



# Consolidated Financial Statements

For the Fiscal Year Ended March 31, 2009

May 12, 2009

Company name : **KYOWA EXEO CORPORATION**  
 Stock Exchange Listed : Tokyo Stock Exchange-First Section  
 Code No. : 1951  
 URL : <http://www.exeo.co.jp/>  
 Representative : Kunio Ishikawa, President  
 Investor Relations : Yoshiaki Suzuki, Managing Director, General Manager,  
 Accounting & Financial Division /Phone (03) 5778-1106  
 Date of scheduled the general meeting of shareholders  
 for approval of the consolidated financial statements : June 23, 2009  
 Date of scheduled filing of financial report : June 23, 2009  
 Date of scheduled payment of dividends : June 24, 2009

(Amounts are rounded off to the nearest 1 million yen)

## 1. Consolidated Financial Results for the Fiscal Years Ended March 31, 2008 and 2009

(1) Consolidated Results of Operations

(% of change from the previous year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Year ended March 31, 2009	288,017	0.1	18,871	15.1	19,489	13.3	9,388	(12.1)
Year ended March 31, 2008	287,744	(5.2)	16,400	(19.8)	17,203	(18.5)	10,685	(3.1)

	Net Income per Share	Diluted Net Income per Share	Return on Equity	Ordinary Income/ Total Assets	Operating Income/ Net Sales
	¥	¥	%	%	%
Year ended March 31, 2009	88.50	81.98	10.2	10.9	6.6
Year ended March 31, 2008	98.42	91.28	12.3	9.5	5.7

Reference: Equity in net income(losses) of affiliates : For the fiscal year ended Mar.31,2009 —million yen For the fiscal year ended Mar.31,2008 —million yen

(2) Consolidated Financial Positions

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	¥ million	¥ million	%	¥
As of March 31, 2009	179,555	101,878	53.3	903.15
As of March 31, 2008	176,955	95,573	50.1	836.10

Reference: Net assets excluding subscription rights to shares and minority interests : As of Mar.31,2009 95,788million yen As of Mar.31,2008 88,720million yen

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at Fiscal Year End
	¥ million	¥ million	¥ million	¥ million
Year ended March 31, 2009	17,434	(4,057)	(2,531)	26,261
Year ended March 31, 2008	(1,583)	(5,690)	(5,051)	15,431

## 2. Cash Dividends

(Period)	Cash dividends per share			Total Cash Dividends (Full Year)	Payout Ratio (Consolidated)	Ratio of Dividends to Net Assets (Consolidated)
	Interim	Year-End	Full Year			
	¥	¥	¥	¥ million	%	%
Year ended March 31, 2008	9.00	11.00	20.00	2,158	20.3	2.5
Year ended March 31, 2009	10.00	10.00	20.00	2,121	22.6	2.3
Year ending March 31, 2010 (Forecasts)	10.00	10.00	20.00		—	

### 3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2010

(% of change from the previous each period)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Six months ending September 30, 2009	117,500	(5.0)	5,000	(24.3)	5,300	(23.9)	3,000	(20.9)	28.29
Year ending March 31, 2010	284,000	(1.4)	16,400	(13.1)	16,900	(13.3)	9,700	3.3	91.46

#### 4. Others

- (1) Changes in major subsidiaries (scope of consolidation) during the period : None
- (2) Changes in accounting principles, procedures, disclosure methods, etc., pertaining to preparation of consolidated financial statements (Those to be stated as changes in Basis of Presenting Consolidated Financial Statements)
- ① Changes associated with revision in accounting standards : Yes
- ② Other changes : None
- (3) The number of shares issued (common stock)
- ① The number of shares issued : As of Mar.31,2009 117,812,419shares As of Mar.31,2008 117,812,419shares  
(inclusive of treasury stock)
- ② The number of treasury stock : As of Mar.31,2009 11,752,170shares As of Mar.31,2008 11,699,546shares

### (Reference) Summary of Non-Consolidated Financial Results

#### 1. Non-Consolidated Financial Results for the Fiscal Years Ended March 31, 2008 and 2009

(1) Non-Consolidated Results of Operations (% of change from the previous year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Year ended March 31, 2009	231,671	3.5	14,493	28.0	14,632	26.2	7,109	0.3
Year ended March 31, 2008	223,932	(6.2)	11,319	(20.1)	11,597	(18.5)	7,085	(0.3)

	Net Income per Share	Diluted Net Income per Share
	¥	¥
Year ended March 31, 2009	67.01	62.08
Year ended March 31, 2008	65.26	60.52

(2) Non-Consolidated Financial Positions

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	¥ million	¥ million	%	¥
As of March 31, 2009	149,393	74,327	49.6	699.09
As of March 31, 2008	143,973	69,508	48.2	654.31

Reference: Net assets excluding subscription rights : As of Mar.31,2009 74,145million yen As of Mar.31,2008 69,430million yen to shares

#### 2. Non-Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2010

(% of change from the previous each period)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Six months ending September 30, 2009	93,500	(5.5)	3,500	(29.5)	3,700	(29.5)	2,200	(25.2)	20.74
Year ending March 31, 2010	228,500	(1.4)	12,300	(15.1)	12,800	(12.5)	7,600	6.9	71.66

Notes : Management of the Company has made estimates and assumptions relating to financial forecasts based on information available as of the reporting date. Actual results may differ from those estimates.

## Consolidated Balance Sheets (1)

	As of March 31, 2008	As of March 31, 2009
	Amount (Millions of yen)	Amount (Millions of yen)
<b>(ASSETS)</b>		
Current assets		
Cash and bank deposits	6,576	6,317
Notes and accounts receivable, trade	80,931	72,127
Marketable securities	8,902	20,001
Costs on uncompleted construction contracts	18,886	21,097
Deferred tax assets	4,202	4,227
Other current assets	2,502	2,748
Allowance for doubtful accounts	(268)	(202)
<b>Total current assets</b>	<b>121,733</b>	<b>126,317</b>
Noncurrent assets		
Property and equipment		
Buildings and structures	26,332	—
Accumulated depreciation	(14,080)	—
Buildings and structures, net	12,252	12,239
Machinery, vehicles and equipment	10,067	—
Accumulated depreciation	(8,163)	—
Machinery, vehicles and equipment, net	1,904	1,472
Land	23,117	23,333
Construction in progress	35	—
Other	—	1,092
<b>Total property and equipment</b>	<b>37,309</b>	<b>38,138</b>
Intangible assets	3,510	3,244
Investments and other assets		
Investment securities	7,106	5,440
Long-term loans	1,854	1,266
Deferred tax assets	1,518	701
Other investments and other assets	5,783	7,115
Allowance for doubtful accounts	(1,862)	(2,670)
<b>Total Investments and other assets</b>	<b>14,401</b>	<b>11,854</b>
<b>Total noncurrent assets</b>	<b>55,221</b>	<b>53,238</b>
<b>TOTAL ASSETS</b>	<b>176,955</b>	<b>179,555</b>

Notes: Fractions less than one million yen were omitted.

## Consolidated Balance Sheets (2)

	As of March 31, 2008 Amount (Millions of yen)	As of March 31, 2009 Amount (Millions of yen)
<b>(LIABILITIES)</b>		
Current liabilities		
Notes and accounts payable, trade	33,455	28,729
Short-term loans payable	1,410	—
Accrued expenses	8,588	9,057
Accrued income taxes	3,015	5,120
Advances received on uncompleted construction contracts	4,392	5,087
Provision for bonuses	489	449
Provision for directors' bonuses	180	193
Provision for warranties for completed construction	276	369
Provision for loss on construction contracts	107	214
Other current liabilities	4,672	5,041
<b>Total current liabilities</b>	<b>56,589</b>	<b>54,263</b>
Long-term liabilities		
Convertible bond	15,000	15,000
Provision for employees' retirement benefits	5,820	5,515
Provision for directors' retirement benefits	699	736
Provision for loss on investment	349	283
Deferred tax liabilities	313	723
Negative goodwill	403	204
Other long-term liabilities	2,205	949
<b>Total long-term liabilities</b>	<b>24,792</b>	<b>23,413</b>
<b>TOTAL LIABILITIES</b>	<b>81,382</b>	<b>77,677</b>
<b>(NET ASSETS)</b>		
Shareholders' equity		
Capital stock	6,888	6,888
Capital surplus	5,953	5,959
Retained earnings	84,023	91,184
Treasury stock	(8,438)	(8,494)
<b>Total shareholders' equity</b>	<b>88,427</b>	<b>95,537</b>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	293	250
<b>Total valuation and translation adjustments</b>	<b>293</b>	<b>250</b>
Subscription rights to shares	77	181
Minority interests	6,774	5,908
<b>TOTAL NET ASSETS</b>	<b>95,573</b>	<b>101,878</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>176,955</b>	<b>179,555</b>

Notes: Fractions less than one million yen were omitted.

## Consolidated Statements of Income

	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009
	Amount (Millions of yen)	Amount (Millions of yen)
Net sales	287,744	288,017
Cost of sales	251,446	251,056
Gross income	36,298	36,960
Selling, general and administrative expenses	19,897	18,088
Operating income	16,400	18,871
Non-operating income		
Interest income	204	266
Dividends income	123	173
Reversal of allowance for doubtful accounts	213	—
Amortization of negative goodwill	367	266
Other	618	525
Total non-operating income	1,526	1,232
Non-operating expenses		
Interest expenses	19	18
Bad debts expenses	99	103
Foreign exchange losses	288	262
Loss on retirement of noncurrent assets	103	—
Loss on valuation of investment securities	75	—
Other	138	231
Total non-operating expenses	724	615
Ordinary income	17,203	19,489
Extraordinary income		
Gain on sales of noncurrent assets	—	126
Gain on sales of investment securities	—	151
Reversal of allowance for long-term doubtful accounts	171	—
Total extraordinary income	171	277
Extraordinary loss		
Impairment loss	—	166
Loss on retirement of noncurrent assets	—	175
Provision of allowance for doubtful accounts	—	909
Loss on valuation of investment securities	—	1,754
Total extraordinary losses	—	3,006
Income before income taxes and minority interests	17,374	16,759
Income taxes – current	4,020	6,849
Income taxes – deferred	2,299	1,133
Total income taxes	6,319	7,983
Minority interests in income (loss)	369	(612)
Net income	10,685	9,388

Notes: Fractions less than one million yen were omitted.

## Consolidated Statements of Changes in Net Assets (1)

	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009
	Amount (Millions of yen)	Amount (Millions of yen)
<b>Shareholders' equity</b>		
<b>Capital stock</b>		
Balance at the end of previous period	6,888	6,888
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	6,888	6,888
<b>Capital surplus</b>		
Balance at the end of previous period	5,866	5,953
Changes of items during the period		
Disposal of treasury stock	87	5
Total changes of items during the period	87	5
Balance at the end of current period	5,953	5,959
<b>Retained earnings</b>		
Balance at the end of previous period	75,537	84,023
Changes of items during the period		
Dividends from surplus	(2,199)	(2,228)
Net income	10,685	9,388
Total changes of items during the period	8,485	7,160
Balance at the end of current period	84,023	91,184
<b>Treasury stock</b>		
Balance at the end of previous period	(5,354)	(8,438)
Changes of items during the period		
Purchase of treasury stock	(3,290)	(75)
Disposal of treasury stock	206	19
Total changes of items during the period	(3,083)	(56)
Balance at the end of current period	(8,438)	(8,494)
<b>Total shareholders' equity</b>		
Balance at the end of previous period	82,937	88,427
Changes of items during the period		
Dividends from surplus	(2,199)	(2,228)
Net income	10,685	9,388
Purchase of treasury stock	(3,290)	(75)
Disposal of treasury stock	293	25
Total changes of items during the period	5,489	7,110
Balance at the end of current period	88,427	95,537

Notes: Fractions less than one million yen were omitted.

## Consolidated Statements of Changes in Net Assets (2)

	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009
	Amount (Millions of yen)	Amount (Millions of yen)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	1,541	293
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,248)	(42)
Total changes of items during the period	(1,248)	(42)
Balance at the end of current period	293	250
Total valuation and translation adjustments		
Balance at the end of previous period	1,541	293
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,248)	(42)
Total changes of items during the period	(1,248)	(42)
Balance at the end of current period	293	250
Subscription rights to shares		
Balance at the end of previous period	—	77
Changes of items during the period		
Net changes of items other than shareholders' equity	77	103
Total changes of items during the period	77	103
Balance at the end of current period	77	181
Minority interests		
Balance at the end of previous period	6,657	6,774
Changes of items during the period		
Net changes of items other than shareholders' equity	117	(866)
Total changes of items during the period	117	(866)
Balance at the end of current period	6,774	5,908
Total net assets		
Balance at the end of previous period	91,136	95,573
Changes of items during the period		
Dividends from surplus	(2,199)	(2,228)
Net income	10,685	9,388
Purchase of treasury stock	(3,290)	(75)
Disposal of treasury stock	293	25
Net changes of items other than shareholders' equity	(1,053)	(805)
Total changes of items during the period	4,436	6,305
Balance at the end of current period	95,573	101,878

Notes: Fractions less than one million yen were omitted.

## Consolidated Statements of Cash Flows

	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009
	Amount (Millions of yen)	Amount (Millions of yen)
Cash flows from operating activities:		
Income before income taxes and minority interests	17,374	16,759
Depreciation and amortization	2,632	2,554
Impairment loss	—	166
Amortization of goodwill	(324)	(236)
Increase(decrease) in allowance for doubtful accounts	(433)	741
Increase(decrease) in reserve for employees' retirement benefits	(359)	(305)
Interest and dividends income	(327)	(440)
Interest expenses	19	18
Decrease(increase) in notes and accounts receivable, trade	(4,138)	8,803
Decrease(increase) in costs on uncompleted construction contracts	866	(2,210)
Decrease(increase) in other operating assets	(1,448)	(1,371)
Increase(decrease) in notes and accounts payable, trade	(1,078)	(4,725)
Increase(decrease) in advances received on uncompleted construction contracts	(1,065)	695
Increase(decrease) in other operating liabilities	(5,669)	(1,038)
Other,net	539	2,107
Sub-total	6,587	21,518
Interest and dividends income received	340	439
Interest expenses paid	(20)	(18)
Income taxes paid	(8,491)	(4,505)
Net cash used in (provided by) operating activities	(1,583)	17,434
Cash flows from investing activities:		
Purchase of property and equipment	(2,713)	(3,022)
Proceeds from sales of property and equipment	18	282
Purchase of intangible fixed assets	(2,036)	(1,018)
Purchase of investment securities	(701)	(683)
Proceeds from sales of investment securities	298	550
Payments of loans receivable	(1,496)	(429)
Collection of loans receivable	1,186	337
Other,net	(246)	(72)
Net cash used in investing activities	(5,690)	(4,057)
Cash flows from financing activities:		
Net change in short-term loans payable	242	(170)
Repayment of long-term loans payable	(8)	(30)
Proceeds from long-term loans payable	—	55
Purchase of treasury stock	(3,290)	—
Proceeds from sales of treasury stock	293	—
Cash dividends paid	(2,197)	(2,228)
Cash dividends paid to minority shareholders	(91)	(95)
Other,net	—	(63)
Net cash used in (provided by) financing activities	(5,051)	(2,531)
Effect of exchange rate change on cash and cash equivalents	(19)	(15)
Increase (decrease) in cash and cash equivalents	(12,345)	10,829
Cash and cash equivalents, beginning of year	27,776	15,431
Cash and cash equivalents	15,431	26,261

Notes: Fractions less than one million yen were omitted.

**[Note on assumptions for going concern]**

Not applicable

**[Basis of presenting consolidated Financial Statements]**

**1. Significant accounting policies**

(1) Valuation of certain assets

a. Valuation of inventories

Costs on uncompleted construction contracts are stated at cost using the specific identification cost method.

Raw materials and supplies are stated at cost using the moving-average method,(amounts shown on Balance Sheets are lower than book value due to decline in profitability).

(Changes in accounting method)

Commencing the current fiscal year under review, the company is applying the “ Accounting Standard for Measurement of Inventories,” (ASBJ Statement No. 9 issued on July 5, 2006).

The effect of this change is not material.

(2) Depreciation of noncurrent assets

a. Lease assets

Lease assets are depreciated using the straight-line method over the period of the lease, with zero residual value.

For finance lease transactions that do not transfer ownership, entered into prior to the early application date, we are continuing to account for them similar to ordinary rental transactions.

**2. Changes in accounting policies**

(1) Application of accounting standard for lease transactions

Finance lease transactions without title transfer were formerly accounted for in accordance with the method used for ordinary lease transactions. Effective with the fiscal year ended March 31, 2009, the “Accounting Standard for Lease Transactions” (ASBJ Statement No.13, issued March 30, 2007; revised from standard originally issued by the Corporate Accounting Council on June 17, 1993) and “Guidance on Accounting Standard for Lease Transactions” (ASBJ Guidance No.16, issued March 30, 2007; revised from standard originally issued by the Japanese Institute of Certified Public Accountants on January 18, 1994) were applied.

For finance lease transactions that do not transfer ownership, entered into prior to the early application date, we are continuing to account for them similar to ordinary rental transactions.

The change in accounting method does not impact income and net assets.

## Non-Consolidated Balance Sheets (1)

	As of March 31, 2008	As of March 31, 2009
	Amount	Amount
	(Millions of yen)	(Millions of yen)
<b>(ASSETS)</b>		
Current assets		
Cash and bank deposits	5,224	4,856
Notes receivable	514	285
Accounts receivable, trade	63,824	58,585
Marketable securities	8,902	20,001
Costs on uncompleted construction contracts	12,916	14,394
Raw materials and supplies	19	141
Short-term loans	2,726	2,786
Prepaid expenses	243	265
Deferred tax assets	3,142	3,109
Other current assets	903	850
Allowance for doubtful accounts	(226)	(173)
<b>Total current assets</b>	<b>98,191</b>	<b>105,102</b>
Noncurrent assets		
Property and equipment		
Buildings	16,556	—
Accumulated depreciation	(8,146)	—
Buildings, net	8,409	8,650
Structures	1,690	—
Accumulated depreciation	(1,195)	—
Structures, net	495	477
Machinery	813	—
Accumulated depreciation	(623)	—
Machinery, net	189	131
Vehicles	44	—
Accumulated depreciation	(32)	—
Vehicles, net	11	15
Equipment	4,323	—
Accumulated depreciation	(3,265)	—
Equipment, net	1,057	844
Land	15,089	15,314
Lease assets, net	—	61
Construction in progress	35	991
<b>Total property and equipment</b>	<b>25,288</b>	<b>26,486</b>
Intangible assets		
Software	2,873	2,661
Other intangible assets	264	210
<b>Total intangible assets</b>	<b>3,138</b>	<b>2,871</b>
Investments and other assets		
Investment securities	4,538	3,360
Investment securities of affiliates	6,872	6,771
Long-term loans	—	—
Long-term loans of affiliates	2,585	2,180
Reorganization credits	489	484
Long-term prepaid expenses	238	212
Prepaid pension cost	2,009	2,526
Deferred tax assets	789	365
Other investments and other assets	2,005	1,999
Provision for loss on investment	—	(720)
Allowance for doubtful accounts	(2,174)	(2,247)
<b>Total investments and other assets</b>	<b>17,355</b>	<b>14,932</b>
<b>Total noncurrent assets</b>	<b>45,781</b>	<b>44,290</b>
<b>TOTAL ASSETS</b>	<b>143,973</b>	<b>149,393</b>

Notes: Fractions less than one million yen were omitted.

## Non-Consolidated Balance Sheets (2)

	As of March 31, 2008 Amount (Millions of yen)	As of March 31, 2009 Amount (Millions of yen)
<b>(LIABILITIES)</b>		
Current liabilities		
Notes payable	322	108
Accounts payable, trade	32,781	28,909
Lease obligations	—	15
Accounts payable-other	2,796	1,728
Accrued expenses	5,983	6,322
Accrued income taxes	2,117	3,836
Advances received on uncompleted construction contracts	3,122	4,114
Deposits received	9,746	13,140
Provision for directors' bonuses	101	118
Provision for warranties for completed construction	267	354
Provision for loss on construction contracts	89	151
Other current liabilities	259	589
<b>Total current liabilities</b>	<b>57,587</b>	<b>59,388</b>
Long-term liabilities		
Convertible bond	15,000	15,000
Lease obligations	—	49
Provision for directors' retirement benefits	321	343
Provision for loss on investment	349	283
Other long-term liabilities	1,205	0
<b>Total long-term liabilities</b>	<b>16,877</b>	<b>15,677</b>
<b>TOTAL LIABILITIES</b>	<b>74,464</b>	<b>75,066</b>
<b>(NET ASSETS)</b>		
Shareholders' equity		
Capital stock	6,888	6,888
Capital surplus		
Legal capital surplus	5,761	5,761
Other capital surplus	192	198
<b>Total capital surpluses</b>	<b>5,953</b>	<b>5,959</b>
Retained earnings		
Legal retained earnings	1,547	1,547
Other retained earnings		
Reserve for advanced depreciation of noncurrent assets	134	173
General reserve	54,630	59,500
Retained earnings brought forward	8,173	8,145
<b>Total earned surpluses</b>	<b>64,485</b>	<b>69,366</b>
Treasury stock	(8,438)	(8,494)
<b>Total shareholders' equity</b>	<b>68,888</b>	<b>73,719</b>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	541	425
<b>Total valuation and translation adjustments</b>	<b>541</b>	<b>425</b>
Subscription rights to shares	77	181
<b>TOTAL NET ASSETS</b>	<b>69,508</b>	<b>74,327</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>143,973</b>	<b>149,393</b>

Notes: Fractions less than one million yen were omitted.

## Non-Consolidated Statements of Income

	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009
	Amount (Millions of yen)	Amount (Millions of yen)
Net sales	223,932	231,671
Cost of sales	198,295	204,183
Gross income	25,637	27,487
Selling, general and administrative expenses	14,317	12,993
Operating income	11,319	14,493
Non-operating income		
Interest income	39	39
Interest on securities	125	233
Dividends income	227	261
Land and house rent received	111	127
Gain on sales of investment securities	95	—
Reversal of allowance for doubtful accounts	101	—
Other	183	170
Total non-operating income	884	833
Non-operating expenses		
Interest expenses	62	49
Provision of allowance for doubtful accounts	—	73
Bad debts expenses	99	72
Affiliated company debt forgiveness	—	70
Foreign exchange losses	288	262
Loss on valuation of investment securities	65	—
Other	92	167
Total non-operating expenses	606	695
Ordinary income	11,597	14,632
Extraordinary income		
Gain on sales of investment securities	—	105
Gain on sales of noncurrent assets	—	114
Reversal of allowance for long-term doubtful accounts	171	—
Total extraordinary income	171	219
Extraordinary loss		
Impairment loss	—	100
Loss on retirement of noncurrent assets	—	133
Provision of allowance for investment loss	—	720
Loss on valuation of investment securities	—	1,407
Total extraordinary losses	—	2,362
Income before income taxes	11,768	12,489
Income taxes – current	2,040	4,843
Income taxes – deferred	2,643	537
Total income taxes	4,683	5,380
Net income	7,085	7,109

Notes: Fractions less than one million yen were omitted.

## Non-Consolidated Statements of Changes in Net Assets (1)

	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009
	Amount (Millions of yen)	Amount (Millions of yen)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	6,888	6,888
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	6,888	6,888
Capital surplus		
Legal capital surplus		
Balance at the end of previous period	5,761	5,761
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	5,761	5,761
Other capital surplus		
Balance at the end of previous period	105	192
Changes of items during the period		
Disposal of treasury stock	87	5
Total changes of items during the period	87	5
Balance at the end of current period	192	198
Total capital surplus		
Balance at the end of previous period	5,866	5,953
Changes of items during the period		
Disposal of treasury stock	87	5
Total changes of items during the period	87	5
Balance at the end of current period	5,953	5,959
Retained earnings		
Legal retained earnings		
Balance at the end of previous period	1,547	1,547
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	1,547	1,547
Other retained earnings		
Reserve for advanced depreciation of noncurrent assets		
Balance at the end of previous period	136	134
Changes of items during the period		
Provision of reserve for advanced depreciation of noncurrent assets	—	41
Reversal of reserve for advanced depreciation of noncurrent assets	(2)	(2)
Total changes of items during the period	(2)	39
Balance at the end of current period	134	173
General reserve		
Balance at the end of previous period	49,930	54,630
Changes of items during the period		
Provision of general reserve	4,700	4,870
Total changes of items during the period	4,700	4,870
Balance at the end of current period	54,630	59,500
Retained earnings brought forward		
Reserve for advanced depreciation of noncurrent assets		
Balance at the end of previous period	7,985	8,173
Changes of items during the period		
Provision of reserve for advanced depreciation of noncurrent assets	—	(41)
Reversal of reserve for advanced depreciation of noncurrent assets	2	2
Provision of general reserve	(4,700)	(4,870)
Dividends from surplus	(2,199)	(2,228)
Net income	7,085	7,109
Total changes of items during the period	187	(28)
Balance at the end of current period	8,173	8,145

Notes: Fractions less than one million yen were omitted.

## Non-Consolidated Statements of Changes in Net Assets (2)

	Fiscal year ended	Fiscal year ended
	March 31,2008	March 31,2009
	Amount (Millions of yen)	Amount (Millions of yen)
<b>Total retained earnings</b>		
Balance at the end of previous period	59,599	64,485
Changes of items during the period		
Dividends from surplus	(2,199)	(2,228)
Net income	7,085	7,109
<b>Total changes of items during the period</b>	<b>4,885</b>	<b>4,881</b>
Balance at the end of current period	64,485	69,366
<b>Treasury stock</b>		
Balance at the end of previous period	(5,354)	(8,438)
Changes of items during the period		
Purchase of treasury stock	(3,290)	(75)
Disposal of treasury stock	206	19
<b>Total changes of items during the period</b>	<b>(3,083)</b>	<b>(56)</b>
Balance at the end of current period	(8,438)	(8,494)
<b>Total shareholders' equity</b>		
Balance at the end of previous period	66,999	68,888
Changes of items during the period		
Dividends from surplus	(2,199)	(2,228)
Net income	7,085	7,109
Purchase of treasury stock	(3,290)	(75)
Disposal of treasury stock	293	25
<b>Total changes of items during the period</b>	<b>1,888</b>	<b>4,831</b>
Balance at the end of current period	68,888	73,719
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	1,531	541
Changes of items during the period		
Net changes of items other than shareholders' equity	(989)	(116)
<b>Total changes of items during the period</b>	<b>(989)</b>	<b>(116)</b>
Balance at the end of current period	541	425
<b>Total valuation and translation adjustments</b>		
Balance at the end of previous period	1,531	541
Changes of items during the period		
Net changes of items other than shareholders' equity	(989)	(116)
<b>Total changes of items during the period</b>	<b>(989)</b>	<b>(116)</b>
Balance at the end of current period	541	425
<b>Subscription rights to shares</b>		
Balance at the end of previous period	—	77
Changes of items during the period		
Net changes of items other than shareholders' equity	77	103
<b>Total changes of items during the period</b>	<b>77</b>	<b>103</b>
Balance at the end of current period	77	181
<b>Total net assets</b>		
Balance at the end of previous period	68,531	69,508
Changes of items during the period		
Dividends from surplus	(2,199)	(2,228)
Net income	7,085	7,109
Purchase of treasury stock	(3,290)	(75)
Disposal of treasury stock	293	25
Net changes of items other than shareholders' equity	(911)	(12)
<b>Total changes of items during the period</b>	<b>977</b>	<b>4,818</b>
Balance at the end of current period	69,508	74,327

Notes: Fractions less than one million yen were omitted.