

5. Unconsolidated Financial Statements

(1) Unconsolidated Balance Sheets

	(Millions of yen)	
	Previous Year (As of March 31, 2008)	Current Year (As of March 31, 2009)
Assets		
Current assets		
Cash and deposits	108,760	54,426
Trade notes receivable	4,732	4,517
Trade accounts receivable	169,019	177,479
Marketable securities	479,097	201,942
Merchandise	13,569	—
Products	17,756	—
Merchandise and products	—	36,415
Raw materials	18,015	—
Semi-finished products	20,897	—
Work in process	1,908	26,126
Supplies	245	—
Raw materials and supplies	—	20,453
Advance Payments	6	7
Prepaid expenses	2,455	2,244
Deferred tax assets	117,136	160,607
Other current assets	25,903	25,428
Allowance for doubtful receivables	(6)	(6)
Total current assets	979,493	709,638
Fixed assets		
Tangible fixed assets		
Buildings	50,306	49,257
Structures	5,455	5,117
Machinery and equipment	18,833	18,410
Vehicles and other land transportation devices	63	55
Tools, instruments and fixtures	2,757	3,153
Land	20,787	20,786
Lease assets	—	2,458
Construction in progress	6,057	13,224
Total tangible fixed assets	104,257	112,460
Intangible fixed assets	81	4,476
Investments and other assets		
Investment securities	177,312	105,690
Equity in subsidiaries and affiliates	475,514	406,397
Investments in capital	6	6
Investments in subsidiaries and affiliates	43,129	43,129
Long-term loans to employees	72	86
Long-term prepaid expenses	257	409
Long-term deposits	43,510	25,961
Prepaid pension costs	34,365	34,020
Deferred tax assets	6,830	28,449
Allowance for doubtful receivables	(123)	(90)
Reserve for investment loss	(33,000)	—
Total investments and other assets	747,872	644,057
Total fixed assets	852,210	760,994
Total Assets	1,831,704	1,470,631

	(Millions of yen)	
	Previous Year	Current Year
	(As of March 31, 2008)	(As of March 31, 2009)
Liabilities		
Current liabilities		
Trade notes payable	88	246
Trade accounts payable	45,725	47,648
Other accounts payable	32,651	54,343
Accrued expenses	99,075	50,089
Income taxes payable	76,032	56,364
Consumption taxes and other taxes payable	374	—
Deposits received	6,528	6,825
Reserve for adjustments for returned goods	541	481
Reserve for rebates	6,092	4,813
Reserve for sales promotion expenses	627	600
Reserve for bonuses	22,574	22,820
Reserve for directors' bonuses	217	200
Other current liabilities	92	23
Total current liabilities	290,617	244,452
Long-term liabilities		
Lease obligations	—	2,585
Reserve for retirement benefits	5,257	5,309
Reserve for directors' retirement bonuses	1,648	—
Reserve for SMON compensation	4,152	2,779
Other long term liabilities	3,473	3,776
Total long-term liabilities	14,531	14,449
Total liabilities	305,147	258,901
Net Assets		
Shareholder's equity		
Common stock	63,541	63,541
Capital surplus		
Capital reserve	49,638	49,638
Other capital surplus	0	—
Total capital surpluses	49,638	49,638
Retained earnings		
Legal reserve	15,885	15,885
Other retained earnings	1,635,554	1,040,768
Provision for retirement benefits	5,000	5,000
Reserve for dividends	11,000	11,000
Reserve for R&D	2,400	2,400
Reserve for capital improvements	1,054	1,054
Reserve for promotion of exports	434	434
Reserve for extraordinary write-down	399	126
Reserve for compression of fixed assets	6,516	6,268
General reserve	1,214,500	914,500
Unappropriated retained earnings	394,251	99,985
Total retained earnings	1,651,439	1,056,653
Treasury stock	(322,631)	(1,055)
Total shareholder's equity	1,441,988	1,168,777
Valuation and translation adjustments		
Unrealized gain on securities	84,586	42,636
Deferred hedge gain/loss	(17)	232
Total valuation and translation adjustments	84,568	42,868
Stock acquisition right	—	86
Total net assets	1,526,556	1,211,731
Total liabilities and net assets	1,831,704	1,470,631

(2) Unconsolidated Statements of Income

	(Millions of yen)	
	Previous Year (From April 1, 2007 to March 31, 2008)	Current Year (From April 1, 2008 to March 31, 2009)
Net sales	892,546	874,079
Cost of sales		
Beginning balance of merchandise and products	26,655	31,325
Purchases of merchandize during the period	148,438	151,513
Cost of production	82,062	81,876
Total	257,155	264,714
Ending balance of merchandise and products	31,325	36,415
Reversal of reserve for adjustments for returned goods	123	60
Total cost of sales	225,706	228,239
Gross profit	666,839	645,840
Selling, general and administrative expenses		
Selling expenses	69,503	61,253
General and administrative expenses	329,401	340,859
Total selling, general and administrative expenses	398,904	402,112
Operating income	267,935	243,727
Non-operating income		
Interest income	1,172	666
Interest on securities	3,325	1,659
Dividend income	10,161	13,951
Gains from foreign exchange	—	605
Rent	1,204	—
Gain on transfer of operation	2,500	5,207
R&D costs received for previous years	—	3,663
Other non-operating income	5,374	7,605
Total non-operating income	23,736	33,355
Non-operating expenses		
Interest expenses	154	149
Fixed assets removal costs	2,644	1,065
Donations and contributions	3,159	2,459
Depreciation & amortization	349	128
Loss on valuation of securities	—	760
Loss from foreign exchange	8,301	—
Other non-operating expenses	4,438	2,869
Total non-operating expenses	19,045	7,429
Ordinary income	272,627	269,653
Extraordinary income		
Gains on sales of fixed assets	751	16
Gains on sales of shares of affiliates	36,188	102
Gains from change in retirement benefits system	1,031	—
Total extraordinary income	37,971	118
Extraordinary loss		
Provision to reserve for investment loss	33,000	—
Evaluation loss on shares of affiliates	—	35,614
Total extraordinary losses	33,000	35,614
Income before income taxes	277,597	234,157
Corporate income, resident and business taxes	137,558	120,876
Corporate income tax and other adjustments	(34,547)	(36,231)
Total corporate income tax and other taxes	103,011	84,645
Net income	174,586	149,513

(3) Unconsolidated Statements of Changes in Net Assets

	(Millions of yen)	
	Previous Year (From April 1, 2007 to March 31, 2008)	Current Year (From April 1, 2008 to March 31, 2009)
Shareholder's equity		
Common stock		
Beginning balance	63,541	63,541
Change during the period		
Total changes	—	—
Ending balance	63,541	63,541
Capital surplus		
Capital reserve		
Beginning balance	49,638	49,638
Change during the period		
Total changes	—	—
Ending balance	49,638	49,638
Other capital surplus		
Beginning balance	—	0
Change during the period		
Treasury stock disposition	0	(0)
Total changes	0	(0)
Ending balance	0	—
Retained earnings		
Legal reserve		
Beginning balance	15,885	15,885
Change during the period		
Total changes	—	—
Ending balance	15,885	15,885
Other retained earnings		
Provision for retirement benefits		
Beginning balance	5,000	5,000
Change during the period		
Total changes	—	—
Ending balance	5,000	5,000
Reserve for dividends		
Beginning balance	11,000	11,000
Change during the period		
Total changes	—	—
Ending balance	11,000	11,000
Reserve for R&D		
Beginning balance	2,400	2,400
Change during the period		
Total changes	—	—
Ending balance	2,400	2,400

	(Millions of yen)	
	Previous Year (From April 1, 2007 to March 31, 2008)	Current Year (From April 1, 2008 to March 31, 2009)
Reserve for capital improvements		
Beginning balance	1,054	1,054
Change during the period		
Total changes	—	—
Ending balance	1,054	1,054
Reserve for promotion of exports		
Beginning balance	434	434
Change during the period		
Total changes	—	—
Ending balance	434	434
Reserve for extraordinary write-down		
Beginning balance	948	399
Change during the period		
Withdrawal of reserve for extraordinary write-down	(549)	(273)
Total changes	(549)	(273)
Ending balance	399	126
Reserve for compression of fixed assets		
Beginning balance	16,486	6,516
Change during the period		
Provision to Reserve for compression of fixed assets	356	10
Withdrawal of reserve for compression of fixed assets	(10,325)	(257)
Total changes	(9,970)	(247)
Ending balance	6,516	6,268
General reserve		
Beginning balance	1,192,500	1,214,500
Change during the period		
Provision to General reserve	22,000	—
Withdrawal of general reserve	—	(300,000)
Total changes	22,000	(300,000)
Ending balance	1,214,500	914,500
Unappropriated retained earnings		
Beginning balance	360,397	394,251
Change during the period		
Dividends from surplus	(129,251)	(142,522)
Provision to General reserve	(22,000)	—
Withdrawal of general reserve	—	300,000
Withdrawal of reserve for extraordinary write-down	549	273
Provision to Reserve for compression of fixed assets	(356)	(10)
Withdrawal of reserve for compression of fixed assets	10,325	257
Net income	174,586	149,513
Treasury stock disposition	—	(7)
Cancellation of treasury stock	—	(601,770)
Total changes	33,854	(294,266)
Ending balance	394,251	99,985

	(Millions of yen)	
	Previous Year (From April 1, 2007 to March 31, 2008)	Current Year (From April 1, 2008 to March 31, 2009)
Treasury stock		
Beginning balance	(193,918)	(322,631)
Change during the period		
Treasury stock buyback	(128,758)	(280,268)
Treasury stock disposition	46	73
Cancellation of treasury stock	—	601,770
Total changes	(128,712)	321,576
Ending balance	(322,631)	(1,055)
Total shareholder's equity		
Beginning balance	1,525,365	1,441,988
Change during the period		
Dividends from surplus	(129,251)	(142,522)
Net income	174,586	149,513
Treasury stock buyback	(128,758)	(280,268)
Treasury stock disposition	46	66
Total changes	(83,377)	(273,211)
Ending balance	1,441,988	1,168,777
Valuation and translation adjustments		
Beginning balance	130,333	84,568
Change during the period		
Net change in other items than shareholders' equity during the period	(45,748)	(41,949)
Total changes	(45,748)	(41,949)
Ending balance	84,568	42,636
Deferred hedge gain/loss		
Beginning balance	(297)	(17)
Change during the period		
Net change in items other than shareholders' equity during the period	280	249
Total changes	280	249
Ending balance	(17)	232
Stock acquisition right		
Beginning balance	—	—
Change during the period		
Net change in other items than shareholders' equity during the period	—	86
Total changes	—	86
Ending balance	—	86
Total net assets		
Beginning balance	1,655,400	1,526,556
Change during the period		
Dividends from surplus	(129,251)	(142,522)
Net income	174,586	149,513
Treasury stock buyback	(128,758)	(280,268)
Treasury stock disposition	46	66
Net change in other items than shareholders' equity during the period	(45,467)	(41,615)
Total changes	(128,844)	(314,825)
Ending balance	1,526,556	1,211,731