

Financial Report for Fiscal Year ended March, 2010

May 14, 2010

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.)

Name of company·····Taikisha Ltd.

Stock Exchange·····Tokyo Part1

Code No.··········1979

Representative·····Eitaro Uenishi, President and representative Director

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Scheduled date for general shareholders meeting to be held ·· June 29, 2010

Scheduled date for dividend payment commencement ······ June 30, 2010

Scheduled date to submit Financial statement ·········· June 29, 2010

(Round down to one million yen)

1. Consolidated Operating Performance (April 1, 2009 through March 31, 2010)

(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	%
FY09	117,234	(29.9)	3,189	(45.5)	3,699	(44.7)	3,666	19.3
FY08	167,306	(8.6)	5,852	6.7	6,694	2.9	3,074	161.6

	Net income per share	Net income per share after potential share adjustment	Net Income - Shareholders' Equity Ratio	Ordinary Income - Total Assets Ratio	Operating Income - Net Sales Ratio
	yen	yen	%	%	%
FY09	99.73	—	6.0	3.1	2.7
FY08	83.60	—	5.0	5.1	3.5

(Ref.) Equity in earnings of affiliates FY09 95 million yen
FY08 78 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity Ratio	Net assets per share
	million yen	million yen	%	yen
FY09	121,894	66,263	52.3	1,734.49
FY08	119,483	61,441	48.9	1,590.08

(Ref.) Equity capital FY09 63,776 million yen
FY08 58,468 million 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 FY end
	million yen	million yen	%	yen
FY09	1,077	2,105	(1,995)	26,752
FY08	1,537	(4,021)	(1,526)	25,267

2. Dividends

(Record date)	Dividend per share					Dividend Paid (Total)	Dividend Payout Ratio (Consolidated)	Dividend - Net Asset Ratio (Consolidated)
	1Q	2Q	3Q	At the end of FY	Total (Full year)			
FY08	yen —	yen 15.00	yen —	yen 15.00	yen 30.00	million yen 1,103	% 35.9	% 1.8
FY09	—	15.00	—	15.00	30.00	1,103	30.1	1.8
FY10 (Forecast)	—	15.00	—	15.00	30.00		66.4	

3. Consolidated Earnings Forecast for Fiscal Year Ending March 31, 2011 (April 1, 2010 through March 31, 2011)

(% indicates increase ratio of full year over previous year and of second quarter over the same quarter in previous year)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Second quarter	56,000	5.3	100	(91.5)	360	(72.5)	260	(66.9)	7.07
Full year	136,000	16.0	2,700	(15.3)	3,200	(13.5)	1,660	(54.7)	45.15

4. Others

(1) Changes in major subsidiaries during the year (Changes in subsidiaries that affect consolidated financial results) : None

(2) Changes in accounting principles, procedures, and the method of presentation associated with the preparation of the consolidated financial statements (matters to be included in the section: "Changes in Basic Important Matters for the Preparation of Consolidated Financial Statements")

- ① Changes attendant with revisions in accounting principles: Yes
 ② Other changes aside from ① above : None

(3) Number of shares issued (common shares)

① Number of shares issued at end of FY (including treasury shares)

FY09 36,782,009 shares

FY08 36,782,009 shares

② Number of treasury shares at end of FY

FY09 12,594 shares

FY08 11,248 shares

(Ref.) Non-consolidated Operation results

(1) Non-consolidated Operation Result

(% indicates increase ratio over previous year)

	Sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
FY09	75,971	(27.5)	1,298	(52.9)	3,036	(30.2)	2,005	4.6
FY08	104,721	(9.3)	2,758	18.5	4,350	3.4	1,917	(11.1)

	Net income per share	Net income per share after potential share adjustment
	yen	yen
FY09	54.53	—
FY08	52.13	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity Ratio	Net assets per share
	million yen	million yen	%	yen
FY09	101,855	58,580	57.5	1,593.18
FY08	97,662	55,365	56.7	1,505.69

(Ref.) Equity capital FY09 58,580 million yen

FY08 55,365 million yen

2. Non-consolidated Earnings Forecast for Fiscal Year Ending March 31, 2011 (April 1, 2010 through March 31, 2011)

(% indicates increase ratio of full year over previous year and of second quarter over the same quarter in previous year)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Second quarter	35,000	7.7	(400)	—	400	(71.0)	360	(65.7)	9.79
Full year	89,000	17.1	700	(46.1)	2,100	(30.8)	1,360	(32.2)	36.99

※ Cautionary statement regarding forward-looking statements

Data and forward-looking statements disclosed herein are based on information current as of today, and may change depending upon various factors. The data and judgments do not guarantee accomplishment of goals and projections, and may be changed at any time without notice. Consequently, we ask you to use this information at your discretion based upon your own judgment and information you may obtain through other sources. Our company will not be responsible for any damages that result from the use of this information.

1 Consolidated Financial Statement
(1) Consolidated Balance Sheet

Millions of yen

	FY08 (Mar. 31, 09)	FY09 (Mar. 31, 10)
Assets		
Current assets		
Cash and deposits	28,305	27,320
Notes receivable, accounts receivable from completed construction contracts and other	44,995	43,630
Costs on uncompleted construction contracts	17,386	17,518
Raw materials and supplies	393	453
Deferred tax assets	1,709	1,317
Other	3,302	4,556
Allowance for doubtful accounts	(257)	(306)
Total current assets	<u>95,834</u>	<u>94,489</u>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	7,427	7,723
Machinery, vehicles, tools, furniture and fixtures	4,053	4,404
Land	2,863	3,371
Other	241	317
Accumulated depreciation	(8,060)	(8,743)
Total property, plant and equipment	<u>6,524</u>	<u>7,071</u>
Intangible assets	1,469	1,473
Investments and other assets		
Investment securities	12,921	16,216
Deferred tax assets	182	101
Other	3,232	3,275
Allowance for doubtful accounts	(682)	(733)
Total investments and other assets	<u>15,654</u>	<u>18,859</u>
Total noncurrent assets	<u>23,648</u>	<u>27,405</u>
Total assets	<u>119,483</u>	<u>121,894</u>
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	32,953	28,052
Short-term loans payable	1,626	1,481
Income taxes payable	1,145	449
Deferred tax liabilities	15	13
Advances received on uncompleted construction contracts	12,037	14,721
Provision for warranties for completed construction	556	309
Provision for loss on construction contracts	850	1,089
Provision for directors' bonuses	45	37
Other	4,575	3,730
Total current liabilities	<u>53,807</u>	<u>49,885</u>
Noncurrent liabilities		
Long-term loans payable	65	503
Deferred tax liabilities	530	1,511
Provision for retirement benefits	3,051	3,167
Provision for directors' retirement benefits	168	204
Other	418	358
Total noncurrent liabilities	<u>4,234</u>	<u>5,745</u>
Total liabilities	<u>58,041</u>	<u>55,631</u>
Net assets		
Shareholders' equity		
Capital stock	6,455	6,455
Capital surplus	7,297	7,297
Retained earnings	46,372	48,936
Treasury stock	(15)	(17)
Total shareholders' equity	<u>60,109</u>	<u>62,671</u>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,608	3,933
Deferred gains or losses on hedges	9	(0)
Foreign currency translation adjustment	(3,258)	(2,828)
Total valuation and translation adjustments	<u>(1,640)</u>	<u>1,104</u>
Minority interests	2,973	2,487
Total net assets	<u>61,441</u>	<u>66,263</u>
Total liabilities and net assets	<u>119,483</u>	<u>121,894</u>

(2) Consolidated Income Statement

Millions of yen

	FY08 (Apr.1, 08 - Mar. 31, 09)	FY09 (Apr.1, 09 - Mar. 31, 10)
Net sales of completed construction contracts	167,306	117,234
Cost of sales of completed construction contracts	145,008	100,197
Gross profit on completed construction contracts	22,298	17,036
Selling, general and administrative expenses	16,446	13,847
Operating income	5,852	3,189
Non-operating income		
Interest income	342	220
Dividends income	364	273
Dividends income of insurance	171	73
Real estate rent	160	158
Equity in earnings of affiliates	78	95
Other	197	168
Total non-operating income	1,314	989
Non-operating expenses		
Interest expenses	123	68
Rent expenses on real estates	131	97
Foreign exchange losses	45	154
Provision of allowance for doubtful accounts	—	92
Other	172	66
Total non-operating expenses	472	479
Ordinary income	6,694	3,699
Extraordinary income		
Reversal of allowance for doubtful accounts	442	95
Gain on sales of investment securities	—	9
Gain on disposal of noncurrent assets	20	21
Reversal of provision for directors' retirement benefits	22	—
Surrender value of insurance	—	6
Other	—	178
Total extraordinary income	486	311
Extraordinary loss		
Loss on sales of investment securities	12	—
Loss on disposal of noncurrent assets	52	38
Impairment loss	17	18
Loss on valuation of investment securities	1,363	31
Appropriation of employees' bonus and welfare reserve	40	—
Loss on insurance cancellation	—	23
Bad debts written off	—	3
Provision for directors' retirement benefits for prior periods	—	11
Total extraordinary losses	1,486	126
Income before income taxes and minority interests	5,694	3,884
Income taxes-current	2,450	1,086
Income taxes-deferred	(527)	(27)
Total income taxes	1,922	1,059
Minority interests in income (loss)	697	(842)
Net income	3,074	3,666

(3) Consolidated Statement of Changes in Net Assets

Millions of yen

	FY08 (Apr.1, 08 - Mar. 31, 09)	FY09 (Apr.1, 09 - Mar. 31, 10)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	6,455	6,455
Changes of items during the period		
Total changes of items during the period	<u>—</u>	<u>—</u>
Balance at the end of current period	<u>6,455</u>	<u>6,455</u>
Capital surplus		
Balance at the end of previous period	7,716	7,297
Changes of items during the period		
Disposal of treasury stock	(0)	0
Retirement of treasury stock	(419)	—
Total changes of items during the period	<u>(419)</u>	<u>0</u>
Balance at the end of current period	<u>7,297</u>	<u>7,297</u>
Retained earnings		
Balance at the end of previous period	46,078	46,372
Changes of items during the period		
Dividends from surplus	(1,287)	(1,103)
Net income	3,074	3,666
Disposal of treasury stock	(0)	—
Retirement of treasury stock	(1,492)	—
Total changes of items during the period	<u>293</u>	<u>2,563</u>
Balance at the end of current period	<u>46,372</u>	<u>48,936</u>
Treasury stock		
Balance at the end of previous period	(1,919)	(15)
Changes of items during the period		
Purchase of treasury stock	(11)	(4)
Disposal of treasury stock	3	2
Retirement of treasury stock	1,912	—
Total changes of items during the period	<u>1,904</u>	<u>(1)</u>
Balance at the end of current period	<u>(15)</u>	<u>(17)</u>
Total shareholders' equity		
Balance at the end of previous period	58,331	60,109
Changes of items during the period		
Dividends from surplus	(1,287)	(1,103)
Net income	3,074	3,666
Purchase of treasury stock	(11)	(4)
Disposal of treasury stock	2	3
Retirement of treasury stock	—	—
Total changes of items during the period	<u>1,778</u>	<u>2,562</u>
Balance at the end of current period	<u>60,109</u>	<u>62,671</u>

	FY08 (Apr.1, 08 - Mar. 31, 09)	FY09 (Apr.1, 09 - Mar. 31, 10)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	5,038	1,608
Changes of items during the period		
Net changes of items other than shareholders' equity	<u>(3,430)</u>	<u>2,325</u>
Total changes of items during the period	<u>(3,430)</u>	<u>2,325</u>
Balance at the end of current period	<u>1,608</u>	<u>3,933</u>
Deferred gains or losses on hedges		
Balance at the end of previous period	(8)	9
Changes of items during the period		
Net changes of items other than shareholders' equity	<u>18</u>	<u>(10)</u>
Total changes of items during the period	<u>18</u>	<u>(10)</u>
Balance at the end of current period	<u>9</u>	<u>(0)</u>
Foreign currency translation adjustment		
Balance at the end of previous period	30	(3,258)
Changes of items during the period		
Net changes of items other than shareholders' equity	<u>(3,289)</u>	<u>430</u>
Total changes of items during the period	<u>(3,289)</u>	<u>430</u>
Balance at the end of current period	<u>(3,258)</u>	<u>(2,828)</u>
Total valuation and translation adjustments		
Balance at the end of previous period	5,060	(1,640)
Changes of items during the period		
Net changes of items other than shareholders' equity	<u>(6,701)</u>	<u>2,745</u>
Total changes of items during the period	<u>(6,701)</u>	<u>2,745</u>
Balance at the end of current period	<u>(1,640)</u>	<u>1,104</u>
Minority interests		
Balance at the end of previous period	3,987	2,973
Changes of items during the period		
Net changes of items other than shareholders' equity	<u>(1,014)</u>	<u>(486)</u>
Total changes of items during the period	<u>(1,014)</u>	<u>(486)</u>
Balance at the end of current period	<u>2,973</u>	<u>2,487</u>
Total net assets		
Balance at the end of previous period	67,379	61,441
Changes of items during the period		
Dividends from surplus	(1,287)	(1,103)
Net income	3,074	3,666
Purchase of treasury stock	(11)	(4)
Disposal of treasury stock	2	3
Net changes of items other than shareholders' equity	<u>(7,716)</u>	<u>2,259</u>
Total changes of items during the period	<u>(5,937)</u>	<u>4,821</u>
Balance at the end of current period	<u>61,441</u>	<u>66,263</u>

(4) Consolidated Cash Flow Statement

Millions of yen

	FY08 (Apr. 1, 08 - Mar. 31, 09)	FY09 (Apr. 1, 09 - Mar. 31, 10)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	5,694	3,884
Depreciation and amortization	1,055	1,107
Increase (decrease) in allowance for doubtful accounts	204	91
Increase (decrease) in provision for retirement benefits	(389)	9
Increase (decrease) in provision for directors' retirement benefits	(88)	36
Increase (decrease) in provision for loss on construction contracts	206	232
Increase (decrease) in provision for warranties for completed construction	(121)	(247)
Interest and dividends income	(706)	(493)
Interest expenses	123	68
Equity in (earnings) losses of affiliates	(78)	(71)
Loss (gain) on sales of investment securities	12	(9)
Loss (gain) on disposal of noncurrent assets	32	16
Loss (gain) on valuation of investment securities	1,363	31
Decrease (increase) in notes and accounts receivable-trade	(699)	2,305
Decrease (increase) in inventories	3,004	123
Decrease (increase) in advances paid	1,846	(33)
Decrease (increase) in non-operating notes receivable	(143)	70
Decrease (increase) in accounts receivable-other	76	(115)
Increase (decrease) in notes and accounts payable-trade	(9,378)	(5,127)
Increase (decrease) in advances received on uncompleted construction contracts	320	2,505
Increase (decrease) in non-operating notes payable	(155)	32
Increase (decrease) in accrued consumption taxes	(411)	(293)
Increase (decrease) in deposits received	(270)	265
Increase (decrease) in accrued expenses	(601)	(210)
Other, net	1,736	(1,588)
Subtotal	<u>2,628</u>	<u>2,593</u>
Interest and dividends income received	706	493
Interest expenses paid	(120)	(67)
Income taxes paid	(1,676)	(1,941)
Net cash provided by (used in) operating activities	<u>1,537</u>	<u>1,077</u>
Net cash provided by (used in) investing activities		
Payments into time deposits	(3,681)	(378)
Proceeds from withdrawal of time deposits	1,728	2,994
Purchase of property, plant and equipment and intangible assets	(1,377)	(826)
Proceeds from sales of property, plant and equipment and intangible assets	245	69
Purchase of investment securities	(991)	(79)
Proceeds from sales of investment securities	423	44
Proceeds from redemption of investment securities	—	500
Purchase of investments in subsidiaries	(273)	(0)
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	—	46
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(13)	—
Payments of long-term loans receivable	(214)	(63)
Collection of long-term loans receivable	59	32
Purchase of insurance funds	(12)	(305)
Proceeds from maturity of insurance funds	156	204
Other, net	(70)	(132)
Net cash provided by (used in) investing activities	<u>(4,021)</u>	<u>2,105</u>
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	219	(388)
Repayment of long-term loans payable	(132)	(176)
Repayments of lease obligations	(29)	(46)
Net decrease (increase) in treasury stock	(8)	(1)
Cash dividends paid	(1,287)	(1,103)
Cash dividends paid to minority shareholders	(288)	(279)
Net cash provided by (used in) financing activities	<u>(1,526)</u>	<u>(1,995)</u>
Effect of exchange rate change on cash and cash equivalents	<u>(2,660)</u>	<u>297</u>
Net increase (decrease) in cash and cash equivalents	<u>(6,670)</u>	<u>1,485</u>
Cash and cash equivalents at beginning of period	<u>31,937</u>	<u>25,267</u>
Cash and cash equivalents at end of period	<u>25,267</u>	<u>26,752</u>

(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

FY08 (Apr.1,08 - Mar.31,09)								Millions of yen	
	Japan	North America	Southeast Asia	East Asia	Other areas	Total	Eliminations/Corporate	Consolidated	
I Sales and operating income (loss)									
Sales									
Sales to customers	105,123	13,833	34,004	9,178	5,166	167,306	-	167,306	
Intersegment	2,890	15	108	188	54	3,256	(3,256)	-	
Total	108,013	13,849	34,112	9,367	5,221	170,563	(3,256)	167,306	
Operating cost	104,739	14,037	32,295	8,788	5,287	165,149	(3,695)	161,454	
Operating income (loss)	3,273	(188)	1,817	578	(66)	5,414	438	5,852	
II Assets	99,400	5,303	12,368	5,234	3,595	125,902	(6,418)	119,483	

(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. "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" was adopted effective the 1st quarter of this fiscal year. As a result, operating income in Southeast Asia increased by 227 million yen and operating income in East Asia increased by 64 million yen compared with the former method.

FY09 (Apr.1,09 - Mar.31,10)								Millions of yen	
	Japan	North America	Southeast Asia	East Asia	Other areas	Total	Eliminations/Corporate	Consolidated	
I Sales and operating income (loss)									
Sales									
Sales to customers	77,785	10,256	18,964	7,337	2,890	117,234	-	117,234	
Intersegment	1,108	17	34	89	26	1,276	(1,276)	-	
Total	78,894	10,273	18,999	7,426	2,916	118,510	(1,276)	117,234	
Operating cost	77,540	9,994	18,550	6,816	2,843	115,745	(1,701)	114,044	
Operating income (loss)	1,354	278	448	609	73	2,765	424	3,189	
II Assets	104,500	2,860	11,381	5,608	3,238	127,588	(5,693)	121,894	

(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, Russia, India

3. "Accounting Standard for Construction Contracts" was adopted effective the 1st quarter of this fiscal year. As a result, sales in Japan increased by 14,393 million yen and operating income in Japan increased by 1,836 million yen compared with the former method.

3. Overseas sales

		Millions of yen				
		North America	Southeast Asia	East Asia	Other areas	Total
FY08 (Apr.1,08 - Mar.31,09)	Overseas sales	13,927	36,054	14,229	11,253	75,465
	Total sales					167,306
	Ratio of overseas sales to total sales (%)	8.3	21.6	8.5	6.7	45.1
FY09 (Apr.1,09 - Mar.31,10)	Overseas sales	8,937	19,992	14,672	7,678	51,281
	Total sales					117,234
	Ratio of overseas sales to total sales (%)	7.6	17.1	12.5	6.5	43.7

(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, India, Hungary, Brazil, Argentina
Current fiscal year: UK, France, India

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

4. "Accounting Standard for Construction Contracts" was adopted effective the 1st quarter of this fiscal year.

As a result, sales in Southeast Asia increased by 35 million yen and sales in East Asia increased by 3,499 million yen and sales in other areas increased by 954 million yen compared with the former method.

(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)

Millions of yen

Division			FY08 (Apr.1,08 - Mar.31,09)		FY09 (Apr.1,09 - Mar.31,10)		Increase (decrease)	
			Amounts	%	Amounts	%	Amounts	%
Orders-received construction during this period	Green Technology System Division	HVAC for buildings	36,053	21.9 %	34,980	29.5 %	(1,073)	(3.0) %
		Industrial HVAC	77,124	46.8	50,383	42.4	(26,741)	(34.7)
		Total	113,178	68.7	85,363	71.9	(27,815)	(24.6)
		[Overseas]	[29,514]	[17.9]	[21,032]	[17.7]	[(8,482)]	[(28.7)]
	Paint Finishing System Division	51,560	31.3	33,303	28.1	(18,257)	(35.4)	
	[Overseas]	[38,951]	[23.7]	[27,756]	[23.4]	[(11,195)]	[(28.7)]	
Total		164,738	100.0	118,667	100.0	(46,071)	(28.0)	
[Overseas]		[68,465]	[41.6]	[48,789]	[41.1]	[(19,676)]	[(28.7)]	
Sales of construction during this period	Green Technology System Division	HVAC for buildings	24,611	14.7	26,804	22.9	2,193	8.9
		Industrial HVAC	83,247	49.8	51,121	43.6	(32,126)	(38.6)
		Total	107,859	64.5	77,926	66.5	(29,933)	(27.8)
		[Overseas]	[32,502]	[19.4]	[20,326]	[17.3]	[(12,176)]	[(37.5)]
	Paint Finishing System Division	59,447	35.5	39,307	33.5	(20,140)	(33.9)	
	[Overseas]	[42,962]	[25.7]	[30,955]	[26.4]	[(12,007)]	[(27.9)]	
Total		167,306	100.0	117,234	100.0	(50,072)	(29.9)	
[Overseas]		[75,465]	[45.1]	[51,281]	[43.7]	[(24,184)]	[(32.0)]	
Construction carried forward	Green Technology System Division	HVAC for buildings	36,482	32.1	44,658	40.3	8,176	22.4
		Industrial HVAC	34,605	30.4	31,752	28.6	(2,853)	(8.2)
		Total	71,088	62.5	76,410	68.9	5,322	7.5
		[Overseas]	[11,803]	[10.4]	[10,111]	[9.1]	[(1,692)]	[(14.3)]
	Paint Finishing System Division	42,712	37.5	34,491	31.1	(8,221)	(19.2)	
	[Overseas]	[33,377]	[29.3]	[27,961]	[25.2]	[(5,416)]	[(16.2)]	
Total		113,801	100.0	110,902	100.0	(2,899)	(2.5)	
[Overseas]		[45,180]	[39.7]	[38,073]	[34.3]	[(7,107)]	[(15.7)]	

Note As for the conversion of "sales of construction carried forward" in overseas consolidated subsidiaries, increases or decreases due to exchange rate fluctuations in this fiscal year have been amended in "sales of construction carried forward".

Sales of construction carried forward after amendment in this fiscal year is as follows:

Green Technology System Division

HVAC for buildings	36,482	million yen		
Industrial HVAC	32,490	[overseas	9,405	million yen]
Sub total	68,973	[overseas	9,405]
Paint Finishing System Division	40,495	[overseas	31,160]
Total	109,469	[overseas	40,565]

2. Non-consolidated Balance Sheet

Millions of yen

	FY08 (Mar. 31, 09)	FY09 (Mar. 31, 10)
Assets		
Current assets		
Cash and deposits	17,977	17,238
Notes receivable-trade	2,258	1,078
Accounts receivable from completed construction contracts	31,667	33,636
Costs on uncompleted construction contracts	15,986	16,951
Raw materials and supplies	228	179
Short-term loans receivable	62	321
Prepaid expenses	253	240
Deferred tax assets	1,524	1,146
Other	1,286	2,091
Allowance for doubtful accounts	(162)	(257)
Total current assets	71,082	72,628
Noncurrent assets		
Property, plant and equipment		
Buildings	6,072	6,040
Accumulated depreciation	(4,127)	(4,225)
Buildings, net	1,944	1,815
Structures	266	266
Accumulated depreciation	(230)	(235)
Structures, net	36	31
Machinery and equipment	737	756
Accumulated depreciation	(609)	(647)
Machinery and equipment, net	127	108
Vehicles	22	15
Accumulated depreciation	(19)	(14)
Vehicles, net	3	1
Tools, furniture and fixtures	810	816
Accumulated depreciation	(586)	(634)
Tools, furniture and fixtures, net	223	182
Land	2,490	2,482
Lease assets	64	64
Accumulated depreciation	(6)	(21)
Lease assets, net	57	42
Construction in progress	—	4
Total property, plant and equipment	4,883	4,667
Intangible assets		
Leasehold right	0	0
Software	1,358	1,356
Other	32	21
Total intangible assets	1,390	1,378
Investments and other assets		
Investment securities	12,380	15,681
Stocks of subsidiaries and affiliates	5,718	5,713
Investments in capital	1	1
Long-term loans receivable	190	165
Long-term loans receivable from employees	22	31
Claims provable in bankruptcy, claims provable in rehabilitation	589	601
Long-term prepaid expenses	5	12
Lease and guarantee deposits	1,318	1,276
Insurance funds	249	366
Deferred tax assets	421	—
Other	47	41
Allowance for doubtful accounts	(605)	(681)
Allowance for investment loss	(33)	(30)
Total investments and other assets	20,305	23,179
Total noncurrent assets	26,579	29,226
Total assets	97,662	101,855

	FY08 (Mar. 31, 09)	FY09 (Mar. 31, 10)
Liabilities		
Current liabilities		
Notes payable-trade	5,182	4,298
Accounts payable for construction contracts	19,844	19,055
Short-term loans payable	2,037	2,031
Lease obligations	16	16
Accounts payable-other	2,165	1,544
Income taxes payable	783	—
Accrued expenses	399	236
Advances received on uncompleted construction contracts	7,056	10,280
Deposits received	389	587
Unearned revenue	3	3
Provision for warranties for completed construction	467	218
Provision for loss on construction contracts	752	938
Provision for directors' bonuses	40	36
Other	99	74
Total current liabilities	<u>39,238</u>	<u>39,322</u>
Noncurrent liabilities		
Long-term loans payable	65	—
Lease obligations	44	28
Deferred tax liabilities	—	1,025
Provision for retirement benefits	2,606	2,644
Other	341	253
Total noncurrent liabilities	<u>3,057</u>	<u>3,952</u>
Total liabilities	<u>42,296</u>	<u>43,275</u>
Net assets		
Shareholders' equity		
Capital stock	6,455	6,455
Capital surplus		
Legal capital surplus	7,297	7,297
Total capital surpluses	<u>7,297</u>	<u>7,297</u>
Retained earnings		
Legal retained earnings	1,613	1,613
Other retained earnings		
Reserve for reduction entry	19	13
Reserve for investment on information technology	600	800
General reserve	35,720	35,720
Retained earnings brought forward	2,056	2,763
Total retained earnings	<u>40,009</u>	<u>40,911</u>
Treasury stock	(15)	(17)
Total shareholders' equity	<u>53,746</u>	<u>54,646</u>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,609	3,934
Deferred gains or losses on hedges	9	(0)
Total valuation and translation adjustments	<u>1,619</u>	<u>3,933</u>
Total net assets	<u>55,365</u>	<u>58,580</u>
Total liabilities and net assets	<u>97,662</u>	<u>101,855</u>

3. Non-consolidated Income Statement

Millions of yen

	FY08 (Apr.1, 08 - Mar. 31, 09)	FY09 (Apr.1, 09 - Mar. 31, 10)
Net sales of completed construction contracts	104,721	75,971
Cost of sales of completed construction contracts	89,874	64,605
Gross profit on completed construction contracts	14,847	11,365
Selling, general and administrative expenses	12,088	10,066
Operating income	2,758	1,298
Non-operating income		
Interest income	21	6
Interest on securities	3	4
Dividends income	1,046	1,260
Dividends income of insurance	171	73
Real estate rent	291	275
Technical advisory fee	392	395
Other	50	50
Total non-operating income	1,976	2,066
Non-operating expenses		
Interest expenses	37	25
Rent expenses on real estates	101	97
Foreign exchange losses	196	80
Provision of allowance for doubtful accounts	—	92
Other	49	33
Total non-operating expenses	384	329
Ordinary income	4,350	3,036
Extraordinary income		
Gain on disposal of noncurrent assets	12	14
Reversal of provision for directors' retirement benefits	22	—
Reversal of allowance for investment loss	—	3
Surrender value of insurance	—	6
Total extraordinary income	34	24
Extraordinary loss		
Loss on sales of investment securities	9	—
Loss on disposal of noncurrent assets	46	36
Impairment loss	17	18
Loss on valuation of stocks of subsidiaries and affiliates	93	105
Loss on valuation of investment securities	1,357	31
Provision of allowance for investment loss	33	—
Loss on liquidation of subsidiaries and affiliates	5	—
Bad debts written off	—	3
Loss on insurance cancellation	—	23
Total extraordinary losses	1,562	219
Income before income taxes	2,822	2,842
Income taxes-current	1,370	494
Income taxes-deferred	(464)	342
Total income taxes	905	837
Net income	1,917	2,005

4. Non-consolidated Statement of Changes in Net Assets

	Millions of yen	
	FY08 (Apr.1, 08 - Mar. 31, 09)	FY09 (Apr.1, 09 - Mar. 31, 10)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	6,455	6,455
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	<u>6,455</u>	<u>6,455</u>
Capital surplus		
Legal capital surplus		
Balance at the end of previous period	7,297	7,297
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	<u>7,297</u>	<u>7,297</u>
Other capital surplus		
Balance at the end of previous period	419	—
Changes of items during the period		
Disposal of treasury stock	(0)	—
Retirement of treasury stock	(419)	—
Total changes of items during the period	(419)	—
Balance at the end of current period	<u>—</u>	<u>—</u>
Total capital surplus		
Balance at the end of previous period	7,716	7,297
Changes of items during the period		
Disposal of treasury stock	(0)	—
Retirement of treasury stock	(419)	—
Total changes of items during the period	(419)	—
Balance at the end of current period	<u>7,297</u>	<u>7,297</u>
Retained earnings		
Legal retained earnings		
Balance at the end of previous period	1,613	1,613
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	<u>1,613</u>	<u>1,613</u>
Other retained earnings		
Reserve for reduction entry		
Balance at the end of previous period	38	19
Changes of items during the period		
Reversal of reserve for reduction entry	(19)	(5)
Total changes of items during the period	(19)	(5)
Balance at the end of current period	<u>19</u>	<u>13</u>
Reserve for investment on information technology		
Balance at the end of previous period	400	600
Changes of items during the period		
Reserve of reserve for investment on information technology	200	200
Total changes of items during the period	200	200
Balance at the end of current period	<u>600</u>	<u>800</u>
General reserve		
Balance at the end of previous period	35,720	35,720
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	<u>35,720</u>	<u>35,720</u>
Retained earnings brought forward		
Balance at the end of previous period	3,100	2,056
Changes of items during the period		
Reversal of reserve for reduction entry	19	5
Reserve for investment on information technology	(200)	(200)
Dividends from surplus	(1,287)	(1,103)
Net income	1,917	2,005
Disposal of treasury stock	(0)	—
Retirement of treasury stock	(1,492)	—
Total changes of items during the period	(1,044)	706
Balance at the end of current period	<u>2,056</u>	<u>2,763</u>

	FY08 (Apr.1, 08 - Mar. 31, 09)	FY09 (Apr.1, 09 - Mar. 31, 10)
Total retained earnings		
Balance at the end of previous period	40,872	40,009
Changes of items during the period		
Reversal of reserve for reduction entry	—	—
Reserve for investment on information technology	—	—
Dividends from surplus	(1,287)	(1,103)
Net income	1,917	2,005
Disposal of treasury stock	(0)	—
Retirement of treasury stock	(1,492)	—
Total changes of items during the period	<u>(863)</u>	<u>901</u>
Balance at the end of current period	<u>40,009</u>	<u>40,911</u>
Treasury stock		
Balance at the end of previous period	(1,919)	(15)
Changes of items during the period		
Purchase of treasury stock	(11)	(1)
Disposal of treasury stock	3	—
Retirement of treasury stock	1,912	—
Total changes of items during the period	<u>1,904</u>	<u>(1)</u>
Balance at the end of current period	<u>(15)</u>	<u>(17)</u>
Total shareholders' equity		
Balance at the end of previous period	53,124	53,746
Changes of items during the period		
Dividends from surplus	(1,287)	(1,103)
Net income	1,917	2,005
Purchase of treasury stock	(11)	(1)
Disposal of treasury stock	2	—
Retirement of treasury stock	—	—
Total changes of items during the period	<u>621</u>	<u>900</u>
Balance at the end of current period	<u>53,746</u>	<u>54,646</u>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	5,038	1,609
Changes of items during the period		
Net changes of items other than shareholders' equity	(3,429)	2,324
Total changes of items during the period	<u>(3,429)</u>	<u>2,324</u>
Balance at the end of current period	<u>1,609</u>	<u>3,934</u>
Deferred gains or losses on hedges		
Balance at the end of previous period	(8)	9
Changes of items during the period		
Net changes of items other than shareholders' equity	18	(10)
Total changes of items during the period	<u>18</u>	<u>(10)</u>
Balance at the end of current period	<u>9</u>	<u>(0)</u>
Total valuation and translation adjustments		
Balance at the end of previous period	5,029	1,619
Changes of items during the period		
Net changes of items other than shareholders' equity	(3,410)	2,314
Total changes of items during the period	<u>(3,410)</u>	<u>2,314</u>
Balance at the end of current period	<u>1,619</u>	<u>3,933</u>
Total net assets		
Balance at the end of previous period	58,154	55,365
Changes of items during the period		
Dividends from surplus	(1,287)	(1,103)
Net income	1,917	2,005
Purchase of treasury stock	(11)	(1)
Disposal of treasury stock	2	—
Net changes of items other than shareholders' equity	(3,410)	2,314
Total changes of items during the period	<u>(2,789)</u>	<u>3,214</u>
Balance at the end of current period	<u>55,365</u>	<u>58,580</u>

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

Millions of yen

Division			FY08 (Apr.1,08 - Mar.31,09)		FY09 (Apr.1,09 - Mar.31,10)		Increase (decrease)	
			Amounts	%	Amounts	%	Amounts	%
Orders-received construction during this period	Green Technology System Division	HVAC for buildings	34,722	31.3 %	33,994	43.4 %	(728)	(2.1) %
		Industrial HVAC	49,331	44.5	29,246	37.4	(20,085)	(40.7)
		Total	84,054	75.8	63,240	80.8	(20,814)	(24.8)
		[Overseas]	[1,773]	[1.6]	[560]	[0.7]	[(1,213)]	[(68.4)]
	Paint Finishing System Division	26,843	24.2	15,032	19.2	(11,811)	(44.0)	
	[Overseas]	[16,233]	[14.6]	[10,132]	[13.0]	[(6,101)]	[(37.6)]	
Total	110,898	100.0	78,272	100.0	(32,626)	(29.4)		
[Overseas]	[18,006]	[16.2]	[10,693]	[13.7]	[(7,313)]	[(40.6)]		
Sales of construction during this period	Green Technology System Division	HVAC for buildings	23,434	22.4	25,786	33.9	2,352	10.0
		Industrial HVAC	53,385	51.0	30,956	40.8	(22,429)	(42.0)
		Total	76,819	73.4	56,743	74.7	(20,076)	(26.1)
		[Overseas]	[2,810]	[2.7]	[943]	[1.2]	[(1,867)]	[(66.4)]
	Paint Finishing System Division	27,901	26.6	19,228	25.3	(8,673)	(31.1)	
	[Overseas]	[13,360]	[12.7]	[11,979]	[15.8]	[(1,381)]	[(10.3)]	
Total	104,721	100.0	75,971	100.0	(28,750)	(27.5)		
[Overseas]	[16,171]	[15.4]	[12,922]	[17.0]	[(3,249)]	[(20.1)]		
Construction carried forward	Green Technology System Division	HVAC for buildings	36,371	46.5	44,579	55.3	8,208	22.6
		Industrial HVAC	23,353	29.8	21,643	26.8	(1,710)	(7.3)
		Total	59,725	76.3	66,223	82.1	6,498	10.9
		[Overseas]	[551]	[0.7]	[168]	[0.2]	[(383)]	[(69.5)]
	Paint Finishing System Division	18,589	23.7	14,394	17.9	(4,195)	(22.6)	
	[Overseas]	[9,798]	[12.5]	[7,951]	[9.9]	[(1,847)]	[(18.9)]	
Total	78,315	100.0	80,617	100.0	2,302	2.9		
[Overseas]	[10,350]	[13.2]	[8,120]	[10.1]	[(2,230)]	[(21.5)]		