

INABATA & CO., LTD. AND CONSOLIDATED SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
Years ended March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2009	2008	2009
Revenues:			
Net sales	¥ 442,761	¥ 500,019	\$ 4,507,391
Cost and expenses:			
Cost of sales	416,101	467,954	4,235,987
Selling, general and administrative expenses	23,084	24,406	235,000
Operating income	<u>3,576</u>	<u>7,659</u>	<u>36,404</u>
Other income (expenses):			
Interest and dividend income	1,455	1,590	14,812
Interest expense (Note 10)	(1,588)	(2,090)	(16,166)
Gain on sale of investment securities	4,683	889	47,674
Gain on sale of property and equipment	143	265	1,456
Reversal of allowance for doubtful receivables	370	—	3,767
Gain on compensation received for damages	137	—	1,395
Gain on sale of investment in subsidiaries	—	231	—
Depreciation of leased assets (Note 13)	—	(338)	—
Loss on fire	—	(114)	—
Provision for allowance for doubtful receivables	(303)	(2,035)	(3,085)
Equity in losses of unconsolidated subsidiaries and affiliates	(449)	(304)	(4,571)
Gain on foreign exchange	96	270	977
Loss on impairment of fixed assets (Note 8)	(452)	(154)	(4,601)
Loss on disposal of property and equipment	(749)	—	(7,625)
Loss on valuation of investment securities	(364)	—	(3,706)
Provision for loss on business liquidation (Note 9)	(2,446)	—	(24,901)
Provision for loss on debt guarantees (Note 16)	(282)	—	(2,871)
Loss on valuation of investment in subsidiaries and affiliates	(132)	—	(1,344)
Other, net	734	671	7,473
	<u>853</u>	<u>(1,119)</u>	<u>8,684</u>
Income before income taxes	4,429	6,540	45,088
Provision for income taxes (Note 6)			
Current	3,592	3,930	36,567
Deferred	(1,373)	(456)	(13,977)
	<u>2,219</u>	<u>3,474</u>	<u>22,590</u>
Minority interests	(47)	(143)	(478)
Net income	<u>¥ 2,163</u>	<u>¥ 2,923</u>	<u>\$ 22,020</u>
Amounts per share:			U.S. dollars (Note 1)
	Yen		
Net income per share - basic	¥ 33.22	¥ 44.98	\$ 0.34
Cash dividends per share applicable to the year	10.00	10.00	0.10

See accompanying Notes to Consolidated Financial Statements.