FP CORPORATION and Subsidiaries

Consolidated Financial Statements for the Years Ended March 31, 2010 and 2009, and Independent Auditors' Report

Deloitte.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of FP CORPORATION:

We have audited the accompanying consolidated balance sheets of FP CORPORATION (the "Company") and subsidiaries as of March 31, 2010 and 2009, and the related consolidated statements of income, changes in equity, and cash flows for the years then ended, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of FP CORPORATION and subsidiaries as of March 31, 2010 and 2009, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

Our audits also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 1. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu LLC

June 29, 2010

Consolidated Balance Sheets
FP CORPORATION and Subsidiaries
March 31, 2010 and 2009

ASSETS	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2010	2009	2010
CURRENT ASSETS:			
Cash and cash equivalents	¥ 11,103	¥ 16,108	$ 119,334
Receivables:			
Trade notes	10,852	9,911	116,636
Trade accounts	16,120	15,511	173,263
Associated companies	398	457	4,280
Other	3,767	2,548	40,483
Lease investment assets (Notes 2.l.and 14)	69	100	739
Allowance for doubtful accounts	(90)	(85)	(972)
Inventories (Notes 2.d.and 4)	11,803	12,299	126,862
Prepaid expenses and other current assets (Note 17)	2,084	1,667	22,408
Total Current Assets	56,106	58,516	603,033
PROPERTY, PLANT AND EQUIPMENT (Notes 5 and 10):			
Land	23,963	22,865	257,551
Buildings and structures	61,699	60,276	663,150
Machinery and equipment	19,065	18,163	204,911
Tools, furniture and fixtures	13,585	13,220	146,011
Lease assets (Note 2.l.)	16,406	15,471	176,333
Construction in progress	1,241	154	13,346
Total	135,959	130,149	1,461,302
Accumulated depreciation	(61,843)	(56,804)	(664,698)
Net Property, Plant and Equipment	74,116	73,345	796,604
INVESTMENTS AND OTHER ASSETS:			
Investment securities (Note 3)	3,797	2,755	40,810
Investments in and advances to associated companies	117	164	1,260
Long-term loans	448	795	4,819
Goodwill	325	243	3,493
Deferred tax assets (Note 13)	703	762	7,554
Other assets	2,212	2,296	23,777
Allowance for doubtful accounts	(104)	(84)	(1,122)
Total Investments and Other Assets	7,498	6,931	80,591
TOTAL	¥ 137,720	¥ 138,792	$ 1,480,228

See notes to consolidated financial statements.

FP CORPORATION and Subsidiaries
March 31, 2010 and 2009

LIABILITIES AND EQUITY	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2010	2009	2010
CURRENT LIABILITIES:			
Short-term bank loans (Note 7)	¥ 6,000	¥ 21,200	$ 64,488
Current portion of long-term debt (Note 7)	6,996	9,285	75,190
Payables:			
Trade accounts	13,523	13,745	145,350
Other	4,520	4,973	48,584
Commercial paper	10,000		107,481
Lease obligations (Note 2.l.)	2,874	3,264	30,888
Accrued income taxes	3,510	2,815	37,724
Accrued expenses	4,030	3,073	43,310
Other current liabilities	93	99	1,000
Total Current Liabilities	51,546	58,454	554,015
LONG-TERM LIABILITIES:			
Long-term debt (Note 7)	15,380	14,304	165,306
Lease obligations (Note 2.l.)	8,380	9,467	90,064
Liability for employees' retirement benefits (Note 8)	1,511	1,371	16,245
Retirement allowances for directors and corporate auditors (Note 9)	954	705	10,255
Other long-term liabilities	141	243	1,514
Total Long-Term Liabilities	26,366	26,090	283,384
COMMITMENTS AND CONTINGENT LIABILITIES (Notes 14 and 17)			
EQUITY (Note 11):			
Common stock,			
Authorized —60,000,000 shares in 2010 and 2009			
Issued — 22,142,106 shares in 2010 and 2009	13,151	13,151	141,344
Capital surplus	15,497	15,488	166,566
Retained earnings	34,427	29,254	370,020
Net unrealized gain on available-for-sale securities	566	192	6,089
Treasury stock — at cost			
1,257,985 shares in 2010 and 1,257,341 shares in 2009	(3,905)	(3,902)	(41,971)
Total	59,736	54,183	642,048
Minority interests	72	65	781
Total Equity	59,808	54,248	642,829
TOTAL	¥ 137,720	¥ 138,792	$ 1,480,228

See notes to consolidated financial statements.

Consolidated Statements of Income
FP CORPORATION and Subsidiaries
Years ended March 31, 2010 and 2009

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2010	2009	2010
NET SALES	¥ 124,919	¥ 128,244	$ 1,342,637
COST OF SALES (Note 12)	86,043	93,099	924,800
Gross Profit	38,876	35,145	417,837
SELLING , GENERAL AND ADMINISTRATIVE EXPENSES (Note 12)	26,983	25,954	290,014
Operating Income	11,893	9,191	127,823
OTHER INCOME (EXPENSES):			
Interest and dividend income	121	181	1,303
Interest expense	(610)	(688)	(6,557)
Loss on valuation of investment securities	(8)	(220)	(85)
Other — net (Note 6)	558	369	5,998
Other income (expenses) — net	61	(358)	659
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	11,954	8,833	128,482
INCOME TAXES (Note 13):			
Current	5,464	3,955	58,732
Deferred	(641)	(435)	(6,890)
Total	4,823	3,520	51,842
MINORITY INTERESTS IN NET INCOME	16	11	172
NET INCOME	¥ 7,115	¥ 5,302	$ 76,468

	Yen		U.S. Dollars (Note 1)
PER SHARE OF COMMON STOCK (Note 2.o):			
Basic net income	¥ 340.67	¥ 253.29	$ 3.66
Cash dividends	102.00	76.00	1.096

See notes to consolidated financial statements.

Consolidated Statements of Changes in Equity
FP CORPORATION and Subsidiaries
Years ended March 31, 2010 and 2009

	Shares / Millions of Yen								
	Issued number of shares of common stock	Common stock	Capital surplus	Retained earnings	Net unrealized gain on available-for-sale securities	Treasury stock	Total	Minority interests	Total equity
BALANCE AT APRIL 1, 2008	22,142,106	¥13,151	¥15,488	¥ 25,275	¥218	¥(3,165)	¥50,967	¥57	¥51,024
Cash dividends, ¥63.00 per share				(1,323)			(1,323)		(1,323)
Net income				5,302			5,302		5,302
Purchase of treasury stock						(737)	(737)		(737)
Disposal of treasury stock			0			0	0		0
Net change in the year					(26)		(26)	8	(18)
BALANCE AT MARCH 31, 2009	22,142,106	13,151	15,488	29,254	192	(3,902)	54,183	65	54,248
Cash dividends, ¥93.00 per share				(1,942)			(1,942)		(1,942)
Net income				7,115			7,115		7,115
Purchase in treasury stock						(20)	(20)		(20)
Disposal of treasury stock			9			17	26		26
Net change in the year					374		374	7	381
BALANCE AT MARCH 31, 2010	22,142,106	¥13,151	¥15,497	¥34,427	¥566	¥(3,905)	¥59,736	¥72	¥59,808

	Thousands of U.S. Dollars (Note 1)							
	Common stock	Capital surplus	Retained earnings	Net unrealized gain on available-for-sale securities	Treasury stock	Total	Minority interests	Total equity
BALANCE AT MARCH 31, 2009	$ 141,344	$ 166,463	$ 314,428	$ 2,074	$ (41,942)	$ 582,367	$ 697	$ 583,064
Cash dividends, $1.00 per share			(20,876)			(20,876)		(20,876)
Net income			76,468			76,468		76,468
Purchase of treasury stock					(213)	(213)		(213)
Disposal of treasury stock		103			184	287		287
Net change in the year				4,015		4,015	84	4,099
BALANCE AT MARCH 31, 2010	$ 141,344	$ 166,566	$ 370,020	$ 6,089	$ (41,971)	$ 642,048	$ 781	$ 642,829

See notes to consolidated financial statements.

Consolidated Statements of Cash Flows
FP CORPORATION and Subsidiaries
Years ended March 31, 2010 and 2009

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2010	2009	2010
OPERATING ACTIVITIES:			
Income before income taxes and minority interests	¥ 11,954	¥ 8,833	$ 128,482
Adjustments for:			
Income taxes - paid	(4,786)	(1,961)	(51,440)
Depreciation and amortization	8,462	8,467	90,946
Impairment loss	122	201	1,310
Provision for allowance for doubtful accounts	25	(184)	271
Loss on disposal or sale of property, plant and equipment	214	151	2,300
Provision for retirement benefits	140	115	1,506
Retirement allowances for directors and corporate auditors	249	27	2,680
Changes in operating assets and liabilities, net of effects:			
Increase in trade receivables	(1,416)	(1,545)	(15,223)
Decrease in inventories	881	1,825	9,465
(Increase) decrease in other accounts receivables	(342)	354	(3,671)
Decrease in trade payables	(248)	(3,735)	(2,669)
Other — net	1,115	2,021	11,986
Total adjustments	4,416	5,736	47,461
Net cash provided by operating activities	16,370	14,569	175,943
INVESTING ACTIVITIES:			
Purchases of property, plant and equipment	(7,565)	(7,833)	(81,313)
Purchases of intangible assets	(353)	(720)	(3,790)
Proceeds from sale of investment securities		6	
Purchases of investment securities	(423)	(117)	(4,542)
Payments for receipt of business	(1,263)		(13,571)
Decrease in short-term loans — net	5	38	40
Payments for long-term loans	(1,911)	(505)	(20,536)
Proceeds from collection of long-term loans	1,327	3,489	14,258
Decrease (increase) in other assets	482	(83)	5,183
Net cash used in investing activities	(9,701)	(5,725)	(104,271)
FINANCING ACTIVITIES:			
(Decrease) increase in short-term bank loans — net	(15,200)	11,000	(163,371)
Increase (decrease) in commercial paper — net	10,000	(10,000)	107,481
Proceeds from long-term debt	8,665	13,300	93,132
Repayments of long-term debt	(9,878)	(9,265)	(106,167)
Purchase of treasury stock	(2)	(737)	(30)
Dividends paid	(1,941)	(1,322)	(20,860)
Repayments of lease obligations	(3,341)	(3,606)	(35,907)
Repayments of obligations under reorganization proceeding of subsidiaries		(328)	
Other — net	23	(3)	249
Net cash used in by financing activities	(11,674)	(961)	(125,473)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(5,005)	7,883	(53,801)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	16,108	8,225	173,135
CASH AND CASH EQUIVALENTS, END OF YEAR	¥ 11,103	¥ 16,108	$ 119,334

See notes to consolidated financial statements.

1. BASIS OF PRESENTING CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of FP Corporation (the "Company") have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements from International Financial Reporting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which the Company is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥93.04 to $1, the rate of exchange at March 31, 2010. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Principles of consolidation

The consolidated financial statements as of March 31, 2010 and 2009 include the accounts of the Company and all subsidiaries (31 in 2010 and 28 in 2009) (collectively, the "Group").

Under the control or influence concept, those companies in which the Company, directly or indirectly, is able to exercise control over operations are fully consolidated.

Investments in associated companies are stated at cost. If the equity method of accounting had been applied to the investments in those companies, the effect on the accompanying consolidated financial statements would not be material.

The significant excess of the Company's investments in consolidated subsidiaries over its equity in the net assets at the respective dates of acquisition is being amortized over five years. The insignificant excess of cost over net assets of subsidiaries acquired is charged to income when incurred.

All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized profit included in assets resulting from transactions within the Group is eliminated.

(b) Cash Equivalents

Cash equivalents are short-term investments that are readily convertible into cash and that are exposed to insignificant risk of changes in value.
Cash equivalents include time deposits and mutual funds investing in bonds that represent short-term investments, all of which mature or become due within three months of the date of acquisition.

(c) Investment Securities

Investment securities are classified as available-for-sale securities and are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported in a separate component of equity. The cost of securities sold is determined based on the moving-average method. Non-marketable available-for-sale securities are stated at cost determined by the moving-average method. For other than temporary declines in fair value, marketable and non-marketable available-for-sale securities are reduced to net realizable value by a charge to income.

(d) Inventories

Inventories are stated at lower of cost or net selling value. The cost is determined by following method:

- The monthly average method for merchandise, finish products, work in process, and raw materials.
- The specific identification for real estate for sale.
- The last purchased cost method for supplies.

(e) Property, Plant and Equipment

Property, plant and equipment are stated at cost.
Depreciation is computed substantially by the declining-balance method over the estimated useful lives of the assets. Additionally, equipment of certain consolidated subsidiaries is depreciated by the straight-line method. Machinery and equipment held for lease are depreciated by the straight-line method over the respective lease periods.

The range of useful lives are mainly as follows:

Buildings and structures ·························· 15 to 35 years
Machinery and equipment (excluding leases) ··· 4 to 8 years

(f) Long-Lived Assets

The Group reviews its long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss would be recognized if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

(g) Other Assets

Intangible assets are carried at cost less accumulated amortization, which is calculated by the straight-line method principally over five years.

(h) Allowance for Doubtful Accounts

The allowance for doubtful accounts is stated in amounts considered to be appropriate based on the Group's past credit loss experience and an evaluation of potential losses in the receivables outstanding.

(i) Liability for Employees' Retirement Benefits

The Company and certain consolidated subsidiaries have non-contributory funded defined benefit pension plans and unfunded retirement benefit plans for employees which cover approximately 50% of their benefits. Most of the other consolidated subsidiaries have defined contribution annuity plans.
The Group accounts for the liability for retirement benefits based on projected benefit obligation and plan assets at the balance sheet date in conformity with the accounting standard for employees' retirement benefits.

(j) Retirement Allowances for Directors and Corporate Auditors

Retirement allowances for directors and corporate auditors of the Company and certain subsidiaries are also provided under the internal guidelines.

(k) Research and Development Costs

Research and development costs are charged to income as incurred.

(l) Leases

In March 2007, the ASBJ issued ASBJ Statement No.13, "Accounting Standard for Lease Transactions", which revised the previous accounting standard for lease transactions issued in June 1993. The revised accounting standard for lease transactions is effective for fiscal years beginning on or after April 1, 2008, with early adoption permitted for fiscal years beginning on or after April 1, 2007.

Lessee

Under the previous accounting standard, finance leases that were deemed to transfer ownership of the leased property to the lessee were to be capitalized. However, other finance leases were permitted to be accounted for as operating lease transactions if certain "as if capitalized" information was disclosed in the note to the lessee's financial statements. The revised accounting standard requires that all finance lease transactions should be capitalized to recognize lease assets and lease obligations in the balance sheet. In addition, the revised accounting standard permits leases which existed at the transition date and do not transfer ownership of the leased property to the lessee to be measured at the obligations under finance leases less interest expense at the transition date and recorded as acquisition cost of lease assets.

The Group applied the revised accounting standard effective April 1, 2008. In addition, the Group accounted for leases which existed at the transition date and do not transfer ownership of the leased property to the lessee as acquisition cost of lease assets measured at the obligations under finance leases less interest expense at the transition date.

Lessor

Under the previous accounting standard, finance leases that were deemed to transfer ownership of the leased property to the lessee were to be treated as sales. However, other finance leases were permitted to be accounted for as operating lease transactions if certain "as if sold" information was disclosed in the note to the lessor's financial statements. The revised accounting standard requires that all finance leases that were deemed to transfer ownership of the leased property to the lessee should be recognized as lease receivables, and all finance leases that deem not to transfer ownership of the leased property to the lessee should be recognized as investments in lease.

Revenue was recognized as interest income, not as sales.

(m) Bonuses to directors and corporate auditors

Bonuses to directors and corporate auditors are accrued at the year end to which such bonuses are attributable.

(n) Income Taxes

The provision for income taxes is computed based on the pretax income included in the consolidated statements of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying currently enacted tax laws to the temporary differences.

(o) Per Share Information

Basic net income per share is computed by dividing net income available to common shareholders by the weighted-average number of common shares outstanding for the period. Diluted net income per share was not presented because there was no dilution for the years ended March 31, 2010 and 2009.

Cash dividends per share presented in the accompanying consolidated statements of income are dividends applicable to the respective years including dividends to be paid after the end of the year.

(p) New Accounting Pronouncements

Business Combinations—In December 2008, the ASBJ issued a revised accounting standard for business combinations, ASBJ Statement No.21, "Accounting Standard for Business Combinations." Major accounting changes under the revised accounting standard are as follows;

(1) The current accounting standard for business combinations allows companies to apply the pooling of interests method of accounting when certain specific criteria are met such that the business combination is essentially regarded as a uniting-of-interests. The revised standard requires to account for such business combination by the purchase method and the pooling of interests method of accounting is no longer allowed.

(2) The current accounting standard accounts for the research and development costs to be charged to income as incurred. Under the revised standard, an in-process research and development (IPR&D) acquired by the business combination is capitalized as an intangible asset.

(3) The current accounting standard accounts for a bargain purchase gain (negative goodwill) to be systematically amortized within 20 years. Under the revised standard, the acquirer recognizes a bargain purchase gain in profit or loss on the acquisition date after reassessing whether it has correctly identified all of the assets acquired and all of the liabilities assumed with a review of such procedures used.

This standard is applicable to business combinations undertaken on or after April 1, 2010 with early adoption permitted for fiscal years beginning on or after April 1, 2009.

Unification of Accounting Policies Applied to Foreign Associated Companies for the Equity Method—The current accounting standard requires to unify accounting policies within the consolidation group. However, the current guidance allows to apply the equity method for the financial statements of its foreign associated company which have been prepared in accordance with generally accepted accounting principles in their respective jurisdictions without unification of accounting policies.

In December 2008, the ASBJ issued ASBJ Statement No.16 (Revised 2008), "Revised Accounting Standard for Equity Method of Accounting for Investments". The new standard requires adjustments to be made to conform the associate's accounting policies for similar transactions and events under similar circumstances to those of the parent company when the associate's financial statements are used in applying the equity method unless it is impracticable to determine adjustments. In addition, financial statements prepared by foreign associated companies in accordance with either International Financial Reporting Standards or the generally accepted accounting principles in the United States tentatively may be used in applying the equity method if the following items are adjusted so that net income is accounted for in accordance with Japanese GAAP unless they are not material: 1) amortization of goodwill; 2) scheduled amortization of actuarial gain or loss of pensions that has been directly recorded in the equity; 3) expensing capitalized development costs of R&D; 4) cancellation of the fair value model accounting for property, plant, and equipment and investment properties and incorporation of the cost model accounting; 5) recording the prior years' effects of changes in accounting policies in the income statement where retrospective adjustments to the financial statements have been incorporated; and 6) exclusion of minority interests from net income, if contained.

This standard is applicable to equity method of accounting for investments effective on or after April 1, 2010 with early adoption permitted for fiscal years beginning on or after April 1, 2009.

Asset Retirement Obligations—In March 2008, the ASBJ published a new accounting standard for asset retirement obligations, ASBJ Statement No.18 "Accounting Standard for Asset Retirement Obligations" and ASBJ Guidance No.21 "Guidance on Accounting Standard for Asset Retirement Obligations". Under this accounting standard, an asset retirement obligation is defined as a legal obligation imposed either by law or contract that results from the acquisition, construction, development and the normal operation of a tangible fixed asset and is associated with the retirement of such tangible fixed asset. The asset retirement obligation is recognized as the sum of the discounted cash flows required for the future asset retirement and is recorded in the period in which the obligation is incurred if a reasonable estimate can be made. If a reasonable estimate of the asset retirement obligation cannot be made in the period the asset retirement obligation is incurred, the liability should be recognized when a reasonable estimate of asset retirement obligation can be made. Upon initial recognition of a liability for an asset retirement obligation, an asset retirement cost is capitalized by increasing the carrying amount of the related fixed asset by the amount of the liability. The asset retirement cost is subsequently allocated to expense through depreciation over the remaining useful life of the asset. Over time, the liability is accreted to its present value each period. Any subsequent revisions to the timing or the amount of the original estimate of undiscounted cash flows are reflected as an increase or a decrease in the carrying amount of the liability and the capitalized amount of the related asset retirement cost. This standard is effective for fiscal years beginning on or after April 1, 2010 with early adoption permitted for fiscal years beginning on or before March 31, 2010.

Accounting Changes and Error Corrections—In December 2009, the ASBJ issued ASBJ Statement No. 24 "Accounting Standard for Accounting Changes and Error Corrections" and ASBJ Guidance No. 24 "Guidance on Accounting Standard for Accounting Changes and Error Corrections". Accounting treatments under this standard and guidance are as follows;

(1) Changes in Accounting Policies:
When a new accounting policy is applied with revision of accounting standards, a new policy is applied retrospectively unless the revised accounting standards include specific transitional provisions. When the revised accounting standards include specific transitional provisions, an entity shall comply with the specific transitional provisions.

(2) Changes in Presentations
When the presentation of financial statements is changed, prior period financial statements are reclassified in accordance with the new presentation.

(3) Changes in Accounting Estimates
A change in an accounting estimate is accounted for in the period of the change if the change affects that period only, and is accounted for prospectively if the change affects both the period of the change and future periods.

(4) Corrections of Prior Period Errors
When an error in prior period financial statements is discovered, those statements are restated.

This accounting standard and the guidance are applicable to accounting changes and corrections of prior period errors which are made from the beginning of the fiscal year that begins on or after April 1, 2011.

Segment Information Disclosures—In March 2008, the ASBJ revised ASBJ Statement No. 17 "Accounting Standard for Segment Information Disclosures" and issued ASBJ Guidance No.20 "Guidance on Accounting Standard for Segment Information Disclosures". Under the standard and guidance, an entity is required to report financial and descriptive information about its reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of an entity about which separate financial information is available and such information is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Generally, segment information is required to be reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments. This accounting standard and the guidance are applicable to segment information disclosures for the fiscal years beginning on or after April 1, 2010.

3. INVESTMENT SECURITIES

Investment securities as of March 31, 2010 and 2009 consisted of the following:

	Millions of Yen 2010	Millions of Yen 2009	Thousands of U.S. Dollars 2010
Non-current:			
Marketable equity securities	¥ 2,849	¥ 1,865	$ 30,622
Non-marketable equity securities	907	856	9,747
Trust fund investment and other	41	34	441
Total	¥ 3,797	¥ 2,755	$ 40,810

The carrying amounts and aggregate fair values of investment securities at March 31, 2010 and 2009 were as follows:

March 31, 2010	Millions of Yen			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	¥ 1,881	¥ 1,039	¥ (71)	¥ 2,849
Trust fund investments	34	7		41

March 31, 2009	Millions of Yen			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	¥ 1,517	¥ 434	¥ (86)	¥ 1,865
Trust fund investments	34			34

March 31, 2010	Thousands of U.S. Dollars			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	$ 20,213	$ 11,168	$ (759)	$ 30,622
Trust fund investments	363	78		441

Available-for-sale securities whose fair value was not readily determinable as of March 31, 2009 were as follows. The similar information for 2010 is disclosed in Note 16.

	Carrying Amount Millions of Yen 2009
Available-for-sale:	
Equity securities	¥ 856
Total	¥ 856

Proceeds from sales of available-for-sale securities for the years ended March 31, 2009 were ¥ 6 million. Gross realized gains on these sales, computed on the moving average cost basis, were ¥ 2 million, for the year ended March 31 2009. (No losses were realized for the year ended March 31, 2009)
The impairment losses on available-for-sale equity securities for the years ended March 31, 2010 and 2009 were ¥8 million ($85 thousand) and ¥220 million, respectively.

4. INVENTORIES

Inventories at March 31, 2010 and 2009 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	2010
Merchandise	¥ 701	¥ 666	$ 7,538
Real estate for sale	13	51	136
Finished products	9,639	9,872	103,597
Semi-finished products and work in process	353	396	3,795
Raw materials	655	881	7,042
Supplies	442	433	4,754
Total	¥ 11,803	¥ 12,299	$ 126,862

5. PROPERTY, PLANT AND EQUIPMENT

Under certain conditions, such as receipt of government subsidy for specific fixed assets, Japanese tax laws permit companies to defer the profit arising from such transactions by reducing the cost of the assets acquired or by providing a special reserve in the equity section.

The reduced-value entry, which is directly deducted from machinery and equipment, amounted to ¥ 335 million ($ 3,596 thousand). The reduced-value entry is applied due to government subsidies.

Depreciation expense for the years ended March 31, 2010 and 2009 was ¥8,462 million ($90,946 thousand) and ¥8,467 million, respectively.

6. LONG-LIVED ASSETS

The Group reviewed its long-lived assets for impairment as of March 31, 2010.

As a result, the Group recognized an impairment loss of ¥ 122 million ($ 1,310 thousand) as other expense for certain idle assets, including land and assets in Fukuyama and other locations, for which the carrying amount of the land and assets was written down to the recoverable amount. The recoverable amount of the land and assets was measured at their net selling price determined by assessed value of such fixed assets.

7. SHORT-TERM BANK LOANS AND LONG-TERM DEBT

Short-term bank loans at March 31, 2010 and 2009 bore interest at annual rates of 0.405 % to 0.546 % and 0.70 % to 1.01 %, respectively.

Long-term debt at March 31, 2010 and 2009 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	2010
Unsecured loans from banks and other financial institutions due serially to 2015 with interest rates ranging from 0.54 % to 1.654 % (2010) and from 0.70% to 1.65% (2009)	¥ 22,376	¥ 23,589	$ 240,496
Total	22,376	23,589	240,496
Less current portion	6,996	9,285	75,190
Long-term debt, less current portion	¥ 15,380	¥ 14,304	$ 165,306

The aggregate annual maturities of long-term debt as of March 31, 2010 were as follows:

Year ending March 31	Millions of Yen	Thousands of U.S. Dollars
2011	¥ 6,996	$ 75,190
2012	10,054	108,065
2013	5,162	55,478
2014	112	1,204
2015	52	559
Total	¥ 22,376	$ 240,496

The Company and certain subsidiaries entered into credit agreements with several Japanese banks under which the banks committed a maximum of ¥ 36,700 million ($ 394,454 thousand) and ¥ 34,550 million to the Company and certain subsidiaries in the form of cash borrowings at March 31, 2010 and 2009 respectively. The unused lines of credit under these agreements amounted ¥ 30,700 million ($ 329,966 thousand) and ¥ 13,350 million at March 31, 2010 and 2009, respectively.

8. LIABILITY FOR EMPLOYEES' RETIREMENT BENEFITS

The Company and certain subsidiaries have severance payment plans for employees.

Under most circumstances, employees terminating their employment are entitled to retirement benefits determined based on the rate of pay at the time of termination, years of service and certain other factors. Such retirement benefits are made in the form of a lump-sum severance payment from the Company or from certain subsidiaries and annuity payments from a trustee. Employees are entitled to larger payments if the termination is involuntary, or by voluntary retirement at certain specific ages prior to the mandatory retirement age.

Most of the other subsidiaries entered into the Smaller Enterprise Retirement Allowance Mutual Aid Corporation which is a defined contribution pension plan.

The liability for employees' retirement benefits as of March 31, 2010 and 2009 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	2010
Projected benefit obligation	¥ 2,883	¥ 2,687	$ 30,997
Fair value of plan assets	(1,186)	(1,082)	(12,751)
Unrecognized actuarial loss	(100)	(119)	(1,072)
Unrecognized prior service cost	(86)	(115)	(929)
Net liability	¥ 1,511	¥ 1,371	$ 16,245

The components of net periodic benefit costs for the years ended March 2010 and 2009 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	2010
Service cost	¥ 363	¥ 319	$ 3,906
Interest cost	41	38	446
Expected return on plan assets	(12)	(11)	(129)
Recognized actuarial loss	28	18	297
Amortization of prior service cost	29	29	310
Net periodic benefit costs	¥ 449	¥ 393	$ 4,830

Assumptions used for the years ended March 31, 2010 and 2009 were set forth as follows:

	2010	2009
Discount rate	2.0 %	2.0 %
Expected rate of return on plan assets	1.5 %	1.5 %
Recognition period of actuarial gain / loss	5 years	5 years

9. RETIREMENT ALLOWANCES FOR DIRECTORS AND CORPORATE AUDITORS

Retirement allowances for directors and corporate auditors are paid subject to approval of the shareholders.

The Company and certain subsidiaries recorded a liability for their unfunded retirement allowances plan covering all of their directors and corporate auditors. The annual provisions for retirement allowances for directors and corporate auditors for the years ended March 31, 2010 and 2009 were ¥ 270 million ($ 2,905 thousand) and ¥ 52 million, respectively.

10. INVESTMENT PROPERTY

On November 28, 2008, the ASBJ issued ASBJ Statement No. 20 "Accounting Standard for Investment Property and Related Disclosures" and issued ASBJ Guidance No.23 "Guidance on Accounting Standard for Investment Property and Related Disclosures". This accounting standard and the guidance are applicable to investment property and related disclosures at the end of the fiscal years ending on or after March 31, 2010. The Group applied the new accounting standard and guidance effective March 31, 2010.

The Group holds some rental properties such as warehouses and land in Fukuyama and other areas. Net of rental income and operating expenses for those rental properties was ¥ 50 million ($ 534 thousand) for the fiscal year ended March 31, 2010.

In addition, the carrying amounts, changes in such balances and market prices of such properties are as follows.

Millions of Yen			
Carrying amount			Fair value
April 1, 2009	Increase/ Decrease	March 31, 2010	March 31, 2010
¥ 2,581	¥ 45	¥ 2,626	¥ 2,926

Thousands of U.S.Dollars			
Carrying amount			Fair value
April 1, 2009	Increase/ Decrease	March 31, 2010	March 31, 2010
$ 27,744	$ 482	$ 28,226	$ 31,450

Notes:
1) Carrying amount recognized in balance sheet is net of accumulated depreciation and accumulated impairment losses, if any.
2) Increase during the fiscal year ended March 31, 2010 primarily represents the acquisition of certain properties of ¥ 175 million ($ 1,880 thousand), and decrease primarily represents the recognition of impairment loss of ¥ 122 million ($ 1,310 thousand).
3) Fair value of properties as of March 31, 2010 is measured by the Group based on the assessed value of fixed assets and road rate.

11. EQUITY

Japanese companies are subject to the Companies Act of Japan (the "Companies Act"). The significant provisions in the Companies Act that affect financial and accounting matters are summarized below:

(a) Dividends

Under the Companies Act, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders meeting. For companies that meet certain criteria such as; (1) having the Board of Directors, (2) having independent auditors, (3) having the Board of Corporate Auditors, and (4) the term of service of the directors is prescribed as one year rather than two years of normal term by its articles of incorporation, the Board of Directors may declare dividends (except for dividends in kind) at any time during the fiscal year if the company has prescribed so in its articles of incorporation. The Company meets all the above criteria.

The Companies Act permits companies to distribute dividends-in-kind (non-cash assets) to shareholders subject to a certain limitation and additional requirements.

Semi-annual interim dividends may also be paid once a year upon resolution by the Board of Directors if the articles of incorporation of the company so stipulate. The Companies Act also provides certain limitations on the amounts available for dividends or the purchase of treasury stock. The limitation is defined as the amount available for distribution to the shareholders, but the amount of net assets after dividends must be maintained at no less than ¥ 3 million.

(b) Increases / decreases and transfer of common stock, reserve and surplus

The Companies Act requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the total of aggregate amount of legal reserve and additional paid-in capital equals 25% of the amount of common stock. Under the Companies Act, the total amount of additional paid-in capital and legal reserve may be reversed without limitation. The Companies Act also provides that common stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts under certain conditions upon resolution of the shareholders.

(c) Treasury stock and treasury stock acquisition rights

The Companies Act also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by specific formula. Under the Companies Act, stock acquisition rights are presented as a separate component of equity.

The Companies Act also provides that companies can purchase both treasury stock acquisition rights and treasury stock. Such treasury stock acquisition rights are presented as a separate component of equity or deducted directly from stock acquisition rights.

12. RESEARCH AND DEVELOPMENT COSTS

Research and development costs charged to operating expenses were ¥1,036 million ($11,134 thousand) and ¥965 million for the years ended March 31, 2010 and 2009, respectively.

13. INCOME TAXES

The Group is subject to Japanese national and local income taxes which, in the aggregate, resulted in a normal effective statutory tax rate of approximately 40.4% for the years ended March 31, 2010 and 2009.

The tax effects of significant temporary differences and tax loss carryforwards which resulted in deferred tax assets and liabilities at March 31, 2010 and 2009 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	2010
Deferred Tax Assets:			
Tax loss carry forwards	¥ 15	¥ 23	$ 163
Accrued enterprise taxes	273	217	2,939
Accrued expenses	1,411	955	15,163
Inventories-intercompany profits	14	80	141
Allowance for doubtful accounts	59	37	639
Accrued pension and severance costs	605	539	6,507
Retirement allowances for directors and corporate auditors	385	284	4,134
Allowance for loss on investments	112	107	1,202
Other	415	362	4,456
Less valuation allowance	(424)	(383)	(4,553)
Total	2,865	2,221	30,791
Deferred Tax Liabilities:			
Allowance for doubtful accounts-intercompany balances	(11)	(8)	(118)
Unrealized gain on available-for-sale securities	(423)	(175)	(4,543)
Other	(0)	(1)	(5)
Total	(434)	(184)	(4,666)
Net deferred tax assets	¥ 2,431	¥ 2,037	$ 26,125

A reconciliation schedule for the years ended March 31, 2010 and 2009 was omitted because the difference between the normal effective statutory tax rate and the actual effective tax rate after applying tax effect accounting was less than 5% of the normal effective statutory tax rate. This treatment is permitted by the Japanese accounting regulations.

At March 31, 2010, certain subsidiaries have tax loss carryforwards aggregating approximately ¥15 million ($163 thousand) which are available to be offset against taxable income of such subsidiaries in future years. These tax loss carryforwards, if not utilized, will expire as follows:

Year Ending March 31	Millions of Yen	Thousands of U.S. Dollars
2011		
2012		
2013		
2014		
2015	¥ 1	$ 16
2016	7	77
2017	7	70
Total	¥ 15	$ 163

14. LEASES

(a)As lessee

The Group leases certain machinery, computer equipment and other assets.

Total rental expense for the years ended March 31, 2010 and 2009 was ¥ 1,200 million ($ 12,893 thousand) and ¥ 1,210 million, respectively, including ¥ 287 million ($ 3,088 thousand) and ¥ 263 million of lease payments under finance leases.

(b)As lessor

The Group subleases certain machinery, computer equipment, vehicles and other assets. The net investments in lease are summarized as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	2010
Gross lease receivables	¥ 74	¥ 108	$ 793
Unearned interest income	(5)	(8)	(54)
Investments in lease, current	¥ 69	¥ 100	$ 739
Gross lease receivables	¥ 167	¥ 248	$ 1,798
Unearned interest income	(7)	(9)	(77)
Investments in lease, noncurrent	¥ 160	¥ 239	$ 1,721

Maturities of investments in lease for finance leases that are not deemed to transfer ownership of the leased property to the lessee are as follows:

Year Ending March 31	Millions of Yen	Thousands of U.S. Dollars
2011	¥ 69	$ 739
2012	54	578
2013	36	393
2014	22	242
2015	12	126
2016 and thereafter	36	382
Total	¥ 229	$ 2,460

15. RELATED PARTY DISCLOSURES

(1)Related party transactions between the Company and directors for the year ended March 31, 2010

Type	Name	Location	Principal business or title	Capital		Equity ownership	Relationship	Transaction	Amount of transaction (Note 1)		Account	Balanced at year-end (Note 2)	
				Millions of yen	Thousands of dollars				Millions of yen	Thousands of dollars		Millions of yen	Thousands of dollars
Companies for which directors and their close relatives owned a majority interest. (Note 3)	HY Corporation Co., Ltd.	Fukuyama, Hiroshima prf.	・Lease and management of real estate	¥ 50	$ 537	—	Leasing land	Leasing land for delivery center	¥ 12	$ 125	Revenue received in advance	¥ 1	$ 10

(2)Related party transactions between the consolidated subsidiaries and directors for the year ended March 31, 2010

Type	Name	Location	Principal business or title	Capital		Equity ownership	Relationship	Transaction	Amount of transaction (Note 1)		Account	Balanced at year-end (Note 2)	
				Millions of yen	Thousands of dollars				Millions of yen	Thousands of dollars		Millions of yen	Thousands of dollars
Companies for which directors and their close relatives owned a majority interest. (Note 3)	HY Corporation Co., Ltd.	Fukuyama Hiroshima prf.	・Lease and management of real estate	¥ 50	$ 537	—	Renting premises	Renting premises for delivery center	¥ 134	$ 1,438	Prepaid expenses	¥ 12	$ 126
											Deposits	¥ 112	$ 1,198

Notes :
1. Excluding consumption taxes
2. Including consumption taxes
3. Yasuhiro Komatsu, who is the representing director of the Company, owns all shares of HY Corporation Co., Ltd.
4. Rent of buildings and land is determined "at arms-length" based on market rates in the neighboring areas.

16. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

On March 10, 2008, the ASBJ revised ASBJ Statement No. 10 "Accounting Standard for Financial Instruments" and issued ASBJ Guidance No.19 "Guidance on Accounting Standard for Financial Instruments and Related Disclosures". This accounting standard and the guidance are applicable to financial instruments and related disclosures at the end of the fiscal years ending on or after March 31, 2010 with early adoption permitted from the beginning of the fiscal years ending before March 31, 2010. The Group applied the revised accounting standard and the new guidance effective March 31, 2010.

(1) Policy for financial instruments

The Group was adopted a policy to limit investment to short-term and low-risk financial instruments such as deposits regarding fund management. On the other hand, the Group was adopted a policy to use bank loans or to issue commercial paper regarding funding. Derivatives are used, not for speculative or trading purposes, but to manage the market risk of fluctuation in foreign currency exchange rates by using foreign currency forward contracts as described in Note 17.

(2) Nature and extent of risks arising from financial instruments and risk management

Receivables such as trade notes and trade accounts are exposed to customer's credit risk. With respect to receivables, the Group sets limits or payment terms to each customer based on the internal customer credit management regulation in order to control customer's credit risk. Additionally, each customer's credit line status is regularly checked and monitored by using credit reports and other information.

Although stock such as investment securities are exposed to market price fluctuation, these are mainly customer's stocks. The corporate finance division of the Company monitors the fair value at the end of each month, and reports this to the top management.

Payment terms of all accounts payable are within six months.

Short-term bank loans are mainly financed for daily operating purposes and long-term debt (maturity is generally within three years), are financed for capital investment purposes. Loans with interest fluctuation are exposed to interest fluctuation risk.

The Group under takes foreign currency forward contracts to hedge the market risk of foreign currency exchange rates fluctuations.

Derivatives are managed and controlled within approved policy. And the Group has adopted a policy of only dealing with creditworthy counterparties in order to reduce credit risk when carrying derivative transactions.

(3) Fair value of financial instruments

The contract or notional amounts of derivatives themselves which are shown in the table below do not represent or measure the Group's exposure to credit of market risk.

(a) Fair value of financial instruments

March 31, 2010	Millions of yen Carrying amount	Fair value	Unrealized gain/loss
Cash and cash equivalents	¥ 11,103	¥ 11,103	
Receivables:			
Trade notes	10,852	10,826	¥ (26)
Trade accounts	16,120	16,067	(53)
Associated companies	398	398	
Other	3,767	3,767	
Lease investment assets	69	69	
Investment securities	2,890	2,890	
Long-term loans	448	433	(15)
Total	¥ 45,647	¥ 45,553	¥ (94)
Short-term bank loans	¥ 6,000	¥ 6,000	
Current portion of long-term debt	6,996	7,179	¥ 183
Payables:			
Trade accounts	13,523	13,523	
Other	4,460	4,460	
Commercial paper	10,000	10,000	
Lease obligations (current)	2,874	3,032	158
Long-term debt	15,380	15,321	(59)
Accrued income taxes	3,510	3,510	
Lease obligations (long-term)	8,380	8,304	(76)
Total	¥ 71,123	¥ 71,329	¥ 206

March 31, 2010	Thousands of U.S.Dollars Carrying amount	Fair value	Unrealized gain/loss
Cash and cash equivalents	$ 119,334	$ 119,334	
Receivables:			
Trade notes	116,636	116,362	$ (274)
Trade accounts	173,263	172,692	(571)
Associated companies	4,280	4,280	
Other	40,483	40,483	
Lease investment assets	739	739	
Investment securities	31,063	31,063	
Long-term loans	4,819	4,655	(164)
Total	$ 490,617	$ 489,608	$ (1,009)
Short-term bank loans	$ 64,488	$ 64,488	
Current portion of long-term debt	75,190	77,165	$ 1,975
Payables:			
Trade accounts	145,350	145,350	
Other	47,938	47,938	
Commercial paper	107,481	107,481	
Lease obligations (current)	30,888	32,584	1,696
Long-term debt	165,306	164,668	(638)
Accrued income taxes	37,724	37,724	
Lease obligations (long-term)	90,064	89,250	(814)
Total	$ 764,429	$ 766,648	$ 2,219

Assets

As for cash and cash equivalents, receivables, lease investment assets, the Group applied the carrying value, because the carrying value of these assets approximate fair value because of their short maturities.

Investment securities

The fair value of investment securities are measured at the quoted market price of the stock exchange for the equity instruments.

Long-term loans

The Group determines the fair value of long-term loans by discounting the cash flows related to the loans at the rate assumed based on the debt's maturity and credit risk.

Liabilities

As for short-term bank loans, payables, commercial paper, accured income taxes, the Group applied the carrying value, because the carrying value of these liabilities approximate fair value because of their short maturities.

The Group determines the fair value of long-term debt with fixed interest rate by discounting the cash flows (using risk free rate plus spread as the discount rate). Regarding long-term debts with variable interest rate, the Group applies the carrying value, as the carrying value of these loans approximate fair value according to contract condition of loan interest rate which is resettled periodically.

As for lease obligation, the Group determines the fair value by discounting the cash flow, (using long-term prime rate as the discount rate).

(b) Financial instruments whose fair value cannot be reliably determined

	Carrying amount	
March 31, 2010	Millions of Yen	Thousands of U.S.Dollars
Investments in equity instruments that do not have a quoted market price in an active market	¥ 975	$ 10,478

(4) Maturity analysis for financial assets and securities with contractual maturities

March 31, 2010	Millions of Yen			
	Due in one year or less	Due after one year through five years	Due after five years through ten years	Due after ten years
Cash and cash equivalents	¥ 11,103			
Receivables:				
Trade notes	10,852			
Trade accounts	16,120			
Associated companies	398			
Others	3,767			
Lease investment assets	69			
Investment securities			¥ 34	
Long-term loans		¥ 342	106	
Total	¥ 42,309	¥ 342	¥ 140	

March 31, 2010	Thousands of U.S.Dollars			
	Due in one year or less	Due after one year through five years	Due after five years through ten years	Due after ten years
Cash and cash equivalents	$ 119,334			
Receivables:				
Trade notes	116,636			
Trade accounts	173,263			
Associated companies	4,280			
Others	40,483			
Lease investment assets	739			
Investment securities			$ 363	
Long-term loans		$ 3,678	1,141	
Total	$ 454,735	$ 3,678	$ 1,504	

Please see Note 7 for annual maturities of long-term debt and Note 14 for obligations under finance leases, respectively.

17. DERIVATIVES

The Group enters into foreign currency forward contracts to hedge foreign exchange risk associated with certain assets and liabilities denominated in foreign currencies. The Group does not hold or issue derivatives for trading purposes.

All derivative transactions are entered into to hedge foreign currency exposures incorporated within its business. Accordingly, market risk in these derivatives is basically offset by opposite movements in the value of hedged assets or liabilities.

Because the counterparties to these derivatives are limited to major international financial institutions, the Group does not anticipate any losses arising from credit risk.

Derivative transactions entered into by the Group have been made in accordance with internal policies which regulate the authorization and credit limit amount.

As noted in Note 16, the Group applied ASBJ Statement No. 10 "Accounting Standard for Financial Instruments" and ASBJ Guidance No.19 "Guidance on Accounting Standard for Financial Instruments and Related Disclosures". The accounting standard and the guidance are applicable to financial instruments and related disclosures at the end of the fiscal years ending on or after March 31, 2010; therefore, the required information is disclosed only for 2010.

Derivative transactions to which hedge accounting is not applied at March 31, 2010

	Millions of Yen			
At March 31, 2010	Contract Amount	Contract Amount due after One Year	Fair Value	Unrealized Gain / Loss
Foreign currency forward contracts:				
Buying U.S.$	¥ 14		¥ 1	¥ 1
Selling U.S.$	¥ 2		¥ △0	¥ △0

	Thousands of U.S. Dollars			
At March 31, 2010	Contract Amount	Contract Amount due after One Year	Fair Value	Unrealized Gain / Loss
Foreign currency forward contracts:				
Buying U.S.$	$ 155		$ 6	$ 6
Selling U.S.$	$ 16		$ △1	$ △1

The following is the fair value information for foreign currency forward contracts to which hedge accounting is not applied at March 31, 2009. Foreign currency forward contracts which qualify for hedge accounting are excluded from the information below.

	Millions of Yen		
	2009		
At March 31, 2009	Contract Amount	Fair Value	Unrealized Gain/Loss
Foreign currency forward contracts:			
Buying U.S.$	¥ 42	¥ 41	¥ △1
Selling U.S.$	¥ 13	¥ 12	¥ △1

The fair value of derivative transactions is measured at the quoted price obtained from the financial institution.

The contract or notional amounts of derivatives which are shown in the above table do not represent the amounts exchanged by the parties and do not measure the Group's exposure to credit or market risk.

18. SUBSEQUENT EVENTS

Appropriations of Retained Earnings

The following appropriation of retained earnings at March 31, 2010 was approved at the board of directors meeting held on May 31, 2010:

	Millions of Yen	Thousands of U.S. Dollars
Year-end cash dividends, ¥52.00 ($0.56) per share	¥ 1,086	$ 11,672

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