Consolidated Interim Statements of Income

Six months ended September 30, 2004 and 2003 (unaudited)

Thousands of

Net sales Xé684,743 ¥ 587,047 \$ 6,166,079 Cost of sales 549,563 483,058 4,948,789 Gross profit 135,180 103,989 1,217,290 Selling, general and administrative expenses 67,783 61,961 610,383 Operating income 67,397 42,028 606,907 Other income (expenses): 1,555 1,185 14,003 Interest and dividend income Interest expense (12,316) (13,333) (110,905) Seconded employees' salaries net of reimbursement (9,094) (9,938) (81,891) Foreign exchange gain (loss) 1,364 (1,820) 12,283 Equity in income of unconsolidated subsidiaries and affiliates 4,182 3,479 37,659 Gain on sale of securities 2,676 5,520 24,097 Loss on impairment for fixed assets (9,075) - (81,720) Loss on sale or disposal of plant and equipment accounting standard for retirement benefits (6,368) (6,368) (57,344) Amortization of prior service credits of pension plans 3,488 3,488 31,				U.S. dollars
Net sales ¥ 684,743 ¥ 587,047 \$ 6,166,079 Cost of sales 549,563 483,058 4,948,789 Gross profit 135,180 103,989 1,217,290 Selling, general and administrative expenses 67,783 61,961 610,383 Operating income 67,397 42,028 606,907 Other income (expenses): 1,555 1,185 14,003 Interest and dividend income Interest expense (12,316) (13,333) (110,905) Seconded employees' salaries net of reimbursement (9,094) (9,938) (81,891) Foreign exchange gain (loss) 1,364 (1,820) 12,283 Equity in income of unconsolidated subsidiaries and affiliates 4,182 3,479 37,659 Gain on sale of securities 2,676 5,520 24,097 Loss on impairment for fixed assets (9,075) - (81,720) Loss on sale or disposal of plant and equipment (2,472) (2,636) (22,260) Effect of applying new accounting standard for retirement benefits (6,368) (6,368) (57,344)				
Cost of sales 544,563 483,058 4,948,789 Gross profit 135,180 103,989 1,217,290 Selling, general and administrative expenses 67,783 61,961 610,383 Operating income 67,397 42,028 606,907 Other income (expenses): Interest and dividend income Interest expense (12,316) (13,333) (110,905) Seconded employees' salaries net of reimbursement (9,094) (9,938) (81,891) Foreign exchange gain (loss) 1,364 (1,820) 12,283 Equity in income of unconsolidated subsidiaries and affiliates 4,182 3,479 37,659 Gain on sale of securities 2,676 5,520 24,097 Loss on impairment for fixed assets (9,075) - (81,720) Loss on sale or disposal of plant and equipment (2,472) (2,636) (22,260) Effect of applying new accounting standard for retirement benefits (6,368) (6,368) (57,344) Amortization of prior service credits of pension plans 3,488 3,488 31,409 O		2004	2003	2004
Gross profit 135,180 103,989 1,217,290 Selling, general and administrative expenses 67,783 61,961 610,383 Operating income 67,397 42,028 606,907 Other income (expenses): Interest and dividend income Interest expense (12,316) (13,333) (110,905) Seconded employees' salaries net of reimbursement (9,094) (9,938) (81,891) Foreign exchange gain (loss) 1,364 (1,820) 12,283 Equity in income of unconsolidated subsidiaries and affiliates 4,182 3,479 37,659 Gain on sale of securities 2,676 5,520 24,097 Loss on impairment for fixed assets (9,075) - (81,720) Loss on sale or disposal of plant and equipment (2,472) (2,636) (22,260) Effect of applying new accounting standard for retirement benefits (6,368) (6,368) (57,344) Amortization of prior service credits of pension plans 3,488 3,488 3,489 3,489 Other, net (6,430) (4,428) (57,902) Income before income taxes			¥ 587,047	\$ 6,166,079
Selling, general and administrative expenses 67,783 61,961 610,383 Operating income 67,397 42,028 606,907 Other income (expenses): Interest and dividend income Interest expense (12,316) (13,333) (110,905) Seconded employees' salaries net of reimbursement (9,094) (9,938) (81,891) Foreign exchange gain (loss) 1,364 (1,820) 12,283 Equity in income of unconsolidated subsidiaries and affiliates 4,182 3,479 37,659 Gain on sale of securities 2,676 5,520 24,097 Loss on impairment for fixed assets (9,075) - (81,720) Loss on sale or disposal of plant and equipment (2,472) (2,636) (22,260) Effect of applying new accounting standard for retirement benefits (6,368) (6,368) (57,344) Amortization of prior service credits of pension plans 3,488 3,488 31,409 Other, net (6,430) (4,428) (57,902) (32,490) (24,851) (292,571) Income before income taxes 34,907 17,177 </td <td>•</td> <td>549,563</td> <td>483,058</td> <td>4,948,789</td>	•	549,563	483,058	4,948,789
administrative expenses 67,783 61,961 610,383 Operating income 67,397 42,028 606,907 Other income (expenses): Interest and dividend income 1,555 1,185 14,003 Interest expense (12,316) (13,333) (110,905) Seconded employees' salaries net of reimbursement (9,094) (9,938) (81,891) Foreign exchange gain (loss) 1,364 (1,820) 12,283 Equity in income of unconsolidated subsidiaries and affiliates 4,182 3,479 37,659 Gain on sale of securities 2,676 5,520 24,097 Loss on impairment for fixed assets (9,075) - (81,720) Loss on sale or disposal of plant and equipment (2,472) (2,636) (22,260) Effect of applying new accounting standard for retirement benefits (6,368) (6,368) (57,344) Amortization of prior service credits of pension plans 3,488 3,488 31,409 Other, net (6,430) (4,428) (57,902) (32,490) (24,851) (292,571)	Gross profit	135,180	103,989	1,217,290
Operating income 67,397 42,028 606,907 Other income (expenses): Interest and dividend income Interest expense 1,555 1,185 14,003 Interest expense (12,316) (13,333) (110,905) Seconded employees' salaries net of reimbursement (9,094) (9,938) (81,891) Foreign exchange gain (loss) 1,364 (1,820) 12,283 Equity in income of unconsolidated subsidiaries and affiliates 4,182 3,479 37,659 Gain on sale of securities 2,676 5,520 24,097 Loss on impairment for fixed assets (9,075) - (81,720) Loss on sale or disposal of plant and equipment (2,472) (2,636) (22,260) Effect of applying new accounting standard for retirement benefits (6,368) (6,368) (57,344) Amortization of prior service credits of pension plans 3,488 3,488 31,409 Other, net (6,430) (4,428) (57,902) (32,490) (24,851) (292,571) Income before income taxes 34,907 17,177 314,336	Selling, general and			
Other income (expenses): Interest and dividend income 1,555 1,185 14,003 Interest expense (12,316) (13,333) (110,905) Seconded employees' salaries net of reimbursement (9,094) (9,938) (81,891) Foreign exchange gain (loss) 1,364 (1,820) 12,283 Equity in income of unconsolidated subsidiaries and affiliates 4,182 3,479 37,659 Gain on sale of securities 2,676 5,520 24,097 Loss on impairment for fixed assets (9,075) - (81,720) Loss on sale or disposal of plant and equipment (2,472) (2,636) (22,260) Effect of applying new accounting standard for retirement benefits (6,368) (6,368) (57,344) Amortization of prior service credits of pension plans 3,488 3,488 31,409 Other, net (6,430) (4,428) (57,902) (32,490) (24,851) (292,571) Income before income taxes 34,907 17,177 314,336 Income taxes: Current 6,665 2,95	administrative expenses	67,783	61,961	610,383
Interest and dividend income 1,555 1,185 14,003 Interest expense (12,316) (13,333) (110,905) Seconded employees' salaries net of reimbursement (9,094) (9,938) (81,891) Foreign exchange gain (loss) 1,364 (1,820) 12,283 Equity in income of unconsolidated subsidiaries and affiliates 4,182 3,479 37,659 Gain on sale of securities 2,676 5,520 24,097 Loss on impairment for fixed assets (9,075) - (81,720) Loss on sale or disposal of plant and equipment (2,472) (2,636) (22,260) Effect of applying new accounting standard for retirement benefits (6,368) (6,368) (57,344) Amortization of prior service credits of pension plans 3,488 3,488 31,409 Other, net (6,430) (4,428) (57,902) (32,490) (24,851) (292,571) Income before income taxes 34,907 17,177 314,336 Income taxes: Current 6,665 2,953 60,018 Deferred 11,966 4,159 107,753 Income of subsidiaries (586) (1,068) (5,277) Minority interests in income of subsidiaries (586) (1,068) (5,277) Net income Y 15,690 Y 8,997 \$141,288 Net Income Y 5,287 Y 3,036 \$47.61 Net Income Y 5,287 Y 3,036 \$47.61	Operating income	67,397	42,028	606,907
Interest expense (12,316) (13,333) (110,905)	Other income (expenses):			
Seconded employees' salaries net of reimbursement net of	Interest and dividend income	1,555	1,185	14,003
net of reimbursement (9,094) (9,938) (81,891) Foreign exchange gain (loss) 1,364 (1,820) 12,283 Equity in income of unconsolidated subsidiaries and affiliates 4,182 3,479 37,659 Gain on sale of securities 2,676 5,520 24,097 Loss on impairment for fixed assets (9,075) - (81,720) Loss on sale or disposal of plant and equipment (2,472) (2,636) (22,260) Effect of applying new accounting standard for retirement benefits (6,368) (6,368) (57,344) Amortization of prior service credits of pension plans 3,488 3,488 31,409 Other, net (6,430) (4,428) (57,902) (32,490) (24,851) (292,571) Income before income taxes 34,907 17,177 314,336 Income taxes: Current 6,665 2,953 60,018 Deferred 11,966 4,159 107,753 18,631 7,112 167,771 Minority interests in income of subsidiaries (586) (1,068)	Interest expense	(12,316)	(13,333)	(110,905)
Foreign exchange gain (loss) Equity in income of unconsolidated subsidiaries and affiliates Gain on sale of securities Loss on impairment for fixed assets (9,075) Loss on sale or disposal of plant and equipment Effect of applying new accounting standard for retirement benefits Amortization of prior service credits of pension plans Other, net (6,430) Income before income taxes Current Deferred 11,966 11,966 4,159 107,753 Minority interests in income of subsidiaries Net income Per 1,000 shares Net Income 12,283 1,364 (1,820) 12,283 12,283 12,489 3,479 37,659 (81,720) 2,676 5,520 24,097 (2,636) (22,260) (22,260) (22,260) (24,636) (22,260) (24,636) (22,260) (24,636) (22,260) (24,851) (22,260) (24,851) (22,260) (24,851) (22,260) (32,490) (24,428) (57,344) (32,490) (24,851) (292,571) Income before income taxes 11,966 4,159 107,753 18,631 7,112 167,771 Minority interests in income of subsidiaries (586) (1,068) (5,277) Net income VI.S. dollars (Note 1) Per 1,000 shares 2004 2003 2004 Net Income	Seconded employees' salaries			
Equity in income of unconsolidated subsidiaries and affiliates	net of reimbursement	(9,094)	(9,938)	(81,891)
unconsolidated subsidiaries and affiliates 4,182 3,479 37,659 Gain on sale of securities 2,676 5,520 24,097 Loss on impairment for fixed assets (9,075) - (81,720) Loss on sale or disposal of plant and equipment (2,472) (2,636) (22,260) Effect of applying new accounting standard for retirement benefits (6,368) (6,368) (57,344) Amortization of prior service credits of pension plans 3,488 3,488 31,409 Other, net (6,430) (4,428) (57,902) (32,490) (24,851) (292,571) Income before income taxes 34,907 17,177 314,336 Income taxes: 34,907 17,177 314,336 Current 6,665 2,953 60,018 Deferred 11,966 4,159 107,753 Minority interests in income of subsidiaries (586) (1,068) (5,277) Net income ¥15,690 ¥8,997 \$141,288 Per 1,000 shares 2004 2003 2004 Net Income	Foreign exchange gain (loss)	1,364	(1,820)	12,283
Cain on sale of securities	• •			
Loss on impairment for fixed assets (9,075) - (81,720) Loss on sale or disposal of plant and equipment (2,472) (2,636) (22,260) Effect of applying new accounting standard for retirement benefits (6,368) (6,368) (57,344) Amortization of prior service credits of pension plans (3,488 (3,488 (57,902) (32,490) (24,851) (292,571) Income before income taxes (34,907 (17,177 (314,336) (292,571)) Income taxes: Current (6,665 (2,953 (60,018) (292,571) (292,571) (292,571) (292,571) Income taxes: Current (1,966 (4,159 (10,753) (10,7753) (10,68) (5,277) (10,771) (10,68) (5,277) (10,68) (10	and affiliates	4,182	3,479	37,659
Comparison of the comparison	Gain on sale of securities	2,676	5,520	24,097
Loss on sale or disposal of plant and equipment (2,472) (2,636) (22,260) Effect of applying new accounting standard for retirement benefits (6,368) (6,368) (57,344) Amortization of prior service credits of pension plans (3,488 (3,488 (57,902) (32,490) (24,851) (292,571) Income before income taxes (34,907 (17,177 (314,336) (1,068) (2,273) (2,004)	Loss on impairment for fixed			
plant and equipment (2,472) (2,636) (22,260) Effect of applying new accounting standard for retirement benefits (6,368) (6,368) (57,344) Amortization of prior service credits of pension plans 3,488 3,488 31,409 Other, net (6,430) (4,428) (57,902) (32,490) (24,851) (292,571) Income before income taxes 34,907 17,177 314,336 Income taxes: Current 6,665 2,953 60,018 Deferred 11,966 4,159 107,753 18,631 7,112 167,771 Minority interests in income of subsidiaries (586) (1,068) (5,277) Net income ¥15,690 ¥8,997 \$141,288 Per 1,000 shares 2004 2003 2004 Net Income ¥5,287 ¥3,036 \$47.61	assets	(9,075)	-	(81,720)
Effect of applying new accounting standard for retirement benefits (6,368) (6,368) (57,344) Amortization of prior service credits of pension plans 3,488 3,488 31,409 Other, net (6,430) (4,428) (57,902) (32,490) (24,851) (292,571) Income before income taxes 34,907 17,177 314,336 Income taxes: Current 6,665 2,953 60,018 Deferred 11,966 4,159 107,753 18,631 7,112 167,771 Minority interests in income of subsidiaries (586) (1,068) (5,277) Net income \$\frac{1}{2}\$ Yen U.S. dollars (Note 1) Per 1,000 shares 2004 2003 2004 Net Income \$\frac{1}{2}\$ \$\fra	Loss on sale or disposal of			
accounting standard for retirement benefits (6,368) (6,368) (57,344) Amortization of prior service credits of pension plans 3,488 3,488 31,409 Other, net (6,430) (4,428) (57,902) (32,490) (24,851) (292,571) Income before income taxes 34,907 17,177 314,336 Income taxes: Current 6,665 2,953 60,018 Deferred 11,966 4,159 107,753 18,631 7,112 167,771 Minority interests in income of subsidiaries (586) (1,068) (5,277) Net income \$\frac{1}{2}\$ Yen U.S. dollars (Note 1) Per 1,000 shares 2004 2003 2004 Net Income \$\frac{1}{2}\$ \$	plant and equipment	(2,472)	(2,636)	(22,260)
retirement benefits Amortization of prior service credits of pension plans Other, net (6,368) (6,368) (6,368) (57,344) Amortization of prior service credits of pension plans Other, net (6,430) (32,490) (24,851) (292,571) Income before income taxes Income taxes: Current 6,665 2,953 60,018 Deferred 11,966 4,159 107,753 18,631 7,112 167,771 Minority interests in income of subsidiaries (586) (1,068) (5,277) Net income yen U.S. dollars (Note 1) Per 1,000 shares Ven (Note 1) Per 1,000 shares Ven (Note 1) Ven (N	Effect of applying new			
Amortization of prior service credits of pension plans 3,488 3,488 31,409 Other, net (6,430) (4,428) (57,902) (32,490) (24,851) (292,571) Income before income taxes 34,907 17,177 314,336 Income taxes: Current 6,665 2,953 60,018 Deferred 11,966 4,159 107,753 18,631 7,112 167,771 Minority interests in income of subsidiaries (586) (1,068) (5,277) Net income \$\frac{1}{2}\$ Yen U.S. dollars (Note 1) Per 1,000 shares 2004 2003 2004 Net Income \$\frac{1}{2}\$ Yen \$\frac{1}{2}\$ 3,036 \$47.61	accounting standard for			
credits of pension plans 3,488 3,488 31,409 Other, net (6,430) (4,428) (57,902) (32,490) (24,851) (292,571) Income before income taxes 34,907 17,177 314,336 Income taxes: Current 6,665 2,953 60,018 Deferred 11,966 4,159 107,753 18,631 7,112 167,771 Minority interests in income of subsidiaries (586) (1,068) (5,277) Net income ¥ 15,690 ¥ 8,997 \$ 141,288 Per 1,000 shares 2004 2003 2004 Net Income ¥ 5,287 ¥ 3,036 \$ 47.61	retirement benefits	(6,368)	(6,368)	(57,344)
Other, net (6,430) (4,428) (57,902) (32,490) (24,851) (292,571) Income before income taxes 34,907 17,177 314,336 Income taxes: 0,665 2,953 60,018 Deferred 11,966 4,159 107,753 18,631 7,112 167,771 Minority interests in income of subsidiaries (586) (1,068) (5,277) Net income ¥ 15,690 ¥ 8,997 \$ 141,288 Per 1,000 shares 2004 2003 2004 Net Income ¥ 5,287 ¥ 3,036 \$ 47.61	Amortization of prior service			
Carrent Carr	credits of pension plans	3,488	3,488	31,409
Income before income taxes 34,907 17,177 314,336 Income taxes:	Other, net	(6,430)	(4,428)	(57,902)
Current 6,665 2,953 60,018 Deferred 11,966 4,159 107,753 18,631 7,112 167,771 Minority interests in income of subsidiaries (586) (1,068) (5,277) Net income ¥15,690 ¥8,997 \$141,288 Per 1,000 shares 2004 2003 2004 Net Income ¥5,287 ¥3,036 \$47.61		(32,490)	(24,851)	(292,571)
Current 6,665 2,953 60,018 Deferred 11,966 4,159 107,753 18,631 7,112 167,771 Minority interests in income of subsidiaries (586) (1,068) (5,277) Net income ¥ 15,690 ¥ 8,997 \$ 141,288 Per 1,000 shares 2004 2003 2004 Net Income ¥ 5,287 ¥ 3,036 \$ 47.61	Income before income taxes	34,907	17,177	314,336
Deferred 11,966 4,159 107,753 18,631 7,112 167,771 Minority interests in income of subsidiaries (586) (1,068) (5,277) Net income ¥15,690 ¥8,997 \$141,288 Per 1,000 shares 2004 2003 2004 Net Income ¥5,287 ¥3,036 \$47.61	Income taxes:			
Minority interests in income of subsidiaries (586) (1,068) (5,277)	Current	6,665	2,953	60,018
Minority interests in income of subsidiaries (586) (1,068) (5,277) Net income ¥ 15,690 ¥ 8,997 \$ 141,288 Yen U.S. dollars (Note 1) Per 1,000 shares 2004 2003 2004 Net Income ¥ 5,287 ¥ 3,036 \$ 47.61	Deferred	11,966	4,159	107,753
income of subsidiaries (586) (1,068) (5,277) Net income ¥ 15,690 ¥ 8,997 \$ 141,288 yen U.S. dollars (Note 1) Per 1,000 shares 2004 2003 2004 Net Income ¥ 5,287 ¥ 3,036 \$ 47.61		18,631	7,112	167,771
Net income ¥ 15,690 ¥ 8,997 \$ 141,288 yen U.S. dollars (Note 1) Per 1,000 shares 2004 2003 2004 Net Income ¥ 5,287 ¥ 3,036 \$ 47.61	Minority interests in			
yen U.S. dollars (Note 1) Per 1,000 shares 2004 2003 2004 Net Income ¥ 5,287 ¥ 3,036 \$ 47.61	income of subsidiaries	(586)	(1,068)	(5,277)
	Net income	¥ 15,690	¥ 8,997	\$ 141,288
Net Income ¥ 5,287 ¥ 3,036 \$ 47.61		yen		
, , , , , , , , , , , , , , , , , , , ,	Per 1,000 shares	2004	2003	2004
<i>Diluted net income</i> 5,040 - 45.38	Net Income	¥ 5,287	¥ 3,036	\$ 47.61
	Diluted net income	5,040	-	45.38