

## Summary of Financial Results for the Year Ended March 2007

Name of Company: SHIROKI CORPORATION  
 Stock Code: 7243  
 Stock Exchange Listing: Tokyo Stock Exchange, First Section, Nagoya Stock Exchange, First Section  
 URL: <http://www.shiroki.co.jp>  
 Representative  
 Title: Representative Director and President  
 Name: Shunichiro Ichiji  
 Contact Person  
 Title: Director and Manager, Accounting Division  
 Name: Katsumi Oishi  
 Tel: +81-(533) 93-1269  
 Regular general meeting of shareholders: June 29, 2007  
 Date of commencement of dividend payment (tentative): June 29, 2007  
 Date of filing of securities report: June 29, 2007

### 1. Financial results for the year ended March 2007 (April 1, 2006 – March 31, 2007)

#### (1) Result of operations (Consolidated)

Yen in millions, rounded down

	Net sales		Operating income		Ordinary income	
	Million yen	YoY Change %	Million yen	YoY Change %	Million yen	YoY Change %
Fiscal year ended March 2007	133,509	8.5	3,189	57.6	3,189	6.9
Fiscal year ended March 2006	123,003	4.9	2,019	(33.5)	2,984	(10.8)

	Net income		Net income per share (basic)	Net income per share (diluted)
	Million yen	YoY Change %	Yen	Yen
Fiscal year ended March 2007	1,612	32.0	18.17	
Fiscal year ended March 2006	1,221	35.7	13.34	

The percentage figures accompanying net sales, operating income, ordinary income, and net income represent year-on-year changes.

	Return on equity	Ratio of ordinary income to assets	Ratio of operating income to net sales
	%	%	%
Fiscal year ended March 2007	6.3	3.7	2.4
Fiscal year ended March 2006	5.1	3.7	1.6

Notes:

- Equity in earnings (loss) of non-consolidated subsidiaries
 

Fiscal year ended March 2007	(146) million yen
Fiscal year ended March 2006	(77) million yen

**(2) Financial Position (Consolidated)**

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2007	85,773	26,416	30.7	296.96
As of March 31, 2006	82,849	24,636	29.7	277.15

Notes: Shareholders' equity

Fiscal year ended March 2007: 26,347 million yen

Fiscal year ended March 2006: million yen

**(3) Cash flow position (Consolidated)**

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 2007	7,906	(7,249)	(382)	6,338
Fiscal year ended March 2006	7,407	(7,862)	1,480	5,936

**2. Dividends**

Ref. date	Dividends common per share			Aggregate amount (annual) Mil. yen	Payout ratio (Consolidated) Pct.	Dividends/net assets (Consolidated) Pct.
	End of 1 <sup>st</sup> half Yen	End of FY Yen	Annual Yen			
FY06	2.50	2.50	5.00	444	37.5	1.9
FY07		4.00	4.00	355	22.0	1.4
FY08 (est.)		3.00	3.00		19.0	

**3. Forecast for the fiscal year ending March 2008 (Consolidated, April 1, 2007 to March 31, 2008)**

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	Pct	Million yen	Pct	Million yen	Pct	Million yen	Pct	Yen
Interim	66,000	3.6	1,200	4.4	900	(24.7)	400	(46.9)	4.51
Full year	137,000	2.6	2,700	(15.1)	2,300	(27.9)	1,400	(13.2)	15.78

The figures in parentheses accompanying net sales, operating income, ordinary income, and net income represent year-on-year changes.

**4. Others**

(1) Changes in significant subsidiaries (Changes in specific subsidiaries accompanied by changes in the scope of consolidation):

Yes

Newly included: 2

SHIROKI CREATE SERVICE CO., LTD.

SHIROKI-GT, LLC

Excluded: -

Note: For further details, see the section on Corporate Group (Page 5)

(2) Accounting policies, accounting treatment, reclassifications, etc. in the preparation of the consolidated financial statements (Presented in the section on Changes in the Basis of Presenting the Consolidated Financial Statements)

(a) Changes due to revision of accounting standards: Yes

(b) Changes other than in (a): None

Note: For details, see the section on Changes in the Basis of Presenting the Consolidated Financial Statements (Page 16)

(3) Number of shares outstanding at the end of period (common shares)

As of March 31, 2007 (including treasury stock): 89,003,624 shares

As of March 31, 2007 (treasury stock) 279,554 shares

As of March 31, 2006: (including treasury stock) 89,003,624 shares

As of March 31, 2006 (treasury stock) 247,089 shares

Note: See the section on Per Share Information (Page 20) for details on the basis (number of shares) of calculating consolidated net income per share.

**Non-consolidated Financial Results (For reference)**

**1. Financial results for the year ended March 2007 (April 1, 2006 – March 31, 2007)**

**(1) Result of operations (Non-consolidated)**

	Net sales		Operating income		Ordinary income	
	Million yen	YoY Change %	Million yen	YoY Change %	Million yen	YoY Change %
Fiscal year ended March 2007	100,928	6.2	2,137	24.7	2,790	(8.7)
Fiscal year ended March 2006	95,050	3.8	1,714	(36.9)	3,056	0.1

	Net income		Net income per share (basic)	Net income per share (diluted)
	Million yen	YoY Change %	Yen	Yen
Fiscal year ended March 2007	1,031		11.62	
Fiscal year ended March 2006	(637)		(7.47)	

**(2) Financial Position (Non-consolidated)**

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2007	77,253	25,935	33.7	292.19
As of March 31, 2006	75,007	25,109	33.5	282.48

Notes: Shareholders' equity

Fiscal year ended March 2007: 25,935 million yen

Fiscal year ended March 2006: million yen

**2. Forecast for the fiscal year ending March 2008 (Non-consolidated, April 1, 2007 to March 31, 2008)**

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	Pct	Million yen	Pct	Million yen	Pct	Million yen	Pct	Yen
Interim	48,100	0.6	100	(86.5)	400	(64.2)	200	(68.6)	2.25
Full year	100,100	(0.8)	500	(76.6)	1,100	(60.6)	900	(12.7)	10.14

The figures in parentheses accompanying net sales, operating income, ordinary income, and net income represent year-on-year changes.

Notes: Forecasts regarding future performance in these materials are based on judgments made in accordance with information available at the time this report was prepared. Forecasts therefore embody risks and uncertainties. Actual results may differ significantly from these forecasts for a number of factors.

Please refer to the section on page 3 of the attached documents (1. Results of Operations, (1) Analysis of Results of Operations)

## 1. Results of Operations

### (1) Analysis of Results of Operations (Fiscal year performance)

In the past fiscal year, new automobile sales in Japan decreased 4.1% to the lowest level in 21 years. However, the volume of vehicles exported was high, mainly because of the large number of vehicles shipped to North America and Europe. The result was a high level of automobile production in Japan that was supported by a very strong export market. In addition, Japanese automakers increased production at plants in Asia, Europe and other regions.

In this environment, the SHIROKI Group marked its 60<sup>th</sup> anniversary in 2006 by establishing a new management philosophy and management policies in November 2006. The objective is to provide a roadmap for achieving more growth. In addition, the three North American group companies switched to names that include "Shiroki." This is one move to enhance the stature of the Shiroki brand and public awareness in order to support the group's global expansion. In addition, Shiroki worked on upgrading product performance and quality while cutting costs and on establishing a reputation as "a producer of the world's most appealing products" with a global presence. Furthermore, Shiroki moved even faster to establish a global manufacturing and distribution infrastructure centered on North America, China and Thailand.

#### (Japan)

Kyushu SHIROKI Co., Ltd., which is based in the city of Kitakyushu, worked on keeping pace with growth in output at its existing client automakers in Kyushu and on capturing orders from new customers. One step is the full-scale start of operations in May 2007 at this company's second factory. This company has started preparing to begin production of window regulators, a core product, and is working on using its new two-factory manufacturing system to raise production efficiency. SHIROKI Shoji Co., Ltd., which is based in the city of Anjo, conducted a spin-off to establish SHIROKI Create Service Co., Ltd., based in the city of Toyokawa, in a move to raise the group's operating efficiency.

#### Overseas activities

##### (North America)

Shiroki continued to take steps to respond to rising production by Japanese automakers in this region and to capture orders from new customers. Two significant events were completion of the Georgia factory expansion in December 2006 and the start of operations in March 2007 at the factory of SHIROKI-GT, LLC in Tennessee, Shiroki's third North American manufacturing base. Each of the three factories conducted sales activities that took advantage of their respective locations. In addition, Shiroki strengthened its North American manufacturing capabilities and took steps aimed at increasing sales with the aim of making all operations in this region more powerful. One significant event was the September 2006 start of door sash production for the Nissan Altima, a model ranking among the leaders in production volume in North America. Shiroki conducted a company-wide program to prepare for the start of this window sash production.

##### (China)

Shiroki continued to expand production activities and its base of operations in southern China. Guangzhou Shiroki Corp. increased production of door sashes and molding and started producing window regulators when Toyota began assembling automobiles at a plant in Guangzhou in May 2006. This Shiroki subsidiary started construction on a second factory at the same site in November 2006. Additional output will enable the company to respond to rising automobile production in China by Japanese companies and to capture orders from new customers.

##### (Thailand)

SHIROKI Corp. (Thailand) Ltd., which is based in Chonburi province, continued to increase output in response to higher local production of Toyota's IMV (innovative international multi-purpose vehicle) models

and of other vehicles. In addition, this company added a major product to its lineup by using an outsourcing partner to begin supplying door sashes to a local Nissan factory. These and other actions gave this company an even stronger base of operations.

(Others)

In February 2007, SHIROKI decided to make an equity investment in Technico Industries Ltd. of India, which is in the state of Haryana. This will deepen ties with this manufacturer of auto parts, which already receives window regulator technical support from SHIROKI.

Due to these activities, performance in the past fiscal year benefited from growth in Japan at all automakers, backed by rising exports, and from global operations to capture orders and develop new products. The result was an 8.5% increase in consolidated net sales to 133,509 million yen. Earnings increased because of many initiatives during the fiscal year to streamline operations. Operating income was up 57.6% to 3,182 million yen, ordinary income increased 6.9% to 3,189 million yen and net income increased 32.0% to 1,612 million yen.

(Outlook)

In the fiscal year ending in March 2008, SHIROKI is forecasting sales of 137,000 million yen, operating income of 2,700 million yen, ordinary income of 2,300 million yen and net income of 1,400 million yen. This outlook includes the effect of a change in Japan's method of depreciation for tax purposes.

(2) Analysis of Financial Condition

Net cash provided by operating activities was 7,906 million yen and net cash used in investing activities was 7,249 million yen, resulting in free cash flows of 657 million yen.

Since there was a decline of 164 million yen in long-term and short-term loans during the fiscal year, cash and cash equivalents increased by 401 million yen.

The following is a summary of cash flows.

1) Operation activities

Net cash provided by operating activities increased 499 million yen to 796 million yen. This was mainly attributable to an increase in net income before income taxes.

2) Investing activities

Net cash used in investing activities decreased 612 million yen to 7,249 million yen. This was mainly attributable to a decrease of 1,269 million yen in payments for the purchase of property and equipment.

3) Financing activities

Net cash used in financing activities was 382 million yen, a difference of 1,862 million yen from net cash provided in the previous fiscal year. This is because there were proceeds of 1,939 million yen from loans one year earlier but payments of 147 million yen to repay loans during the fiscal year that ended in March 2007.

(Reference) Performance indicators associated with cash flows

Years ended March 31	2003	2004	2005	2006	2007
Equity ratio	29.2%	30.5%	30.3%	29.7%	30.7%
Market cap equity ratio	28.0%	30.0%	34.2%	41.6%	35.0%
Cash flows/debt ratio (multiple)	2.4	2.5	2.5	2.9	2.7
Interest coverage ratio	18.0	23.5	34.4	35.0	19.5

Notes:

Equity ratio is shareholders' equity divided by total assets.

Market cap equity ratio is market capitalization divided by total shareholders' equity.

Cash flows/debt ratio is debt divided by cash flows.

Interest coverage ratio is cash flows divided by interest expenses.

\*All figures are based on consolidated financial data.

\*Market capitalization is calculated by multiplying the closing stock price at the end of the fiscal year by the number of shares issued (after deducting treasury stock) at the end of the fiscal year.

\*Cash flows are operating cash flows in the consolidated statements of cash flows. Debt is the sum of all interest-bearing liabilities on the consolidated balance sheets. Interest expenses are interest payments as shown in the consolidated statements of cash flows.

### (3) Fundamental policy for allocation of earnings

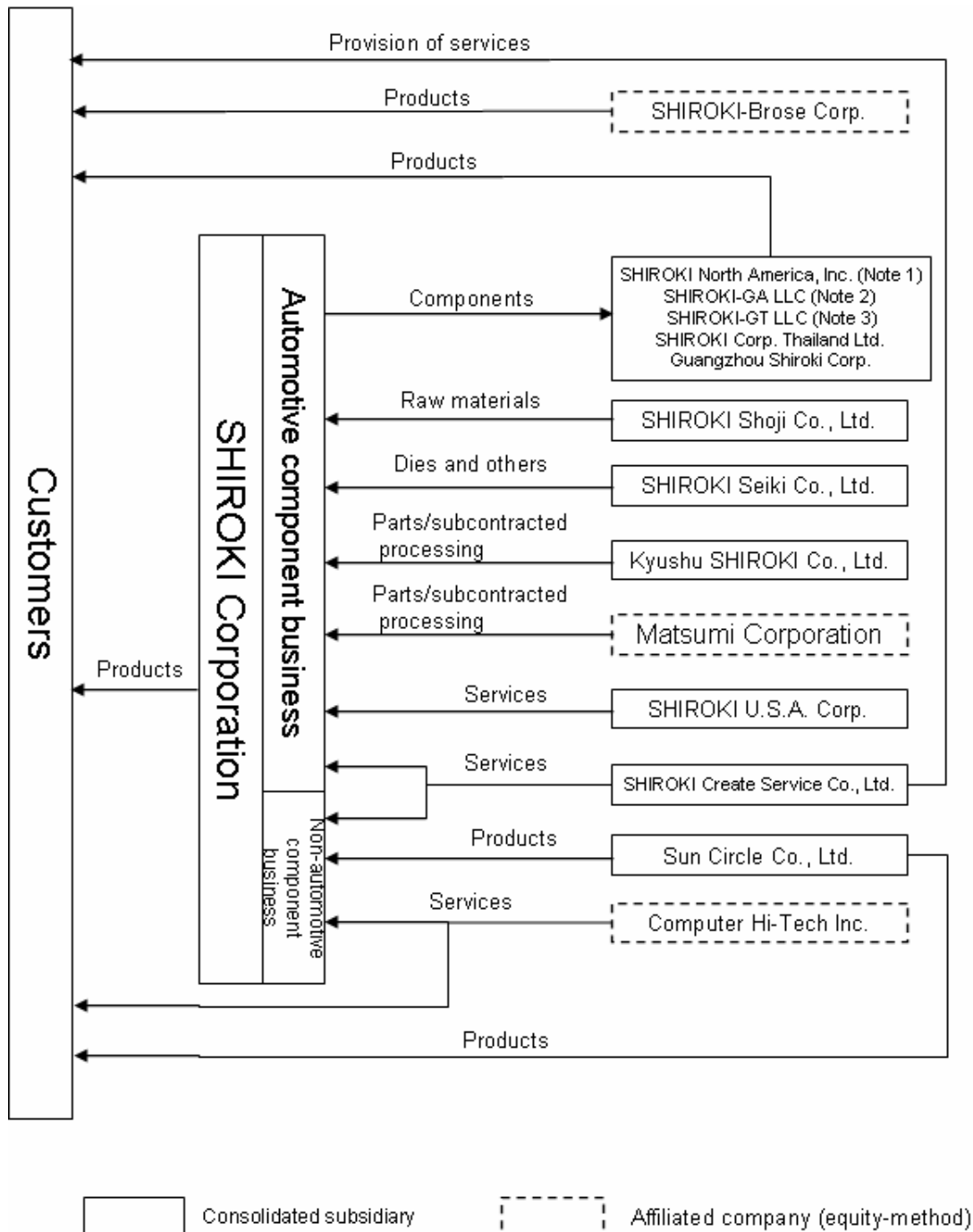
Shareholder value is one of the highest priorities of SHIROKI. The fundamental policy is to return a suitable amount of earnings to shareholders by paying a dividend based on operating results. In addition, the company allocates earnings in manner that reflects the need for retained earnings in order to build a stronger financial position and a more powerful base of operations.

Retained earnings are used to upgrade the company's operations and become more competitive. The company uses retained earnings to fund business activities with a long-term perspective, for investments to develop technologies and make operations more efficient, and for the repayment of loans.

## 2. Corporate Group

The SHIROKI Group is made up of SHIROKI Corporation, 11 subsidiaries and three affiliated companies. The core business is the manufacture and sale of automotive components. Other activities include the manufacture and sale of seats for railroad cars, nursing care beds and other non-automotive products. The group is also engaged in various services associated with these manufacturing and sales activities.

The following diagram shows the relationships among group companies.



Notes:

1. Changed name from SW Manufacturing Co., Ltd. on January 1, 2007.
2. Changed name from SWM Georgia LLC on January 1, 2007.
3. Changed name from SWM-GT LLC on January 1, 2007.

### 3. Management Policies

#### (1) Fundamental Management Policy

SHIROKI's operations are guided by the commitment to be a source of "reliable quality and outstanding technologies." The management philosophy is to fulfill the mission of "contributing to society by creating highly appealing products." Through this stance, the company is dedicated to offering benefits for shareholders, customers, employees, communities and the world.

In addition, SHIROKI ensures that its business activities are transparent and fair, using a system of "risk management based on compliance management" in order to earn the trust of customers and all other members of society.

#### (2) Medium- and Long-term Strategies

The SHIROKI Group has established a medium-term management plan that ends in 2010 and is currently working on achieving the goals of this plan.

The fundamental policy is to channel resources to the automotive component business with the aim of executing the core strategy of establishing a global supply network. In addition, the group is building a more powerful profit structure centered on the development of products that have more added value and on *monozukuri* (manufacturing) innovation that permits making these products more efficiently.

#### (3) Important Issues

In Japan, automakers are introducing many new models and conducting aggressive sales activities in order to increase new car sales. However, the high price of gasoline, diversifying consumer preferences and other trends make it difficult to achieve a significant recovery in new car sales. Nevertheless, automobile production in Japan remains strong because of the high volume of exports. From a medium-term perspective, though, Japanese automakers are expected to increase overseas production while lowering production in Japan.

In response to these developments, the SHIROKI Group is moving aggressively to realign its profit structure with the aim of preparing for the next decade of the group's development. The group is reexamining its product lineup. The goal is to strengthen new product development activities in order to introduce products other than mechanical components, the group's traditional core business. Activities target value-added components that use electronic components as well as mechatronic (combining mechanical and electronic parts) components and system components. The group will also reexamine manufacturing operations in Japan from a global standpoint. To establish a streamlined manufacturing framework with outstanding efficiency, products will be examined to determine the ones best suited for production in Japan or overseas. In addition, manufacturing bases will be realigned.

The fiscal year ending in March 2008 represents a crucial period when the SHIROKI Group will embark on a new growth strategy that looks ahead to the group's 70<sup>th</sup> anniversary year. As a global supplier of quality products, the group is determined to use a new approach to competing and winning worldwide in order to succeed during the "new 10 years" that are just now beginning.

#### 4. Consolidated Financial Statements

##### (1) Balance sheets

(million yen)

Account	Note	FY 2006 (As of March 31, 2006)		FY 2007 (As of March 31, 2007)		YoY Change
		Amount	Weight (%)	Amount	Weight (%)	Amount
<b>(ASSETS)</b>						
<b>I. Current assets</b>						
1. Cash and deposits		6,013		6,428		
2. Notes and accounts receivable - trade		22,381		24,670		
3. Inventory		3,890		3,560		
4. Pre-paid expenses		156		159		
5. Deferred tax assets		691		678		
6. Accounts receivable – other		1,720		1,717		
7. Others		1,098		961		
8. Allowance for doubtful accounts		(6)		(7)		
Total current assets		35,946	43.4	38,168	44.5	2,222
<b>II. Fixed assets</b>						
(1) Property, plant and equipment						
1. Buildings and structures		17,807		17,861		
Accumulated depreciation		(10,520)	7,286	(10,902)	6,959	
2. Machinery and transportation equipment		66,700		66,393		
Accumulated depreciation		(46,529)	20,171	(46,682)	19,710	
3. Tools, furniture and fixtures		47,900		47,032		
Accumulated depreciation		(42,934)	4,965	(42,035)	4,996	
4. Land			3,153		3,111	
5. Construction in progress			2,311		4,144	
Total property, plant and equipment			37,888		38,921	45.4
(2) Intangible assets						
1. Software			998		859	
2. Others			34		28	
Total intangible assets			1,033		888	1.0
(3) Investments and other assets						
1. Investment securities			1,518		1,617	
2. Long-term loans receivable			510		640	
3. .Deferred tax assets – non current			5,424		5,313	
4. .Others			743		585	
5. Allowance for doubtful accounts			(216)		(362)	
Total investments and other assets			7,980		7,795	9.1
Total fixed assets			46,902		47,604	55.5
Total assets			82,849		85,773	100.0
						2,924

Account	Note	FY 2006 (As of March 31, 2006)		FY 2007 (As of March 31, 2007)		YoY Change
		Amount	Weight (%)	Amount	Weight (%)	Amount
<b>(LIABILITIES)</b>						
<b>I. Current liabilities</b>						
1. Notes and accounts payable - trade		22,030		22,289		
2. Short-term borrowings		6,666		3,308		
3. Current portion of long-term debt		14,181		78		
4. Accounts payable - other		437		1,132		
5. Accrued consumption and other taxes		189		209		
6. Accrued income and other taxes		543		730		
7. Accrued expenses		2,059		2,160		
8. Allowance for employees' bonuses		1,209		1,229		
9. Allowance for directors' bonuses				61		
10. Notes payable – machinery and equip.		10		12		
11. Accounts payable – (Machinery and equipment		1,771		2,166		
12. Deferred tax liabilities - current		59				
13 Others		488		485		
Total current liabilities		49,647	59.9	33,863	39.5	(15,784)
<b>II. Long-term liabilities</b>						
1. Long-term debt		623		17,920		
2. Allowance for employees' retirement benefits		6,303		6,278		
3. Allowance for directors' retirement benefits		195		174		
4. Deferred tax liabilities – non-current		38		50		
5. Long-term accounts payable - other		1,351		1,063		
6. Others		5		5		
Total long-term liabilities		8,517	10.3	25,493	29.7	16,976
Total liabilities		58,164	70.2	59,356	69.2	1,191
<b>(MINORITY INTERESTS)</b>						
Minority interests		48	0.1			
<b>(SHAREHOLDERS' EQUITY)</b>						
<b>I. Common stock</b>		7,460				
<b>II. Capital surplus</b>		9,699				
<b>III. Retained earnings</b>		7,255				
<b>IV. Unrealized (loss) gain on available-for-sale securities</b>		390				
<b>V. Foreign currency translation adjustments</b>		(116)				
<b>VI. Treasury stock</b>	*6	(52)				
Total shareholders' equity		24,636	29.7			
<b>Total liabilities, minority interests and shareholders' equity</b>		82,849	100.0			

Account	Note	FY 2006 (As of March 31, 2006)		FY 2007 (As of March 31, 2007)		YoY Change
		Amount	Weight (%)	Amount	Weight (%)	Amount
<b>Net Assets</b>						
I. Shareholders' equity						
1. Common stock				7,460	8.7	
2. Capital surplus				9,699	11.3	
3. Retained earnings				8,609	10.1	
4. Treasury stock				(63)	(0.1)	
Total shareholders' equity				25,704	30.0	
II. Valuation and translation adjustments						
1. Valuation differences on available-for sales securities				452	0.5	
2. Translation adjustments				189	0.2	
Total valuation and translation adjustments				642	0.7	
III. Minority interests				69	0.1	
Total net assets				26,416	30.8	
Total liabilities and net assets				85,773	100.0	

## (2) Statements of income

(million yen)

Account	Note	FY 2006 (For the year ended March 31, 2006)		FY 2007 (For the year ended March 31, 2007)		YoY Change		
		Amount	Weight (%)	Amount	Weight (%)	Amount		
<b>I. Net sales</b>			123,003	100.0		133,509	100.0	10,506
<b>II. Cost of sales</b>			110,234	89.6		119,090	89.2	8,856
Gross profit			12,769	10.4		14,418	10.8	1,649
<b>III. Selling, general and administrative expenses</b>			10,749	8.8		11,236	8.4	487
Operating income			2,019	1.6		3,182	2.4	1,162
<b>IV. Non-operating income</b>								
1. Interest income			29			88		
2. Dividend income			11			16		
3. Foreign exchange gains			816			183		
4. Gain on sale of machinery and equipment			212			254		
5. Consigned component development fees			110			32		
6. Others			127			164		
			1,308	1.1		739	0.5	(569)
<b>V. Non-operating expenses</b>								
1. Interest expenses			225			435		
2. Equity in earning/loss non-consolidated sub.			77			146		
3. Others			41	0.3		150	0.5	388
Ordinary income			2,984	2.4		3,189	2.4	205
<b>VI. Extraordinary income</b>								
1. Plant location subsidy			14			6		
2. Reversal of allowance for doubtful accounts			0			39		
3. Reversal of product warrantee reserve						71		
4. Others			14	0.0		6	0.0	94
<b>VII. Extraordinary losses</b>								
1. Impairment loss			704			183		
2. Loss on liquidation of subsidiary			183					
3. Loss on disposal of inventory			169					
4. Loss on disposal of fixed assets			127			380		
5. Loss on sale of fixed assets						141		
6. Loss on inventory write down			114					
7. Retirement benefit expenses			15					
8. Loss on golf membership write-down			1					
9. Others			221	1.2		27	0.5	(804)
Income before income taxes and minority interests			1,476	1.2		2,580	1.9	1,104
Income, Inhabitants and enterprise taxes			727			924		
Income tax adjustment			(421)	0.2		34	0.7	654
Minority interest in income/loss of consolidated subsidiaries			(50)	(0.0)		8	0.0	(59)
<b>Net income</b>			1,221	1.0		1,612	1.2	391

## (3) Statement of changes in consolidated retained earnings and shareholders' equity

## Statement of consolidated retained earnings

(million yen)

Account	Note	FY 2006 (For the year ended March 31, 2006)	
		Amount	
<b>(Capital surplus)</b>			
<b>I. Capital surplus, beginning of period</b>			9,699
<b>II. Capital surplus, end of period</b>			9,699
<b>(Retained earnings)</b>			
<b>I. Retained earnings, beginning of period</b>			6,541
<b>II. Increase in retained earnings</b>			
1. Net income		1,221	1,221
<b>III. Decrease in retained earnings</b>			
1. Cash dividends		444	
2. Bonuses to directors (of which bonus for auditors)		63 (6)	507
<b>IV. Retained earnings, end of period</b>			7,255

**Statement of Changes in Consolidated Shareholders' Equity**

Fiscal year ended March 2007 (April 1, 2006 – March 31, 2007)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2006 (Million yen)	7,460	9,699	7,255	(52)	24,361
Changes during the period					
Dividends paid (Appropriation of retained earnings)			(221)		(221)
Bonus to directors and corporate auditors			(36)		(36)
Net income			1,612		1,612
Acquisition of treasury stock				(11)	(11)
Changes in items other than shareholders' equity, net					
Aggregate change in period (million yen)			1,354	(11)	1,343
Balance as of Mar. 31, 2007 (million yen)	7,460	9,699	8,609	(63)	25,704

	Valuation and translation adjustments			Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign exchange translation adjustments	Total valuation and translation adjustments		
Balance as of March 31, 2006 (million yen)	390	(116)	274	48	24,684
Changes during the period					
Dividends paid (Appropriation of retained earnings)					(221)
Bonus to directors					(36)
Net income					1,612
Acquisition of treasury stock					(11)
Changes in items other than shareholders equity, net	62	305	367	21	389
Aggregate change in period (million yen)	62	305	367	21	1,732
Balance as of March 31, 2007 (million yen)	452	189	642	69	26,416

## (4) Statements of cash flows

(million yen)

		FY 2006 (For the year ended March 31, 2006)	FY 2007 (For the year ended March 31, 2007)	YoY change
Account	Note	Amount	Amount	
<b>I. Cash flows from operating activities</b>				
1. Income before income taxes		1,476	2,580	1,104
2. Depreciation		5,576	5,640	64
3. Impairment loss		704	183	(521)
4. Loss on liquidation of subsidiary		183		(183)
5. Loss on inventory write-down		114	0	(114)
6. Loss on removal of inventory		169	0	(169)
7. Loss on removal of fixed assets		127	380	252
8. Increase (decrease) in allowance for employees' retirement benefits		417	(25)	(442)
9. Increase (decrease) in allowance for doubtful accounts		133	147	13
10. Increase (decrease) in allowance employees' bonuses		(25)	20	45
11. Increase (decrease) in allowance for directors' bonuses			61	61
12. Increase (decrease) in allowance for directors' retirement benefits		(6)	(20)	(13)
13. Interest and dividends received		(41)	(104)	(63)
14. Interest paid		225	435	209
15. Equity in earnings of non-consolidated subsidiaries		77	146	69
16. Foreign exchange gains		(816)	(183)	633
17. Loss on sale of fixed assets		5	141	136
18. Increase (decrease) in accounts receivable - trade		(2,293)	(2,190)	102
19. Increase (decrease) in inventory		345	363	18
20. Increase (decrease) in accounts payable - trade		2,212	173	(2,039)
21. Increase (decrease) in accounts payable - Other		168	693	525
22. Increase (decrease) in long-term accounts payable		119	(292)	(411)
23. Payment of directors' bonuses		(63)	(36)	26
24. Others		(279)	837	1,117
Sub-total		8,532	8,950	418
25. Interest and dividends received		38	101	63
26. Interest paid		(210)	(406)	(196)
27. Income taxes paid		(952)	(738)	213
Net cash provided by operating activities		7,407	7,906	499

(million yen)

		FY 2006 (For the year ended March 31, 2006)	FY 2007 (For the year ended March 31, 2007)	YoY change
Account	Note	Amount	Amount	Amount
<b>II. Cash flows from investing activities</b>				
1. Payment for fixed deposits		(77)	(202)	(125)
2. Proceeds from withdrawal of fixed deposits		135	189	54
3. Payment for acquisition of fixed assets		(8,423)	(7,153)	1,269
4. Proceeds from sale of fixed assets		521	45	(476)
5. Increase (decrease) in short-term loans receivable		310	0	(310)
6. Payment for long-term loans receivable		(353)	(164)	189
7. Proceeds from collection of long-term debt		23	35	11
Net cash provided by (used in) investing activities		(7,862)	(7,249)	612
<b>III. Cash flows from financing activities</b>				
1. Increase (decrease) in short-term bank loans		2,169	(3,331)	(5,500)
2. Proceeds from long-term bank loans			17,363	17,363
3. Repayment of long-term bank loans		(230)	(14,179)	(13,949)
4. Cash dividends		(444)	(223)	220
5. Others		(13)	(10)	3
Net cash provided by (used in) financing activities		1,480	(382)	(1,862)
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>				
		197	126	(71)
<b>V. Increase (decrease) in cash and cash equivalents</b>				
		1,223	401	(822)
<b>VI. Cash and cash equivalents, beginning of period</b>				
		4,712	5,936	1,223
<b>VII. Cash and cash equivalents, end of period</b>				
		5,936	6,338	401

## (5) Consolidated sales breakdown

	FY 2006 (For the year ended March 31, 2006)		FY 2007 (For the year ended March 31, 2007)		YoY Change (million yen)
	Amount (million yen)	Vs. total (%)	Amount (million yen)	Vs. total (%)	
Breakdown by product					
Seat recliner, seat adjuster	44,357	36.1	51,214	38.4	6,857
Wind regulator	35,386	28.8	38,871	29.1	3,485
Door sashes	21,521	17.5	22,411	16.8	889
Locks and hinges	7,803	6.3	7,971	6.0	168
Moldings	6,319	5.1	6,296	4.7	(22)
Others	7,614	6.2	6,743	5.0	(870)
Total	123,003	100.0	133,509	100	10,506
Breakdown by customer					
TOYOTA MOTOR CORP.	47,298	38.5	51,175	38.3	3,877
TOYOTA BOSHOKU CORP	19,610	15.9	25,742	19.3	6,131
DAIHATSU MOTOR CO., LTD.	5,625	4.6	6,162	4.6	536
Toyota Auto Body Co., Ltd.	4,605	3.7	4,137	3.1	(468)
Fuji Seat Co., Ltd.	1,575	1.3	1,855	1.4	279
AISIN SEIKI CO., LTD.	985	0.8	917	0.7	(68)
HINO MOTORS LTD.	1,134	0.9	799	0.6	(334)
TOYOTA TSUSHO CORP.	392	0.3	297	0.2	(95)
Others	1,292	1.1	673	0.5	(619)
Total Toyota Group	82,521	67.1	91,762	68.7	9,240
SUZUKI MOTOR CORP.	10,771	8.8	10,649	8.0	(121)
NHK Spring Co., Ltd.	7,186	5.8	7,348	5.5	161
NISSAN MOTOR CO., LTD.	7,340	6.0	7,026	5.2	(313)
MITSUBISHI MOTORS CORP.	4,428	3.6	4,219	3.2	(208)
Johnson CAS	1,735	1.4	1,784	1.3	48
Nanba Press Works Co., Ltd.	713	0.6	1,621	1.2	908
Toyo Seat Co., Ltd.	114	0.1	1,246	0.9	1,131
Others	8,190	6.6	7,849	6.0	(341)
Total	123,003	100.0	133,509	100.0	10,506

## Notes:

1. Foreign currency-denominated sales are converted into yen by using average exchange rates for each fiscal year.
2. Includes the following overseas subsidiaries of Toyota Motor Corp.: New United Motor Manufacturing, Inc.; Toyota Motor Manufacturing, Indiana, Inc.; Toyota Motor Manufacturing, Kentucky, Inc.; Toyota Motor Manufacturing Canada Inc.; Toyota Motor Thailand Co., Ltd.; Tianjin Toyota Motor Co., Ltd.; and Guangzhou Toyota Motor Co., Ltd.
3. Includes the following overseas subsidiaries of Toyota Boshoku Corporation: Total Interior Systems-America, LLC; TRIM MASTERS, INC.; ARST (Thailand) Co., Ltd.; and Feng'ai (Guangzhou) Automotive Seat Parts Co., Ltd.
4. Includes NHK Spring Co., Ltd. overseas subsidiary NHK of America Suspension Components Inc.
5. Includes the following overseas subsidiaries of Mitsubishi Motors Corp.: Mitsubishi Motors North America, Inc.; MMC Sittipol Co., Ltd.; and Mitsubishi Motors Thailand Company Limited.
6. Includes the following overseas subsidiaries of Nissan Motor Co., Ltd.: Dongfeng Nissan Motor Co., Ltd.; Siam Nissan Automobile Co., Ltd.; and Nissan North America, Inc.

### **The basis of presenting the consolidated financial statements**

The basis of presenting the consolidated financial statements is not presented since there is no material change from the most recent annual securities report (filed on June 28, 2006).

### **Change in the basis of presenting the consolidated financial statements**

Accounting standards for presentation of net assets in the balance sheet

Effective from the current consolidated fiscal year, the Company adopted the new accounting standards for presentation of net assets in the balance sheet ("Accounting Standards for Presentation of Net Assets in the Balance Sheet" (ASBJ Statement No. 5, December 9, 2005)) and Accounting Standard Implementation Guidance No. 8: "Implementation Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet" (ASBJ, December 9, 2005)).

The amount equivalent to the Shareholders' Equity section under the previous Regulations of Financial Statements is ¥26,347 million.

Effective from the current consolidated fiscal year, the net assets section in the balance sheet is presented in accordance with the revised Regulations of Financial Statements.

Accounting standards for presentation of directors' bonuses

Effective from the current consolidated fiscal year, the Company adopted the new accounting standards for presentation of directors' bonuses ("Accounting Standards for Directors' Bonuses (ASBJ Statement No. 4, November 29, 2003))

The effect of adopting the Accounting Standards for Presentation of Directors' Bonuses was to decrease operating income, ordinary income and income before income taxes by 61 million yen each, compared to the amounts that would have been reported if the previous standards had been applied constantly.

Accounting standards for business combinations

Effective from the current fiscal year, the Company adopted the new accounting standards for business combinations (Accounting Standards for Business Combinations (ASBJ (October 31, 2003), "Accounting Standards for Business Divestures (Statement No. 7, December 27, 2005) and Implementation Guidance On Accounting Standard for Business Combinations and Accounting Standard for Business Divestures (ASBJ Implementation Guidance No. 10 (final revision December 22, 2006)). The adoption of the new accounting standards has no effect on the consolidated financial statements.

## Notes to consolidated financial statements

### Notes consolidated balance sheets

#### Contingent liabilities

Guarantees for bank loans taken out by subsidiaries, etc,	
MATSUMI CORPORATION	133 million yen

### Notes to consolidated statements of income

#### Impairment loss

In the current fiscal year, the Shiroki Group has booked impairment losses for the following asset groups

Location	Application	Type
SHIROKI CORPORATION (Toyohashi City, Aichi Prefecture)	Idle machinery and equipment	Machinery and equipment
SHIROKI CORPORATION (Susono City, Shizuoka Prefecture)	Idle land	Land
SHIROKI CREATE SERVICE CO., LTD. (Hamamatsu City, Shizuoka Prefecture)	Recreational facilities	Land and buildings

Breakdown of impairment loss (183 million yen)

Land: 78 million yen

Buildings and structures: 4 million yen

Machinery and transportation equipment: 98 million yen

Tools, furniture and fixtures: 2 million yen

### Statement of changes in consolidated shareholders' equity

Current fiscal year (April 1, 2006 – March 31, 2007)

#### 1. Type and number of shares issued and type and number of treasury stock

	Number of shares at the end of the previous fiscal year	Increase during the current fiscal year	Decrease during the current fiscal year	Number of shares at the end of the current fiscal year
Shares issued and outstanding				
Common shares	89,003			89,003
Total	89,003			89,003
Treasury stock				
Common shares	247	32		279
Total	247	32		279

#### 2. Dividends

##### (1) Cash dividends

Resolution	Type of shares	Aggregate amount of dividends (million yen)	Dividend per share (yen)	Record date	Effective date
Regular general meeting of shareholders (June 28, 2006)	Common shares	221	2.5	March 31, 2006	June 28, 2006

(2) Of the dividends for which the record date is in the fiscal year under review, dividends for which the effective date falls after the end of the fiscal year under review:

Resolution	Type of shares	Aggregate amount of dividend (million yen)	Source of funds	Dividend per share (yen)	Record date	Effective date
Regular general meeting of shareholders (June 29, 2006)	Common shares	355	Retained earnings	4.0	March 31, 2007	June 29, 2007

## Segment information

(a).Geographical segment information

Previous fiscal year (April 1, 2005 – March 31, 2006)

(million yen)

	Japan	U. S. A.	Asia	Total	Eliminations or Corporate	Consolidated
I. Sales and operating income (loss)						
Net sales						
(1) (of which to outside customers)	94,836	25,399	2,767	123,003		123,003
(2) (of which inter-segment and transfers)	2,953	123	55	3,131	(3,131)	
Total	97,789	25,522	2,822	126,134	(3,131)	123,003
Operating expenses	95,794	25,664	2,978	124,437	(3,453)	120,983
Operating income (loss)	1,995	(141)	(156)	1,697	322	2,019
II. Assets	78,038	13,821	4,163	96,023	(13,174)	82,849

Notes:

1. Countries and regions are classified according to geographical proximity.
2. Major countries and regions included in Asia: Thailand, Vietnam, China

Current fiscal year (April 1, 2006 – March 31, 2007)

(million yen)

	Japan	U. S. A.	Asia	Total	Eliminations or Corporate	Consolidated
I. Sales and operating income (loss)						
Net sales						
(1) (of which to outside customers)	100,934	27,003	5,571	133,509		133,509
(2) (of which inter-segment and transfers)	2,959	63	33	3,057	(3,057)	
Total	103,894	27,067	5,604	136,566	(3,057)	133,509
Operating expenses	101,518	27,063	5,196	133,778	(3,451)	130,326
Operating income	2,376	3	408	2,788	394	3,182
II. Assets	80,939	14,431	5,275	100,646	(14,872)	85,773

Notes:

1. Countries and regions are classified according to geographical proximity.
2. Major countries and regions included in Asia: Thailand, China
3. Changes in accounting policies

As noted in 4 (3) (c) Change in the Basis of Presenting the Consolidated financial Statements, Effective from the current consolidated fiscal year, the Company adopted the new accounting standards for presentation of directors' bonuses ("Accounting Standards for Directors' Bonuses (ASBJ Statement No. 4, November 29, 2003))

The effect of adopting the Accounting Standards for Presentation of Directors' Bonuses was to increase operating expenses for the Japan segment by 61 million yen and decrease operating income for the Japan segment by an equivalent amount, compared to the amounts that would have been reported if the previous standards had been applied constantly.

(b). Overseas sales

Previous fiscal year (April 1, 2005 – March 31, 2006)

(million yen)

	North America	Asia	Other regions	Total
I. Overseas sales	25,304	3,549	166	29,020
II. Consolidated sales				123,003
III. Share of overseas sales in total consolidated sales (%)	20.6	2.8	0.1	23.6

Notes: 1. Method of categorizing countries and regions and major countries included in each category

(1) Countries and regions are classified according to geographical proximity.

(2) Countries and regions outside Japan are broken down into the following geographical areas:

North America: United States, Canada

Asia: Thailand, China, Vietnam, S. Korea, Malaysia, India, Taiwan

Other regions: Brazil, South Africa, Germany

3. Overseas sales refer to sales posted by the Company and its consolidated subsidiaries in countries and regions outside Japan.

Current fiscal year (April 1, 2006 – March 31, 2007)

(million yen)

	North America	Asia	Other regions	Total
1. Overseas sales	27,005	6,027	205	33,238
2. Consolidated sales				133,509
3. Share of overseas sales in total consolidated sales (%)	20.2	4.5	0.2	24.9

Notes: 1. Method of categorizing countries and regions and major countries included in each category

(1) Countries and regions are classified according to geographical proximity.

(2) Countries and regions outside Japan are broken down into the following geographical areas:

North America: United States, Canada

Asia: Thailand, China, Vietnam, S. Korea, Malaysia, India, Taiwan

Other regions: Brazil, South Africa

2. Overseas sales refer to sales posted by the Company and its consolidated subsidiaries in countries and regions outside Japan.

**Per-share information**

(Yen)

FY 2006 (For the year ended March 31, 2006)	FY 2007 (For the year ended March 31, 2007)
Net assets per share  277.15	Net assets per share  296.96
Net income per share (basic)  13.34	Net income per share (basic)  18.17
Diluted net income per share is not presented since the company has no potential stock.	Diluted net income per share is not presented since the company has no potential stock.

Note: The following is a reconciliation of net income per share (basic).

	FY 2006 (For the year ended March 31, 2006)	FY 2007 (For the year ended March 31, 2007)
Net income (million yen)	1,221	1,612
Net income not available to common shareholders (million yen)	37	
[of which bonuses to directors and corporate auditors through appropriation of net income] (million yen)	(37)	( )
Net income available to common shareholders (million yen)	1,184	1,612
Weighted average number of shares outstanding	88,778	88,740

**Subsequent events**

Information on lease transactions, related-party transactions, tax-effect accounting, marketable securities, derivatives transactions, and retirement benefits is not presented since the information is not significant in the context of the Summary of Consolidated Financial Results

## 5. Non-consolidated Financial Statements

### (1) Balance sheets

(Million yen)

Account	Note	FY 2006 (As of March 31, 2006)		FY 2007 (As of March 31, 2007)		YoY Change
		Amount	Weight (%)	Amount	Weight (%)	Amount
<b>(ASSETS)</b>						
<b>I. Current assets</b>						
1. Cash and deposits		3,416		2,719		
2. Notes receivable-trade		1,011		2,089		
3. Accounts receivable-trade		17,451		19,312		
4. Products		759		557		
5. Raw materials		748		781		
6. Work in process		573		490		
7. Supplies		3		13		
8. Pre-paid expenses		83		104		
9. Deferred tax assets -current		627		609		
10. Accounts receivable-other		2,966		2,714		
11. Short-term loans to affiliates		1,868		1,964		
12. Others		19		12		
Total current assets		29,530	39.4	31,368	40.6	1,837
<b>II. Non-current assets</b>						
<b>1 Property, plant and equipment</b>						
1. Buildings		12,086		12,423		
Accumulated depreciation		(8,315)	3,770	(8,583)	3,839	
2. Structures		2,021		1,949		
Accumulated depreciation		(1,423)	597	(1,383)	566	
3. Machinery and equipment		57,163		55,643		
Accumulated depreciation		(42,541)	14,622	(42,037)	13,605	
4. Vehicles and transportation equipment		130		125		
Accumulated depreciation		(122)	8	(113)	11	
5. Tools, furniture and fixtures		47,172		45,377		
Accumulated depreciation		(42,429)	4,743	(41,288)	4,089	
6. Land		2,547		2,472		
7. Construction in progress		956		2,824		
Total property, plant and equipment		27,247	36.3	27,409	35.5	162
<b>2. Intangible assets</b>						
1. Software		957		830		
2. Others		25		19		
Total intangible assets		983	1.3	849	1.1	(133)
<b>(3) Investments and other assets</b>						
(1) Investment securities		677		679		
(2) Affiliate company stock		5,301		6,522		
(3) Contribution to capital (affiliates)		1,126		1,324		
(4) Long-term loans to employees		162		135		
(5) Long-term loans to affiliates		6,871		6,182		
(6) Long-term pre-paid expenses		2		1		
(7) Deferred tax assets – non-current		4,878		4,806		
(8) Others		501		467		
(9) Allowance for loss on investments		(2,089)		(2,141)		
(10) Allowance for doubtful accounts		(184)		(352)		
Total investments and other assets		17,245	23.0	17,625	22.8	379
Total non-current assets		45,476	60.6	45,885	59.4	408
Total assets		75,007	100.0	77,253	100.0	2,246

		FY 2006 (As of March 31, 2006)	FY 2007 (As of March 31, 2007)	YoY Change
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Account	Note	Amount	Weight (%)	Amount	Weight (%)	Amount
<b>(LIABILITIES)</b>						
<b>I. Current liabilities</b>						
1. Notes payable - trade		22		9		
2. Accounts payable - trade		18,375		18,617		
3. Short-term borrowings		5,004		2,000		
4. Current portion of long-term debt		14,000				
5. Account payable - Other		378		396		
6. Accrued consumption and other taxes		152		179		
7. Accrued expenses		1,251		1,257		
8. Accrued income and other taxes.		527		682		
9. Deposits		62		105		
10. Allowance for employees' bonuses		1,091		1,114		
11. Allowance for directors' bonuses				51		
12. Notes payable – machinery and equip.		10		12		
13. Accounts payable – Machinery and equipment		1,957		2,421		
14. Others		0		682		
Total current liabilities		42,834	57.1	27,531	35.6	(15,303)
<b>II. Long-term liabilities</b>						
1. Long-term debt				17,000		
2. Allowance for employees' retirement benefits		6,218		6,184		
3. Allowance for directors' retirement benefits		189		167		
4. Others		655		435		
Total long-term liabilities		7,063	9.4	23,786	30.8	16,723
Total liabilities		49,898	66.5	51,317	66.4	1,419
<b>(SHAREHOLDERS' EQUITY)</b>						
<b>I. Common stock</b>						
<b>II. Capital surplus</b>						
1. Capital legal reserve		9,699				
Total capital surplus		9,699	12.9			
<b>III. Retained earnings</b>						
1. Earned legal reserve				1,327		
2. Voluntary reserve						
(1) Reserve for deferred income tax		55				
(2) Special reserve		5,055		5,111		
3. Unappropriated retained earnings at end of period				1,259		
Total retained earnings				7,698	10.3	
<b>IV. Unrealized (loss) gain on available-for-sale securities</b>				303	0.4	
<b>V. Treasury stock</b>				(52)	(0.1)	
Total shareholders' equity				25,109	33.5	
Total liabilities and shareholders' equity				75,007	100.0	

Account	FY 2006 (As of March 31, 2006)		FY 2007 (As of March 31, 2007)		YoY Change
	Amount	Weight (%)	Amount	Weight (%)	Amount
<b>(Net Assets)</b>					
<b>I. Shareholders' equity</b>					
1. Common shares			7,460	9.7	
2. Capital surplus					
(1) Capital legal reserve			9,699		
Total capital surplus			9,699	12.5	
3. Retained earnings					
(1) Earned legal reserve			1,327		
(2) Other earned surplus					
Reserve for deferred income tax			46		
Special reserve			5,055		
Retained earnings carried forward			2,052		
Total retained earnings			8,482	11.0	
4. Treasury stock			(62)	(0.1)	
Total shareholders' equity			25,578	33.1	
<b>II. Valuation and translation adjustments</b>					
Valuation differences on available-for sales securities			357	0.5	
Total valuation and translation adjustments			357	0.5	
Total net assets			25,935	33.6	
Total liabilities and net assets			77,253	100.0	

## (2) Statements of income

(million yen)

Account	FY 2006 (For the year ended March 31, 2006)		FY 2007 (For the year ended March 31, 2007)		YoY Change		
	Amount	Weight (%)	Amount	Weight (%)	Amount		
<b>I. Net sales</b>		95,050	100.0	100,928	100.0	5,878	
<b>II. Cost of sales</b>							
1. Product inventory, beginning of the period	955			759			
2. Cost of goods manufactured	84,099			89,075			
Total	85,064			89,835			
3. Transfers	22			9			
4. Product inventory, end of the period	759	84,272	88.7	557	89,267	88.4	4,995
Gross profit		10,777	11.3		11,661	11.6	883
<b>III. Selling, general and administrative expenses</b>							
1. Transportation and packaging	2,908			3,059			
2. Advertising and sales promotion	27			21			
3. Directors' compensation	240			243			
4. Provision of allowance for directors' bonus				51			
5. Salaries and wages	1,859			1,910			
6. Bonuses	428			446			
7. Provision of allowance for employees' bonuses	283			302			
8. Legal welfare expenses	360			367			
9. Welfare expenses	45			47			
10. Retirement benefit expenses	512			386			
11. Retirement allowance expense	10			5			
12. Provision of allowance for directors' retirement benefits	7						
13. Commutation expense subsidy	62			67			
14. Education and training expenses	21			29			
15. R&D expenses	286			274			
16. Travel and transportation expenses	154			157			
17. Communications expenses	66			56			
18. Utility charges	24			25			
19. Consumables	29			23			
20. Entertainment expenses	21			23			
21. Taxes	156			198			
22. Depreciation	347			420			
23. Rent	423			423			
24. Insurance premiums	54			49			
25. Repair and maintenance	181			219			
26. Donations	11			2			
27. Commissions	3			78			
28. Others	532	9,062	9.5	627	9,523	9.5	460
Operating income		1,714	1.8		2,137	2.1	422
<b>IV. Non-operating income</b>							
1. Interest income	217			323			
2. Dividend income	22			25			
3. Consigned component development fees	117			32			
4. Rent	45			32			
5. Royalties	365			449			
6. Gain on sale of fixed assets	119			50			
7. Foreign exchange gains	582			88			
8. Others	55	1,526	1.6	87	1,090	1.1	(435)

<b>V. Non-operating expenses</b>								
1. Interest expense		145				276		
2. Loss on sale of machinery and equipment		1						
3. Loan commissions						61		
4. Others		36	184	0.2	100	437	0.4	253
Ordinary income			3,056	3.2		2,790	2.8	(266)
<b>VI. Extraordinary income</b>								
1. Reversal of allowance for doubtful accounts		298				2		
2. Reversal of product warrantee reserve						71		
3. Prior-period adjustments		1						
4. Others		0	299	0.3	3	77	0.1	(222)
<b>VII. Extraordinary losses</b>								
1. Provision of allowance for loss on investments		2,089				52		
2. Impairment loss		498				176		
3. Loss on liquidation of subsidiary		241						
4. Loss on disposal of inventory		157				22		
5. Loss on inventory write down		113						
6. Loss on removal of fixed assets		88				379		
7. Loss on sale of fixed assets						141		
8. Provision of allowance for doubtful accounts						170		
9. Others		183	3,371	3.5	3	945	1.0	(2,425)
Income/loss before income taxes and minority interests			(14)	(0.0)		1,922	1.9	1,936
Income, Inhabitants and enterprise taxes		669				836		
Deferred taxes		(46)	623	0.7	54	890	0.9	267
<b>Net income/loss</b>			(637)	(0.7)		1,031	1.0	1,669
Retained earnings brought forward			2,119					
Interim cash dividends			222					
Unappropriated retained earnings			1,259					

(3) Statement of changes in retained earnings and shareholders' equity

**Statements of changes in retained earnings**

(million yen)

		FY2006 (Approved at shareholders' meeting) (June 28, 2006)	
Account	Note	Amount	
<b>I. Retained earnings at beginning of period</b>			1,259
<b>II. Reversal of special reserve</b>			
Reversal of reserve for deferred income tax		3	3
<b>Total</b>			1,263
<b>III. Appropriations</b>			
1. Cash dividends		221	
2. Directors' bonuses		22	
3. Auditors' bonuses		3	247
<b>IV. Retained earnings carried forward</b>			1,015

Note: 1. Reversal of reserve for deferred income tax is in accordance with the Special Taxation Measures Law.

Note 2: Date: The date of the Annual General Meeting of Shareholders

**Statement of Changes in Shareholders' Equity**

Fiscal year ended March 2007 (April 1, 2006 - March 31, 2007)

	Shareholders' equity									
	Common stock	Capital surplus		Earned legal reserve	Other retained earnings			Total retained earnings	Treasury stock	Total shareholders' equity
		Capital reserve	Total capital surplus		Deferred income tax reserve	Special reserve	Retained earnings brought forward			
Balance as of March, 31, 2006 (million yen)	7,460	9,699	9,699	1,327	55	5,055	1,259	7,698	(52)	24,805
Changes during the current period										
Reversal of deferred income tax reserve					(8)		8			
Dividends paid (Appropriation of retained earnings)							(221)	(221)		(221)
Bonus to directors							(25)	(25)		(25)
Net income							1,031	1,031		1,031
Acquisition of treasury stock									(10)	(10)
Changes in items other than shareholders' equity, net										
Aggregate change in period (million yen)					(8)		792	783	(10)	772
Balance as of Mar. 31, 2007 (million yen)	7,460	9,699	9,699	1,327	46	5,055	2,052	8,482	(62)	25,578

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance as of March 31, 2006 (million yen)	303	303	25,109
Changes during the current period			
Reversal of deferred income tax reserve			
Dividends (Appropriation of retained earnings)			(221)
Bonus to directors			(25)
Net income			1,031
Acquisition of treasury stock			(10)
Changes in items other than shareholders equity, net	53	53	53
Aggregate change in period (million yen)	53	53	826
Balance as of March 31, 2007 (million yen)	357	357	25,935

## (4) Non-consolidated sales breakdown

Million yen

	FY 2006 (For the year ended March 31, 2006)		FY 2007 (For the year ended March 31, 2007)		YoY Change (\mn)
	Amount (\mn)	Vs. total (%)	Amount (\mn)	Vs. total (%)	
Breakdown by product					
Seat recliners, seat adjusters	34,454	36.2	38,696	38.3	4,241
Wind regulators	23,391	24.6	25,794	25.6	2,402
Door sashes	20,139	21.2	19,732	19.5	(407)
Locks and hinges	7,786	8.2	7,626	7.6	(159)
Moldings	6,248	6.6	6,125	6.1	(123)
Others	3,028	3.2	2,954	2.9	(73)
Total	95,050	100.0	100,928	100.0	5,878
Breakdown by customer					
TOYOTA MOTOR CORP.	30,299	31.9	31,708	31.4	1,408
TOYOTA BOSHOKU CORP	11,753	12.4	16,618	16.5	4,865
DAIHATSU MOTOR CO., LTD.	5,625	5.9	6,162	6.1	536
Toyota Auto Body Co., Ltd.	4,605	4.8	4,137	4.1	(468)
Fuji Seat Co., Ltd.	1,575	1.7	1,855	1.8	279
AISIN SEIKI CO., LTD.	985	1.0	917	0.9	(68)
HINO MOTORS LTD.	1,134	1.2	799	0.8	(334)
TOYOTA TSUSHO CORP.	392	0.4	297	0.3	(95)
Kanto Auto Works Ltd.	286	0.3	196	0.2	(90)
Others	811	0.9	172	0.2	(639)
Total Toyota Group	57,471	60.5	62,866	62.3	5,394
SUZUKI MOTOR CORP.	10,771	11.3	10,649	10.6	(121)
NHK Spring Co., Ltd.	6,915	7.3	7,044	7.0	128
NISSAN MOTOR CO., LTD.	6,871	7.2	5,627	5.6	(1,244)
MITSUBISHI MOTORS CORP.	4,178	4.4	3,839	3.8	(339)
Shiroki North America, Inc.	2,271	2.4	2,119	2.1	(151)
Nanba Press Works Co., Ltd.	713	0.8	1,621	1.6	908
Johnson CAS	1,113	1.2	1,156	1.1	43
Tachi-S Co., Ltd.	150	0.1	673	0.7	522
NISSAN SHATAI CO., LTD.	686	0.7	574	0.6	(111)
Toyo Seat Co., Ltd.	114	0.1	349	0.3	235
Others	3,791	4.0	4,405	4.3	613
Total	95,050	100.0	100,928	100.0	5,878

May 14, 2007

SHIROKI CORPORATION

(Sector: Transportation Equipment; Listed exchanges: First Section, Tokyo Stock Exchange, First Section, Nagoya Stock Exchange; Stock code: 7243)

### SHIROKI ANNOUNCES DIRECTOR TRANSFERS

(Effective May 29, 2007)

#### 1. Changes in representative directors

New title	Former title	Executive
Representative Director and Senior Managing Director	Senior Managing Director	Yoshiro Hashima

#### 2. Changes in Executive Directors

New title	Former title	Executive
Director and Corporate Adviser	Representative Director and Chairman	Gunji Kiba

#### 3. Candidates for director positions

New title	Former title	Executive
Senior Managing Director	Special Advisor	Morio Sugiyama
Director	Senior Counselor	Tadashi Kawamoto
Director	Senior Counselor	Takeo Sakabe
Director	Representative Director and Vice President, TOKYU CORPORATION	Katsuhisa Suzuki

# Katsuhisa Suzuki is external director candidate

#### 4. Retiring directors

New title	Present title	Executive
Full-time Advisor	Representative Director and Vice President	Mitsuaki Nishikawa
Full-time Advisor	Director	Akira Owada
	Director	Kazuo Ochiai

### Personnel Transfers

(Effective May 21)

#### 1. Counselor (with Director rank) changes

New title	Former title	Executive
Counselor Representative Director and President, Kyushu Shiroki Co.,	Counselor Manager, Osaka Plant	Yoshiharu Fujio

#### Contact

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