

4. Others

- (1) Changes in major subsidiaries during the fiscal year (changes in specified subsidiaries accompanying changes in scope of consolidation). : No
- (2) Adoption of simplified accounting policies : No
- (3) Changes in accounting policies, procedures or method of presentation for preparing quarterly consolidated financial statements
1. Changes due to amendment of accounting standards : Yes
2. Change due to other reasons : No
- (4) Number of outstanding shares at the end of the period:
1. Number of outstanding shares at the end of the period:
- | | |
|---------------------------------|----------------------------------|
| As of June 30, 2008: 13,029,500 | As of March 31, 2008: 13,029,500 |
|---------------------------------|----------------------------------|
2. Number of treasury shares at the end of the period:
- | | |
|-----------------------------|------------------------------|
| As of June 30, 2008: 54,571 | As of March 31, 2008: 53,507 |
|-----------------------------|------------------------------|
3. Average number of outstanding shares during period:
- | | |
|---|--|
| For the 1st Quarter ending March 31, 2009: 12,975,032 | For the 1st Quarter ended March 31, 2008: 12,985,853 |
|---|--|

Note concerning the Appropriate Use of Forecast

The aforementioned forecasts are based on certain assumptions that Company has deemed relevant and appropriate as of the date of publication.

Actual results may differ materially from the forecast due to many factors.

Consolidated quarterly balance sheets

(Thousands of Japanese yen)

	June 30,2008	March 31,2008
Assets		
Current assets		
Cash and deposits	667,000	1,045,404
Notes and accounts receivable-trade	1,945,742	1,871,233
Short-term investment securities	1,000	1,000
Finished goods	746,189	662,392
Semi-finished goods	416,815	367,505
Raw materials	641,336	590,076
Other	120,634	108,052
Allowance for doubtful accounts	(6,093)	(5,972)
Total current assets	4,532,623	4,639,693
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	674,080	686,289
Machinery, equipment and vehicles, net	553,715	573,905
Land	812,378	812,378
Other, net	68,267	60,568
Total property, plant and equipment	2,108,441	2,133,141
Intangible assets	23,181	21,553
Investments and other assets	481,731	471,545
Total noncurrent assets	2,613,354	2,626,240
Total assets	7,145,978	7,265,933
Liabilities		
Current liabilities		
Notes and accounts payable-trade	941,815	850,486
Short-term loans payable	852,625	671,250
Income taxes payable	59,736	155,186
Provision for bonuses	39,558	92,386
Other	295,710	273,801
Total current liabilities	2,189,446	2,043,111
Noncurrent liabilities		
Long-term loans payable	568,000	300,000
Provision for retirement benefits	285,201	282,051
Other provision	26,107	66,792
Negative goodwill	156,946	2,253
Other	172,336	96,863
Total noncurrent liabilities	1,208,591	747,959
Total liabilities	3,398,038	2,791,071
Net assets		
Shareholders' equity		
Capital stock	1,018,126	1,018,126
Capital surplus	564,725	564,725
Retained earnings	2,179,006	2,151,186
Treasury stock	(20,460)	(20,187)
Total shareholders' equity	3,741,398	3,713,851
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	6,541	7,797
Minority interests	—	753,213
Total net assets	3,747,940	4,474,862
Total liabilities and net assets	7,145,978	7,265,933

Consolidated quarterly statements of income

(Thousands of Japanese yen)

	1st Quarter ended June 30,2008
Net sales	2,391,752
Cost of sales	2,055,282
Gross profit	336,470
Selling, general and administrative expenses	189,518
Operating income	146,952
Non-operating income	
Dividends income	1,853
Amortization of negative goodwill	7,680
Other	2,415
Total non-operating income	11,949
Non-operating expenses	
Interest expenses	8,052
Other	1,103
Total non-operating expenses	9,156
Ordinary income	149,745
Extraordinary loss	
Loss on retirement of noncurrent assets	3,589
Loss on valuation of inventories	12,790
Total extraordinary losses	16,379
Income before income taxes and minority interests	133,365
Income taxes-current	60,668
Income taxes-deferred	(2,072)
Total income taxes	58,596
Minority interests in income	3,883
Net income	70,885

Consolidated quarterly statements of cash flows

(Thousands of Japanese yen)

	1st Quarter ended June 30,2008
Net cash provided by (used in) operating activities	
Income before income taxes and minority interests	133,365
Depreciation and amortization	66,513
Amortization of negative goodwill	(7,680)
Increase (decrease) in allowance for doubtful accounts	121
Increase (decrease) in provision for bonuses	(52,827)
Increase (decrease) in provision for directors' bonuses	(7,500)
Increase (decrease) in provision for retirement benefits	3,149
Increase (decrease) in provision for directors' retirement benefits	(40,685)
Interest and dividends income	(1,860)
Interest expenses	8,052
Loss on retirement of property, plant and equipment	3,589
Decrease (increase) in notes and accounts receivable-trade	(74,508)
Decrease (increase) in inventories	(188,654)
Increase (decrease) in notes and accounts payable-trade	91,328
Other, net	79,865
Subtotal	12,269
Interest and dividends income received	1,867
Interest expenses paid	(6,335)
Income taxes paid	(153,064)
Net cash provided by (used in) operating activities	(145,263)
Net cash provided by (used in) investment activities	
Purchase of short-term investment securities	(1,000)
Proceeds from redemption of securities	1,000
Purchase of property, plant and equipment	(59,479)
Payments for retirement of property, plant and equipment	(7,108)
Purchase of investments in subsidiaries	(575,700)
Net cash provided by (used in) investment activities	(642,288)
Net cash provided by (used in) financing activities	
Proceeds from long-term loans payable	460,000
Repayment of long-term loans payable	(10,625)
Purchase of treasury stock	(273)
Cash dividends paid	(17,229)
Cash dividends paid to minority shareholders	(22,725)
Net cash provided by (used in) financing activities	409,147
Effect of exchange rate change on cash and cash equivalents	
Net increase (decrease) in cash and cash equivalents	(378,404)
Cash and cash equivalents at beginning of period	1,045,404
Cash and cash equivalents at end of period	667,000

Industrial Segment Information

(1) For the first quarter ended June 30, 2008

(Thousands of Japanese yen)

	Antimony products	Atomized metal powders	Total	Elimination & corporate	Consolidated
Net sales					
Outside customers	1,368,983	1,022,769	2,391,752	–	2,391,752
Inter-segment	–	8,435	8,435	(8,435)	–
Total	1,368,983	1,031,204	2,400,188	(8,435)	2,391,752
Operating income	71,965	73,789	145,755	1,196	146,952

Consolidated Statements of Income

(Thousands of Japanese yen)

	1st Quarter ended June30,2007
Net sales	2,515,320
Cost of sales	2,093,354
Gross profit	421,965
Selling, general and administrative expenses	189,646
Operating income	232,318
Non-operating income	
Interest income & Dividends	1,860
Other	8,680
Total non-operating income	10,540
Non-operating expenses	
Interest expenses	7,015
Other	691
Total non-operating expenses	7,706
Ordinary income	235,152
Extraordinary income	–
Extraordinary loss	–
Income before income taxes and minority interests	235,152
Income taxes	104,829
Minority interests in income	44,197
Net income	86,125

Consolidated Statements of Cash Flows

(Thousands of Japanese yen)

	1st Quarter ended June30,2007
Net cash provided by (used in) operating activities	
Income before income taxes and minority interests	235,152
Depreciation and amortization	53,223
Amortization of goodwill	7,084
Amortization of negative goodwill	(563)
Increase(decrease) in provision for retirement benefits	3,448
Increase(decrease) in provision for directors' retirement benefits	1,777
Increase(decrease) in provision for bonuses	(11,371)
Increase(decrease) in provision for director's bonuses	(6,600)
Increase(decrease)in allowance for doubtful accounts	425
Interest and dividends income	(1,860)
Interest expense	7,015
Foreign exchange losses (gains)	(26)
Decrease(increase) in notes and accounts receivable-trade	(135,718)
Decrease(increase) in inventories	4,935
Increase(decrease) in notes and accounts payable-trade	(31,490)
Other, net	29,621
Subtotal	155,053
Interest and dividend income received	1,863
Interest expense paid	(4,953)
Income taxes paid	(172,611)
Net cash provided by(used in) operating activities	(20,648)
Net cash provided by (used in) investment activities	
Purchase of short-term investment securities	(1,000)
Proceeds from redemption of securities	1,000
Purchase of property, plant and equipment	(22,005)
Purchase of intangible assets	(485)
Other, net	-
Net cash provided by (used in) investing activities	(22,490)
Net cash provided by (used in) financing activities	
Net increase (decrease) in short-term loans payable	60,000
Proceeds from long-term loans payable	100,000
Repayments of long-term loans payable	(330,625)
Purchase of treasury stock	(1,102)
Cash dividends paid	(18,613)
Cash dividends paid to minority shareholders	(27,270)
Other, net	-
Net cash provided by (used in) financing activities	(217,611)
Effect of exchange rate change on cash and cash equivalents	26
Net increase(decrease) in cash and cash equivalents	(260,724)
Cash and cash equivalents at beginning of period	1,058,231
Cash and cash equivalents at end of period	797,507

Industrial Segment Information

(1) For the first quarter ended June 30, 2007

(Thousands of Japanese yen)

	Antimony products	Atomized metal powders	Total	Elimination & corporate	Consolidated
Net sales	1,372,052	1,149,709	2,521,761	(6,441)	2,515,320
Operating expenses	1,298,270	992,946	2,291,217	(8,215)	2,283,001
Operating income	73,781	156,762	230,544	1,774	232,318