

# For Immediately Release

## Consolidated Financial Statements ended March 31, 2007

### INNOTECH CORPORATION

Stock Listed: JASDAQ Securities Exchange  
 Code No.: 9880  
 URL: <http://www.innotech.co.jp>  
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 President and CEO: Makoto Sumita  
 U.S. Accounting Principle: Not adopted

### Highlights

#### (1) Consolidated Operating Results

Years ended March 31; Millions of yen	2007	change	2006	change
Net Sales	<b>57,959</b>	<b>28.6%</b>	45,053	24.1%
Operating Income	<b>3,267</b>	<b>56.1%</b>	2,093	39.7%
Recurring Profit	<b>3,071</b>	<b>53.0%</b>	2,006	42.2%
Net Income	<b>1,390</b>	<b>81.3%</b>	766	-15.9%
Net Income per Share( ¥ )	<b>60.37</b>	-	37.15	-
Net Income per Share, Diluted( ¥ )	<b>59.79</b>	-	35.77	-

#### (2) Consolidated Financial Position

Years ended March 31; Millions of yen	2007	2006
Total Assets	<b>41,435</b>	39,581
Shareholders' Equity	<b>22,429</b>	19,096
Shareholders' Equity Ratio (%)	<b>53.8%</b>	48.2%
Shareholders' Equity per Share ( ¥ )	<b>¥961.93</b>	¥897.40

Note (1) Changes in accounting method:

Directors' Bonuses is accounted as Sales Admin Expenses.  
 Stock Option is accounted as Sales Admin Expenses.

Note (2) Percentages shown for net sales, operating income, recurring profit and net income are the increase and decrease compared with the previous same term.

**Consolidated Balance Sheets**

Years ended March 31; Millions of yen

<b>ASSETS:</b>	<b>2007</b>	<b>2006</b>	<b>Change</b>	<b>%</b>
<b>Current Assets:</b>				
Cash and cash equivalents	2,660,288	3,305,273	644,985	80%
Notes and accounts receivable,trade	17,324,904	13,562,630	3,762,274	128%
Inventories	3,516,352	2,393,277	1,123,074	147%
Deferred tax assets	298,841	890,173	591,332	34%
Other	2,151,981	2,533,195	381,214	85%
Allowance for doubtful accounts	8,524	8,844	319	96%
	<u>25,943,842</u>	<u>22,675,707</u>	<u>3,268,135</u>	<u>114%</u>
<b>Fixed Assets:</b>				
<b>Property, Plant and Equipment:</b>				
Buildings and structures	5,334,712	5,569,088	234,376	96%
Land	5,702,397	5,717,727	15,329	100%
Other	378,561	578,157	199,595	65%
<b>Intangible Assets:</b>				
Consolidation adjustment account	976,563	1,154,928	178,365	85%
Other	275,908	393,216	117,308	70%
<b>Investments and Other Assets:</b>				
Investments in securities	1,865,864	2,252,153	386,289	83%
Other	1,179,471	1,393,758	214,286	85%
Allowance for doubtful accounts	221,666	153,437	68,229	144%
	<u>15,491,813</u>	<u>16,905,594</u>	<u>1,413,781</u>	<u>92%</u>
<b>Total assets</b>	<b>41,435,655</b>	<b>39,581,301</b>	<b>1,854,354</b>	<b>105%</b>
<b>LIABILITIES:</b>				
<b>Current Liabilities:</b>				
Notes and accounts payable,trade	4,258,456	3,180,153	1,078,302	134%
Short-term borrowings	7,401,733	6,257,216	1,144,517	118%
Other	2,543,233	1,957,232	586,001	130%
	<u>14,203,424</u>	<u>11,394,603</u>	<u>2,808,820</u>	<u>125%</u>
<b>Long-term Liabilities:</b>				
CB with warrant	-	1,900,000	1,900,000	0%
Long-term debt	4,429,400	6,698,420	2,269,020	66%
Allowance for retirement and severance benefits	211,173	222,870	11,696	95%
Other	161,955	166,499	4,543	97%
	<u>4,802,529</u>	<u>8,987,789</u>	<u>4,185,259</u>	<u>53%</u>
<b>Total liabilities</b>	<b>19,005,953</b>	<b>20,382,392</b>	<b>1,376,439</b>	<b>93%</b>
Minority interests in consolidated subsidiaries	113,085	102,406	10,678	110%
<b>SHAREHOLDERS' EQUITY:</b>				
<b>Total shareholders' equity</b>	<b>22,429,702</b>	<b>19,096,502</b>	<b>3,333,199</b>	<b>117%</b>
Total liabilities, minority interests and shareholders' equity	41,435,655	39,581,301	1,854,355	105%

**Consolidated Statements of Income**

Years ended March 31; Thousands of Yen	2007	2006	Change	%
<b>Net Sales</b>	57,959,903	45,053,407	12,906,495	129%
Cost of Goods Sold	49,640,106	38,080,840	11,559,266	130%
Gross Profit on Sales	8,319,796	6,972,567	1,347,229	119%
Selling, General and Administrative Expenses	5,052,140	4,878,959	173,181	104%
<b>Operating Profit</b>	3,267,656	2,093,608	1,174,048	156%
Total non-operating income	764,750	908,256	143,506	84%
Total non-operating expenses	961,399	994,929	33,530	97%
<b>Ordinary Profit</b>	3,071,007	2,006,935	1,064,072	153%
Total extraordinary gain	195,913	205,258	9,345	95%
Total extraordinary loss	802,380	943,275	140,894	85%
<b>Income before Income Taxes</b>	2,464,540	1,268,919	1,195,621	194%
Income taxes and Deferred income taxes	1,028,943	467,842	561,101	220%
Minority interest in income (losses) of consolidated subsidiaries	45,172	34,316	10,855	132%
<b>Net income</b>	1,390,424	766,759	623,664	181%