

Financial Results (Non-Consolidated) for Six months ended September 30, 2005

Date of Board Meeting for Six months ended September 30, 2005: October 31, 2005

Payment date of Interim cash dividends: December 2, 2005

The Company has a policy of paying interim dividends.

Trading unit of the Company consists of 100 shares on the Tokyo Stock Exchange.

1. Results of Six months ended September 30, 2005 (From April 1, 2005 to September 30, 2005)

(1) OPERATING RESULTS

Amount Unit: Millions of yen unless otherwise specified

	Net Sales		Operating Income		Ordinary Income	
		%		%		%
Six months ended Sept. 30,2005	354,508	(10.4)	20,447	(20.5)	33,090	(12.6)
Six months ended Sept. 30,2004	395,528	5.1	25,729	(31.7)	37,865	(6.3)
Year ended March 31, 2005	761,688		52,690		79,686	

	Net Income		Net Income Per Share of Common Stock	
		%	Yen	
Six months ended Sept. 30,2005	22,521	(6.9)	44.21	
Six months ended Sept. 30,2004	24,190	(7.4)	47.13	
Year ended March 31, 2005	54,681		106.40	

Note 1. Average number of shares:

Six months ended Sept. 30, 2005: 509,369,597 Six months ended Sept. 30, 2004: 513,226,393 Year ended March 31, 2005: 512,874,235

2. Change in Accounting Policies: Applicable

3. Percent: Change against corresponding period of the previous year on Net Sales, Operating Income, Ordinary Income, Net Income.

(2) CASH DIVIDENDS

	Interim Cash Dividends per Share of Common Stock	Total Cash Dividends per Share of Common Stock
	Yen	Yen
Six months ended Sept. 30,2005	12.50	-
Six months ended Sept. 30,2004	12.50	-
Year ended March 31, 2005	-	25.00

(3) FINANCIAL POSITION

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio to Total Assets	Shareholders' Equity Per Share of Common Stock
			%	Yen
As of Sept. 30, 2005	1,795,505	1,567,029	87.3	3,076.44
As of Sept. 30, 2004	1,759,540	1,526,541	86.8	2,974.62
As of March 31, 2005	1,764,982	1,542,240	87.4	3,027.50

Note 1. Number of shares outstanding:

As of Sept. 30, 2005: 509,364,368 As of Sept. 30, 2004: 513,189,309 As of March 31, 2005: 509,373,197

2. Number of treasury stocks:

As of Sept. 30, 2005: 5,261,360 As of Sept. 30, 2004: 1,436,419 As of March 31, 2005: 5,252,531

2. Forecast for the Fiscal Year ending March 31, 2006 (From April 1, 2005 to March 31, 2006)

	Net Sales	Operating Income	Ordinary Income	Net Income	Cash Dividends per Share of Common Stock for the year	
					Year end	Yen
For Year ending March 31, 2006	760,000	45,000	61,000	42,000	12.50	25.00

(Reference) Expected Net Income per Share of Common Stock for Year ending March 31, 2006: ¥82.23

Note: These forecast are based on the Company's current assumptions and beliefs in light of the information currently available to it, and involve known and unknown risks and uncertainties. The Company's actual results may differ materially from those discussed in the forward-looking statements.

BALANCE SHEETS (Non-Consolidated)

Amount Unit: Millions of yen

	As of September 30, 2005		As of March 31, 2005		Change	As of September 30, 2004	
ASSETS	%		%			%	
Current assets							
Cash on hand and in banks	94,956		129,784		(34,828)		229,840
Trade notes receivable	2,057		1,978		79		8,005
Trade accounts receivable	134,893		141,231		(6,338)		176,433
Other accounts receivable	13,769		18,665		(4,895)		11,804
Short-term loans receivable	107,454		76,500		30,954		28,595
Marketable securities	50,938		65,659		(14,720)		72,968
	22.5	404,070	24.6	433,820	(29,750)	30.0	527,647
Finished goods	33,242		27,215		6,026		32,044
Semi-finished goods, Work in process	27,598		27,904		(305)		27,834
Raw materials	11,811		13,231		(1,419)		14,152
Supplies	7,831		6,084		1,746		5,923
	4.5	80,484	4.2	74,436	6,048	4.5	79,954
Deferred income taxes	14,646		16,648		(2,002)		17,015
Other current assets	3,248		2,069		1,178		862
Allowance for doubtful receivables	(470)		(240)		(230)		(240)
Total current assets	28.0	501,979	29.8	526,735	(24,755)	35.5	625,240
Fixed assets							
Property, plant and equipment							
Buildings	97,643		88,806		8,836		88,504
Structures	8,510		8,083		426		8,002
Machinery and equipment	138,032		118,570		19,462		122,568
Vehicles, furniture and fixtures	23,231		27,518		(4,287)		27,596
Land	25,852		25,595		257		21,833
Construction in progress	34,083		32,422		1,660		15,963
Subtotal	18.2	327,352	17.1	300,996	26,355	16.2	284,468
Intangible assets							
Software	32,772		31,988		783		31,434
Rights of utilization	6,805		5,208		1,596		2,562
Subtotal	2.2	39,577	2.1	37,197	2,379	1.9	33,997
Investments and other assets							
Investment securities	249,112		240,940		8,171		209,045
Investments in subsidiaries	637,377		615,274		22,102		577,019
Long-term loans receivable	30,952		35,496		(4,544)		22,134
Long-term prepaid expenses	5,457		5,881		(424)		5,718
Long-term prepaid pension costs	1,101		-		1,101		-
Other investments	2,774		2,648		125		2,085
Allowance for doubtful receivables	(180)		(190)		10		(170)
Subtotal	51.6	926,595	51.0	900,052	26,542	46.4	815,834
Total fixed assets	72.0	1,293,525	70.2	1,238,247	55,277	64.5	1,134,300
Total assets	100.0	1,795,505	100.0	1,764,982	30,522	100.0	1,759,540

	As of September 30, 2005		As of March 31, 2004		Change	As of September 30, 2004	
LIABILITIES	%		%			%	
Current liabilities							
Trade notes payable		17,921		15,198	2,723		13,074
Trade accounts payable		57,909		56,744	1,164		75,980
Short-term debt		12,670		15,712	(3,042)		6,560
Other accounts payable		39,285		34,534	4,751		26,343
Accrued income taxes		5,206		5,854	(647)		7,766
Accrued expenses		49,560		53,945	(4,384)		58,779
Other current liabilities		4,056		4,271	(214)		5,054
Total current liabilities	10.4	186,610	10.5	186,260	349	11.0	193,559
Long-term liabilities							
Customers's guarantee deposits		8,150		7,636	513		14,760
Deferred income taxes		29,830		23,787	6,043		18,091
Accrued pension and severance costs		3,534		4,428	(893)		6,029
Directors's retirement benefit		350		628	(277)		558
Total long-term liabilities	2.3	41,865	2.1	36,480	5,384	2.2	39,439
Total liabilities	12.7	228,476	12.6	222,741	5,734	13.2	232,999
SHAREHOLDERS' EQUITY							
Common stock	2.2	40,363	2.3	40,363	-	2.3	40,363
Capital surplus							
Additional paid-in capital	3.3	59,036	3.3	59,036	-	3.4	58,980
Retained earnings							
Legal reserve	0.6	10,090	0.6	10,090	-	0.6	10,090
Reserve for dividends		280		280	-		280
Reserve for retirement allowance		280		280	-		280
Reserve for R&D		285		285	-		285
Reserve for accelerated depreciation		3,411		2,123	1,287		2,123
Reserve for deferred capital gain for reinvestment in property		3,601		3,720	(118)		3,720
General reserve		1,398,305		1,357,305	41,000		1,357,305
Total voluntary reserve	78.3	1,406,162	77.3	1,363,993	42,168	77.5	1,363,993
Unappropriated retained earnings	2.1	38,041	3.6	64,169	(26,127)	2.3	40,142
Total retained earnings	81.0	1,454,295	81.5	1,438,254	16,040	80.4	1,414,226
Unrealized gains on securities	1.9	33,584	1.4	24,805	8,778	1.0	18,375
Treasury stocks		(20,251)		(20,219)	(31)		(5,404)
Total shareholders's equity	87.3	1,567,029	87.4	1,542,240	24,788	86.8	1,526,541
Total liabilities and shareholders' equity	100.0	1,795,505	100.0	1,764,982	30,522	100.0	1,759,540

STATEMENTS OF INCOME (Non-Consolidated)

Amount Unit: Millions of yen

	Six months ended September 30, 2005 From April 1, 2005 To Sept. 30, 2005		Six months ended September 30, 2004 From April 1, 2004 To Sept. 30, 2004		Change		Year ended March 31, 2005 From April 1, 2004 To March 31, 2005	
					Amount	%		
Operating revenues	%		%				%	
Net sales	100.0	354,508	100.0	395,528	(41,020)	(10.4)	100.0	761,688
Operating expenses								
Cost of sales	67.3	238,605	66.5	262,851	(24,246)	(9.2)	66.3	504,691
Selling, general and administrative expenses	15.2	53,930	16.8	66,515	(12,584)	(18.9)	16.0	122,090
Research and development expenses	11.7	41,524	10.2	40,432	1,092	2.7	10.8	82,216
Total operating expenses	94.2	334,060	93.5	369,799	(35,738)	(9.7)	93.1	708,998
Operating income	5.8	20,447	6.5	25,729	(5,281)	(20.5)	6.9	52,690
Other income								
Interest income		1,913		1,179	734	62.3		2,842
Dividend income		11,609		10,363	1,246	12.0		25,855
Miscellaneous income		1,198		2,606	(1,408)	(54.0)		1,456
Total other income	4.1	14,721	3.6	14,149	572	4.0	4.0	30,153
Other expenses								
Interest expenses		91		144	(53)	(36.9)		234
Bank charges for export drafts discounted		192		232	(39)	(17.1)		466
Miscellaneous expenses		1,794		1,636	158	9.7		2,456
Total other expenses	0.6	2,078	0.5	2,013	65	3.3	0.4	3,157
Ordinary income	9.3	33,090	9.6	37,865	(4,774)	(12.6)	10.5	79,686
Extraordinary losses								
Losses on disposal of fixed assets		1,824		2,590	(765)	(29.6)		5,752
Restructuring charges		-		3,825	(3,825)	-		3,025
Total extraordinary losses	0.5	1,824	1.6	6,415	(4,591)	(71.6)	1.2	8,777
Net income before income taxes	8.8	31,265	8.0	31,449	(183)	(0.6)	9.3	70,908
Current income taxes	1.9	6,700	2.2	8,800	(2,100)	(23.9)	2.1	16,100
Deferred income taxes		2,044		(1,540)	3,585	-		126
Net income	6.4	22,521	6.1	24,190	(1,669)	(6.9)	7.2	54,681
Retained earnings brought forward		15,521		15,956	(434)			15,956
Interim dividends paid		-		-	-			6,414
Losses from treasury stock transactions		0		4	(3)			53
Unappropriated retained earnings		38,041		40,142	(2,100)			64,169

NOTES

NOTES TO THE BALANCE SHEETS

Amount Unit: Millions of yen

	As of September 30, 2005	As of March 31, 2005	Change	As of September 30, 2004
Accumulated depreciation of tangible fixed assets	740,540	737,634	2,905	729,367
Contingent liabilities for guarantees	29,854	30,456	(602)	30,252
Amount of export drafts discounted	6,872	6,642	230	8,801
Number of treasury stocks	5,261,360 shares	5,252,531 shares	8,829shares	1,436,419 shares

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Securities

Investments in subsidiaries and affiliated companies are stated at cost determined by the moving average method.

Other securities that have fair values are stated at fair value, with unrealized gains and losses excluded from earnings and included in a separate component of shareholders' equity on a net-of-tax basis. Realized gains and losses on sales of securities are based on the moving average cost of the securities sold.

Other securities that do not have fair values are stated at cost determined by the moving average method.

(2) Inventories

Finished goods, semi-finished goods, work in process, supplemental materials and supplies are stated at the lower of moving average cost or market. Silver nitrate included in semi-finished goods and work in process, and principal raw materials are stated at the lower of cost or market determined by the last-in, first-out method.

(3) Depreciation and amortization

Depreciation of property, plant and equipment is computed by the declining-balance method except that depreciation of buildings acquired on and after April 1, 1998 is computed by the straight-line method.

Intangible assets are amortized by the straight-line method.

(4) Reserves

Allowance for doubtful receivables

The allowance for doubtful receivables is provided at the amount of estimated uncollectible accounts, based on individual collectibility with respect to identified doubtful receivables and past experience of doubtful receivables.

Pension and severance benefits

Pension and severance costs for employees are accrued based on an estimate of the pension obligation and the plan assets at the end of the year.

The allowance for officers' retirement benefits is provided on the basis of the Company's internal regulations for officers' retirement benefits at the amount which would be required to be paid if all officers retired at the balance sheet date.

Directors' retirement benefits

The allowance for directors' retirement benefits is provided on the basis of the Company's internal regulations for directors' retirement benefits at the amount that would be required to be paid if all directors retired at the balance sheet date. This allowance is established under Article 43 of the Commercial Code of Japan.

(5) Accounting for consumption tax

Transactions subject to consumption tax are recorded at amounts of consumption tax.

Change in Accounting Policies

Accounting standard on the impairment loss for fixed assets

Effective the current interim period, the Company adopted the accounting standards for impairment of fixed assets.

The adoption of the accounting standard had no impact to the operating results of the Company.