

Consolidated Statements of Income

Years Ended March 31, 2008 and 2007

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2008	2007	2008
OPERATING REVENUES	¥1,225,974	¥1,161,568	\$12,236,489
OPERATING COSTS AND EXPENSES:			
Operating costs	1,129,008	1,064,044	11,268,663
Selling, general and administrative expenses	28,786	30,363	287,316
Total operating costs and expenses	1,157,794	1,094,407	11,555,979
Operating income	68,180	67,161	680,510
OTHER (INCOME) EXPENSES:			
Interest and dividend income	(905)	(786)	(9,030)
Interest expense	307	259	3,066
Gain on sales of marketable and investment securities	(1,216)	(19)	(12,140)
Gain on sales of investments in subsidiaries	(1)	(608)	(8)
Loss on disposal of property, plant and equipment	399	919	3,980
Loss on impairment of long-lived assets (Note 5)		1,127	
Bond issuance costs	14	9	141
Other—net	1,986	(565)	19,827
Other expenses—net	584	336	5,836
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	67,596	66,825	674,674
INCOME TAXES (Note 9):			
Current	31,927	31,734	318,670
Deferred	(480)	736	(4,794)
Total income taxes	31,447	32,470	313,876
MINORITY INTERESTS IN NET EARNINGS OF CONSOLIDATED SUBSIDIARIES	796	542	7,942
NET INCOME	¥ 35,353	¥ 33,813	\$ 352,856
		Yen	U.S. Dollars
	2008	2007	2008
PER SHARE OF COMMON STOCK (Notes 2.s and 12):			
Basic net income	¥ 79.80	¥ 75.59	\$ 0.80
Diluted net income	78.12	74.00	0.78
Cash dividends applicable to the year	22.00	20.00	0.22

See notes to consolidated financial statements.