

Financial Report for the Fiscal Year ended March 31, 2013

May 15, 2013

The following statements are an English translation of the original Japanese document.

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

Name of company.....Taikisha Ltd.

Stock Exchange..... First section of Tokyo Stock Exchange

Code No.....1979

Representative..... Satoru Kamiyama, President and Representative Director

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Scheduled date for general meeting of shareholders : June 27, 2013

Scheduled date to commence dividend payments : June 28, 2013

Scheduled date to submit securities report : June 27, 2013

Supplemental materials prepared for financial results : Yes

Earnings announcement for financial results : Yes (for institutional investors and analysts)

(Round down to one million yen)

1. Consolidated Operating Performance (April 1, 2012 through March 31, 2013)

(1) Consolidated operating result

(% indicates increase ratio over previous year)

	Sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended								
March 31, 2013	216,051	13.9	9,815	17.9	10,728	18.8	6,200	41.8
March 31, 2012	189,716	34.4	8,325	53.8	9,033	46.5	4,372	18.1

(Note) Comprehensive income Year ended March 31, 2013 11,006 million yen 158.7 %
Year ended March 31, 2012 4,255 million yen 88.2 %

	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	%	%	%
Year ended					
March 31, 2013	170.99	—	8.7	6.7	4.5
March 31, 2012	119.52	—	6.6	6.3	4.4

(Note) Equity in earnings of affiliates Year ended March 31, 2013 38 million yen
Year ended March 31, 2012 75 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity capital ratio	Net assets per share
	million yen	million yen	%	yen
As of				
March 31, 2013	163,014	78,537	46.2	2,087.16
March 31, 2012	156,108	69,602	42.9	1,834.99

(Note) Shareholders' Equity As of March 31, 2013 75,237 million yen
As of March 31, 2012 66,918 million yen

(3) Consolidated cash flow statement

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Year ended				
March 31, 2013	10,772	(1,308)	(2,569)	33,627
March 31, 2012	1,812	(2,336)	(361)	24,627

2. Dividends

	Dividend per share					Dividend Paid (Total)	Dividend Payout Ratio (Consolidated)	Dividend - Net Asset Ratio (Consolidated)
	1Q	2Q	3Q	Full year	Total (annually)			
Year ended	yen	yen	yen	yen	yen	million yen	%	%
March 31, 2012	—	15.00	—	20.00	35.00	1,276	29.3	1.9
March 31, 2013	—	15.00	—	35.00	50.00	1,808	29.2	2.5
Year ending March 31, 2014 (Forecast)	—	20.00	—	25.00	45.00		28.6	

(Note) Detail of Dividends as of March 31, 2013 Ordinary dividend 30.00 Yen
Commemorative dividend 5.00 Yen

3. Consolidated Earnings Forecast for Fiscal Year Ending March 31, 2014 (April 1, 2013 through March 31, 2014)

(% indicates increase ratio over previous year)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Half year	99,000	4.4	4,300	(21.3)	4,700	(20.4)	2,700	(8.6)	74.45
Full year	215,000	(0.5)	9,400	(4.2)	10,000	(6.8)	5,700	(8.1)	157.18

4. Others

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

(2) Changes in accounting policies, changes in accounting estimates and restatements

- (i) Changes in accounting policies due to revisions of accounting standards etc. : Yes
- (ii) Changes in accounting policies other than (i) : None
- (iii) Changes in accounting estimates : Yes
- (iv) Restatements : None

(3) Number of shares issued (common shares)

- (i) Number of shares issued at end of period (including treasury shares)
 - As of March 31, 2013 36,782,009 shares
 - As of March 31, 2012 36,782,009 shares
- (ii) Number of treasury shares at end of period
 - As of March 31, 2013 734,367 shares
 - As of March 31, 2012 313,951 shares
- (iii) Average number of common shares during the period
 - Year ended March 31, 2013 36,264,815 shares
 - Year ended March 31, 2012 36,583,750 shares

(Reference) Summary of Non-Consolidated Operating Performance

1. Non-Consolidated Operating Performance (April 1, 2012 through March 31, 2013)

(1) Non-Consolidated operating result

(% indicates increase ratio over previous year)

	Sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended								
March 31, 2013	107,049	(2.0)	(51)	—	4,349	(11.1)	3,719	33.5
March 31, 2012	109,205	21.7	2,427	(12.1)	4,891	(0.1)	2,786	(13.3)

	Net income per share	Net income per share after potential share adjustment
	yen	yen
Year ended		
March 31, 2013	102.55	—
March 31, 2012	76.15	—

(2) Non-Consolidated financial position

	Total assets	Net assets	Equity capital ratio	Net assets per share
	million yen	million yen	%	yen
As of				
March 31, 2013	107,898	64,993	60.2	1,802.98
March 31, 2012	116,776	61,397	52.6	1,683.60

(Note) Shareholders' Equity As of March 31, 2013 64,993 million yen
As of March 31, 2012 61,397 million yen

2. Non-Consolidated Earnings Forecast for Fiscal Year Ending March 31, 2014 (April 1, 2013 through March 31, 2014)

(% indicates increase ratio over previous year)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Half year	40,000	(10.8)	(500)	—	1,300	(60.6)	1,000	(52.5)	27.57
Full year	93,000	(13.1)	(500)	—	3,600	(17.2)	2,800	(24.7)	77.21

※ Notice of status of implementation for audit procedures

This financial report is not subject to audit procedures based upon the Financial Instruments and Exchange Act. Audit procedures for the consolidated financial statements in accordance with the Financial Instruments and Exchange Act had not been completed as at the time of disclosure of this financial report.

※ Explanation about the proper use of consolidated forecasts and other notes

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 Statements

(1) Consolidated Balance Sheets

Millions of yen

	As of March 31, 2012	As of March 31, 2013
Assets		
Current assets		
Cash and deposits	24,450	30,131
Notes receivable, accounts receivable from completed construction contracts and other	75,424	81,950
Securities	2,554	7,004
Costs on uncompleted construction contracts	15,220	1,754
Raw materials and supplies	582	762
Deferred tax assets	2,540	2,404
Other	5,563	6,268
Allowance for doubtful accounts	(179)	(300)
Total current assets	126,155	129,976
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	7,571	8,466
Machinery, vehicles, tools, furniture and fixtures	5,275	6,354
Land	3,274	3,316
Other	572	319
Accumulated depreciation	(9,534)	(9,962)
Total property, plant and equipment	7,158	8,494
Intangible assets		
Goodwill	2,152	2,325
Other	1,196	984
Total intangible assets	3,349	3,309
Investments and other assets		
Investment securities	17,237	18,171
Deferred tax assets	122	239
Other	2,263	2,992
Allowance for doubtful accounts	(179)	(169)
Total investments and other assets	19,444	21,233
Total noncurrent assets	29,953	33,037
Total assets	156,108	163,014
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	48,789	47,451
Short-term loans payable	4,176	4,425
Income taxes payable	644	749
Deferred tax liabilities	19	22
Advances received on uncompleted construction contracts	17,766	13,539
Provision for warranties for completed construction	596	927
Provision for loss on construction contracts	2,810	1,680
Provision for directors' bonuses	61	96
Other	6,186	8,831
Total current liabilities	81,050	77,724

Millions of yen

	As of March 31, 2012	As of March 31, 2013
Noncurrent liabilities		
Long-term loans payable	924	770
Deferred tax liabilities	1,059	2,678
Provision for retirement benefits	3,029	2,838
Provision for directors' retirement benefits	129	133
Other	312	331
Total noncurrent liabilities	5,455	6,752
Total liabilities	86,506	84,476
Net assets		
Shareholders' equity		
Capital stock	6,455	6,455
Capital surplus	7,297	7,344
Retained earnings	54,810	59,735
Treasury stock	(492)	(1,173)
Total shareholders' equity	68,071	72,361
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,428	5,245
Deferred gains or losses on hedges	26	(11)
Foreign currency translation adjustment	(4,607)	(2,358)
Total accumulated other comprehensive income	(1,152)	2,875
Minority interests	2,683	3,300
Total net assets	69,602	78,537
Total liabilities and net assets	156,108	163,014

(2) Consolidated Income Statements and Consolidated Statements of Comprehensive Income
Consolidated Income Statements

Millions of yen

	Year ended	Year ended
	March 31, 2012	March 31, 2013
	Apr. 1, 2011 - Mar. 31, 2012	Apr. 1, 2012 - Mar. 31, 2013
Net sales of completed construction contracts	189,716	216,051
Cost of sales of completed construction contracts	165,056	188,374
Gross profit on completed construction contracts	24,660	27,676
Selling, general and administrative expenses		
Directors' compensations	760	837
Employees' salaries and allowances	6,757	7,667
Provision for directors' bonuses	61	96
Retirement benefit expenses	699	753
Provision for directors' retirement benefits	24	22
Correspondence and transportation expenses	1,197	1,232
Provision of allowance for doubtful accounts	(123)	187
Rents	1,158	1,098
Depreciation	952	934
Amortization of goodwill	92	114
Other	4,754	4,916
Total selling, general and administrative expenses	16,335	17,861
Operating income	8,325	9,815
Non-operating income		
Interest income	261	261
Dividends income	325	342
Dividends income of insurance	123	129
Real estate rent	135	127
Equity in earnings of affiliates	75	38
Foreign exchange gains	—	109
Reversal of allowance for doubtful accounts	—	23
Gain on bad debts recovered	193	—
Other	225	268
Total non-operating income	1,341	1,300
Non-operating expenses		
Interest expenses	231	188
Sales discounts	—	17
Rent expenses on real estates	86	86
Foreign exchange losses	99	—
Provision of allowance for doubtful accounts	91	—
Other	124	95
Total non-operating expenses	632	387
Ordinary income	9,033	10,728

	Year ended March 31, 2012 <small>Apr. 1, 2011 - Mar. 31, 2012</small>	Year ended March 31, 2013 <small>Apr. 1, 2012 - Mar. 31, 2013</small>
Extraordinary income		
Gain on disposal of noncurrent assets	43	144
Gain on sales of investment securities	27	780
Gain on liquidation of subsidiaries and affiliates	15	—
Surrender value of insurance	2	0
Total extraordinary income	88	925
Extraordinary loss		
Loss on disposal of noncurrent assets	59	93
Impairment loss	130	149
Loss on sales of investment securities	14	231
Loss on valuation of investment securities	145	31
Loss on change in equity	—	226
Total extraordinary losses	350	732
Income before income taxes and minority interests	8,771	10,921
Income taxes-current	3,398	3,509
Income taxes-deferred	275	780
Total income taxes	3,673	4,289
Income before minority interests	5,097	6,631
Minority interests in income	725	430
Net income	4,372	6,200

Consolidated Statements of Comprehensive Income

Millions of yen

	Year ended March 31, 2012 <small>Apr. 1, 2011 - Mar. 31, 2012</small>	Year ended March 31, 2013 <small>Apr. 1, 2012 - Mar. 31, 2013</small>
Income before minority interests	5,097	6,631
Other comprehensive income		
Valuation difference on available-for-sale securities	367	1,819
Deferred gains or losses on hedges	28	(26)
Foreign currency translation adjustment	(1,239)	2,527
Share of other comprehensive income of associates accounted for using equity method	1	54
Total other comprehensive income	<u>(842)</u>	<u>4,374</u>
Comprehensive income	<u>4,255</u>	<u>11,006</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	3,694	10,229
Comprehensive income attributable to minority interests	561	777

(3) Consolidated Statements of Changes in Net Assets

Millions of yen

	Year ended March 31, 2012 Apr. 1, 2011 - Mar. 31, 2012	Year ended March 31, 2013 Apr. 1, 2012 - Mar. 31, 2013
Shareholders' equity		
Capital stock		
Balance at the beginning of current 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	6,455	6,455
Capital surplus		
Balance at the beginning of current period	7,297	7,297
Changes of items during the period		
Disposal of treasury stock	0	47
Total changes of items during the period	0	47
Balance at the end of current period	7,297	7,344
Retained earnings		
Balance at the beginning of current period	51,537	54,810
Changes of items during the period		
Dividends from surplus	(1,098)	(1,276)
Net income	4,372	6,200
Total changes of items during the period	3,273	4,924
Balance at the end of current period	54,810	59,735
Treasury stock		
Balance at the beginning of current period	(18)	(492)
Changes of items during the period		
Purchase of treasury stock	(473)	(969)
Disposal of treasury stock	0	287
Total changes of items during the period	(473)	(681)
Balance at the end of current period	(492)	(1,173)
Total shareholders' equity		
Balance at the beginning of current period	65,270	68,071
Changes of items during the period		
Dividends from surplus	(1,098)	(1,276)
Net income	4,372	6,200
Purchase of treasury stock	(473)	(969)
Disposal of treasury stock	0	334
Total changes of items during the period	2,800	4,290
Balance at the end of current period	68,071	72,361

	Year ended March 31, 2012	Year ended March 31, 2013
	Apr. 1, 2011 - Mar. 31, 2012	Apr. 1, 2012 - Mar. 31, 2013
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	3,060	3,428
Changes of items during the period		
Net changes of items other than shareholders' equity	367	1,817
Total changes of items during the period	367	1,817
Balance at the end of current period	3,428	5,245
Deferred gains or losses on hedges		
Balance at the beginning of current period	(1)	26
Changes of items during the period		
Net changes of items other than shareholders' equity	28	(37)
Total changes of items during the period	28	(37)
Balance at the end of current period	26	(11)
Foreign currency translation adjustment		
Balance at the beginning of current period	(3,533)	(4,607)
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,073)	2,248
Total changes of items during the period	(1,073)	2,248
Balance at the end of current period	(4,607)	(2,358)
Total accumulated other comprehensive income		
Balance at the beginning of current period	(474)	(1,152)
Changes of items during the period		
Net changes of items other than shareholders' equity	(677)	4,028
Total changes of items during the period	(677)	4,028
Balance at the end of current period	(1,152)	2,875
Minority interests		
Balance at the beginning of current period	2,181	2,683
Changes of items during the period		
Net changes of items other than shareholders' equity	501	616
Total changes of items during the period	501	616
Balance at the end of current period	2,683	3,300
Total net assets		
Balance at the beginning of current period	66,978	69,602
Changes of items during the period		
Dividends from surplus	(1,098)	(1,276)
Net income	4,372	6,200
Purchase of treasury stock	(473)	(969)
Disposal of treasury stock	0	334
Net changes of items other than shareholders' equity	(176)	4,645
Total changes of items during the period	2,624	8,935
Balance at the end of current period	69,602	78,537

(4) Consolidated Cash Flow Statement

Millions of yen

	Year ended March 31, 2012 Apr. 1, 2011 - Mar. 31, 2012	Year ended March 31, 2013 Apr. 1, 2012 - Mar. 31, 2013
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	8,771	10,921
Depreciation and amortization	1,239	1,211
Amortization of goodwill	92	114
Increase (decrease) in allowance for doubtful accounts	(89)	72
Increase (decrease) in provision for retirement benefits	(204)	(264)
Increase (decrease) in provision for directors' retirement benefits	5	4
Increase (decrease) in provision for loss on construction contracts	1,481	(1,150)
Increase (decrease) in provision for warranties for completed construction	265	280
Interest and dividends income	(587)	(604)
Interest expenses	231	188
Equity in (earnings) losses of affiliates	(43)	(6)
Loss (gain) on sales of investment securities	(12)	(548)
Loss (gain) on disposal of noncurrent assets	16	(50)
Loss (gain) on valuation of investment securities	145	31
Loss (gain) on change in equity	—	226
Decrease (increase) in notes and accounts receivable-trade	(23,126)	(2,791)
Decrease (increase) in inventories	2,388	13,620
Decrease (increase) in advances paid	(0)	75
Decrease (increase) in non-operating notes receivable	(200)	82
Decrease (increase) in accounts receivable-other	10	(615)
Increase (decrease) in notes and accounts payable-trade	13,387	(3,711)
Increase (decrease) in advances received on uncompleted construction contracts	2,919	(5,701)
Increase (decrease) in non-operating notes payable	121	(74)
Increase (decrease) in accrued consumption taxes	(919)	654
Increase (decrease) in deposits received	191	53
Increase (decrease) in accrued expenses	310	43
Other, net	418	1,871
Subtotal	6,812	13,933
Interest and dividends income received	587	604
Interest expenses paid	(229)	(187)
Income taxes paid	(5,357)	(3,577)
Net cash provided by (used in) operating activities	1,812	10,772

Millions of yen

	Year ended March 31, 2012 <small>Apr. 1, 2011 - Mar. 31, 2012</small>	Year ended March 31, 2013 <small>Apr. 1, 2012 - Mar. 31, 2013</small>
Net cash provided by (used in) investing activities		
Payments into time deposits	(1,980)	(1,880)
Proceeds from withdrawal of time deposits	2,000	1,649
Purchase of securities	(499)	(5,500)
Proceeds from redemption of securities	2,499	3,000
Purchase of property, plant and equipment and intangible assets	(1,398)	(3,130)
Proceeds from sales of property, plant and equipment and intangible assets	162	1,125
Purchase of investment securities	(1,918)	(923)
Proceeds from sales of investment securities	638	3,316
Proceeds from redemption of investment securities	—	1,453
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	(1,807)	—
Payments of long-term loans receivable	(83)	(84)
Collection of long-term loans receivable	43	45
Purchase of insurance funds	(27)	(236)
Proceeds from maturity of insurance funds	12	200
Purchase of long-term prepaid expenses	(17)	(350)
Other, net	38	5
Net cash provided by (used in) investing activities	<u>(2,336)</u>	<u>(1,308)</u>
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	1,361	(159)
Proceeds from long-term loans payable	362	110
Repayment of long-term loans payable	(278)	(321)
Repayments of lease obligations	(55)	(49)
Proceeds from stock issuance to minority shareholders	24	—
Net decrease (increase) in treasury stock	(473)	(634)
Cash dividends paid	(1,094)	(1,271)
Cash dividends paid to minority shareholders	(208)	(244)
Net cash provided by (used in) financing activities	<u>(361)</u>	<u>(2,569)</u>
Effect of exchange rate change on cash and cash equivalents	<u>(522)</u>	<u>2,105</u>
Net increase (decrease) in cash and cash equivalents	<u>(1,407)</u>	<u>9,000</u>
Cash and cash equivalents at beginning of period	<u>26,035</u>	<u>24,627</u>
Cash and cash equivalents at end of period	<u>24,627</u>	<u>33,627</u>

(Segment information)

1. Sales and profits or losses by reportable segments

Millions of yen

Year ended March 31, 2012 (Apr. 1, 2011 - Mar. 31, 2012)					
	Green Technology System Division	Paint Finishing System Division	Total	Eliminations/ Corporate	Consolidated
Sales					
Sales to customers	127,176	62,540	189,716	—	189,716
Intersegment	3	36	39	(39)	—
Total	127,180	62,576	189,756	(39)	189,716
Segment profit	3,463	5,523	8,986	46	9,033
Segment assets	81,618	45,191	126,809	29,299	156,108
Other items					
Depreciation expenses	493	704	1,197	3	1,201
Amortization of goodwill	—	92	92	—	92
Interest income	78	132	211	50	261
Interest expenses	78	124	202	29	231
Equity in earnings of affiliates	—	75	75	—	75
Investments in associates accounted for using the equity method	—	412	412	—	412
Increase in tangible and intangible assets	248	1,096	1,345	209	1,555

(Note) 1. The amount of Eliminations/ Corporate is as follows:

- (1) Eliminations/ Corporate of Segment profit of 46 million yen includes non-allocatable common costs of 42 million yen and other adjustment of 4 million yen.
Non-allocatable common costs is mainly dividend income etc. those are not attributed to any reportable segments.
 - (2) Eliminations/ Corporate of Segment assets of 29,299 million yen is elimination of receivable and payable etc. of -4,010 million yen and non-allocatable common assets that is not allocated to any segments of 33,309 million yen.
Non-allocatable common assets is mainly cash and deposit, short-term investment securities, tangible fixed assets, investment securities and deferred tax assets etc. those are not attributed to any reportable segments.
 - (3) Eliminations/ Corporate of increase in tangible and intangible assets of 209 million yen is machinery, equipment and vehicles, tools, furniture and fixtures and software etc. those are not attributed to any reportable segments.
2. Segment profit (loss) were adjusted in the ordinary income of the consolidated income statement.

Millions of yen

Year ended March 31, 2013 (Apr. 1, 2012 - Mar. 31, 2013)					
	Green Technology System Division	Paint Finishing System Division	Total	Eliminations/ Corporate	Consolidated
Sales					
Sales to customers	137,214	78,837	216,051	—	216,051
Intersegment	7	79	87	(87)	—
Total	137,222	78,916	216,138	(87)	216,051
Segment profit	5,045	5,543	10,589	138	10,728
Segment assets	69,260	56,404	125,665	37,349	163,014
Other items					
Depreciation expenses	502	720	1,222	(10)	1,211
Amortization of goodwill	—	114	114	—	114
Interest income	108	114	222	39	261
Interest expenses	69	107	177	11	188
Equity in earnings of affiliates	—	38	38	—	38
Investments in associates accounted for using the equity method	—	473	473	—	473
Increase in tangible and intangible assets	135	2,784	2,919	517	3,436

(Note) 1. The amount of Eliminations/ Corporate is as follows:

- (1) Eliminations/ Corporate of Segment profit of 138 million yen includes non-allocatable common costs of 135 million yen and other adjustment of 3 million yen.
Non-allocatable common costs is mainly dividend income etc. those are not attributed to any reportable segments.
 - (2) Eliminations/ Corporate of Segment assets of 37,349 million yen is elimination of receivable and payable etc. of -3,986 million yen and non-allocatable common assets that is not allocated to any segments of 41,336 million yen.
Non-allocatable common assets is mainly cash and deposit, short-term investment securities, tangible fixed assets, investment securities and deferred tax assets etc. those are not attributed to any reportable segments.
 - (3) Eliminations/ Corporate of increase in tangible and intangible assets of 517 million yen is machinery, equipment and vehicles, tools, furniture and fixtures and software etc. those are not attributed to any reportable segments.
2. Segment profit (loss) were adjusted in the ordinary income of the consolidated income statement.

2. Sales by regions

Millions of yen

Year ended March 31, 2012 (Apr. 1, 2011 - Mar. 31, 2012)								
Japan	North America	South East Asia		East Asia		India	Other	Total
		Thailand	Other South East Asia	China	Other East Asia			
92,347	11,074	23,447	16,174	20,873	3,791	10,243	11,764	189,716

Millions of yen

As of March 31, 2013 (Apr. 1, 2012 - Mar. 31, 2013)								
Japan	North America	South East Asia		East Asia		India	Other	Total
		Thailand	Other South East Asia	China	Other East Asia			
91,954	11,909	36,404	27,841	25,852	2,314	6,447	13,327	216,051

3. Tangible fixed assets by region

Millions of yen

As of March 31, 2012							
Japan	Thailand	Indonesia	China	India	Italy	Other	Total
4,981	404	288	343	588	392	160	7,158

Millions of yen

As of March 31, 2013							
Japan	Thailand	Indonesia	China	India	Italy	Other	Total
5,009	349	355	1,008	1,237	309	225	8,494

4. Impairment loss of the noncurrent assets by reporting segments

Millions of yen

Year ended March 31, 2012 (Apr. 1, 2011 - Mar. 31, 2012)					
	Green Technology System Division	Paint Finishing System Division	Total	Elimination Corporate	Consolidated
Impairment loss	0	0	0	129	130

(Note) Impairment loss is not allocated to reporting segments. The detail of impairment loss is the impairment loss on idle assets and expected to be removed assets for relocation of headquarters.

Millions of yen

Year ended March 31, 2013 (Apr. 1, 2012 - Mar. 31, 2013)					
	Green Technology System Division	Paint Finishing System Division	Total	Elimination Corporate	Consolidated
Impairment loss	—	118	118	30	149

(Note) Impairment loss is not allocated to reporting segments. The detail of impairment loss is the impairment loss on expected to be sold assets and expected to be removed assets for relocation of headquarters.

5. Amortization of goodwill and the unamortized balance by reporting segments

Millions of yen

As of March 31, 2012					
	Green Technology System Division	Paint Finishing System Division	Total	Elimination Corporate	Consolidated
Balance as of March 31, 2012	—	2,152	2,152	—	2,152

(Note) Amortization of goodwill is omitted because this information is already disclosed in "Sales and profits or losses by reportable segments".

Millions of yen

As of March 31, 2013					
	Green Technology System Division	Paint Finishing System Division	Total	Elimination Corporate	Consolidated
Balance as of March 31, 2013	—	2,325	2,325	—	2,325

(Note) Amortization of goodwill is omitted because this information is already disclosed in "Sales and profits or losses by reportable segments".

2 Non-consolidated Financial Statements

(1) Balance Sheets

Millions of yen

As of March 31, 2012 As of March 31, 2013

Assets		
Current assets		
Cash and deposits	12,355	11,175
Notes receivable-trade	1,377	502
Accounts receivable from completed construction contracts	51,978	48,508
Securities	1,953	6,995
Costs on uncompleted construction contracts	10,564	653
Raw materials and supplies	190	123
Short-term loans receivable	710	600
Prepaid expenses	317	274
Deferred tax assets	2,151	1,944
Accounts receivable-other	1,205	1,941
Other	1,387	1,696
Allowance for doubtful accounts	(72)	(35)
Total current assets	84,120	74,381
Noncurrent assets		
Property, plant and equipment		
Buildings	5,874	5,933
Accumulated depreciation	(4,324)	(4,276)
Buildings, net	1,550	1,656
Structures	259	255
Accumulated depreciation	(237)	(231)
Structures, net	21	23
Machinery and equipment	786	786
Accumulated depreciation	(721)	(732)
Machinery and equipment, net	65	53
Vehicles	11	8
Accumulated depreciation	(10)	(8)
Vehicles, net	0	0
Tools, furniture and fixtures	857	855
Accumulated depreciation	(724)	(671)
Tools, furniture and fixtures, net	133	183
Land	2,391	2,284
Lease assets	104	67
Accumulated depreciation	(58)	(28)
Lease assets, net	45	38
Construction in progress	—	11
Total property, plant and equipment	4,209	4,251
Intangible assets		
Leasehold right	0	0
Software	905	698
Other	16	16
Total intangible assets	922	715

	As of March 31, 2012	As of March 31, 2013
Investments and other assets		
Investment securities	16,736	17,607
Stocks of subsidiaries and affiliates	9,188	8,964
Investments in capital	1	1
Long-term loans receivable	8	32
Long-term loans receivable from employees	20	17
Lease and guarantee deposits	1,093	1,091
Long-term prepaid expenses	26	347
Insurance funds	451	487
Claims provable in bankruptcy, claims provable in rehabilitation and other	153	125
Other	0	3
Allowance for doubtful accounts	(156)	(128)
Total investments and other assets	27,524	28,549
Total noncurrent assets	32,656	33,516
Total assets	116,776	107,898
Liabilities		
Current liabilities		
Notes payable-trade	6,297	5,258
Accounts payable for construction contracts	27,570	23,161
Short-term loans payable	2,179	2,191
Lease obligations	19	12
Accounts payable-other	2,696	3,581
Accrued expenses	541	510
Income taxes payable	136	—
Advances received on uncompleted construction contracts	9,015	1,211
Deposits received	845	575
Unearned revenue	10	10
Provision for warranties for completed construction	315	385
Provision for loss on construction contracts	2,310	1,603
Provision for directors' bonuses	60	95
Other	311	568
Total current liabilities	52,309	39,167
Noncurrent liabilities		
Long-term loans payable	103	20
Lease obligations	30	28
Deferred tax liabilities	520	1,640
Provision for retirement benefits	2,300	1,933
Other	115	115
Total noncurrent liabilities	3,069	3,737
Total liabilities	55,378	42,905

Millions of yen

	As of March 31, 2012	As of March 31, 2013
Net assets		
Shareholders' equity		
Capital stock	6,455	6,455
Capital surplus		
Legal capital surplus	7,297	7,297
Other capital surplus	0	47
Total capital surpluses	7,297	7,344
Retained earnings		
Legal retained earnings	1,613	1,613
Other retained earnings		
Reserve for reduction entry	7	6
Reserve for investment on information technology	1,200	1,400
General reserve	35,720	35,720
Retained earnings brought forward	6,168	8,411
Total retained earnings	44,709	47,152
Treasury stock	(492)	(1,173)
Total shareholders' equity	57,969	59,778
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,431	5,245
Deferred gains or losses on hedges	(3)	(31)
Total valuation and translation adjustments	3,427	5,214
Total net assets	61,397	64,993
Total liabilities and net assets	116,776	107,898

(2) Income Statements

Millions of yen

	Year ended March 31, 2012 Apr. 1, 2011 - Mar. 31, 2012	Year ended March 31, 2013 Apr. 1, 2012 - Mar. 31, 2013
Net sales of completed construction contracts	109,205	107,049
Cost of sales of completed construction contracts	95,726	95,436
Gross profit on completed construction contracts	13,479	11,613
Selling, general and administrative expenses		
Directors' compensations	391	404
Employees' salaries and allowances	4,913	5,528
Provision for directors' bonuses	60	95
Retirement benefit expenses	610	609
Legal welfare expenses	632	714
Welfare expenses	277	327
Repair and maintenance	172	152
Stationery expenses	390	523
Correspondence and transportation expenses	614	654
Power utilities expenses	73	61
Research study expenses	291	242
Advertising expenses	78	83
Provision of allowance for doubtful accounts	(178)	(21)
Entertainment expenses	122	120
Contribution	29	15
Rents	811	638
Depreciation	591	505
Taxes and dues	180	169
Insurance expenses	14	14
Miscellaneous expenses	974	825
Total selling, general and administrative expenses	11,051	11,665
Operating income (loss)	2,427	(51)
Non-operating income		
Interest income	8	10
Interest on securities	49	38
Dividends income	1,558	3,150
Dividends income of insurance	123	129
Real estate rent	221	221
Foreign exchange gains	—	165
Technical advisory fee	632	772
Reversal of allowance for doubtful accounts	—	36
Gain on bad debts recovered	193	—
Other	30	37
Total non-operating income	2,818	4,561
Non-operating expenses		
Interest expenses	36	21
Sales discounts	—	17
Rent expenses on real estates	86	86
Foreign exchange losses	112	—
Provision of allowance for doubtful accounts	87	—
Other	31	35
Total non-operating expenses	354	160
Ordinary income	4,891	4,349

Millions of yen

	Year ended March 31, 2012 <small>Apr. 1, 2011 - Mar. 31, 2012</small>	Year ended March 31, 2013 <small>Apr. 1, 2012 - Mar. 31, 2013</small>
Extraordinary income		
Gain on disposal of noncurrent assets	37	111
Gain on sales of investment securities	17	780
Gain on liquidation of subsidiaries and affiliates	15	—
Surrender value of insurance	2	0
Total extraordinary income	<u>72</u>	<u>892</u>
Extraordinary loss		
Loss on disposal of noncurrent assets	52	33
Impairment loss	130	30
Loss on sales of investment securities	—	231
Loss on valuation of investment securities	145	31
Loss on sales of stocks of subsidiaries and affiliates	—	193
Total extraordinary losses	<u>327</u>	<u>521</u>
Income before income taxes	<u>4,636</u>	<u>4,720</u>
Income taxes-current	1,510	586
Income taxes-deferred	339	415
Total income taxes	<u>1,850</u>	<u>1,001</u>
Net income	<u>2,786</u>	<u>3,719</u>

(3) Statements of Changes in Net Assets

Millions of yen

	Year ended March 31, 2012 Apr. 1, 2011 - Mar. 31, 2012	Year ended March 31, 2013 Apr. 1, 2012 - Mar. 31, 2013
Shareholders' equity		
Capital stock		
Balance at the beginning of current 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	6,455	6,455
Capital surplus		
Legal capital surplus		
Balance at the beginning of current 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	7,297	7,297
Other capital surplus		
Balance at the beginning of current period	0	0
Changes of items during the period		
Disposal of treasury stock	0	47
Total changes of items during the period	0	47
Balance at the end of current period	0	47
Total capital surplus		
Balance at the beginning of current period	7,297	7,297
Changes of items during the period		
Disposal of treasury stock	0	47
Total changes of items during the period	0	47
Balance at the end of current period	7,297	7,344
Retained earnings		
Legal retained earnings		
Balance at the beginning of current 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	1,613	1,613
Other retained earnings		
Reserve for reduction entry		
Balance at the beginning of current period	8	7
Changes of items during the period		
Reversal of reserve for reduction entry	(0)	(1)
Total changes of items during the period	(0)	(1)
Balance at the end of current period	7	6
Reserve for investment on information technology		
Balance at the end of previous period	1,000	1,200
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	1,200	1,400

Millions of yen

	Year ended March 31, 2012 Apr. 1, 2011 - Mar. 31, 2012	Year ended March 31, 2013 Apr. 1, 2012 - Mar. 31, 2013
General reserve		
Balance at the beginning of current 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 beginning of current period	4,679	6,168
Changes of items during the period		
Reversal of reserve for reduction entry	0	1
Reserve for investment on information technology	(200)	(200)
Dividends from surplus	(1,098)	(1,276)
Net income	2,786	3,719
Total changes of items during the period	<u>1,488</u>	<u>2,243</u>
Balance at the end of current period	<u>6,168</u>	<u>8,411</u>
Total retained earnings		
Balance at the beginning of current period	43,022	44,709
Changes of items during the period		
Reversal of reserve for reduction entry	—	—
Reserve for investment on information technology	—	—
Dividends from surplus	(1,098)	(1,276)
Net income	2,786	3,719
Total changes of items during the period	<u>1,687</u>	<u>2,442</u>
Balance at the end of current period	<u>44,709</u>	<u>47,152</u>
Treasury stock		
Balance at the beginning of current period	(18)	(492)
Changes of items during the period		
Purchase of treasury stock	(473)	(969)
Disposal of treasury stock	0	287
Total changes of items during the period	<u>(473)</u>	<u>(681)</u>
Balance at the end of current period	<u>(492)</u>	<u>(1,173)</u>
Total shareholders' equity		
Balance at the beginning of current period	56,755	57,969
Changes of items during the period		
Dividends from surplus	(1,098)	(1,276)
Net income	2,786	3,719
Purchase of treasury stock	(473)	(969)
Disposal of treasury stock	0	334
Total changes of items during the period	<u>1,213</u>	<u>1,808</u>
Balance at the end of current period	<u>57,969</u>	<u>59,778</u>

Millions of yen

	Year ended March 31, 2012 Apr. 1, 2011 - Mar. 31, 2012	Year ended March 31, 2013 Apr. 1, 2012 - Mar. 31, 2013
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	3,064	3,431
Changes of items during the period		
Net changes of items other than shareholders' equity	367	1,814
Total changes of items during the period	367	1,814
Balance at the end of current period	3,431	5,245
Deferred gains or losses on hedges		
Balance at the beginning of current period	(9)	(3)
Changes of items during the period		
Net changes of items other than shareholders' equity	5	(27)
Total changes of items during the period	5	(27)
Balance at the end of current period	(3)	(31)
Total valuation and translation adjustments		
Balance at the beginning of current period	3,055	3,427
Changes of items during the period		
Net changes of items other than shareholders' equity	372	1,786
Total changes of items during the period	372	1,786
Balance at the end of current period	3,427	5,214
Total net assets		
Balance at the beginning of current period	59,811	61,397
Changes of items during the period		
Dividends from surplus	(1,098)	(1,276)
Net income	2,786	3,719
Purchase of treasury stock	(473)	(969)
Disposal of treasury stock	0	334
Net changes of items other than shareholders' equity	372	1,786
Total changes of items during the period	1,586	3,595
Balance at the end of current period	61,397	64,993

(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			Year ended March 31, 2012 (Apr. 1, 2011 - Mar. 31, 2012)		Year ended March 31, 2013 (Apr. 1, 2012 - Mar. 31, 2013)		Increase (decrease)	
			Amounts	%	Amounts	%	Amounts	%
Orders-received during this period	Green Technology System Division	HVAC for buildings	33,268	17.0	37,485	19.1	4,217	12.7
		Industrial HVAC	86,817	44.5	87,251	44.6	434	0.5
		Total	120,085	61.5	124,736	63.7	4,651	3.9
		[Overseas]	[48,082]	[24.6]	[55,331]	[28.3]	[7,249]	[15.1]
	Paint Finishing System Division	75,182	38.5	71,184	36.3	(3,998)	(5.3)	
	[Overseas]	[62,680]	[32.1]	[65,855]	[33.6]	[3,175]	[5.1]	
Total	195,268	100.0	195,920	100.0	652	0.3		
[Overseas]	[110,762]	[56.7]	[121,187]	[61.9]	[10,425]	[9.4]		
Sales of construction during this period	Green Technology System Division	HVAC for buildings	42,233	22.2	46,573	21.6	4,340	10.3
		Industrial HVAC	84,943	44.8	90,641	41.9	5,698	6.7
		Total	127,176	67.0	137,214	63.5	10,038	7.9
		[Overseas]	[39,601]	[20.9]	[57,644]	[26.7]	[18,043]	[45.6]
	Paint Finishing System Division	62,540	33.0	78,837	36.5	16,297	26.1	
	[Overseas]	[57,767]	[30.4]	[66,452]	[30.7]	[8,685]	[15.0]	
Total	189,716	100.0	216,051	100.0	26,335	13.9		
[Overseas]	[97,369]	[51.3]	[124,097]	[57.4]	[26,728]	[27.5]		
Construction carried forward	Green Technology System Division	HVAC for buildings	37,113	25.6	28,025	22.7	(9,088)	(24.5)
		Industrial HVAC	39,699	27.4	36,311	29.4	(3,388)	(8.5)
		Total	76,813	53.0	64,337	52.1	(12,476)	(16.2)
		[Overseas]	[28,770]	[19.9]	[26,459]	[21.4]	[(2,311)]	[(8.0)]
	Paint Finishing System Division	68,006	47.0	59,188	47.9	(8,818)	(13.0)	
	[Overseas]	[59,540]	[41.1]	[57,778]	[46.8]	[(1,762)]	[(3.0)]	
Total	144,819	100.0	123,526	100.0	(21,293)	(14.7)		
[Overseas]	[88,310]	[61.0]	[84,238]	[68.2]	[(4,072)]	[(4.6)]		

- (Note) 1. The amounts of orders received, sales of construction, and construction carried forward are the transacted amount with external customers.
2. In the fiscal year, there is 7 million yen difference between the sales of construction of 137,214 million yen and total sales of 137,222 million yen in the segment information by the Green Technology System Division.
There is 79 million yen difference between the sales of construction of 78,837 million yen and total sales of 78,916 yen in the segment information by Paint Finishing System Division.
Above differences are due to intersegment sales.
3. In the previous year, there is 3 million yen difference between the sales of construction of 127,176 million yen and total sales of 127,180 million yen in the segment information by the Green Technology System Division.
There is 36 million yen difference between the sales of construction of 62,540 million yen and total sales of 62,576 million yen in the segment information by Paint Finishing System Division.
Above differences are due to intersegment sales.

4. Regarding foreign exchange translation of sales of construction brought forward from previous year in foreign subsidiaries, fluctuation amount because of foreign exchange is adjusted in the beginning balance of sales of construction brought forward. Beginning balance of sales of construction brought forward after adjustment in the fiscal year is as follows.

Green Technology System Division

HVAC for buildings	37,113	million yen		
Industrial HVAC	39,701		[overseas	28,771 million yen]
Sub total	76,814		[overseas	28,771]
Paint Finishing System Division	66,841		[overseas	58,375]
Total	143,656		[overseas	87,147]

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

Division			Year ended March 31, 2012		Year ended March 31, 2013		Increase (decrease)	
			(Apr. 1, 2011 - Mar. 31, 2012)		(Apr. 1, 2012 - Mar. 31, 2013)			
			Amounts	%	Amounts	%	Amounts	%
Orders-received during this period	Green Technology System Division	HVAC for buildings	31,736	31.0	36,075	40.9	4,339	13.7
		Industrial HVAC	38,305	37.5	31,815	36.1	(6,490)	(16.9)
		Total	70,041	68.5	67,890	77.0	(2,151)	(3.1)
		[Overseas]	[933]	[0.9]	[1,304]	[1.5]	[371]	[39.8]
	Paint Finishing System Division		32,206	31.5	20,332	23.0	(11,874)	(36.9)
	[Overseas]		[21,183]	[20.7]	[16,174]	[18.3]	[(5,009)]	[(23.6)]
Total		102,248	100.0	88,223	100.0	(14,025)	(13.7)	
[Overseas]		[22,117]	[21.6]	[17,478]	[19.8]	[(4,639)]	[(21.0)]	
Sales of construction during this period	Green Technology System Division	HVAC for buildings	40,947	37.5	44,929	42.0	3,982	9.7
		Industrial HVAC	45,091	41.3	32,777	30.6	(12,314)	(27.3)
		Total	86,039	78.8	77,706	72.6	(8,333)	(9.7)
		[Overseas]	[1,120]	[1.0]	[1,250]	[1.2]	[130]	[11.6]
	Paint Finishing System Division		23,166	21.2	29,342	27.4	6,176	26.7
	[Overseas]		[19,930]	[18.3]	[18,212]	[17.0]	[(1,718)]	[(8.6)]
Total		109,205	100.0	107,049	100.0	(2,156)	(2.0)	
[Overseas]		[21,050]	[19.3]	[19,463]	[18.2]	[(1,587)]	[(7.5)]	
Construction carried forward	Green Technology System Division	HVAC for buildings	36,760	53.9	27,905	56.5	(8,855)	(24.1)
		Industrial HVAC	10,999	16.1	10,038	20.3	(961)	(8.7)
		Total	47,760	70.0	37,943	76.8	(9,817)	(20.6)
		[Overseas]	[373]	[0.5]	[427]	[0.9]	[54]	[14.5]
	Paint Finishing System Division		20,486	30.0	11,476	23.2	(9,010)	(44.0)
	[Overseas]		[12,347]	[18.1]	[10,308]	[20.8]	[(2,039)]	[(16.5)]
Total		68,247	100.0	49,420	100.0	(18,827)	(27.6)	
[Overseas]		[12,720]	[18.6]	[10,735]	[21.7]	[(1,985)]	[(15.6)]	