

9061 FUJI LOGISTICS CO., LTD. Summary of Consolidated Semi-annual Financial Results (from April to September 2006)

(Unit: Million yen)

	First Quarter		Second Quarter		First Half			Second Half		Annual	
	FY2005	FY2006	FY2005	FY2006	FY2005	FY2006	Change	FY2005	FY2006	FY2005	FY2006
	(4-6/2005)	(4-6/2006)	(7-9/2005)	(7-9/2006)	(4-9/2005)	(4-9/2006)		(10/2005-3/2006)	(10/2006-3/2007)	(4/2005-3/2006)	(4/2006-3/2007)
	Actual	Actual	Actual	Actual	Actual	Actual		Actual	Forecast	Actual	Forecast
Service revenues (¥ Million)	9,409	10,112	9,860	10,090	19,269	20,202	932	20,285	21,297	39,555	41,500
General customers (¥ Million)	4,727	4,942	5,001	5,123	9,728	10,065	336	10,017	11,234	19,746	21,300
(% to total service revenues)	50.2	48.9	50.7	50.8	50.5	49.8	(2.2)	49.4	52.8	49.9	51.3
Fuji Electric Group (¥ Million)	4,682	5,170	4,858	4,966	9,541	10,137	596	10,267	10,062	19,808	20,200
(% to total service revenues)	49.8	51.1	49.3	49.2	49.5	50.2	0.7	50.6	47.2	50.1	48.7
Operating income (¥ Million)	79	146	159	137	238	284	46	381	575	620	860
Ordinary income (¥ Million)	77	144	155	134	233	279	46	364	550	597	830
Net income (¥ Million)	2	68	61	43	64	111	47	156	238	220	350
Net income per share (Yen)	0.11	2.80	2.52	1.77	2.63	4.57	1.94	4.75	9.76	7.38	14.33
Dividends per share (Yen)	—	—	—	—	3.00	3.00	—	4.00	4.00	7.00	7.00
Total assets (¥ Million)	26,226	28,484			27,081	28,280	1,199			28,949	
Net assets (¥ Million)	10,425	10,658			10,512	10,696	184			10,582	
Equity ratio (%)	39.8	36.9			38.8	37.3	(1.0)			36.6	
Net assets per share (Yen)	426.80	430.38			430.43	431.94	7.64			431.72	
Retained earnings (¥ Million)	4,939	5,014			5,000	5,057	56			5,083	
Interest-bearing debt (¥ Million)	4,521	7,161			4,996	6,624	1,627			6,541	
CF from operating activities (¥ Million)	(150)	15			465	568				454	
CF from investing activities (¥ Million)	(583)	(806)			(957)	(852)				(2,338)	
CF from financing activities (¥ Million)	384	517			833	(20)				2,300	
Cash and cash equivalents (¥ Million)	2,036	2,549			2,730	2,516				2,821	
Capital expenditure (¥ Million)	219	104			1,472	257	(1,215)			2,428	
Depreciation and amortization (¥ Million)	187	211			378	414	36			816	
Number of employees	—	—			891	966	75			915	

Note 1 The above forecast is based on information available as of the date which this material was released. Actual results are subject to change due to various future events and may differ from these figures.

Note 2 Expected net income per share calculation is based on the number of outstanding shares as of March 31, 2006.



Pack'n Solution

Cardboard-box robot "Fuji Pack'n" is our mascot

Consolidated Semi-annual Financial Results For the Six Months Ended September 30, 2006

October 30, 2006

Name of the listed company: Fuji Logistics Co., Ltd.
 Listed stock exchange: TSE
 Code Number: 9061
 Address of principal executive office: Tokyo, Japan
 (Web site: <http://www.fujibuturyu.co.jp/>)
 Representative: Michio Kobayashi, President and Representative Director
 Contact: Yujiro Higuchi, Manager of Corporate Planning Department
 Tel: +81-3-5476-8672
 Date of the board of directors' meeting for interim financial results: October 30, 2006
 Name of the parent companies: Fuji Electric Holdings Co., Ltd. / Toyota Industries Corporation
 (Code Numbers: 6504 / 6201)
 Ratios of the Company's voting rights in the parent companies: 28.23% and 26.80%
 Adoption of US GAAP: No

1. Consolidated Financial Results for the Six Months Ended September 30, 2006 (April 1, 2006 – September 30, 2006)

(1) Consolidated Results of Operations

(In millions of yen, with fractional amounts discarded)

	Service revenues		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2006	20,202	4.8	284	19.5	279	19.8
Six months ended September 30, 2005	19,269	6.8	238	(42.2)	233	(43.6)
Year ended March 31, 2006	39,555	-	620	-	597	-

	Net income		Net income per share: Basic		Net income per share: Fully diluted	
	Millions of yen	%	yen		yen	
Six months ended September 30, 2006	111	73.6	4.57		-	
Six months ended September 30, 2005	64	(57.7)	2.63		-	
Year ended March 31, 2006	220	-	7.38		-	

Notes:

- 1) Gains or losses on investments through equity method accounting:
 - For the six months ended September 2006: - million yen
 - For the six months ended September 2005: (13) million yen
 - For the year ended March 2006: (22) million yen
- 2) Average number of outstanding shares during term (consolidated):
 - For the six months ended September 2006: 24,417,737 shares
 - For the six months ended September 2005: 24,426,410 shares
 - For the year ended March 2006: 24,423,266 shares
- 3) Change in the accounting method: No
- 4) Percentages shown next to service revenues, operating income, ordinary income and net income represent year-on-year changes.



(2) Consolidated Financial Position

	Total assets	Net assets	Equity Ratio	Net assets per share
	Millions of yen	Millions of yen	%	yen
September 30, 2006	28,280	10,696	37.3	431.94
September 30, 2005	27,081	10,512	38.8	430.43
March 31, 2006	28,949	10,582	36.6	431.72

Note: Number of outstanding shares at end of period (consolidated):

September 30, 2006:	24,417,121 shares
September 30, 2005:	24,423,066 shares
March 31, 2006:	24,418,751 shares

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash & cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Six months ended September 30, 2006	568	(852)	(20)	2,516
Six months ended September 30, 2005	465	(957)	833	2,730
Year ended March 31, 2006	454	(2,338)	2,300	2,821

(4) Number of Consolidated Subsidiaries and Affiliated Companies Accounted for Under the Equity Method

The number of consolidated subsidiaries:	11
The number of unconsolidated subsidiaries accounted for under the equity method:	0
The number of affiliated companies accounted for under the equity method:	1

(5) Changes of Reporting Entities

The number of consolidated subsidiaries added:	0
The number of consolidated subsidiaries removed:	0
The number of companies accounted for under the equity method added:	0
The number of companies accounted for under the equity method removed:	0

2. Consolidated Financial Results Forecasts for the Year Ending March 31, 2007 (April 1, 2006 – March 31, 2007)

	Service revenues	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen
Year ending March 31, 2007	41,500	830	350

Reference: Estimated Net Income per Share (annual): 14.33 yen

* The above forecasts are based on information available as of the date on which these materials were released. Actual results are subject to change due to various future events and may differ from these figures. Please refer to page 8 - 9 of the attached materials for items related to the assumptions on which these forecasts are based.

Operating Results and Financial Position

Consolidated Operating Results

1. Overview of the current interim period

The Japanese economic expansion is comparable with the Izanagi boom, the longest postwar economic expansion. This long-term economic expansion has been supported by domestic private demand such as increased capital investment and consumer spending on the back of improved corporate earnings. On the other hand, crude oil prices still remain high, and there are concerns over effects of these prices on the Japanese economy.

In the logistics industry, international cargo services for destinations such as Asia are expected to remain steady. The total domestic transport volume is expected to continuously decrease because the movement of production-related cargo and consumption-related cargo will be stable, and construction-related cargo will remain sluggish because of restricted public investment.

Under these market conditions, our Group announced the 3-year medium-term management plan (2006 to 2008) in June 2006. Our Group aims to realize a long-term vision of “**becoming a leading 3PL company**” under this plan, and the core strategy will be to strengthen fieldwork capability (= personnel training). We will also strive to become **an irreplaceable company for all stakeholders**, provide logistics services that truly satisfy our customers based on our behavioral guidelines represented by “Challenge, Change, Action,” and actively expand our business.

Service revenues increased 932 million yen year-on-year to 20,202 million yen (up 4.8% year-on-year).

Service revenues to general customers outside the Fuji Electric Group increased by 336 million yen to 10,065 million yen (up 3.5% year-on-year and accounting for 49.8% of total service revenues). This rise in service revenues was attributable to revenues from logistics center operations for a major mail order company (an order received in October 2005) and precision electronic parts maker (an order received in July 2005), which more than offset revenue lost as a result of withdrawal from unprofitable operations. In addition, the performance of SII Logistics Inc., which became a consolidated subsidiary last year, was strong.

Service revenues to the Fuji Electric Group increased by 596 million yen to 10,137 million yen (up 6.2% year-on-year and accounting for 50.2% of total service revenues). Vending machine-related volumes were poor, but outbound transport volumes of power generator and transformer plants remained strong, and domestic and overseas transport volumes of magnetic recording media and photoconductive drums increased. Transport volumes of control devices such as inverters were also solid.

Operating income increased by 46 million yen to 284 million yen (up 19.5% year-on-year). This reflected increase in service revenues from overseas subsidiaries as well as contribution of rationalization under the Toyota Production System (TPS) despite increases in warehouse rent for the metropolitan logistics center that started operations in November last year, depreciation expenses and labor costs for new order receipt operations.

Ordinary income increased by 46 million yen to 279 million yen (up 19.8% year-on-year), because of an increase in operating income.

Net income increased by 47 million yen to 111 million yen (up 73.6% year-on-year), reflecting an increase in operating income.

Consolidated Financial Results

(Unit: millions of yen)

	Six months ended September 30, 2005	Six months ended September 30, 2006	Difference	Difference (%)
Service revenues	19,269	20,202	932	4.8
Operating income	238	284	46	19.5
Ordinary income	233	279	46	19.8
Net income	64	111	47	73.6

Consolidated Service Revenues by Customer Group

(Unit: millions of yen)

	Six months ended September 30, 2005		Six months ended September 30, 2006		Difference	
	Amount	%	Amount	%	Amount	%
General customers	9,728	50.5	10,065	49.8	336	3.5
Fuji Electric Group	9,541	49.5	10,137	50.2	596	6.2

Operating results for the current interim period by segment are as shown below:

Domestic Logistics

(Transportation, packing and storage in Japan)

(Unit: millions of yen)

	Six months ended September 30, 2005	Six months ended September 30, 2006	Difference	Difference (%)
Service revenues	16,011	16,095	83	0.5
Operating income	225	230	5	2.3

As for domestic logistics, service revenues remained stable because of poor vending machine-related volumes and the effects of withdrawal from unprofitable operations despite new orders received in relation to logistics center operations for a major mail order company and precision electronic parts maker and strong transport volumes of power generation and transformer plants.

Other Businesses

(Export and import handling in Japan, overseas local logistics and sales of logistics systems, equipment and materials)

(Unit: millions of yen)

	Six months ended September 30, 2005	Six months ended September 30, 2006	Difference	Difference (%)
Service revenues	3,258	4,107	849	26.1
Operating income	11	54	43	392.0

Service revenues from other businesses increased year-on-year owing to a rise in the overseas transport volume of magnetic recording media, photoconductive drums and power generator and transformer plants.

Non-consolidated operating results for the current interim period are as follows:

Non-consolidated Operating Results

(Unit: millions of yen)

	Six months ended September 30, 2005	Six months ended September 30, 2006	Difference	Difference (%)
Service revenues	17,088	17,400	311	1.8
Operating income	207	190	(17)	(8.4)
Ordinary income	240	217	(23)	(9.9)
Net income	101	88	(12)	(12.2)

Service revenues increased 311 million yen year-on-year to 17,400 million yen (up 1.8% year-on-year). This was a slight increase because of poor vending machine-related volumes and the effects of withdrawal from unprofitable operations despite strong transport volumes of power generator and transformer plants and magnetic recording media, and order receipts for new operations.

Operating income decreased by 17 million yen to 190 million yen (down 8.4% year-on-year). In spite of our efforts to rationalize operations using the Toyota Production System (TPS) whenever necessary, operating income declined reflecting the increases in warehouse rent for the metropolitan logistics center that started operations in November last year, depreciation expenses and costs for new order receipt operations.

Ordinary income decreased by 23 million yen to 217 million yen (down 9.9% year-on-year), owing to a decrease in operating income and an increase in interest payments because of increased long-term debt.

Net income decreased by 12 million yen to 88 million yen (down 12.2% year-on-year), reflecting a decrease in operating income.

Dividends for the interim period

Dividends for the interim period will be 3 yen per share, the same as the previous interim period.

2. Cash Flows

Cash and cash equivalents at the end of the interim period is decreased by 304 million yen to 2,516 million yen (compared with an increase of 349 million yen in the previous interim period). The status of cash flows and their factors are described below.

Cash Flows from Operating Activities

Net cash flows provided by operating activities amounted to 568 million yen (compared with 465 million yen provided in the previous interim period), mainly reflecting a rise in net income before taxes of 253 million yen and depreciation expenses of 414 million yen.

Cash Flows from Investing Activities

Net cash used in investing activities amounted to 852 million yen (compared with 957 million yen used in the previous interim period), mainly because of payment for the construction of a distribution center completed in the previous period.

Cash Flows from Financing Activities

Net cash used in financing activities amounted to 20 million yen (compared with 833 million yen provided in the previous interim period), primarily because of a decrease in short-term borrowings.

Trend for indicators of cash flow on a consolidated basis are as shown below:

	Six months ended September 30, 2004	Year ended March 31, 2005	Six months ended September 30, 2005	Year ended March 31, 2006	Six months ended September 30, 2006
Equity I ratio (%)	43.6	41.0	38.8	36.6	37.3
Equity ratio based on market prices (%)	34.0	41.2	40.7	37.1	28.1
Number of debt retirement years (years)	1.4	19.0	5.4	14.4	5.8
Interest coverage ratio (times)	99.8	10.2	40.2	16.6	47.0

Note: 1. Method of computation

Equity ratio: (Net asset - Minority interest)/Total assets

Equity ratio based on market prices: Total market capitalization/Total assets

Debt retirement years: Interest-bearing debt/Operating cash flows

(Number of debt retirement years for the interim period: Interest-bearing debt/(Operating cash flows x 2))

Interest coverage ratio: Operating cash flows/Interest payment

1) All indices have been computed using financial indices on a consolidated basis.

2) Total market capitalization has been computed using the following formula: Closing stock price at the end of period x number of outstanding stocks at the end of period (after deducting treasury shares).

3) Operating cash flows have been computed using cash flows from operating activities on consolidated statements of cash flows. Interest-bearing debt represents all liabilities on the consolidated balance sheet for which interests have been accrued. Interest paid that is disclosed on the consolidated statement of cash flows has been used in the calculation of interest payment.

Business Outlook for the Fiscal Year

There is an ongoing long-term economic expansion that is comparable with the Izanagi boom, the longest postwar economic expansion, and corporate earnings, capital investment and consumer spending are said to be strong. The outlook for the Japanese economy, however, appears to be uncertain because of a continuously decreasing amount of public works, rising crude oil prices and a tendency for interest rates to increase.

In the logistics industry, the outlook is for total domestic transport volume to continuously decrease owing to weak public investment although international cargo services are expected to remain steady. In the corporate logistics business, shippers will continue to strive for qualitative improvement and efficiency of logistics, while reviewing their logistics systems that respond to globalization.

Our Group has steadily improved our service quality and increased order receipts for our solutions business, the core of our business expansion. We will strive to provide services reflecting global needs by concentrating our management resources and operating activities on the solutions business.

With respect to sales activities for order expansion at TF Logistics Co., Ltd., which was established and started business in April 2004 as a result of operational and capital tie-ups with Toyota Industries Corporation regarding logistics services in general, we have been making every effort by having as many business meetings as possible. We will also strive to increase orders by providing our logistics services that operate 24 hours a day, 365 days a year and utilizing the *kaizen* (upgrading) capabilities of Toyota Industries Corporation in the future too.

There is no change to our previous earnings forecast for the fiscal year ending March 31, 2007 (announced on April 27, 2006).

Consolidated earnings forecast

We expect consolidated service revenues, operating income, ordinary income and net income to increase for the fiscal year ending March 31, 2007.

We expect an increase in new orders for 3PL from general customers as well as business orders from existing customers. And we also forecast higher revenues from business collaboration with TF Logistics Co., Ltd. In addition, we will consider withdrawing from unprofitable operations whenever necessary.

We believe service revenues to the Fuji Electric Group will increase because of the increased transport volumes mainly for magnetic recording media and order expansion resulting from new business development such as the construction of a new plant of the Group.

We expect operating income to increase owing to increases in revenues and the rationalization based on improved operational efficiency under the TPS (Toyota Production System). When forecasting this increase in operating income, we have taken into consideration increases in warehouse rent for the logistics center that was newly constructed in 2005 and depreciation expenses.

We predict ordinary income will grow because of an increase in operating income despite the fact that we will need to make increased interest payments because of increased borrowings.

We believe net income will increase because of an increase in ordinary income.

(Unit: millions of yen)

	Year ended March 31, 2006	Estimate for Year ending March 31, 2007	Amount of Difference	Rate of Difference (%)
Service revenues	39,555	41,500	1,944	4.9
Operating income	620	860	239	38.6
Ordinary income	597	830	232	38.9
Net income	220	350	129	58.9

Non-consolidated Financial Results Forecast

(Unit: millions of yen)

	Year ended March 31, 2006	Estimate for Year ending March 31, 2007	Amount of Difference	Rate of Difference (%)
Service revenues	34,824	36,000	1,175	3.4
Operating income	517	750	232	44.9
Ordinary income	549	750	200	36.5
Net income	243	340	96	39.5

This forecast is approximate to the consolidated earnings forecast.

* The above forecasts were based on information that was available as of the day of this announcement and on assumptions made as of the same day regarding a number of uncertainties that could affect future financial performance. Actual results could differ considerably depending on a variety of factors.

Consolidated Financial Results by Year

Consolidated financial results for the past three fiscal years and forecast for the current year

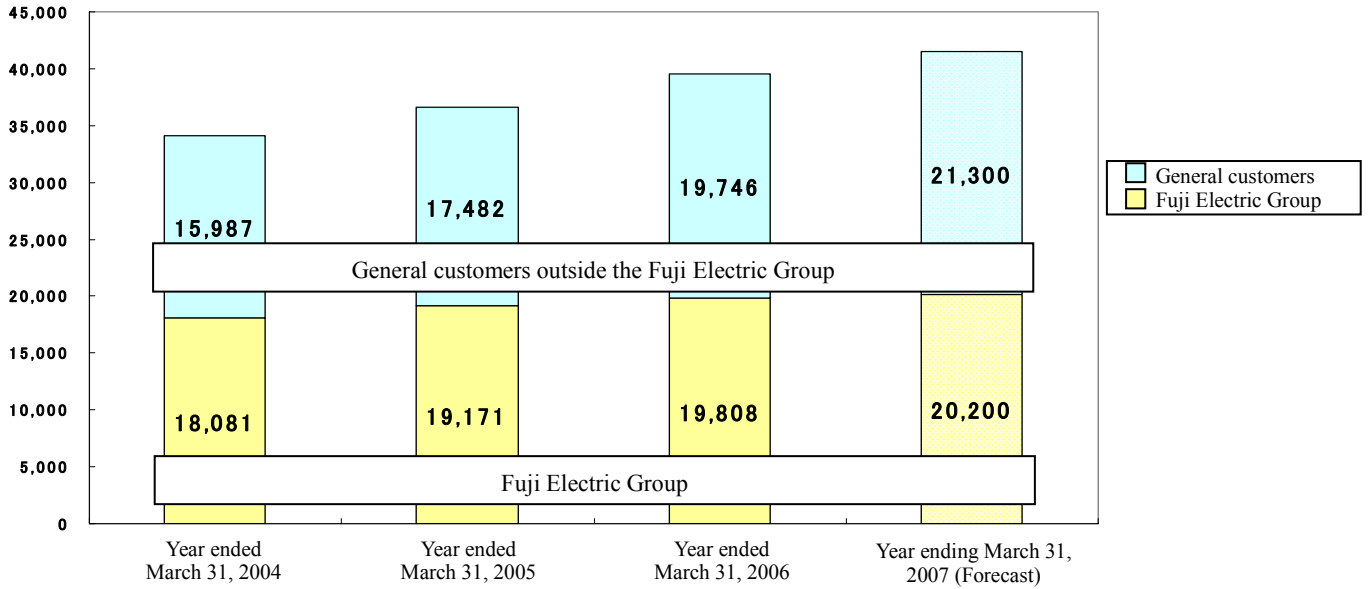
(Unit: millions of yen)

	Year ended March 31, 2004	Year ended March 31, 2005	Year ended March 31, 2006	Consolidated earnings forecast for the year ending March 2007
Service revenues	34,069	36,654	39,555	41,500
Operating income	795	807	620	860
Ordinary income	805	825	597	830
Net income	358	245	220	350



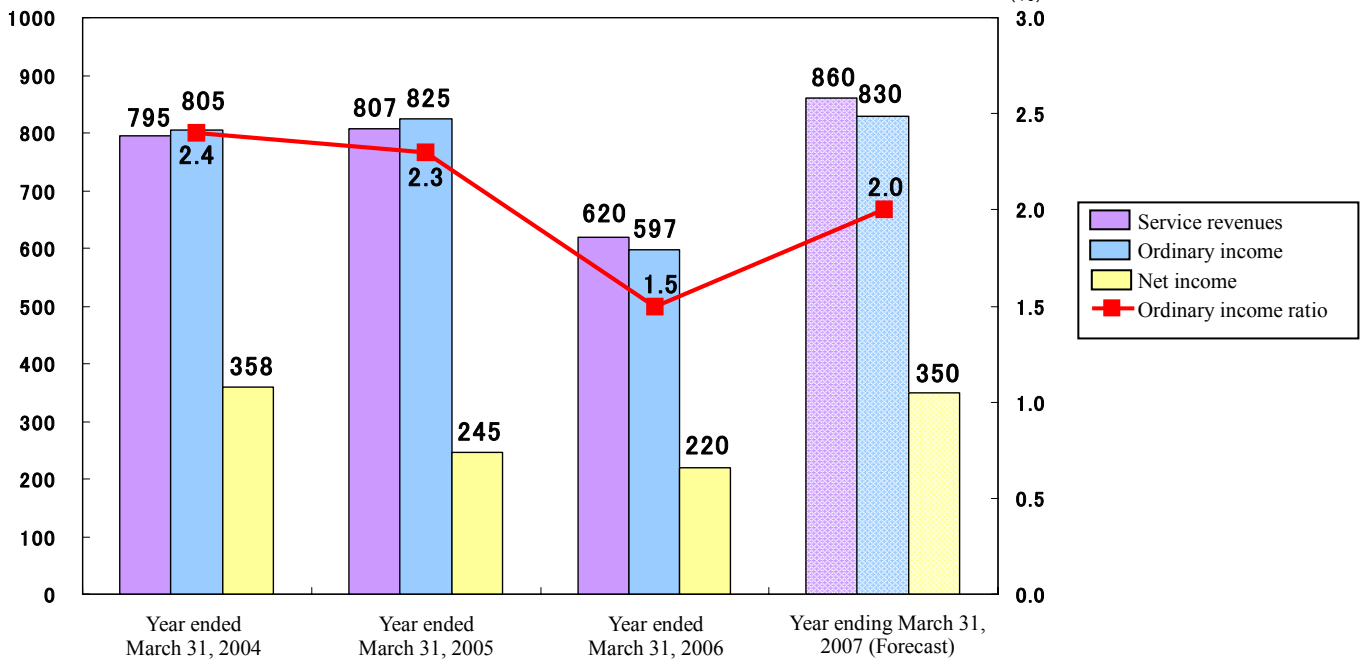
Change of Consolidated Service Revenues

(Unit: millions of yen)



Change of Service Revenues, Ordinary Income and Net Income

(Unit: millions of yen)



Consolidated Interim Balance Sheet

(Unit: millions of yen)

Item	Period	September 30, 2005		September 30, 2006		March 31, 2006	
		Amount	%	Amount	%	Amount	%
Assets							
I Current assets							
1. Cash and cash equivalents		1,255		1,229		1,285	
2. Trade receivables		10,036		10,912		11,015	
3. Inventories		-		309		333	
4. Deferred tax assets		317		259		263	
5. Money deposited		1,475		1,286		1,536	
6. Others		783		753		694	
Allowance for doubtful accounts		(13)		(14)		(15)	
Total current assets		13,854	51.2	14,736	52.1	15,113	52.2
II Fixed assets							
1. Property, Plant and Equipment *1							
(1) Buildings and structures		3,188		4,387		4,528	
(2) Machinery and equipment		310		337		395	
(3) Land		5,150		5,150		5,150	
(4) Construction in progress		926		-		-	
(5) Other property, plant and equipment		418		432		446	
Total property, plant and equipment		9,993	36.9	10,306	36.4	10,520	36.4
2. Intangible Assets							
(1) Software		649		618		634	
(2) Consolidation adjustment account		268		-		253	
(3) Goodwill		-		239		-	
(4) Other intangible assets		73		71		72	
Total intangible assets		991	3.6	929	3.3	960	3.3
3. Investments and other assets							
(1) Investment securities *3		271		206		218	
(2) Deferred tax assets		951		953		974	
(3) Deposits and guarantees		953		1,109		1,112	
(4) Other investments and other assets		74		39		61	
Allowance for doubtful accounts		(8)		-		(11)	
Total investments and other assets		2,242	8.3	2,308	8.2	2,355	8.1
Total fixed assets		13,226	48.8	13,543	47.9	13,836	47.8
Total assets		27,081	100.0	28,280	100.0	28,949	100.0

(Unit: millions of yen)

Item	Period	September 30, 2005		September 30, 2006		March 31, 2006	
		Amount	%	Amount	%	Amount	%
Liabilities							
I	Current liabilities						
	1. Trade payables	6,464		6,677		6,858	
	2. Short-term borrowings	2,816		2,999		3,144	
	3. Current portion of corporate bonds	100		100		100	
	4. Accrued income taxes	75		140		141	
	5. Reserve for officers' bonuses	-		7		-	
	6. Other current liabilities	2,333		1,674		2,113	
	Total current liabilities	11,789	43.6	11,599	41.0	12,357	42.7
II	Long-term liabilities						
	1. Corporate bonds	650		550		600	
	2. Long-term debt	1,430		2,974		2,697	
	3. Deferred income taxes	60		58		60	
	4. Reserve for employees' retirement benefits	2,321		2,266		2,302	
	5. Reserve for officers' retirement benefits	164		124		189	
	6. Other long-term liabilities	8		9		9	
	Total long-term liabilities	4,634	17.1	5,984	21.2	5,860	20.2
	Total liabilities	16,424	60.7	17,584	62.2	18,217	62.9
Minority interests							
	Minority interests in consolidated subsidiaries	144	0.5	-	-	149	0.5
Shareholders' equity							
I	Common stock	2,979	11.0	-	-	2,979	10.3
II	Capital surplus	2,595	9.6	-	-	2,595	9.0
III	Retained earnings	5,000	18.4	-	-	5,083	17.6
IV	Difference in evaluation of other securities	47	0.2	-	-	8	0.0
V	Foreign currency translation adjustment	(3)	(0.0)	-	-	23	0.1
VI	Treasury stocks	(107)	(0.4)	-	-	(109)	(0.4)
	Total shareholders' equity	10,512	38.8	-	-	10,582	36.6
	Total liabilities, minority interests and shareholders' equity	27,081	100.0	-	-	28,949	100.0

(Unit: millions of yen)

Item	Period	September 30, 2005		September 30, 2006		March 31, 2006	
		Amount	%	Amount	%	Amount	%
Net Assets							
I	Shareholders' equity						
	1. Common stock	-	-	2,979	10.5	-	-
	2. Capital surplus	-	-	2,595	9.2	-	-
	3. Retained earnings	-	-	5,057	17.9	-	-
	4. Treasury stocks	-	-	(109)	(0.4)	-	-
	Total shareholders' equity	-	-	10,522	37.2	-	-
II	Valuation and translation adjustments						
	1. Difference in evaluation of other securities	-	-	1	0.0	-	-
	2. Foreign currency translation adjustment	-	-	22	0.1	-	-
	Total valuation and translation adjustments	-	-	24	0.1	-	-
III	Minority interests in consolidated subsidiaries	-	-	149	0.5	-	-
	Total net assets	-	-	10,696	37.8	-	-
	Total liabilities and net assets	-	-	28,280	100.0	-	-

Consolidated Interim Income Statement

(Unit: millions of yen)

Item	Period	Six months ended September 30, 2005		Six months ended September 30, 2006		Year ended March 31, 2006	
		Amount	%	Amount	%	Amount	%
I Service revenues		19,269	100.0	20,202	100.0	39,555	100.0
II Cost of services		17,674	91.7	18,558	91.9	36,327	91.8
Gross profit		1,595	8.3	1,643	8.1	3,228	8.2
III Selling, general and administrative expenses	*1	1,357	7.1	1,359	6.7	2,607	6.6
Operating income		238	1.2	284	1.4	620	1.6
IV Non-operating income		27	0.1	24	0.1	45	0.1
1. Interest and dividend income		3		4		6	
2. Other non-operating income		23		19		38	
V Non-operating expenses		32	0.1	29	0.1	68	0.2
1. Interest expense		12		20		30	
2. Other non-operating expenses		20		9		38	
Ordinary income		233	1.2	279	1.4	597	1.5
VI Other income		-	-	-	-	85	0.2
Gain on sales of investment securities		-		-		85	
VII Other loss		28	0.1	25	0.1	150	0.4
1. Loss on disposal of fixed assets		-		18		-	
2. Loss on cancellation of warehouse leasehold contract		-		7		-	
3. Additional severance payments for transferred employees		16		-		16	
4. Additional severance payments for early retirement		11		-		11	
5. Loss on revaluation of investment securities		-		-		67	
6. Loss on relocation of warehouse		-		-		54	
Net income before taxes		204	1.1	253	1.3	532	1.3
Corporate income tax, resident tax and business tax		45	0.3	111	0.6	155	0.4
Deferred income taxes		88	0.5	27	0.1	145	0.3
Minority interests in net income of consolidated subsidiaries		6	0.0	3	0.0	12	0.0
Net income		64	0.3	111	0.6	220	0.6

Consolidated Interim Statement of Capital Surplus

(Unit: millions of yen)

Item	Period	Six months ended September 30, 2005	Year ended March 31, 2006
		Amount	Amount
Capital surplus			
I	Capital surplus, beginning of period	2,595	2,595
II	Capital Surplus, end of period	2,595	2,595
Retained earnings			
I	Retained earnings, beginning of period	5,074	5,074
II	Increase in retained earnings		
	Net income	64	220
III	Decrease in retained earnings	137	210
	1. Dividends	97	170
	2. Bonuses to directors	40	40
IV	Retained earnings, end of period	5,000	5,083

Consolidated Interim Statement of Changes in Net Assets

(Six months ended September 30, 2006)

(Unit: millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stocks	Total shareholders' equity
Balance as of March 31, 2006	2,979	2,595	5,083	(109)	10,549
Changes during the term					
Dividends	-	-	(97)	-	(97)
Directors' bonuses	-	-	(40)	-	(40)
Net income	-	-	111	-	111
Acquisition of treasury stock	-	-	-	(0)	(0)
Other changes in non-shareholders' equity items during the term (net)	-	-	-	-	-
Total changes during the term	-	-	(26)	(0)	(26)
Balance as of September 30, 2006	2,979	2,595	5,057	(109)	10,522

	Valuation and translation adjustments			Minority interests in consolidated subsidiaries	Total net assets
	Difference in evaluation of other securities	Foreign currency translation adjustment	Total valuation and translation adjustments		
Balance of March 31, 2006	8	23	32	149	10,732
Changes during the term					
Dividends	-	-	-	-	(97)
Directors' bonuses	-	-	-	-	(40)
Net income	-	-	-	-	111
Acquisition of treasury stock	-	-	-	-	(0)
Other changes in non-shareholders' equity items during the term (net)	(7)	(1)	(8)	(0)	(8)
Total changes during the term	(7)	(1)	(8)	(0)	(35)
Balance as of September 30, 2006	1	22	24	149	10,696

Consolidated Interim Statement of Cash Flows

(Unit: millions of yen)

Item	Period	Six months ended September 30, 2005	Six months ended September 30, 2006	Year ended March 31, 2006
		Amount	Amount	Amount
I Cash flows from operating activities				
Income before income taxes and minority interests		204	253	532
Depreciation and amortization		378	414	816
Increase (decrease) in reserve for employees' retirement benefits		(43)	(35)	(62)
Interest and dividend income		(3)	(4)	(6)
Interest expense		12	20	30
Additional severance payments for transferred employees		16	-	16
Increase (decrease) in trade receivables		464	112	(500)
Increase (decrease) in trade payables		(297)	(200)	85
Bonuses to directors		(19)	(23)	(39)
Other, net		(207)	155	(301)
Cash generated from operations		504	692	570
Interest and dividends received		3	5	6
Interest paid		(11)	(12)	(27)
Income taxes paid		(102)	(129)	(166)
Refund of income taxes		88	13	88
Additional severance payments for transferred employees		(16)	-	(16)
Net cash provided by operating activities		465	568	454
II Cash flows from investing activities				
Acquisition of securities		-	-	(140)
Proceeds from sales of securities		-	-	138
Proceeds from collection of loans		425	-	425
Acquisition of securities of newly consolidated subsidiaries		(342)	-	(342)
Acquisition of property, plant and equipment		(951)	(836)	(2,062)
Proceeds from sales of property, plant and equipment		1	48	2
Acquisition of intangible fixed assets		(99)	(80)	(212)
Other, net		9	15	(145)
Net cash used in investing activities		(957)	(852)	(2,338)
III Cash flows from financing activities				
Increase (decrease) in short-term borrowings		325	(185)	550
Proceeds from long-term borrowings		700	400	2,100
Repayment of long-term debt		(37)	(83)	(70)
Payment by redemption of corporate bonds		(50)	(50)	(100)
Dividends paid to shareholders		(97)	(97)	(170)
Other, net		(6)	(4)	(8)
Net cash provided by (used in) financing activities		833	(20)	2,300
IV Effect of exchange rate changes on cash and cash equivalents		7	(0)	23
V Net increase (decrease) in cash and cash equivalents		349	(304)	440
VI Cash and cash equivalents at beginning of period		2,381	2,821	2,381
VII Cash and cash equivalents at end of period		2,730	2,516	2,821