

Financial Results (Non-Consolidated) for Six months ended September 30, 2004

Date of Board Meeting for Six months ended September 30, 2004: October 29, 2004

Payment date of Interim cash dividends: December 3, 2004

The Company has a policy of paying interim dividends.

Trading unit of the Company consists of 100 shares on the Tokyo Stock Exchange.

1. Results of Six months ended September 30, 2004 (From April 1, 2004 to September 30, 2004)

(1) OPERATING RESULTS

Amount Unit: Millions of yen unless otherwise specified

	Net Sales		Operating Income		Ordinary Income	
		%		%		%
Six months ended Sept. 30, 2004	395,528	5.1	25,729	(31.7)	37,865	(6.3)
Six months ended Sept. 30, 2003	376,339	(3.5)	37,692	(2.9)	40,404	(2.6)
Year ended March 31, 2004	771,234		75,138		79,848	

	Net Income		Net Income Per Share of Common Stock
		%	Yen
Six months ended Sept. 30, 2004	24,190	(7.4)	47.13
Six months ended Sept. 30, 2003	26,117	12.6	50.88
Year ended March 31, 2004	54,219		105.40

Notes 1. Average number of shares:

Six months ended Sept. 30, 2004: 513,226,393 Six months ended Sept. 30, 2003: 513,349,966 Year ended March 31, 2004: 513,325,553

2. Change in Accounting Policies: Applicable

3. Percent: Change against corresponding period of the previous year on Net Sales, Operating Income, Ordinary Income, Net Income.

(2) CASH DIVIDENDS

	Interim Cash Dividends per Share of Common Stock	Total Cash Dividends per Share of Common Stock
	Yen	Yen
Six months ended Sept. 30, 2004	12.50	-
Six months ended Sept. 30, 2003	12.50	-
Year ended March 31, 2004	-	25.00

(3) FINANCIAL POSITION

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio to Total Assets	Shareholders' Equity Per Share of Common Stock
			%	Yen
As of Sept. 30, 2004	1,759,540	1,526,541	86.8	2,974.62
As of Sept. 30, 2003	1,691,769	1,484,338	87.7	2,891.58
As of March 31, 2004	1,740,065	1,513,980	87.0	2,949.48

Notes 1. Number of shares outstanding:

As of Sept. 30, 2004: 513,189,309 As of Sept. 30, 2003: 513,331,222 As of March 31, 2004: 513,265,305

2. Number of treasury stocks:

As of Sept. 30, 2004: 1,436,419 As of Sept. 30, 2003: 1,294,506 As of March 31, 2004: 1,360,423

2. Forecast for the Fiscal Year ending March 31, 2005 (From April 1, 2004 to March 31, 2005)

	Net Sales	Operating Income	Ordinary Income	Net Income	Cash Dividends per Share of Common Stock for the year	
					Year end	Yen
For Year ending March 31, 2005	780,000	55,000	75,000	50,000	Yen 12.50	Yen 25.00

(Reference) Expected Net Income per Share of Common Stock for Year ending March 31, 2005: ¥97.21

Note: These forecast are based on the Company's current assumptions and beliefs in light of the information currently available to it, and involve known and unknown risks and uncertainties. The Company's actual results may differ materially from those discussed in the forward-looking statements.

1. BALANCE SHEETS (Non-Consolidated)

Amount Unit: Millions of yen

	As of September 30, 2004		As of March 31, 2004		Change	As of September 30, 2003	
ASSETS	%		%			%	
Current assets							
Cash on hand and in banks		229,840		297,602	(67,762)		282,387
Trade notes receivable		8,005		8,171	(165)		10,392
Trade accounts receivable		176,433		140,955	35,477		125,089
Other accounts receivable		11,804		14,828	(3,024)		13,236
Short-term loans receivable		28,595		24,557	4,038		13,572
Marketable securities		72,968		33,874	39,093		38,005
	30.0	527,647	29.9	519,991	7,656	28.5	482,683
Finished goods		32,044		35,389	(3,344)		35,311
Semi-finished goods, Work in process		27,834		28,643	(809)		28,558
Raw materials		14,152		12,486	1,665		11,750
Supplies		5,923		5,892	31		7,215
	4.5	79,954	4.7	82,412	(2,457)	4.9	82,835
Deferred income taxes		17,015		15,182	1,833		13,663
Other current assets		862		2,380	(1,517)		2,211
Allowance for doubtful receivables		(240)		(250)	10		-
Total current assets	35.5	625,240	35.6	619,715	5,524	34.4	581,394
Fixed assets							
Property, plant and equipment							
Buildings		88,504		89,276	(772)		83,580
Structures		8,002		8,110	(108)		7,634
Machinery and equipment		122,568		119,924	2,644		115,754
Vehicles, furniture and fixtures		27,596		26,457	1,138		25,631
Land		21,833		20,387	1,446		20,750
Construction in progress		15,963		12,788	3,174		19,247
Subtotal	16.2	284,468	15.9	276,946	7,522	16.1	272,599
Intangible assets							
Software		31,434		31,064	369		29,846
Rights of utilization		2,562		2,360	202		2,277
Subtotal	1.9	33,997	1.9	33,424	572	1.9	32,124
Investments and other assets							
Investment securities		209,045		224,104	(15,058)		224,359
Investments in subsidiaries		577,019		569,614	7,404		566,654
Long-term loans receivable		22,134		8,844	13,290		8,196
Long-term prepaid expenses		5,718		5,647	71		4,832
Other investments		2,085		2,018	67		2,108
Allowance for doubtful receivables		(170)		(250)	80		(500)
Subtotal	46.4	815,834	46.6	809,979	5,854	47.6	805,650
Total fixed assets	64.5	1,134,300	64.4	1,120,350	13,949	65.6	1,110,374
Total assets	100.0	1,759,540	100.0	1,740,065	19,474	100.0	1,691,769

Amount Unit: Millions of yen

	As of September 30, 2004		As of March 31, 2004		Change	As of September 30, 2003	
LIABILITIES	%		%			%	
Current liabilities							
Trade notes payable		13,074		24,780	(11,706)		27,406
Trade accounts payable		75,980		58,292	17,688		54,913
Short-term debt		6,560		-	6,560		-
Other accounts payable		26,343		22,630	3,713		23,940
Accrued income taxes		7,766		15,658	(7,891)		10,884
Accrued expenses		58,779		52,879	5,900		47,416
Other current liabilities		5,054		4,459	594		4,887
Total current liabilities	11.0	193,559	10.3	178,700	14,858	10.0	169,449
Long-term liabilities							
Customers' guarantee deposits		14,760		17,787	(3,026)		17,060
Deferred income taxes		18,091		21,107	(3,016)		11,175
Accrued pension and severance costs		6,029		8,093	(2,063)		9,383
Directors' retirement benefit		558		395	162		360
Total long-term liabilities	2.2	39,439	2.7	47,384	(7,944)	2.3	37,980
Total liabilities	13.2	232,999	13.0	226,085	6,914	12.3	207,430
SHAREHOLDERS' EQUITY							
Common stock	2.3	40,363	2.3	40,363	0	2.4	40,363
Capital surplus							
Additional paid-in capital	3.4	58,980	3.4	58,980	0	3.5	58,980
Retained earnings							
Legal reserve	0.6	10,090	0.6	10,090	0	0.6	10,090
Reserve for dividends		280		280	0		280
Reserve for retirement allowance		280		280	0		280
Reserve for R&D		285		285	0		285
Reserve for overseas investment loss		-		13	(13)		13
Reserve for accelerated depreciation		2,123		497	1,626		497
Reserve for deferred capital gain for reinvestment in property		3,720		770	2,949		770
General reserve		1,357,305		1,320,305	37,000		1,320,305
Total voluntary reserve	77.5	1,363,993	76.0	1,322,431	41,562	78.2	1,322,431
Unappropriated retained earnings	2.3	40,142	3.7	64,048	(23,906)	2.5	42,372
Total retained earnings	80.4	1,414,226	80.3	1,396,571	17,655	81.3	1,374,894
Unrealized gains on securities	1.0	18,375	1.3	23,216	(4,841)	0.9	15,043
Treasury stocks		(5,404)		(5,150)	(253)		(4,943)
Total shareholders' equity	86.8	1,526,541	87.0	1,513,980	12,560	87.7	1,484,338
Total liabilities and shareholders' equity	100.0	1,759,540	100.0	1,740,065	19,474	100.0	1,691,769

2. STATEMENTS OF INCOME (Non-Consolidated)

Amount Unit: Millions of yen

	Six months ended September 30, 2004 From April 1, 2004 To Sept. 30, 2004		Six months ended September 30, 2003 From April 1, 2003 To Sept. 30, 2003		Change		Year ended March 31, 2004 From April 1, 2003 To March 31, 2004	
					Amount	%		
Operating revenues	%		%				%	
Net sales	100.0	395,528	100.0	376,339	19,189	5.1	100.0	771,234
Operating expenses								
Cost of sales	66.5	262,851	63.4	238,476	24,375	10.2	64.1	494,569
Selling, general and administrative expenses	16.8	66,515	16.6	62,514	4,000	6.4	16.3	124,887
Research and development expenses	10.2	40,432	10.0	37,656	2,776	7.4	9.9	76,638
Total operating expenses	93.5	369,799	90.0	338,647	31,152	9.2	90.3	696,095
Operating income	6.5	25,729	10.0	37,692	(11,962)	(31.7)	9.7	75,138
Other income								
Interest income		1,179		973	205	21.2		2,030
Dividend income		10,363		5,189	5,173	99.7		9,311
Miscellaneous income		2,606		768	1,838	239.4		1,221
Total other income	3.6	14,149	1.8	6,931	7,218	104.1	1.7	12,563
Other expenses								
Interest expenses		144		154	(9)	(6.0)		301
Bank charges for export drafts discounted		232		223	8	3.8		442
Miscellaneous expenses		1,636		3,840	(2,204)	(57.4)		7,109
Total other expenses	0.5	2,013	1.1	4,218	(2,205)	(52.3)	1.0	7,853
Ordinary income	9.6	37,865	10.7	40,404	(2,539)	(6.3)	10.4	79,848
Extraordinary income								
Gain on disposal of fixed assets		-		-	-	-	0.8	6,364
Extraordinary losses								
Losses on disposal of fixed assets		2,590		2,314	276	11.9		5,080
Restructuring charges		3,825		-	3,825	-		-
Total extraordinary losses	1.6	6,415	0.6	2,314	4,101	177.2	0.7	5,080
Net income before income taxes	8.0	31,449	10.1	38,090	(6,640)	(17.4)	10.5	81,131
Current income taxes	2.2	8,800	3.1	11,600	(2,800)	(24.1)	3.1	23,800
Deferred income taxes		(1,540)		372	(1,913)			3,111
Net income	6.1	24,190	6.9	26,117	(1,927)	(7.4)	7.0	54,219
Retained earnings brought forward		15,956		16,259	(302)			16,259
Interim dividends paid		-		-	-			6,416
Losses from treasury stock transactions		4		4	0			13
Unappropriated retained earnings		40,142		42,372	(2,230)			64,048

3. DETAILS OF NET SALES (Non-Consolidated)

(1) Net sales by product

Amount Unit: Millions of yen

	Six months ended September 30, 2004 From April 1, 2004 To Sept. 30, 2004		Six months ended September 30, 2003 From April 1, 2003 To Sept. 30, 2003		Change	
					Amount	%
Net sales:						
Imaging Solutions	51.4%	203,453	51.6%	194,033	9,420	4.9
Information Solutions	48.6%	192,075	48.4%	182,306	9,768	5.4
Total	100.0%	395,528	100.0%	376,339	19,189	5.1

Note: Major products and services of each operating segments are as follows:

Imaging Solutions	Color film, digital cameras, photofinishing equipment and color paper, chemicals for photofinishing
Information Solutions	Equipment and consumables for graphic arts, medical imaging, and information systems, flat panel display materials and recording media

(2) Domestic and export sales

Amount Unit: Millions of yen

	Six months ended September 30, 2004 From April 1, 2004 To Sept. 30, 2004		Six months ended September 30, 2003 From April 1, 2003 To Sept. 30, 2003		Change	
					Amount	%
Net sales:						
Domestic	47.1%	186,380	49.3%	185,560	819	0.4
Export	52.9%	209,148	50.7%	190,779	18,369	9.6
Total	100.0%	395,528	100.0%	376,339	19,189	5.1

NOTES

NOTES TO THE BALANCE SHEETS

Amount Unit: Millions of yen

	As of September 30, 2004	As of March 31, 2004	Change	As of September 30, 2003
Accumulated depreciation of tangible fixed assets	729,367	726,769	2,598	724,347
Contingent liabilities for guarantees	30,252	43,534	(13,281)	58,083
Amount of export drafts discounted	8,801	9,337	(535)	8,113
Number of treasury stocks	1,436,419 shares	1,360,423 shares	75,996 shares	1,294,506 shares

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Securities

Investments in subsidiaries and affiliated companies are stated at cost determined by the moving average method.

Other securities that have fair values are stated at fair value, with unrealized gains and losses excluded from earnings and included in a separate component of shareholders' equity on a net-of-tax basis. Realized gains and losses on sales of securities are based on the moving average cost of the securities sold.

Other securities that do not have fair values are stated at cost determined by the moving average method.

(2) Inventories

Finished goods, semi-finished goods, work in process, supplemental materials and supplies are stated at the lower of moving average cost or market. Silver nitrate included in semi-finished goods and work in process, and principal raw materials are stated at the lower of cost or market determined by the last-in, first-out method.

(3) Depreciation and amortization

Depreciation of property, plant and equipment is computed by the declining-balance method except that depreciation of buildings acquired on and after April 1, 1998 is computed by the straight-line method.

Intangible assets are amortized by the straight-line method.

(4) Reserves

Allowance for doubtful receivables

The allowance for doubtful receivables is provided at the amount of estimated uncollectible accounts, based on individual collectibility with respect to identified doubtful receivables and past experience of doubtful receivables.

Pension and severance benefits

Pension and severance costs for employees are accrued based on an estimate of the pension obligation and the plan assets at the end of the year.

The allowance for officers' retirement benefits is provided on the basis of the Company's internal regulations for officers' retirement benefits at the amount which would be required to be paid if all officers retired at the balance sheet date.

Directors' retirement benefits

The allowance for directors' retirement benefits is provided on the basis of the Company's internal regulations for directors' retirement benefits at the amount that would be required to be paid if all directors retired at the balance sheet date. This allowance is established under Article 43 of the Commercial Code of Japan.

(5) Accounting for consumption tax

Transactions subject to consumption tax are recorded at amounts exclusive of consumption tax.

Change in Accounting Policies

Effective April 1, 2004, the Company changed its method for the amortization of intangible assets, except for software, to the straight-line method. Until the year ended March 31, 2004, the amortization of software was calculated by the straight-line method and that of other intangible assets was calculated by the declining-balance method with no residual value. This change was made to achieve a more accurate presentation of operating results of the Company in consideration of the fact that the benefits from investment in intangible assets are considered to be realized evenly over the assets' useful lives. The effect of this change was immaterial.