

**Summary of Financial and Operating Results
for the Fiscal Year Ended March 31, 2011 [Japan GAAP]**

May 13, 2011

Company: Hibiya Engineering, Ltd.

Stock exchange listing: Tokyo Stock Exchange (First Section)

Stock code: 1982

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Earnings presentation: Yes (For analysts and institutional investors)

(Rounded down to million yen)

1. Consolidated results of operations for the year ended March 2011 (April 1, 2010 – March 31, 2011)

(1) Consolidated results of operations

(Percentage figures represent year on year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY11	58,300	(6.5)	2,551	15.6	4,266	14.0	3,014	23.5
FY10	62,378	3.7	2,208	8.4	3,743	19.3	2,440	73.5

Note: Comprehensive income: FY ended March 31, 2011: 2,487 million yen (-34.6%)

FY ended March 31, 2010: 3,802 million yen (- %)

	Net income per share	Net income per share (diluted)	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
FY11	92.93	92.71	5.9	5.6	4.4
FY10	73.56	73.49	5.0	5.1	3.5

(Reference) Equity in earnings of affiliates: 1,247 million yen for FY11 1,058 million yen for FY10

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	yen
FY11	76,764	53,187	67.3	1,609.71
FY10	74,631	51,998	67.8	1,544.43

(Reference) Shareholders' equity: 51,652 million yen for FY11 50,593 million yen for FY10

(3) Consolidated cash flow position

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
FY11	2,138	1,336	(1,343)	14,281
FY10	1,620	686	(1,115)	12,149

2. Dividends

	Dividend per share					Total dividends (Annual)	Dividend ratio (Consolidated)	Dividend-to-equity ratio (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of FY	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY10	-	7.50	-	17.00	24.50	810	33.3	1.6
FY11	-	7.50	-	24.00	31.50	1,018	33.9	2.0
FY12(Estimate)	-	15.00	-	15.00	30.00		40.1	

3. Consolidated forecast for the fiscal year ending March 31, 2012 (April 1, 2011 – March 31, 2012)

	Net sales		Operating income		Ordinary income		Net income		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	-	-	-	-	-	-	-	-	-
Full year	64,000	9.8	2,500	(2.0)	3,800	(10.9)	2,400	(20.4)	74.79

Note: Since the Company utilizes full year basis operating management, the first half figures are not presented.

Forward-looking statements, important Notes, etc.

These materials contain forward-looking statements that are based on information available to management as of the date of this report. Actual results may be materially different from the above forecasts for a number of reasons.

This is an English translation of the captioned report. This translation is prepared and provided for the purpose of the reader's convenience. All readers are recommended to refer to the original version in Japanese of the report for complete information.

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1. Results of Operations

(1) Analysis of results of operations

1) Results of operations for fiscal year ended March 31, 2011

In the past fiscal year, there was a recovery in some sectors of the Japanese economy because of the government's emergency economic stimulus measures. The economic picture remained negative overall because of high unemployment, low personal income, the yen's strength and deflation. In addition, there are concerns about the impact of the Great East Japan Earthquake.

In the construction industry, the operating environment continued to be difficult. Government budget cuts reduced public-works investments and private-sector construction demand is soft as companies hold down capital expenditures.

In this environment, the Hibiya Engineering Group conducted proposal-based solution sales in fields like energy conservation and strengthened cooperative ties with customers to capture and increase orders. Furthermore, to make current business operations more profitable, group companies continued to take steps to establish a construction system with higher productivity and to cut the cost of construction. There were also many initiatives to maintain and improve safety and quality, including the establishment of a training center that uses first-hand experience. Making Toyama Koei Co., Ltd. (now HIT Engineering, Ltd.) a subsidiary and other actions have further strengthened the group's business operations.

As a result, orders received increased 4.5% to 59,279 million yen. Sales decreased 6.5% to 58,300 million yen, but the order backlog at the end of the fiscal year increased 3.6% to 28,480 million yen.

Actions taken to reduce costs and improve gross profit on completed construction contracts resulted in a 15.6% increase in operating income to 2,551 million yen and a 14.0% increase in ordinary income to 4,266 million yen. Net income was up 23.5% to 3,014 million yen.

Operating results by business segment were as follows.

1. Construction

Segment sales decreased 8.2% to 48,920 million yen and operating income increased 4.0% to 1,873 million yen.

2. Equipment sales

Segment sales decreased 8.2% to 6,221 million yen and operating income increased 28.6% to 394 million yen.

3. Equipment manufacturing

Segment sales increased 37.4% to 3,158 million yen and operating income increased 378.6% to 257 million yen.

Orders received by segments

	FY2010 (Apr. 1, 2009 - Mar. 31, 2010) (million yen)	FY2011 (Apr. 1, 2010 - Mar. 31, 2011) (million yen)	YoY change (%)
Construction	47,670	49,964	4.8
Equipment sales	6,774	6,221	(8.2)
Equipment manufacturing	2,281	3,094	35.6
Total	56,726	59,279	4.5

Net sales by segments

	FY2010 (Apr. 1, 2009 - Mar. 31, 2010) (million yen)	FY2011 (Apr. 1, 2010 - Mar. 31, 2011) (million yen)	YoY change (%)
Construction	53,306	48,920	(8.2)
Equipment sales	6,774	6,221	(8.2)
Equipment manufacturing	2,297	3,158	37.4
Total	62,378	58,300	(6.5)

Note: 1. Inter-segment transactions are eliminated.
2. Amounts are net of consumption and other taxes.

2) Outlook for fiscal year ending in March 2012

For the time being, strong concerns about a downturn in the Japanese economy will probably continue because of the massive damage caused by the Great East Japan Earthquake. The disaster has caused an electricity shortage, supply chain disruptions, a decline in corporate and consumer sentiment, and other problems. Negative effects such as a further contraction in markets in Japan and a decline in Japan's international competitive edge are emerging.

In the construction industry, construction expenditures are expected to increase starting in the second half of this fiscal year because of reconstruction activity in the region damaged by the earthquake. However, the operating environment will probably remain uncertain as companies hold down capital expenditures, public-works expenditures decline and prices of various materials rise quickly.

On the other hand, Japan's remodeling market continues to expand. Furthermore, needs involving energy conservation and BCP-related projects are expected to become even greater.

The Hibiya Engineering Group will use all of its resources to participate in restoration and reconstruction projects for communications facilities and other facilities damaged by the Great East Japan Earthquake. From a medium-term perspective, the fiscal year ending in March 2012 is the first year of the Fourth Medium-term Management Plan, a three-year plan that will end in March 2014.

Group companies will focus their energy on achieving the goals of the new management plan in order to increase corporate value. The group is also committed to conducting strict compliance and safety and quality management programs and to conducting business operations in a manner that produces benefits for all stakeholders.

For the fiscal year ending in March 2012, Hibiya Engineering forecasts consolidated orders received of 67.0 billion yen, net sales of 64.0 billion yen, operating income of 2.5 billion yen, ordinary income of 3.8 billion yen and net income of 2.4 billion yen.

The non-consolidated forecasts are 54.7 billion yen for orders received, 52.0 billion yen for net sales, 1.8 billion yen for operating income, 2.2 billion yen for ordinary income and 1.2 billion yen for net income.

(2) Analysis of financial condition

1) Assets, liabilities and net assets

Assets

Total assets increased 2,132 million yen from the end of the previous fiscal year to 76,764 million yen. This was the result of a 4,809 million yen increase in current assets to 43,626 million yen and a 2,676 million yen decrease in fixed assets to 33,138 million yen.

Major changes in current assets were increases of 1,631 million yen in cash and deposits, 727 million yen in notes receivable, accounts receivable from completed construction contracts and other and 2,083 million yen in short-term investment securities.

The major change in noncurrent assets was a 2,451 million yen decrease in investment securities mainly because of the reclassification of some investment securities to current assets and a decline in unrealized capital gains.

Liabilities

Liabilities increased 943 million yen to 23,577 million yen. Advances received on uncompleted construction contracts decreased 496 million yen but there were increases of 570 million yen in notes payable, accounts payable for construction contracts and other, 351 million yen in income taxes payable and 438 million yen in the provision for loss on construction contracts.

Net assets

Net assets totaled 53,187 million yen at the end of the fiscal year mainly because the valuation difference on available-for-sale securities decreased 646 million yen and net income of 3,014 million yen.

2) Cash flows

Net cash provided by operating activities increased 518 million yen to 2,138 million yen. Cash was used by an increase in notes and accounts receivable-trade and a decrease in advances received on uncompleted construction contracts, but cash was provided by income before income taxes and minority interests of 4,375 million yen and an increase in notes and accounts payable-trade.

Net cash provided by investing activities increased 649 million yen to 1,336 million yen. The main reason was that proceeds from sales and redemptions of securities were greater than purchases of reinvestments and insurance funds.

Net cash used in financing activities increased 227 million yen to 1,343 million yen. This was attributable mainly to the purchase of treasury stock and cash dividends paid.

The result of these cash flows was a net increase of 2,131 million yen in cash and cash equivalents to 14,281 million yen at the end of the fiscal year.

(Reference) Cash flow index trends

Years ended March 31	2007	2008	2009	2010	2011
Equity ratio (%)	65.7	67.9	66.8	67.8	67.3
Equity ratio based on market cap (%)	47.9	41.6	41.4	35.4	34.1
Cash flow/ interest-bearing debt (years)	-	0.4	0.3	0.5	0.4
Interest coverage ratio (times)	-	105.8	147.4	103.9	165.0

Equity ratio: Shareholders' equity/Total assets

Equity ratio based on market cap: Market capitalization/Total assets

Cash flow/interest-bearing debt: Interest-bearing debt/Operating cash flows

Interest coverage ratio: Operating cash flows/Interest expenses

* All indicators are based on figures in the consolidated financial statements.

* Market capitalization does not include treasury stocks.

* Operating cash flows are the figures shown in the consolidated statements of cash flows. Interest-bearing debt is the sum of all short-term loans payable on the consolidated balance sheets. Interest expenses are the interest paid figure on the consolidated statements of cash flows.

(3) Basic policy for allocation of earnings and dividends in the fiscal years 2011 and 2012

Hibiya Engineering positions the return of earnings to shareholders as its highest management priority. The basic policy is to make substantial earnings distributions based on operating results while maintaining a sound base of operations from a long-term perspective. In consideration of the need to maintain adequate retained earnings, the Company's short-term target for non-consolidated dividend payout ratio has been 60%, with a minimum annual ordinary dividend of 15 yen per share since the fiscal year ended in March 2007.

In accordance with its basic policy, the Company plans to pay a year-end dividend of 24 yen per share for the fiscal year that ended in March 2011. With the interim dividend of 7.50 yen that has already been paid, this will result in an annual dividend of 31.50 yen per share. This is a payout ratio of 33.9% based on consolidated earnings and 2.0% based on consolidated net assets. On a non-consolidated basis, these payout ratios are 61.2% and 2.9%, respectively.

As part of measures to use capital more productively and return earnings to shareholders, the Company has been repurchasing and retiring stock. In the fiscal year that ended in March 2011, the Company repurchased 695,900 shares of stock at a cost of 523 million yen.

From the standpoint of increasing the stability of earnings distributions to shareholders, the Fourth Medium-term Management Plan includes a change in the basis for determining the dividend. Instead of using the non-consolidated dividend payout ratio as in the past, Hibiya Engineering will use the consolidated dividends on equity (DOE) ratio. Accordingly, the forecast for the dividend for the fiscal year ending in March 2012 is 30 yen per share, which includes an interim dividend of 15 yen.

In addition, the Company will continue to repurchase stock as part of measures to use capital more productively and return earnings to shareholders.

Retained earnings are used to maintain a sound financial position in order to be prepared for future business activities. The Company also uses retained earnings for R&D activities to become more competitive, IT investments for internal operations, employee training, entering new business fields, and other investments that can produce earnings in the future.

2. Management Policies

(1) Fundamental management policy

As a comprehensive engineering organization, the Hibiya Engineering Group uses the industry's most advanced technical skills to provide construction services for the installation of equipment. Operations encompass air conditioning, plumbing and sanitation, electrical, data management, communications and other facilities. Our central role is to create comfortable environments by breathing "life" into buildings.

Group companies provide a broad range of services. Operations extend from the planning, design and installation of equipment to the maintenance and upgrades of completed facilities. As managers for the care of buildings, we extend support with sincerity and speed that covers a building's entire life cycle. Priority is also placed on corporate social responsibility by focusing on quality, safety, environmental responsibility and compliance. This stance allows us to fulfill our responsibilities to all stakeholder groups. We are determined to conduct activities that reflect stakeholder interests in a concrete and effective manner, and recognize that the importance of these activities is increasing.

The Hibiya Engineering Group will always set ambitious goals and take on the challenge of using new technologies and entering new fields. By constantly refining skills as a provider of comprehensive engineering services, we will create comfortable environments for people and contribute to protecting the global environment.

(2) Medium to long term management strategy

In April 2007, the Hibiya Engineering Group started its Third Medium-term Management Plan. This three-year plan had three fundamental strategies: expanding business domains, increasing earnings in established businesses, and launching and expanding new businesses. For established businesses, we achieved our goal for earnings. There are still issues concerning the volume of business as orders received were impacted by intense competition resulting from a sharp downturn in market conditions. But earnings benefited from success at capturing orders for value-added projects by conducting joint sales activities with the NTT Group. Extensive cost-cutting activities also contributed to earnings. The goal for new businesses was not achieved. However, there were a number of accomplishments, including the expansion of the environmental solutions business. Furthermore, the group used alliances with other companies and other measures to gain expertise in energy conservation diagnosis technologies, upgraded maintenance capabilities, made HIT Engineering, a company with a solid position in the pharmaceutical industry, a wholly owned subsidiary, started a project involving solar thermal systems, started a wastewater treatment business and took many other actions to set the stage for the next stage of growth.

The operating environment for the group is expected to remain extremely challenging. At this time, the impact of the Great East Japan Earthquake is still unclear. In the construction industry, competition will remain intense as there are no prospects for growth in construction expenditures. However, the Company expects a continuation in growth of the remodeling market and more growth in market needs in the environment and energy sector, BCP sector and other fields.

In response to these challenges, the new Fourth Medium-term Management Plan has the objective of making concrete progress with the seeds of growth that were set forth in the Third Medium-term Management Plan. This objective is based on the fundamental elements of the Hibiya Vision, which include earning a reputation among even more customers as the "best partner" and constantly taking on challenges involving new technologies and business fields. The group's fundamental policies, financial targets and fundamental strategies are as follows.

I. Fundamental policies

1. "Maintain profitability while increasing orders received" by significantly increasing the number of customers and building an operating framework that can generate earnings.
2. "Achieve concrete progress with new businesses that have been started and capitalize on more business opportunities" by capture synergies between new and established businesses, targeting more new business domains and seeking opportunities involving overseas operations.

II. Financial targets

Targets for consolidated performance in the fiscal year ending in March 2014, the final year of the Fourth Medium-term Management Plan, are as follows.

Net sales of completed construction contracts	More than ¥70 billion
Operating income	More than ¥2.5 billion
Ordinary income	More than ¥3.5 billion
Net income	More than ¥2.0 billion
ROE	More than 4.5%

III. Fundamental strategies

1. Conduct solution-based sales activities that link Hibiya Engineering technologies and customers' needs. Offer packages of products and services that cover a number of technologies (services) at once, extending from diagnostic and consulting services to construction and maintenance for a broad range of equipment.
2. Target opportunities created by major trends like emergence of cloud computing, growth of the smartphone market and "green innovation." Also focus on data centers, office building renovations, health care, educational facilities and other growing business domains where the Hibiya Engineering Group can best utilize its technologies and other strengths.

Strengths of the Hibiya Engineering Group

- Green engineering
The ability to conserve energy by using expertise in comprehensive energy conservation diagnosis and improvement plans and knowledge gained from a long list of accomplishments in this field.
- Engineering associated with information and communication technology
The ability to supply central surveillance systems (building automation systems (BAS), building energy management systems (BEMS)), security systems and other equipment systems that use information and communication technology
- Services that cover a broad value chain
The ability to offer integrated services that include the diagnosis, design, installation, maintenance and other activities for building facilities
- Technology for in-place renovations
The technological skills for performing renovation work while the customer continues to occupy the job site
- Safety and quality
Expertise backed by many years of experience in the installation of communication equipment and facilities

Major targeted business domains

- Targeted business domains for leveraging strengths
Data centers, office building renovations, manufacturing equipment, health care and welfare facilities, educational facilities, U.S. military facilities
- Targeted business domains for growth
Creation of "smart cities," health care, overseas operations

3. A more powerful base of operations
 - Use more advanced sales methods, such as solution-based sales.
 - Make construction operations more efficient by utilizing personnel in the best possible manner.
 - Generate earnings by performing R&D programs for construction technologies, horizontally extending value engineering and other know-how throughout the group and taking other actions.
 - Build a sound base for growth by training employees and taking other actions.
4. Financial strategies
 - Determine dividends by using the consolidated dividends on equity (DOE) ratio instead of the non-consolidated dividend payout ratio as in previous fiscal years from the standpoint of providing more consistent earnings distributions to shareholders.
 - The Company will repurchase stock as part of measures to return earnings to shareholders.
 - To use assets even more productively, investment securities will be sold and other actions taken.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Million yen)

	FY2010 (As of March 31, 2010)	FY2011 (As of March 31, 2011)
Assets		
Current assets		
Cash and deposits	11,650	13,282
Notes receivable, accounts receivable from completed construction contracts and other	23,941	24,668
Short-term investment securities	1,050	3,134
Costs on uncompleted construction contracts and other	1,213	1,212
Deferred tax assets	751	1,115
Other	246	270
Allowance for doubtful accounts	(36)	(56)
Total current assets	38,817	43,626
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	1,396	1,388
Land	155	152
Lease assets	23	31
Other	851	886
Accumulated depreciation	(1,767)	(1,866)
Total property, plant and equipment	658	591
Intangible assets		
Goodwill	-	144
Lease assets	7	4
Other	600	482
Total intangible assets	608	631
Investments and other assets		
Investment securities	26,625	24,173
Long-term loans receivable	34	33
Deferred tax assets	369	648
Insurance funds	2,943	2,835
Investments in silent partnership	2,924	2,883
Other	1,803	1,422
Allowance for doubtful accounts	(152)	(83)
Total investments and other assets	34,547	31,914
Total noncurrent assets	35,814	33,138
Total assets	74,631	76,764

(Million yen)

	FY2010 (As of March 31, 2010)	FY2011 (As of March 31, 2011)
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	16,995	17,566
Short-term loans payable	780	780
Lease obligations	8	10
Income taxes payable	1,060	1,411
Advances received on uncompleted construction contracts	703	206
Provision for bonuses	1,042	1,112
Provision for warranties for completed construction	37	38
Provision for loss on construction contracts	350	789
Other	945	1,068
Total current liabilities	21,924	22,984
Noncurrent liabilities		
Lease obligations	19	17
Deferred tax liabilities	77	20
Provision for retirement benefits	438	446
Provision for directors' retirement benefits	39	33
Asset retirement obligations	-	12
Other	134	62
Total noncurrent liabilities	709	592
Total liabilities	22,633	23,577
Net assets		
Shareholders' equity		
Capital stock	5,753	5,753
Capital surplus	5,931	5,931
Retained earnings	38,022	40,232
Treasury stock	(854)	(1,358)
Total shareholders' equity	48,854	50,559
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,739	1,092
Total valuation and translation adjustments	1,739	1,092
Subscription rights to shares	40	56
Minority interests	1,364	1,478
Total net assets	51,998	53,187
Total liabilities and net assets	74,631	76,764

(2) Consolidated Statements of Income

(Million yen)

	FY2010 (Apr. 1, 2009 - Mar. 31, 2010)	FY2011 (Apr. 1, 2010 - Mar. 31, 2011)
Net sales	62,378	58,300
Cost of sales	53,384	48,754
Gross profit	8,994	9,545
Selling, general and administrative expenses		
Employees' salaries and allowances	2,437	2,458
Provision for bonuses	463	506
Retirement benefit expenses	221	213
Provision for directors' retirement benefits	17	9
Provision of allowance for doubtful accounts	3	20
Rents	919	933
Depreciation	242	253
Other	2,480	2,598
Total selling, general and administrative expenses	6,786	6,993
Operating income	2,208	2,551
Non-operating income		
Interest income	131	128
Dividends income	138	145
Gain on sales of securities	5	-
Equity in earnings of affiliates	1,058	1,247
Insurance income	94	58
Other	142	163
Total non-operating income	1,570	1,743
Non-operating expenses		
Interest expenses	15	12
Other	18	15
Total non-operating expenses	34	28
Ordinary income	3,743	4,266
Extraordinary income		
Gain on sales of investment securities	-	171
Gain on sales of golf memberships	-	7
Reversal of allowance for doubtful accounts	13	9
Total extraordinary income	13	187
Extraordinary loss		
Impairment loss	35	-
Loss on sales of investment securities	-	7
Loss on valuation of investment securities	93	58
Loss on valuation of golf club membership	17	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	12
Total extraordinary loss	146	79
Income before income taxes and minority interests	3,610	4,375
Income taxes-current	1,090	1,530
Income taxes-deferred	46	(316)
Total income taxes	1,137	1,214
Income before minority interests	-	3,161
Minority interests in income	32	147
Net income	2,440	3,014

	FY2010 (Apr. 1, 2009 - Mar. 31, 2010)	FY2011 (Apr. 1, 2010 - Mar. 31, 2011)
Income before minority interests	-	3,161
Other comprehensive income		
Valuation difference on available-for-sale securities	-	(590)
Share of other comprehensive income of associates accounted for using equity method	-	(83)
Total other comprehensive income	-	(673)
Comprehensive income	-	2,487
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	-	2,367
Comprehensive income attributable to minority interests	-	120

(3) Consolidated Statements of Changes in Net Assets

(Million yen)

	FY2010 (Apr. 1, 2009 - Mar. 31, 2010)	FY2011 (Apr. 1, 2010 - Mar. 31, 2011)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	5,753	5,753
Balance at the end of current period	5,753	5,753
Capital surplus		
Balance at the end of previous period	5,931	5,931
Balance at the end of current period	5,931	5,931
Retained earnings		
Balance at the end of previous period	36,201	38,022
Cumulative effect of changes in accounting policies	-	2
Changes of items during the period		
Dividends from surplus	(619)	(803)
Net income	2,440	3,014
Disposal of treasury stock	(0)	(2)
Total changes of items during the period	1,821	2,207
Balance at the end of current period	38,022	40,232
Treasury stock		
Balance at the end of previous period	(368)	(854)
Changes of items during the period		
Purchase of treasury stock	(485)	(524)
Disposal of treasury stock	0	20
Total changes of items during the period	(485)	(504)
Balance at the end of current period	(854)	(1,358)
Total shareholders' equity		
Balance at the end of previous period	47,518	48,854
Cumulative effect of changes in accounting policies	-	2
Changes of items during the period		
Dividends from surplus	(619)	(803)
Net income	2,440	3,014
Purchase of treasury stock	(485)	(524)
Disposal of treasury stock	0	18
Total changes of items during the period	1,335	1,703
Balance at the end of current period	48,854	50,559

(Million yen)

	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	436	1,739
Changes of items during the period		
Net changes of items other than shareholders' equity	1,302	(646)
Total changes of items during the period	1,302	(646)
Balance at the end of current period	1,739	1,092
Total valuation and translation adjustments		
Balance at the end of previous period	436	1,739
Changes of items during the period		
Net changes of items other than shareholders' equity	1,302	(646)
Total changes of items during the period	1,302	(646)
Balance at the end of current period	1,739	1,092
Subscription rights to shares		
Balance at the end of previous period	-	40
Changes of items during the period		
Net changes of items other than shareholders' equity	40	16
Total changes of items during the period	40	16
Balance at the end of current period	40	56
Minority interests		
Balance at the end of previous period	1,312	1,364
Changes of items during the period		
Net changes of items other than shareholders' equity	52	113
Total changes of items during the period	52	113
Balance at the end of current period	1,364	1,478
Total net assets		
Balance at the end of previous period	49,267	51,998
Cumulative effect of changes in accounting policies	-	2
Changes of items during the period		
Dividends from surplus	(619)	(803)
Net income	2,440	3,014
Purchase of treasury stock	(485)	(524)
Disposal of treasury stock	0	18
Net changes of items other than shareholders' equity	1,395	(516)
Total changes of items during the period	2,731	1,187
Balance at the end of current period	51,998	53,187

(4) Consolidated Statements of Cash Flows

(Million yen)

	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
Net cash provided by (used in) operating activities		
Income before income taxes	3,610	4,375
Depreciation and amortization	270	285
Impairment loss	35	-
Amortization of goodwill	-	25
Increase (decrease) in allowance for doubtful accounts	(104)	(48)
Increase (decrease) in provision for retirement benefits	(33)	7
Increase (decrease) in provision for directors' retirement benefits	(85)	(5)
Increase (decrease) in provision for bonuses	(90)	70
Increase (decrease) in provision for warranties for completed construction	3	1
Increase (decrease) in provision for loss on construction contracts	278	438
Interest and dividends income	(269)	(273)
Interest expenses	15	12
Loss (gain) on sales of securities	(5)	-
Loss (gain) on sales of investment securities	-	(163)
Loss (gain) on valuation of investment securities	93	58
Equity in (earnings) losses of affiliates	(1,058)	(1,247)
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	12
Loss on valuation of golf club memberships	17	-
Loss (gain) on sales of golf club memberships	-	(7)
Decrease (increase) in notes and accounts receivable-trade	(3,265)	(626)
Decrease (increase) in inventories	2,452	200
Increase (decrease) in notes and accounts payable-trade	(154)	435
(Decrease) increase in advances received on uncompleted construction contracts	(567)	(739)
Decrease/increase in consumption taxes receivable/payable	190	104
Other, net	1,056	125
Subtotal	2,388	3,042
Interest and dividends income received	284	290
Interest expenses paid	(15)	(12)
Income taxes paid	(1,036)	(1,182)
Net cash provided by (used in) operating activities	1,620	2,138

	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
Net cash provided by (used in) investing activities		
Payments into time deposits	(500)	-
Proceeds from withdrawal of time deposits	500	300
Purchase of short-term investment securities	(499)	-
Proceeds from sales of short-term investment securities	17	-
Proceeds from redemption of securities	2,100	-
Purchase of property, plant and equipment	(99)	(70)
Purchase of intangible assets	(155)	(27)
Purchase of investment securities	(1,732)	(610)
Proceeds from sales of investment securities	53	812
Proceeds from redemption of investment securities	800	850
Purchase of insurance funds	(191)	(119)
Proceeds from maturity of insurance funds	261	197
Proceeds from withdrawal of investments in silent partnership	75	40
Purchase of investments in subsidiaries resulting in change in scope of consolidation	-	(103)
Other, net	56	66
Net cash provided by (used in) investing activities	686	1,336
Net cash provided by (used in) financing activities		
Purchase of treasury stock	(483)	(524)
Proceeds from sales of treasury stock	0	0
Cash dividends paid	(619)	(803)
Cash dividends paid to minority shareholders	(6)	(6)
Repayments of lease obligations	(6)	(8)
Net cash provided by (used in) financing activities	(1,115)	(1,343)
Net increase (decrease) in cash and cash equivalents	1,191	2,131
Cash and cash equivalents at beginning of period	10,958	12,149
Cash and cash equivalents at end of period	12,149	14,281