

## 2. Consolidated Statements of Income

	Fiscal 2006 (January to December 2006)		FY 2007 (January to December 2007)		Increase/ decrease
	Millions of yen	% of net sales	Millions of yen	% of net sales	Millions of yen
Net sales	330,380	100.0	341,717	100.0	11,336
Cost of sales	165,570	50.1	159,200	46.6	(6,370)
Gross profit	164,810	49.9	182,517	53.4	17,706
Selling, general and administrative expenses	164,467	49.8	173,611	50.8	9,144
Operating income	343	0.1	8,905	2.6	8,562
Nonoperating income	2,983	0.9	2,492	0.7	(490)
Interest and dividend income	524		431		(93)
Equity in earnings of non-consolidated subsidiaries and affiliates	1,555		1,045		(510)
Other	903		1,016		112
Nonoperating expenses	899	0.3	1,293	0.4	394
Interest expenses	344		744		400
Other	555		548		(6)
Ordinary income	2,427	0.7	10,104	2.9	7,677
Extraordinary income	15,114	4.6	2,228	0.7	(12,886)
Gain on disposal of property, plant and equipment	5,887		1,082		(4,804)
Reversal of allowance for doubtful accounts	—		904		904
Gain on sales of subsidiary shares	706		231		(475)
Gain on sales of investment securities	8,387		8		(8,379)
Other	132		—		(132)
Extraordinary loss	4,521	1.4	2,768	0.8	(1,752)
Loss on disposal of property, plant and equipment	1,027		273		(754)
Voluntary product recall expenses	—		1,950		1,950
Loss on devaluation of investment securities	3		372		369
Impairment loss	481		74		(406)
Loss on sales of investment securities	—		65		65
Loss on shutdown of a plant	1,644		—		(1,644)
Early retirement payments	958		—		(958)
Other	406		32		(373)
Net income before income taxes	13,020	3.9	9,564	2.8	(3,456)
Income taxes	2,532	0.8	2,074	0.6	(457)
Adjustment of income taxes	4,660	1.4	1,960	0.6	(2,700)
Minority interest in earnings of consolidated subsidiaries	287	0.0	105	0.0	(181)
Net income	5,540	1.7	5,423	1.6	(116)