

**YOKOWO CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS**

ASSETS	(Thousands of yen)					
	FY2009		FY2008		Inc/(Dec)	
	Mar 31, 2010		March 31, 2009			
		%		%		%
Current assets						
Cash and deposits	4,848,341		5,005,814		(157,473)	
Short-term investment securities	-		24,349		(24,349)	
Receivables:						
Notes and accounts receivable-trade	6,097,161		4,585,599		1,511,562	
Allowance for doubtful accounts	(5,162)		(90,686)		85,524	
Inventories	2,523,291		2,593,831		(70,540)	
Deferred tax assets	208,704		45,548		163,156	
Other	592,821		982,438		(389,617)	
Total current assets	14,265,156	62.15	13,146,893	60.33	1,118,263	8.51
Property, plant and equipment						
Land	806,381		808,467		(2,086)	
Buildings and structures	3,974,958		3,989,456		(14,498)	
Machinery, vehicles, tools, furniture and fixtures	10,645,321		10,858,660		(213,339)	
Construction in progress	176,501		7,187		169,314	
Sub-total	15,603,161		15,663,770		(60,609)	
Accumulated depreciation	(9,815,708)		(9,289,232)		(526,476)	
Net property, plant and equipment	5,787,453	25.22	6,374,538	29.25	(587,085)	(9.21)
Investments and other non-current assets						
Investment securities	1,934,384		1,428,083		506,301	
Deferred tax assets	56,002		124,630		(68,628)	
Other	908,198		718,326		189,872	
Total investments and other non-current assets	2,898,584	12.63	2,271,039	10.42	627,545	27.63
Total assets	22,951,193	100.00	21,792,470	100.00	1,158,723	5.32

LIABILITIES	(Thousands of yen)					
	FY2009		FY2008		Inc/(Dec)	
	Mar 31, 2010		March 31, 2009			
		%		%		%
Current liabilities						
Short-term loans payable	-		1,100,000		(1,100,000)	
Current portion of long-term loans payable	1,300,000		-		1,300,000	
Notes and accounts payable-trade	3,100,155		2,136,158		963,997	
Income taxes payable	119,002		46,452		72,550	
Accrued expenses	380,552		338,161		42,391	
Provision for bonuses	281,542		226,565		54,977	
Other	834,125		1,205,275		(371,150)	
Total current liabilities	6,015,376	26.21	5,052,611	23.18	962,765	19.05
Noncurrent liabilities						
Long-term loans payable	600,000		1,900,000		(1,300,000)	
Provision for retirement benefits	233,127		109,460		123,667	
Deferred tax liabilities	175,519		43,061		132,458	
Other	905,873		540,268		365,605	
Total noncurrent liabilities	1,914,519	8.34	2,592,789	11.90	(678,270)	(26.16)
Total liabilities	7,929,895	34.55	7,645,400	35.08	284,495	3.72

NET ASSETS	(Thousands of yen)					
	FY2009		FY2008		Inc/(Dec)	
	Mar 31, 2010		March 31, 2009			
		%		%		%
Capital stock	3,996,269	17.41	3,996,269	18.34	-	-
Capital surplus	3,981,928	17.35	3,981,928	18.27	-	-
Retained earnings	8,380,680	36.52	7,740,308	35.52	640,372	8.27
Treasury stock	(990,869)	(4.32)	(990,753)	(4.55)	(116)	0.01
Sub-total	15,368,008	66.96	14,727,752	67.58	640,256	4.35
Valuation difference on available-for-sale securities	190,577	0.83	(184,977)	(0.85)	375,554	-
Foreign currency translation adjustment	(537,287)	(2.34)	(395,705)	(1.81)	(141,582)	35.78
Total net assets	15,021,298	65.45	14,147,070	64.92	874,228	6.18
Total liabilities and net assets	22,951,193	100.00	21,792,470	100.00	1,158,723	5.32

YOKOWO CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(Thousands of yen)

	FY2009		FY2008		Inc/(Dec)	
	Apr'09-Mar'10	%	Apr'08-Mar'09	%		%
Net sales	26,025,697	100.00	27,555,815	100.00	(1,530,118)	(5.55)
Costs and expenses						
Cost of sales	20,173,172	77.51	22,300,207	80.93	(2,127,035)	(9.54)
Selling, general and administrative expenses	4,624,944	17.77	6,444,459	23.39	(1,819,515)	(28.23)
	24,798,116	95.28	28,744,666	104.32	(3,946,550)	(13.73)
Operating income	1,227,581	4.72	(1,188,851)	(4.32)	2,416,432	-
Other income (expenses):						
Interest and dividends income	47,730		65,032			
Interest expenses	(63,740)		(38,498)			
Gain on sales of investment securities	7,508		-			
Loss on valuation of investment securities	-		(956,738)			
Foreign exchange gains (losses), net	(188,047)		(17,264)			
Gain on sales of noncurrent assets	6,759		1,920			
Loss on sales and retirement of noncurrent assets	(122,037)		(365,965)			
Reversal of allowance for doubtful accounts	68,154		-			
Insurance income	548		22,758			
Surrender value of insurance	17,609		30,483			
Gain on convertible insurance	55,657		-			
Impairment loss	(32,055)		(83,333)			
Business structure improvement expenses	(47,982)		(776,992)			
Other	27,736		31,548			
	(222,160)	(0.86)	(2,087,049)	(7.57)	1,864,889	(89.36)
Income before income taxes	1,005,421	3.86	(3,275,900)	(11.89)	4,281,321	-
Income taxes						
Income taxes-current	(284,035)	(1.09)	(153,671)	(0.56)	(130,364)	84.83
Income taxes-deferred	99,040	0.38	(174,725)	(0.63)	273,765	-
Net income	820,426	3.15	(3,604,296)	(13.08)	4,424,722	-
Amounts per share of common stock:						
Net income	41.01		(180.15)		221.16	
Diluted net income	-		-		-	
Cash dividends applicable to period	15.00		12.00		3.00	

YOKOWO CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	(Thousands of yen)	
	FY2009	FY2008
	Apr'09-Mar'10	Apr'08-Mar'09
Net cash provided by (used in) operating activities		
Income before income taxes	1,005,421	(3,275,900)
Adjustments to reconcile income before income taxes to net cash provided by (used in) operating activities:		
Depreciation and amortization	1,322,667	1,577,218
Impairment loss	32,055	83,333
Amortization of goodwill	-	16,667
Increase (decrease) in allowance for doubtful accounts	(82,238)	61,805
Increase (decrease) in provision for bonuses	55,259	(129,402)
Increase (decrease) in provision for retirement benefits	123,426	(79,869)
Loss (gain) on sales and retirement of noncurrent assets	115,278	364,045
Loss (gain) on sales of investment securities	(7,508)	-
Loss (gain) on valuation of investment securities	-	956,737
Business structure improvement expenses	47,982	776,992
Payment for business structure improvement expenses	(647,156)	-
Foreign exchange losses (gains)	169,895	109,605
Other, net	(19,222)	39,600
Net changes in operating assets and liabilities		
Decrease (increase) in notes and accounts receivable-trade	(1,556,826)	3,320,478
Decrease (increase) in inventories	6,951	737,385
Decrease (increase) in other assets	298,162	164,329
Increase (decrease) in notes and accounts payable-trade	976,007	(2,013,542)
Increase (decrease) in other liabilities	185,590	(232,934)
Income taxes (paid) refund	(43,239)	(344,976)
Net cash provided by (used in) operating activities	1,982,504	2,131,571
Net cash provided by (used in) investment activities		
Payments into time deposits	-	(3,337)
Proceeds from withdrawal of time deposits	15,601	14,640
Proceeds from sales of property, plant and equipment	36,761	40,711
Purchase of property, plant and equipment	(676,263)	(746,815)
Purchase of intangible assets	(11,219)	(6,185)
Purchase of short-term investment securities	-	(1,241)
Proceeds from sales of short-term investment securities	-	45,036
Proceeds from sales of investment securities	31,857	-
Payments for transfer of business	-	(316,333)
Other, net	19,330	(6,508)
Net cash provided by (used in) investment activities	(583,933)	(980,032)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	-	400,000
Decrease in short-term loans payable	(1,100,000)	(600,000)
Proceeds from long-term loans payable	-	1,900,000
Purchase of treasury stock	(116)	(1,623)
Repayments of lease obligations	(140,012)	(58,247)
Cash dividends paid	(180,782)	(359,918)
Other, net	-	267
Net cash provided by (used in) financing activities	(1,420,910)	1,280,479
Effect of exchange rate changes on cash and cash equivalents	(120,361)	(193,856)
Net increase (decrease) in cash and cash equivalents	(142,700)	2,238,162
Cash and cash equivalents at beginning of year	4,991,041	2,752,879
Cash and cash equivalents at end of period	4,848,341	4,991,041

The reconciliation of cash and deposits shown in the consolidated balance sheets and cash and cash equivalents shown in the consolidated statements of cash flows are as follows:

	(Thousands of yen)	
	FY2009	FY2008
	Apr'09-Mar'10	Apr'08-Mar'09
Cash and deposits	4,848,341	5,005,814
Time deposits with maturities longer than 3 months	-	(14,773)
Cash and cash equivalents	4,848,341	4,991,041