TOYO KANETSU K.K.

annual report 2009

Contents

Profile

Toyo Kanetsu K.K. (TKK) was established in the year of 1941. Since that time, TKK has continued to meet the requirements of the industry through our policy of “Customers First”.
TKK will continue to provide the advanced technology to answer the needs of our clients for today and tomorrow.

The Plant & Machinery Business was established in 1950 when in-house welding technology was developed for welded storage tanks. Since then, our expertise has expanded to provide customers various kinds of storage tanks consisting of more than 5,000 units varying from crude oil storage tanks to LNG storage tanks. Particularly, we are proud of our outstanding track record of LNG Storage Tank construction in Japan and in overseas sites in Asia, Africa, Middle East, Oceania and the Western Hemisphere. Our technical expertise and our outstanding record of Safety, Quality & Delivery have been recognized and appreciated by the major clients throughout the world.

The Material Handling Business was begun in 1953 for manufacture and installation of highly standardized conveyors systems. Since that time, the Division has continued to develop the technology to meet the needs of our clients. The Division supplied one of the largest Airport Baggage Handling Systems in the world in 1998 at Kuala Lumpur International Airport in Malaysia. Also, as a leading provider company of Logistics Solutions in Japan, the Division has successfully completed numerous projects such as Distribution Center System, Truck Terminal System, Food Distribution Processing Center and Postal Sorting System. The Division became a subsidiary company of TKK under the name of Toyo Kanetsu Solutions K.K. in 2002 in order to maximize the efficiency and also to vitalize TKK Group companies

The Building Construction Division was started in 1989 for construction of apartment houses with application of modular steel frame structures. The Division has expanded its activities to shop and office buildings with use of prefabricated construction methods as well as conventional construction methods.

Toyo Kanetsu K.K. and Consolidated Subsidiaries

Financial Highlights

	Millions of yen					Thousands of U.S. dollars
	2009	2008	2007	2006	2005	***2009***
For the Years Ended 31st March:						
Net Sales	**¥ 47,661**	¥ 49,785	¥ 45,548	¥ 45,530	¥ 39,734	***$485,201***
Plant & Machinery Division	**26,392**	23,355	17,029	14,643	15,217	***268,677***
Material Handling Systems Division	**11,961**	15,243	17,316	20,909	13,595	***121,769***
Building Construction Division	**5,020**	5,756	5,944	5,668	7,533	***51,103***
Real Estate Utilizing Division	**592**	581	521	-	-	***6,023***
Other	**3,696**	4,850	4,738	4,310	3,389	***37,629***
Operating Income	**1,867**	3,686	1,887	1,904	1,349	***19,004***
Net Income	**3,005**	3,810	2,836	1,626	1,011	***30,594***
Cash dividends	**533**	415	277	-	-	***5,435***
At 31st March:						
Current Assets	**33,705**	30,245	30,226	25,309	22,796	***343,126***
Net Property, Plant and Equipment	**13,046**	16,324	16,956	16,566	16,544	***132,807***
Investments and Advances	**7,920**	12,269	21,498	24,852	16,300	***80,624***
Intangibles	**274**	221	322	413	317	***2,790***
Total Assets	**54,945**	59,059	69,002	67,140	55,957	***559,347***
Current Liabilities	**21,555**	21,272	22,865	20,084	20,420	***219,430***
Long-Term Liabilities	**5,375**	8,988	14,195	15,647	11,507	***54,720***
Minority Interests in Consolidated Subsidiaries	-	-	-	10	25	-
Shareholders' Equity	-	-	-	31,399	24,005	-
Total Liabilities, Minority Interests and Shareholders' Equity	-	-	-	67,140	55,957	-
Shareholders' Equity	**27,824**	26,564	24,651	-	-	***283,251***
Valuation and Translation Adjustments	**102**	2,235	7,283	-	-	***1,034***
Minority Interests in Consolidated Subsidiaries	**89**	-	8	-	-	***912***
Total Liabilities and Net Assets	**54,945**	59,059	69,002	-	-	***559,347***
Order Backlog	**¥66,071**	¥57,412	¥34,176	¥38,467	¥34,232	***$672,613***

	Yen					U.S.dollars
Per Share:	**2009**	2008	2007	2006	2005	***2009***
Net Income	**¥ 22.99**	¥ 27.90	¥ 20.52	¥ 11.76	¥7.31	***$ 0.23***
Cash dividends	**4.00**	4.00	3.00	2.00	-	***$ 0.04***
Shareholders' Equity	**¥222.09**	¥216.05	¥231.10	¥227.11	¥173.57	***$ 2.26***

	2009	2008	2007	2006	2005
Number of Shareholders	**14,400**	15,747	16,797	17,005	16,418
Number of Employees	**629**	597	573	552	525

The U.S. dollar amounts in this annual report represent translations of Japanese yen at the rate of ￥98.23=$1.00, solely for the reader's convenience.

To Our Shareholders

In the year ended March 31, 2009, the sales and profit of the Toyo Kanetsu Group decreased, unfortunately failing to reach the previous fiscal year's level which was a record high, affected by fewer profitable projects, as a number of such projects had run their course, higher material costs and exchange fluctuations.

Under this business environment, we proposed a dividend of 4 yen per share for the year ended March 31, 2009, which is the same as the previous fiscal year. In addition, between November and December last year, we bought back approx. 1.2 billion yen's worth of our own shares, taking a long-term perspective for our shareholder return policy.

Taking into account our business results and the rapidly changing business environment, the Group will further raise its corporate value by formulating a mid-term business plan (for fiscal years 2009 through 2011), conducting business from a mid- to long-term standpoint more than ever, meeting the expectations of stakeholders including shareholders, and ensuring the implementation of the following priority measures.

1. Basic policy of our core businesses

Under the Group's management vision of being "a group that sustainably grows and develops backed by its superior technology, products and services," the Company's Plant & Machinery Business and Material Handling Systems Business have respective business policies of *securing a stable profit* and *revitalizing operations and establishing an operating base*.

2. Priority measures for our core businesses

・Plant & Machinery Business

The Plant & Machinery Business will implement five priority measures to achieve its business policy of *securing a stable profit*.

1) Reinforcing price competitiveness
2) Expanding the PJ handling capability and developing a handling framework
3) Reinforcing sales and marketing capabilities
4) Promoting research and development
5) Reinforcing human resource management

・Material Handling Systems Business

The Material Handling Systems Business will implement five priority measures to achieve its business policy of *revitalizing operations and establishing an operating base*.

1) Reinforcing price competitiveness
2) Reinforcing its suggestion-making capability
3) Further cultivating the core market and expanding into growth markets
4) Fostering human resources and enhancing organizational agility
5) Reinforcing cooperation with maintenance subsidiaries

・Building Construction Business

Although the business environment surrounding the construction industry is challenging, we will strive to further reinforce our revenue base by eliminating unprofitable projects and developing new fields, while enhancing our sales and marketing capabilities and construction management framework, and making cost reduction efforts.

We look forward to your continued understanding and support in the future.

August 2009

Takeshi Mizukami
President & Representative Director

Board of Directors and Corporate Auditors

President & Representative Director .... Takeshi Mizukami
Managing Director .... Shinji Shimazaki
Director .... Sadao Arita
.... Toru Yanagawa
.... Shoji Fujiyoshi
Auditor .... Teruo Nojo
.... Masaharu Hino (Outside Auditor)
.... Keiichi Miyakawa (Outside Auditor)
.... Takashi Nakamura (Outside Auditor)

Line of Business

Plant & Machinery Business

Design & Engineering, Procurement, Shop-Fabrication and Construction of :

Floating Roof Tank
Cone Roof Tank
Dome Roof Tank
- LNG/Ethylene Storage Tank, etc.
- LPG Storage Tank, etc.

Spherical Tank

Material Handling Systems Business

Planning, Design, Manufacturing, Construction and Marketing of :

Distribution Center System
Truck Terminal System
Production Line System
Airport Baggage Handling System
Postal Sorting System
Inter-hospital Handling System
Food Processing Center System
Food Production Factory System
Apparel Center System

Building Construction Business

Design and Construction of :

Apartment House
Shop Building
Office and Warehouse Buildings

Real Estate Leasing Business

Sale, Brokerage and Leasing of :

Office Building
Apartment House
Distribution Center
Real Estate

Qualification

-Listed in primary stock exchanges (Tokyo).
-Quality Management System to ISO 9001 certified by Bureau Veritas Quality International (BVQI) for flat bottomed vertical cylindrical storage tank for low temperature service.
-Quality Management System to ISO 9001 and ISO 14001 certified by Bureau Veritas Quality International (BVQI) for baggage handling system, slide shoe type sorting conveyor and wheel up sorting conveyor.

Subsidiaries, Affiliated Companies and Line of Business

Subsidiaries which are consolidated, and affiliated companies which are accounted for by the equity method, are as follows.

Consolidated Subsidiaries

Domestic

Toyo Kanetsu Solutions K.K.
Share Capital : 100.0%
Line of Business : Logistics solution provider

K-Techno Inc.
Share Capital : 100.0%
Line of Business : Consulting & Maintenance of Material Handling System

TKL Co., Ltd.
Share Capital : 100.0%
Line of Business : Rental/Leasing & Insurance Agent

Toyo Service System K.K.
Share Capital : 100.0%
Line of Business : Real Estate Management, Welfare Facilities Management, Gardening/Floriculture Business & Property, Plant and Equipment Maintenance

Global Eight Corporation
Share Capital : 65.0%
Line of Business : Commodity & Foodstuffs Trading

Overseas

P.T. Toyo Kanetsu Indonesia
Share Capital : 100%
Line of Business : Storage Tanks/Pressure Vessels/Onshore & Offshore Steel Structures

Al Ghallilah Engineering & Construction L.L.C.
Share Capital : 65.0%
Line of Business : Storage Tanks/Pressure Vessels/Onshore & Offshore Steel Structures

Toyo Kanetsu Singapore Pte. Ltd.
Share Capital : 100%
Line of Business : Storage Tanks/Pressure Vessels/Onshore & Offshore Steel Structures

TKK-USA, Inc.
Share Capital : 100%
Line of Business : Storage Tanks/Pressure Vessels/Onshore & Offshore Steel Structures

Toyo Kanetsu (Malaysia) Sdn. Bhd.
Share Capital : 49.0%
Line of Business : Material handling Systems, Storage Tanks/Pressure Vessels/Onshore & Offshore Steel Structures

Affiliated Companies (Equity Method)

Domestic

Toyo Koken K.K.
Share Capital : 39.3%
Line of Business : Electric-driven winches, Conveyors, Balancer & Robots

Toyo Miyama Co., Ltd.
Share Capital : 49.0%
Line of Business : Prefabrication of Unit House

Manavis Co., Ltd.
Share Capital : 16.1%
Line of Business : Cosmetics, Cleaning Products

Analysis of Operating Environment and Results

In the consolidated fiscal year ended March 31, 2009, Japan experienced extremely severe economic conditions, including a drastic decrease in corporate earnings and business investment along with the slowdown of the world economy which was affected by the U.S. financial crisis and strengthening of the yen, and lower consumer spending due to worsened labor conditions and falling household income.
In the Plant & Machinery Business, although some projects were suspended or postponed due to the abrupt slowdown of the world economy and a drastic fall in crude oil prices, there was a stable demand for LNG as clean energy, which helped to limit the decline in investment in storage facilities. Domestically, demand for quakeproofing work remained firm in the maintenance field.
Meanwhile, the Material Handling Systems Business benefited from diverse and sophisticated corporate needs for logistics systems, amid further progress in the reorganization and streamlining of logistics bases and the outsourcing of logistics, reflecting a social trend toward logistics that are efficient and have less environmental impact.
In the Building Construction Business, the business climate remained severe because of intensified competition to win orders and higher prices of building materials.
Under this business environment, consolidated net sales for the fiscal year were JPY 47.6 billion (US$ 485 million), down 4.3% from the previous year. Operating income was JPY 1.9 billion (US $19 million), down 49.4% and income before extraordinary items was JPY 2.1 billion (US$ 21 million), down 50.1%. Net income was JPY 3.0 billion (US$ 31 million), down 21.1%. Total orders received were JPY 51.9 billion (US$ 529 million), down 23.1%.

Plant & Machinery Business

Making use of our extensive experience and technical capabilities, reliability as a specialist manufacturer, and intentional competitiveness, we won orders for large-scale LNG projects in the domestic market. In the area of maintenance work, there was high demand for quakeproof work for floating roof tanks as a result of a partial amendment to the Fire Service Law. In response, we strengthened our maintenance work-related organization and sales activities. As a consequence, the orders we received for such work increased substantially.
Although ongoing large-scale construction projects and domestic repair constructions progressed smoothly, affected by fewer profitable projects as the number of such projects had run their course, the Group’s sales and profit decreased, failing to reach the previous fiscal year’s level which was a record high.
As a result, net sales for this business were JPY 26.3 billion (US$ 269 million) in the fiscal year under review, up 13.0% from the previous year, and operating income was JPY 2.1 billion (US$ 21 million), down 36.1%. Orders received totaled JPY 34.6 billion (US$ 353 million), down 21.4%.

Material Handling Systems Business

Although we conducted sales activities aggressively, focusing on our mainstay picking system for consumer cooperatives, sorting system for retailers, and baggage conveyor system for airports, the orders received decreased due to rapidly deteriorating economic conditions. The sales and profit generated by this business decreased due to a decrease in the orders received in the previous fiscal year and the fact that we needed a longer-than-expected lead time to complete a large-scale project.
As a result, net sales for this business were JPY 11.9 billion (US$ 122 million) in the fiscal year under review, down 21.5% from the previous year, and operating loss was JPY 0.4 billion (US$ 5 million). Orders received totaled JPY 13.3 billion (US$ 136 million), down 20.7%.

Building Construction Business

Along with the rapidly deteriorating construction market, it has become extremely difficult to win orders for the mainstay business of leased apartment construction and steel pipe pile construction.
As a result, net sales for this business were JPY 5.0 billion (US$ 51 million) in the fiscal year under review, down 12.8% from the previous year, and operating income was JPY 0.1 billion (US$ 2 million) up 13.7%. Orders received totaled JPY 4.0 billion (US$ 41 million), down 40.0%.

Real Estate Leasing Business and Other Businesses

Net sales for group companies that are engaged in the Real Estate Leasing Business and businesses other than those mentioned above was JPY 4.3 billion (US$ 44 million) down 21.0% from the previous year, and operating income was JPY 0.5 billion (US$ 5 million), up 88.8%.

Business Risks

The following risks may affect the business results, stock price and financial position of the Group.

(1) Potential risks associated with international activities and overseas advance

The Group conducts some operations in overseas markets, primarily those of the Plant & Machinery Business. Further, its subsidiary manufactures tank materials in Indonesia. These overseas operations carry inherent risks as stated below, and the Group's business results and financial position may be adversely affected by such risks.

1) Unexpected changes in laws and regulations
2) Political and economic instability
3) Difficulties in securing human resources
4) Tax system revisions that could be unfavorable to the Group
5) Social confusion arising from acts of terror, war or any other factor

(2) Exchange rate fluctuations

The Group's business activities include manufacturing products, selling materials and implementing construction operations in overseas countries. Foreign-currency-denominated accounting items such as sales, expenses and assets are translated into Japanese yen for the purpose of preparing consolidated financial statements. The exchange rates used in currency conversion may affect the yen-denominated value. As most of our payments and receipts are denominated in US dollars or euros, a stronger yen will adversely affect the Group's business while a weaker yen will favorably affect the Group's business.
The Group makes an effort to minimize the adverse effects of such exchange rate fluctuations by flexibly entering into forward exchange contracts or option contracts, and by implementing structural solutions such as using overseas manufacturing bases and internationally procuring raw materials. However, an unexpected change in exchange rates may adversely affect the Group's business results and financial position.

(3) Dependency on business results of specific customers in the Building Construction Business

The Group's building construction business depends on obtaining construction work contracted with specific customers and supplying building materials to such customers. Consequently, the Group's sales generated from this business may be significantly affected by the business results of such customers or other factors that are beyond the Group's control. Further, any price reductions that we make in response to customers' requests may shrink the Group's profit margins.

(4) Competition for winning orders

All of the major businesses of the Group are being operated under the make-to-order type system and the Group is facing severe competition to win orders. Depending on the circumstances, we recognize the possibility that a competitor may disregard profitability and enter into price competition with the Group. Although the Group strives to reduce all kinds of costs and reinforce its price competitiveness, such unreasonable downward pressure on the Group's earnings may adversely affect the Group's business results and financial position.

(5) Changes in raw material prices

Steel and steel-processed products account for a relatively large part of the raw materials that the group uses to make its products. Any unexpected sharp rise in the price of steel or other raw materials may increase our purchase cost of raw materials and decrease our estimated profit for each project.

Consolidated Financial Statements

for the year ended March 31, 2009 and 2008

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Report of Independent Auditors

The Board of Directors of Toyo Kanetsu KabushikiKaisha

We have audited the accompanying consolidated balance sheets of Toyo Kanetsu Kabushiki Kaisha and consolidated subsidiaries as of March 31, 2009 and 2008, and the related consolidated statements of operations, changes in net assets, and cash flows for the year then ended, all expressed in yen. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Toyo Kanetsu Kabushiki Kaisha and consolidated subsidiaries as of March 31, 2009 and 2008, and the consolidated results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

As described in Note2(16), effective for the year ended March 31, 2009, Toyo Kanetsu Kabushiki Kaisha and its consolidated subsidiaries adopted Accounting Standard for Lease Transaction and Guidance on Accounting Standard for Lease Transactions.

As described in Note20,Toyo Kanetsu Kabushiki Kaisha has decided to transfer certain fixed assets to its equity-method investee at the Board of Directors held on June 26, 2009.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2009 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 3.

Ernst & Young ShinNihon LLC

June 26, 2009

Toyo Kanetsu K.K. and Consolidated Subsidiaries

Consolidated Balance Sheets

As at March 31, 2009 and 2008

ASSETS	Millions of yen		*Thousands of U.S. dollars (Note 3)*
	2009	2008	***2009***
Current Assets:			
Cash on hand and at bank	**¥6,978**	¥7,579	***$71,039***
Notes and accounts receivable	**12,674**	11,641	***129,022***
Less: Allowance for doubtful accounts	**(316)**	(289)	***(3,218)***
	12,358	11,352	***125,804***
Investments in leases	**4,011**	-	***40,838***
Inventories (Note 4)	**8,741**	8,998	***88,988***
Deferred tax assets (Note 9)	**812**	935	***8,267***
Other current assets	**805**	1,381	***8,190***
Total current assets	**33,705**	30,245	***343,126***
Property, Plant and Equipment:			
Buildings and structures (Note 6)	**10,214**	10,408	***103,978***
Machinery and equipment (Note 6)	**4,830**	4,815	***49,172***
Land (Note 7)	**9,041**	9,065	***92,034***
Lease assets	**-**	6,823	***-***
Construction in progress	**225**	-	***2,295***
Less: Accumulated depreciation	**(11,264)**	(14,787)	***(114,672)***
Total property, plant and equipment	**13,046**	16,324	***132,807***
Investments and Advances:			
Investments in securities (Notes 5 and 6)	**6,421**	9,790	***65,370***
Long-term loans receivable	**476**	1,017	***4,843***
Other investments	**1,398**	1,935	***14,228***
Less: Allowance for doubtful accounts	**(375)**	(473)	***(3,817)***
Total investments and advances	**7,920**	12,269	***80,624***
Intangibles:			
Intangible fixed assets	**274**	221	***2,790***
Total intangibles	**274**	221	***2,790***
Total assets	**¥54,945**	¥59,059	***$559,347***

The accompanying notes are an integral part of the consolidated financial statements.

LIABILITIES and NET ASSETS	Millions of yen		*Thousands of U.S. dollars (Note3)*
	2009	2008	***2009***
Current Liabilities:			
Short-term debt and current portion of long-term debt (Note 6)	**¥8,815**	¥4,610	***$89,736***
Notes and accounts payable	**3,082**	2,216	***31,377***
Accrued income taxes	**105**	139	***1,065***
Accrued liabilities	**4,418**	4,233	***44,976***
Advances from customers	**3,304**	7,180	***33,637***
Lease obligations (Note 6)	**194**	-	***1,979***
Accrued bonuses	**198**	242	***2,013***
Reserve for losses on work in progress	**1,070**	1,089	***10,892***
Reserve for warranty costs for completed works	**119**	263	***1,212***
Reserve for contingent loss	-	542	-
Other current liabilities	**250**	758	***2,543***
Total current liabilities	**21,555**	21,272	***219,430***
Long-Term Liabilities:			
Long-term debt (Note 6)	**1,340**	3,194	***13,643***
Lease obligations (Note 6)	**522**	-	***5,311***
Deferred tax liabilities on revaluation of land (Note 7 and 9)	**2,189**	2,174	***22,289***
Deferred tax liabilities (Note 9)	**210**	1,786	***2,134***
Accrued retirement benefits for employees (Note 8)	**966**	1,631	***9,834***
Accrued retirement benefits for directors and corporate auditors	-	193	-
Other long-term liabilities	**148**	10	***1,509***
Total long-term liabilities	**5,375**	8,988	***54,720***
Commitments and Contingent Liabilities (Note 10)			
Net Assets			
Shareholders' Equity:			
Common stock:			
Authorized: 297,000,000 shares			
Issued: 138,730,741 shares	**18,580**	18,580	***189,149***
Additional paid-in capital	**1,104**	1,104	***11,239***
Accumulated earnings	**10,953**	8,481	***111,500***
Less: Treasury stock, at cost	**(2,813)**	(1,601)	***(28,637)***
Total shareholders' equity	**27,824**	26,564	***283,251***
Valuation and Translation Adjustments:			
Net unrealized holding gains on investments in securities	**338**	2,576	***3,443***
Deferred gains or losses on hedges	**40**	(94)	***403***
Unrealized gains on revaluation of land (Note 7)	**376**	391	***3,828***
Foreign currency translation adjustments	**(652)**	(638)	***(6,640)***
Total valuation and translation adjustments	**102**	2,235	***1,034***
Minority Interests	**89**	-	***912***
Total Net Assets	**28,015**	28,799	***285,197***
Total Liabilities and Net Assets	**¥54,945**	¥59,059	***$559,347***

The accompanying notes are an integral part of the consolidated financial statements.

Toyo Kanetsu K.K. and Consolidated Subsidiaries

Consolidated Statements of Operations

For the years ended March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars (Note3)
	2009	2008	***2009***
Net Sales	**¥47,661**	¥49,785	***$485,201***
Cost of Sales (Note 12)	**41,514**	42,377	***422,622***
Gross profit	**6,147**	7,408	***62,579***
Selling, General and Administrative Expenses (Notes 11 and 12)	**4,280**	3,722	***43,575***
Operating Income	**1,867**	3,686	***19,004***
Other Income (Expenses):			
Interest and dividend income	**384**	352	***3,909***
Interest expense	**(87)**	(152)	***(880)***
Foreign currency exchange gain (loss)	**(586)**	(140)	***(5,960)***
Equity in income (loss) of affiliates	**422**	322	***4,292***
Other, net	**58**	53	***588***
	191	435	***1,949***
Income before extraordinary items	**2,058**	4,121	***20,953***
Extraordinary Profit (Loss):			
Gain on sale or disposal of property, plant and equipment, net	**15**	6	***150***
Gain on sale of investment in affiliate, net	**-**	19	***-***
Loss on sale of investments in securities, net	**(25)**	-	***(248)***
Loss on write-down of investments in securities, net	**(49)**	(3)	***(500)***
Provision for bad debts	**(37)**	(151)	***(378)***
Reversal of provision for bad debts	**146**	-	***1,491***
Reversal of provision for contingent loss	**542**	97	***5,518***
Impairment loss	**(55)**	-	***(563)***
Gain on forgiveness of debts	**133**	-	***1,352***
Gain on adjustment for changes of accounting standard for lease transaction	**292**	-	***2,977***
Other, net	**100**	(11)	***1,015***
	1,062	(43)	***10,814***
Income before income taxes and minority interests	**3,120**	4,078	***31,767***
Income Taxes (Note 9)**:**			
Current	**151**	184	***1,542***
Deferred	**(39)**	91	***(402)***
	112	275	***1,140***
Minority Interests in Net Income (Loss) of Consolidated Subsidiaries	**3**	(7)	***33***
Net Income	**¥3,005**	¥3,810	***$30,594***

	Yen		U.S. dollars (Note3)
Per Share (Note 19)	**2009**	2008	***2009***
Net income	**¥22.99**	¥27.90	***$0.23***

The accompanying notes are an integral part of the consolidated financial statements.

Toyo Kanetsu K.K. and Consolidated Subsidiaries

Consolidated Statements of Changes in Net Assets

For the years ended March 31, 2008 and 2007

	Number of shares of common stock	Millions of yen: Common stock	Additional paid-in capital	Accumulated earnings (deficit)	Treasury stock	Total Shareholders' Equity
Balance at March 31, 2007	138,730,741	¥18,580	¥1,104	¥5,050	¥(83)	¥24,651
Cash dividends paid	-	-	-	**(415)**	-	**(415)**
Net income for the year	-	-	-	**3,810**	-	**3,810**
Purchase of treasury stock	-	-	-	-	**(1,518)**	**(1,518)**
Effect of increase in number of consolidated subsidiaries	-	-	-	**(1)**	-	**(1)**
Effect of decrease in number of affiliated subsidiaries	-	-	-	**37**	-	**37**
Net unrealized holding gains on investments	-	-	-	-	-	-
Deferred gains or losses on hedges	-	-	-	-	-	-
Foreign currency translation adjustments	-	-	-	-	-	-
Minority interests	-	-	-	-	-	-
Balance at March 31, 2008	**138,730,741**	**¥18,580**	**¥1,104**	**¥8,481**	**¥(1,601)**	**¥26,564**

	Millions of yen: Net unrealized holding (gains) losses on investment securities	Deferred gains or losses on hedges	Unrealized gains on revaluation of land	Foreign currency translation adjustments	Total valuation and translation adjustments	Minority interests	Total Net Assets
Balance at March 31, 2007	¥7,557	¥(16)	¥391	¥(649)	¥7,283	¥8	¥31,942
Cash dividends paid	-	-	-	-	-	-	**(415)**
Net income for the year	-	-	-	-	-	-	**3,810**
Purchase of treasury stock	-	-	-	-	-	-	**(1,518)**
Effect of increase in number of consolidated subsidiaries	-	-	-	-	-	-	**(1)**
Effect of decrease in number of affiliated subsidiaries	-	-	-	-	-	-	**37**
Net unrealized holding gains on investments	**(4,981)**	-	-	-	**(4,981)**	-	**(4,981)**
Deferred gains or losses on hedges	-	**(78)**	-	-	**(78)**	-	**(78)**
Foreign currency translation adjustments	-	-	-	**11**	**11**	-	**11**
Minority interests	-	-	-	-	-	**(8)**	**(8)**
Balance at March 31, 2008	**¥2,576**	**¥(94)**	**¥391**	**¥(638)**	**¥2,235**	**-**	**¥28,799**

For the years ended March 31, 2009 and 2008

	Number of shares of common stock	Common stock	Additional paid-in capital	Accumulated earnings (deficit)	Treasury stock	Total Shareholders' Equity
		Millions of yen				
Balance at March 31, 2008	138,730,741	¥18,580	¥1,104	¥8,481	¥(1,601)	¥26,564
Cash dividends paid	-	-	-	**(533)**	-	**(533)**
Net income for the year	-	-	-	**3,005**	-	**3,005**
Purchase of treasury stock	-	-	-	-	**(1,212)**	**(1,212)**
Net unrealized holding gains on investments	-	-	-	-	-	-
Deferred gains or losses on hedges	-	-	-	-	-	-
Unrealized gains on revaluation of land	-	-	-	-	-	-
Foreign currency translation adjustments	-	-	-	-	-	-
Minority interests	-	-	-	-	-	-
Balance at March 31, 2009	**138,730,741**	**¥18,580**	**¥1,104**	**¥10,953**	**¥(2,813)**	**¥27,824**

	Net unrealized holding (gains) losses on investment securities	Deferred gains or losses on hedges	Unrealized gains on revaluation of land	Foreign currency translation adjustments	Total valuation and translation adjustments	Minority interests	Total Net Assets
	Millions of yen						
Balance at March 31, 2008	¥2,576	¥(94)	¥391	¥(638)	¥2,235	-	¥28,799
Cash dividends paid	-	-	-	-	-	-	**(533)**
Net income for the year	-	-	-	-	-	-	**3,005**
Purchase of treasury stock	-	-	-	-	-	-	**(1,212)**
Net unrealized holding gains on investments	**(2,238)**	-	-	-	**(2,238)**	-	**(2,238)**
Deferred gains or losses on hedges	-	**134**	-	-	**134**	-	**134**
Unrealized gains on revaluation of land	-	-	**(15)**	-	**(15)**	-	**(15)**
Foreign currency translation adjustments	-	-	-	**(14)**	**(14)**	-	**(14)**
Minority interests	-	-	-	-	-	**89**	**89**
Balance at March 31, 2009	**¥338**	**¥40**	**¥376**	**¥(652)**	**¥102**	**¥89**	**¥28,015**

	Number of shares of common stock	Common stock	Additional paid-in capital	Accumulated earnings (deficit)	Treasury stock	Total Shareholders' Equity
		Thousands of U.S. dollars (Note 3)				
Balance at March 31, 2008	*138,730,741*	*$189,149*	*$11,239*	*$86,341*	*$(16,297)*	*$270,432*
Cash dividends paid	-	-	-	***(5,435)***	-	***(5,435)***
Net income for the year	-	-	-	***30,594***	-	***30,594***
Purchase of treasury stock	-	-	-	-	***(12,340)***	***(12,340)***
Net unrealized holding gains on investments	-	-	-	-	-	-
Deferred gains or losses on hedges	-	-	-	-	-	-
Unrealized gains on revaluation of land	-	-	-	-	-	-
Foreign currency translation adjustments	-	-	-	-	-	-
Minority interests	-	-	-	-	-	-
Balance at March 31, 2009	***138,730,741***	***$189,149***	***$11,239***	***$111,500***	***$(28,637)***	***$283,251***

	Net unrealized holding (gains) losses on investment securities	Deferred gains or losses on hedges	Unrealized gains on revaluation of land	Foreign currency translation adjustments	Total valuation and translation adjustments	Minority interests	Total Net Assets
	Thousands of U.S. dollars (Note 3)						
Balance at March 31, 2008	*$26,219*	*$(959)*	*$3,986*	*$(6,499)*	*$22,747*	-	*$293,179*
Cash dividends paid	-	-	-	-	-	-	***(5,435)***
Net income for the year	-	-	-	-	-	-	***30,594***
Purchase of treasury stock	-	-	-	-	-	-	***(12,340)***
Net unrealized holding gains on investments	***(22,776)***	-	-	-	***(22,776)***	-	***(22,776)***
Deferred gains or losses on hedges	-	***1,362***	-	-	***1,362***	-	***1,362***
Unrealized gains on revaluation of land	-	-	***(158)***	-	***(158)***	-	***(158)***
Foreign currency translation adjustments	-	-	-	***(141)***	***(141)***	-	***(141)***
Minority interests	-	-	-	-	-	***912***	***912***
Balance at March 31, 2009	***$3,443***	***$403***	***$3,828***	***$(6,640)***	***$1,034***	***$912***	***$285,197***

The accompanying notes are an integral part of the consolidated financial statements.

Toyo Kanetsu K.K. and Consolidated Subsidiaries

Consolidated Statements of Cash Flows

For the years ended March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2009	2008	***2009***
Cash Flows from Operating Activities:			
Income before income taxes and minority interests	**¥3,120**	¥4,078	***$31,767***
Adjustments for:			
Depreciation and amortization	**680**	1,776	***6,922***
Amortization of long-term prepaid expenses	**402**	818	***4,095***
Impairment loss	**55**	-	***563***
Increase (decrease) in provision for allowance for doubtful accounts	**(5)**	(27)	***(55)***
Increase (decrease) in provision for employees' retirement benefits	**(666)**	(719)	***(6,788)***
Increase (decrease) in provision for retirement benefit for directors and corporate auditors	**(193)**	52	***(1,963)***
Increase (decrease) in provision for losses on work in progress	**167**	(84)	***1,696***
Increase (decrease) in provision for warranty costs for completed works	**(144)**	243	***(1,461)***
Increase (decrease) in provision for contingent loss	**(542)**	(97)	***(5,518)***
Interest and dividend income	**(384)**	(352)	***(3,909)***
Interest expense	**87**	152	***880***
Exchange loss (gain)	**441**	40	***4,493***
Equity in loss (income) of affiliates	**(422)**	(322)	***(4,292)***
Loss (gain) on sale of investments in securities	**25**	-	***248***
Loss (gain) on write-down of investments in securities	**49**	3	***500***
Loss (gain) on sale of investments in affiliate	**-**	(19)	***-***
Loss (gain) on sale of property, plant and equipment	**(46)**	(8)	***(465)***
Loss on disposal of property, plant and equipment	**21**	0	***213***
Decrease (increase) in notes and accounts receivables	**(578)**	(2,859)	***(5,881)***
Decrease (increase) in investments in leases	**105**	-	***1,068***
Decrease (increase) in inventories	**257**	1,153	***2,616***
Decrease (increase) in accrued income	**(166)**	870	***(1,686)***
Increase (decrease) in notes and accounts payable	**987**	718	***10,045***
Increase (decrease) in advances from customers	**(3,855)**	(2,273)	***(39,240)***
Other	**(47)**	142	***(483)***
Sub total	**(652)**	3,285	***(6,635)***
Interest and dividend income received	**392**	356	***3,988***
Interest expense paid	**(93)**	(140)	***(949)***
Income taxes paid	**(169)**	(201)	***(1,716)***
Net cash provided by (used in) operating activities	**(522)**	3,300	***(5,312)***
Cash Flows from Investing Activities:			
Payments into time deposits (over 3-month term)	**(36)**	(76)	***(366)***
Proceeds from withdrawal of time deposits	**176**	60	***1,792***
Payments for purchase of property, plant and equipment	**(737)**	(1,333)	***(7,496)***
Proceeds from sales of property, plant and equipment	**68**	25	***689***
Payments for purchase of investments in securities	**(199)**	(61)	***(2,020)***
Proceeds from sales of investments in securities	**27**	56	***270***
Payments of loans receivable	**(168)**	-	***(1,711)***
Collection of loans receivable	**690**	122	***7,023***
Purchase of long-term prepaid expenses	**-**	(1)	***-***
Other	**(155)**	153	***(1,579)***
Net cash used in investing activities	**(334)**	(1,055)	***(3,398)***
Cash Flows from Financing Activities:			
Increase (decrease) in short-term debt, net	**3,979**	331	***40,511***
Proceeds from long-term debt	**-**	450	***-***
Repayment of long-term debt	**(1,553)**	(2,143)	***(15,808)***
Purchase of treasury stock	**(1,212)**	(1,518)	***(12,340)***
Capital dividend paid	**(530)**	(411)	***(5,397)***
Net cash provided by (used in) financing activities	**684**	(3,291)	***6,966***
Effect of Exchange Rate Changes on Cash and Cash Equivalents	**(325)**	(27)	***(3,314)***
Net Increase (decrease) in Cash and Cash Equivalents	**(497)**	(1,073)	***(5,058)***
Cash and Cash Equivalents at Beginning of Year	**7,326**	8,399	***74,577***
Increase in Cash and Cash Equivalents from newly consolidated subsidiaries	**36**	0	***366***
Cash and Cash Equivalents at End of Year (Note 14)	**¥6,865**	¥7,326	***$69,885***

The accompanying notes are an integral part of the consolidated financial statements.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2009 and 2008

1. Basis of Presenting the Consolidated Financial Statements

The accompanying consolidated financial statements of Toyo Kanetsu Kabushiki Kaisha (hereinafter the "Company") and its domestic consolidated subsidiaries are prepared on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards, and are compiled from the consolidated financial statements prepared by the Company as required by the Financial Instruments and Exchange Law of Japan. The accounts of overseas-consolidated subsidiaries are based on their financial statements prepared in conformity with generally accepted accounting principles and practices prevailing in the respective countries in which the subsidiaries are incorporated.

Certain items presented in the consolidated financial statements submitted to the Director of Kanto Finance Bureau in Japan have been reclassified in these accounts for the convenience of readers outside Japan.

2. Summary of Significant Accounting Policies

(1) Principles of Consolidation and Investments in Affiliated Companies

The consolidated financial statements include the accounts of the Company and those of its subsidiaries in which it has control. The consolidated financial statements include the accounts of its ten subsidiaries (nine subsidiaries in 2008). All significant inter-company transactions and accounts and unrealized inter-company profits are eliminated on consolidation.

The affiliated company, Toyo Kanetsu (Malaysia) Sdn. Bhd. has been included in consolidated subsidiaries for the year ended March 31, 2009, because of the increased significance of business transaction with the Company and certain consolidated subsidiaries.

Investments in affiliated companies in which the Company has significant influence are accounted for under the equity method. These affiliated companies to which the equity method is applied total three at March 31, 2009 and five at March 31,2008. Consolidated net income includes the Company’s equity in the current earnings of those companies after elimination of unrealized inter-company profits.

The excess of the cost over the underlying net equity of investments in consolidated subsidiaries as well as companies accounted for on an equity basis, is deferred and amortized on a straight-line basis over a period of five years from the date of acquisition.

Five subsidiaries were consolidated on the basis of their fiscal years ended at December 31, 2008 for the current year consolidation and four subsidiaries were consolidated on the basis of their fiscal years ended at December 31, 2007 for the previous year consolidation, respectively. Material differences in inter-company transactions and accounts arising from the use of the different fiscal year ends are appropriately adjusted for on consolidation.

(Changes in accounting method)

The Company applied to “Standard Accounting Treatments to the Accounting of Overseas Subsidiaries in the Consolidated Financial Statements” (Statement No.18 corresponding business reporting issued by the Accounting Standards Board of Japan (hereinafter the “ASBJ”) on May 17, 2006). The standards require the Company to make necessary adjustments to conform the accounts of foreign subsidiaries with the accounting principles and practices generally accepted in Japan.

These had no effect on the consolidated financial statements.

(2) Revaluation of Assets and Liabilities of the Subsidiaries

All assets and liabilities of the subsidiaries are fair valued as of the date of acquisition of control.

(3) Cash and Cash Equivalents

Cash and cash equivalents in the consolidated statements of cash flows are composed of cash on hand, bank deposits able to be withdrawn on demand and short-term investments with an original maturity of three months or less and which represent a minor risk of fluctuation in value.

(4) Allowance for Doubtful Accounts

The allowance for doubtful accounts is provided at an amount for losses which are expected to occur but cannot be determined on an item-by-item or group basis. This general allowance is calculated using historical write-off experience from prior periods. In addition, an amount for expected losses on individual uncollectible receivables is calculated based on management’s estimate.

(5) Inventories

Inventories are valued at cost as determined by the following methods:

Raw materials……………………….Moving-average method (a carrying amount on the balance sheet is written down if the profitability decreases)

Work in process and supplies ………Specific identification method (a carrying amount on the balance sheet is written down if the profitability decreases)

(Changes in accounting method)

"Accounting Standards for Revaluation of Inventories (Statement No.9 issued by ASBJ on July 5, 2006)" were effective for the year ended March 31, 2009.

Accordingly, the Company and its consolidated subsidiaries have determined costs of inventory mainly based on specific identification method and have written off carrying amount to reflect the lower profitability for the year ended March 31, 2009. The effects on consolidated finance statements resulted from the above change were immaterial.

(6) Financial Instruments

(a) Derivatives

All derivatives are stated at fair value except for certain derivatives that are designated as "hedging instruments" (see 16. Derivative and Hedging Activities below).

(b) Investments in Securities

Securities held by the Company and its subsidiaries are classified into two categories:

"Investments of the Company in equity securities issued by the affiliated companies" are accounted for by the equity method.

Other investments in debt and equity securities are classified as "Other securities". "Other securities" with market quotations are stated at fair value with any unrealized holding gains and losses, net of tax, being reported in separate component of net assets. The cost of sold is determined by the moving-average method.

"Other securities" without market quotations are stated at cost determined by the moving-average method.

(c) Hedge Accounting

Gains or losses arising from changes in the fair value of the derivatives designated as "hedging instruments" are deferred as an asset or liability and included in net assets in the same period during which the gains and losses on the hedged items or transactions are recognized. However, in cases where forward exchange contracts used as hedges meet certain hedging criteria, the existing foreign currency receivables or payables are translated at their contract rates. In addition, if interest rate swap contracts meet certain exceptional criteria, the net amount to be paid or received under these swap contracts is added to or deducted from the interest on the related hedged liabilities.

Derivatives designated as hedging instruments by the Company are principally forward exchange contracts, interest swaps, currency swaps, and currency options. The related hedged items are expected account receivables in foreign currency, and long-term bank loans.

The Company has a policy for utilizing the above hedging instruments in order to reduce the Company's exposure to the risk of foreign exchange and interest rate fluctuations. Thus, the Company's purchases of hedging instruments are limited to, at maximum, the amounts of the related hedged items.

The Company evaluates the effectiveness of its hedging activities by reference to the accumulated gains or losses on the hedging instruments and the related hedged items beginning from the commencement of the hedges. The Company, however, skips to evaluate the effectiveness of interest swaps because of exceptional accounting treatment.

(7) Property, Plant and Equipment

Property, plant and equipment are stated at cost. The cost of maintenance, repairs and minor renewals is charged to current operations; major renewals and enhancements are capitalized. Depreciation is mainly computed using the declining-balance method, except for buildings acquired after April 1, 1998, to which the straight-line method is applied for the Company and its domestic subsidiaries. The principal estimated the range of useful lives from 3 to 50 years for buildings and from 6 to 13 years for machinery and equipment. Depreciation of overseas subsidiaries is computed using the straight-line method.

(Changes in accounting method)

Effective from the year ended March 31, 2009, the Company and its domestic consolidated subsidiaries has changed the useful lives for the machinery and equipment in connection with the amendments of Corporation Tax Law in Japan.

The impact of this change on operating income, income before extraordinary items and income before income taxes and minority interests is immaterial, respectively.

(8) Intangible Assets
Amortization of intangible assets is computed using the straight-line method. Software for internal use is amortized over its expected useful life (5 years), on a straight-line basis.

(9) Reserve for losses on work in progress
A reserve for losses on work in progress is provided based on an estimate of the total losses which can be anticipated for the next fiscal year and beyond in respect of construction projects on which eventual losses are deemed inevitable and amounts thereof can reasonably be estimated.

(10) Reserve for warranty costs for completed works
A reserve for warranty costs for completed works is provided based on the past experience rates for warranty costs and after-sales service costs for completed works on an item-by-item or group basis.

(11) Reserve for contingent loss
A reserve for contingent loss is provided at the amount which can be reasonably estimated according to the occurrence of contingency and considering the risks of each contingency.

(12) Income Taxes
The income taxes of the Company and its domestic subsidiaries consist of corporate income taxes, local inhabitants' taxes and enterprise taxes.
Income taxes are determined using the asset and liability approach, whereby deferred tax assets and liabilities are recognized in respect of temporary differences between the tax base of assets and liabilities and those as reported in the consolidated financial statements.

(13) Accrued Bonuses
Accrued bonuses to employees are provided for at the estimated amounts which the Company and its consolidated subsidiaries are obligated to pay to employees after the fiscal year-end, based on services provided during the current period.

(14) Accrued Retirement Benefits for Employees
Accrued retirement benefits to employees of the Company and its major consolidated subsidiaries are provided based on the estimated present value of projected benefit obligations and fair value of funded plan assets. For other insignificant consolidated subsidiaries, accrued retirement benefits to employees are calculated using the simplified method. The amount of actuarial gains (losses) is amortized on a straight-line basis over five years and recognized as deductions from expenses or included in expenses, respectively, in the next fiscal year. Prior service cost is recognized as deductions from expenses or included in expenses, respectively, in the year of occurrence.

(15) Accrued Retirement Benefits for Directors and Corporate Auditors
The retirement benefits plan for directors and corporate auditors of the Company and its domestic consolidated subsidiaries was abolished by the resolution in the general shareholder's meeting held on June 2008.
As a result, "Accrued retirement benefits for directors and corporate auditors" ¥138 million ($1,407 thousand) as of March 31, 2009 was classified in "Other long-term liabilities".

(16) Leases
(Changes in accounting method)
Effective from the year ended March 31, 2009, the Company and its consolidated subsidiaries have adopted "Accounting Standard for Lease Transactions (Statement No.13 issued by the ASBJ on March 30, 2007)" and "Guidance on Accounting Standard for Lease Transactions (Guidance No.16 issued by the ASBJ on March 30, 2007)".

Lessee;
Adoption of the above accounting standards and the guidances was immaterial to operating income, income before extraordinary items and income before income taxes and minority interests.

Lessor;
In accordance with the above standards, finance leases, prior to April 1, 2008 without transferring ownership of the lease assets to the lessee have been accounted for as sales-type transactions while they were previously accounted for as operating leases.
In addition, depreciation of assets on finance leases without transferring ownership of the lease assets to the lessee is computed using the straight-line with no residual value over lease period as useful lives. In this regard, however, all leases transacted on or before March 31, 2008 are accounted for as operating leases.
For the year ended March 31, 2009, as a result of the changes, "Current Assets" was increased by ¥3,845 million ($39,147 thousand), "Property, Plant and Equipment" was decreased by ¥2,861 million ($29,128 thousand), "Current Liabilities" was increased by ¥194 million ($1,979 thousand), and "Long-Term Liabilities" was increased by ¥622 million ($6,329 thousand)

compared with the previous accounting method. “Operating income” and “Income before extraordinary items” were respectively decreased by ¥24 million ($246 thousand), and “Income before income taxes and minority interests” was increased by ¥268 million ($2,729 thousand). Accordingly, “Cash Flows from Operating Activities” was decreased by ¥882 million ($8,982 thousand) and “Cash Flows from Investing Activities” was increased by the same amount.
The effect on the segment information is described at the relevant footnote.

(17) Accounting for consumption tax

The Company and its domestic consolidated subsidiaries account for consumption tax by the tax-exclusion method.

(18) Revenue Recognition

The Company uses the percentage-of-completion method for the recognition of sales and gross profit in respect of certain contracts that take more than one year to complete. In all other cases, sales and gross profit are recorded when the relevant items are completed or delivered. One consolidated subsidiary recognizes revenue on the installment basis.
Regarding finance lease transactions, sales and cost of sales were recorded when the revenues from them were received.

3. United States Dollar Amounts

Amounts in U.S. dollars are included solely for the convenience of readers outside Japan. The rate of ¥98.23=U.S. $1.00, the approximate rate of exchange prevailing at March 31, 2009, has been used in translation. The inclusion of such amounts are not intended to imply that the Japanese yen has been or could be readily converted, realized or settled in U.S. dollars at this rate or any other rates.

4. Inventories

Inventories as at March 31, 2009 and 2008 consisted as follows:

	Millions of yen		*Thousands of U.S. dollars*
March 31	**2009**	2008	***2009***
Merchandise	**¥29**	¥233	***$297***
Raw materials and supplies	**621**	406	***6,326***
Work in process	**8,091**	8,359	***82,365***
Total	**¥8,741**	¥8,998	***$88,988***

5. Investments in Securities

The aggregate acquisition cost and carrying amount of other securities with market quotations at March 31, 2009 and 2008 were as follows:

	Millions of Yen						*Thousands of U.S. dollars*		
	2009			2008			***2009***		
March 31	Acquisition Cost	Carrying Amount	Difference	Acquisition Cost	Carrying Amount	Difference	*Acquisition Cost*	*Carrying Amount*	*Difference*
Equity securities	**¥3,193**	**¥3,803**	**¥610**	¥3,045	¥7,425	¥4,380	***$32,504***	***$38,719***	***$6,215***
Bonds	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	**¥3,193**	**¥3,803**	**¥610**	¥3,045	¥7,425	¥4,380	***$32,504***	***$38,719***	***$6,215***

The Company writes down the book value of other securities when the market value declines by more than 50%, or the market value declines by more than 30% but less than 50% and the Company management determines the decline to be other than temporary.

Proceeds from sale of other securities were ¥26 million ($262 thousand) and nothing for the years ended March 31, 2009 and 2008, respectively. On those sales, gross realized gains were ¥0 million ($2 thousand) and nothing for the years ended March 31, 2009 and 2008, respectively. Gross realized losses were ¥ 25 million ($250 thousand) and nothing for the years ended March 31, 2009 and 2008, respectively.

Investment in securities whose fair value was not determinable was unquoted equity securities. For the years ended March 31, 2009 and 2008, the carrying amounts of them on the balance sheets were respectively ¥803 million ($8,173 thousand) and ¥814 million.

For the year ended March 31, 2009, no investment in securities held to maturity existed and for the year ended March 31, 2008, due after five years through ten years were ¥48 million.

Investments in affiliates included in investments in securities were ¥1,815 million ($18,478 thousand) and ¥1,552 million for the years ended March 31, 2009 and 2008, respectively.

6. Short-Term Debt, Long-Term Debt, and Lease Obligations

Short-term debt, long-term debt and lease obligations as at March 31, 2009 and 2008 were as follows:

	Millions of Yen				*Thousands of U.S. dollars*
	2009		2008		***2009***
March 31		**Weighted average interest rate**		**Weighted average interest rate**	
Short-term debt	**¥6,951**	**1.07%**	¥3,047	2.36%	***$70,761***
Current portion of long-term debt	**1,864**	**2.28%**	1,563	2.15%	***18,975***
Lease obligations (Current liabilities)	**194**	-	**-**	**-**	***1,979***
Long-term debt	**1,340**	**2.29%**	3,194	2.11%	***13,643***
Lease obligations (Long-term liabilities)	**522**	-	**-**	**-**	***5,311***
Total	**¥10,871**	-	¥7,804	**-**	***$110,669***

*The above interest rates were calculated by weighted average method based on the balance of debt at end of fiscal year.

Secured debt as at March 31, 2009 and 2008 were as follows:

	Millions of yen		*Thousands of U.S. dollars*
March 31	**2009**	2008	***2009***
Short-term debt secured by buildings, machinery and land	**¥2,520**	¥670	***$25,654***
Long-term debt secured by buildings, machinery and land	**100**	750	***1,018***
Total	**2,620**	1,420	***26,672***
Short-term debt secured by investments in securities	**230**	333	***2,346***
Long-term debt secured by investments in securities	**100**	100	***1,018***
Total	**¥330**	¥433	***$3,364***

Assets pledged as collateral for the short-term debt and the long-term debt as at March 31, 2009 and 2008 were as follows:

	Millions of yen		*Thousands of U.S. dollars*
March 31	**2009**	2008	***2009***
Buildings (at net book value)	**¥572**	¥617	***$5,825***
Machinery (at net book value)	**14**	19	***139***
Land	**5,459**	5,459	***55,574***
Total	**¥6,045**	¥6,095	***$61,538***
Investments in Securities	**¥374**	¥515	***$3,805***

Annual maturities of long-term debt and lease obligations as at March 31, 2009 were as follows:

	Long-term debt		Lease obligations	
Year ending on March 31,	Millions of yen	*Thousands of U.S. dollars*	Millions of yen	*Thousands of U.S. dollars*
2011	**¥1,029**	***$10,472***	**¥157**	***$1,598***
2012	**311**	***3,171***	**160**	***1,629***
2013	**-**	-	**74**	***751***
2014	**-**	-	**78**	***796***

7. Revaluation of Land

In accordance with the "Law on Land Revaluation" issued on March 31, 1998 and the "Law Related to the Revision of the Law of Land Revaluation" issued on March 31, 2001, the Company revalued its business-purpose land. Of the revaluation difference, the amount related to tax is recognized as a deferred tax liability and the revaluation difference, net of tax, is recognized as a component of net assets.
The revaluation was performed on March 31, 2002 based on the fixed asset tax revaluation amount set in the "Law on Land Revaluation" No.2 article 3, and is calculated based on land prices set in the "Law on Land Revaluation" No.2 article 4, with certain reasonable adjustments.
The excess of the book value over the current market value of such revalued land held at March 31, 2009 amounted to ¥3,612 million ($36,771 thousand).

8. Retirement Benefits Plan

The Company and some consolidated subsidiaries have defined benefits pension plans and employee's pension funds by multi-employer plan as the system of defined benefits. The other consolidated subsidiaries have tax-qualified pension plans and termination allowance plans.
The Company and certain consolidated subsidiaries also have the defined contribution pension plans.

The accrued retirement benefits as of March 31, 2009 and 2008 were as follows:

	Millions of yen		*Thousands of U.S. dollars*
	2009	2008	***2009***
Projected benefit obligations	**¥(3,012)**	¥(3,341)	***$(30,659)***
Plan assets	**1,888**	1,619	***19,221***
Net unreserved projected benefit obligations	**(1,124)**	(1,722)	***(11,438)***
Unrecognized actuarial differences	**158**	91	***1,604***
Accrued retirement benefits recognized in balance sheets	**¥(966)**	¥(1,631)	***$(9,834)***

Net pension and severance costs related to the retirement benefit plans for the years ended March 31, 2009 and 2008 were as follows:

	Millions of yen		*Thousands of U.S. dollars*
	2009	2008	***2009***
Service costs	**¥159**	¥158	***$1,615***
Interest cost	**51**	53	***522***
Expected return on plan assets	**(16)**	(11)	***(164)***
Net amortization	**16**	(6)	***160***
Amortization of prior service costs	**-**	-	***-***
Transfer to defined contribution pension plans	**45**	46	***459***
Net pension and severance costs	**¥255**	¥262	***$2,592***

Assumptions used in calculation of the above information were as follows:

	2009	2008
Discount rate	**1.5 %**	1.5 %
Expected rate of return on plan assets	**1.0 %**	1.0 %
Method of attributing the projected benefit Obligations to periods of service	**Straight- line basis**	Straight- line basis
Amortization of prior service costs	**Expensed in the year of occurrence**	Expensed in the year of occurrence
Amortization of unrecognized actuarial differences	**5 years**	5 years

9. Income Taxes

The Company and its domestic subsidiaries are subject to several taxes based on income, which in the aggregate resulted in the statutory income tax rate of approximately 40.69% for the years ended March 31, 2009 and 2008. Foreign subsidiaries are subject to income taxes of the countries in which they operate.

At March 31, 2009 and 2008, significant components of deferred tax assets and liabilities were as follows:

	Millions of yen		*Thousands of U.S. dollars*
	2009	2008	***2009***
Deferred tax assets			
Tax losses carried forward	**¥2,000**	¥2,484	***$20,358***
Accrued enterprise tax	**15**	25	***148***
Accrued severance and pension costs for employees	**239**	660	***2,432***
Accrued bonuses	**81**	98	***825***
Allowance for doubtful accounts	**274**	344	***2,785***
Reserve for losses on work in progress	**438**	443	***4,464***
Accrued severance and pension costs for directors and corporate auditors	**-**	78	-
Reserve for contingent loss	**-**	221	-
Loss on write-down of investments in securities	**348**	342	***3,545***
Loss on write-down of investments	**92**	95	***941***
Loss on write-down of inventories	-	32	-
Impairment losses on fixed assets	**424**	421	***4,320***
Depreciation and amortization	**96**	73	***974***
Other	**189**	245	***1,929***
	4,196	5,561	***42,721***
Less: valuation allowance	**(3,359)**	(4,602)	***(34,199)***
Gross deferred tax assets	**837**	959	***8,522***
Deferred tax liabilities			
Deferred tax liabilities on revaluation of land	**2,189**	2,174	***22,289***
Net unrealized gains on investments in securities	**109**	1,786	***1,102***
Special item for lease	**100**	-	***1,018***
Other	**1**	-	***14***
Gross deferred tax liabilities	**¥2,399**	¥3,960	***$24,423***

Deferred tax assets and liabilities as at March 31, 2009 and 2008 were recorded in the consolidated balance sheet as follows:

	Millions of yen		*Thousands of U.S. dollars*
	2009	2008	***2009***
Deferred tax assets (Current assets)	**¥812**	¥935	***$8,267***
Deferred tax assets (Other assets in Investments and Advances)	**25**	24	***255***
Deferred tax liabilities (Long-term liabilities)	**210**	1,786	***2,134***
Deferred tax liabilities on revaluation of land (Long-term liabilities)	**¥2,189**	¥2,174	***$22,289***

The reconciliation of the statutory income tax rate to the effective income tax rate for the years ended March 31, 2009 and 2008 were as follows:

	2009	2008
Statutory income tax rate	**40.7%**	40.7%
Increase (decrease) in tax rate due to;		
Increase and decrease of valuation allowance	**(32.5)**	(31.7)
Permanently non-deductible expenses	**2.5**	2.0
Permanently non-taxable dividends received	**(2.6)**	(1.8)
Local inhabitant’s tax	**0.9**	0.6
Difference in tax rates for foreign subsidiaries	**(0.3)**	(0.1)
Equity in income of affiliates	**(5.5)**	(3.2)
Adjustment for unrealized gains and losses	**0.2**	**-**
Other	**0.2**	0.3
Effective income tax rate	**3.6%**	6.8%

10. Commitments and Contingent Liabilities

As at March 31, 2009, the Company was contingently liable for the affiliated company as follows:

March 31, 2009	Millions of yen	*Thousands of U.S. dollars*
Trade liabilities	**¥1,600**	***$16,288***

11. Selling, General and Administrative Expenses

Significant components of Selling, General and Administrative expenses for the years ended March 31, 2009 and 2008 were as follows:

	Millions of yen		*Thousands of U.S. dollars*
March 31	**2009**	2008	***2009***
Salaries and benefits	**¥1,347**	¥1,196	***$13,708***
Accrued bonuses	**70**	74	***714***
Pension and severance costs	**184**	155	***1,872***
Accrued retirement benefits for directors and corporate auditors	**15**	52	***154***
Allowance for doubtful accounts	**127**	22	***1,296***

12. Research and Development Costs

Research and development costs charged to manufacturing costs and selling, general and administrative expenses for the years ended March 31, 2009 and 2008 were ¥496million ($5,052 thousand) and ¥428 million, respectively.

13. Supplements for Consolidated Statements of Changes in Net Assets

Type and number of shares as at March 31, 2009 were as follows:

	Thousands of shares			
Type of shares	**Balance at the beginning of the fiscal year**	**Increase in shares during fiscal year**	**Decrease in shares during fiscal year**	**Balance at the end of the fiscal year**
Issued stock				
Common stock	**138,731**	**-**	**-**	**138,731**
Total	**138,731**	**-**	**-**	**138,731**
Treasury stock				
Common stock	**5,433**	**7,557**	**-**	**12,990**
Total	**5,433**	**7,557**	**-**	**12,990**

Treasury stock increased by 7,557 thousand shares resulting from purchasing treasury stock 7,491 thousand shares based on decision in the board of director's meeting and purchasing 66 thousand shares less than one unit.

Cash dividends paid to shareholders from the beginning of the effective date were as follows:

						Amount cash dividends	
Approved by	Date of approval	Type of shares	Date of record	Effective date	Per share (Yen)	Millions of Yen	*Thousands of U.S. dollars*
Annual general Shareholder's meeting	June 27, 2008	Common stock	March 31,2008	June 30,2008	**4.00**	**¥533**	***$5,435***

Cash dividends for the year ended March 31, 2009 as a date of record but an effective date subsequent to the current fiscal year were as follows:

						Amount cash dividends	
Resolution approved by	Type of shares	Date of record	Effective date	Paid from	Per share (Yen)	Millions of Yen	*Thousands of U.S. dollars*
Annual general Shareholder's meeting held on June 26, 2009	Common stock	March 31,2009	June 29, 2009	Accumulated earnings	**4.00**	**¥504**	***$5,127***

14. Cash and Cash Equivalents

Cash and cash equivalents as at March 31, 2009 and 2008 for the purpose of statement of cash flows consisted of:

	Millions of yen		*Thousands of U.S. dollars*
March 31	**2009**	2008	***2009***
Cash on hand and at bank	**¥6,978**	**¥7,579**	***$71,039***
Less: Time deposits, over 3-month term	**(112)**	**(252)**	***(1,140)***
Less: Other	**(1)**	**(1)**	***(14)***
Cash and cash equivalents	**¥6,865**	**¥7,326**	***$69,885***

15. Leases

A. Lessee

Finance leases that do not transfer ownership of the leased property to lessee are comprised of part of office equipments and manufacturing facilities in addition to "Property, Plant and Equipment" that is accounted on the consolidated balance sheet.

The method of depreciation has been changed resulting from adopting revised accounting standards (see 2. Summary of Significant Accounting Policies (16) Leases above).

B. Lessor

The breakdown of investments in leases on the consolidated balance sheets was as follows:

	Millions of yen	*Thousands of U.S. dollars*
March 31	**2009**	***2009***
Current assets		
Receivables from lease rental revenue	**¥4,435**	***$45,152***
Estimated salvage value	**179**	***1,823***
Interest income	**(603)**	***(6,137)***
Investments in leases	**¥4,011**	***$40,838***

Expected amount of collection from receivables of lease rental revenue and investments in leases in each annual period are as follows:

	Receivables from lease rental revenue		Investments in leases	
Year ending on March 31,	Millions of yen	*Thousands of U.S. dollars*	Millions of yen	*Thousands of U.S. dollars*
2010	**¥1,443**	***$14,692***	**¥1,231**	***$12,535***
2011	**1,083**	***11,025***	**931**	***9,475***
2012	**911**	***9,274***	**828**	***8,426***
2013	**643**	***6,550***	**615**	***6,265***
2014	**225**	***2,287***	**271**	***2,758***
2015 or later	**¥130**	***$1,324***	**¥135**	***$1,379***

16. Derivative and Hedging Activities

Derivatives designated as hedging instruments by the Company are principally forward exchange contracts, interest swaps, currency swaps, and currency options. The related hedged items are expected account receivables in foreign currency, and long-term bank loans.

The Company has a policy for utilizing the above hedging instruments in order to reduce the Company's exposure to the risk of foreign exchange and interest rate fluctuations. Thus, the Company's purchases of hedging instruments are limited to, at maximum, the amounts of the related hedged items.

The Company use forward currency exchange contracts and currency option transactions to hedge against the exchange rate risk associated with monetary receivables and payables denominated in foreign currencies. Interest rate swap transactions are used in order to minimize the risk of fluctuation in interest rates on borrowings. Currency swap transactions are used to hedge the account receivables in foreign currency against fluctuations in foreign exchange rate as at the end of period.

Gains or losses arising from changes in the fair value of the derivatives designated as "hedging instruments" are deferred as an asset or liability and included in net assets in the same period during which the gains and losses on the hedged items or transactions are recognized. However, in cases where forward exchange contracts used as hedges meet certain hedging criteria, the existing foreign currency receivables or payables are translated at their contract rates. In addition, if interest rate swap contracts meet certain exceptional criteria, the net amount to be paid or received under these swap contracts is added to or deducted from the interest on the related hedged liabilities.

The Company evaluates the effectiveness of its hedging activities by reference to the accumulated gains or losses on the hedging instruments and the related hedged items beginning from the commencement of the hedges. The Company, however, skips to evaluate the effectiveness of interest swaps because of exceptional accounting treatment.

The Company and some consolidated subsidiaries are exposed to certain market risks arising from their forward exchange contracts and swap agreements. The Company is also exposed to the risk of credit loss in the event of non-performance by the counterparties to the currency and interest; however, the Company does not anticipate non-performance by any of these counterparties, all of whom are financial institutions with high credit ratings.

The Company has established an internal control that includes policies and procedures for risk assessment and for the approval, reporting and monitoring of transactions involving derivative financial instruments.

17. Segment Information

(1) Industry Segment Information

The operations of the Company and its consolidated subsidiaries for the years ended March 31, 2009 and 2008 were summarized by product group as follows:

	Millions of yen							
Year ended March 31, 2009	Material Handling Systems Division	Plant & Machinery Division	Building Construction Division	Real Estate Utilizing Division	Other	Sub Total	Elimination or Corporate Assets*	Consolidated Total
Sales								
Sales to external customers	**¥11,961**	**¥26,392**	**¥5,020**	**¥592**	**¥3,696**	**¥47,661**	**¥ -**	**¥ 47,661**
Inter-segment sales	**-**	**-**	**(1)**	**124**	**825**	**948**	**(948)**	**-**
Total	**11,961**	**26,392**	**5,019**	**716**	**4,521**	**48,609**	**(948)**	**47,661**
Operating costs and expenses	**12,460**	**24,331**	**4,863**	**351**	**4,377**	**46,382**	**(588)**	**45,794**
Operating income (loss)	**(499)**	**2,061**	**156**	**365**	**144**	**2,227**	**(360)**	**1,867**
Assets	**10,401**	**22,112**	**3,946**	**4,972**	**6,656**	**48,087**	**6,858**	**54,945**
Depreciation	**185**	**174**	**10**	**144**	**148**	**661**	**19**	**680**
Impairment loss	**-**	**-**	**-**	**-**	**55**	**55**	**-**	**55**
Capital expenditure	**389**	**243**	**5**	**30**	**86**	**753**	**3**	**756**

	Millions of yen							
Year ended March 31, 2008	Material Handling Systems Division	Plant & Machinery Division	Building Construction Division	Real Estate Utilizing Division	Other	Sub Total	Elimination or Corporate Assets*	Consolidated Total
Sales								
Sales to external customers	¥15,243	¥23,355	¥5,756	¥581	¥4,850	¥49,785	¥ -	¥ 49,785
Inter-segment sales	-	-	(1)	139	913	1,051	(1,051)	-
Total	15,243	23,355	5,755	720	5,763	50,836	(1,051)	49,785
Operating costs and expenses	14,839	20,128	5,618	399	5,814	46,798	(699)	46,099
Operating income (loss)	404	3,227	137	321	(51)	4,038	(352)	3,686
Assets	11,794	17,963	8,110	4,592	9,217	51,676	7,383	59,059
Depreciation	150	171	9	134	1,290	1,754	22	1,776
Capital expenditure	58	482	16	2	903	1,461	55	1,516

* Major products of each division are as follows:

Material Handling Systems Division……. material handling systems for delivery, sorting, control and various type of convey instruments
Plant & Machinery Division…….…….. storage tanks for LNG, LPG, crude oil and other gas/liquid
Building Construction Division…………. apartment house, office building, shop building and warehouse building
Real Estate Utilizing Division…………… real estate rental
Other……………………………..……. leasing etc.

* Corporate assets consisted of cash on hand and at bank, investments in securities and the assets belonging to the administration department of the Company. Corporate assets at March 31, 2009 and 2008 were ¥8,000 million ($ 81,445 thousand) and ¥9,665 million, respectively.

* As previously mentioned in 2. Summary of Significant Accounting Policies (17) Leases, for the year ended March 31st, 2009, in regard to the transactions of finance leases without transferring ownership of the lease assets to the lessee, the accounting method of lease transaction has been changed to the method of sales-type transaction in accordance with "Accounting Standard for Lease Transactions" and "Guidance on Accounting Standard for Lease Transactions".
As a result of this change, for the year ended March 31, 2009 "Assets" was decreased by ¥984 million ($10,019 thousand) and "Operating income" was increased by ¥24 million ($246 thousand) in "Other" division as compared with the calculation adopting the previous method.

	Thousands of U.S. dollars							
Year ended March 31, 2009	*Material Handling Systems Division*	*Plant & Machinery Division*	*Building Construction Division*	*Real Estate Utilizing Division*	*Other*	*Sub Total*	*Elimination or Corporate Assets**	*Consolidated Total*
Sales								
Sales to external customers	***$121,769***	***$268,677***	***$51,103***	***$6,023***	***$37,629***	***$485,201***	***$ -***	***$485,201***
Inter-segment sales	***-***	***-***	***(12)***	***1,264***	***8,397***	***9,649***	***(9,649)***	***-***
Total	***121,769***	***268,677***	***51,091***	***7,287***	***46,026***	***494,850***	***(9,649)***	***485,201***
Operating costs and expenses	***126,845***	***247,694***	***49,505***	***3,576***	***44,564***	***472,184***	***(5,987)***	***466,197***
Operating income (loss)	***(5,076)***	***20,983***	***1,586***	***3,711***	***1,462***	***22,666***	***(3,662)***	***19,004***
Assets	***105,890***	***225,102***	***40,168***	***50,615***	***67,763***	***489,538***	***69,809***	***559,347***
Depreciation	***1,882***	***1,776***	***100***	***1,464***	***1,507***	***6,729***	***193***	***6,922***
Impairment loss	***-***	***-***	***-***	***-***	***563***	***563***	***-***	***563***
Capital expenditure	***3,963***	***2,477***	***48***	***307***	***871***	***7,666***	***27***	***7,693***

(2) Geographic Segment Information
Segment information classified by geographic area is not presented because the majority of the Companies' operations are conducted in Japan.

(3) Export sales and sales by overseas subsidiaries

	Millions of yen				
Year ended March 31, 2009	South-east Asia	Middle East	Africa	Other	Total
Overseas sales	**¥4,310**	**¥1,787**	**¥5,967**	**¥593**	**¥12,657**
Consolidated Sales	**-**	**-**	**-**	**-**	**¥47,661**
Ratio	**9.0%**	**3.8%**	**12.5%**	**1.3%**	**26.6%**

	Millions of yen			
Year ended March 31, 2008	South-east Asia	Middle East	Other	Total
Overseas sales	¥7,336	¥5,056	¥3,508	¥15,900
Consolidated sales	-	-	-	¥49,785
Ratio	14.7%	10.2%	7.0%	31.9%

* "Africa" area was segregated from "Other" area for the year ended March 31, 2009 to reflect the growing significance of this area to the consolidated sales. Without the change in segments, "Other" area would have been ¥6,560 million ($66,783 thousand) for the year ended March 31, 2009.

* Major countries included in the above geographic areas were as follows:
South-east Asia:……Singapore, Indonesia
Middle East:………..Iran, Yemen
Africa:…….………..Angola, Algeria
Other:………………China

	Thousand of U.S. dollars				
Year ended March 31, 2009	*South-east Asia*	*Middle East*	*Africa*	*Other*	*Total*
Overseas sales	***$43,879***	***$18,192***	***$60,747***	***$6,036***	***$128,854***
Consolidated Sales	***-***	***-***	***-***	***-***	***$485,201***
Ratio	***9.0%***	***3.8%***	***12.5%***	***1.3%***	***26.6%***

18. Related Party Transactions

Material transactions of the Company with its related companies and individuals, excluding transactions with consolidated subsidiaries which are eliminated in the consolidated financial statements and other than those disclosed elsewhere in these financial statements, for the years ended March 31, 2008 and 2007 were as follows:

Name of Related Company	Paid-in Capital	Principal Business	Equity Ownership Percentage by the Company	Description of the Company’s Transactions	Millions of yen / Thousands of U.S. dollars Transactions Year ended March 31 **2009**	2008	Account	Balances At March 31 **2009**	2008
Toyo Koken K.K.	¥897 Million	Production and sale of electric-driven winches	39%	Loans made	-	-	Short-term loans	- -	¥119
					-	-	Long-term loans	- -	¥960
Toyo Miyama Co., Ltd.	¥100 Million	Architectural business	49%	Guarantee obligation	**¥1,600** ***$16,288***	¥1,600			

The terms and conditions of the above transactions are on an arm's-length basis.

(Changes in accounting method)
Effective from the year ended March 31, 2009, the Company and its consolidated subsidiaries adopted “Accounting Standard for Related Party Disclosures (Statement No.11 issued by the ASBJ on October 17, 2006)” and “Guidance on Accounting Standard for Related Party Disclosures (Guidance No.13 issued by the ASBJ on October 17, 2006)”.
This change did not result in changing the scope of related party disclosure.

19. Amount Per Share

Amounts per share at March 31, 2009 and 2008 and for the years then ended were as follows:

	Yen		*U.S. dollars*
	2009	2008	***2009***
Net assets	**¥222.09**	¥216.05	***$2.26***
Net income	**22.99**	27.90	***0.23***

Diluted net income per share for the years ended March 31, 2009 and 2008 has not been presented because no potentially dilutive shares of common stock were outstanding.

Net income per share were calculated on the following basis:

	Millions of yen		*Thousands of U.S. dollars*
	2009	2008	***2009***
Net income	**¥3,005**	¥3,810	***$30,594***
Net income not available to shareholders of common stock	**-**	-	-
Net income available to shareholders of common stock	**¥3,005**	¥3,810	***$30,594***

	Thousands of shares	
	2009	2008
Weighted-average number of outstanding shares of common stock	**130,724**	136,570

20. Subsequent Event

The Company resolved to sell the land, buildings and structures to the affiliated company on June 30, 2009, pursuant to its shareholder’s approval at the general shareholder’s meeting held on June 26, 2009.
Accordingly, ¥273 million ($2,775 thousand) of “Gain on sales of property, plant and equipment” is expected to be recognized in the Consolidated Statements of Operations, and ¥401 million ($4,080 thousand) will be reduced from “Unrealized gains on revaluation of land” of Net Assets in the Consolidated Balance Sheet on the next fiscal year ending March 31, 2010.

Corporate Data

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Date of Establishment
16th May, 1941

Common Stock
Authorized : 297,000,000
Issued : 138,730,741

Security Traded
Tokyo Stock Exchange Market, 1st Section

Transfer Agent and Registrar
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Annual Meeting
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