

Consolidated Statements of Shareholders' Equity

For the years ended 31 March 2005 and 2004

| | Number of shares of common stock | Millions of yen | | | | |
|--|----------------------------------|-----------------|----------------------------|-------------------|---------------|----------------|
| | | Common stock | Additional paid-in capital | Retained earnings | Others | Treasury stock |
| Balance at 31 March 2003 | 97,616,187 | 12,290 | 14,520 | 23,563 | (187) | (11) |
| Net income for the year | | | | 930 | | |
| Cash dividends paid | | | | (488) | | |
| Bonuses to directors | | | | (21) | | |
| Decrease due to exclusion of subsidiaries from consolidation | | | | (2) | | |
| Unrealized gain on investments in securities | | | | | 2,041 | |
| Foreign currency translation adjustments | | | | | 54 | |
| Treasury stocks | | | | | | (3) |
| Balance at 31 March 2004 | 97,616,187 | 12,290 | 14,520 | 23,982 | 1,908 | (14) |
| Net income for the year | | | | 383 | | |
| Cash dividends paid | | | | (488) | | |
| Bonuses to directors | | | | (5) | | |
| Decrease due to exclusion of subsidiaries from consolidation | | | | (19) | | |
| Unrealized gain on investments in securities | | | | | 2 | |
| Foreign currency translation adjustments | | | | | (36) | |
| Treasury stocks | | | | | | (530) |
| Balance at 31 March 2005 | 97,616,187 | ¥12,290 | ¥14,520 | ¥23,853 | ¥1,874 | ¥(544) |

| | Number of shares of common stock | Thousands of U.S dollars (Note 3) | | | | |
|--|----------------------------------|-----------------------------------|----------------------------|-------------------|-----------------|------------------|
| | | Common stock | Additional paid-in capital | Retained earnings | Others | Treasury stock |
| Balance at 31 March 2004 | 97,616,187 | \$114,421 | \$135,183 | \$223,275 | \$17,764 | \$(130) |
| Net income for the year | | | | 3,566 | | |
| Cash dividends paid | | | | (4,543) | | |
| Bonuses to directors | | | | (47) | | |
| Decrease due to exclusion of subsidiaries from consolidation | | | | (177) | | |
| Unrealized gain on investments in securities | | | | | 19 | |
| Foreign currency translation adjustments | | | | | (335) | |
| Treasury stocks | | | | | | (4,935) |
| Balance at 31 March 2005 | 97,616,187 | \$114,421 | \$135,183 | \$222,074 | \$17,448 | \$(5,065) |

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows

For the years ended 31 March 2005 and 2004

| | Millions of yen | | Thousands of U.S. dollars (Note 3) |
|--|-----------------|------------|---------------------------------------|
| | 2005 | 2004 | 2005 |
| Cash Flows from Operating Activities: | | | |
| Profit before income taxes and minority interests | ¥ 931 | ¥ 2,349 | \$ 8,667 |
| Adjustments for: | | | |
| Depreciation | 5,572 | 5,117 | 51,876 |
| Valuation loss on facilities membership | - | 88 | - |
| Decrease in allowance for doubtful accounts | (86) | (273) | (801) |
| Decrease in reserve for retirement benefits to employees | (246) | (165) | (2,290) |
| Increase (decrease) in reserve for retirement benefits to directors and corporate auditors | 10 | (69) | 93 |
| Interest and dividends income | (124) | (80) | (1,154) |
| Interest expenses | 297 | 262 | 2,765 |
| Gain on sale of investments in securities..... | (8) | (526) | (74) |
| Gain (loss) on sale of tangible fixed assets..... | (238) | 29 | (2,216) |
| Loss on disposal of tangible fixed assets..... | 208 | 145 | 1,937 |
| Loss on disposal of leased assets..... | 417 | 559 | 3,882 |
| Acquisition of leased assets..... | (3,108) | (4,235) | (28,936) |
| Increase (decrease) in notes and accounts receivable-trade..... | (3,653) | 3,447 | (34,010) |
| Increase (decrease) in cost of uncompleted construction contracts | (585) | 3,463 | (5,446) |
| Decrease (increase) in other inventories..... | 230 | (474) | 2,141 |
| Decrease in accounts payable-trade..... | (2,646) | (6,275) | (24,634) |
| Decrease in advances received on uncompleted construction contracts..... | (395) | (3,310) | (3,677) |
| Increase in accounts payable - other..... | 2,647 | 3,152 | 24,644 |
| Others | 1,970 | 413 | 18,341 |
| Sub total | 1,193 | 3,617 | 11,108 |
| Interest and dividends received | 124 | 79 | 1,154 |
| Interest paid..... | (264) | (254) | (2,458) |
| Income taxes paid..... | (192) | (364) | (1,788) |
| Net cash provided by operating activities..... | 861 | 3,078 | 8,016 |
| Cash Flows from Investing Activities: | | | |
| Proceeds from sale of marketable securities | 10 | 114 | 93 |
| Acquisition of tangible fixed assets..... | (3,012) | (2,622) | (28,042) |
| Proceeds from sale of tangible fixed assets | 399 | 40 | 3,714 |
| Acquisition of intangible assets..... | (51) | (123) | (475) |
| Acquisition of investments in securities | (948) | (35) | (8,826) |
| Proceeds from sale of investments in securities | 1,671 | 278 | 15,557 |
| Net decrease in short-term loans receivable | 13 | 15 | 121 |
| Proceeds from collection of long-term loans receivable.. | 12 | 17 | 112 |
| Others | 26 | 2 | 242 |
| Net cash used in investing activities | (1,880) | (2,314) | (17,504) |
| Cash Flows from Financing Activities: | | | |
| Net (decrease) increase in short-term borrowings | (442) | 222 | (4,115) |
| Proceeds from long-term borrowings | 1,900 | 700 | 17,689 |
| Repayment of long-term borrowings..... | (1,659) | (1,121) | (15,445) |
| Purchase of treasury stock..... | (530) | (3) | (4,934) |
| Dividends paid..... | (488) | (488) | (4,543) |
| Others | - | - | - |
| Net cash used in financing activities | (1,219) | (690) | (11,348) |
| Effect of Exchange Rate Changes on Cash and Cash Equivalents | (31) | (4) | (289) |

| | | | |
|--|-----------------|----------|-------------------|
| Decrease (increase) in Cash and Cash Equivalents..... | (2,269) | 70 | (21,125) |
| Cash and Cash Equivalents at Beginning of Year | 13,496 | 13,426 | 125,649 |
| Cash and Cash Equivalents Acquired from Newly Consolidated Subsidiaries | 12 | - | 112 |
| Cash and Cash Equivalents at End of Year (Note 4) | ¥ 11,239 | ¥ 13,496 | \$ 104,636 |

The accompanying notes are an integral part of these consolidated financial statements.