

May 14, 2010

Announcement of Mid-Term Business Plan

Taikisha Ltd. announced its 3-year plan of Taikisha Group for the fiscal year ending March 2011 to the fiscal year ending March 2013.

This plan outlines our basic policies and business goals in order to respond to the changing society both in domestic and overseas and continuously advance our group.

Under our policy, “Customers first,” our group will expand our business globally by utilizing our environment-responsive technologies for “energy, air, and water,” and make the utmost effort to achieve our business goals and meet the expectations of our shareholders and stakeholders. We would like to ask for your support and patronage in the future.

Interim Management Plan Outline

1. Our Philosophy and Vision

Company Policy

"Customers First"

Corporate Philosophy

1. Establishing a company that can perpetually grow and contribute to the society
2. Creating an attractive company

Management Vision

We observe the spirit of the law, perform business transactions through free and fair competition, and contribute to customers, clients, shareholders, employees, communities, society, and the global environment through our transparent and highly ethical management values.

Our slogan: "Pure & Fair" - To become a transparent company

2. Basic Policy

1. Establish a management base that enables us to respond quickly to the changing social demands (economy environment and social value) and conduct sustainable corporate activities

1) We will improve our management system and strengthen the whole group's corporate governance from a global standpoint.

2) We will create organizations that adapt to the changing market environment in a flexible and timely manner, and reorganize them according to functions and roles assigned within the entire group.

2. We will improve our corporate value and contribute to all stakeholders.

1) As a company that conducts the environment related business, we will make an effort to improve environmental value of our customers and to conserve the global environment with our eco-friendly technologies for CO2 reduction and prevention of environmental pollution.

2) We will conduct business operations that are attractive to our shareholders by improving capital efficiency in both existing and new business areas while aiming to enhance corporate value and maintain stable dividends.

3) We will provide safe and reliable technologies and attractive services at optimal prices in order to meet customers' expectations and ensure their continued confidence.

4) We will work to consistently improve our operational processes in order to realize high-quality stable operations by eliminating unfruitful, uneven, and heavy-handed methods.

5) We will support and develop our human resources with a high degree of professionalism and a broad view in order to ensure our corporate advantage and to be create attractive company.

3. Interim Business Goal of Our Group (consolidated)

Target figures for each fiscal year in this plan (consolidated) are as follows:

(in billion yen)

	FY March 2011 (projected)	FY March 2012 (projected)	FY March 2013 (projected)
Orders received	138.0	157.0	161.0
Revenue	136.0	147.0	160.0
Operating profit	2.7	3.6	4.5
Ordinary profit	3.2	4.2	5.2
Net income	1.6	2.2	2.8

4. Measures to Achieve Business Goals

1. Green Technology System Business

1) Respond to Growing Overseas Markets

We will aim to increase the number of orders received in overseas markets, especially those with high future growth potential in Southeast Asia and China. In addition, we will put our energy into strengthening the functions of overseas affiliated companies and educating local employees in order to respond to the increased construction volume.

2) Improve Domestic Businesses

We will take steps to increase the number of orders received for building and industrial air-conditioning system renovations and pursue proposed activities to promote expanding maintenance businesses.

We will establish high quality services from a lifecycle standpoint (new constructions, maintenance, and renovations) based on feedback from our customers, utilizing our unique know-how, such as IT construction and prefabrication technologies.

3) Improve the Competitiveness of the Whole Group

We will improve our competitiveness by reorganizing our affiliated companies and enable the whole group to provide fine-tuned services at optimal prices.

4) Enhance Productivity and Realize Optimal Cost

We will stabilize our operational processes to further enhance productivity through the operation of a newly introduced IT system. The Purchasing Planning Dept. will continue to promote cost-reduction measures in order to optimize costs.

5) Develop New Businesses

We will proactively invest in related areas with high potential for market growth in order to expand our business areas. We will aim to realize commercialization in lithium ion rechargeable battery-related facilities, energy solution field, and food and drug-related fields, among others.

2. Paint Finishing System Business

1) Respond to Global Markets and Realize Optimal Cost

We will allocate our management resources preferentially in markets with high growth potential, including China and India, and create competitive organizations. In anticipation of upcoming and intensifying competition for orders, we will ensure the implementation of cost-reduction measures in order to realize optimal costs and establish global-scale procurement systems.

2) Expand Business Areas

We will expand related areas, including paint equipment, paint circular systems, conveyer systems in order to improve our level of customer service. Additionally, we aim to strengthen our engineering capabilities so that we can provide comprehensive design solutions for paint finishing plants by advancing accumulation of technology and know-how for related technology of automobile paint finishing plant.

3) Focus on Energy Saving and Environmental Technology

We will further advance energy saving and environmental technologies, such as CO₂ reduction technology and volatile organic compounds (VOC) treatment equipment, and other technologies, to be used for paint finishing systems, and maintain our position as one of the world's leading companies in the industry.

3. Strengthen Our Management Base

1) Aim to develop organizations which respond flexibly to business globalization and changes in market environments

1. All of our departments and each division within our headquarters will strive to develop organizations which respond more efficiently to the globalization of our business.
2. We will review and implement the reorganization of companies within the Group in order to respond appropriately to changes in the domestic and overseas market.

2) Strengthen Human Resource Development

1. We will support and promote skill development among our employees by improving and reinforcing the framework and training system for career development.
2. We will globally develop human resources, including locally-hired employees, in order to deal with overseas operations and positively support the development of business around the world, and further strengthen the governance of overseas affiliated companies.

3) Carry Out Strategic Investments to Reinforce the Business Base

We will carry out strategic investments in the development of human resources, research and development, IT system development, and operation innovation, in order to achieve continuous growth and strengthen our business base.