

CONSOLIDATED BALANCE SHEETS

TOA CORPORATION and its consolidated subsidiaries
As of March 31, 2012 and 2011

ASSETS	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 1)
	2012	2011	2012
Current assets:			
Cash and bank deposits	¥ 49,671	¥ 40,201	\$ 605,738
Notes and accounts receivable, trade (Notes 4 and 11)	48,883	56,578	596,140
Allowance for doubtful accounts	(175)	(327)	(2,131)
Real estate for sale	6,188	5,319	75,457
Cost on construction contracts in progress and other (Note 4)	3,215	3,735	39,213
Advanced money	5,134	8,333	62,608
Deferred tax assets (Note 15)	2,481	2,237	30,260
Other current assets (Note 4)	6,587	7,011	80,328
Total current assets	<u>121,984</u>	<u>123,087</u>	<u>1,487,613</u>
Property, plant and equipment:			
Land (Note 4)	19,653	19,747	239,677
Buildings and structures	15,645	15,830	190,802
Machinery, vehicles and equipment	24,632	24,603	300,392
Leased assets (Note 9)	42	45	508
Construction in progress	206	419	2,508
Total property, plant and equipment	<u>60,178</u>	<u>60,644</u>	<u>733,887</u>
Less accumulated depreciation	<u>(29,494)</u>	<u>(30,134)</u>	<u>(359,688)</u>
Property, plant and equipment—net	<u>30,684</u>	<u>30,510</u>	<u>374,199</u>
Intangible fixed assets:	584	437	7,120
Investments and other assets:			
Investments in securities (Notes 4, 11 and 12)	10,362	10,084	126,361
Long-term loans (Note 4)	826	849	10,073
Deferred tax assets (Note 15)	2,168	2,441	26,436
Other (Note 4)	2,348	2,662	28,633
Allowance for doubtful accounts	(832)	(967)	(10,143)
Total investments and other assets	<u>14,872</u>	<u>15,506</u>	<u>181,360</u>
Total assets	<u>¥ 168,124</u>	<u>¥ 169,103</u>	<u>\$ 2,050,292</u>

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

LIABILITIES AND NET ASSETS	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 1)
	2012	2011	2012
Current liabilities:			
Short-term borrowings (Notes 4 and 11)	¥ 15,190	¥ 15,070	\$ 185,244
Current portion of long-term debt (Note 11)	4,266	6,078	52,022
Notes and accounts payable, trade (Notes 4 and 11)	40,837	44,588	498,007
Accrued income taxes	223	117	2,720
Advances received on construction contracts in progress	13,621	4,476	166,107
Reserve for indemnity on completed contracts	365	373	4,458
Reserve for loss on construction works (Note 4)	1,178	1,792	14,366
Deposits received (Note 11)	8,431	9,012	102,821
Other current liabilities	3,063	8,155	37,351
Total current liabilities	87,174	89,661	1,063,096
Long-term liabilities:			
Long-term debt (Note 11)	10,702	9,168	130,515
Reserve for retirement benefits (Note 14)	3,080	2,800	37,564
Deferred tax liabilities on revaluation of land (Notes 4 and 15)	2,974	3,388	36,263
Other long-term liabilities	1,586	1,796	19,339
Total long-term liabilities	18,342	17,152	223,681
Total liabilities	105,516	106,813	1,286,777
Net assets (Note 7):			
Shareholders' equity:			
Common stock,			
Authorized—600,000,000 shares			
Issued—224,946,290 shares at March 31, 2012 and 2011, respectively	18,977	18,977	231,423
Capital surplus	18,114	18,066	220,907
Retained earnings	23,934	23,654	291,887
Treasury stock, at cost 13,678 thousand shares and 15,812 thousand shares at March 31, 2012 and 2011, respectively	(1,760)	(1,974)	(21,468)
Total shareholders' equity	59,265	58,723	722,749
Accumulated other comprehensive income:			
Net unrealized gains (losses) on securities	644	367	7,857
Net deferred gains (losses) on hedges (Note 13)	(20)	(63)	(248)
Revaluation reserve for land (Note 4)	2,574	2,192	31,389
Total accumulated other comprehensive income	3,198	2,496	38,998
Minority interests	145	1,071	1,768
Total net assets	62,608	62,290	763,515
Commitments and contingent liabilities (Note 4):			
Total liabilities and net assets	¥ 168,124	¥ 169,103	\$ 2,050,292

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

CONSOLIDATED STATEMENTS OF INCOME

TOA CORPORATION and its consolidated subsidiaries

For the years ended March 31, 2012 and 2011

	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 1)
	2012	2011	2012
Net sales (Note 5).....	¥136,008	¥164,772	\$1,658,633
Cost of sales (Note 5).....	124,264	148,156	1,515,414
Gross profit	11,744	16,616	143,219
Selling, general and administrative expenses (Note 5)	10,310	10,842	125,732
Operating income	1,434	5,774	17,487
Other income (expenses):			
Interest and dividend income	496	406	6,047
Amortization of negative goodwill	46	79	556
Interest expense	(553)	(649)	(6,745)
Additional severance payment	(79)	(72)	(970)
Provision for doubtful accounts, non-trade	191	—	2,331
Loss on impairment of fixed assets (Note 5).....	(31)	(191)	(376)
Gain on sale of fixed assets (Note 5).....	336	146	4,094
Gain on sale of marketable securities and investment in securities	20	0	249
Gain on negative goodwill (Note 16).....	597	4	7,284
Compensation for damage	(174)	(190)	(2,124)
Loss on litigation	(144)	(1)	(1,761)
Loss on valuation of investment in securities	(45)	(1,513)	(543)
Exchange loss	(549)	(875)	(6,694)
Loss from disaster caused by the Great East Japan Earthquake (Note 5) ...	(152)	(279)	(1,848)
Other, net	(43)	(345)	(527)
	(84)	(3,480)	(1,027)
Income before income taxes and minority interests	1,350	2,294	16,460
Income taxes (Note 15):			
Current	818	628	9,975
Deferred	(164)	214	(2,000)
	654	842	7,975
Income before minority interests	696	1,452	8,485
Minority interests	17	40	207
Net income	¥ 679	¥ 1,412	\$ 8,278

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CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

TOA CORPORATION and its consolidated subsidiaries

For the years ended March 31, 2012 and 2011

	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 1)
	2012	2011	2012
Income before minority interests	¥696	¥1,452	\$8,485
Other comprehensive income:			
Net unrealized gains on securities	271	377	3,307
Net deferred gains on hedges	42	25	514
Revaluation reserve for land	401	—	4,889
Total other comprehensive income (Note 6)	<u>714</u>	<u>402</u>	<u>8,710</u>
Comprehensive income	¥1,410	¥1,854	\$17,195
Total comprehensive income attributable to: (Note 6)			
Shareholders of TOA CORPORATION	¥1,392	¥1,816	\$16,974
Minority interests	18	38	221

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