

# Consolidated Financial Statements for the Fiscal Year Ended March 31, 2008

May 14, 2008

Listed Company Name: TAISHO PHARMACEUTICAL CO., LTD Stock Listing: Tokyo  
 Security Code: 4535 Headquarters: Tokyo  
 (URL <http://www.taisho.co.jp/>)

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Scheduled date for annual shareholders' meeting: June 27, 2008  
 Scheduled date of dividend payments: From June 30, 2008  
 Scheduled date for filing Securities Report: June 27, 2008

## 1. Financial Results for Fiscal 2007 (April 1, 2007 to March 31, 2008)

### (1) Consolidated Operating Results

Note: Percentages indicate changes over the same period in the previous fiscal year.

	Net sales		Operating income		Ordinary income		Net income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
Fiscal 2007	249,655	3.1	36,952	65.3	41,896	68.1	25,004	62.1
Fiscal 2006	242,071	(10.8)	22,357	(51.8)	24,926	(49.9)	15,420	(57.0)

	Net income per share	Net income per share, diluted	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal 2007	84.01	–	4.6	6.7	14.8
Fiscal 2006	50.54	–	2.8	3.8	9.2

Note: Equity income from affiliates:

Fiscal 2007 ¥-487 million  
 Fiscal 2006 ¥-2,414 million

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million Yen	Million Yen	%	Yen
Fiscal 2007	627,224	548,650	86.1	1,816.25
Fiscal 2006	631,929	547,486	86.3	1,832.24

Note: Shareholders' equity:

Fiscal 2007 ¥540,076 million  
 Fiscal 2006 ¥545,621 million

### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million Yen	Million Yen	Million Yen	Million Yen
Fiscal 2007	50,745	(35,063)	(11,431)	72,621
Fiscal 2006	29,638	(22,812)	(31,084)	68,381

## 2. Cash Dividends

Record date	Cash dividends per share			Total cash dividends	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	Interim	Year-end	Full year			
	Yen	Yen	Yen	Million Yen	%	%
Fiscal 2006	–	27.00	27.00	8,045	53.4	1.5
Fiscal 2007	12.00	15.00	27.00	8,038	32.1	1.5
Fiscal 2008 (Forecast)	12.00	15.00	27.00	–	35.7	–

## 3. Forecast of Consolidated Operating Results for Fiscal 2008 (April 1, 2008 to March 31, 2009)

Note: Percentages indicate changes over the same period in the previous fiscal year.

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Interim	124,000	2.7	15,000	(21.6)	16,500	(26.5)	9,500	(32.6)	31.95
Full year	252,000	0.9	33,000	(10.7)	37,500	(10.5)	22,500	(10.0)	75.67

## 4. Others

- (1) Change to significant subsidiaries during the period (those changes accompanying change in scope of consolidation): No
- (2) Change to accounting policy, procedure, and method of presentation for preparing consolidated financial statements (those to be described in the section of the *Change of Significant Accounting Policies on the Preparation of Consolidated Financial Statements*)
  - i. Change due to amendment of accounting standard: Yes
  - ii. Change due to other reasons: No
- (3) Outstanding shares (common shares)
  - i. Shares outstanding at period-end (including treasury stock)
    - FY2007 320,465,510 shares
    - FY2006 320,465,510 shares
  - ii. Treasury stock
    - FY2007 23,106,847 shares
    - FY2006 22,676,504 shares

\* All amounts described in this report are rounded down to the nearest million yen.

## Reference: Summary of Non-consolidated Results

### Financial Highlight (April 1, 2007 through March 31, 2008)

#### (1) Non-consolidated Operating Results

Note: Percentages indicate changes over the same period in the previous fiscal year.

	Net sales		Operating income		Ordinary income		Net income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
Fiscal 2007	201,665	3.8	34,207	59.1	40,122	45.8	25,910	54.7
Fiscal 2006	194,356	(12.9)	21,507	(52.0)	27,527	(43.8)	16,749	(53.5)

	Net income per share	Net income per share, diluted
	Yen	Yen
Fiscal 2007	86.99	–
Fiscal 2006	54.86	–

#### (2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million Yen	Million Yen	%	Yen
Fiscal 2007	604,665	547,234	90.5	1,839.07
Fiscal 2006	614,943	551,107	89.6	1,849.42

Note: Shareholders' equity:

Fiscal 2007 ¥547,234 million

Fiscal 2006 ¥551,107 million

#### Forecasts of Non-consolidated Operating Results for Fiscal 2008 (April 1, 2008 to March 31, 2009)

Note: Percentages indicate changes over the same period in the previous fiscal year.

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Fiscal 2008									
Interim	98,000	1.0	14,500	(17.7)	17,500	(14.6)	11,500	(12.9)	38.65
Full year	198,000	(1.8)	31,000	(9.4)	37,000	(7.8)	24,000	(7.4)	80.66

**\*Disclaimer regarding appropriate use of forecasts and related points of note**

The forecast statements shown in this document are based on information that was available at the time of preparation and a certain assumption that the Company assess as rational. Actual performance and other factors may differ materially from these forecasts due to various factors.

## 1. Operating Results

### (1) Analysis of Operating Results

#### (i) Overview of Fiscal 2007

In the Self-Medication Operation group, the over-the-counter (OTC) drug market increased slightly from a year earlier, and market environment has started to show signs of improvement.

Business conditions remained rough for the Prescription Pharmaceutical Operation Group, due to the steady penetration of various government measures designed to curb healthcare costs, including the expansion of application of the DPC-based payment system (DPC: Diagnosis Procedure Combination).

Under these circumstances, the Self-Medication Operation Group thoroughly promoted sell-out activities at stores as well as marketing activities aimed at prioritizing product value while the Prescription Pharmaceutical Operation Group focused on the provision of information, identification of new promising targets for drug discovery, and out-licensing to other companies overseas.

As a result, net sales in Fiscal 2007 increased by ¥7.584 billion, or 3.1% from the previous year, to ¥249.655 billion.

Performance by segment is provided below.

(Billions of yen)

Segment / Category	Amount	Increase (Decrease)	
		Amount	%
<b>Self-Medication Operation Group</b>	152.6	3.1	2.1
Over-the-counter drugs, etc.	140.0	2.3	1.7
Foods for Specified Health Use, etc.	9.8	1.1	13.5
Others	2.7	(0.3)	(10.3)
<b>Prescription Pharmaceutical Operation Group</b>	96.9	4.3	4.7
Ethical drugs	81.9	2.2	2.8
Others	10.7	(0.7)	(6.4)
Royalty income	4.2	2.8	202.3

#### – Sales of the Self-Medication Operation Group

<Over-the-counter drugs, etc.>

With regard to the *Lipovitan* series of energy drinks, sales of the mainstay *Lipovitan D* remained robust and, with contributions from other *Lipovitan* series products, including *Lipovitan fine*, which is a sugar-free and low-calorie product tailored to consumer needs, total sales of the *Lipovitan* series increased 4.4% to ¥76.5 billion.

Sales of the *ZENA* series of mini-drinks were also steady and rose by 2.1% to ¥4.0 billion.

Total sales of the *Pabron* series of cold remedies increased slightly by 0.4% to ¥23.2 billion as the new product *Pabron Ace AX* contributed to the sales, allowing the recovery of loss created during the first half of Fiscal 2007.

Sales of the *RiUP* series of hair regrowth treatments for androgenic alopecia increased by 13.5% to ¥9.9 billion due to the launch effect of new product *RiUP PLUS* and the spread of measures aimed at expanding salesroom.

Among other brands, sales of the *Gastrointestinal Treatment* series decreased by 8.3% to ¥4.2 billion, and the *Colac* series of laxatives dropped by 3.8% to ¥3.6 billion.

<Foods for Specified Health Use, etc.>

Sales in the *Livita* series of Foods for Specified Health Use stood at ¥2.3 billion, up 2.7%. Energy drinks designed for sales overseas came to ¥6.1 billion, up 22.7%.

<Others>

This category includes sales of ¥1.0 billion from the consolidated subsidiaries responsible for Taisho's hotel business and related operations.

#### – Sales of the Prescription Pharmaceutical Operation Group

<Ethical drugs>

Sales of the mainstay macrolide antibiotic *Clarith* decreased by 6.6% to ¥25.4 billion mainly due to low circulation of spread of infectious diseases in winter. Sales of other mainstay products were generally robust. Specifically, sales of the peripheral vasodilator *Palux* increased by 1.8% to ¥11.4 billion, the penicillin antibiotic *PENTCILLIN* by 0.9% to ¥6.1 billion, and the new quinolone antibacterial agent *OZEX* by 5.5% to ¥3.4 billion.

Furthermore, the quinolone antibacterial agent *Geninax* released in October 2007 posted robust performance with sales standing at ¥3.2 billion through joint sales promotion with Astellas Pharma Inc.

<Others>

Sales in this category edged down 6.4% to ¥10.7 billion.

<Royalty income>

Royalty income, which comes from the U.S. company Abbott Laboratories and so on, increased 202.3% to ¥4.2 billion. This sharp increase was attributable to the lump-sum amount of ¥2.5 billion that was posted by an agreement between the U.S.-based Pfizer Inc. and Taisho regarding the out-licensing of TS-032, a new drug candidate for the treatment of schizophrenia.

Overall selling, general and administrative (SG&A) expenses declined by ¥9.9 billion year on year. Taisho made an effort to reduce costs related to sales promotion, advertisement and other areas, and conducted effective management of research expenses. As a result, operating income increased by ¥14.594 billion, or 65.3%, to ¥36.952 billion. Ordinary income rose by ¥16.97 billion, or 68.1%, to ¥41.896 billion, and net income rose by ¥9.583 billion, or 62.1%, to ¥25.004 billion.

(ii) Forecasts for Fiscal 2008

#### – Self-Medication Operation Group

The Self Medication Operation Group will strive to bolster marketing strength in order to exercise the advantage of its direct selling system with a view to the revision of sales systems. Taisho will promote the “sustainable expansion of sales and income” by way of: giving priority to ensuring product value; strengthening the provision of information; implementing extensive marketing activities focused on boosting store penetration; cultivating new products based mainly on switch-OTC drugs; and cultivating and strengthening existing Taisho brand. For Fiscal 2008, Taisho forecasts net sales of ¥161.1 billion for the Self-Medication Operation Group, up 5.5% year on year.

Sales of OTC drugs are expected to increase by 5.5% to ¥147.8 billion. Sales targets of Taisho's mainstay products are as follows: the *Lipovitan* series up 0.5% at ¥77.0 billion; the *Pabron* series up 1.2% to ¥23.5 billion; and the *RiUP* series up 5.4% to ¥10.5 billion.

Sales of Foods for Specified Health Use, etc., including the *Livita* series, are expected to increase by 1.8% to ¥10.0 billion, due to the expansion of core products targeting metabolic syndrome, and the scheduled launch of several new products.

#### – Prescription Pharmaceutical Operation Group

The Prescription Pharmaceutical Operation Group will strive to strengthen the provision of information and the marketing capability. Due to the NHI drug price reduction, however, sales are forecast to drop by

6.3% to ¥90.9 billion.

For Fiscal 2008, Taisho expects net sales of ethical drugs to edge down 2.4% to ¥80.0 billion.

Sales targets of Taisho's mainstay products are as follows: *Clarith* down 7.8% at ¥23.5 billion; *Palux* down 5.6% at ¥10.8 billion; *PENCILLIN* down 4.1% at ¥5.9 billion; *Lorcam* down 4.8% at ¥4.1 billion; and *Geninax* up 7.0% at ¥3.5 billion.

Taisho expects sales in the "Others" category to be ¥9.5 billion, and royalty income to be ¥1.4 billion.

– On the earnings front, Taisho took into considerations the above sales projections and expenses. As a result, full-year earnings are forecast as follows.

(Billions of yen)

	Fiscal 2008 (full year)	Changes (%)
Net sales	252.0	0.9
Operating income	33.0	-10.7
Ordinary income	37.5	-10.5
Net income	22.5	-10.0

## (2) Analysis of Financial Position

### (i) Assets, liabilities and net assets

As of March 31, 2008, total assets amounted to ¥627.2 billion, a decrease of ¥4.7 billion from March 31, 2007. Current assets increased by ¥9.0 billion, mainly as a result of an increase in the current portion of securities. Fixed assets decreased by ¥13.7 billion, mainly as a result of a decrease in evaluation gain on stocks and a decrease of investment securities caused by transfers to current assets.

Current liabilities increased by ¥1.7 billion, due primarily to an increase in accrued income taxes, while long-term liabilities decreased by ¥7.6 billion, due primarily to a decrease in deferred taxes liabilities. Net assets increased by ¥1.1 billion to ¥548.6 billion, mainly as a result of increases in retained earnings of ¥13.3 billion and minority interests of ¥6.7 billion due primarily to Taisho making Biofermin Pharmaceutical Co., Ltd. its subsidiary offsetting a decrease in unrealized gain on securities of ¥17.5 billion.

### (ii) Cash flows

Cash and cash equivalents stood at ¥72.6 billion as of March 31, 2008, representing an increase of ¥4.2 billion from the previous fiscal year-end.

#### (Cash flows from operating activities)

Net cash provided by operating activities totaled ¥50.7 billion, an increase of ¥21.1 billion from the previous year. This is attributable largely to the ¥40.9 billion in income before income taxes and minority interests and the ¥14.6 billion decrease in notes and accounts receivable—trade.

#### (Cash flows from investing activities)

Net cash used in investment activities totaled ¥35.0 billion, an increase of ¥12.2 billion from the previous fiscal year. This was primarily attributable to the ¥30.6 billion in payments for purchases of subsidiaries' and affiliates' stocks, the ¥21.9 billion in payments for purchases of investment securities, and the ¥11.0 billion in proceeds from sales/redemption of investment securities.

#### (Cash flows from financing activities)

Net cash used in financing activities totaled ¥11.4 billion, down ¥19.6 billion from the previous year. This was primarily attributable to the ¥11.5 billion in payments for dividends.

(Reference) Indicators related to cash flows

	Year ended March 2004	Year ended March 2005	Year ended March 2006	Year ended March 2007	Year ended March 2008
Equity ratio (%)	83.2	84.3	85.4	86.3	86.1
Equity ratio on a fair value basis (%)	104.6	114.5	109.9	101.8	93.7
Interest-bearing debt to cash flow ratio (%)	0.5	0.5	0.7	0.8	2.6
Interest coverage ratio (times)	11,505.8	10,794.8	9,621.8	3,704.8	3,903.5

(Notes)

Equity ratio = Equity / Total assets

Equity ratio on a fair value basis = Market capitalization / Total assets

Interest-bearing debt to cash flow ratio = Interest-bearing debt / Cash flow

Interest coverage ratio = Cash flow / Interest paid

\* The above indicators are calculated based on consolidated financial figures.

\* Market capitalization is calculated using the closing stock price at the end of the fiscal year multiplied by the number of shares outstanding at the end of the fiscal year (excluding treasury stock).

\* Cash flow represents net cash provided by operating activities.

\* Interest-bearing debt represents all liabilities posted on the consolidated balance sheets subject to interest payments. Interest paid is the amount of interest paid as shown on the consolidated statements of cash flows.

### (3) Policy for Deciding Dividends of Retained Earnings

To maintain stable dividends over the long term at a high level while strengthening the company, Taisho works to increase its retained earnings. In line with Taisho's policy to strengthen the Company's competitiveness and expand and develop businesses, these retained earnings are appropriated for investments that include R&D, capital investment, licensing-in of products, equity-based business alliances and new business development. Furthermore, the Company plans to acquire treasury stock in a flexible manner with the aims of improving capital efficiency and achieving a dynamic financial policy, while comprehensively assessing fund requirements.

Taisho's dividend policy has been set to roughly correspond to the non-consolidated operating results for each business term. The goal is a dividend payout ratio of 30% of net income less extraordinary gains and losses. Taisho introduced an interim dividend system effective from Fiscal 2007.

For Fiscal 2007, although both net sales and profit exceeded the forecasts at the beginning of the fiscal year, we would like to keep to the announced dividend level. In terms of dividend payout ratio, this is 31.0%.

From next fiscal year, while maintaining the policy of consistently paying high dividends and increasing retained earnings, the Company plans to maintain a full-year dividend of at least ¥27 per share as long as there are no exceptional circumstances, even in the unlikely event that business performance worsens and the dividend payout ratio exceeds 30%.

The planned full-year dividend of ¥27 per share for next fiscal year would comprise an interim dividend of ¥12 per share and a year-end dividend of ¥15 per share.

### (4) Business and other risks

Of the potential risks encountered by Taisho Pharmaceutical during the course of developing its business activities, those deemed to have the greatest likelihood of occurring are highlighted as follows. Forward-looking statements mentioned in this discussion of risks reflect management's beliefs and judgment as of March 31, 2008.

#### ① Legal risks and risks related to healthcare policy

Taisho Pharmaceutical's operations are subject to laws and regulations governing pharmaceutical affairs. A number of different approval and permission systems exist at each stage of pharmaceutical operations,

including development, manufacturing, import and distribution. Consequently, there is a risk that Taisho Pharmaceutical's products could fail to conform to regulations at one of these stages, or that a previously granted approval could be revoked. Depending on trends in healthcare policy, health insurance systems and other changes, Taisho Pharmaceutical may also face the risk of a decline in pharmaceutical prices, among other risks.

② Risks involving pharmaceutical quality, side effects and other issues

Taisho Pharmaceutical does its utmost to guarantee the reliability and quality of its products. Nevertheless, unanticipated side effects, accidents and other factors could force Taisho Pharmaceutical to recall or halt the sales of the products affected or incur claims for damages.

③ Risks involving pharmaceutical development and commercialization

The development of pharmaceuticals is a lengthy process and requires a substantial amount of capital investment. There is uncertainty concerning the possibility of successfully launching products and businesses.

④ Risks involving the proper protection of intellectual property rights

If Taisho Pharmaceutical cannot properly protect its intellectual property rights, there is the risk that a third party might use Taisho Pharmaceutical's technology and other intellectual property and undermine the Company's competitiveness in the market. Similarly, there is also the risk that Taisho Pharmaceutical might encroach on the intellectual property rights of third parties.

⑤ Risks related to expiration of patents

Although Taisho Pharmaceutical strives to extend product life cycles, sales could be negatively impacted, for example, by the emergence of generic drugs or the switch to over-the-counter drugs produced following the expiration of patents.

⑥ Risks from lawsuits

Taisho Pharmaceutical faces the possibility of lawsuits during the course of its business activities related to product liability, environmental issues and other matters.

⑦ Risks from fluctuations in foreign exchange rates

Fluctuations in foreign currency exchange rates could affect royalties denominated in foreign currencies received from outside Japan, commercial transactions and other factors, thus impacting Taisho Pharmaceutical's operating results.

⑧ Other risks

Any deterioration in sociopolitical stability overseas could cause Taisho Pharmaceutical suffer damage, such as the destruction of overseas business sites, or downsizing or withdrawal from its businesses.

In addition, the Company is faced with various other risks, including risks related to the external procurement of raw materials and risks associated with dependency on licenses for products developed by other companies. The above-described risks do not constitute all the risks inherent in Taisho's business activities.

## **2. Management Policies**

### **(1) Taisho's Basic Management Philosophy**

Taisho's mission is to contribute to society by creating and offering superior pharmaceuticals and health-related products as well as healthcare-related information and services in socially responsible ways that enrich people's lives by improving health and beauty. In line with this mission, Taisho is building a stronger business foundation so that it can steadily grow and develop even in the face of international competition.

### **(2) Medium- and Long-Term Management Strategies**

Taisho is working to expand its Self-Medication Operation Group, which handles OTC drugs and health-

related products, and its Prescription Pharmaceutical Operation Group, which handles ethical drugs and related businesses, and to expand its business operations.

Taisho aims to maximize corporate value by generating synergies between these two operation groups, while facilitating their growth in a well-balanced manner.

### **(3) Issues to be Addressed**

The market environment surrounding the Self-Medication Operation Group, Taisho's mainstay business, is about to change greatly as Japan becomes an aging society with a declining birthrate and people become increasingly health-conscious. Taisho will respond quickly to these changes and focus on developing products that accurately meet customer needs. In short, Taisho will take advantage of its expertise in developing ethical drugs and create new markets by enhancing the effectiveness of existing products through the introduction of switch-OTC ingredients, the discovery and acquisition of new materials, the development of new fields and new indications, etc. In regards to developing new businesses, Taisho will launch new products in the categories of Foods for Specified Health Use and health foods to respond to metabolic syndrome, while focusing on developing new channels such as a mail order system.

As new sales systems for OTC drugs will go into effect in around 2009, Taisho will develop products for such systems and take measures to respond to changes of distribution channels under the new systems. Taisho will also focus on transmitting information for people's daily lives and work to cultivate and strengthen brands so that its products are strongly and permanently supported by wide range of consumers.

The operating environment of the Prescription Pharmaceutical Operation Group is becoming increasingly challenging due to ongoing measures to curtail medical expenses. In this field, Taisho will focus R&D on highly original new branded drugs that can be successful internationally, together with the swift commercialization of products by strengthening alliances with overseas companies in order to win in the fierce development competition. Under these principles, Taisho succeeded in out-licensing three products in the fiscal year under review as follows: worldwide exclusive rights, except for South Korea, China and Taiwan, for the development and commercialization of NM-702 (a drug for the treatment of intermittent claudication caused by arteriosclerosis obliterans) to Milford Sound Sciences, Inc. in the USA (the current Indigo Pharmaceuticals, Inc.); worldwide exclusive rights, except for China, for the development and commercialization of candidates of central nervous system indications to BrainCells, Inc. in the USA; and worldwide exclusive rights for the development and commercialization of TS-032 (a drug for schizophrenia) to Pfizer Inc. in the USA. Substances related to licenses to BrainCells, Inc. and Pfizer Inc. were discovered in Taisho's drug laboratory. Meanwhile, Taisho will further strengthen the drug pipeline by actively licensing promising drug candidates, while focusing on developing new drugs originating from Taisho.

In February 2008, Taisho, FUJIFILM Holdings Corporation and Toyama Chemical Co., Ltd. reached a basic agreement on a strategic capital and business alliance. As a result, Taisho further strengthened its capital relationship with Toyama Chemical Co., Ltd. Taisho will aim to become the top company in Japan in the fields of infectious disease, inflammation and immunity by improving its joint research and development system with Toyama Chemical. FUJIFILM Holdings Corporation and Taisho will continue to consider cooperation with respect to research and development and sales mainly on the self-medication business.

Furthermore, on March 19, 2008, Taisho acquired shares of Biofermin Pharmaceutical Co., Ltd. by means of a tender offer and made it a consolidated subsidiary of the Company. From now on, both companies will enhance synergistic benefits through the integration of production technology, the development of new products by way of utilizing the lactic acid bacteria technology owned by Biofermin Pharmaceutical, joint research toward new applications, etc.

Taisho will continue to proactively form alliances from which synergies between R&D, marketing and sales systems can be expected at full value.

In overseas business activities, Taisho will work to solidify the business base for energy drinks in Asia and focus on opening up its market in the Europe and US in order to establish the Company as an international leader in the energy drinks business.

## Consolidated Financial Statements

### Consolidated Balance Sheets

(Millions of yen)

	Fiscal 2006 As of March 31, 2007		Fiscal 2007 As of March 31, 2008		Increase (Decrease)
	Amount	Comp.	Amount	Comp.	Amount
<b>ASSETS</b>		%		%	
<b>Current assets:</b>					
Cash and deposits	131,263		127,955		(3,308)
Notes and accounts receivable —trade	72,242		61,625		(10,617)
Marketable securities	2,077		25,195		23,117
Inventories	22,915		24,074		1,158
Deferred tax assets	7,495		7,941		446
Other	4,867		2,907		(1,959)
Subtotal	240,862		249,699		8,837
Allowance for doubtful accounts	(445)		(236)		209
<b>Total current assets</b>	240,416	38.0	249,463	39.8	9,046
<b>Fixed assets:</b>					
Tangible fixed assets:					
Buildings and structures	47,641		51,998		4,356
Machinery, equipment and vehicles	9,213		11,126		1,912
Land	27,389		29,657		2,267
Construction in progress	9,019		167		(8,851)
Other	4,530		4,198		(331)
Total tangible fixed assets	97,796	15.5	97,149	15.5	(646)
Intangible fixed assets:					
Goodwill	133		15,907		15,773
Trademarks	4,206		3,197		(1,009)
Software	2,965		3,450		484
Other	205		197		(7)
Total intangible fixed assets	7,511	1.2	22,751	3.6	15,240
Investments and other assets:					
Investment securities	260,046		216,968		(43,077)
Affiliates' stock	20,069		29,679		9,610
Long-term prepaid expenses	1,697		1,823		125
Deferred tax assets	924		4,953		4,028
Other	3,690		4,753		1,063
Subtotal	286,429		258,179		(28,249)
Allowance for doubtful receivables—long term	(224)		(320)		(96)
Total investments and other assets	286,204	45.3	257,858	41.1	(28,346)
<b>Total fixed assets</b>	391,512	62.0	377,760	60.2	(13,751)
<b>Total assets</b>	631,929	100.0	627,224	100.0	(4,705)

(Millions of yen)

	Fiscal 2006 As of March 31, 2007		Fiscal 2007 As of March 31, 2008		Increase (Decrease)
	Amount	Comp.	Amount	Comp.	Amount
<b>LIABILITIES</b>		%		%	
<b>Current liabilities:</b>					
Notes and accounts payable —trade	20,380		20,159		(221)
Short-term loans	225		260		35
Accounts payable	13,698		12,660		(1,038)
Accrued income tax	6,151		9,730		3,578
Accrued expenses	7,463		7,188		(274)
Adjustment allowance for returns	889		773		(115)
Allowance for bonuses	3,963		4,292		328
Reserves for directors' bonuses	73		—		(73)
Other	1,063		577		(485)
<b>Total current liabilities</b>	53,909	8.5	55,643	8.9	1,733
<b>Long-term liabilities:</b>					
Long-term loans payable	—		1,050		1,050
Reserves for retirement benefits	16,428		15,128		(1,300)
Reserves for directors' retirement payments	1,646		1,929		282
Deferred taxes liabilities	6,436		740		(5,696)
Other	6,021		4,083		(1,938)
<b>Total long-term liabilities</b>	30,533	4.9	22,930	3.6	(7,602)
<b>Total liabilities</b>	84,443	13.4	78,573	12.5	(5,869)
<b>NET ASSETS</b>					
<b>Shareholders' equity:</b>					
Common stock	29,804	4.7	29,804	4.8	—
Additional paid-in capital	14,935	2.4	14,935	2.4	—
Retained earnings	521,167	82.5	534,550	85.2	13,383
Treasury stock	(45,497)	(7.2)	(46,437)	(7.4)	(940)
<b>Total shareholders' equity</b>	520,409	82.4	532,852	85.0	12,443
<b>Valuation, translation, adjustments and others:</b>					
Unrealized gain on securities	27,207	4.3	9,630	1.5	(17,576)
Deferred gain and loss from hedging	(16)	(0.0)	(14)	(0.0)	2
Foreign currency adjustment accounts	(1,978)	(0.3)	(2,392)	(0.4)	(414)
<b>Total valuation, translation adjustments and others</b>	25,212	4.0	7,223	1.1	(17,988)
<b>Minority interests:</b>	1,864	0.2	8,573	1.4	6,709
<b>Total net assets</b>	547,486	86.6	548,650	87.5	1,164
<b>Total liabilities and net assets</b>	631,929	100.0	627,224	100.0	(4,705)

## Consolidated Statements of Income

(Millions of yen)

	Fiscal 2006 (April 1, 2006 to March 31, 2007)		Fiscal 2007 (April 1, 2007 to March 31, 2008)		Increase (Decrease)
	Amount	Comp. (%)	Amount	Comp. (%)	Amount
<b>Net sales</b>	242,071	100.0	249,655	100.0	7,584
<b>Cost of sales</b>	82,224	34.0	85,295	34.2	3,071
<b>Gross profit on sales</b>	159,847	66.0	164,360	65.8	4,513
Reversal of provision for sales returns	893		889		(3)
Provision for sales returns	889		761		(127)
<b>Gross profit</b>	159,850	66.0	164,488	65.9	4,637
<b>Selling, general &amp; administrative expenses</b>	137,493	56.8	127,535	51.1	(9,957)
<b>Operating income</b>	22,357	9.2	36,952	14.8	14,594
<b>Non-operating income</b>					
Interest income	4,254		4,622		368
Dividend income	761		1,048		287
Rental income on real estate	105		102		(3)
Other	496		448		(48)
<b>Total non-operating income</b>	5,617	2.3	6,222	2.5	604
<b>Non-operating expenses</b>					
Interest expenses	8		13		5
Investment loss in affiliates using the equity accounting method	2,414		487		(1,926)
Other	626		776		149
<b>Total non-operating expenses</b>	3,049	1.2	1,277	0.5	(1,771)
<b>Ordinary income</b>	24,926	10.3	41,896	16.8	16,970
<b>Extraordinary gains</b>					
Gain on sales of fixed assets	4,156		178		(3,978)
Gain on reversal of allowance for doubtful accounts	66		58		(7)
Other	0		—		(0)
<b>Total extraordinary gains</b>	4,223	1.8	236	0.1	(3,986)
<b>Extraordinary losses</b>					
Evaluation loss on investment securities	3		19		15
Loss on disposal of fixed assets	148		453		304
Loss on sales of investment securities	—		24		24
Asset impairment loss	—		646		646
Other	0		—		(0)
<b>Total extraordinary losses</b>	152	0.1	1,143	0.5	990
<b>Income before income taxes and minority interests</b>	28,996	12.0	40,990	16.4	11,994
Income taxes—current	11,857	4.9	14,753	5.9	2,895
Income taxes—deferred	1,938	0.8	1,028	0.4	(910)
Minority interest gain (loss) of consolidated subsidiaries	(221)	(0.1)	204	0.1	425
<b>Net income</b>	15,420	6.4	25,004	10.0	9,583

## Consolidated Statements of Changes in Net Assets

Fiscal 2006 (April 1, 2006 to March 31, 2007)

(Millions of yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2006	29,804	14,935	515,006	(23,253)	536,493
Changes during the period					
Purchase of treasury stock				(21,826)	(21,826)
Dividends paid (*)			(9,246)		(9,246)
Bonuses to directors and corporate auditors (*)			(73)		(73)
Net income			15,420		15,420
Change in scope of consolidation			58		58
Increase of treasury stock by an increase of equity method application company				(417)	(417)
Changes in other than shareholders' equity during the period					
Total changes during the period	-	-	6,160	(22,243)	(16,083)
Balance as of March 31, 2007	29,804	14,935	521,167	(45,497)	520,409

	Valuation, translation adjustments and others				Minority interests	Total net assets
	Unrealized gain on securities	Deferred gain and loss from hedging	Foreign currency adjustment accounts	Total valuation, translation adjustments and others		
Balance as of March 31, 2006	34,065	-	(3,193)	30,871	2,176	569,541
Changes during the period						
Purchase of treasury stock						(21,826)
Dividends paid (*)						(9,246)
Bonuses to directors and corporate auditors (*)						(73)
Net income						15,420
Change in scope of consolidation						58
Increase of treasury stock by an increase of equity method application company						(417)
Changes in other than shareholders' equity during the period	(6,857)	(16)	1,215	(5,659)	(312)	(5,971)
Total changes during the period	(6,857)	(16)	1,215	(5,659)	(312)	(22,055)
Balance as of March 31, 2007	27,207	(16)	(1,978)	25,212	1,864	547,486

Note:

That marked with (\*) are items for the appropriation of profits resolved at the ordinary general meeting of shareholders held in June 2006.

## Consolidated Statements of Changes in Net Assets

Fiscal 2007 (April 1, 2007 to March 31, 2008)

(Millions of yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2007	29,804	14,935	521,167	(45,497)	520,409
Changes during the period					
Purchase of treasury stock				(938)	(938)
Dividends paid			(11,620)		(11,620)
Net income			25,004		25,004
Increase from equity ratio change of equity method application company				(2)	(2)
Changes in other than shareholders' equity during the period					
Total changes during the period	-	-	13,383	(940)	12,443
Balance as of March 31, 2008	29,804	14,935	534,550	(46,437)	532,852

	Valuation, translation, adjustments and others				Minority interest	Total net assets
	Unrealized gain on securities	Deferred gain and loss from hedging	Foreign currency adjustment accounts	Total valuation, translation adjustments and others		
Balance as of March 31, 2007	27,207	(16)	(1,978)	25,212	1,864	547,486
Changes during the period						
Purchase of treasury stock						(938)
Dividends paid						(11,620)
Net income						25,004
Increase from equity ratio change of equity method application company						(2)
Changes in other than shareholders' equity during the period	(17,576)	2	(414)	(17,988)	6,709	(11,279)
Total changes during the period	(17,576)	2	(414)	(17,988)	6,709	1,164
Balance as of March 31, 2008	9,630	(14)	(2,392)	7,223	8,573	548,650

## Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal 2006 (April 1, 2006 to March 31, 2007)	Fiscal 2007 (April 1, 2007 to March 31, 2008)	Increase (Decrease)
	Amount	Amount	Amount
<b>Cash flows from operating activities:</b>			
Income before income taxes and minority interests	28,996	40,990	11,994
Depreciation and amortization	13,137	12,618	(519)
Asset impairment loss	–	646	646
Interest and dividend income	(5,016)	(5,671)	(655)
Interest expenses	8	13	5
Loss on devaluation of investment securities	–	19	19
Gain from sales of fixed assets	(4,156)	(178)	3,978
Disposal loss on tangible fixed assets	148	453	304
Amortization of goodwill	111	–	(111)
Equity in net losses of affiliated companies	2,414	487	(1,926)
Increase (decrease) in allowance for doubtful accounts	(133)	(114)	19
Increase (decrease) in reserves for retirement benefits	(2,337)	(1,523)	813
Decrease (increase) in prepaid pension costs	–	(1,017)	(1,017)
Increase (decrease) in reserves for directors' retirement payments	56	54	(2)
Increase (decrease) in allowance for bonuses	46	92	46
Increase (decrease) in allowance for directors' bonus	73	(73)	(146)
(Increase) decrease in notes and accounts receivable—trade	4,547	14,618	10,071
(Increase) decrease in inventories	711	(899)	(1,611)
Increase (decrease) in notes and accounts payable—trade	(1,470)	(303)	1,167
Increase (decrease) in long-term accounts payable	(1,330)	(1,292)	38
Other	1,769	(2,771)	(4,541)
Subtotal	37,577	56,149	18,571
Interest and dividends income received	5,016	6,234	1,218
Interest paid	(8)	(13)	(5)
Income taxes paid	(12,947)	(11,624)	1,322
Net cash provided by operating activities	29,638	50,745	21,107

(Millions of yen)

	Fiscal 2006 (April 1, 2006 to March 31, 2007)	Fiscal 2007 (April 1, 2007 to March 31, 2008)	Increase (Decrease)
	Amount	Amount	Amount
<b>Cash flows from investing activities:</b>			
(Increase) decrease in time deposits	177	8,439	8,262
Proceeds from sales/redemption of marketable securities	3,244	3,763	518
Payments for purchases of tangible fixed assets	(10,595)	(4,081)	6,513
Proceeds from sales of tangible fixed assets	4,896	718	(4,177)
Payments for purchases of intangible fixed assets	(830)	(1,716)	(885)
Proceeds from sales of intangible fixed assets	8	23	15
Payments for purchases of investment securities	(24,223)	(21,955)	2,267
Payments for purchases of affiliates' stock	(2,613)	(10,552)	(7,938)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	–	(20,090)	(20,090)
Proceeds from sales/redemption of investment securities	7,384	11,010	3,626
Payments for acquisition of long-term prepaid expenses	(445)	(515)	(70)
(Increase) decrease in other assets	183	(108)	(292)
Net cash used in investing activities	(22,812)	(35,063)	(12,251)
<b>Cash flows from financing activities:</b>			
Proceeds from short-term borrowings	245	305	60
Repayment of short-term borrowings	(280)	(270)	10
Proceeds from long-term borrowings	–	1,050	1,050
Payments for dividends	(9,222)	(11,578)	(2,356)
Payments for acquiring treasury stocks	(21,826)	(938)	20,888
Other	(0)	(0)	0
Net cash used in financing activities	(31,084)	(11,431)	19,652
<b>Effect of exchange rate changes on cash and cash equivalents</b>	444	(10)	(454)
<b>Net increase (decrease) in cash and cash equivalents</b>	(23,814)	4,240	28,054
<b>Cash and cash equivalents at the beginning of period</b>	92,195	68,381	(23,814)
<b>Cash and cash equivalents at the end of period</b>	68,381	72,621	4,240

## Non-Consolidated Financial Statements

### Non-Consolidated Balance Sheets

(Millions of yen)

	Fiscal 2006 As of March 31, 2007		Fiscal 2007 As of March 31, 2008		Increase (Decrease)
	Amount	Comp.	Amount	Comp.	Amount
<b>ASSETS</b>		%		%	
<b>Current assets:</b>					
Cash and deposits	112,464		104,064		(8,399)
Notes receivable	594		578		(16)
Accounts receivable—trade	58,101		48,656		(9,445)
Marketable securities	2,000		20,579		18,578
Merchandise	2,909		3,233		323
Finished goods	9,623		10,072		449
Raw materials	5,608		5,724		116
Work-in progress	2,506		2,569		62
Supplies	1,363		1,352		(11)
Advance payments—trade	16		146		129
Prepaid expenses	1,497		651		(845)
Deferred tax assets	5,550		6,113		562
Other	3,477		2,282		(1,195)
Subtotal	205,714		206,024		309
Allowance for doubtful accounts	(402)		(188)		213
<b>Total current assets</b>	205,311	33.4	205,835	34.0	523
<b>Fixed assets:</b>					
<b>Tangible fixed assets:</b>					
Buildings	43,779		45,449		1,669
Structures	2,282		2,113		(168)
Machinery and equipment	8,685		10,119		1,434
Vehicles	101		82		(18)
Tools, furniture and fixtures	4,342		3,991		(351)
Land	25,400		24,240		(1,160)
Construction in progress	9,003		127		(8,875)
Total tangible fixed assets	93,595	15.2	86,125	14.3	(7,470)
<b>Intangible fixed assets:</b>					
Goodwill	133		54		(79)
Patent right	0		0		(0)
Trademarks	4,206		3,191		(1,015)
Software	2,961		3,446		485
Telephone subscription right	56		56		—
Other	21		18		(2)
Total intangible fixed assets	7,379	1.2	6,768	1.1	(611)

(Millions of yen)

	Fiscal 2006 As of March 31, 2007		Fiscal 2007 As of March 31, 2008		Increase (Decrease)
	Amount	Comp.	Amount	Comp.	Amount
Investments and other assets:					
Investment securities	251,980		208,984		(42,996)
Affiliates' stock	51,249		86,306		35,056
Investments in capital of subsidiaries and affiliates	3,087		3,087		—
Long-term loans receivable	—		2		2
Long-term loans receivable from employees	5		41		36
Long-term prepaid expenses	1,636		1,769		133
Deferred tax assets	—		4,067		4,067
Other	922		1,983		1,061
Subtotal	308,880		306,242		(2,638)
Allowance for doubtful receivables—long term	(224)		(306)		(81)
Total investments and other assets	308,656	50.2	305,936	50.6	(2,720)
<b>Total fixed assets</b>	409,631	66.6	398,829	66.0	(10,801)
<b>Total assets</b>	614,943	100.0	604,665	100.0	(10,278)

(Millions of yen)

	Fiscal 2006 As of March 31, 2007		Fiscal 2007 As of March 31, 2008		Increase (Decrease)
	Amount	Comp.	Amount	Comp.	Amount
<b>LIABILITIES</b>		%		%	
<b>Current liabilities:</b>					
Accounts payable—trade	12,525		13,825		1,299
Accounts payable	12,533		10,257		(2,275)
Accrued expenses	4,094		3,890		(203)
Accrued income taxes	3,505		8,336		4,830
Deposits received	724		228		(495)
Unearned revenue	9		3		(5)
Adjustment allowance for returns	860		735		(124)
Allowance for bonuses	2,814		2,954		140
Reserves for directors' bonuses	73		—		(73)
<b>Total current liabilities</b>	37,139	6.0	40,231	6.7	3,091
<b>Long-term liabilities:</b>					
Long-term accounts payable	2,673		1,380		(1,293)
Deferred taxes liabilities	6,351		—		(6,351)
Reserves for retirement benefits	14,527		12,701		(1,826)
Reserves for directors' retirement payments	1,646		1,700		54
Guarantee deposits received	1,496		1,417		(79)
<b>Total long-term liabilities</b>	26,696	4.4	17,199	2.8	(9,496)
<b>Total liabilities</b>	63,835	10.4	57,431	9.5	(6,404)
<b>NET ASSETS</b>					
<b>Shareholders' equity:</b>					
Common stock	29,804	4.8	29,804	4.9	—
Additional paid-in capital	14,935	2.4	14,935	2.5	—
Capital reserve	14,935		14,935		—
Retained earnings	524,395	85.3	538,685	89.1	14,290
Legal reserve	7,451		7,451		—
Other retained earnings					
Reserve for advanced depreciation of fixed assets	2,883		2,707		(175)
General reserve	495,525		502,525		7,000
Retained earnings brought forward	18,535		26,001		7,465
Treasury stock	(45,080)	(7.3)	(46,018)	(7.6)	(938)
<b>Total shareholders' equity</b>	524,055	85.2	537,407	88.9	13,352
<b>Valuation, translation adjustments and others:</b>					
Unrealized gain on securities	27,052	4.4	9,826	1.6	(17,225)
<b>Total valuation, translation adjustments and others</b>	27,052	4.4	9,826	1.6	(17,225)
<b>Total net assets</b>	551,107	89.6	547,234	90.5	(3,873)
<b>Total liabilities and net assets</b>	614,943	100.0	604,665	100.0	(10,278)

## Non-Consolidated Statements of Income

(Millions of yen)

	Fiscal 2006 (April 1, 2006 to March 31, 2007)		Fiscal 2007 (April 1, 2007 to March 31, 2008)		Increase (Decrease)
	Amount	Comp. (%)	Amount	Comp. (%)	Amount
<b>Net sales</b>	194,356	100.0	201,665	100.0	7,308
<b>Cost of sales</b>	65,681	33.8	68,796	34.1	3,115
<b>Gross profit on sales</b>	128,675	66.2	132,868	65.9	4,193
Reversal of provision for sales returns	881		860		(21)
Provision for sales returns	860		735		(124)
<b>Gross profit</b>	128,696	66.2	132,993	65.9	4,297
<b>Selling, general &amp; administrative expenses</b>	107,188	55.1	98,785	48.9	(8,403)
<b>Operating income</b>	21,507	11.1	34,207	17.0	12,700
<b>Non-operating income</b>					
Interest income	295		374		79
Interest income on securities	3,113		3,336		222
Dividend income	2,056		1,824		(232)
Rental income on real estate	465		458		(6)
Other	627		603		(23)
<b>Total non-operating income</b>	6,559	3.4	6,598	3.3	38
<b>Non-operating expenses</b>					
Interest expenses	2		5		3
Other	536		678		141
<b>Total non-operating expenses</b>	539	0.3	683	0.4	144
<b>Ordinary income</b>	27,527	14.2	40,122	19.9	12,594
<b>Extraordinary gains</b>					
Gain on sales of fixed assets	1		173		171
Gain on reversal of allowance for doubtful accounts	66		58		(7)
Gain on extinguishment of tie-in shares	–		542		542
<b>Total extraordinary gains</b>	67	0.0	774	0.4	706
<b>Extraordinary losses</b>					
Evaluation loss on investment securities	3		19		15
Loss on disposal of fixed assets	125		1,013		888
Loss on sales of investment securities	–		24		24
Other	0		–		(0)
<b>Total extraordinary losses</b>	129	0.1	1,056	0.5	927
<b>Income before income taxes and minority interests</b>	27,466	14.1	39,839	19.8	12,373
Income taxes—current	8,577	4.4	13,186	6.6	4,608
Income taxes—deferred	2,139	1.1	742	0.4	(1,396)
<b>Net income</b>	16,749	8.6	25,910	12.8	9,160

## Non-Consolidated Statements of Changes in Net Assets

Fiscal 2006 (April 1, 2006 to March 31, 2007)

(Millions of yen)

	Shareholders' equity							
	Common stock	Additional paid-in capital		Legal reserve	Retained earnings			Total retained earnings
		Capital reserve	Total additional paid-in capital		Other retained earnings			
					Reserve for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward	
Balance as of March 31, 2006	29,804	14,935	14,935	7,451	3,151	488,525	17,837	516,965
Changes during the period								
Reversal of reserve for advanced depreciation of fixed assets (Note 1)					(267)		267	–
Provision of general reserve (Note 2)						7,000	(7,000)	–
Purchase of treasury stock								
Dividends paid (Note 2)							(9,246)	(9,246)
Bonuses to directors and corporate auditors (Note 2)							(73)	(73)
Net income							16,749	16,749
Changes in other than shareholders' equity during the period								
Total changes during the period	–	–	–	–	(267)	7,000	698	7,430
Balance as of March 31, 2007	29,804	14,935	14,935	7,451	2,883	495,525	18,535	524,395

	Shareholders' equity		Valuation, translation adjustments and others		Total net assets
	Treasury stock	Total shareholders' equity	Unrealized gain on securities	Total valuation, translation adjustments and others	
Balance as of March 31, 2006	(23,253)	538,451	33,563	33,563	572,015
Changes during the period					
Reversal of reserve for advanced depreciation of fixed assets (Note 1)		–			–
Provision of general reserve (Note 2)		–			–
Purchase of treasury stock	(21,826)	(21,826)			(21,826)
Dividends paid (Note 2)		(9,246)			(9,246)
Bonuses to directors and corporate auditors (Note 2)		(73)			(73)
Net income		16,749			16,749
Changes in other than shareholders' equity during the period			(6,511)	(6,511)	(6,511)
Total changes during the period	(21,826)	(14,395)	(6,511)	(6,511)	(20,907)
Balance as of March 31, 2007	(45,080)	524,055	27,052	27,052	551,107

Notes:

1. That contains ¥141 million as an item for the appropriation of profits resolved at the ordinary general meeting of shareholders held in June 2006.
2. That is an item for the appropriation of profits resolved at the ordinary general meeting of shareholders held in June 2006.

## Non-Consolidated Statements of Changes in Net Assets

Fiscal 2007 (April 1, 2007 to March 31, 2008)

(Millions of yen)

	Shareholders' equity							
	Common stock	Additional paid-in capital		Legal reserve	Retained earnings			Total retained earnings
		Capital reserve	Total additional paid-in capital		Other retained earnings			
					Reserve for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward	
Balance as of March 31, 2007	29,804	14,935	14,935	7,451	2,883	495,525	18,535	524,395
Changes during the period								
Reversal of reserve for advanced depreciation of fixed assets					(175)		175	–
Provision of general reserve						7,000	(7,000)	–
Purchase of treasury stock								
Dividends paid							(11,620)	(11,620)
Net income							25,910	25,910
Changes in other than shareholders' equity during the period								
Total changes during the period	–	–	–	–	(175)	7,000	7,465	14,290
Balance as of March 31, 2008	29,804	14,935	14,935	7,451	2,707	502,525	26,001	538,685

	Shareholders' equity		Valuation, translation adjustments and others		Total net assets
	Treasury stock	Total shareholders' equity	Unrealized gain on securities	Total valuation, translation adjustments and others	
Balance as of March 31, 2007	(45,080)	524,055	27,052	27,052	551,107
Changes during the period					
Reversal of reserve for advanced depreciation of fixed assets		–			–
Provision of general reserve		–			–
Purchase of treasury stock	(938)	(938)			(938)
Dividends paid		(11,620)			(11,620)
Net income		25,910			25,910
Changes in other than shareholders' equity during the period			(17,225)	(17,225)	(17,225)
Total changes during the period	(938)	13,352	(17,225)	(17,225)	(3,873)
Balance as of March 31, 2008	(46,018)	537,407	9,826	9,826	547,234