

**Consolidated Financial Report for the Second Quarter  
of the Fiscal Year ending March 31, 2005  
(July 1, 2004 - September 30, 2004)**

**Summary of Consolidated Financial Results**

**1. Summary of consolidated statements of income**

|                      | Millions of yen |           |           | Change(%)<br>(A)/(B) | Millions of yen | Millions of<br>U.S.dollars |
|----------------------|-----------------|-----------|-----------|----------------------|-----------------|----------------------------|
|                      | FY2004 2Q       | FY2003 2Q | Full year |                      | FY2004 2Q       |                            |
|                      | (A)             | (B)       | FY2003    |                      |                 |                            |
| Net sales            | 206,105         | 194,730   | 105.8%    | 856,198              | 1,856           |                            |
| Operating income     | 788             | 2,567     | -         | 17,447               | 7               |                            |
| Ordinary income      | 1,166           | 1,064     | -         | 13,928               | 10              |                            |
| Net income           | 2,230           | 931       | -         | 5,519                | 20              |                            |
|                      | Yen             |           |           | Yen                  | U.S.dollars     |                            |
| Net income per share | 3.12            | 1.30      | -         | 7.46                 | 0.03            |                            |

**2. Summary of consolidated financial position**

|                                | Millions of yen |           |           | Millions of<br>U.S.dollars |
|--------------------------------|-----------------|-----------|-----------|----------------------------|
|                                | 9/30/2004       | 9/30/2003 | 3/31/2004 | 9/30/2004                  |
|                                |                 |           |           |                            |
| Total assets                   | 851,012         | 878,994   | 908,060   | 7,663                      |
| Shareholders' equity           | 176,899         | 175,345   | 191,774   | 1,593                      |
| Shareholders' equity ratio (%) | 20.8%           | 19.9%     | 21.1%     | -                          |
|                                | Yen             |           |           | U.S.dollars                |
| Shareholders' equity per share | 247.29          | 245.07    | 267.80    | 2.23                       |

**3. Summary of consolidated statements of cash flows**

|                                             | Millions of yen |           |                     | Millions of<br>U.S.dollars |
|---------------------------------------------|-----------------|-----------|---------------------|----------------------------|
|                                             | FY2004 2Q       | FY2003 2Q | Full year<br>FY2003 | FY2004 2Q                  |
|                                             |                 |           |                     |                            |
| Cash flows from<br>operating activities     | 3,884           | 5,745     | 66,468              | 35                         |
| Cash flows from<br>investing activities     | 4,717           | 21,345    | 21,924              | 42                         |
| Cash flows from<br>financing activities     | 4,113           | 21,002    | 76,808              | 37                         |
| Cash and cash equivalents<br>at end of year | 12,373          | 9,214     | 27,240              | 111                        |

Note: 1) U.S.dollar amounts in this financial report are translated, for convenience only, at the rate of ¥111.05=U.S.\$1.  
2) The company has 61 consolidated subsidiaries and 2 equity-method affiliate.

## Consolidated Statements of Income

|                                                                          | Millions of yen  |                  | Change(%)<br>(A)/(B) | Millions of yen     | Millions of<br>U.S.dollars |
|--------------------------------------------------------------------------|------------------|------------------|----------------------|---------------------|----------------------------|
|                                                                          | FY2004 2Q<br>(A) | FY2003 2Q<br>(B) |                      | Full year<br>FY2003 | FY2004 2Q                  |
| <b>Net sales</b>                                                         | 206,105          | 194,730          | 105.8%               | 856,198             | 1,856                      |
| <b>Cost of sales</b>                                                     | 167,874          | 157,164          | 106.8%               | 690,947             | 1,512                      |
| <b>Gross profit</b>                                                      | 38,231           | 37,565           | 101.8%               | 165,250             | 344                        |
| <b>Selling, general and<br/>administrative expenses</b>                  | 37,443           | 34,998           | 107.0%               | 147,802             | 337                        |
| <b>Operating income</b>                                                  | 788              | 2,567            | -                    | 17,447              | 7                          |
| <b>Non-operating income</b>                                              | 881              | 1,212            | 72.7%                | 5,429               | 8                          |
| Interest and dividends income                                            | 43               | 226              |                      | 1,813               | 0                          |
| Other                                                                    | 838              | 986              |                      | 3,614               | 8                          |
| <b>Non-operating expenses</b>                                            | 2,836            | 2,715            | 104.5%               | 8,947               | 26                         |
| Interest expense                                                         | 812              | 999              |                      | 3,066               | 7                          |
| Other                                                                    | 2,023            | 1,715            |                      | 5,880               | 18                         |
| <b>Ordinary income</b>                                                   | 1,166            | 1,064            | -                    | 13,928              | 10                         |
| <b>Extraordinary income</b>                                              | 4,592            | 14,471           |                      | 23,448              | 41                         |
| <b>Extraordinary loss</b>                                                | 6,284            | 17,073           |                      | 24,490              | 57                         |
| <b>Income before income taxes</b>                                        | 2,858            | 1,538            | -                    | 12,887              | 26                         |
| <b>Income taxes</b>                                                      | 461              | 605              |                      | 7,322               | 4                          |
| <b>Minority interests in net income of<br/>consolidated subsidiaries</b> | 166              | 0                |                      | 45                  | 1                          |
| <b>Net income</b>                                                        | 2,230            | 931              | -                    | 5,519               | 20                         |

## Consolidated Segment Information

### 1. Net sales by business segment

|                           | Millions of yen |                |               | Millions of<br>U.S.dollars |
|---------------------------|-----------------|----------------|---------------|----------------------------|
|                           | FY2004 2Q       | FY2003 2Q      | Change(%)     | FY2004 2Q                  |
|                           | (A)             | (B)            | (A)/(B)       |                            |
| Energy & Electric Systems | 87,762          | 80,986         | 108.4%        | 790                        |
| ED&C • Drive Systems      | 47,015          | 40,681         | 115.6%        | 423                        |
| Electronic Devices        | 36,928          | 32,130         | 114.9%        | 333                        |
| Retail Systems            | 40,368          | 37,804         | 106.8%        | 364                        |
| Others                    | 11,227          | 17,119         | 65.6%         | 101                        |
| Subtotal                  | 223,302         | 208,722        | 107.0%        | 2,011                      |
| Elimination               | 17,196          | 13,991         | -             | 155                        |
| <b>Total</b>              | <b>206,105</b>  | <b>194,730</b> | <b>105.8%</b> | <b>1,856</b>               |

### 2. Operating income by business segment

|                           | Millions of yen |              |              | Millions of<br>U.S.dollars |
|---------------------------|-----------------|--------------|--------------|----------------------------|
|                           | FY2004 2Q       | FY2003 2Q    | Change(%)    | FY2004 2Q                  |
|                           | (A)             | (B)          | (A)/(B)      |                            |
| Energy & Electric Systems | 4,268           | 3,158        | -            | 38                         |
| ED&C • Drive Systems      | 1,807           | 1,797        | 100.6%       | 16                         |
| Electronic Devices        | 4,034           | 3,521        | 114.6%       | 36                         |
| Retail Systems            | 7               | 397          | -            | 0                          |
| Others                    | 597             | 801          | 74.5%        | 5                          |
| Subtotal                  | 2,178           | 2,565        | 84.9%        | 20                         |
| Elimination/Corporate     | 1,390           | 2            | -            | 13                         |
| <b>Total</b>              | <b>788</b>      | <b>2,567</b> | <b>30.7%</b> | <b>7</b>                   |