



Financial Report for the First Quarter ended March, 2009

Aug 11, 2008

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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Scheduled date to submit Quarterly report ···········Aug 14, 2008

(Round down to one million yen)

1. Consolidated Operating Performance (From April 1, 2008 to June 30, 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 1Q	33,786	-	16	-	242	-	289	-
FY07 1Q	31,197	9.4	460	-	672	-	172	-

	Net income per share	Net income per share after potential share adjustment
	yen	yen
FY08 Q1	7.88	—
FY07 Q1	4.68	—

(2) Consolidated financial position

	Total assets	Net assets	Equity capital ratio	Net assets per share
	million yen	million yen	%	yen
FY08 Q1	134,535	66,348	46.8	1,712.47
FY07	142,024	67,379	44.6	1,723.67

(Ref.) Equity capital FY08 Q1 62,979 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	—	—	—	—	—
FY09 (Projection)	—	15.00	—	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 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
Consolidated total in second quarter	79,000	(2.5)	1,500	42.5	1,800	17.7	600	—	16.31
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)

Changes attendant with revisions in accounting principles: Yes

Other changes aside from above : Yes

- (4) Number of shares issued (common shares)

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

FY08 1Q 37,982,009 shares

FY07 37,982,009 shares

Number of treasury shares at end of FY

FY08 1Q 1,205,116 shares

FY07 1,204,766 shares

Average number of common shares during the period

FY08 1Q 36,777,054 shares

FY07 1Q 36,778,261 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" (Cabinet Office Ordinance No.64 of Japan)

Consolidated Financial Statement

(1) Consolidated Balance Sheet

in million yen

Item	FY08 1Q (Jun. 30, 08)	FY07 (Mar. 31, 08)	Item	FY08 1Q (Jun. 30, 08)	FY07 (Mar. 31, 08)
(Assets)			(Liabilities)		
Current assets	101,192	110,780	Current liabilities	59,912	66,827
Cash and deposits	21,887	34,029	Notes payable, accounts payable for construction contracts and other	40,093	45,213
Notes receivable, accounts receivable from completed construction contracts and other	42,715	48,736	Short-term loans payable	1,665	1,608
Costs on uncompleted construction contracts	27,639	20,601	Income taxes payable	333	458
Raw materials and supplies	480	544	Advances received on uncompleted construction contracts	11,749	13,429
Other	8,940	7,540	Provision for warranties for completed construction	665	694
Allowance for doubtful accounts	(471)	(673)	Provision for loss on construction contracts	580	713
Noncurrent assets	33,343	31,243	Other	4,824	4,709
Property, plant and equipment	6,930	7,298	Noncurrent liabilities	8,274	7,816
Intangible assets	1,221	1,176	Long-term loans payable	121	141
Investments and other assets	25,190	22,769	Provision for retirement benefits	3,446	3,617
Investment securities	21,963	19,498	Provision for directors' retirement benefits	153	588
Other	3,471	3,503	Other	4,553	3,469
Allowance for doubtful accounts	(244)	(232)	Total liabilities	68,186	74,644
			(Net assets)		
			Shareholders' equity	57,884	58,331
			Capital stock	6,455	6,455
			Capital surplus	7,716	7,716
			Retained earnings	45,632	46,078
			Treasury stock	(1,920)	(1,919)
			Valuation and translation adjustments	5,094	5,060
			Valuation difference on available-for-sale securities	6,381	5,038
			Deferred gains or losses on hedges	0	(8)
			Foreign currency translation adjustment	(1,287)	30
			Minority interests	3,369	3,987
			Total net assets	66,348	67,379
Total Assets	134,535	142,024	Total net assets and liabilities	134,535	142,024

(2) Consolidated Income Statement

in million yen

Items	FY08 1Q (Apr.1,08-Jun. 30, 08)
	Amounts
Net sales of completed construction contracts	33,786
Cost of sales of completed construction contracts	30,112
Gross profit on completed construction contracts	3,674
Selling, general and administrative expenses	3,657
Operating income	16
Non-operating income	
Interest income	96
Dividends income	152
Real estate rent	25
Equity in earnings of affiliates	2
Foreign exchange gains	38
Other	27
Total Non-operating income	342
Non-operating expenses	
:	21
Rent expenses on real estates	58
Other	36
Total Non-operating expenses	116
Ordinary income	242
Extraordinary income	
Reversal of allowance for doubtful accounts	100
Gain on sales of investment securities	0
Gain on disposal of noncurrent assets	1
Other	22
Total Extraordinary income	125
Extraordinary loss	
Loss on retirement of noncurrent assets	17
Loss on valuation of investment securities	4
Other	40
Total Extraordinary loss	62
Income before income taxes and minority interests	304
Income taxes-current	225
Income taxes-deferred	(220)
Total Income taxes	4
Minority interests in income	9
Net income	289

(3) Consolidated Cash Flow Statement

in million yen

Items	FY08 1Q (Apr.1,08–Jun. 30, 08)
Net cash provided by (used in) operating activities	
Income before income taxes and minority interests	304
Depreciation and amortization	245
Increase (decrease) in allowance for doubtful accounts	(75)
Increase (decrease) in provision for retirement benefits	(66)
Increase (decrease) in provision for directors' retirement benefits	(434)
Increase (decrease) in provision for loss on construction contracts	(89)
Interest and dividends income	(248)
Interest expenses	21
Loss (gain) on sales of investment securities	(0)
Loss (gain) on disposal of property, plant and equipment and intangible assets	16
Loss (gain) on valuation of investment securities	4
Decrease (increase) in notes and accounts receivable-trade	3,983
Decrease (increase) in inventories	(6,393)
Decrease (increase) in advances paid	925
Decrease (increase) in accounts receivable-other	(152)
Increase (decrease) in notes and accounts payable-trade	(4,824)
Increase (decrease) in advances received on uncompleted construction contracts	(658)
Increase (decrease) in accrued consumption taxes	(771)
Increase (decrease) in deposits received	435
Increase (decrease) in accrued expenses	(323)
Other, net	(1,075)
Subtotal	(9,177)
Interest and dividends income received	257
Interest expenses paid	(20)
Income taxes paid	(324)
Net cash provided by (used in) operating activities	(9,264)
Net cash provided by (used in) investment activities	
Payments into time deposits	(1,317)
Proceeds from withdrawal of time deposits	1,899
Purchase of property, plant and equipment and intangible assets	(311)
Proceeds from sales of property, plant and equipment and intangible assets	49
Purchase of investment securities	(274)
Proceeds from sales of investment securities	8
Payments of long-term loans receivable	(10)
Collection of long-term loans receivable	45
Purchase of insurance funds	(3)
Proceeds from maturity of insurance funds	1
Other, net	(37)
Net cash provided by (used in) investment activities	49
Net cash provided by (used in) financing activities	
Net increase (decrease) in short-term loans payable	110
Repayment of long-term loans payable	(54)
Purchase of treasury stock	(0)
Cash dividends paid	(735)
Cash dividends paid to minority shareholders	(16)
Net cash provided by (used in) financing activities	(695)
Effect of exchange rate change on cash and cash equivalents	(1,343)
Net increase (decrease) in cash and cash equivalents	(11,254)
Cash and cash equivalents at the beginning of the period	31,937
Cash and cash equivalents at the end of the period	20,683

(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 1Q (Apr.1,07-Jun. 30,07)							Total	minations/ Corporate	Consolidated
	Japan	North America	Southeast Asia	East Asia	Other areas				
Sales and operating income (loss)									
Sales									
Sales to customers	16,059	1,302	9,388	1,800	2,647	31,197	-	31,197	
Intersegment	131	-	-	-	-	131	(131)	-	
Total	16,191	1,302	9,388	1,800	2,647	31,328	(131)	31,197	
Operating expenses	16,686	1,358	8,661	1,764	2,501	30,972	(235)	30,736	
Operating income (loss)	(495)	(56)	726	36	145	356	103	460	
Assets	138,753	5,881	16,665	5,079	7,678	174,057	(7,146)	166,910	

(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 1Q (Apr.1,08-Jun. 30,08)							Total	minations/ Corporate	Consolidated
	Japan	North America	Southeast Asia	East Asia	Other areas				
Sales and operating income (loss)									
Sales									
Sales to customers	17,433	5,078	8,830	1,373	1,069	33,786	-	33,786	
Intersegment	394	-	4	4	3	405	(405)	-	
Total	17,828	5,078	8,835	1,377	1,072	34,192	(405)	33,786	
Operating expenses	18,065	5,188	8,550	1,366	1,235	34,405	(635)	33,769	
Operating income (loss)	(236)	(109)	284	11	(162)	(213)	230	16	
Assets	109,373	6,556	15,269	4,691	5,703	141,594	(7,062)	134,535	

(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 1Q (Apr.1,07-Jun. 30,07)	Overseas sales	1,101	9,556	1,973	3,075	15,706
	Total sales					31,197
	Ratio of overseas sales to total sales (%)	3.5	30.6	6.3	9.9	50.3
FY08 1Q (Apr.1,08-Jun. 30,08)	Overseas sales	4,796	9,296	2,348	1,904	18,345
	Total sales					33,786
	Ratio of overseas sales to total sales (%)	14.2	27.5	7.0	5.6	54.3

(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, Russia, Iraq, India, Brazil, South Africa
Current fiscal year: UK, Russia, India, Hungary

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 1Q (Apr.1,07- Jun.30,07)		FY08 1Q (Apr.1,08- Jun.30,08)		Increase (decrease)		
			Amounts	%	Amounts	%	Amounts	%	
Orders -received construction during this period	Green Technology System Division	HVAC for buildings	9,727	20.0 %	7,378	18.7 %	(2,349)	(24.1) %	
		Industrial HVAC	27,667	56.8	24,041	60.8	(3,626)	(13.1)	
		Total	37,395	76.8	31,420	79.5	(5,975)	(16.0)	
		[Overseas]	[12,114]	[24.9]	[9,639]	[24.4]	[(2,475)]	[(20.4)]	
	Paint Finishing System Division		11,300	23.2	8,111	20.5	(3,189)	(28.2)	
	[Overseas]		[6,193]	[12.7]	[6,275]	[15.9]	[82]	[1.3]	
	Total		48,695	100.0	39,531	100.0	(9,164)	(18.8)	
	[Overseas]		[18,308]	[37.6]	[15,915]	[40.3]	[(2,393)]	[(13.1)]	
	Sales of construction during this period	Green Technology System Division	HVAC for buildings	9,274	29.7	3,939	11.7	(5,335)	(57.5)
			Industrial HVAC	14,082	45.2	13,227	39.1	(855)	(6.1)
Total			23,357	74.9	17,166	50.8	(6,191)	(26.5)	
[Overseas]			[9,067]	[29.0]	[6,721]	[19.9]	[(2,346)]	[(25.9)]	
Paint Finishing System Division		7,840	25.1	16,619	49.2	8,779	112.0		
[Overseas]		[6,639]	[21.3]	[11,624]	[34.4]	[4,985]	[75.1]		
Total		31,197	100.0	33,786	100.0	2,589	8.3		
[Overseas]		[15,706]	[50.3]	[18,345]	[54.3]	[2,639]	[16.8]		

(References)

1. Abbreviated Consolidated Income Statement (FY07 1Q)

in million yen

Items	FY07 1Q (Apr.1,07 - Jun. 30, 07)
	Amounts
Net sales of completed construction contracts	31,197
Cost of sales of completed construction contracts	27,235
Gross profit on completed construction contracts	3,961
Selling, general and administrative expenses	3,500
Operating income	460
Non-operating income	322
Non-operating expenses	110
Ordinary income	672
Extraordinary income	30
Extraordinary loss	22
Income before income taxes and minority interests	680
Income expenses	341
Minority interests in income	165
Net income	172