

STATUS OF BUSINESS ACTIVITIES

1. Overview of Business Performance

(1) Business Performances

The Japanese economy during this consolidated fiscal year was basically on steady recovery trend reflecting improvement of corporate earnings which resulted in gradual increase in capital investment on one hand and marked increase in individual consumption supported by betterment of employment and income environment on the other hand.

Under the foregoing environments, the Company Group has positively promoted its overseas' business, the consulting and supporting business for the industrial waste treatment plants projects in its plans for operation, and its business of providing solution for public infrastructure that does not rely only on the government public investment. As a result of these business policies, the current consolidated fiscal year's total amount of orders received was 135,838 million yen, an increase of 46,820 million yen (up 52.6%) over the previous consolidated fiscal year. The total revenue, however, was no greater than 94,340 million yen, a decrease of 9,381 million yen (down 9.0%) from the previous consolidated fiscal year. Accordingly, the operating profit/losses, to our great regret, turned to show 3,912 million yen loss from the previous term largely affected by marked intensification of price competition in the market even though every possible effort to curtail expenses and lower costs was made companywide. Also, while earnings from sale of fixed assets amounting to 3,180 million yen was posted as an extraordinary income, the Company appropriated 1,641 million yen, which was transferred from the reserve fund for losses from construction orders received, as an extraordinary loss in that the Company incurred quite an amount of expenses to cope with deteriorating condition of public safety owing to the terrorism prevailing in and around the delivery area of the biomass power plants in southern part of Thailand, in addition to other large amount of expenses required for material and components pertinent to the construction works. As a corollary, the Company was compelled to post net loss of 1,485 million yen for the current term.

By-Division incoming order status for the current period are as follows;

1) Machinery Division

As regards the Machinery Division, Nippon Thermoener Co., Ltd. positively developed an integrated operation – manufacturing, selling and maintaining of hot-water boilers and once-through boilers all by its own – to satisfy customers' needs thoroughly and directly, thus help the Division maintain sound and solid sales structure. The Division promoted its business activities focusing on the gas turbine cogeneration plants and wood biomass power plants as an effective utilization of renewable energy, and the waste heat thermal cycling plants utilizing waste. As a result, the total amount of orders received came to 56,256 million yen, marking an increase of 6,604 million (up 13.3%) over the previous consolidated fiscal year. Total sales, on the other hand, was no greater than 46,589 million yen, a decrease of 2,318 million yen (down 4.7%) from the previous consolidated fiscal year since orders were received intensively in greater part at the end of the fiscal year, resulting in operating loss of 1,647 million yen.

2) Environmental Control Plants Division

The Environmental Control Plants Division received an order for the first time as a Japanese Municipal Solid Waste (MSW) incineration plant manufacturer from Europe for Energy from Waste (EfW) plant to be shipped to England, in addition to orders for MSW incineration plants for domestic use. In the field of water treatment, the Division, among other orders, received an initial order for cir-

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culating fluidized bed sewage sludge incinerators (which would become the No.1 sewage sludge incinerator in Japan) and other plants including water treatment plants and advanced sand filtration sewage treatment plants as well. The total amount of orders received thus came to 70,617 million yen, an increase of 39,978 million yen (up 130.5%) over the previous consolidated fiscal year, whereas the total amount of sales was no greater than 38,791 million yen, a decrease of 7,289 million yen (down 15.8%) from the previous consolidated fiscal year owing to the low level of backlog of orders at the beginning of the period, thus resulting in operating loss of 1,104 million yen.

3) Operation and Maintenance Division

Total sales was 9,451 million yen, an increase of 61 million yen (up 0.7%) over the previous consolidated term, while operating income decreased to 834 million yen, or down 29 million yen (down 3.3%) from the previous consolidated term.

4) Real Estate Division

Total sales decreased by 31 million yen (down 8.5%) from the previous consolidated fiscal term to 334 million yen, and operating income decreased by 22 million yen (down 11.8%) from the previous fiscal term to 159 million yen.

Five (5) of the affiliates applying the equity method are engaged in the general waste and industrial waste-processing business and the total amount of their sales for the current term was 7,899 million yen, a decrease of 66 million yen (down 0.8%) from the previous consolidated year. The total net income was 643 million yen, a decrease of 1 million yen (down 0.2%) from the previous consolidated year.

(2) Cash Flow Summary

Cash and cash equivalents at the end of the current consolidated fiscal year decreased by 14,109 million yen from the end of the previous fiscal year, to 27,648 million yen. Further, three (3) overseas firms were newly consolidated in the current consolidated year, bringing a 1,710 million yen increase of cash and cash equivalents.

[Cash Flow from Operating Activities]

Cash flow from operating activities decreased by 8,120 million yen from the previous consolidated fiscal year, to minus 14,172 million yen.

This decrease was mainly caused by an increase in inventory assets of 4,281 million yen over the previous consolidated fiscal term, thus tax payment including corporate tax was raised by 2,275 million and net loss before taxes and other adjustments increased by 2,086 million yen.

[Cash Flow from Investing Activities]

Cash flow from investing activities increased by 2,216 million yen over the previous consolidated fiscal year to minus 264 million yen. This was mainly because the absolute amount of time deposit increased by 1,782 million over the previous fiscal year and gain from sale of tangible property amounting to 3,152 million was also accounted for, while disbursement for loans receivable was reduced by 855 million yen.

[Cash Flow from Financing Activities]

Cash flow from financing activities increased by 5,047 million over the previous consolidated fiscal

year to minus 1,433 million yen.

This was mainly because the absolute amount of short-term bank loans was reduced by 4,105 million yen from the previous consolidated fiscal year.

2. Status of Manufacturing, Orders & Sales

(1) Manufacturing Results

The manufacturing results are indicated based on the Company's unconsolidated figures instead of on manufacturing results per type of business based on consolidated figures simply because the results by the Company accounts for an extremely high share of the Company Group's manufacturing output, and that the consolidated affiliates are comprised of operating and maintenance companies, sales companies and other type of companies. Accordingly, an indication of manufacturing results based on consolidated figures is considered insignificant.

Name of Divisions concerned	Current Consolidated Fiscal Year From April 1, 2005 to March 31, 2006 (Millions of yen)		Previous Consolidated Fiscal Year From April 1, 2004 to March 31, 2005 (Millions of yen)	
	Machinery	17,613		16,376
Environment Control Plants	35,231		39,181	
Total	52,844		55,557	

(Notes)
1. The amounts indicated are total manufacturing costs.
2. Consumption tax is not included in the above amounts.

(2) Status of Order Received

The following are status of the Company Group's order received during the current consolidated fiscal year per type of business.

Name of Divisions concerned	Current Consolidated Fiscal Year From April 1, 2005 to March 31, 2006		Previous Consolidated Fiscal Year From April 1, 2004 to March 31, 2005	
	Order received (Millions of yen)	Balance of order received (Millions of yen)	Order received (Millions of yen)	Balance of order received (Millions of yen)
Machinery	56,256	36,969	49,651	27,303
Environment Control Plants	70,617	58,856	30,639	27,029
Operation and Maintenance	9,450	-	9,390	0
Real Estate	240	-	252	-
Inter-division orders (minus)	(725)	(2)	(916)	(8)
Total	135,838	95,823	89,017	54,324

(Notes)
1. Consumption tax is not included in the above amounts.
2. The industrial machinery business operates primarily on a build-to-order manufacturing basis, however, some parts operate on a market production basis. The amounts of orders received and balance above include the market production with affirmed delivery, in addition to the build-to-order manufacturing.

(3) Sales Results

The following are status of the Company Group's sales results during the current consolidated fiscal year per type of business.

Name of Divisions concerned	Current Consolidated Fiscal Year From April 1, 2005 to March 31, 2006 (Millions of yen)		Previous Consolidated Fiscal Year From April 1, 2004 to March 31, 2005 (Millions of yen)	
	Machinery	46,589		48,907
Environment Control Plants	38,791		46,080	
Operation and Maintenance	9,451		9,390	
Real Estate	334		366	
Inter-division orders (minus)	(825)		(1,022)	
Total	94,340		103,721	

(Note) Consumption tax is not included in the above amounts.

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3. Future Outlook

The Company and Company Group have worked on diligently to make structural reform of business and strengthen earning power in efforts to accommodate with market changes on the basis of the initial Mid-term Management Plan that completed at the end of fiscal 2005, objectives of which were to (i) “reconstruct the corporate governance to fit in the Company as a knowledge intensive entity”, (ii) “reform the Company itself to be a flexible entity” and (iii) “establish and retain a firm and unwavering position in the market”. As a part of these objectives, the Company and Company Group introduced an Operating Officer Program in an attempt to promote rapid decision-making and clarify the locus of management and operating responsibilities and made complete review over fixed expenses company-wide to ensure right-sizing of production facilities, endeavoring to reinforce the Company’s (and Company Group’s) operating base in order to secure the competitive market position in respect of the specialized business field. And yet, to our regret, intensification of price competition, drastic price-hike of steel materials and other materials and equipment due to them have created extremely difficult business circumstances for the Company to completely achieve these objectives. As a corollary, the total amount of consolidated orders received, consolidated sales and consolidated ordinary profit in the last three (3) years, respectively, were not as much high as anticipated initially. Given that situation, it is considered that the tough and difficult business circumstances may continue for some time to come in the future.

Despite such business circumstances as mentioned in the foregoing, the Company and Company Group have launched the second Mid-term Management Plan effective as from the first day of fiscal 2006 with the aim of securing stable and favorable credit balance, reforming the corporate structure of the Company and Company Group to ensure long-term development of business and attain earnings strength. This Mid-term Management Plan is designed for the Company and Company Group to;

- (1) further promote business under “Group Management and Operations Approach” by making the most of core business competence TAKUMA Group has ever attained so as to seek full optimization of operations companywide and secure consolidated profits to the maximum extent possible and
- (2) vigorously promote “Choice and Concentration Approach” for management resources.

Based on these key strategies, the Company and Company Group intend to;

[1] abide strictly by “Compliance”, enhance risk management capability and reinforce internal control in attempting to conduct steady and efficient operations for environment-related equipment (=promotion of “Compliance” and CSR Operations and Management);

[2] make complete review over corporate resources constituting business basis – i.e., man, goods, money, technology – and make the most of such resources so as to maintain basic corporate competence and further develop business (= enhancement of corporate competence); and

[3] strengthen cost competitive power and ensure VFM (“Value for Money”) to the maximum extent possible in order to secure highly competitive position in the market with corporate capability to cope with changes in business environment, and establish and implement “Optimal Business Strategies” focusing on promoting of public demand and expansion of offshore business and solution-delivery business.

Based on these three (3) key strategies, the Company and Company Group will strive to implement the foregoing policies in specific and efficient manner.

4. Business Risks

Though the Company Group prepares to take measure to cope with business and other risks systematically, the risks that have possibility to affect the business performances and financial situation of the Company Group are as follows, and we consider those as the matters that have possibility to affect investors' decisions.

*** Economic Trend**

The Company Group's business performances and financial situation have possibility to be affected by; the trend of the public investments and private capital investments; the price competition due to an increase of new comers or change of market structure; fluctuations in raw material costs; and stock quotations.

*** Country Risks**

With persistent development of offshore business, there are possibilities that Company Group's business be affected not merely by economic climate or exchange fluctuations of countries or areas concerned but also by such force majeure as may include terrorism, war, natural disaster or epidemics.

*** Safety and Quality**

Disasters or accidents due to human error or product defects during the manufacturing, installation, and operation and maintenance of the Company Group's products, and the operation of those products thereafter, hold the possibilities of affecting the Company Group's business performances, financial situation and social reputation. Further, there are possibilities that our business will be affected by costing more than initially anticipated due to unexpected malfunctions at the plants, especially where new technology is introduced.

*** Intellectual Property Rights**

There are possibilities to affect the Company Group's business activities caused by not being able to protect or unlawfully being infringed on the intellectual property right such as patent and trade name that the Company Group owns or obtained, or vice, the Company Group attempt to avoid infringement on other's intellectual property rights.

*** Litigation**

On June 28, 2006, the Company was adjudicated by the Fair Trade Commission to have violated the Antimonopoly Law in connection with bidding for construction work of waste incinerators in the previous fiscal year. Pertinent to the case, currently, four (4) lawsuits are pending against local government by citizens, of which one is related to the construction work of waste incinerators in Fukuoka as ordered by Fukuoka City. On April 25, 2006, a judicial order was delivered to five (5) of the Company Group including the Company to compensate to the City a sum of 2,088 million yen, for which the five companies have all together lodged an appeal to a higher court. Further, on June 12, 2006, the Company was indicted by the Osaka District Public Prosecutors Office on charges of violating the Antimonopoly Law in connection with bidding for construction work of human-waste treatment plants and consequently, the local government concerned delivered the Company an order for nominative suspension of business. Depending on the development of these cases, there are possibilities that the business performance of the Company and Company Group be affected in all sorts of manner.

*** Other Factors**

As long as the Company Group's business continues to be performed, there are possibilities that their business be affected by the government restrictions or in respect of the supply system of suppliers, securing of human resources at home and abroad and/or loss of valuable assets. Considering the given conditions, there also is probability that the Company Group's business performance and financial situation be affected by any of such factors.

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5. Significant Contracts

(1) Licensed Contracts

	Licensee	Contents	Date	Licensor	Term
1	Takuma Co., Ltd.	Monotube Boiler & its accessory equipment	June 1959	Alstom Power Inc. (U.S.A.)	Terminated as of December 2005
2	Takuma Co., Ltd.	Liquid Membrane Water Treating Process	September 1976	Exxon Mobile Research & Engineering Co. (U.S.A.)	The Company may terminate to declare so
3	Takuma Co., Ltd.	Continuous Bed Filtration of Liquids	April 1979	Nordic Water Products AB (Sweden)	30 years
4	Takuma Co., Ltd.	Flotation Water Treatment	December 1987	KWI S.A. (Switzerland)	5 years, thereafter automatically renewed every year
5	Takuma Co., Ltd.	Precision Casting System	March 1989	Cadic Technology Service Co., Ltd. (Japan)	Terminated as of March 2006
6	Takuma Co., Ltd.	Ash Recycle and Activation Process	January 1993	Dr. Gernot Staudinger (Austria)	7 years, thereafter automatically renewed every year
7	Takuma Co., Ltd.	Circulating Fluidized Bed Boiler & Bobbling Fluidized Bed Boiler	May 1994	Kvaerner Power AB (Sweden)	12 years
8	Takuma Co., Ltd.	Methane de-Nox Process	June 1994	Gas Technology Institute (U.S.A.)	15 years
9	Takuma Co., Ltd.	Thermal Waste Recycling Process	April 1995	Siemens AG (Germany)	Terminated as of December 2005
10	Takuma Co., Ltd.	Material Recycling & Separating System	June 1996	Result Technology AG (Switzerland)	10 years, thereafter automatically renewed every year
11	Takuma Co., Ltd.	Flue Gas Cleaning System with Active Coke	July 1996	Austrian Energy & Environment GmbH (Austria)	Terminated as of December 2005
12	Takuma Co., Ltd.	Biogas Process System from Organic Waste	September 1996	Schwarting-Uhde GmbH (Germany)	10 years
13	Takuma Co., Ltd.	Biological Anaerobic Treatment Process for Solid Waste	October 1996	W. Schmid AG (Switzerland)	13 years
14	Takuma Co., Ltd.	Water Treatment Technology Using Microorganism Carrier Stabilizer	March 1997	Hitachi Plant Engineering and Construction Co., Ltd. (Japan)	5 years, thereafter automatically renewed every year
15	Takuma Co., Ltd.	Ultra-filtration Film Method Sewage Treatment Process	August 1997	Mitsui Engineering & Shipbuilding Co., Ltd.	10 years
16	Takuma Co., Ltd.	Biomembrat System	October 1997	Wehrle-Werk AG (Germany)	10 years
17	Takuma Co., Ltd.	Regenerative Thermal Oxidizer	February 1998	Dürr Environmental, Inc. (U.S.A.)	5 years, thereafter automatically renewed every year
18	Takuma Co., Ltd.	Cyclone Burner	May 2000	Gas Technology Institute (U.S.A.)	10 years

(Note) In consideration of the licenses listed above, the Company pays a fixed percentage fees of respective sales in addition to a one-time fee paid at the time of agreement. As to the agreements regarding expiration of the term, while the Company's decision is pending on how to treat them, the Company intends to make a decision after reviewing the technological value, degree of demand for respective product and other factors at such a time.

(2) Licensing Contracts

	Licensor	Contents	Date	Licensee	Term
1	Takuma Co., Ltd.	N-type Palm Wastes Fired Water Tube Boiler	September 1982	P.T. Super Andalas Steel (Indonesia)	15 years, thereafter automatically renewed every year
2	Takuma Co., Ltd.	Takumax (TM) Monotube Boiler	March 1990	Clayton of Belgium N.V. (Belgium)	Terminated as of March 2006
3	Takuma Co., Ltd.	Absorption Chiller Heater	August 1992	Kyungdong Boiler Co., Ltd. (Korea)	13 years, thereafter automatically renewed every year
4	Takuma Co., Ltd.	Vacotin Heater	July 1995	Kyungdong Boiler Co., Ltd. (Korea)	10 years, thereafter automatically renewed every year
5	Takuma Co., Ltd.	Laval Nozzle	November 2005	Nihon Spindle Manufacturing Co., Ltd. (Japan)	10 years, thereafter automatically renewed every year

(Note) In consideration of the licenses listed above, the Company is receiving fixed percentage fees of respective sales in addition to one-time fee paid at the time of agreement.

6. Research & Development

The Company Group conducts research and development in a wide range of area with efforts of mutual cooperation of Designing, Planning, Development departments and every company of the Group, respectively, while conducting joint research with outside research institutes and universities as well. Especially, in the area of Environmental and Energy Technology which constitute the Company Group's core technology, the Company and the Group have dedicated their expertise, knowledge and experience to the development of new technologies that we all hope contribute to the environmental preservation and creation of resource recycling-oriented community.

The Company's Energy & Environmental Technology Division includes the Technology Planning & Administration Department, Tokyo Technology and Engineering Department, Technology Research and Development Department, Combustion and Core Technology Development Department and Environment & Energy Research Center, all of which are striving to strengthen our core technology and accelerate development of new technologies.

The cost for the foregoing research and development was 1,224 million yen.

The following are our major research and development activities;

1. Industrial Machinery

- 1) We developed a unique technology utilizing impulse wave, application of which led us eventually to develop bug filter burners.
- 2) We are currently in the process of developing highly-efficient wood biomass gasification processing technology.
- 3) We are continuously engaged in research on optimization of combustion and fluxion of various types of thermo fluid applying the thermo fluid simulation technology.

The cost for the foregoing research and development was 419 million yen.

2. Environmental Control Plant

- 1) We are currently in the process of conducting demonstration tests on a gasification system using sewage sludge.
- 2) We are currently in the process of conducting demonstration tests on a high-temperature filter to process and dispose of waste incineration effluent gas.
- 3) We are now in the process of developing drainage denitrification processing technology making use of special kind of bacteria.
- 4) We are in the process of developing ultrahigh temperature sewage processing technology.
- 5) Recently we started production on a commercial basis of a unique type of measuring kits "DIO-QUICKER" (trade name) utilizing simplified dioxin measuring technology developed by us. This measuring kit was officially announced as the one incorporating such measuring methodology as designated by the State Minister for Environment.
- 6) We are currently in the process of conducting demonstration tests on energy recovery technology that was developed utilizing lees of Shochu (distilled spirit) under alkali hydride methane fermentation.

The cost for the foregoing research and development was 805 million yen.

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7. Financial Status and Business Performance Analysis

(1) Financial Status

The Company's financial policy is to maintain a proper mobility, to secure the fund for business activities, and maintain a healthy balance sheet.

Total assets as of the end of the current consolidated fiscal year increased by 7,536 million yen (up 5.7%) over the end of the previous consolidated fiscal year, to 140,492 million yen. Current assets increased by 260 million yen (up 0.3%) over the end of the previous consolidated fiscal year, to 92,843 million yen. Property, plant and equipment ("fixed assets") increased by 7,276 million yen (up 18.0%) over the end of the previous consolidated fiscal year, to 47,649 million yen.

The primary factors for the current asset increase were that even though cash and time deposits decreased by 13,342 million yen (down 30.0%) from the end of the previous consolidated fiscal year, to 31,189 million yen, the amount of notes and accounts receivable increased by 8,892 million yen (up 25.5%) over the end of the previous consolidated fiscal year, to 43,661 million yen, and besides, the amount of goods in process and inventory assets increased by 3,016 million yen (up 39.0%) over the end of the previous consolidated fiscal year, to 10,752 million yen.

The primary factors for the fixed asset increase were that while capital investments in unconsolidated subsidiaries and affiliated companies by 1,113 million yen (down 15.6%) from the end of the previous consolidated fiscal year, to 6,003 million yen for the reason that unconsolidated subsidiaries were made to become consolidated subsidiaries in the last consolidated fiscal year, investment securities increased by 8,226 million yen (up 44.9%) over the end of the previous consolidated fiscal year, to 26,674 million yen by reason of laundering assessed value intune with upgrades in stock prices, and besides, investments in unconsolidated subsidiaries and affiliated companies increased proportionately.

The total amount of liabilities at the end of the current consolidated fiscal year increased by 5,968 million yen (up 10.3%) over the end of the previous consolidated fiscal year, to 64,141 million yen; the current liabilities increased by 3,703 million yen (up 7.3%) from the end of the previous consolidated fiscal year, to 54,096 million yen and the noncurrent liabilities increased by 2,265 million yen (up 29.1%) over the end of the previous consolidated fiscal year, to 10,045 million yen.

The primary factors of the current liabilities increase were that accrued income taxes decreased by 429 million yen (down 44.9%) from the end of the previous consolidated fiscal year, to 527 million yen and that the allowance for loss on sales constructs decreased by 356 million yen (down 13.2%) from the end of the previous consolidated fiscal year by reason of reversal of such loss in the allowance and other accounting adjustment, to 2,334 million yen, while the advance received increased by 3,724 million yen (up 140.4%) over the end of the previous consolidated fiscal year, to 6,376 million yen, and besides, the amount of notes payable and trade account receivable increased by 361 million yen (up 1.0%) over the end of the previous consolidated fiscal year, to 36,428 million yen.

The primary factors of the noncurrent liabilities increase were that the allowance for employees' retirement benefits decreased by 488 million yen (down 7.7%) from the end of the previous consolidated fiscal year by reason of changes in TAKUMA's retirement benefit system, to 5,817 million yen, while the deferred tax liabilities increased by 2,932 million yen (up 823.9%) over the end of the previous consolidated fiscal year, to 3,288 million yen due to the latent profits caused by the hike in the market value of holding stocks.

The shareholders' equity at the end of the current consolidated fiscal year increased by 1,761 million yen (up 2.5%) over the end of the previous consolidated fiscal year, to 72,704 million yen. This was

attributable to a decrease of earned surplus by 2,549 million yen (down 5.8%) from the end of the previous consolidated fiscal year, to 41,320 million yen, while profit on revaluation of marketable securities increased by 4,358 million yen (up 115.9%) over the end of the previous consolidated fiscal year in tune with the hike in the market value of holding stocks, to 8,119 million yen.

As a corollary, the capital adequacy ratio came down to 51.7% from 53.3% as of the end of the previous consolidated fiscal year. The net equity per share turned up to 868.03 yen from 843.34 yen as of the end of the previous consolidated fiscal year.

(2) Business Performances

During the current consolidated fiscal year, as to the Machinery Division, as initially reported, Nippon Thermoener Co., Ltd. positively developed an integrated operation – manufacturing, selling and maintaining of hot-water boilers and once-through boilers all by its own – to satisfy customers' needs thoroughly and directly as well. The Division promoted its business activities vigorously focusing on wood biomass power plants as an effective utilization of renewable energy, and the waste heat thermal cycling plants utilizing waste. The Environmental Control Plants Division, as already reported likewise, received an order for the first time as a Japanese Municipal Solid Waste (MSW) incineration plant manufacturer from Europe for Energy from Waste (EfW) plant to be shipped to England, in addition to orders for MSW incineration plants for domestic use. As a result, the total amount of orders received increased by 46,820 million yen (up 52.6%) over the previous consolidated fiscal year, to 135,838 million yen. Notwithstanding the increase in the amount of orders received, the total sales decreased by 9,381 million yen (down 9.0%) from the previous consolidated fiscal year, to 94,340 million yen in that receiving of orders was concentrated in greater part at the end of the fiscal year.

Gross profit was 14,812 million yen and selling, general and administrative expenses totaled 18,724 million yen. Accordingly, the net operating loss was 3,912 million yen.

The net amount after deducting the other expenses from the other income was 2,840 million yen to be appropriated as an extraordinary income. This was ascribed to posting 3,180 million yen as earnings from sale of fixed assets including gain from sale of land and other estate.

As the result of foregoing, the loss before income taxes and minority interests was 1,072 million yen, and the net loss of the current term after corporate income taxes and other corporate taxes adjustments and deducting the minority shareholders' interest was 1,484 million yen.

The net profit per share of the current term was 17.69 yen and the capital-profit adequacy ratio was 2.1%.

As to the outline of each division's sales and operating profit, please see the Status of Business section.