Ryobi Limited and Consolidated Subsidiaries

Consolidated Financial Statements for the First Half of the Fiscal Year Ending March 31, 2012

1. Consolidated Balance Sheets

March 31, 2011 September 30, 2011 ASSETS Current assets: Current assets: Cash and deposits 14,548 13,371 Notes and accounts receivable 34,232 36,271 Marketable securities 9,012 6,762 Finished products and purchased goods 12,106 10,921 Work in process 8,921 10,243 Raw materials and supplies 6,114 7,400 Other current assets 4,712 4,864 Allowance for doubtful accounts (37) (50) Total current assets 89,610 89,784 Fixed assets: 89,610 89,784 Fixed assets 89,610 89,784 Fixed assets 89,610 89,784 Property, plant and equipment: 18,474 18,102 Machinery and equipment (net) 21,190 22,314 Land 21,628 21,640 Construction in progress 3,330 3,575 Total property, plant and equipment 67,923			(Millions of yen)
Current assets: 14,548 13,371 Notes and accounts receivable 34,232 36,271 Marketable securities 9,012 6,762 Finished products and purchased goods 12,106 10,921 Work in process 8,921 10,243 Raw materials and supplies 6,114 7,400 Other current assets 4,712 4,864 Allowance for doubtful accounts (37) (50) Total current assets 89,610 89,784 Fixed assets: 89,610 89,784 Fixed assets 18,474 18,102 Machinery and equipment: 18,474 18,102 Machinery and equipment (net) 21,190 22,314 Land 21,628 21,640 Construction in progress 3,330 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets 992 944 Total intangible fixed assets 992 944 Investments and other assets: 1 992 944 <		March 31, 2011	September 30, 2011
Cash and deposits 14,548 13,371 Notes and accounts receivable 34,232 36,271 Marketable securities 9,012 6,762 Finished products and purchased goods 12,106 10,921 Work in process 8,921 10,243 Raw materials and supplies 6,114 7,400 Other current assets 4,712 4,864 Allowance for doubtful accounts (37) (50) Total current assets 89,610 89,784 Fixed assets: *** *** Property, plant and equipment: *** *** Buildings and structures (net) 18,474 18,102 Machinery and equipment (net) 21,190 22,314 Land 21,628 21,640 Construction in progress 3,330 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets (net) 3,300 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets 992 944 Total intangible fixed assets 992 944 </td <td>ASSETS</td> <td></td> <td></td>	ASSETS		
Notes and accounts receivable 34,232 36,271 Marketable securities 9,012 6,762 Finished products and purchased goods 12,106 10,921 Work in process 8,921 10,243 Raw materials and supplies 6,114 7,400 Other current assets 4,712 4,864 Allowance for doubtful accounts (37) (50) Total current assets 89,610 89,784 Fixed assets: Property, plant and equipment: 18,474 18,102 Machinery and equipment (net) 21,190 22,314 Land 21,628 21,640 Construction in progress 3,330 5,948 Other fixed assets (net) 3,300 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets 992 944 Total intangible fixed assets 992 944 Investment in securities 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts	Current assets:		
Marketable securities 9,012 6,762 Finished products and purchased goods 12,106 10,921 Work in process 8,921 10,243 Raw materials and supplies 6,114 7,400 Other current assets 4,712 4,864 Allowance for doubtful accounts (37) (50) Total current assets 89,610 89,784 Fixed assets: Property, plant and equipment: 18,474 18,102 Machinery and equipment (net) 21,190 22,314 Land 21,628 21,640 Construction in progress 3,330 5,948 Other fixed assets (net) 3,300 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets: 992 944 Total intangible fixed assets 992 944 Investments and other assets: 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other ass	Cash and deposits	14,548	13,371
Finished products and purchased goods 12,106 10,921 Work in process 8,921 10,243 Raw materials and supplies 6,114 7,400 Other current assets 4,712 4,864 Allowance for doubtful accounts (37) (50) Total current assets 89,610 89,784 Fixed assets: Property, plant and equipment: Buildings and structures (net) 18,474 18,102 Machinery and equipment (net) 21,190 22,314 Land 21,628 21,640 Construction in progress 3,330 5,948 Other fixed assets (net) 3,300 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets: 992 944 Other intangible fixed assets 992 944 Investments and other assets: 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,0	Notes and accounts receivable	34,232	36,271
Work in process 8,921 10,243 Raw materials and supplies 6,114 7,400 Other current assets 4,712 4,864 Allowance for doubtful accounts (37) (50) Total current assets 89,610 89,784 Fixed assets: Property, plant and equipment: Buildings and structures (net) 18,474 18,102 Machinery and equipment (net) 21,190 22,314 Land 21,628 21,640 Construction in progress 3,330 5,948 Other fixed assets (net) 3,300 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets: 992 944 Total intangible fixed assets 992 944 Investments and other assets: 1 992 944 Investment in securities 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 <td>Marketable securities</td> <td>9,012</td> <td>6,762</td>	Marketable securities	9,012	6,762
Raw materials and supplies 6,114 7,400 Other current assets 4,712 4,864 Allowance for doubtful accounts (37) (50) Total current assets 89,610 89,784 Fixed assets: Property, plant and equipment: Buildings and structures (net) 18,474 18,102 Machinery and equipment (net) 21,190 22,314 Land 21,628 21,640 Construction in progress 3,330 5,948 Other fixed assets (net) 3,300 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets: 992 944 Other intangible fixed assets 992 944 Investments and other assets: 1 992 944 Investment in securities 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets	Finished products and purchased goods	12,106	10,921
Other current assets 4,712 4,864 Allowance for doubtful accounts (37) (50) Total current assets 89,610 89,784 Fixed assets: Property, plant and equipment: Buildings and structures (net) 18,474 18,102 Machinery and equipment (net) 21,190 22,314 Land 21,628 21,640 Construction in progress 3,330 5,948 Other fixed assets (net) 3,300 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets: 992 944 Other intangible fixed assets 992 944 Investments and other assets: 1 992 944 Investment in securities 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Work in process	8,921	10,243
Allowance for doubtful accounts (37) (50) Total current assets 89,610 89,784 Fixed assets: Property, plant and equipment: Buildings and structures (net) 18,474 18,102 Machinery and equipment (net) 21,190 22,314 Land 21,628 21,640 Construction in progress 3,330 5,948 Other fixed assets (net) 3,300 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets: 992 944 Total intangible fixed assets 992 944 Investments and other assets: 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Raw materials and supplies	6,114	7,400
Total current assets 89,610 89,784 Fixed assets: Property, plant and equipment: Buildings and structures (net) 18,474 18,102 Machinery and equipment (net) 21,190 22,314 Land 21,628 21,640 Construction in progress 3,330 5,948 Other fixed assets (net) 3,300 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets: 992 944 Total intangible fixed assets 992 944 Investments and other assets: 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Other current assets	4,712	4,864
Fixed assets: Property, plant and equipment: 18,474 18,102 Machinery and equipment (net) 21,190 22,314 Land 21,628 21,640 Construction in progress 3,330 5,948 Other fixed assets (net) 3,300 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets: 992 944 Total intangible fixed assets 992 944 Investments and other assets: 992 944 Investments and other assets: 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Allowance for doubtful accounts	(37)	(50)
Property, plant and equipment: 18,474 18,102 Machinery and equipment (net) 21,190 22,314 Land 21,628 21,640 Construction in progress 3,330 5,948 Other fixed assets (net) 3,300 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets: 992 944 Total intangible fixed assets 992 944 Investments and other assets: 992 944 Investment in securities 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Total current assets	89,610	89,784
Buildings and structures (net) 18,474 18,102 Machinery and equipment (net) 21,190 22,314 Land 21,628 21,640 Construction in progress 3,330 5,948 Other fixed assets (net) 3,300 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets: 992 944 Total intangible fixed assets 992 944 Investments and other assets: 992 944 Investment in securities 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Fixed assets:		
Machinery and equipment (net) 21,190 22,314 Land 21,628 21,640 Construction in progress 3,330 5,948 Other fixed assets (net) 3,300 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets: 992 944 Total intangible fixed assets 992 944 Investments and other assets: 992 944 Investment in securities 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Property, plant and equipment:		
Land 21,628 21,640 Construction in progress 3,330 5,948 Other fixed assets (net) 3,300 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets: 992 944 Total intangible fixed assets 992 944 Investments and other assets: 992 944 Investment in securities 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Buildings and structures (net)	18,474	18,102
Construction in progress 3,330 5,948 Other fixed assets (net) 3,300 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets: 992 944 Total intangible fixed assets 992 944 Investments and other assets: 992 944 Investment in securities 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Machinery and equipment (net)	21,190	22,314
Other fixed assets (net) 3,300 3,575 Total property, plant and equipment 67,923 71,581 Intangible fixed assets: 992 944 Total intangible fixed assets 992 944 Investments and other assets: 992 944 Investment in securities 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Land		21,640
Total property, plant and equipment 67,923 71,581 Intangible fixed assets: 992 944 Total intangible fixed assets 992 944 Investments and other assets: 992 944 Investment in securities 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Construction in progress	3,330	5,948
Intangible fixed assets: 992 944 Other intangible fixed assets 992 944 Total intangible fixed assets 992 944 Investments and other assets: 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Other fixed assets (net)	3,300	3,575
Other intangible fixed assets 992 944 Total intangible fixed assets 992 944 Investments and other assets: 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Total property, plant and equipment	67,923	71,581
Total intangible fixed assets 992 944 Investments and other assets: 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Intangible fixed assets:		
Investments and other assets: 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Other intangible fixed assets	992	944
Investment in securities 8,358 7,461 Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Total intangible fixed assets	992	944
Other 3,768 4,028 Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Investments and other assets:		
Allowance for doubtful accounts (76) (111) Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Investment in securities	8,358	7,461
Total investments and other assets 12,050 11,378 Total fixed assets 80,966 83,904	Other	3,768	4,028
Total fixed assets 80,966 83,904	Allowance for doubtful accounts	(76)	(111)
	Total investments and other assets	12,050	11,378
Total assets 170,577 173,689	Total fixed assets	80,966	83,904
	Total assets	170,577	173,689

		(Millions of yen)
	March 31, 2011	September 30, 2011
LIABILITIES		
Current liabilities:		
Notes and accounts payable	28,357	30,110
Short-term borrowings	25,404	25,785
Current portion of long-term debt	10,118	6,681
Income taxes payable	2,165	1,105
Accrued bonuses	1,613	1,585
Accrued bonuses to directors	20	_
Other current liabilities	8,800	8,272
Total current liabilities	76,480	73,541
Long-term liabilities:		
Long-term debt	12,878	18,523
Accrued severance indemnities	6,633	6,282
Other long-term liabilities	3,367	3,257
Total long-term liabilities	22,879	28,063
Total liabilities:	99,360	101,605
NET ASSETS		
Shareholders' equity:		
Common stock	18,472	18,472
Capital surplus	23,750	23,750
Retained earnings	39,601	40,940
Treasury stock	(2,360)	(2,360)
Total shareholders' equity	79,463	80,802
Accumulated other comprehensive loss:		
Unrealized gain on available-for-sale		
securities	1,871	1,427
Deferred loss on derivatives under hedge		
accounting	(32)	(48)
Land revaluation reserve	626	626
Foreign currency translation adjustments	(11,700)	(11,642)
Total accumulated other comprehensive loss	(9,235)	(9,637)
Minority interests	989	919
Total net assets	71,217	72,084
Total liabilities and net assets	170,577	173,689

2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(1) Consolidated Statements of Income

Interest income 14 10 Dividends income 69 88 Rent income 243 202 Gain on sale of scrap 68 73 Miscellaneous income 317 221 Total non-operating income 713 596 Non-operating expenses 560 468 Cash discounts 93 100 Exchange losses 157 170 Depreciation 115 56 Miscellaneous expenses 159 123 Total non-operating expenses 1,085 918 Ordinary income 4,170 3,993 Extraordinary income 4,170 3,993 Extraordinary income 9 - Gain on negative goodwill 9 - Gain on negative goodwill 9 0 Total extraordinary income 205 24			(Millions of yen)
Net sales 80,340 81,705 Cost of sales 65,607 66,843 Gross profit 14,732 14,861 Selling, general and administrative expenses 10,189 10,546 Operating income 4,543 4,315 Non-operating income 14 10 Dividends income 69 88 Rent income 243 202 Gain on sale of scrap 68 73 Miscellaneous income 317 221 Total non-operating income 713 596 Non-operating expenses 560 468 Cash discounts 93 100 Exchange losses 157 170 Depreciation 115 56 Miscellaneous expenses 159 123 Total non-operating expenses 1,98 19 Ordinary income 4,170 3,993 Extraordinary income 4,170 3,993 Extraordinary income 20 2 Extraordinary income 20 </th <th></th> <th>Six Months Ended</th> <th>Six Months Ended</th>		Six Months Ended	Six Months Ended
Cost of sales 65,607 66,843 Gross profit 14,732 14,861 Selling, general and administrative expenses 10,189 10,546 Operating income 4,543 4,315 Non-operating income 14 10 Dividends income 69 88 Rent income 243 202 Gain on sale of scrap 68 73 Miscellaneous income 317 221 Total non-operating income 713 596 Non-operating expenses 560 468 Cash discounts 93 100 Exchange losses 157 170 Depreciation 115 56 Miscellaneous expenses 159 123 Total non-operating expenses 1,085 918 Ordinary income 4,170 3,993 Extraordinary income 4,170 3,993 Extraordinary income 186 23 Cain on sale of fixed assets 9 0 Gain on lace of fixed assets<		September 30, 2010	September 30, 2011
Gross profit 14,732 14,861 Selling, general and administrative expenses 10,189 10,546 Operating income 4,543 4,315 Non-operating income 14 10 Interest income 69 88 Rent income 243 202 Gain on sale of scrap 68 73 Miscellaneous income 317 221 Total non-operating income 713 596 Non-operating expenses 560 468 Cash discounts 93 100 Exchange losses 157 170 Depreciation 115 56 Miscellaneous expenses 159 123 Total non-operating expenses 159 123 Total non-operating expenses 159 123 Ordinary income 4,170 3,993 Extraordinary income 20 2 Gain on sale of fixed assets 186 23 Reversal of allowance for doubtful accounts 9 - Gain on	Net sales	80,340	81,705
Selling, general and administrative expenses 10,189 10,546 Operating income 4,543 4,315 Non-operating income 14 10 Interest income 69 88 Rent income 243 202 Gain on sale of scrap 68 73 Miscellaneous income 317 221 Total non-operating income 713 596 Non-operating expenses 560 468 Cash discounts 93 100 Exchange losses 157 170 Depreciation 115 56 Miscellaneous expenses 159 123 Total non-operating expenses 1,085 918 Ordinary income 4,170 3,993 Extraordinary income 4,170 3,993 Extraordinary income 23 8eversal of allowance for doubtful accounts 9 - Gain on sale of fixed assets 186 23 8eversal of allowance for doubtful accounts 9 3 Gain on adjuits expenses 99<	Cost of sales	65,607	66,843
Operating income 4,543 4,315 Non-operating income 14 10 Interest income 69 88 Rent income 243 202 Gain on sale of scrap 68 73 Miscellaneous income 317 221 Total non-operating income 713 596 Non-operating expenses 560 468 Cash discounts 93 100 Exchange losses 157 170 Depreciation 115 56 Miscellaneous expenses 159 123 Total non-operating expenses 159 123 Ordinary income 4,170 3,993 Extraordinary income 4,170 3,993 Extraordinary income 4,170 3,993 Extraordinary income 20 0 Gain on sale of fixed assets 186 23 Reversal of allowance for doubtful accounts 9 0 Gain on eagative goodwill 9 0 Total extraordinary losses	Gross profit	14,732	14,861
Operating income 4,543 4,315 Non-operating income 14 10 Interest income 69 88 Rent income 243 202 Gain on sale of scrap 68 73 Miscellaneous income 317 221 Total non-operating income 713 596 Non-operating expenses 560 468 Cash discounts 93 100 Exchange losses 157 170 Depreciation 115 56 Miscellaneous expenses 159 123 Total non-operating expenses 159 123 Total non-operating expenses 1,085 918 Ordinary income 4,170 3,993 Extraordinary income 4,170 3,993 Extraordinary income 9 0 Gain on sale of fixed assets 186 23 Reversal of allowance for doubtful accounts 9 0 Gain on eagetive goodwill 9 0 Total extraordinary losses <td>Selling, general and administrative expenses</td> <td>10,189</td> <td>10,546</td>	Selling, general and administrative expenses	10,189	10,546
Interest income 14 10 Dividends income 69 88 Rent income 243 202 Gain on sale of scrap 68 73 Miscellaneous income 317 221 Total non-operating income 713 596 Non-operating expenses 560 468 Cash discounts 93 100 Exchange losses 157 170 Depreciation 115 56 Miscellaneous expenses 159 123 Total non-operating expenses 1,085 918 Ordinary income 4,170 3,993 Extraordinary income 4,170 3,993 Extraordinary income 23 2 Extraordinary losses 186 23 Loss on disposal of fixed assets 9 - Loss on disposal of fixed assets 99 35 Loss on devaluation of investment in securities 198 148 Special retirement expenses - 178 Loss on adjustment		4,543	4,315
Dividends income 69 88 Rent income 243 202 Gain on sale of scrap 68 73 Miscellaneous income 317 221 Total non-operating income 713 596 Non-operating expenses 560 468 Cash discounts 93 100 Exchange losses 157 170 Depreciation 115 56 Miscellaneous expenses 159 123 Total non-operating expenses 1,085 918 Ordinary income 4,170 3,993 Extraordinary income 186 23 Reversal of allowance for doubtful accounts 9 - Gain on sale of fixed assets 9 0 Gain on negative goodwill 9 0 Total extraordinary income 205 24 Extraordinary losses 99 35 Loss on disposal of fixed assets 99 35 Loss on adjustment for changes of accounting standard for asset retirement obligations 29	Non-operating income		
Rent income 243 202 Gain on sale of scrap 68 73 Miscellaneous income 317 221 Total non-operating income 713 596 Non-operating expenses 560 468 Cash discounts 93 100 Exchange losses 157 170 Depreciation 115 56 Miscellaneous expenses 159 123 Total non-operating expenses 1,085 918 Ordinary income 4,170 3,993 Extraordinary income 8 23 Reversal of allowance for doubtful accounts 9 - Gain on sale of fixed assets 9 0 Total extraordinary income 205 24 Extraordinary losses 99 35 Loss on disposal of fixed assets 99 35 Loss on disposal of fixed assets 99 35 Loss on adjustment for changes of accounting standard for asset retirement obligations 29 - Total extraordinary losses 327<	Interest income	14	10
Gain on sale of scrap 68 73 Miscellaneous income 317 221 Total non-operating income 713 596 Non-operating expenses 560 468 Loss discounts 93 100 Exchange losses 157 170 Depreciation 115 56 Miscellaneous expenses 159 123 Total non-operating expenses 1,085 918 Ordinary income 4,170 3,993 Extraordinary income 4,170 3,993 Extraordinary income 9 - Gain on sale of fixed assets 186 23 Reversal of allowance for doubtful accounts 9 - Gain on negative goodwill 9 0 Total extraordinary income 205 24 Extraordinary losses 99 35 Loss on disposal of fixed assets 99 35 Loss on devaluation of investment in securities 9 - Special retirement expenses - 178	Dividends income	69	88
Miscellaneous income 317 221 Total non-operating income 713 596 Non-operating expenses	Rent income	243	202
Total non-operating income 713 596 Non-operating expenses 560 468 Cash discounts 93 100 Exchange losses 157 170 Depreciation 115 56 Miscellaneous expenses 159 123 Total non-operating expenses 1,085 918 Ordinary income 4,170 3,993 Extraordinary income 3 23 Reversal of allowance for doubtful accounts 9 - Gain on negative goodwill 9 0 Total extraordinary income 205 24 Extraordinary losses 99 35 Loss on disposal of fixed assets 99 35 Loss on devaluation of investment in securities 198 148 Special retirement expenses - 178 Loss on adjustment for changes of accounting standard for asset retirement obligations 29 - Total extraordinary losses 327 362 Income before income taxes and minority interests 4,048 3,655	Gain on sale of scrap	68	73
Non-operating expenses 560 468 Cash discounts 93 100 Exchange losses 157 170 Depreciation 115 56 Miscellaneous expenses 159 123 Total non-operating expenses 1,085 918 Ordinary income 4,170 3,993 Extraordinary income 3,108 23 Reversal of allowance for doubtful accounts 9 - Gain on sale of fixed assets 9 - Gain on negative goodwill 9 0 Total extraordinary income 205 24 Extraordinary losses 99 35 Loss on disposal of fixed assets 99 35 Loss on devaluation of investment in securities 198 148 Special retirement expenses - 178 Loss on adjustment for changes of accounting standard for asset retirement obligations 29 - Total extraordinary losses 327 362 Income before income taxes and minority interests 4,048 3,655	Miscellaneous income	317	221
Interest expenses 560 468 Cash discounts 93 100 Exchange losses 157 170 Depreciation 115 56 Miscellaneous expenses 159 123 Total non-operating expenses 1,085 918 Ordinary income 4,170 3,993 Extraordinary income 3,093 - Gain on sale of fixed assets 186 23 Reversal of allowance for doubtful accounts 9 - Gain on negative goodwill 9 0 Total extraordinary income 205 24 Extraordinary losses 99 35 Loss on disposal of fixed assets 99 35 Loss on devaluation of investment in securities 198 148 Special retirement expenses - 178 Loss on adjustment for changes of accounting standard for asset retirement obligations 29 - Total extraordinary losses 327 362 Income before income taxes and minority interests 4,048 3,655	Total non-operating income	713	596
Cash discounts 93 100 Exchange losses 157 170 Depreciation 115 56 Miscellaneous expenses 159 123 Total non-operating expenses 1,085 918 Ordinary income 4,170 3,993 Extraordinary income 3 186 23 Reversal of allowance for doubtful accounts 9 - - Gain on negative goodwill 9 0 - - Gain on isposal of fixed assets 99 35 24 Extraordinary losses 99 35 - 186 186 23 -	Non-operating expenses		
Exchange losses 157 170 Depreciation 115 56 Miscellaneous expenses 159 123 Total non-operating expenses 1,085 918 Ordinary income 4,170 3,993 Extraordinary income 3 8 Gain on sale of fixed assets 186 23 Reversal of allowance for doubtful accounts 9 - Gain on negative goodwill 9 0 Total extraordinary income 205 24 Extraordinary losses 99 35 Loss on disposal of fixed assets 99 35 Loss on devaluation of investment in securities 198 148 Special retirement expenses - 178 Loss on adjustment for changes of accounting standard for asset retirement obligations 29 - Total extraordinary losses 327 362 Income before income taxes and minority interests 4,048 3,655 Income before gain on minority interests 2,696 2,268 Gain (loss) on minority interests <td< td=""><td>Interest expenses</td><td>560</td><td>468</td></td<>	Interest expenses	560	468
Depreciation Miscellaneous expenses 115 56 Miscellaneous expenses Total non-operating expenses 1,085 918 Ordinary income 4,170 3,993 Extraordinary income 3,993 Gain on sale of fixed assets 186 23 Reversal of allowance for doubtful accounts 9 - Gain on negative goodwill 9 0 Total extraordinary income 205 24 Extraordinary losses 99 35 Loss on disposal of fixed assets 99 35 Loss on devaluation of investment in securities 198 148 Special retirement expenses - 178 Loss on adjustment for changes of accounting standard for asset retirement obligations 29 - Total extraordinary losses 327 362 Income before income taxes and minority interests 4,048 3,655 Income before gain on minority interests 2,696 2,268 Gain (loss) on minority interests 66 (41)	Cash discounts	93	100
Miscellaneous expenses 159 123 Total non-operating expenses 1,085 918 Ordinary income 4,170 3,993 Extraordinary income 3,993 Gain on sale of fixed assets 186 23 Reversal of allowance for doubtful accounts 9 - Gain on negative goodwill 9 0 Total extraordinary income 205 24 Extraordinary losses 99 35 Loss on disposal of fixed assets 99 35 Loss on devaluation of investment in securities 198 148 Special retirement expenses - 178 Loss on adjustment for changes of accounting standard for asset retirement obligations 29 - Total extraordinary losses 327 362 Income before income taxes and minority interests 4,048 3,655 Income before gain on minority interests 2,696 2,268 Gain (loss) on minority interests 66 (41)	Exchange losses	157	170
Total non-operating expenses 1,085 918 Ordinary income 4,170 3,993 Extraordinary income 3,993 Gain on sale of fixed assets 186 23 Reversal of allowance for doubtful accounts 9 - Gain on negative goodwill 9 0 Total extraordinary income 205 24 Extraordinary losses 99 35 Loss on disposal of fixed assets 99 35 Loss on devaluation of investment in securities 198 148 Special retirement expenses - 178 Loss on adjustment for changes of accounting standard for asset retirement obligations 29 - Total extraordinary losses 327 362 Income before income taxes and minority interests 4,048 3,655 Income before gain on minority interests 2,696 2,268 Gain (loss) on minority interests 66 (41)	Depreciation	115	56
Ordinary income 4,170 3,993 Extraordinary income 3,993 Gain on sale of fixed assets 186 23 Reversal of allowance for doubtful accounts 9 - Gain on negative goodwill 9 0 Total extraordinary income 205 24 Extraordinary losses 99 35 Loss on disposal of fixed assets 99 35 Loss on devaluation of investment in securities 198 148 Special retirement expenses - 178 Loss on adjustment for changes of accounting standard for asset retirement obligations 29 - Total extraordinary losses 327 362 Income before income taxes and minority interests 4,048 3,655 Income taxes 1,352 1,387 Income before gain on minority interests 2,696 2,268 Gain (loss) on minority interests 66 (41)	Miscellaneous expenses		
Extraordinary income Gain on sale of fixed assets 186 23 Reversal of allowance for doubtful accounts 9 - Gain on negative goodwill 9 0 Total extraordinary income 205 24 Extraordinary losses 205 24 Loss on disposal of fixed assets 99 35 Loss on devaluation of investment in securities 198 148 Special retirement expenses - 178 Loss on adjustment for changes of accounting standard for asset retirement obligations 29 - Total extraordinary losses 327 362 Income before income taxes and minority interests 4,048 3,655 Income taxes 1,352 1,387 Income before gain on minority interests 2,696 2,268 Gain (loss) on minority interests 66 (41)	Total non-operating expenses	1,085	918
Gain on sale of fixed assets 186 23 Reversal of allowance for doubtful accounts 9 - Gain on negative goodwill 9 0 Total extraordinary income 205 24 Extraordinary losses 99 35 Loss on disposal of fixed assets 99 35 Loss on devaluation of investment in securities 198 148 Special retirement expenses - 178 Loss on adjustment for changes of accounting standard for asset retirement obligations 29 - Total extraordinary losses 327 362 Income before income taxes and minority interests 4,048 3,655 Income taxes 1,352 1,387 Income before gain on minority interests 2,696 2,268 Gain (loss) on minority interests 66 (41)	Ordinary income	4,170	3,993
Reversal of allowance for doubtful accounts 9 - Gain on negative goodwill 9 0 Total extraordinary income 205 24 Extraordinary losses 8 24 Loss on disposal of fixed assets 99 35 Loss on devaluation of investment in securities 198 148 Special retirement expenses - 178 Loss on adjustment for changes of accounting standard for asset retirement obligations 29 - Total extraordinary losses 327 362 Income before income taxes and minority interests 4,048 3,655 Income taxes 1,352 1,387 Income before gain on minority interests 2,696 2,268 Gain (loss) on minority interests 66 (41)	Extraordinary income		
Gain on negative goodwill Total extraordinary income 9 0 Extraordinary losses 205 24 Loss on disposal of fixed assets Loss on devaluation of investment in securities 99 35 Loss on devaluation of investment in securities 198 148 Special retirement expenses Loss on adjustment for changes of accounting standard for asset retirement obligations 29 - Total extraordinary losses 327 362 Income before income taxes and minority interests 4,048 3,655 Income taxes 1,352 1,387 Income before gain on minority interests 2,696 2,268 Gain (loss) on minority interests 66 (41)	Gain on sale of fixed assets	186	23
Total extraordinary income 205 24 Extraordinary losses Loss on disposal of fixed assets Loss on devaluation of investment in securities 198 148 Special retirement expenses - 178 Loss on adjustment for changes of accounting standard for asset retirement obligations 29 - Total extraordinary losses 327 362 Income before income taxes and minority interests 4,048 3,655 Income taxes 1,352 1,387 Income before gain on minority interests 2,696 2,268 Gain (loss) on minority interests 66 (41)	Reversal of allowance for doubtful accounts	9	_
Extraordinary lossesLoss on disposal of fixed assets9935Loss on devaluation of investment in securities198148Special retirement expenses-178Loss on adjustment for changes of accounting standard for asset retirement obligations29-Total extraordinary losses327362Income before income taxes and minority interests4,0483,655Income taxes1,3521,387Income before gain on minority interests2,6962,268Gain (loss) on minority interests66(41)	Gain on negative goodwill		0
Loss on disposal of fixed assets Loss on devaluation of investment in securities Special retirement expenses Loss on adjustment for changes of accounting standard for asset retirement obligations Total extraordinary losses Income before income taxes and minority interests Income taxes Gain (loss) on minority interests 99 35 148 148 29 - 29 - 362 4,048 3,655 1,365 1,387	Total extraordinary income	205	24
Loss on devaluation of investment in securities 198 148 Special retirement expenses - 178 Loss on adjustment for changes of accounting standard for asset retirement obligations 29 - Total extraordinary losses 327 362 Income before income taxes and minority interests 4,048 3,655 Income taxes 1,352 1,387 Income before gain on minority interests 2,696 2,268 Gain (loss) on minority interests 66 (41)	Extraordinary losses		
securities198148Special retirement expenses-178Loss on adjustment for changes of accounting standard for asset retirement obligations29-Total extraordinary losses327362Income before income taxes and minority interests4,0483,655Income taxes1,3521,387Income before gain on minority interests2,6962,268Gain (loss) on minority interests66(41)	Loss on disposal of fixed assets	99	35
Special retirement expenses - 178 Loss on adjustment for changes of accounting standard for asset retirement obligations 29 - Total extraordinary losses 327 362 Income before income taxes and minority interests 4,048 3,655 Income taxes 1,352 1,387 Income before gain on minority interests 2,696 2,268 Gain (loss) on minority interests 66 (41)	Loss on devaluation of investment in		
Loss on adjustment for changes of accounting standard for asset retirement obligations Total extraordinary losses Income before income taxes and minority interests Income taxes Income before gain on minority interests Income before gain on minority interests Gain (loss) on minority interests Loss of accounting 29 4,048 3,655 1,387 1,387 1,3696 2,268 361 401	securities	198	148
standard for asset retirement obligations29-Total extraordinary losses327362Income before income taxes and minority interests4,0483,655Income taxes1,3521,387Income before gain on minority interests2,6962,268Gain (loss) on minority interests66(41)		_	178
Total extraordinary losses327362Income before income taxes and minority interests4,0483,655Income taxes1,3521,387Income before gain on minority interests2,6962,268Gain (loss) on minority interests66(41)			
Income before income taxes and minority interests4,0483,655Income taxes1,3521,387Income before gain on minority interests2,6962,268Gain (loss) on minority interests66(41)			-
Income taxes1,3521,387Income before gain on minority interests2,6962,268Gain (loss) on minority interests66(41)	Total extraordinary losses		
Income before gain on minority interests2,6962,268Gain (loss) on minority interests66(41)	Income before income taxes and minority interests		3,655
Gain (loss) on minority interests 66 (41)	Income taxes	1,352	1,387
	Income before gain on minority interests	2,696	2,268
Net income 2,630 2,309	Gain (loss) on minority interests	66	(41)
	Net income	2,630	2,309

(2) Consolidated Statements of Comprehensive Income

		(Millions of yen)
	Six Months Ended	Six Months Ended
	September 30, 2010	September 30, 2011
Income before gain on minority interests	2,696	2,268
Other comprehensive income		
Unrealized gain on available-for-sale		
securities	(623)	(458)
Deferred loss on derivatives under hedge		
accounting	(0)	(15)
Foreign currency translation adjustments	(557)	57
Share of other comprehensive loss of		
associates accounted for using equity method	(2)	(1)
Total other comprehensive income	(1,183)	(418)
Comprehensive income	1,512	1,849
Comprehensive income attributable to:		
Owners of the parent	1,447	1,907
Minority interests	65	(57)

3. Consolidated Statements of Cash Flows

		(Millions of yen)
	Six Months Ended	Six Months Ended
	September 30, 2010	September 30, 2011
Cash flows from operating activities:		
Income before income taxes and minority		
interests	4,048	3,655
Depreciation and amortization	5,180	4,954
Increase (decrease) in allowance for doubtful		
accounts	(11)	48
Increase (decrease) in reserve for bonuses	507	(27)
Decrease in accrued severance indemnities	(142)	(351)
Interest and dividends income	(83)	(99)
Interest expenses	560	468
Loss (gain) on sale or disposal of fixed assets	(87)	12
Increase in notes and accounts receivable	(5,375)	(2,062)
Increase in inventories	(167)	(1,370)
Increase in other current assets	(157)	(197)
Increase in notes and accounts payable	4,472	1,777
Other increases (decreases) in current liabilities	935	(270)
Other	380	64
Subtotal	10,058	6,602
Interest and dividends received	87	99
Interest paid	(550)	(466)
Income taxes paid	(342)	(2,178)
Net cash provided by operating activities	9,253	4,056
Cash flows from investing activities:		
Payment for purchases of property, plant and		
equipment	(3,524)	(8,770)
Proceeds from sale of property, plant and		
equipment	287	60
Payment for purchases of marketable securities	(690)	(690)
Proceeds from sale of marketable securities	690	690
Payment for purchase of investment in securities	(9)	(11)
Payment for time deposits	(1,389)	(1,319)
Proceeds from repayment of time deposits	1,390	1,349
Other	(235)	(234)
Net cash used in investing activities	(3,480)	(8,925)
Cash flows from financing activities:	(0.200)	202
Increase (decrease) in short-term borrowings, net	(8,389)	392
Proceeds from long-term debt	6,186	8,300
Repayment of long-term debt	(3,763)	(6,107)
Acquisition of treasury stock	(0)	(0)
Cash dividends paid	(204)	(970)
Other	(204)	(150)
Net cash provided by (used in) financing activities	(6,171)	1,465
Foreign currency translation adjustments on cash	(70)	
and cash equivalents	(70)	6 (2.207)
Net decrease in cash and cash equivalents	(468)	(3,397)
Cash and cash equivalents at beginning of year	23,319	21,485
Cash and cash equivalents at end of the period	22,851	18,088

4. Segment Information

Industry Segment Information

For the Six Months Ended September 30, 2010

(Millions of yen)

	Die Castings	Printing Equipment	Power Tools and Builders' Hardware	Total	Eliminations / Corporate	Consolidated
Net Sales:						
Unaffiliated Customers	58,284	9,957	12,098	80,340	-	80,340
Intersegment	63	ı	1	64	(64)	_
Total	58,347	9,957	12,099	80,405	(64)	80,340
Operating Income (Loss)	3,931	(547)	1,159	4,543	0	4,543

For the Six Months Ended September 30, 2011

(Millions of yen)

					(11)	illions of yell)
	Die Castings	Printing Equipment	Power Tools and Builders' Hardware	Total	Eliminations / Corporate	Consolidated
Net Sales:						
Unaffiliated Customers	59,144	9,644	12,915	81,705	_	81,705
Intersegment	59	_	1	61	(61)	_
Total	59,204	9,644	12,917	81,766	(61)	81,705
Operating Income (Loss)	3,263	(429)	1,481	4,315	0	4,315