

**Consolidated Financial Statements**  
**for the Third Quarter of the Fiscal Year Ending March 31, 2010**

February 5, 2010

**NIPPON KANZAI Co., Ltd.**

Listed Exchanges: The 1st Section of Tokyo and Osaka stock exchanges

Code Number: 9728 URL: <http://www.nkanzai.co.jp/>

Representative: Shintaro Fukuda, President and Representative Director

Contact: Yasuhiro Harada, General Manager of Accounting Department

Telephone: 0798-35-2200

Filing date of quarterly report: February 9, 2010

Date to start dividends distribution: —

\*Amounts under one million yen have been rounded down.

**1. Consolidated Results for the first nine months ended December 31, 2009 (April 1, 2009 to December 31, 2009)**

**(1) Consolidated business results**

(Percentage figures indicate the rate of change from the same period in the previous year.)

	Net Sales		Operating Income		Ordinary Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2009	53,736	1.6	2,669	(16.8)	2,532	(25.3)
Nine months ended December 31, 2008	52,864	—	3,208	—	3,392	—

  

	Net Income		Net Income per Share		Diluted Net Income per Share	
	Millions of yen	%	Yen		Yen	
Nine months ended December 31, 2009	1,294	4.8	68.67		—	
Nine months ended December 31, 2008	1,235	—	60.06		—	

**(2) Consolidated financial position**

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2009	35,290	23,262	61.6	1,259.61
As of March 31, 2009	39,341	27,316	65.1	1,245.32

Note: Shareholders' Equity: As of December 31, 2009: ¥21,743 million, As of March 31, 2009: ¥25,606 million

**2. Dividends**

Dividends per Share (Yen)					
Record date	First Quarter	Second Quarter	Third Quarter	Year-end	Annual
Year ended March 31, 2009	—	16.00	—	16.00	32.00
Year ending March 31, 2010	—	16.00	—		
Year ending March 31, 2010 (Forecast)				16.00	32.00

Note: Revisions to the forecast of cash dividends in the current quarter: None

**3. Consolidated business forecasts for the year ending March 31, 2010 (April 1, 2009 to March 31, 2010)**

(Percentage figures indicate the rate of change from the same period in the previous year.)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	75,369	5.6	4,043	15.6	3,886	4.3	1,848	53.6	100.16

Note: Revisions to the consolidated business forecasts in the current quarter: None

#### 4. Others

(1) **Significant changes to subsidiaries during the term (transfers of specific subsidiaries with changes in the scope of consolidation):** None

(2) **Adoption of the simple accounting as well as specific accounting for preparing the quarterly consolidated financial statements:** Yes

Note: For details, please refer to Page 4, "4. Others" of "Qualitative Information on Financial Statements."

(3) **Changes in accounting policies, procedures and methods of presentation for preparing the quarterly consolidated financial statements (changes described in the section of "Changes in significant matters forming the basis of preparing the quarterly consolidated financial statements")**

1) Changes due to the revision of accounting standard, etc.: None

2) Changes other than 1): Yes

(4) **Number of shares issued and outstanding (common stock)**

1) Number of shares issued and outstanding at the end of each period (including treasury stock)

As of December 31, 2009: 20,590,153 shares

As of March 31, 2009: 20,590,153 shares

2) Number of treasury stock at the end of each period

As of December 31, 2009: 3,328,455 shares

As of March 31, 2009: 27,922 shares

3) Average number of shares issued and outstanding in each period

Nine months ended December 31, 2009: 18,845,986 shares

Nine months ended December 31, 2008: 20,562,908 shares

#### \* **Explanation concerning the appropriate use of estimated business results and other special notes**

The forecasts of financial results reported herein were prepared based on the information available as of the date on which this material was announced, and actual results may differ from the forecasts due to the future factors including economic situations. The consolidated business forecasts for the year ending March 31, 2010 stated above have not been revised and updated since the announcement of the financial statements for the second quarter for the fiscal year ending March 31, 2010.

## Qualitative Information on Financial Statements

### 1. Qualitative information on consolidated business results

During the first nine months of the fiscal year ending March 2010, with respect to the Japanese economy, some industries showed limited signs of recovery. However, with poor corporate earnings conditions caused by ongoing deflation adding to weak capital expenditures and anemic consumer spending due to worsening employment conditions, the future of the domestic economy generally remained unclear.

Conditions continued to be difficult in the building maintenance industry, as customers focused on cost cutting, while the properties related to our businesses were closed or scaled-down.

Under such circumstances, the Nippon Kanざい Group aggressively worked on property management, private finance initiatives (PFI) and enhancement of our group along with continued expansion of businesses peripheral to building maintenance.

For the third quarter of the current fiscal year, the sales of constructions such as building and repairing of buildings and facilities decreased. However, net sales rose by 1.6% year on year to 53,736 million yen, with contributions from NS Corporation, which became our consolidated subsidiary during the previous fiscal year.

Turning to income, sharp rise in costs and various valuation losses, on top of the reduced unit prices of contracts, caused operating income to decline 16.8% year on year to 2,669 million yen and ordinary income to fall 25.3% year on year to 2,532 million yen. However, net income for the first nine months of the current fiscal year increased by 4.8% year on year to 1,294 million yen on lower investment security valuation losses and a decline in minority interest.

The following are earning by segment:

#### 1) Building Management and Operating Business

In our core Building Management and Operating Business, which is engaged in building management service and security, we secured a steady stream of new contracts mainly for designated administrator system, PFI, and real estate fund-related properties, and businesses peripheral to building maintenance. On the other hand, however, the growth in construction-related contracts remains sluggish, resulting in a decline of 1.9% year on year in consolidated net sales for the current period to 46,856 million yen.

Operating income fell by 7.9% year on year to 4,467 million yen, reflecting the sluggish unit prices of contracts and reduction of temporary works which is relatively highly-profitable, in addition to increases in start-up costs of new properties and major costs including personnel and outsourcing expenses.

#### 2) Environmental Facility Management Business

In the Environmental Facility Management Business, which is mainly engaged in the management of water treatment, sewage disposal, and other public facilities, we secured an overall firm number of new contracts, particularly for the management of incinerators and recycling facilities. As a result, net sales increased by 5.7% year on year to 4,939 million yen.

Although we reviewed outsourcing and purchases costs in individual contracts and implemented thorough cost management centered on the efficient assignment of personnel, the tight fiscal conditions faced by local governments, which are our main customers, and costs shifting within a severe price range resulted in the operating income fell by 10.7% year on year to 432 million yen.

#### 3) Real Estate Fund Management Business

In the Real Estate Fund Management Business, which mainly entails asset management, or forming real estate funds and managing assets, and handles investments in anonymous associations, a stable asset management income was recorded. However, revenue from acquisitions and sales of real estates fell due to the worsening conditions of the real estate market. As a result, net sales shrank by 6.6% year on year to 397 million yen.

As for income, non-recurring income from acquisitions and sales of real estates fell, and the prices of real estate for sale held for the Group's fund business dropped, affected by the deterioration of the real estate market. As a result, we recorded valuation losses on real estate for sale. The overall result was operating loss of 17 million yen (year on year decrease of 170 million yen).

#### 4) Other Businesses

Other Businesses, which includes mainly event planning and management, printing, and design, conducts sales mainly to the Shiseido Group. For the first nine months of the current fiscal year, net sales of the segment were 1,543 million yen and operating income was 71 million yen.

(Note) As for business segment information, there were changes to business segments as discussed in Note 3 of (5) *Segment information, [Business segment information], Nine months ended December 31, 2009*. Therefore, year on year changes in net sales and operating income were calculated based on retroactively adjusted figures for the first nine months of the previous fiscal year.

## **2. Qualitative information on consolidated financial position**

### **(1) Consolidated balance sheets**

Total assets at the end of third quarter of the current fiscal year decreased by 4,050 million yen, or 10.3% compared to the end of the previous fiscal year to 35,290 million yen.

The change in assets was mainly due to decreases in cash and time deposits after the acquisition of treasury stock, which has taken place in August 2009.

The liabilities slightly increased by 4 million yen, or 0.0% year on year to 12,028 million, which was almost the same level of the previous fiscal year.

Net assets decreased by 4,054 million yen, or 14.8% to 23,262 million yen, and the equity ratio decreased by 3.5% to 61.6%, respectively from the end of the previous fiscal year.

### **(2) Consolidated cash flows**

(Cash flows from operating activities)

Net cash provided by operating activities increased by 1,374 million yen year on year to 2,147 million yen because of a decrease in income before income taxes, and a substantial decrease in payment of income and other taxes.

(Cash flows from investing activities)

Net cash provided by investing activities increased by 1,863 million yen year on year to 349 million yen, as a result of an increase in net proceeds from increase/withdrawal of time deposits as well as proceeds from redemption of investment securities.

(Cash flows from financing activities)

Net cash used in financing activities increased by 4,897 million yen from the previous fiscal year to 5,559 million yen for various reasons including the acquisition of treasury stock and the dividend payment.

As a result, cash and cash equivalents at the end of third quarter of the current fiscal year decreased by 3,062 million yen year on year to 8,440 million yen from the previous fiscal year end.

## **3. Qualitative information on consolidated business forecasts**

In the meantime, we expect our business environment will continue to be very challenging.

Consolidated financial results were in line with the forecasts which were announced on November 4, 2009, and no revisions were made to forecasts for the full-year results.

## **4. Others**

### **(1) Changes of significant subsidiaries during the term (transfers of specific subsidiaries with changes in the scope of consolidation)**

There is no related information.

### **(2) Adoption of the simple accounting as well as specific accounting for preparing the quarterly consolidated financial statements**

Method for calculating depreciation of fixed assets

For assets that the declining balance method is applied to, depreciation expense for the fiscal period is calculated by proportionally allocating the depreciation expense for the full fiscal year.

### **(3) Changes in accounting policies, procedures and methods of presentation for preparing the quarterly consolidated financial statements**

Changes in presentation of financial Statements

(Consolidated statements of cash flows for the quarters)

The net amount of acquisition /disposal gains of treasury stock had previously been listed as “(Increase) decrease in treasury stock”; however, it was re-classified into “Payments for purchase of treasury stock” and “Proceeds from disposal of treasury stock” from the second quarter of the current fiscal year, due to an increase in its significance.

In this respect, for the first nine months of the current fiscal year, “Payments for purchase of treasury stock” was minus 2,169 thousand yen and “Proceeds from disposal of treasury stock” was 383 thousand yen.

## 5. Consolidated financial statements

### (1) Consolidated balance sheets

(Thousands of yen)

	Third quarter ended December 31, 2009 (As of December 31, 2009)	Year ended March 31, 2009 (As of March 31, 2009)
<b>ASSETS</b>		
Current assets		
Cash and time deposits	8,710,807	12,183,097
Notes and accounts receivable	8,370,663	7,890,714
Securities	—	204,241
Investments in anonymous associations for business purposes	426,079	429,623
Supplies	83,111	74,668
Real estate for sale	2,872,354	2,987,234
Income taxes receivable	78,438	343,676
Deferred income taxes – current	325,976	571,242
Other	894,881	683,509
Allowance for doubtful accounts	(24,523)	(28,071)
Total current assets	21,737,786	25,339,933
Fixed assets		
Tangible fixed assets		
Buildings and structures, net	1,570,021	1,610,467
Machinery and vehicles, net	84,916	100,232
Tools, appliance and equipment, net	259,584	266,329
Land	1,254,009	1,254,009
Lease assets, net	298,876	103,760
Total tangible fixed assets	3,467,406	3,334,797
Intangible fixed assets		
Goodwill	313,978	427,577
Software	758,225	876,627
Lease assets	22,658	16,129
Other	34,718	34,718
Total intangible fixed assets	1,129,579	1,355,051
Investments and other assets		
Investment securities	4,681,781	4,675,249
Investment in anonymous associations	14,973	15,166
Long-term loans	541,939	563,507
Guarantee and deposit for leasehold estate	1,886,866	1,939,324
Memberships	418,896	425,923
Deferred tax assets	1,080,905	1,235,051
Other	983,678	1,105,673
Allowance for doubtful accounts	(653,046)	(648,217)
Total investments and other assets	8,955,992	9,311,676
Total fixed assets	13,552,977	14,001,524
<b>TOTAL ASSETS</b>	<b>35,290,763</b>	<b>39,341,457</b>

(Thousands of yen)

	Third quarter ended December 31, 2009 (As of December 31, 2009)	Year ended March 31, 2009 (As of March 31, 2009)
<b>LIABILITIES</b>		
Current liabilities		
Notes and accounts payable	3,998,487	4,103,562
Current portion of long-term non-recourse loans	1,968,300	535,500
Lease obligations	60,921	22,548
Accrued expenses	2,023,722	1,772,134
Accrued income taxes	506,769	524,274
Accrued consumption taxes	300,297	332,595
Deposits received	570,131	234,246
Advances received	114,606	137,858
Accrued bonus	114,780	665,476
Accrued directors' bonus	56,919	82,150
Deferred tax liabilities	2,316	—
Other	126,400	69,922
Total current liabilities	9,843,648	8,480,265
Fixed liabilities		
Long-term non-recourse loans	—	1,442,000
Lease obligations	264,559	98,261
Allowance for employees' retirement benefits	138,567	124,345
Allowance for directors' retirement benefits	494,902	470,290
Long-term guarantee deposits received	1,270,725	1,402,473
Other	16,275	7,069
Total fixed liabilities	2,185,028	3,544,438
<b>TOTAL LIABILITIES</b>	<b>12,028,676</b>	<b>12,024,703</b>
<b>NET ASSETS</b>		
Shareholders' equity		
Common stock	3,000,000	3,000,000
Capital surplus	499,127	499,127
Retained earnings	23,402,490	22,713,544
Treasury stock	(4,874,403)	(58,928)
Total shareholders' equity	22,027,214	26,153,743
Unrealized gains and adjustments		
Valuation difference on marketable securities	(284,176)	(547,150)
Total unrealized gains and adjustments	(284,176)	(547,150)
Minority interests	1,519,049	1,710,161
<b>TOTAL NET ASSETS</b>	<b>23,262,087</b>	<b>27,316,754</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>35,290,763</b>	<b>39,341,457</b>

**(2) Consolidated statements of income**  
**[Nine months ended December 31, 2009]**

(Thousands of yen)

	Nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008)	Nine months ended December 31, 2009 (April 1, 2009 to December 31, 2009)
Net sales	52,864,916	53,736,667
Cost of sales	42,719,376	43,578,089
Gross profit	10,145,540	10,158,578
Selling, general and administrative expenses		
Selling expenses	227,383	171,918
Personnel expenses	3,890,535	4,350,728
Provision for accrued bonus	17,735	32,656
Provision for accrued directors' bonus	57,665	55,914
Provision for allowance for directors' retirement benefits	52,801	44,412
Retirement benefits expense	53,238	89,438
Transportation and communication expense	558,871	544,971
Supplies expense	363,308	312,720
Lease expense	577,483	619,129
Insurance expense	130,106	128,705
Depreciation and amortization	114,184	254,417
Tax and public charge	49,887	57,124
Provision for allowance for doubtful accounts	11,843	4,993
Amortization of goodwill	94,968	113,599
Other	736,571	708,572
Total selling, general and administrative expenses	6,936,578	7,489,296
Operating income	3,208,962	2,669,282
Non-operating income		
Interest and dividends income	148,141	119,425
Rent earned	36,901	33,512
Compensation for transfer	35,081	—
Other	34,574	58,261
Total non-operating income	254,697	211,198
Non-operating expenses		
Interest expense	2,582	9,408
Expense related to leasehold estates	33,514	32,767
Investment loss on equity method	573	251,967
Loss on investments in anonymous associations	7,940	193
Loss on sales and retirement of fixed assets	22,599	5,290
Other	4,122	48,143
Total non-operating expenses	71,330	347,768
Ordinary income	3,392,329	2,532,712
Extraordinary losses		
Loss on valuation of investment securities	840,591	235,617
Other	15,750	6,953
Total extraordinary losses	856,341	242,570
Income before income taxes	2,535,988	2,290,142
Income, inhabitant and business taxes	1,209,310	1,008,276
Refund of income taxes for prior periods	—	(124,423)
Income and other taxes adjustment	(8,409)	223,578
Total income and other taxes	1,200,901	1,107,431
Minority interests in income (loss)	100,040	(111,421)
Net income	1,235,047	1,294,132

**(3) Consolidated statements of cash flows**

(Thousands of yen)

	Nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008)	Nine months ended December 31, 2009 (April 1, 2009 to December 31, 2009)
Cash flows from operating activities		
Income before income taxes	2,535,988	2,290,142
Depreciation and amortization	134,314	317,210
Amortization of goodwill account	94,968	113,599
Increase (decrease) in accrued bonus	(535,353)	(550,696)
Increase (decrease) in accrued directors' bonus	(23,955)	(25,230)
Increase (decrease) in allowance for employees' retirement benefits	20,096	14,223
Increase (decrease) in allowance for directors' retirement benefits	19,676	24,612
Increase (decrease) in allowance for doubtful accounts	7,138	1,281
Equity in losses (earnings) of affiliated companies	573	251,967
Interest and dividends income	(148,141)	(119,425)
(Gain) loss on investment of anonymous associations	7,940	193
Interest expense	2,582	9,408
(Gain) loss on retirement or sales of fixed assets	22,599	5,290
(Gain) loss on sale of marketable and investment securities	914	—
(Gain) loss on valuation of investment securities	840,591	235,617
(Increase) decrease in accounts receivable	(982,111)	(488,842)
(Increase) decrease in investment in anonymous associations for business purposes	137,203	(2,822)
(Increase) decrease in inventories	1,536	(8,443)
(Increase) decrease in other assets	(7,542)	191,727
Increase (decrease) in accounts payable	274,997	(368,331)
Increase (decrease) in accrued consumption tax, etc.	70,799	(32,298)
Increase (decrease) in other liabilities	592,688	759,055
Other	—	41,966
Sub-total	3,067,500	2,660,203
Interest and dividends received	142,416	132,401
Interest paid	(2,582)	(9,408)
Payment of income and other taxes	(2,434,832)	(636,121)
Net cash provided by (used in) operating activities	772,502	2,147,075

(Thousands of yen)

	Nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008)	Nine months ended December 31, 2009 (April 1, 2009 to December 31, 2009)
Cash flows from investing activities		
Payments into time deposits	(175,650)	(155,000)
Proceeds from withdrawal of time deposits	325,754	665,078
Purchase of tangible and intangible fixed assets	(1,005,446)	(228,708)
Proceeds from sales of tangible and intangible fixed assets	160	154
Purchase of investment securities	(116,724)	(70,689)
Proceeds from sales of investment securities	12,629	—
Proceeds from redemption of investment securities	—	209,827
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(386,006)	—
Investments in anonymous associations resulting in change in scope of consolidation	(105,960)	—
Expenditure for lending	(285,502)	(663)
Income from recovery of loans	82,774	12,514
Proceeds from maturity of insurance funds	46,841	—
(Increase) decrease in guarantee and deposit for leasehold estate	(120,189)	52,458
Increase (decrease) in deposit guarantees received	212,700	(131,748)
Other	1,064	(3,375)
Net cash provide by (used in) investing activities	<u>(1,513,555)</u>	<u>349,848</u>
Cash flows from financing activities		
Income from short-term loans	1,100,000	450,000
Payments for repayment of short-term loans	(1,100,000)	(450,000)
Payments for repayment of long-term non-recourse loans	—	(9,200)
Payments for repayment of lease obligations	—	(29,745)
(Increase) decrease in treasury stock	(1,786)	—
Payments for purchase of treasury stock	—	(4,850,488)
Repayments to minority shareholders	(14,028)	—
Dividend paid	(601,613)	(589,819)
Dividend paid to minority shareholders	(43,751)	(79,883)
Net cash provided by (used in) financing activities	<u>(661,178)</u>	<u>(5,559,135)</u>
Net increase (decrease) in cash and cash equivalents	<u>(1,402,231)</u>	<u>(3,062,212)</u>
Cash and cash equivalents at beginning of term	<u>11,264,301</u>	<u>11,502,515</u>
Cash and cash equivalents at end of term	<u>9,862,070</u>	<u>8,440,303</u>

**(4) Notes on premise of a going concern**

There is no related information.

**(5) Segment information****[Business segment information]**

Nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008)

(Thousands of yen)

	Building Management and Operating	Environmental Facility Management	Temporary Staffing	Real Estate Fund Management	Total	Elimination or Total	Consolidation
Net sales							
(1) Net sales to external customers	46,435,376	4,672,451	1,331,735	425,354	52,864,916	—	52,864,916
(2) Inter-segment net sales and transfer	—	—	—	—	—	—	—
Total	46,435,376	4,672,451	1,331,735	425,354	52,864,916	—	52,864,916
Operating income (loss)	4,878,318	484,314	(28,916)	152,708	5,486,424	(2,277,462)	3,208,962

Notes: 1. Segmentation

Our services are divided into the business categories of Building Management and Operating, Environmental Facility Management, Temporary Staffing and Real Estate Fund Management Businesses.

2. Main business in each service category

Category	Main Businesses
<b>Building Management and Operating Business</b>	Building cleaning, facility maintenance, and all-day resident security services for multipurpose buildings, city hotels, condominiums and rental apartments; automated security service with automated emergency response equipment that quickly notifies using sensors and telephone line
<b>Environmental Facility Management Business</b>	Operation, management, and water quality management of water treatment/sewage disposal plants and incinerators
<b>Temporary Staffing Business</b>	Temporary staffing for receptionists, telephone operators, and production lines distribution processing services and logistics processing services in warehouses to our customers' needs
<b>Real Estate Fund Management Business</b>	Management and arrangement of real estate fund, investment in anonymous associations, investment consulting and asset management and building operating business

Nine months ended December 31, 2009 (April 1, 2009 to December 31, 2009)

(Thousands of yen)

	Building Management and Operating	Environmental Facility Management	Real Estate Fund Management	Other Businesses	Total	Elimination or Total	Consolidation
Net sales							
(1) Net sales to external customers	46,856,401	4,939,225	397,095	1,543,946	53,736,667	—	53,736,667
(2) Inter-segment net sales and transfer	—	—	—	—	—	—	—
Total	46,856,401	4,939,225	397,095	1,543,946	53,736,667	—	53,736,667
Operating income (loss)	4,467,359	432,336	(17,438)	71,796	4,954,053	(2,284,771)	2,669,282

Notes: 1. Segmentation

Our services are divided into the business categories of Building Management and Operating Business, Environmental Facility Management Business, Real Estate Fund Management Business and Other Businesses.

## 2. Main business in each service category

Category	Main Businesses
<b>Building Management and Operating Business</b>	Building cleaning, facility maintenance, and all-day resident security services for multipurpose buildings, city hotels, condominiums and rental apartments; automated security service with automated emergency response equipment that quickly notifies using sensors and telephone line; temporary staffing for receptionists and telephone operators to our customers' needs
<b>Environmental Facility Management Business</b>	Operation, management, and water quality management of water treatment/sewage disposal plants and incinerators
<b>Real Estate Fund Management Business</b>	Management and arrangement of real estate fund, investment in anonymous associations, investment consulting and asset management and building operating business
<b>Other Businesses</b>	Event planning and management, printing and design, bookbinding, and real estate sales and brokerage

## 3. Change of business segmentation

Until the end of the previous fiscal year, our business segmentation comprised the five segments: Building Management and Operating Business, Environmental Facility Management Business, Temporary Staffing Business, Real Estate Fund Management Business, and Other Businesses. The Temporary Staffing Business is composed of various operations including those for product management inside warehouses, and production lines and those for operators and receptionists related to building management contracts. However, the decision was made to include the temporary staffing operations, which had been handled as a separate business, within the Building Management and Operating Business because temporary staffing operations for product management inside warehouses and production lines are no longer material as the Company made progress in withdrawing from these operations during the previous fiscal year, and the remaining temporary staffing operations including those for operators and receptionists are conducted as part of operations included in building management contracts.

Segment information by business type for the previous fiscal year, applying business segmentation of the current fiscal year, is as follows:

Nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008)

(Thousands of yen)

	Building Management and Operating	Environmental Facility Management	Real Estate Fund Management	Other Businesses	Total	Elimination or Total	Consolidation
Net sales							
(1) Net sales to external customers	47,767,111	4,672,451	425,354	—	52,864,916	—	52,864,916
(2) Intersegment net sales and transfer	—	—	—	—	—	—	—
Total	47,767,111	4,672,451	425,354	—	52,864,916	—	52,864,916
Operating income	4,849,402	484,314	152,708	—	5,486,424	(2,277,462)	3,208,962

### [Segment information by geographic region]

Nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008)

Because the Group does not have consolidated subsidiaries or branch offices outside Japan, there is no related information.

Nine months ended December 31, 2009 (April 1, 2009 to December 31, 2009)

Because the Group does not have consolidated subsidiaries or branch offices outside Japan, there is no related information.

### [Overseas sales]

Nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008)

Because the Group does not conduct sales activities outside Japan, there is no related information.

Nine months ended December 31, 2009 (April 1, 2009 to December 31, 2009)

Because the Group does not conduct sales activities outside Japan, there is no related information.

**(6) Notes on significant changes in the amount of shareholders' equity**

Nine months ended December 31, 2009 (April 1, 2009 to December 31, 2009)

Treasury stock in the net assets section amounted to 4,874,403 thousand yen, up 4,815,475 thousand yen from the end of the previous fiscal year. This increase was primarily attributable to the acquisition of 3,300,000 shares of the Company's treasury shares for total 4,814,700 thousand yen (the ceiling cost of the acquisition), which was carried out on August 11, 2009, in accordance with the resolution of the Board of Directors' meeting held on August 10, 2009.

As a result of the above acquisition as well as the acquisition of odd-lot shares, treasury stock held by the Company has increased by 3,300,533 shares, or 4,815,475 thousand yen during the current period from the end of the previous fiscal year.