

# CONSOLIDATED STATEMENTS OF INCOME

TOA CORPORATION and its consolidated subsidiaries  
For the years ended March 31, 2008 and 2007

	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 2)
	2008	2007	2008
<b>Net sales</b> .....	¥213,825	¥188,573	\$ 2,138,251
<b>Cost of sales</b> .....	198,456	174,740	1,984,559
Gross profit .....	15,369	13,833	153,692
<b>Selling, general and administrative expenses</b> (Note 8) .....	11,623	12,378	116,233
Operating income .....	3,746	1,455	37,459
<b>Other income (expenses):</b>			
Interest and dividend income .....	560	484	5,601
Interest expense .....	(1,096)	(988)	(10,956)
Write-down of real estate for sale .....	(1,648)	(2,579)	(16,478)
Additional severance payment .....	—	(1,532)	—
Provision for doubtful accounts .....	(59)	(321)	(596)
Gain from overseas business credit in preceding years .....	—	120	—
Gain from investment in partnership .....	—	646	—
Loss on impairment of fixed assets .....	(421)	(6)	(4,212)
Loss on the settlement of overseas projects .....	(2,736)	—	(27,365)
Gain on sale of fixed assets .....	32,521	6	325,209
Gain on sale of marketable securities and investment securities .....	8	3,293	84
Gain on securities contributed to employee retirement benefit trust..	—	1,383	—
Other, net .....	(2,942)	(830)	(29,421)
	24,187	(324)	241,866
<b>Income before income taxes and minority interests</b> .....	27,933	1,131	279,325
<b>Income taxes</b> (Note 9) :			
Current .....	1,414	461	14,143
Deferred .....	11,205	574	112,049
	12,619	1,035	126,192
<b>Minority interests</b> .....	67	68	667
<b>Net income</b> .....	¥ 15,247	¥ 28	\$ 152,466
<b>Per share data</b> (Note 1):			
Net income:	Japanese Yen		U.S. Dollars (Note 2)
Basic .....	¥ 68.64	¥ 0.13	\$ 0.069
Diluted .....	—	—	—
Cash dividends .....	¥ 0.00	¥ 0.00	\$ 0.000
Net assets .....	¥ 271.39	¥ 212.99	\$ 2.714

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