

Consolidated Statements of Income

Years ended March 31, 2006, 2005 and 2004

	Millions of yen			Thousands of U.S. dollars (Note 1)
	2006	2005	2004	2006
Net sales (Note 14)	¥142,010	¥117,408	¥98,207	\$1,208,904
Cost of sales	84,688	72,401	61,910	720,933
Gross profit	57,322	45,007	36,297	487,971
Selling, general and administrative expenses	41,800	34,615	29,912	355,835
Operating income	15,522	10,392	6,385	132,136
Other income (expenses):				
Interest and dividend income (Note 14)	177	107	91	1,507
Interest expense	(392)	(219)	(211)	(3,337)
Equity in earnings of affiliate	(20)	(23)	(21)	(170)
Foreign currency exchange gains (losses), net	(425)	(9)	106	(3,618)
Loss on disposal of fixed assets	(174)	(129)	(333)	(1,481)
Gain on sale of fixed assets	4	151	87	34
Loss from devaluation of investment securities	(24)	—	—	(204)
Amortization of net transition obligation (Note 10)	—	(211)	(211)	—
Income from rental of real estate (Note 14)	429	413	434	3,652
Expenses for rental of real estate	(271)	(285)	(307)	(2,307)
Loss from devaluation of fixed assets	—	—	(244)	—
Others, net	102	87	174	867
Income before income taxes and minority interests	14,928	10,274	5,950	127,079
Income taxes (Note 8):				
—Current	1,451	1,048	493	12,352
—Deferred	1,914	806	1,161	16,293
Income before minority interests	11,563	8,420	4,296	98,434
Minority interests	(61)	(57)	(45)	(520)
Net income	¥ 11,502	¥ 8,363	¥ 4,251	\$ 97,914

	Yen			U.S. dollars (Note 1)
Net income per share:				
—Primary	¥108.92	¥78.78	¥39.17	\$0.93
—Diluted	108.60	78.67	39.17	0.92
Cash dividends applicable to the year	24.00	20.00	14.00	0.20

See accompanying notes.