

Financial Report for the Third Quarter ended March, 2009

February 9, 2009

The following statements are an English-language translation of the original Japanese-language document.
(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

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 Code No.....1979
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 Scheduled date to submit Quarterly report..... February 13, 2009

(Round down to one million yen)

1. Consolidated Operating Performance (From April 1, 2008 to December 31, 2008)

(1) Consolidated Operation Result

(% indicates increase ratio over previous year)

	Sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
FY08 3Q	115,094	-	3,342	-	3,892	-	920	-
FY07 3Q	122,915	(0.8)	1,427	(28.7)	2,063	(25.2)	(1,032)	-

	Net income per share	Net income per share after potential share adjustment
	yen	yen
FY08 3Q	25.04	-
FY07 3Q	(28.08)	-

(2) Consolidated financial position

	Total assets	Net assets	Equity capital ratio	Net assets per share
	million yen	million yen	%	yen
FY08 3Q	134,529	61,830	43.4	1,587.39
FY07	142,024	67,379	44.6	1,723.67

(Ref.) Equity capital FY08 3Q 58,370 million yen
 FY07 63,391 million yen

2. Dividends

(Record date)	Dividend per share				
	1Q	2Q	3Q	At the end of FY	Total (annually)
	yen	yen	yen	yen	yen
FY07	-	15.00	-	20.00	35.00
FY08	-	15.00	-	-	-
FY08 (Forecast)	-	-	-	15.00	30.00

(Note) Whether the dividend forecast for the quarter under review has been revised:None

3. Forecast of Consolidated Operating Performance at End of March 2009 (From April 1, 2008 to March 31, 2009)

(% indicates increase ratio of full year over previous year)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	179,000	(2.2)	6,000	9.3	6,500	(0.0)	3,000	155.3	81.57

(Note) Whether the forecast for consolidated operating performance for the quarter under review has been revised:None

4. Others

- (1) Changes in major subsidiaries during the quarter (Changes in subsidiaries that affect consolidated financial results) : None
- (2) Application of simplified accounting procedures, or application of special accounting procedures in creating consolidated financial statements for the quarter under review : Yes
- (3) Changes in principles, procedures, and presentation method of accounting related to compilation of consolidated quarterly financial statements (Description of changes in important items that comprise the basic foundation in the compilation of consolidated quarterly financial statements)
- ① Changes attendant with revisions in accounting principles: Yes
- ② Other changes aside from ① above : Yes
- (4) Number of shares issued (common shares)
- ① Number of shares issued at end of FY (including treasury shares)
- | | |
|---------|-------------------|
| FY08 3Q | 36,782,009 shares |
| FY07 | 37,982,009 shares |
- ② Number of treasury shares at end of FY
- | | |
|---------|------------------|
| FY08 3Q | 10,859 shares |
| FY07 | 1,204,766 shares |
- ③ Average number of common shares during the period
- | | |
|---------|-------------------|
| FY08 3Q | 36,775,310 shares |
| FY07 3Q | 36,777,836 shares |

※ Explanation on the appropriate use of earnings forecasts and other notices

- (1) Forecasts are based on information available on the date of publication. Actual performance may differ from forecasts due to various subsequent factors.
- (2) From this consolidated fiscal year, we are applying Accounting Standard for Quarterly Financial Reporting (Accounting Standards Board of Japan (ASBJ) Statement No.12) and Guidance on Accounting Standard for Quarterly Financial Reporting (ASBJ Guidance No.14). We also produce our consolidated quarterly financial statements in accordance with "Rules for Quarterly Consolidated Financial Statement" (2007 Cabinet Office Ordinance No.64)

Consolidated Financial Statement

(1) Consolidated Balance Sheet

in million yen

Item	FY08 3Q (Dec. 31, 08)	FY07 (Mar. 31, 08)	Item	FY08 3Q (Dec. 31, 08)	FY07 (Mar. 31, 08)
(Assets)			(Liabilities)		
Current assets	109,222	110,780	Current liabilities	67,284	66,827
Cash and deposits	22,081	34,029	Notes payable, accounts payable for construction contracts and other	39,415	45,213
Notes receivable, accounts receivable from completed construction contracts and other	47,961	48,736	Short-term loans payable	1,606	1,608
Costs on uncompleted construction contracts	29,108	20,601	Income taxes payable	653	458
Raw materials and supplies	498	544	Advances received on uncompleted construction contracts	16,830	13,429
Other	10,018	7,540	Provision for bonuses	253	-
Allowance for doubtful accounts	(445)	(673)	Provision for warranties for completed construction	725	694
Noncurrent assets	25,307	31,243	Provision for loss on construction contracts	1,005	713
Property, plant and equipment	6,812	7,298	Other	6,794	4,709
Intangible assets	1,450	1,176	Noncurrent liabilities	5,414	7,816
Investments and other assets	17,045	22,769	Long-term loans payable	89	141
Investment securities	13,967	19,498	Provision for retirement benefits	3,319	3,617
Other	3,319	3,503	Provision for directors' retirement benefits	163	588
Allowance for doubtful accounts	(241)	(232)	Other	1,842	3,469
			Total liabilities	72,699	74,644
			(Net assets)		
			Shareholders' equity	57,956	58,331
			Capital stock	6,455	6,455
			Capital surplus	7,297	7,716
			Retained earnings	44,219	46,078
			Treasury stock	(15)	(1,919)
			Valuation and translation adjustments	413	5,060
			Valuation difference on available-for-sale securities	2,071	5,038
			Deferred gains or losses on hedges	48	(8)
			Foreign currency translation adjustment	(1,706)	30
			Minority interests	3,460	3,987
			Total net assets	61,830	67,379
Total Assets	134,529	142,024	Total net assets and liabilities	134,529	142,024

(2) Consolidated Income Statement

in million yen

Items	FY08 3Q (Apr.1,08 - Dec. 31, 08)
	Amounts
Net sales of completed construction contracts	115,094
Cost of sales of completed construction contracts	100,125
Gross profit on completed construction contracts	14,968
Selling, general and administrative expenses	11,625
Operating income	3,342
Non-operating income	
Interest income	263
Dividends income	304
Dividends income of insurance	174
Real estate rent	112
Equity in earnings of affiliates	9
Other	117
Total Non-operating income	982
Non-operating expenses	
Interest expenses	65
Rent expenses on real estates	102
Foreign exchange loss	96
Dividend distribution tax	35
Other	132
Total Non-operating expenses	432
Ordinary income	3,892
Extraordinary income	
Reversal of allowance for doubtful accounts	372
Gain on sales of investment securities	5
Gain on disposal of noncurrent assets	16
Reversal of provision for directors' retirement benefits	22
Total Extraordinary income	417
Extraordinary loss	
Loss on retirement of noncurrent assets	34
Loss on valuation of investment securities	1,032
Loss on valuation of Golf club membership	2
Appropriation of employees' bonus and welfare reserve	41
Total Extraordinary loss	1,111
Income before income taxes and minority interests	3,198
Income taxes-current	1,725
Income taxes-deferred	80
Total Income taxes	1,806
Minority interests in income	470
Net income	920

(3) Consolidated Cash Flow Statement

in million yen

Items	FY08 3Q (Apr.1,08-Dec. 31, 08)
Net cash provided by (used in) operating activities	
Income before income taxes and minority interests	3,198
Depreciation and amortization	771
Increase (decrease) in allowance for doubtful accounts	(97)
Increase (decrease) in provision for retirement benefits	(167)
Increase (decrease) in provision for directors' retirement benefits	(70)
Increase (decrease) in provision for loss on construction contracts	334
Interest and dividends income	(568)
Interest expenses	65
Loss (gain) on sales of investment securities	(5)
Loss (gain) on disposal of property, plant and equipment and intangible assets	18
Loss (gain) on valuation of investment securities	1,032
Decrease (increase) in notes and accounts receivable-trade	(1,573)
Decrease (increase) in inventories	(8,656)
Decrease (increase) in advances paid	1,726
Decrease (increase) in accounts receivable-other	49
Increase (decrease) in notes and accounts payable-trade	(4,002)
Increase (decrease) in advances received on uncompleted construction contracts	4,381
Increase (decrease) in accrued consumption taxes	(956)
Increase (decrease) in deposits received	122
Increase (decrease) in accrued expenses	(268)
Other, net	(1,390)
Subtotal	(6,056)
Interest and dividends income received	577
Interest expenses paid	(63)
Income taxes paid	(1,475)
Net cash provided by (used in) operating activities	(7,017)
Net cash provided by (used in) investment activities	
Payments into time deposits	(3,155)
Proceeds from withdrawal of time deposits	1,803
Purchase of property, plant and equipment and intangible assets	(1,093)
Proceeds from sales of property, plant and equipment and intangible assets	127
Purchase of investment securities	(933)
Proceeds from sales of investment securities	438
Payments of long-term loans receivable	(203)
Collection of long-term loans receivable	53
Purchase of insurance funds	(12)
Proceeds from maturity of insurance funds	156
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(13)
Other, net	2
Net cash provided by (used in) investment activities	(2,831)
Net cash provided by (used in) financing activities	
Net increase (decrease) in short-term loans payable	163
Proceeds from long-term loans payable	6
Repayment of long-term loans payable	(117)
Proceeds from sales of treasury stock	2
Purchase of treasury stock	(10)
Cash dividends paid	(1,287)
Cash dividends paid to minority shareholders	(288)
Net cash provided by (used in) financing activities	(1,531)
Effect of exchange rate change on cash and cash equivalents	(1,358)
Net increase (decrease) in cash and cash equivalents	(12,739)
Cash and cash equivalents at beginning of period	31,937
Cash and cash equivalents at end of period	19,198

(Segment information)

1. Industry segments

At the Company and its consolidated subsidiaries operate as one equipment construction industry segment, information by industry segment is not presented.

2. Geographical segments

in million yen

	FY07 3Q (Apr.1,07-Dec. 31,07)							
	Japan	North America	Southeast Asia	East Asia	Other areas	Total	Eliminations/Corporate	Consolidated
Sales and operating income (loss)								
Sales								
Sales to customers	71,321	4,836	25,924	8,841	11,991	122,915	-	122,915
Intersegment	1,409	-	-	-	-	1,409	(1,409)	-
Total	72,731	4,836	25,924	8,841	11,991	124,325	(1,409)	122,915
Operating income (loss)	(1,619)	(112)	1,381	584	1,037	1,271	156	1,427

(Note) 1. The countries or the regions are classified depending on geographical proximity.

2. Major countries in the classification, except Japan.

- (1) North America USA, Canada
- (2) Southeast Asia Singapore, Thailand, Malaysia, Indonesia, Philippines, Vietnam
- (3) East Asia China, Taiwan, Korea
- (4) Other areas UK, India

in million yen

	FY08 3Q (Apr.1,08-Dec. 31,08)							
	Japan	North America	Southeast Asia	East Asia	Other areas	Total	Eliminations/Corporate	Consolidated
Sales and operating income (loss)								
Sales								
Sales to customers	68,318	9,951	27,238	5,395	4,189	115,094	-	115,094
Intersegment	2,178	16	72	72	22	2,360	(2,360)	-
Total	70,496	9,967	27,310	5,468	4,211	117,455	(2,360)	115,094
Operating income (loss)	1,878	(285)	1,435	14	(201)	2,841	501	3,342

(Note) 1. The countries or the regions are classified depending on geographical proximity.

2. Major countries in the classification, except Japan.

- (1) North America USA, Canada
- (2) Southeast Asia Singapore, Thailand, Malaysia, Indonesia, Philippines, Vietnam
- (3) East Asia China, Taiwan, Korea
- (4) Other areas UK, India

3. Overseas sales

in million yen

		North America	Southeast Asia	East Asia	Other areas	Total
FY07 3Q (Apr.1,07-Dec. 31,07)	Overseas sales	4,440	27,016	10,211	17,317	58,985
	Total sales					122,915
	Ratio of overseas sales to total sales (%)	3.6	22.0	8.3	14.1	48.0
FY08 3Q (Apr.1,08-Dec. 31,08)	Overseas sales	9,808	28,763	9,103	7,259	54,933
	Total sales					115,094
	Ratio of overseas sales to total sales (%)	8.5	25.0	7.9	6.3	47.7

(Note) 1. The countries or the regions are classified depending on geographical proximity.

2. Major countries in the classification, except Japan.

- (1) North America USA, Canada
- (2) Southeast Asia Singapore, Thailand, Malaysia, Indonesia, Philippines, Vietnam
- (3) East Asia China, Taiwan, Korea
- (4) Other areas Previous fiscal year: UK, Romania, India
Current fiscal year: UK, France, Hungary, India

3. Overseas sales is revenue made by the Company and its consolidated subsidiaries, except for Japan.

(Supplementary information)

1. Statement for orders-received during this period, sales of construction during this period, and sales of construction carried forward by each division (consolidated)

in million yen

Division			FY07 3Q (Apr.1,07 - Dec.31,07)		FY08 3Q (Apr.1,08 - Dec.31,08)		Increase (decrease)	
			Amounts	%	Amounts	%	Amounts	%
Orders-received construction during this period	Green Technology System Division	HVAC for buildings	21,372	16.6 %	18,971	13.7 %	(2,401)	(11.2) %
		Industrial HVAC	66,390	51.6	60,715	44.0	(5,674)	(8.5)
		Total	87,762	68.2	79,687	57.7	(8,075)	(9.2)
		[Overseas]	[29,650]	[23.0]	[25,770]	[18.7]	[(3,879)]	[(13.1)]
	Paint Finishing System Division	40,949	31.8	58,369	42.3	17,420	42.5	
	[Overseas]	[25,571]	[19.9]	[37,112]	[26.8]	[11,541]	[45.1]	
Total	128,712	100.0	138,056	100.0	9,344	7.3		
[Overseas]	[55,221]	[42.9]	[62,883]	[45.5]	[7,661]	[13.9]		
Sales of construction during this period	Green Technology System Division	HVAC for buildings	25,402	20.7	14,870	12.9	(10,532)	(41.5)
		Industrial HVAC	54,756	44.5	55,120	47.9	363	0.7
		Total	80,159	65.2	69,991	60.8	(10,168)	(12.7)
		[Overseas]	[27,257]	[22.2]	[24,069]	[20.9]	[(3,187)]	[(11.7)]
	Paint Finishing System Division	42,756	34.8	45,103	39.2	2,347	5.5	
	[Overseas]	[31,728]	[25.8]	[30,864]	[26.8]	[(864)]	[(2.7)]	
Total	122,915	100.0	115,094	100.0	(7,821)	(6.4)		
[Overseas]	[58,985]	[48.0]	[54,933]	[47.7]	[(4,052)]	[(6.9)]		

(References)

1. Abbreviated Consolidated Income Statement (FY07 3Q)

in million yen

Items	FY07 3Q (Apr.1,07-Dec. 31, 07)
	Amounts
Net sales of completed construction contracts	122,915
Cost of sales of completed construction contracts	110,664
Gross profit on completed construction contracts	12,251
Selling, general and administrative expenses	10,823
Operating income	1,427
Non-operating income	967
Non-operating expenses	330
Ordinary income	2,063
Extraordinary income	134
Extraordinary loss	126
Income before income taxes and minority interests	2,071
Income taxes	2,312
Minority interests in income	791
Net income (loss)	(1,032)