

IV. Consolidated Interim Financial Statements

1. Consolidated Interim Balance Sheets

	Interim 2006 (Ended June 30, 2006)		Interim 2007 (Ended June 30, 2007)		Fiscal 2006 (Ended December 31, 2006)	
	Millions of yen	Share of total (%)	Millions of yen	Share of total (%)	Millions of yen	Share of Total (%)
Assets						
Current assets	115,538	46.3	<u>120,846</u>	49.0	123,008	49.9
Cash and time deposits	16,589		24,813		26,995	
Trade notes and accounts receivable	64,857		59,872		64,138	
Short-term investments	—		1,019		—	
Inventories	27,783		<u>29,587</u>		26,387	
Deferred tax assets	3,745		3,445		3,491	
Other	4,290		3,974		3,867	
Allowance for doubtful accounts	(1,727)		(1,866)		(1,870)	
Fixed assets	133,879	53.7	126,005	51.0	123,318	50.1
Property, plant and equipment	67,854	27.2	64,398	26.1	65,606	26.7
Buildings and structures	21,643		21,515		21,410	
Machinery and equipment	21,343		20,061		18,936	
Land	19,538		18,870		18,824	
Construction in progress	2,347		868		3,401	
Other	2,981		3,081		3,033	
Intangible assets	9,912	4.0	8,815	3.5	9,428	3.8
Goodwill	1,090		962		1,026	
Trademarks, etc.	8,822		7,853		8,402	
Investments and other assets	56,112	22.5	52,791	21.4	48,282	19.6
Investment securities	37,315		28,044		26,853	
Long-term loans receivable	340		283		370	
Prepaid pension cost	6,748		12,888		9,766	
Deferred tax assets	10,384		10,647		10,272	
Other	1,549		1,090		1,181	
Allowance for doubtful accounts	(226)		(162)		(160)	
Total assets	249,418	100.0	<u>246,851</u>	100.0	246,327	100.0

	Interim 2006 (Ended June 30, 2006)		Interim 2007 (Ended June 30, 2007)		Fiscal 2006 (Ended December 31, 2006)	
	Millions of yen	Share of total (%)	Millions of yen	Share of total (%)	Millions of yen	Share of total (%)
Liabilities						
Current liabilities	99,756	40.0	<u>97,805</u>	<u>39.6</u>	98,375	39.9
Trade notes and accounts payable	42,450		50,193		50,185	
Commercial papers	7,694		—		237	
Short-term loans payable	8,784		5,922		7,612	
Other payables and accrued expenses	32,821		<u>32,732</u>		33,592	
Accrued income taxes	1,838		1,125		2,121	
Allowance for returns	785		909		940	
Allowance for sales promotion expenses	666		763		215	
Allowance for bonuses to directors and statutory auditors	—		71		50	
Other	4,715		6,087		3,420	
Long-term liabilities	36,706	14.7	42,131	17.1	42,818	17.4
Long-term debt	6,225		13,551		13,599	
Accrued employee retirement benefits	25,047		22,979		23,687	
Accrued director retirement allowances	341		543		526	
Other	5,091		5,057		5,004	
Total liabilities	136,462	54.7	<u>139,937</u>	<u>56.7</u>	141,193	57.3
Net assets						
Shareholders' equity	101,939	40.9	<u>97,276</u>	<u>39.4</u>	96,620	39.2
Common stock	34,433	13.8	34,433	13.9	34,433	14.0
Capital surplus	31,591	12.7	31,503	12.8	31,499	12.8
Retained earnings	52,124	20.9	<u>47,135</u>	<u>19.1</u>	46,600	18.9
Treasury stock	(16,210)	(6.5)	(15,796)	(6.4)	(15,913)	(6.5)
Valuation and translation adjustments	8,267	3.3	5,606	2.3	5,157	2.1
Unrealized holding gain on other securities	8,427	3.4	4,560	1.9	4,727	1.9
Deferred losses on hedges	—	—	(1)	(0.0)	(3)	(0.0)
Foreign currency translation adjustments	(159)	(0.1)	1,047	0.4	433	0.2
Stock Acquisition Rights	—	—	24	0.0	—	—
Minority interest in consolidated subsidiaries	2,748	1.1	4,008	1.6	3,354	1.4
Total net assets	112,955	45.3	<u>106,914</u>	<u>43.3</u>	105,133	42.7
Total liabilities and net assets	249,418	100.0	<u>246,851</u>	100.0	246,327	100.0