

## I-4) Statements of income

Term  Item	FY2006 (April 1, 2005 - March 31, 2006)			FY2005 (April 1, 2004 - March 31, 2005)		Change	
	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	%	(Yen millions)	Change(%)
	Net sales	795,180	100.0	6,796,410	657,853	100.0	137,327
Cost of sales	585,780	73.7	5,006,666	484,323	73.6	101,457	20.9
Gross profit	209,400	26.3	1,789,744	173,530	26.4	35,870	20.7
Selling, general and administrative expenses	142,052	17.9	1,214,120	119,886	18.2	22,166	18.5
Transfer to the government of the substitutional portion of Employees' Pension Fund:							
Subsidy from the government	-	-	-	(33,533)	-5.1	33,533	-
Loss on settlement	-	-	-	27,347	4.2	(27,347)	-
Restructuring cost	6,825	0.8	58,333	-	-	6,825	-
Operating income	60,523	7.6	517,291	59,830	9.1	693	1.2
Other income (deductions):							
Interest and dividend income	3,605		30,812	1,692		1,913	
Interest expense	(149)		(1,274)	(967)		818	
Foreign exchange gain (loss)	948		8,103	(856)		1,804	
Other-net	1,176		10,051	1,029		147	
Total other income (deductions)	5,580	0.7	47,692	898	0.1	4,682	521.4
Income from continuing operations before income taxes	66,103	8.3	564,983	60,728	9.2	5,375	8.9
Income taxes	21,057	2.6	179,974	23,284	3.5	(2,227)	-9.6
Income from continuing operations before minority interests	45,046	5.7	385,009	37,444	5.7	7,602	20.3
Minority interests	635	0.1	5,428	479	0.1	156	32.6
Income from continuing operations	44,411	5.6	379,581	36,965	5.6	7,446	20.1
Loss from discontinued operations, net of tax	310	0.1	2,649	3,665	0.5	(3,355)	-91.5
Net income	44,101	5.5	376,932	33,300	5.1	10,801	32.4

## Notes:

- As a result of the sale of a subsidiary, the operating results of the discontinued operation is presented as a separate line item in the consolidated statements of income in accordance with Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets".
- U.S.\$1=Yen 117