



FINANCIAL STATEMENTS

FOR

THE 51ST FISCAL YEAR

FROM 1 APRIL 2006
TO 31 MARCH 2007

日 東 工 器 株 式 会 社

NITTO KOHKI CO.,LTD.

BALANCE SHEETAS AT 31 MARCH 2007
(In Million Japanese Yen)

ASSETS		LIABILITIES and NET ASSETS	
account title	amount	account title	amount
CURRENT ASSETS	25,384	CURRENT LIABILITIES	3,543
Cash and Deposits	10,517	Notes Payable	77
Notes Receivable	3,714	Accounts Payable, Trade	1,159
Accounts Receivable, Trade	4,167	Accounts Payable, Other	415
Marketable Securities	2,197	Income Taxes Payable	766
Finished Goods	2,066	Accrued Expenses	628
Raw Materials	213	Deposits Received	61
Work in Progress	27	Accrued Bonuses	404
Advance Payments	40	Accrued Directors' Bonuses	16
Prepaid Expenses	33	Other	14
Short-term Loans-subidiaries	180	LONG-TERM LIABILITIES	1,019
Trust Beneficiary Rights	1,799	Allowances for Retirement Benefits	799
Deferred Tax Assets	261	Allowances for Directors'	
Other	165	Retirement Benefits	124
FIXED ASSETS	12,907	Other	95
Tangible Fixed Assets	4,640	TOTAL LIABILITIES	4,562
Buildings	950	NET ASSETS	
Structures	53	Common Stock	1,850
Machinery & Vehicle Equipment	10	Capital Surplus	1,925
Vehicles and Delivery Equipment	12	Total Capital Surplus	1,925
Tools, Furniture, Fixtures and Equipment	650	Total Retained Earnings	29,641
Land	2,926	Legal Reserve	462
Construction in Progress	36	Equalizing Dividends	220
Intangible Fixed Assets	72	Reserve for Compression of Fixed Assets	17
Computer Software	50	Voluntary Reserve	26,300
Other	22	Reserve for Interim Dividends	1
Investments and Other Assets	8,193	Earned Surplus Brought Forward	2,640
Long-term Deposits	500	Treasury Stock	▲ 214
Investments in Securities	1,326	Total Shareholders' Equity	33,203
Investments in Subsidiaries	5,177	Unrealized Holding Gains on Securities	526
Long-term Loans	768		
Long-term prepaid expenses	19	Total Net Assets	33,729
Guaranty Deposits	59		
Accumulated Funds of Insurance	22	TOTAL LIABILITIES AND	
Deferred Tax Assets	210	NET ASSETS	38,291
Other	123		
Allowance for Doubtful Accounts	▲ 14		
TOTAL ASSETS	38,291		

INCOME STATEMENT

FROM : 1 APRIL 2006

TO : 31 MARCH 2007

(In Million Japanese Yen)

account title	amount	
Net Sales		25,026
Cost of Sales		13,784
Gross Profit		11,242
Selling, General and Administrative Expenses		7,158
Operating Income		4,083
Non-Operating Income		
Interest Income	48	
Other	519	568
Non-Operating Expenses		
Cash Discounts	121	
Other	61	183
Ordinary Income		4,468
Extraordinary Income		
Gain on Sales of Investments in Securities	11	11
Extraordinary Losses		
Loss on Disposal of Fixed Assets	16	
Impairment of Assets	526	543
Income before Income Taxes		3,936
Income Taxes	1,713	
Income Tax Adjustment	▲ 109	1,604
Net Income		2,332

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FROM : 1 APRIL 2006

TO : 31 MARCH 2007

(In Million Japanese Yen)

	Shareholders' Equity							
	Common Stock	Capital Surplus	Legal Reserve	Retained Earnings				Earned Surplus Brought Forward
				Reserve for Interim Dividends	Equalizing Dividends	Other Retained Earnings		
						Reserve for Compression of Fixed Assets	Voluntary Reserve	
Balance at Beginning of Period	1,850	1,925	462	0	220	19	24,800	2,952
Changes in the Period								
Reserve for Interim Dividends				680				▲ 680
Reversal of Reserve for Interim Dividends				▲ 679				0
Reversal of Reserve for Advanced Deprecation on Tangible Fixed Assets						▲ 2		2
Dividends from Surplus								▲ 452
Reserve for Voluntary Reserve							1,500	▲ 1,500
Bonus to Directors								▲ 16
Net Income								2,332
Repurchase of Common Stock								
Net Changes of Items Other than Shareholders' Equity								
Total Changes in the Period				0		▲ 2	1,500	▲ 312
Balance at End of Period	1,850	1,925	462	1	220	17	26,300	2,640

	Shareholders' Equity		Valuation and Translation Adjustments	Total Net Assets
	Treasury Stock	Total Shareholders' Equity	Unrealized Holding Gains on Securities	
Balance at Beginning of Period	▲ 214	32,017	760	32,777
Changes in the Period				
Reserve for Interim Dividends				
Reversal of Reserve for Interim Dividends		▲ 678		▲ 678
Reversal of reserve for Advanced Deprecation on Tangible Fixed Assets				
Dividends from Surplus		▲ 452		▲ 452
Reserve for Voluntary Reserve				
Bonus to Directors		▲ 16		▲ 16
Net Income		2,332		2,332
Repurchase of Common Stock	▲ 0	▲ 0		▲ 0
Net Changes of Items Other than Shareholders' Equity			▲ 234	▲ 234
Total Changes in the Period	▲ 0	1,185	▲ 234	951
Balance at End of Period	▲ 214	33,203	526	33,729

BALANCE SHEET (Consolidated)

Fiscal Year Ended March 2007

(In Million Japanese yen)

ASSETS		LIABILITIES and Net Assets	
account title	amount	account title	amount
Current Assets	34,240	Current Liabilities	5,827
Cash and Deposits	15,415	Notes Payable and Accounts Payable, Trade	2,370
Notes Receivable and Accounts Receivable, Trade	8,764	Income Taxes Payable	969
Marketable Securities	2,197	Accrued Bonuses	589
Inventories	5,193	Accrued Directors' Bonuses	16
Trust Beneficiary Rights	1,799	Other	1,881
Deferred Tax Assets	650		
Other	247	Long-term Liabilities	1,439
Allowance for Doubtful Accounts	▲ 27	Allowance for Retirement Benefits	1,175
Fixed Assets	11,321	Allowance for Director's Retirement Benefits	134
Tangible Fixed Assets	8,478	Deferred Tax Liabilities	24
Buildings and Structures	2,475	Other	105
Machinery and Vehicle Equipments	876	TOTAL LIABILITIES	7,266
Tools, Furniture, Fixtures and Others	803		
Land	4,239	NET ASSETS	
Construction in Progress	83	Common Stock	1,850
Intangible Fixed Assets	140	Capital Surplus	1,925
Investments and Other Assets	2,702	Retained Earnings	33,286
Long-term Deposit	500	Treasury Stock	▲ 214
Investments in Securities	1,329	Total Shareholders' Equity	36,847
Long-term Loans	305	Unrealized Holding Gains on Securities	526
Deferred Tax Assets	323	Translation Adjustment	663
Other	258	Minority Interests	256
Allowance for Doubtful Accounts	▲ 14	Total Net Assets	38,294
TOTAL ASSETS	45,561	TOTAL LIABILITIES AND NET ASSETS	45,561

STATEMENT OF INCOME (Consolidated)

(In Million Japanese yen)

Fiscal Year Ended March 2007

account title	amount	
Net Sales		30,073
Cost of Sales		15,257
Gross Profit		14,815
Selling, General and Administrative Expenses		8,996
Operating Income		5,819
Non-Operating Income		
Interest Income	127	
Other	141	268
Non-Operating Expenses		
Cash Discounts	121	
Other	112	234
Ordinary Income		5,853
Extraordinary Income		31
Extraordinary Losses		558
Income before Income Taxes		5,325
Income Taxes-current	2,373	
Income Taxes-deferred	▲ 128	2,245
Minority Interests		18
Net Income		3,061

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Consolidated)

FROM : 1 APRIL 2006

TO : 31 MARCH 2007

(In Million Japanese Yen)

	Shareholders' Equity				
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at Beginning of Period	1,850	1,925	31,371	▲ 214	34,933
Changes in the Period					
Cash Dividends			▲ 1,130		▲ 1,130
Bonus to Directors			▲ 16		▲ 16
Net Income			3,061		3,061
Repurchase of Common Stock				▲ 0	▲ 0
Disposal of Common Stock					
Net Changes of Items Other than Shareholders' Equity					
Total Changes in the Period			1,914	▲ 0	1,914
Balance at End of Period	1,850	1,925	33,286	▲ 214	36,847

	Valuation and Translation Adjustments			Minority Interests	Total Net Assets
	Unrealized Holding Gains on Securities	Translation Adjustment	Total Valuation and Translation Adjustments		
Balance at Beginning of Period	760	184	944	190	36,068
Changes in the Period					
Cash Dividends					▲ 1,130
Bonus to Directors					▲ 16
Net Income					3,061
Repurchase of Common Stock					▲ 0
Disposal of Common Stock					
Net Changes of Items Other than Shareholders' Equity	▲ 234	479	245	66	311
Total Changes in the Period	▲ 234	479	245	66	2,225
Balance at End of Period	526	663	1,189	256	38,294

STATEMENT OF CASH FLOWS (Consolidated)

(In Million Japanese yen)

Fiscal Year Ended March 2007

account title	amount
Cash Flows from Operating Activities:	
Income before Income Taxes	5,325
Depreciation and Amortization	865
Net income in Provisions	91
Net income in Assets	▲ 406
Net income in Liabilities	▲ 39
Others	473
Sub Total	6,309
Interest and Dividends Received	125
Interest Paid	▲ 9
Income Taxes Paid	▲ 2,946
Net Cash provided by Operating Activities	3,478
Cash Flows from Investing Activities:	
Increase in Time Deposits	▲ 6,835
Decrease in Time Deposits	11,242
Payments for Purchases of Fixed Assets	▲ 846
Others	21
Net Cash Used in Investing Activities	3,581
Cash Flows from Financing Activities:	
Dividend Paid	▲ 1,130
Payments for Purchase of Treasury Stock	▲ 0
Net Cash Used in Financing Activities	▲ 1,130
Effect of Exchange Rate Changes on Cash and Cash Equivalents	187
Net Increase in Cash and Cash Equivalents	6,116
Cash and Cash Equivalents at the Beginning of the Year	11,925
Cash and Cash Equivalents at the End of the Year	18,042