equity</b>		
1 Common stock	18,376	18,368
2 Capital surplus	9,219	7,019
3 Retained earnings	(15,818)	(15,427)
Total shareholders' equity	11,777	9,960
<b>Valuation and translation adjustments</b>		
1 Valuation difference on investment securities	18	(7)
2 Deferred hedge gain and loss	(308)	(356)
Total valuation and translation adjustments	(290)	(363)
<b>Minority interests</b>	<b>540</b>	<b>3,105</b>
<b>TOTAL NET ASSETS</b>	<b>12,027</b>	<b>12,702</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>112,986</b>	<b>129,052</b>

## 2. Consolidated Statements of Operations

(in million yen)

	Prior 1st-qr (Three months ended June 30, 2008)	Current 1st-qr (Three months ended June 30, 2009)
	Amount	Amount
<b>Revenue</b>	24,258	21,416
<b>Cost of revenue</b>	17,235	12,335
<b>Gross profit</b>	7,024	9,081
<b>Selling, general and administrative expenses</b>	3,527	4,146
<b>Operating profit</b>	3,497	4,935
<b>Other income</b>		
1 Interest income	24	20
2 Dividend income	63	-
3 Other income	9	20
<b>Other expenses</b>		
1 Interest expense	443	528
2 Equity in net losses of affiliates	4,668	2,578
3 Others	14	50
<b>Recurring income /(loss)</b>	(1,533)	1,819
<b>Non-recurring profit</b>		
1 Gains on negative goodwill	-	467
2 Gains on redemption of bonds	-	105
3 Others	-	116
<b>Non-recurring loss</b>		
1 Loss on disposition of fixed assets	-	87
2 Loss on write-down of investment securities	-	10
<b>Income /(Loss) before income taxes and minority interests</b>	(1,533)	2,410
<b>Income tax expense-current</b>	1,341	1,017
<b>Income tax expense-deferred</b>	(53)	831
<b>Income before minority interests</b>	-	562
<b>Minority interests</b>	10	(100)
<b>Net income /(loss)</b>	(2,810)	462

### 3. Consolidated Statements of Cash Flows

(in million yen)

	Prior 1st-qr (Three months ended June 30, 2008)	Current 1st-qr (Three months ended June 30, 2009)
	Amount	Amount
Cash flows from operating activities		
1 Income /(Loss) before income taxes and minority interests	(1,533)	2,410
2 Depreciation	1,651	1,948
3 Gains on negative goodwill	-	(467)
4 Gains on redemption of bonds	-	(105)
5 Loss on disposition of fixed assets	-	87
6 Other loss	-	3
7 Allowance for bad debt	0	(20)
8 Interest and dividend income	(87)	(20)
9 Interest expense	443	528
10 Equity in net losses of affiliates	4,668	2,578
11 Adjustments for unrealized profit	(212)	(65)
12 Trade accounts receivable	5,456	667
13 Inventory	(196)	160
14 Other assets	416	44
15 Trade accounts payable	(3,240)	(1,190)
16 Other accounts payable	(56)	(89)
17 Accrued expenses	(544)	(613)
18 Provision for retirement benefits	-	(73)
19 Other liabilities	(137)	338
Subtotal	6,630	6,118
20 Interest and dividend received	29	34
21 Interest paid	(9)	(129)
22 Payments of income taxes	(4,260)	(1,377)
Net cash provided by operating activities	2,390	4,646
Cash flows from investing activities		
1 Payments for purchase of investment securities	(25)	-
2 Purchase of tangible fixed assets	(976)	(1,232)
3 Purchase of intangible assets	(311)	(107)
Net cash used in investing activities	(1,312)	(1,338)
Cash flows from financing activities		
1 Repayments of capital lease obligations	(107)	(258)
2 Repayments of installment obligations	(6)	(374)
3 Proceeds from short-term debt	-	13,000
4 Repayments of short-term debt	-	(8,800)
5 Repayments of long-term debt	(470)	-
6 Proceeds from issuance of bonds	-	2,941
7 Redemption of bonds	-	(19,896)
8 Proceeds from stock issuance, net	8	15
9 Dividends paid	(735)	(787)
10 Dividends paid to minority shareholders	-	(54)
Net cash used in financing activities	(1,310)	(14,213)
Net change in cash and cash equivalents	(232)	(10,905)
Cash and cash equivalents at beginning of period	47,619	68,541
Cash and cash equivalents at end of period	47,387	57,635