

Consolidated Semi-Annual Financial Statements

For the Six Months Ended September 30, 2003

KYOWA EXEO CORPORATION

Code No. : 1951
 URL : http://www.exeo.co.jp
 Stock Exchange Listed : Tokyo and Osaka Stock Exchange-First Section
 Corporate Headquarters : 29-20, Shibuya 3-chome, Shibuya-ku, Tokyo Japan
 Representative : Seiji Takashima, President
 Investor Relations : Norio Koide, Director, General Manager,
 Accounts & Finance Division /Tel (03) 5778-1106
 Date of the meeting of the Board of Directors for approval
 of consolidated semi-annual financial statements : November 14, 2003
 Adoption of U.S.GAAP : No

1. Consolidated Financial Results for the Six Months Ended September 30, 2003 (April 1, 2003-September 30, 2003)

(1) Consolidated Results of Operations (Millions of yen, except per share amounts)

	Sales		Operating Income		Ordinary Income	
Six months ended September 30, 2003	82,015	11.4 %	2,491	—%	2,810	687.3 %
Six months ended September 30, 2002	73,622	(10.5)%	178	(91.5)%	356	(85.6)%
Year ended March 31, 2003	186,334		4,541		4,741	

	Net Income		Net Income per Share		Diluted Net Income Per Share	
Six months ended September 30, 2003	1,621	—%	14.55 yen		13.46 yen	
Six months ended September 30, 2002	107	(90.9)%	0.93 yen		—yen	
Year ended March 31, 2003	1,661		14.00 yen		13.34 yen	

Notes : 1. Equity in earnings (losses) of affiliates : For the six months ended September 30, 2003 : —million yen
 For the six months ended September 30, 2002 : —million yen
 For the fiscal year ended March 31, 2003 : —million yen
 2. Weighted average number of shares outstanding : For the six months ended September 30, 2003 : 111,441,676 shares
 For the six months ended September 30, 2002 : 115,012,039 shares
 For the fiscal year ended March 31, 2003 : 113,563,358 shares
 3. Change in accounting policy : No
 4. Percentages above represent changes compared to corresponding previous semi-annual period.
 As of September 30, 2003, these percentage changes that exceed 1,000% are not represented.

(2) Consolidated Financial Positions (Millions of yen, except per share amounts)

	Total Assets	Shareholders' Equity	Ratio of Shareholders' Equity to Total Assets	Shareholders' Equity per Share
September 30, 2003	130,440	62,153	47.7 %	557.76 yen
September 30, 2002	125,896	60,221	47.8 %	533.08 yen
March 31, 2003	130,779	60,653	46.4 %	543.59 yen

Notes : Number of shares outstanding at end of period : September 30, 2003 : 111,433,665 shares
 September 30, 2002 : 112,970,377 shares
 March 31, 2003 : 111,447,130 shares

(3) Consolidated Cash Flows (Millions of yen)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
Six months ended September 30, 2003	13,391	(185)	(675)	34,167
Six months ended September 30, 2002	6,592	(1,106)	(3,431)	21,870
Year ended March 31, 2003	8,365	(1,932)	(4,656)	21,643

(4) Number of Consolidated Subsidiaries and Companies Accounted for Using the Equity Method

The number of consolidated subsidiaries : 22
 The number of unconsolidated subsidiaries accounted for using the equity method : —
 The number of affiliated accounted for using the equity method : —

(5) Change of Reporting Entities

The number of consolidated companies added : — The number of consolidated companies removed : 2
 The number of companies on the equity method added : — The number of companies on the equity method removed : —

2. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2004 (April 1, 2003-March 31, 2004)

(Millions of yen)

	Sales	Ordinary Income	Net Income
Year ending March 31, 2004	189,000	7,000	3,300

(Reference) Expected Net Income per Share : 28.97 yen

※Management of the Company has made estimates and assumptions relating to financial forecasts based on information available as of the reporting date.

Actual results could differ from those estimates.

Notes: All amounts less than one million yen have been disregarded.

Consolidated Balance Sheets (1)

September 30, 2002 and 2003, and March 31, 2003

(Millions of yen)

	September 30, 2002		September 30, 2003		Increase (Decrease)	March 31, 2003	
		%		%			%
(ASSETS)							
Current assets	¥85,525	67.9	¥91,490	70.1	¥5,964	¥91,153	69.7
Cash and bank deposits	15,969		25,860		9,891	19,137	
Notes and accounts receivable, trade	28,711		28,986		275	49,818	
Marketable securities	7,588		9,315		1,727	3,505	
Contracts in process	30,004		23,566		(6,438)	15,744	
Deferred tax assets	867		933		66	893	
Other	2,398		2,926		527	2,214	
Allowance for doubtful accounts	(13)		(98)		(84)	(161)	
Fixed assets	40,370	32.1	38,949	29.9	(1,421)	39,625	30.3
Property and equipment	26,724	21.2	26,145	20.0	(579)	26,792	20.5
Buildings and structures	10,052		9,992		(59)	10,265	
Machinery, vehicles, tools and equipment	1,394		1,152		(241)	1,237	
Land	15,271		15,000		(270)	15,290	
Construction in progress	6		—		(6)	—	
Intangible fixed assets	2,389	1.9	1,389	1.1	(1,000)	1,914	1.5
Investments and other assets	11,256	9.0	11,415	8.8	159	10,918	8.3
Investment securities	4,683		5,933		1,249	4,591	
Deferred tax assets	4,106		3,289		(816)	3,699	
Other	2,802		2,598		(203)	3,123	
Allowance for doubtful accounts	(336)		(406)		(70)	(495)	
TOTAL ASSETS	¥125,896	100	¥130,440	100	¥4,543	¥130,779	100

Consolidated Balance Sheets (2)

September 30, 2002 and 2003, and March 31, 2003

(Millions of yen)

	September, 30 2002		September, 30 2003		Increase (Decrease)	March 31, 2003	
		%		%			%
(LIABILITIES)							
Current liabilities	¥27,413	21.8	¥45,796	35.1	¥18,383	¥47,975	36.7
Notes and accounts payable, trade	15,366		16,673		1,307	22,067	
Current portion of convertible bonds	—		14,664		14,664	14,664	
Income taxes payable	248		1,402		1,153	1,048	
Advances received on contracts in process	8,731		7,624		(1,107)	5,352	
Allowance for compensation for construction damages	124		123		(1)	120	
Other	2,941		5,308		2,366	4,721	
Long-term liabilities	37,599	29.9	22,201	17.0	(15,398)	21,669	16.5
Bonds	14,100		14,100		—	14,100	
Convertible bonds	14,664		—		(14,664)	—	
Employees' severance and retirement benefits	6,208		5,854		(353)	5,034	
Allowance for retirement benefits for directors and corporate auditors	404		317		(86)	420	
Deferred tax liabilities	110		141		30	132	
Negative consolidation goodwill	2,098		1,772		(325)	1,967	
Other	14		15		0	15	
TOTAL LIABILITIES	65,012	51.7	67,998	52.1	2,985	69,644	53.2
MINORITY INTERESTS IN CONSOLIDATED SUBSIDIARIES	661	0.5	289	0.2	(372)	480	0.4
(SHAREHOLDERS' EQUITY)							
I Common stock	6,888	5.5	6,888	5.3	—	6,888	5.3
Capital surplus	5,761	4.6	5,761	4.4	—	5,761	4.4
Retained earnings	50,645	40.2	52,517	40.3	1,872	51,634	39.5
Net unrealized holding gains on securities	252	0.2	819	0.6	567	197	0.1
Treasury stock	(3,325)	(2.7)	(3,834)	(2.9)	(509)	(3,828)	(2.9)
TOTAL SHAREHOLDERS' EQUITY	60,221	47.8	62,153	47.7	1,931	60,653	46.4
TOTAL LIABILITIES, MINORITY INTERESTS AND SHAREHOLDERS' EQUITY	¥125,896	100	¥130,440	100	¥4,543	¥130,779	100

Notes : 1. All amounts less than one million yen have been disregarded.

2. Accumulated depreciation of property and equipment

14,269 million yen

3. Investments in non-consolidated subsidiaries and affiliated companies

Investment securities (stock)

993 million yen

Other (Amount invested)

2 million yen

4. Liability for guarantee

893 million yen

Consolidated Statements of Income

Six Months Ended September 30, 2002 and 2003, and Year Ended March 31, 2003

(Millions of yen)

	Six months ended September 30, 2002		Six months ended September 30, 2003		Increase (Decrease)	Year ended March 31, 2003	
		%		%			%
Net sales	¥73,622	100	¥82,015	100	¥8,393	¥186,334	100
Cost of sales	65,861	89.4	72,140	88.0	6,279	166,216	89.2
Gross income	7,761	10.6	9,874	12.0	2,113	20,117	10.8
Selling, general and administrative expenses	7,582	10.3	7,383	9.0	(198)	15,576	8.4
Operating income	178	0.3	2,491	3.0	2,312	4,541	2.4
Non-operating income	598	0.8	722	0.9	123	1,170	0.6
Interest income	16		22		6	36	
Dividends income	60		47		(12)	100	
Commission income	84		—		(84)	150	
Amortization of consolidation goodwill	258		339		80	587	
Other	178		312		133	294	
Non-operating expenses	420	0.6	402	0.5	(17)	970	0.5
Interest expenses	234		235		0	468	
Foreign currency exchange losses	94		—		(94)	116	
Other	91		167		76	385	
Ordinary income	356	0.5	2,810	3.4	2,453	4,741	2.5
Special income	292	0.4	160	0.2	(131)	1,968	1.1
Gains on sales of property and equipment	111		160		49	116	
Gains on sales of investment securities	181		—		(181)	194	
Gains on release from the substitutional portion of the government's Welfare Pension Insurance Scheme	—		—		—	1,657	
Special losses	562	0.8	143	0.2	(419)	3,313	1.8
Special retirement benefits	105		101		(4)	1,898	
Losses on devaluation of investment securities	289		41		(247)	1,103	
Other	167		—		(167)	311	
Income before income taxes and minority interests	87	0.1	2,828	3.4	2,740	3,395	1.8
Income taxes – current	(1)	(0.0)	1,207	1.4	1,209	1,384	0.7
Income taxes – deferred	—	—	—	—	—	325	0.2
Minority interests	(18)	(0.0)	(1)	(0.0)	16	23	0.0
Net income	¥107	0.1	¥1,621	2.0	¥1,514	¥1,661	0.9

Notes: All amounts less than one million yen have been disregarded.

Consolidated Statements of Retained Earnings
Six Months Ended September 30, 2002 and 2003, and Year Ended March 31, 2003

(Millions of yen)

	Six months ended September 30, 2002		Six months ended September 30, 2003		Increase (Decrease)		Year ended March 31, 2003	
(CAPITAL SURPLUS)								
Balance at beginning of year		5,761		5,761		—		5,761
Balance at end of period		5,761		5,761		—		5,761
(RETAINED EARNINGS)								
Balance at beginning of year		51,914		51,634		(279)		51,914
Increase in retained earnings		107		1,621		1,514		1,661
Net income	107		1,621		1,514		1,661	
Decrease in retained earnings		1,376		738		(637)		1,941
Cash dividends	1,278		668		(609)		1,843	
Directors' bonuses	97		70		(27)		97	
Balance at end of period		50,645		52,517		1,872		51,634

Notes: All amounts less than one million yen have been disregarded.

Consolidated Statements of Cash Flows

Six Months Ended September 30, 2002 and 2003, and Year Ended March 31, 2003

(Millions of yen)

	Six months ended September 30, 2002	Six months ended September 30, 2003	Increase (Decrease)	Year ended March 31, 2003
Cash flows from operating activities:				
Income before income taxes and minority interests	¥87	¥2,828	¥2,740	¥3,395
Depreciation and amortization	1,068	1,037	(31)	2,152
Amortization of consolidation goodwill	(258)	(339)	(80)	(587)
Special retirement benefits	105	101	(4)	1,898
Losses on devaluation of investment securities	289	41	(247)	1,103
Gains on release from the substitutional portion of the government's Welfare Pension Insurance Scheme	—	—	—	(1,657)
Gains on sales of property and equipment	(111)	(160)	(49)	(116)
Gains on sales of investment securities	(181)	-	181	(194)
Changes in other operating assets	(192)	(614)	(422)	(150)
Changes in other operating liabilities	(2,620)	677	3,297	(737)
Changes in allowance for doubtful accounts	(5)	(151)	(146)	301
Changes in employee's severance and retirement benefits	540	820	279	1,024
Interest and dividends income	(76)	(70)	6	(137)
Interest expenses	234	235	0	468
Changes in notes and accounts receivable, trade	24,641	20,959	(3,681)	3,610
Changes in contracts in process	(9,127)	(7,720)	1,407	5,157
Changes in notes and accounts payable, trade	(8,239)	(5,217)	3,022	(1,551)
Changes in advances received on contracts in process	2,235	2,271	36	(1,198)
Other, net	113	(23)	(137)	409
Sub-total	8,504	14,675	6,171	13,190
Interest and dividends received	75	75	(0)	133
Interest expenses paid	(307)	(306)	0	(469)
Income taxes paid	(1,350)	(623)	727	(1,998)
Special retirement benefits paid	(172)	(429)	(256)	(2,179)
Other, net	(156)	-	156	(311)
Net cash provided by operating activities	6,592	13,391	6,798	8,365
Cash flows from investing activities:				
Proceeds from time deposits	161	-	(161)	164
Payments for purchases of marketable securities	(1,199)	(999)	200	(2,198)
Proceeds from sales and redemption of marketable securities	-	1,000	1,000	1,205
Payments for purchases of property and equipment	(226)	(341)	(115)	(931)
Proceeds from sales of property and equipment	124	595	470	240
Payments for purchases of intangible fixed assets	(100)	(56)	44	(170)
Payments for purchases of investment securities	(46)	(441)	(394)	(469)
Proceeds from sales of investment securities	64	44	(19)	392
Payments for purchases of subsidiary stock due to changing scope of consolidation	(8)	-	8	(8)
Payment for loans receivable	(46)	(309)	(263)	(601)
Proceeds from collection of loans receivable	173	208	35	290
Other, net	(2)	114	116	154
Net cash used in investing activities	(1,106)	(185)	920	(1,932)
Cash flows from financing activities:				
Net change in short-term borrowings	(232)	-	232	(389)
Payments of long-term debt	(52)	-	52	(52)
Payments for purchases of treasury stock	(1,865)	(6)	1,859	(2,368)
Cash dividends paid	(1,278)	(668)	609	(1,843)
Cash dividends paid to minority shareholders	(1)	(0)	1	(1)
Net cash used in financing activities	(3,431)	(675)	2,756	(4,656)
Effect of exchange rate changes on cash and cash equivalents	(3)	(9)	(5)	(3)
Net increase (decrease) in cash and cash equivalents	2,051	12,520	10,469	1,772
Cash and cash equivalents at beginning of year	19,325	21,643	2,318	19,325
VII Increase in cash and cash equivalents due to inclusion of subsidiaries in consolidation	367	-	(367)	367
VIII Increase in cash and cash equivalents due to merger of non-consolidated subsidiaries	126	2	(124)	178
Cash and cash equivalents at end of period	¥21,870	¥34,167	¥12,296	¥21,643

Notes: All amounts less than one million yen have been disregarded.

Non-consolidated Semi-Annual Financial Statements

For the Six Months Ended September 30, 2003

KYOWA EXEO CORPORATION

Code No. : 1951
 URL : http://www.exeo.co.jp
 Stock Exchange Listed : Tokyo and Osaka Stock Exchange-First Section
 Corporate Headquarters : 29-20, Shibuya 3-chome, Shibuya-ku, Tokyo Japan
 Representative : Seiji Takashima, President
 Investor Relations : Norio Koide, Director, General Manager,
 Accounts & Finance Division /Tel (03) 5778-1106
 Date of the meeting of the Board of Directors for approval
 of non-consolidated semi-annual financial statements : November 14, 2003
 Interim Dividends Plan : Yes
 Date of Interim Dividends : December 5, 2003
 Trading unit share plan : Yes (1,000 shares per trading unit share)

1. Non-consolidated Financial Results for the Six Months Ended September 30, 2003 (April 1, 2003-September 30, 2003)

(1) Non-consolidated Results of Operations

(Millions of yen, except per share amounts)

	Sales		Operating Income		Ordinary Income	
Six months ended September 30, 2003	78,312	12.7 %	2,194	435.8 %	2,103	571.2 %
Six months ended September 30, 2002	69,512	(11.0)%	409	(80.5)%	313	(85.4)%
Year ended March 31, 2003	176,206		3,803		3,410	

	Net Income		Net Income per Share	
Six months ended September 30, 2003	1,119	—%	10.05	yen
Six months ended September 30, 2002	29	(97.2)%	0.26	yen
Year ended March 31, 2003	820		6.88	yen

- Notes : 1. Weighted average number of shares outstanding : For the six months ended September 30, 2003 : 111,441,676 shares
 For the six months ended September 30, 2002 : 115,012,039 shares
 For the fiscal year ended March 31, 2003 : 113,563,358 shares
2. Change in accounting policy : None
3. Percentages above represent changes compared to corresponding previous semi-annual period.
 As of September 30, 2003, these percentage changes that exceed 1,000% are not represented.

(2) Dividends

(yen)

	Interim Dividends per Share	Total Dividends per Share
Six months ended September 30, 2003	5.00	—
Six months ended September 30, 2002	5.00	—
Year ended March 31, 2003	—	11.00

(3) Non-consolidated Financial Positions

(Millions of yen, except per share amounts)

	Total Assets	Shareholders' Equity	Ratio of Shareholders' Equity to Total Assets	Shareholders' Equity per Share
September 30, 2003	123,816	57,244	46.2 %	513.71 yen
September 30, 2002	118,313	56,570	47.8 %	500.75 yen
March 31, 2003	124,156	56,249	45.3 %	504.37 yen

- Notes : 1. Number of shares outstanding at end of period : September 30, 2003 : 111,433,665 shares
 September 30, 2002 : 112,970,377 shares
 March 31, 2003 : 111,447,130 shares
2. Number of treasury stock : September 30, 2003 : 6,378,754 shares
 September 30, 2002 : 4,842,042 shares
 March 31, 2003 : 6,365,289 shares

2. Non-Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2004 (April 1, 2003-March 31, 2004)

(Millions of yen, except per share amounts)

	Sales	Ordinary Income	Net Income	Total Dividends per Share	
				Year-End Dividends per Share	
Year ending March 31, 2004	178,000	5,500	2,400	7.00 yen	12.00 yen

(Reference) Expected Net Income per Share : 21.19 yen

※For the year ending March 31, 2004, the Company plans to pay 7 yen of dividends that consist of 6 yen and 1 yen, for ordinary and the 50th anniversary commemorative dividend, respectively.

Management of the Company has made estimates and assumptions relating to financial forecasts based on information available as of the reporting date.

Actual results could differ from those estimates.

Notes: All amounts less than one million yen have been disregarded.

Balance Sheets (1)

September 30, 2002 and 2003, and March 31, 2003

(Millions of yen)

	September 30, 2002		September 30, 2003		Increase (Decrease)	March 31, 2003	
		%		%			%
(ASSETS)							
Current assets	¥82,525	69.8	¥89,177	72.0	¥6,651	¥89,020	71.7
Cash and bank deposits	15,309		25,631		10,322	18,892	
Notes receivable	2,004		1,751		(253)	2,012	
Accounts receivable, trade	25,731		25,987		255	45,258	
Marketable securities	7,583		9,315		1,732	3,505	
Contracts in process	26,070		20,425		(5,645)	13,716	
Deferred tax assets	587		810		222	810	
Other	5,372		5,353		(18)	4,984	
Allowance for doubtful accounts	(133)		(97)		36	(158)	
Fixed assets	35,787	30.2	34,638	28.0	(1,148)	35,135	28.3
Property and equipment	22,982	19.4	22,561	18.2	(421)	23,119	18.6
Buildings and structures	8,781		8,773		(7)	9,013	
Machinery and vehicles	310		241		(69)	271	
Tools and equipment	583		523		(59)	527	
Land	13,306		13,022		(284)	13,306	
Intangible fixed assets	2,291	1.9	1,300	1.1	(991)	1,817	1.5
Investments and other assets	10,513	8.9	10,777	8.7	263	10,199	8.2
Investment securities	5,334		6,605		1,270	5,256	
Deferred tax assets	3,613		2,751		(861)	3,155	
Other	2,226		2,133		(92)	2,581	
Allowance for doubtful accounts	(660)		(713)		(53)	(793)	
TOTAL ASSETS	¥118,313	100	¥123,816	100	¥5,502	¥124,156	100

Balance Sheets (2)

September 30, 2002 and 2003, and March 31, 2003

(Millions of yen)

	September, 30 2002		September, 30 2003		Increase (Decrease)	March 31, 2003	
		%		%			%
(LIABILITIES)							
Current liabilities	¥27,673	23.4	¥47,469	38.4	¥19,795	¥49,608	40.0
Notes payable	262		753		490	550	
Accounts payable, trade	15,619		16,741		1,121	22,589	
Current portion of convertible bonds	—		14,664		14,664	14,664	
Income taxes payable	81		1,161		1,080	854	
Advances received on contracts in process	8,026		6,955		(1,070)	5,087	
Allowance for compensation for construction damages	121		121		—	118	
Other	3,563		7,072		3,509	5,743	
Long-term liabilities	34,069	28.8	19,103	15.4	(14,966)	18,298	14.7
Bonds	14,100		14,100		—	14,100	
Convertible bonds	14,664		—		(14,664)	—	
Employees' severance and retirement benefits	5,047		4,777		(269)	3,899	
Allowance for retirement benefits for directors and corporate auditors	257		224		(32)	297	
Other	1		1		(0)	1	
TOTAL LIABILITIES	61,742	52.2	66,572	53.8	4,829	67,906	54.7
(SHAREHOLDERS' EQUITY)							
I Common stock	6,888	5.8	6,888	5.6	—	6,888	5.6
Capital surplus	5,761	4.9	5,761	4.6	—	5,761	4.6
Additional paid-in capital	5,761		5,761		—	5,761	
Retained earnings	47,003	39.7	47,642	38.5	638	47,230	38.0
Legal reserve	1,547		1,547		—	1,547	
Voluntary reserves	44,478		44,478		(0)	44,478	
Unappropriated retained earnings	978		1,616		638	1,204	
Net unrealized holding gains on securities	241	0.2	786	0.6	544	197	0.2
Treasury stock	(3,325)	(2.8)	(3,834)	(3.1)	(509)	(3,828)	(3.1)
TOTAL SHAREHOLDERS' EQUITY	56,570	47.8	57,244	46.2	673	56,249	45.3
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	¥118,313	100	¥123,816	100	¥5,502	¥124,156	100

- Notes : 1. All amounts less than one million yen have been disregarded.
2. Accumulated depreciation of property and equipment
3. Liability for guarantee

11,326 million yen
890 million yen

Statements of Income

Six Months Ended September 30, 2002 and 2003, and Year Ended March 31, 2003

(Millions of yen)

	Six months ended September 30, 2002		Six months ended September 30, 2003		Increase (Decrease)	Year ended March 31, 2003	
		%		%			%
Net sales	¥69,512	100	¥78,312	100	¥8,800	¥176,206	100
Cost of sales	62,462	89.9	69,671	89.0	7,209	158,825	90.1
Gross income	7,050	10.1	8,641	11.0	1,591	17,380	9.9
Selling, general and administrative expenses	6,640	9.5	6,446	8.2	(194)	13,577	7.7
Operating income	409	0.6	2,194	2.8	1,785	3,803	2.2
Non-operating income	287	0.4	282	0.4	(5)	471	0.2
Interest and dividends income	90		80		(9)	163	
Other	197		202		4	307	
Non-operating expenses	384	0.5	374	0.5	(9)	864	0.5
Interest expenses	234		236		2	466	
Other	149		137		(12)	397	
Ordinary income	313	0.5	2,103	2.7	1,790	3,410	1.9
Special income	292	0.4	127	0.1	(165)	1,951	1.1
Gains on sales of property and equipment	111		127		16	112	
Gains on sales of investment securities	181		—		(181)	182	
Gains on release from the substitutional portion of the government's Welfare Pension Insurance Scheme	—		—		—	1,657	
Special losses	550	0.8	93	0.1	(457)	3,277	1.8
Special retirement benefits	105		51		(53)	1,886	
Losses on devaluation of investment securities	277		41		(235)	1,079	
Other	167		—		(167)	311	
Income before income taxes	55	0.1	2,137	2.7	2,081	2,084	1.2
Income taxes – current	26	0.0	1,018	1.3	991	990	0.5
Income taxes – deferred	—	—	—	—	—	274	0.2
Net income	29	0.1	1,119	1.4	1,090	820	0.5
Retained earnings brought forward	948		496		(451)	948	
Interim dividends	—		—		—	564	
Unappropriated retained earnings	¥978		¥1,616		¥638	¥1,204	

Notes: All amounts less than one million yen have been disregarded.