

## Consolidated Balance Sheets

| March 31                                  | Millions of Yen   |                   |
|---|-------------------|-------------------|
|   | 2005              | 2004              |
| <b>ASSETS</b>                             |                   |                   |
| <b>Current assets:</b>                    |                   |                   |
| Cash and cash equivalents                 | ¥52,575           | ¥57,538           |
| Short-term investments                    | 2,648             | 116               |
| Securities                                | 13                | 2,763             |
| Trade receivables                         | 515,274           | 511,039           |
| Inventories:                              |                   |                   |
| Finished goods                            | 126,682           | 119,227           |
| Work in process                           | 63,922            | 59,333            |
| Raw materials and supplies                | 82,177            | 69,012            |
| Land held for sale                        | 4,940             | 4,190             |
| Deferred income taxes-current             | 32,806            | 38,165            |
| Prepaid expenses and other current assets | 36,169            | 34,779            |
| Allowance for doubtful accounts           | (2,327)           | (3,036)           |
| <b>Total current assets</b>               | <b>914,879</b>    | <b>893,126</b>    |
| <b>Property, plant and equipment:</b>     |                   |                   |
| Land                                      | 176,169           | 192,187           |
| Buildings                                 | 631,316           | 635,567           |
| Machinery and equipment                   | 1,489,944         | 1,501,482         |
| Construction in progress                  | 26,538            | 22,686            |
|   | 2,323,967         | 2,351,922         |
| Accumulated depreciation                  | (1,649,014)       | (1,628,657)       |
| <b>Net property, plant and equipment</b>  | <b>674,953</b>    | <b>723,265</b>    |
| <b>Investments and other assets:</b>      |                   |                   |
| Investment securities                     | 259,816           | 248,729           |
| Long-term loans                           | 3,024             | 5,454             |
| Deferred income taxes—non-current         | 44,731            | 51,139            |
| Other                                     | 74,477            | 81,206            |
| Allowance for doubtful accounts           | (1,352)           | (1,318)           |
| <b>Total investments and other assets</b> | <b>380,696</b>    | <b>385,210</b>    |
| <b>Total assets</b>                       | <b>¥1,970,528</b> | <b>¥2,001,601</b> |

| March 31   | Millions of Yen   |                   |
|--|-------------------|-------------------|
|  | 2005              | 2004              |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>              |                   |                   |
| <b>Current liabilities:</b>                              |                   |                   |
| Short-term debt  | ¥248,381          | ¥343,314          |
| Current portion of long-term debt                        | 78,875            | 102,179           |
| Trade payables   | 439,009           | 360,463           |
| Accrued expenses   | 48,776            | 50,060            |
| Accrued income taxes                                     | 23,333            | 17,403            |
| Other current liabilities                                | 44,168            | 49,750            |
| <b>Total current liabilities</b>                         | <b>882,542</b>    | <b>923,169</b>    |
| <b>Long-term liabilities:</b>                            |                   |                   |
| Long-term debt   | 376,821           | 416,003           |
| Accrued retirement benefits                              | 102,600           | 108,386           |
| Other non-current liabilities                            | 23,184            | 21,186            |
| <b>Total long-term liabilities</b>                       | <b>502,605</b>    | <b>545,575</b>    |
| <b>Minority interests</b>                                | <b>139,404</b>    | <b>135,794</b>    |
| <b>Shareholders' equity:</b>                             |                   |                   |
| Common stock:  |                   |                   |
| Authorized—5,900,000 thousand shares;                    |                   |                   |
| Issued—2,177,675 thousand shares at March 31, 2005 and   |                   |                   |
| 2,177,675 thousand shares at March 31, 2004              | 145,086           | 145,086           |
| Additional paid-in capital                               | 117,108           | 116,980           |
| Retained earnings (Note 13)                              | 162,966           | 127,744           |
| Revaluation surplus                                      | 1,901             | 1,901             |
| Valuation gain on investment securities after tax-effect | 37,794            | 24,897            |
| Foreign currency translation adjustments                 | (17,917)          | (18,772)          |
| Treasury stock at cost—                                  |                   |                   |
| 3,880 thousand shares at March 31, 2005 and              |                   |                   |
| 3,911 thousand shares at March 31, 2004                  | (961)             | (773)             |
| <b>Total shareholders' equity</b>                        | <b>445,977</b>    | <b>397,063</b>    |
| <b>Total liabilities and shareholders' equity</b>        | <b>¥1,970,528</b> | <b>¥2,001,601</b> |

See Notes to Consolidated Financial Statements.