

# CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2007 and 2006

TAKASAGO INTERNATIONAL CORPORATION

## Financial Highlights

(April 1,2006/2005-March 31,2007/2006)

	Yen in millions		Percent change 2007/2006	U.S.dollars in thousands
	2007	2006		2007
Net Sales	¥113,876	¥105,721	+7.7	\$964,645
Net Income	4,885	2,907	+68.0	\$41,386
Total Assets	129,325	120,345	+7.5	\$1,095,516
Total Net Asset	54,192	48,723	+11.2	\$459,065

	Yen		U.S.dollars
	2007	2006	2007
Net income per share	48.62	¥28.46	\$0.41

Note 1. U.S.dollar amounts have been translated at the rate of JPY118.05 per 1 U.S. dollar, the exchange rate prevailing on March 30, 2006.

2. Amounts are rounded down to millions of yen and thousands of U.S. dollars.

TAKASAGO INTERNATIONAL CORPORATION  
CONSOLIDATED BALANCE SHEET

March 31, 2007 and 2006

ASSETS	Yen in millions		U.S.dollars in thousands	LIABILITIES AND SHAREHOLDERS' EQUITY	Yen in millions		U.S.dollars in thousands
	2007	2006	2007		2007	2006	2007
<b>Current assets:</b>				<b>Current liabilities:</b>			
Cash and cash equivalents	¥8,913	¥6,384	\$75,503	Bank loans	¥19,795	¥22,837	\$167,688
Notes and accounts receivable, trade:				Current portion of long-term debt	4,160	3,162	35,241
Notes and accounts receivable	26,049	21,812	220,661	Notes and accounts payable, trade	15,305	10,156	129,653
Allowance for doubtful accounts	(152)	(127)	(1,294)	Accrued income taxes	1,696	493	14,374
	25,896	21,685	219,366	Accrued expenses and other current liabilities	8,474	7,078	71,783
Inventories	30,308	28,339	256,742	Total current liabilities	49,432	43,728	418,741
Other current assets	2,497	2,125	21,155				
Total current assets	67,615	58,535	572,767	<b>Long-term liabilities:</b>			
<b>Property, plant and equipment:</b>				Long-term debt	13,123	13,269	111,171
Land	5,359	5,307	45,396	Retirement allowance	8,596	8,909	72,816
Buildings and structures	44,119	42,480	373,733	Other	3,980	4,988	33,720
Machinery and equipment	51,063	48,810	432,561	Total long-term liabilities	25,700	27,166	217,709
Construction in progress	706	700	5,988				
	101,249	97,297	857,680	<b>Minority interests</b>	-	726	-
Less: Accumulated depreciation	(62,316)	(58,756)	(527,880)	<b>Shareholders' equity:</b>			
Total Property, plant and equipment:	38,932	38,541	329,799	Common stock			
				Authorized — 300,000,000 shares			
<b>Investments and other assets:</b>				Issued and outstanding — 100,761,988 shares	-	9,248	-
Investments in securities	20,501	21,358	173,665	Paid-in capital in excess of par value	-	8,357	-
Other	1,391	1,422	11,786	Retained earnings	-	22,676	-
Total investments and other assets	21,892	22,780	185,452		-	40,282	-
				Accumulated other comprehensive income			
<b>Other assets:</b>	885	487	7,497	Unrealized gain on securities	-	9,427	-
TOTAL ASSETS	¥129,325	¥120,345	\$1,095,516	Foreign currency translation adjustment	-	(886)	-
					-	8,541	-
				Treasury stock, at cost	-	(100)	-
				Total shareholders' equity	-	48,723	-
				<b>Total net asset</b>			
				Common stock			
				Authorized — 300,000,000 shares			
				Issued and outstanding — 100,761,988 shares	9,248	-	78,344
				Paid-in capital in excess of par value	8,357	-	70,799
				Retained earnings	26,712	-	226,277
				Treasury stock, at cost	(121)	-	(1,025)
				Shareholders' equity	44,197	-	374,396
				Unrealized gain on securities	8,694	-	73,648
				Foreign currency translation adjustment	550	-	4,663
				Adjustment for valuation, foreign currency translation and others	9,244	-	78,311
				Minority interests	750	-	6,357
				Total net asset	54,192	-	459,065
				TOTAL LIABILITIES AND TOTAL NET ASSET	¥129,325	¥120,345	\$1,095,516

