

**INCOME STATEMENT**  
For the Years ended 31st March, 1997

(Thousands of Yen)

Accounts	Amount
<b>Ordinary Items</b> <b>Operating income and expenses</b> <b>Operating income</b>	<b>68,665,323</b>
Net sales	68,665,323
<b>Operating expenses</b> Cost of Sales Selling, general and administrative expenses	<b>64,808,867</b>
<b>Operating income</b>	<b>3,856,456</b>
<b>Non-operating income and expenses</b> <b>Non-operating income</b>	<b>286,014</b>
Interest income	50,125
Dividends received	27,850
Purchase discounts	123,023
Other	85,014
<b>Non-operating expenses</b> Sales discounts Appraisal loss of investment in securities Other	<b>431,503</b>
<b>Ordinary income</b>	<b>3,710,967</b>
<b>Extraordinary items</b> <b>Extraordinary income</b>	<b>8,982</b>
Gain on sale of fixed assets	8,982
<b>Extraordinary losses</b> Losses on disposal of fixed assets Provision for officers' retirement benefits	<b>416,622</b>
<b>Income before income taxes</b>	<b>3,303,327</b>
<b>Income taxes</b>	<b>1,750,000</b>
<b>Net income</b>	<b>1,553,327</b>
<b>Retained earnings brought forward</b>	<b>149,051</b>
<b>Unappropriated retained earnings</b>	<b>1,702,378</b>

(Notes on leases)

Note on finance leases, other than those , under which ownership of leased property substantially transfers to lessees:

Lease payments:

32,861 Thousands of Yen