

Financial Results for the Nine Month Period Ended July 31, 2007
(Third Quarter)
(Consolidated and Non-consolidated)

Date: September 3, 2007
Company: Tomoe Engineering Co., Ltd. and Subsidiaries
(Web Site: http://www.tomo-e.co.jp/index_e.html)
Stock exchange listing: 1st Section, Tokyo Stock Exchange
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1. Financial Data for the 9-month period (third quarter) ended July 31, 2007

(1) Consolidated Results of Operation

9-month period ended July 31	(Millions of yen)			
	Sales	Operating income	Recurring profit	Net income
2007	36,067	1,634	1,723	908
2006	34,775	1,449	1,533	952
Year ended Oct 31, 2006	47,331	2,110	2,222	1,267

9-month period ended July 31	Net income (loss) per share
2007	¥91. ⁰⁴
2006	¥95. ⁴⁴
Year ended Oct 31, 2006	¥127. ⁰²

(2) Consolidated Financial Condition

9-month period ended July 31	(Millions of yen)		
	Total assets (A)	Net assets (B)	Shareholder's equity ratio (B/A)
2007	31,700	16,645	51.9%
2006	28,257	15,253	53.5%
Year ended Oct 31, 2006	28,808	15,717	54.0%

9-month period ended July 31	Shareholder's equity per share
2007	¥1,649. ²⁷
2006	¥1,513. ⁷⁸
Year ended Oct 31, 2006	¥1,559. ¹⁶

(3) Consolidated Cash Flows

9-month period ended July 31	(Millions of yen)			
	Net cash provided (used) by operating activities	Net cash provided (used) in investing activities	Net cash provided (used) by financing activities	Consolidated cash and cash equivalent (period-end)
2007	(1,824)	(448)	2,247	1,232
2006	(1,196)	(164)	1,170	1,325
Year ended Oct 31, 2006	883	(336)	(838)	1,235

2. Dividend Status

9-month period ended	Dividend per share
July 31, 2006	—
July 31, 2007	—

3. Forecast for Consolidated Earning for the Year ending October 31, 2007

	Sales	Operating income	Recurring profit	(Millions of yen) Net income
Whole Financial Year	51,500	2,430	2,500	1,330

	Net income (loss) per share
Whole Financial Year	¥133. ²⁸

4. Notes to Financial Information

- (1) Significant changes in subsidiaries during this term
(Changes in specific subsidiaries involving changes in the scope of consolidation: None)
- (2) Adoption of simplified accounting method: None
- (3) Change in accounting policies: None

Details of the change are indicated in "Qualitative Information on Financial Statements, etc. (4) Others" on page 4.

[Reference] Non-Consolidated Data

1. Non-Consolidated Data for the 9-month period (third-quarter) ended July 31, 2007

(1) Non-Consolidated Result of Operation

9-month period ended July 31	Sales	Operating income	(Millions of yen)	
			Recurring profit	Net income
2007	32,512	1,303	1,451	750
2006	30,038	1,064	1,211	711
Year ended Oct 31, 2006	41,316	1,609	1,791	952

9-month period ended July 31	Net income (loss) per share
2007	¥75. ²¹
2006	¥71. ²⁸
Year ended Oct 31, 2006	¥95. ⁴⁵

(2) Non-Consolidated Financial Condition

9-month period ended July 31	Total assets (A)	Net assets (B)	(Millions of yen)
			Shareholder's equity ratio (B/A)
2007	28,266	15,383	54.4%
2006	25,374	14,344	56.5%
Year ended Oct 31, 2006	25,737	14,695	57.1%

9-month period ended July 31	Shareholder's equity per share
2007	¥1,541. ⁶¹
2006	¥1,437. ⁴⁵
Year ended Oct 31, 2006	¥1,472. ⁹²

2. Forecast for Non-Consolidated Earning for the Year ending October 31, 2007

Whole Financial Year	(Millions of yen)			
	Sales	Operating income	Recurring profit	Net income
	46,400	1,960	2,100	1,100

Whole Financial Year	Net income (loss) per share
	¥110. ²³

There is no change to the consolidated financial forecast results announced on June 11, 2007. Forward-looking statements contained in this material, such as consolidated financial results forecast, are based upon information currently available and certain assumptions that we believe are reasonable. Actual results could differ materially due to various factors. Please refer to "Qualitative Information on Financial Statements, etc. (3) Qualitative Information on Consolidated Earnings Forecast" on page 4 for the underlying assumptions of the forecast results and necessary precautions when using them.

【Qualitative Information on Financial Statements, etc.】

(1) Qualitative Information on Consolidated Results of Operation

In the Machinery & Equipment Business, partly because the delivery of a large project in India was delayed into the fourth quarter, the sales in the third quarter were flat at 8,681 million yen, and the operating income was also flat at 553 million yen.

In the Chemical Products Business, although Electronic Materials performed slightly poorly due to a drop in the demand for semiconductor manufacturing tools, other businesses, particularly in the Industrial Materials and Fine Chemicals there were one-off demands, performed well, and both sales and operating income stood higher than the 9-month period of last year at 27,386 million yen and 1,081 million yen, respectively.

As a result, Companies' consolidated business results for 9-month period ended July 31, 2007 were 36,067 million yen in sales, 1,634 million yen in operating income, 1,723 million yen in recurring profit. However, the net income was only 908 million yen as the head office relocation expense and unrealized losses on investment securities were accounted for as extraordinary losses.

(2) Qualitative Information on Consolidated Financial Condition

Total assets at the end of this third quarter increased 2,892 million yen (10.0%) compared with the previous fiscal year end because the current assets increased by 2,221 million yen due to an increase in account receivables and inventories, and fixed assets increased by 670 million yen due to an increase in guarantee deposits in connection with the head office relocation. Total liabilities increased 1,963 million yen (15.0%) compared with the previous fiscal year end due to an increase in purchase liabilities and short-term debt. Net assets increased 928 million yen (5.9%) compared with the previous term end due to an increase in retained earnings, unrealized gains and losses on marketable securities and investments, etc. As a result, shareholder's equity ratio at the end of this third quarter decreased 2.1 percentage points to 51.9%.

(3) Qualitative information on Consolidated Earnings Forecast

In the Machinery & Equipment Business, severe conditions especially in terms of profitability are expected due to change of business environment in the public sector and increase in raw material prices. However, large-scale projects of machinery and equipment that are planned to be completed at the moment would be delivered within this fiscal term, and parts and maintenance business is expected to perform well. In the Chemical Products Business, the situation up to the third quarter will continue almost until the end of the fiscal term, and steady performance is expected to continue both in terms of sales and operating income.

(4) Others

Changes in accounting treatment from the most recent consolidated fiscal year
(Change in depreciation method)

In accordance with the revision of Corporation Tax Law, tangible fixed assets acquired on and after April 1, 2007 are depreciated under the depreciation method stipulated in the revised Corporation Tax Law from this third quarter. This accounting change had no material impact on operating income, recurring profit, and net income before income taxes.

1. Consolidated Financial Statements
(1) Balance Sheets

Assets	9-month period ended		Thousands of yen
	July 31, 2006	July 31, 2007	Year ended Oct. 31, 2006
I. Current assets			
1. Cash and deposits	1,425,881	1,232,876	1,235,536
2. Trade receivables	16,052,870	16,276,808	15,924,099
3. Inventories	4,686,433	7,128,541	5,030,842
4. Deferred tax assets	337,338	354,785	570,794
5. Other current assets	835,085	521,946	528,705
Allowance for doubtful receivables	(55,432)	(40,786)	(37,734)
Total current assets	23,282,176	25,474,172	23,252,243
II. Fixed assets			
1. Tangible fixed assets			
(1) Buildings	2,152,499	2,434,690	2,190,983
Accumulated depreciation	(1,274,640)	(1,368,241)	(1,299,111)
Net	877,859	1,066,449	891,871
(2) Machinery, equipment & vehicles	3,082,416	3,144,665	3,126,761
Accumulated depreciation	(2,224,723)	(2,279,066)	(2,202,038)
Net	857,692	865,599	924,722
(3) Land	975,451	975,451	975,451
(4) Other fixed assets	977,919	986,803	986,894
Accumulated depreciation	(840,126)	(836,405)	(848,948)
Net	137,792	150,397	137,946
Total tangible fixed assets	2,848,797	3,057,898	2,929,992
2. Intangible fixed assets	11,925	15,885	11,263
3. Investments and others			
(1) Investments in securities	1,330,773	1,636,715	1,396,555
(2) Guarantee deposits	362,063	407,160	292,956
(3) Deferred tax assets	99,010	22,754	22,494
(4) Financial derivatives	191,629	453,412	346,420
(5) Other investments	216,882	812,347	642,382
Allowance for doubtful receivable	(85,825)	(179,642)	(85,809)
Total investment and others	2,114,534	3,152,748	2,615,000
Total fixed assets	4,975,257	6,226,532	5,556,256
Total assets	28,257,433	31,700,704	28,808,500

(Thousands of yen)

Liabilities and Net Assets	9-month period ended		Year ended
	July 31, 2006	July 31, 2007	Oct. 31, 2006
(Liabilities)			
I. Current liabilities			
1. Trade-payables	6,866,816	7,638,934	7,615,028
2. Short-term debt	3,848,953	4,563,882	1,894,489
3. Account payable-others	631,177	594,253	648,540
4. Accrued income tax	89,626	55,883	599,496
5. Advances from customers	94,706	309,930	38,525
6. Accrued employees' bonuses	592,417	672,201	1,097,234
7. Accrued Officers' bonuses	34,500	42,044	50,789
8. Allowance for product warranty	0	137,460	119,700
9. Other current liabilities	240,767	199,570	240,664
Total current liabilities	12,398,965	14,214,160	12,304,468
II. Long-term liabilities			
1. Long-term debt	360,000	240,000	330,045
2. Accrued pension and severance liabilities	24,244	29,975	25,174
3. Officers' retirement allowance	221,067	195,110	229,640
4. Deferred tax liabilities	0	375,460	201,446
Total long-term liabilities	605,312	840,545	786,306
Total liabilities	13,004,277	15,054,706	13,090,774
(Net assets)			
I. Shareholder's capital			
1. Common stock	1,061,210	1,061,210	1,061,210
2. Capital surplus	1,483,410	1,483,410	1,483,410
3. Retained earnings	12,524,805	13,449,063	12,839,980
4. Issued shares reacquired	(362,690)	(362,773)	(362,697)
Total shareholder's capital	14,706,734	15,630,910	15,021,902
II. Revaluation and translation adjustments			
1. Unrealized gains and losses on investment securities	283,461	475,268	301,319
2. Financial derivative loss or gain	113,524	268,814	205,427
3. Foreign currency translation adjustment	2,613	83,323	30,480
Total revaluation and translation adjustments	399,599	827,405	537,226
III. Minority interests	146,821	187,681	158,595
Total net assets	15,253,155	16,645,998	15,717,725
Total liabilities and net assets	28,257,433	31,700,704	28,808,500

(2) Statements of Income

(Thousands of yen)

9-month period ended	July 31, 2006	July 31, 2007	Year ended Oct. 31, 2006
I. Sales	34,775,900	36,067,871	47,331,192
II. Cost of sales	28,760,872	29,489,794	39,009,228
Gross profit	6,015,028	6,578,077	8,321,963
III. Selling, general and administrative	4,565,761	4,943,647	6,211,249
Operating income	1,449,267	1,634,429	2,110,713
IV. Other income			
1. Interests	3,227	6,187	5,632
2. Dividends	51,315	56,544	56,058
3. Rents	30,414	15,185	34,921
4. Foreign exchange gains	53,086	69,628	77,302
5. Sundry	26,815	36,978	46,300
Other income total	164,859	184,524	220,215
V. Other expenses			
1. Interests	46,292	64,705	65,749
2. Discount on bills of exchange	3,264	5,950	5,155
3. Sundry	30,728	24,486	37,243
Other expenses total	80,285	95,142	108,148
Recurring profit	1,533,841	1,723,811	2,222,780
VI. Extraordinary gains			
1. Realized gains on property and equipment	18,503	0	18,489
2. Reversal of allowance for doubtful receivables	77,754	636	95,368
Extraordinary gains total	96,257	636	113,857
VII. Extraordinary losses			
1. Realized losses on property and equipment	0	1,677	1,574
2. Written-off losses on property and equipment	6,604	19,990	23,120
3. Realized losses on investment securities	47,835	0	47,835
4. Unrealized losses on investment securities	12,000	500,00	12,000
5. Removal expense	0	39,410	0
Extraordinary losses total	66,439	111,077	84,530
Income before income taxes	1,563,659	1,613,370	2,252,108
Net income taxes			
Current	430,426	457,826	797,600
Deferred	151,341	224,814	150,962
Income taxes total	581,768	682,641	948,562
Losses on minority interests	29,467	22,269	35,947
Net income from consolidated operations	952,423	908,459	1,267,597

(3) Consolidated Statements of Changes in Shareholder's Equity

9-month period ended July 31, 2006

(Thousands of yen)

	Shareholder's equity				
	Common stock	Capital surplus	Retained earnings	Issued shares reacquired	Total shareholder's equity
Surplus as of October 31, 2005	1,061,210	1,483,410	11,863,794	(362,462)	14,045,952
Changes during this quarter					
Cash dividend paid	0	0	(249,482)	0	(249,482)
Officers' bonuses	0	0	(41,930)	0	(41,930)
Net income	0	0	952,423	0	952,423
Issued shares reacquired	0	0	0	(228)	(228)
Total amount changed	0	0	661,011	(228)	660,782
Balance, end of the 9-month period (July 31, 2006)	1,061,210	1,483,410	12,524,805	(362,690)	14,706,734

(Thousands of yen)

	Revaluation and translation adjustments				Minority interests	Total net assets
	Unrealized gains and losses on investments securities	Financial derivative loss or gain	Foreign currency translation adjustment	Total revaluation and translation adjustments		
Surplus as of October 31, 2005	295,905	0	(5,744)	290,160	114,324	14,450,437
Changes during this quarter						
Cash dividend paid	0	0	0	0	0	(249,482)
Officers' bonuses	0	0	0	0	0	(41,930)
Net income	0	0	0	0	0	952,423
Issued shares reacquired	0	0	0	0	0	(228)
Total (net) amount changed (except shareholder's equity)	(12,444)	113,524	8,357	109,438	32,496	141,935
Total amount changed	(12,444)	113,524	8,357	109,348	32,496	802,718
Balance, end of the 9-month period (July 31, 2006)	283,461	113,524	2,613	399,599	146,821	15,253,155

9-month period ended July 31, 2007

(Thousands of yen)

	Shareholder's equity				
	Common stock	Capital surplus	Retained earnings	Issued shares reacquired	Total shareholder's equity
Surplus as of October 31, 2006	1,061,210	1,483,410	12,839,980	(362,697)	15,021,902
Changes during this quarter					
Cash dividend paid	0	0	(299,375)	0	(299,375)
Net income	0	0	908,459	0	908,459
Issued shares reacquired	0	0	0	(76)	(76)
Total amount changed	0	0	609,083	0	609,007
Balance, end of the 9-month period (July 31, 2007)	1,061,210	1,483,410	13,449,063	(362,773)	15,630,910

(Thousands of yen)

	Revaluation and translation adjustments				Minority interests	Total net assets
	Unrealized gains and losses on investments securities	Financial derivative loss or gain	Foreign currency translation adjustment	Total revaluation and translation adjustments		
Surplus as of October 31, 2006	301,319	205,427	30,480	537,226	158,595	15,717,725
Changes during this quarter						
Cash dividend paid	0	0	0	0	0	(299,375)
Net income	0	0	0	0	0	908,459
Issued shares reacquired	0	0	0	0	0	(76)
Total (net) amount changed (except shareholder's equity)	173,948	63,387	52,843	290,179	29,086	319,265
Total amount changed	173,948	63,387	52,843	290,179	29,086	928,272
Balance, end of the 9-month period (July 31, 2007)	475,268	268,814	83,323	827,405	187,681	16,645,998

Year ended October 31, 2006

(Thousands of yen)

	Shareholder's equity				
	Common stock	Capital surplus	Retained earnings	Issued shares reacquired	Total shareholder's equity
Surplus as of October 31, 2005	1,061,210	1,483,410	11,863,794	(362,462)	14,045,952
Changes during this fiscal year					
Cash dividend paid	0	0	(249,482)	0	(249,482)
Officers' bonuses	0	0	(41,930)	0	(41,930)
Net income	0	0	1,267,597	0	1,267,597
Issued shares reacquired	0	0	0	(235)	(235)
Total amount changed	0	0	976,185	(235)	975,950
Balance, as of October 31, 2006	1,061,210	1,483,410	12,839,980	(362,697)	15,021,902

(Thousands of yen)

	Revaluation and translation adjustments				Minority interests	Total net assets
	Unrealized gains and losses on investments securities	Financial derivative loss or gain	Foreign currency translation adjustment	Total revaluation and translation adjustments		
Surplus as of October 31, 2005	295,905	0	(5,744)	290,160	114,324	14,450,437
Changes during this fiscal year						
Cash dividend paid	0	0	0	0	0	(249,482)
Officers' bonuses	0	0	0	0	0	(41,930)
Net income	0	0	0	0	0	1,267,597
Issued shares reacquired	0	0	0	0	0	(235)
Total (net) amount changed (except shareholder's equity)	5,413	205,427	36,224	247,065	44,271	291,337
Total amount changed	5,413	205,427	36,224	247,065	44,271	1,267,288
Balance, as of October 31, 2006	301,319	205,427	30,480	537,226	158,595	15,717,725

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

9-month period ended	July 31, 2006	July 31, 2007	Year ended Oct 31, 2006
I. Operating activities			
1. Net income before income taxes	1,563,659	1,613,370	2,252,108
<i>(Adjustments to reconcile net income to net cash provided by operating activities)</i>			
2. Depreciation and amortization	259,678	230,981	364,442
3. Increase (decrease) in accrued employees' bonuses	580,933	(425,032)	1,085,750
4. Increase (decrease) in accrued officers' bonuses	34,500	(8,744)	50,789
5. Increase (decrease) in allowance for product warranty	0	17,760	119,700
6. Increase (decrease) in accrued pension and severance liabilities	1,456	4,801	2,385
7. Increase (decrease) in officers' retirement allowance	27,157	(34,530)	35,730
8. Provision for doubtful receivables (decrease)	(78,048)	96,884	(95,762)
9. Unrealized losses on investment securities	12,000	50,000	12,000
10. Interest and dividend income	(54,542)	(62,732)	(61,691)
11. Interest expenses	46,292	64,705	65,749
12. Foreign exchange gains (losses)	(2,011)	(4,289)	(7,039)
13. Realized (gains) losses on investment securities	47,835	0	0
14. Realized gains on properties and equipment	(18,503)	1,677	(16,914)
15. Written-off loss on properties and equipment	6,604	19,990	23,120
16. Increase (decrease) in trade receivables	(585,259)	(244,837)	(404,797)
17. Increase (decrease) in inventories	(594,428)	(2,073,364)	(915,988)
18. (Increase) decrease in purchase liabilities	(484,935)	(63,290)	226,350
19. Increase (decrease) in trade payables	(173,326)	(63,417)	(159,893)
20. Increase (decrease) in advances from customers	(40,027)	271,404	(96,208)
21. Increase (decrease) in consumption tax, etc.	20,215	(127,431)	(1,013)
22. Officers' bonuses	(41,930)	0	(41,930)
23. Others	(1,078,001)	(186,364)	(913,455)
Sub total	(550,684)	(922,460)	1,523,430
24. Interests and dividends received	54,506	61,260	61,664
25. Interests paid	(42,603)	(60,983)	(65,536)
26. Income taxes paid	(658,168)	(901,978)	(635,951)
Net cash provided (used) by operating activities	(1,196,949)	(1,824,162)	883,606
II. Investing activities			
1. Increase in time deposits	(100,000)	0	(100,000)
2. Decrease in time deposits	100,000	0	100,000
3. Expenditures for properties and equipment	(221,002)	(343,228)	(404,912)
4. Proceeds from sales of properties and equipment	44,095	100	44,949
5. Acquisition of investments	0	(6,521)	0
6. Proceeds from sales of investments	(20,017)	(18,925)	(86,099)
7. Collection of loans receivable	31,494	28,630	42,982
8. Increase in loans receivable	(4,428)	(2,380)	(5,768)
9. Increase (decrease) in guarantee deposits	(1,924)	(113,440)	67,455
10. Decrease in other investments	7,134	7,125	5,287
Net cash provided (used) in investing activities	(164,648)	(448,638)	(336,105)

(Thousands of yen)

9-month period ended	July 31, 2006	July 31, 2007	Year ended Oct 31, 2006
III. Financing activities			
1. Increase (decrease) in short-term debt	1,510,177	2,636,904	(468,968)
2. Increase in long-term debt	0	0	60,045
3. Repayment of long-term debt	(90,000)	(90,000)	(180,000)
4. Reacquisition of issued shares of stocks	(228)	(76)	(235)
5. Cash dividends paid	(249,482)	(299,375)	(249,482)
Net cash provided (used) in financing activities	1,170,466	2,247,452	(838,639)
Cash and cash equivalents			
IV. Effect of exchange rate changes	5,672	22,689	15,334
V. Increase (decrease) in cash and cash equivalents	(185,458)	(2,659)	(275,803)
VI. Cash and cash equivalents at the beginning of year	1,511,339	1,235,536	1,511,339
VII. Cash and cash equivalents at end of the year	1,325,881	1,232,876	1,235,536

(5) Segment Information

[Segment by type of business]

9-month period ended July 31, 2006

(Thousands of yen)

	Machinery mfg & sales	Chemical products sales	Total	Deletion or total company	Consolidated
I. Sales and operating income:					
Sales					
(1) Sales to unaffiliated customers	8,434,478	26,341,422	34,775,900	0	34,775,900
(2) Internal sales among segments or amount transferred	0	0	0	0	0
Total	8,434,478	26,341,422	34,775,900	0	34,775,900
Operating costs	7,945,029	25,381,604	33,326,633	0	33,326,633
Operating income	489,448	959,818	1,449,267	0	1,449,267

9-month period ended July 31, 2007

(Thousands of yen)

	Machinery mfg & sales	Chemical products sales	Total	Deletion or total company	Consolidated
I. Sales and operating income:					
Sales					
(1) Sales to unaffiliated customers	8,681,523	27,386,347	36,067,871	0	36,067,871
(2) Internal sales among segments or amount transferred	0	0	0	0	0
Total	8,681,523	27,386,347	36,067,871	0	36,067,871
Operating costs	8,128,353	26,305,089	34,433,442	0	34,433,442
Operating income	553,170	1,081,258	1,634,429	0	1,634,429

Year ended Oct. 31, 2006

(Thousands of yen)

	Machinery mfg & sales	Chemical products sales	Total	Deletion or total company	Consolidated
I. Sales and operating income:					
Sales					
(1) Sales to unaffiliated customers	12,117,440	35,213,752	47,331,192	0	47,331,192
(2) Internal sales among segments or amount transferred	0	0	0	0	0
Total	12,117,440	35,213,752	47,331,192	0	47,331,192
Operating costs	11,266,622	33,953,855	45,220,478	0	45,220,478
Operating income	850,817	1,259,896	2,110,713	0	2,110,713

(Notes)

1. Business classification is by aggregate sales classification.
2. Main products and goods in each business:
 - (1) Machinery manufacturing & sales: Various types of centrifuge, other machinery
 - (2) Chemical products sales: Synthetic resin, industrial materials, other chemical products

[Segment by location]

9-month period ended July 31, 2006

(Thousands of yen)

	Japan	Asia	Total	Deletion or total company	Consolidated
I. Sales and operating income:					
Sales					
(1) Sales to unaffiliated customers	29,553,120	5,222,780	34,775,900	0	34,775,900
(2) Internal sales among segments or amount transferred	227,462	237	227,699	(227,699)	0
Total	29,780,583	5,223,017	35,003,600	(227,699)	34,775,900
Operating costs	28,557,952	4,993,849	33,551,802	(225,169)	33,326,633
Operating income	1,222,630	229,167	1,451,798	(2,530)	1,449,267

9-month period ended July 31, 2007

(Thousands of yen)

	Japan	Asia	Total	Deletion or total company	Consolidated
I. Sales and operating income:					
Sales					
(1) Sales to unaffiliated customers	32,009,301	4,058,569	36,067,871	0	36,067,871
(2) Internal sales among segments or amount transferred	260,004	10,755	270,760	(270,760)	0
Total	32,269,306	4,069,325	36,338,631	(270,760)	36,067,871
Operating costs	30,902,377	3,809,564	34,711,941	(278,499)	34,433,442
Operating income	1,366,928	259,761	1,626,689	7,739	1,634,429

Year ended Oct. 31, 2006

(Thousands of yen)

	Japan	Asia	Total	Deletion or total company	Consolidated
I. Sales and operating income:					
Sales					
(1) Sales to unaffiliated customers	40,192,526	7,138,665	47,331,192	0	47,331,192
(2) Internal sales among segments or amount transferred	318,501	242	318,744	(318,744)	0
Total	40,511,027	7,138,908	47,649,936	(318,744)	47,331,192
Operating costs	38,882,487	6,661,544	45,544,032	(323,553)	45,220,478
Operating income	1,628,540	477,364	2,105,904	4,809	2,110,713

(Notes)

1. Classification of countries and regions is based on geographical proximity.
2. Asia: China, Korea, Taiwan, and Indonesia (Total 4 countries)

2. Non-Consolidated Financial Statements
(1) Balance Sheets

(Thousands of yen)

Assets	9-month period ended		Year ended
	July 31, 2006	July 31, 2007	Oct. 31, 2006
I. Current assets			
1. Cash and deposits	744,630	746,018	555,011
2. Bills receivables	4,537,529	4,240,138	4,310,258
3. Trade receivables	10,276,435	10,513,521	10,358,057
4. Inventories	3,590,115	5,720,647	3,879,488
5. Deferred tax amount	299,106	312,294	503,026
6. Other current assets	874,351	516,480	558,512
Allowance for doubtful receivables	(55,468)	(40,888)	(37,903)
Total current assets	20,266,700	22,008,212	20,126,451
II. Fixed assets			
1. Tangible fixed assets			
(1) Buildings	772,076	938,075	790,714
(2) Machinery, equipment & vehicles	606,086	505,128	574,647
(3) Land	931,080	931,080	931,080
(4) Other fixed assets	125,531	145,752	108,582
Total tangible fixed assets	2,434,775	2,520,036	2,405,025
2. Intangible fixed assets	11,397	14,862	10,735
3. Investments and others			
(1) Investments in securities	1,212,273	1,585,215	1,278,055
(2) Investment in affiliates	171,075	171,075	171,075
(3) Guarantee deposits	345,727	386,810	273,821
(4) Deferred tax amount	76,065	0	0
(5) Financial derivatives	191,629	453,412	346,420
(6) Other investments	750,745	1,306,197	1,211,773
Allowance for doubtful receivables	(85,825)	(179,642)	(85,809)
Total investment and others	2,661,691	3,723,069	3,195,336
Total fixed assets	5,107,863	6,257,967	5,611,096
Total assets	25,374,563	28,266,180	25,737,548

(Thousands of yen)

Liabilities and Net Assets	9-month period ended		Year ended
	July 31, 2006	July 31, 2007	Oct. 31, 2006
(Liabilities)			
I. Current liabilities			
1. Bills payable	1,175,919	1,178,879	1,270,445
2. Trade payable	4,714,687	5,417,746	5,439,282
3. Short-term debt	2,910,000	3,600,000	1,020,000
4. Long-term debt (repayment within 1 year)	180,000	180,000	180,000
5. Account payable-others	567,162	551,984	578,761
6. Accrued income tax	44,802	10,319	487,989
7. Advances from customers	80,909	236,058	37,282
8. Accrued employees' bonuses	527,575	605,910	950,766
9. Accrued officers' bonuses	34,500	42,044	50,789
10. Allowance for product warranty	0	137,460	119,700
11. Other current liabilities	202,788	159,048	194,413
Total current liabilities	10,438,345	12,119,451	10,329,430
II. Long-term liabilities			
1. Long-term debt	360,000	180,000	270,000
2. Accrued pension and severance liabilities	10,520	12,550	11,450
3. Officers' retirement allowance	221,067	195,110	229,640
4. Deferred tax liabilities	0	375,092	201,446
5. Financial derivative gain	0	0	0
Total long-term liabilities	591,588	762,753	712,536
Total liabilities	11,029,933	12,882,205	11,041,966
(Net assets)			
I. Shareholder's capital			
1. Common stock	1,061,210	1,061,210	1,061,210
2. Capital surplus	1,483,410	1,483,410	1,483,410
3. Retained earnings			
(1) Legal reserve	230,000	230,000	230,000
(2) Other retained earnings			
Dividend preparation reserve	250,000	250,000	250,000
Reserve for deferred fixed assets	33,121	30,134	31,368
Provision of general reserve	10,300,000	11,200,000	10,300,000
Deferred retained earnings	952,592	747,912	1,195,543
Total retained earnings	11,765,714	12,458,046	12,006,911
4. Issued shares reacquired	(362,690)	(362,773)	(362,697)
Total shareholder's equity	13,947,643	14,639,892	14,188,834
II. Revaluation and translation adjustments			
1. Unrealized gains and losses on investment securities	283,461	475,268	301,319
2. Financial derivative gains or losses	113,524	268,814	205,427
Total revaluation and translation adjustments	396,986	744,082	506,746
Total net assets	14,344,629	15,383,974	14,695,581
Total liabilities and net assets	25,374,563	28,266,180	25,737,548

(2) Statements of Income

(Thousands of yen)

9-month period ended	July 31, 2006	July 31, 2007	Year ended Oct. 31, 2006
I. Sales	30,038,089	32,512,108	41,316,546
II. Cost of sales	24,777,781	26,650,719	34,003,021
Gross profit	5,260,307	5,861,388	7,313,524
III. Selling, general and administrative	4,196,020	4,558,240	5,704,091
Operating income	1,064,287	1,303,148	1,609,432
IV. Other income	208,926	227,361	273,448
V. Other expenses	61,985	78,711	91,274
Recurring profit	1,211,228	1,451,798	1,791,606
VI. Extraordinary gains	95,953	635	113,470
VII. Extraordinary losses	72,215	100,996	87,291
Income before income taxes	1,234,966	1,351,436	1,817,785
Income taxes			
Current	372,709	401,585	685,657
Deferred	150,937	199,341	179,612
Income taxes total	523,647	600,926	865,269
Income from Non-consolidated operations	711,319	750,510	952,516

(3) Statements of Changes in Shareholder's Equity

9-month period ended July 31, 2006

(Thousands of yen)

	Shareholder's equity				
	Common stock	Capital surplus	Retained earnings		
		Capital reserve	Legal reserve	Other retained earnings	
				Dividend preparation reserve	Reserve for deferred fixed assets
Surplus as of October 31, 2005	1,061,210	1,483,410	230,000	250,000	35,168
Changes during this quarter					
Cash dividend paid	0	0	0	0	0
Officers' bonuses	0	0	0	0	0
Net income	0	0	0	0	0
Issued shares reacquired	0		0	0	0
Transfer of reserve for deferred fixed assets	0	0	0	0	(2,046)
Provision of general reserve	0	0	0	0	0
Total amount changed	0	0	0	0	(2,046)
Balance, end of the 9-month period (July 31, 2006)	1,061,210	1,483,410	230,000	250,000	33,121

(Thousands of yen)

	Shareholder's equity				
	Retained earnings			Issued shares reacquired	Total shareholder's equity
	Other retained earnings		Total retained earnings		
	General reserve	Surpluses carried over			
Surplus as of October 31, 2005	9,600,000	1,230,638	11,345,807	(362,462)	13,527,965
Changes during this quarter					
Cash dividend paid	0	(249,482)	(249,482)	0	(249,482)
Officers' bonuses	0	(41,930)	(41,930)	0	(41,930)
Net income	0	711,319	711,319	0	711,319
Issued shares reacquired	0	0	0	(228)	(228)
Transfer of reserve for deferred fixed assets	0	2,046	0	0	0
Provision of general reserve	700,000	(700,000)	0	0	0
Total amount changed	700,000	(278,046)	419,906	(228)	419,678
Balance, end of the 9-month period (July 31, 2006)	10,300,000	952,592	11,765,714	(362,690)	13,947,643

(Thousands of yen)

	Revaluation and translation adjustments			Total net assets
	Unrealized gains and losses on investments securities	Financial derivative loss or gain	Total revaluation and translation adjustments	
Surplus as of October 31, 2005	295,905	0	295,905	13,823,870
Changes during this quarter				
Cash dividend paid	0	0	0	(249,482)
Officers' bonuses	0	0	0	(41,930)
Net income	0	0	0	711,319
Issued shares reacquired	0	0	0	(228)
Transfer of reserve for deferred fixed assets	0	0	0	0
Provision of general reserve	0	0	0	0
Total (net) amount changed (except shareholder's equity)	(12,444)	113,524	101,080	101,808
Total amount changed	(12,444)	113,524	101,808	520,759
Balance, end of the 9-month period (July 31, 2006)	283,461	113,524	396,986	14,344,629

(Notes)

These are profit appropriation items approved at the general meeting of shareholders held in January 2006.

9-month period ended July 31, 2007

(Thousands of yen)

	Shareholder's equity					
	Common stock	Capital surplus	Retained earnings			
			Capital reserve	Legal reserve	Other retained earnings	
					Dividend preparation reserve	Reserve for deferred fixed assets
Surplus as of October 31, 2006	1,061,210	1,483,410	230,000	250,000	31,368	
Changes during this quarter						
Cash dividend paid	0	0	0	0	0	
Net income	0	0	0	0	0	
Issued shares reacquired	0	0	0	0	0	
Transfer of reserve for deferred fixed assets	0	0	0	0	(1,234)	
Provision of general reserve	0	0	0	0	0	
Total amount changed	0	0	0	0	(1,234)	
Balance, end of the 9-month period (July 31, 2007)	1,061,210	1,483,410	230,000	250,000	30,134	

(Thousands of yen)

	Shareholder's equity					
	Retained earnings			Issued shares reacquired	Total shareholder's equity	
	Other retained earnings	Total retained earnings				
General reserve	Surpluses carried over					
Surplus as of October 31, 2006	10,300,000	1,195,543	12,006,911		(362,697)	14,188,834
Changes during this quarter						
Cash dividend paid (Note)	0	(299,375)	(299,375)		0	(299,375)
Net income	0	750,510	750,510		0	750,510
Issued shares reacquired	0	0	0		(76)	(76)
Transfer of reserve for deferred fixed assets	0	1,234	0		0	0
Provision of general reserve (Note)	900,000	(900,000)	0		0	0
Total amount changed	900,000	(447,631)	451,134		(76)	451,057
Balance, end of the 9-month period (July 31, 2007)	11,200,000	747,912	12,458,046		(362,773)	14,639,892

(Thousands of yen)

	Revaluation and translation adjustments			Total net assets
	Unrealized gains and losses on investments securities	Financial derivative loss or gain	Total revaluation and translation adjustments	
Surplus as of October 31, 2006	301,319	205,427	506,746	14,695,581
Changes during this quarter				
Cash dividend paid	0	0	0	(299,375)
Net income	0	0	0	750,510
Issued shares reacquired	0	0	0	(76)
Transfer of reserve for deferred fixed assets	0	0	0	0
Provision of general reserve	0	0	0	0
Total (net) amount changed (except shareholder's equity)	173,948	63,387	237,335	237,335
Total amount changed	173,948	63,387	237,335	688,393
Balance, end of the 9-month period (July 31, 2007)	475,268	268,814	744,082	15,383,974

(Note)

These are items of appropriation of surplus approved at the general meeting of shareholders held in January 2007.

Year ended July 31, 2006

(Thousands of yen)

	Shareholder's equity				
	Common stock	Capital surplus	Retained earnings		
		Capital reserve	Legal reserve	Other retained earnings	
				Dividend preparation reserve	Reserve for deferred fixed assets
Surplus as of October 31, 2005	1,061,210	1,483,410	230,000	250,000	35,168
Changes during this quarter					
Cash dividend paid (Note 1)	0	0	0	0	0
Officers' bonuses (Note 1)	0	0	0	0	0
Net income	0	0	0	0	0
Issued shares reacquired	0	0	0	0	0
Transfer of reserve for deferred fixed assets (Note 2)	0	0	0	0	(3,800)
Provision of general reserve (Note 1)	0	0	0	0	0
Total amount changed	0	0	0	0	(3,800)
Balance, as of October 31, 2006	1,061,210	1,483,410	230,000	250,000	31,368

(Thousands of yen)

	Shareholder's equity				
	Retained earnings			Issued shares reacquired	Total shareholder's equity
	Other retained earnings		Total retained earnings		
	General reserve	Surpluses carried over			
Surplus as of October 31, 2005	9,600,000	1,230,638	11,345,807	(362,462)	13,527,965
Changes during this quarter					
Cash dividend paid (Note 1)	0	(249,482)	(249,482)	0	(249,482)
Officers' bonuses (Note 1)	0	(41,930)	(41,930)	0	(41,930)
Net income	0	952,516	952,516	0	952,516
Issued shares reacquired	0	0	0	(235)	(235)
Transfer of reserve for deferred fixed assets (Note 2)	0	3,800	0	0	0
Provision of general reserve (Note 1)	700,000	(700,000)	0	0	0
Total amount changed	700,000	(35,095)	661,104	(235)	660,869
Balance, as of October 31, 2006	10,300,000	1,195,543	12,006,911	(362,697)	14,188,834

(Thousands of yen)

	Revaluation and translation adjustments			Total net assets
	Unrealized gains and losses on investments securities	Financial derivative loss or gain	Total revaluation and translation adjustments	
Surplus as of October 31, 2005	295,905	0	295,905	13,823,870
Changes during this quarter				
Cash dividend paid	0	0	0	(249,482)
Officers' bonuses	0	0	0	(41,930)
Net income	0	0	0	952,516
Issued shares reacquired	0	0	0	(235)
Transfer of reserve for deferred fixed assets	0	0	0	0
Provision of general reserve	0	0	0	0
Total (net) amount changed (except shareholder's equity)	5,413	205,427	210,841	210,841
Total amount changed	5,413	205,427	210,841	871,710
Balance, as of October 31, 2006	301,319	205,427	506,746	14,695,581

(Notes)

1. These are profit appropriation items approved at the general meeting of shareholders held in January 2006.
2. This amount consists of reversal of profit appropriation approved at the general meeting of shareholders held in January 2006 and reversal of reserve for advanced depreciation of fixed assets carried out as closing procedure for the financial period ending October 2006. The amount reversed from the reserve for advanced depreciation of fixed assets as a closing procedure for the financial period ending October 2006 was 1,753 thousand yen.