



Fiscal Year March 2010 Earnings Announcement

May 14, 2010

Company Name: **Hoosiers Corporation** Listed Market: Tokyo Stock Exchange First Section
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 Shareholder Meeting: June 26, 2010 Dividend Payment Date: -
 Financial Report Filing Date: June 28, 2010

1. Fiscal Year March 2010 Consolidated Earnings Results (From April 1, 2009 to March 31, 2010)

(1) Consolidated Earnings (Rounded down to the nearest million yen, % indicates changes from the previous period)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY3/10	32,817	-32.3	1,410	—	854	—	1,240	—
FY3/09	48,484	-5.5	-10,223	—	-11,823	—	-13,861	—

	EPS	Fully Diluted EPS	ROE	ROA	Operating Margin
	Yen	Yen	%	%	%
FY3/10	3,931.64	—	59.3	2.8	4.3
FY3/09	-43,926.31	—	-163.1	-21.1	-21.1

(Note) Earnings from minority holdings = FY3/10: ¥0 million, FY3/09: ¥0 million

(2) Consolidated Financial Position

	Total Assets	Net Assets	Net Asset Ratio	Book Value per Share
	Million yen	Million yen	%	Yen
FY3/10	20,713	2,710	13.1	8,590.89
FY3/09	39,430	1,470	3.7	4,659.25

(Note) Net assets: FY3/10: ¥2,710 million, FY3/09: ¥1,470 million

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at Year End
	Million yen	Million yen	Million yen	Million yen
FY3/10	14,674	131	-13,082	3,654
FY3/09	4,027	609	-6,380	1,930

2. Dividend Information

Registry Date	Dividend Per Share			Total Dividend (Annual)	Dividend Payment Ratio (Consolidated)	Dividend to Net Asset Ratio (Consolidated)
	Interim Period End	Year End	Full Year			
	Yen	Yen	Yen	Million yen	%	%
FY3/09	0.00	0.00	0.00	—	—	—
FY3/10	0.00	0.00	0.00	—	—	—
FY3/11 Projection	0.00	0.00	0.00	—	—	—

3. Consolidated Earnings Projections for Fiscal Year March 2011 (From April 1, 2010 to March 31, 2011)

(% indicates year-over-year changes for interim, and changes from the previous period for full year)

	Net Sales		Operating Income		Ordinary Income		Net Income		EPS
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Interim	3,700	-76.2	1,500	96.8	1,300	189.4	1,280	179.5	4,056.33
Full Year	8,000	-75.6	2,000	41.8	1,500	75.6	1,460	17.7	4,626.75

4. Others

- (1) Change in important subsidiaries (change in specified subsidiaries which accompanies a change in the scope of consolidation): None
- (2) Changes in accounting methodology, procedures, and the way our figures are displayed which are described in “Changes in essential matters which provide a basis for preparing consolidated financial statements”)
 - 1) Changes arising from revisions in accounting standards: None
 - 2) Changes arising from other reasons: None
- (3) Shares issued (Common stock)
 - 1) Shares issued (including treasury stock) at end of March 2010: 326,115, March 2009: 326,115
 - 2) Treasury stock at end of March 2010: 10,559, March 2009: 10,559

(Reference) Our Parent Earnings

1. FY March 2010 Parent Earnings Results (From April 1, 2009 to March 31, 2010)

(1) Parent Earnings

(% indicates changes from the previous period)

	Sales		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY3/10	31,894	-33.3	1,170	—	620	—	1,131	—
FY3/09	47,795	-5.8	-10,253	—	-11,792	—	-13,873	—

	EPS	EPS, Fully Diluted
	Yen	Yen
FY3/10	3,586.62	—
FY3/09	-43,964.04	—

(2) Parent Financial Position

	Total Assets	Net Assets	Net Asset Ratio	Book Value per Share
	Million yen	Million yen	%	Yen
FY3/10	20,361	2,448	12.0	7,758.24
FY3/09	39,187	1,316	3.4	4,171.62

(Note) Net assets in FY3/10: ¥2,448 million, FY3/09: ¥1,316 million

* Regarding all of our earnings projections, explanations and other portions of this document.

All projections provided in this document are based on the most accurate information available at the time of this writing. However our actual results may differ from our projections due to various unforeseen reasons.

1. Our Earnings Results

(1) Analysis of Our Earnings Results

Our Overall Earnings during the Term under Review

(Our Real Estate Sales)

Item	Previous Fiscal Year (From April 1, 2008 to March 31, 2009)							
	Contracts at Term Start	Units Blocks Buildings Value	Contracts at Term Start	Units Blocks Buildings Value	Delivered during Term	Units Blocks Buildings Value	Contracts at Term End	Units Blocks Buildings Value
				(YY Change)		(YY Change)		(YY Change)
Real Estate Sales	310 — — 10,011,284	Units Blocks Buildings (¥1,000)	1,280 19 4 51,504,154	Units Blocks Buildings (¥1,000)	1,316 19 4 53,762,452	Units Blocks Buildings (¥1,000)	274 — — 7,752,986	Units Blocks Buildings (¥1,000)
			(111.7 %)		(95.9 %)		(77.4 %)	

Item	Current Fiscal Year (From April 1, 2009 to March 31, 2010)							
	Contracts at Term Start	Units Blocks Buildings Value	Contracts during Term	Units Blocks Buildings Value	Delivered during Term	Units Blocks Buildings Value	Contracts at Term End	Units Blocks Buildings Value
				(YY Change)		(YY Change)		(YY Change)
Real Estate Sales	274 — 7,752,986	Units Blocks Buildings (¥1,000)	1,536 6 51,988,244	Units Blocks Buildings (¥1,000)	1,726 5 56,716,077	Units Blocks Buildings (¥1,000)	84 1 3,025,152	Units Blocks Buildings (¥1,000)
			(100.9 %)		(105.5 %)		(39.0 %)	

(Note) 1. The above figures do not include consumption tax.

2. The values indicate the sale price (less consumption tax) of condominiums and include the amount of sales attributable to the sellers in cases of properties sold jointly with other companies or as a sales agency.

During the consolidated year under review, we signed contracts for 1,536 units in 6 blocks, we delivered 1,726 units in 5 blocks, and we managed 7,044 units as of the end of the term under review. Consequently in terms of consolidated business performance, our sales declined by 32.3% year-over-year to ¥32,817million, and we posted operating income of ¥1,410 million (compared with operating loss of ¥10,223 million of the previous year), ordinary income of ¥854 million (compared with ordinary loss of ¥11,823 million of the previous year), and net income of ¥1,240 million (compared with net loss of ¥13,861 million of the previous year).

Below we provide the details of our earnings performance based on our various business segments.

(Sales by Business Segment)

Item	Previous Fiscal Year (From April 1, 2008 to March 31, 2009)		Current Fiscal Year (From April 1, 2009 to March 31, 2010)		% YY Change
	Units Delivered	Sales (¥1,000)	Units Delivered	Sales (¥1,000)	
(I) Real Estate Sales					
(1) New Condominium Sales					
a. Real Estate Sales	1,111 units 19 blocks 4 buildings	46,880,765	836 units 5 blocks	29,787,206	63.5
b. Sales Commissions	205 units	260,821	890 units	1,335,530	512.0
(2) Other Related Business		679,653		787,657	115.9
Total Real Estate Sales		47,821,241		31,910,393	66.7
Item	Managed Units	Sales (¥1,000)	Managed Units	Sales (¥1,000)	% YY Change
(II) Real Estate Management					
(1) Condominium Management	6,566 units	540,156	7,044 units	638,805	118.3
(2) Other Income		113,553		165,384	145.6
Total Real Estate Management Business		653,710		804,189	123.0
Item	—	Sales (¥1,000)	—	Sales (¥1,000)	% YY Change
(III) Investment Business		9,652		103,203	—
Total Investment Business		9,652		103,203	—
Total		48,484,604		32,817,786	67.7

- (Note) 1. The above figures do not include consumption tax.
2. We offset and eliminate any transactions between our various business segments.
3. Year-over-year change of investment business is not given as it exceeded 1,000%.

(I) Real Estate Sales Business

In our real estate sales business, sales amounted to ¥31,910 million (down 33.3% year-over-year) and operating loss recorded ¥1,162 million (the same period of the previous year, operating loss of ¥10,264 million).

(1) New Condominium Sales

For sales of real estate, we recorded sales of ¥29,787 million (down 36.5% year-over-year) from the delivery of 836 units and sales, etc. of other real estate, including “Duo Hills TSUDANUMA MAEBARA”, “Duo Hills FUNABASHI” and “MAX TOWER RESIDENCE CHIBA”. Also, as sales agency commission revenue, we recorded sales of ¥1,335 million (up 412.0% year-over-year) from the delivery of 890 units including “GRAND HORIZON TOKYO BAY”, “BRIGHTIA TERRACE” and “SAINTS. 25”.

(2) Other Related Business

In our other related business segment, income from loan applications and temporary rental from residential inventories allowed sales to rise by 15.9% year-over-year to ¥787 million.

(II) Real Estate Management Business

Our real estate management business sales amounted to ¥804 million (up 23.0% year-over-year) and operating income was ¥180 million (up 97.3% year-over-year).

(1) Condominium Management

In our condominium management business, we started anew the management of 4 properties, including “Duo Hills FUNABASHI” and “MAX TOWER RESIDENCE CHIBA”, and recorded sales of ¥638 million (up 18.3% year-over-year).

(2) Other Income

We recorded a 45.6% year-over-year increase in sales to ¥165 million, centering on our insurance agency, other lifestyle related sales and consigned construction business.

(III) Investment Business

In our venture capital business, we saw a 969.1% year-over-year rise in our sales to ¥103 million and operating income of ¥60 million (the same period of the previous year, operating loss of ¥57 million).

(Outlook for the Coming Year)

After having experienced drastic changes of circumstance, such as turmoil in the financial market derived from the subprime loan woes, a sharp deterioration in the real estate market, recession of the Japanese economy as a whole and others, the environment surrounding our Company is gradually turning to a recovery phase, mainly supported by preferential interest by Flat 35 and tax measures. While the Japanese economy as a whole still remains in an unpredictable situation, steady underlying demand for residences continues to exist, and the environment in acquiring premises for business and development shows signs of recovery, since both land price and construction costs are heading downward.

In the midst of such an environment, our Company has completed sales of completed inventories in the fiscal year ended March 2010, and has been engaged in developing our own properties. With respect to the next fiscal year, it is our policy to aim for annual sales of 1,200 units or more (including consigned sales), continuously dedicating ourselves to secure earnings from the consigned sales business, and also focusing on acquisition of premises for our new business of properties for sale.

As to the forecast of the consolidated business performance in the coming year, we assume sales of ¥8,000 million (down 75.6% year-over-year), operating income of ¥2,000 million (up 41.8% year-over-year), ordinary income of ¥1,500 million (up 75.6% year-over-year), and net income of ¥1,460 million (up 17.7% year-over-year).

With the termination of sales of completed inventories, we have started commercialization of our own properties for sale, and we expect the portion of consigned sales business will be higher in the real estate sales business in the coming year. While for sales business of our properties, the sales price is used to book sales, the agency commission is booked as sales in the consigned sales business; the sales for the coming year will be reduced substantially. However, we expect increased earnings contributed by an improved margin, etc., and we will strive for business promotion of our properties for sale which will be delivered in the coming year and after.

(2) Financial Condition Analysis

(Analysis of the Conditions of Our Assets, Liabilities, Net Assets and Cash Flow)

(I) Our Assets, Liabilities, and Net Asset Conditions

As of the end of the consolidated fiscal year under review, our total assets were ¥ 20,713 million (down 47.5%, year-over-year), total liabilities were ¥ 18,002 million (down 52.6%, year-over-year) and total shareholders' equity was ¥ 2,710 million (up 84.4%, year-over-year). Our net asset ratio as of the end of the consolidated fiscal year under review was 13.1 %.

(II) Cash Flow Conditions

During the consolidated fiscal year under review, the net outflow of cash from our financing activities, such as repayment of loans payable, was exceeded by the net inflow of cash from our operating activities, which accompanied the sale of inventories, etc., and as a consequence, cash and cash equivalents increased by ¥1,723 million to a balance of ¥3,654 million.

We provide details of our cash flows as follows.

(1) Net Cash Provided by (Used in) Operating Activities

The funds obtained through our sales activity were ¥14,674 million, which was mainly contributed to by the sale of inventories.

(2) Net Cash Provided by (Used in) Investing Activities

The funds obtained through investing activities were ¥131 million, which was mainly contributed to by the sales of property, plant and equipment.

(3) Net Cash Provided by (Used in) Financing Activities

The amount of reduced funds through financing activities was ¥13,082 million, which was mainly due to the repayment of loans payable.

Trends in our cash flow indicators for our parent and group companies are listed below.

	FY3/08	FY3/09	FY3/10
Net Asset Ratio (%)	21.4	3.7	13.1
Capital Adequacy Ratio, Market Capitalization Based (%)	15.7	1.1	25.3
Cash Flow to Interest-Bearing Debt Ratio (years)	—	7.4	1.1
Interest Rate Coverage Ratio (times)	—	4.8	24.6

(1) Net Asset Ratio: $\text{Net Assets} / \text{Total Assets}$

(2) Capital Adequacy Ratio: $\text{Market Capitalization} / \text{Total Assets}$

(3) Cash Flow to Interest Bearing Debt Ratio: $\text{Interest Bearing Debt} / \text{Operating Cash Flow}$

(4) Interest Rate Coverage Ratio: $\text{Operating Cash Flow} / \text{Interest Payments}$

Cash flow to the interest-bearing debt ratio and the interest rate coverage ratio is not given for the fiscal year ended March, 2008 since our cash flow from operating activities was negative.

* Each indicator is based on consolidated financial data.

* Market capitalization = Term end share price x Term end shares outstanding (excluding treasury stock)

* Cash flow from operating activities is based on our consolidated operating cash flow. We do not show our cash flow to interest bearing debt ratio or our interest rate coverage ratio because our cash flow from operating activities is negative.

* Interest-bearing debt includes all liabilities on our consolidated balance sheets which pay interest. With respect to the payment of interest, we use the amount of interest payment in the consolidated cash flow statements.

(3) Our Basic Policy Regarding the Distribution of Profits during the Current and Next Terms

While the net asset ratio in the fiscal year ended March, 2010 was 13.1%, having increased compared with the end of the previous consolidated fiscal year, it is our understanding that we are still on the way to recovery, and we have decided to suspend payment of dividends for the fiscal year ended March, 2010 in order to give priority to strengthen our financial basis.

We plan to suspend payment of interim and year-end dividends of the fiscal year ending March, 2011 as well, in order to build an appropriate financial basis and promote the continuous enhancement of our earning capacity.

We are determined to dedicate ourselves to our business, with concerted efforts of all group companies, in order to achieve an early resumption of dividend payments, and we would like to solicit generous understanding and support from our shareholders

(4) Business Risks

Below we note the important risk factors that may significantly affect decision of investors in our Company, including various variable factors influencing our earnings and our financial position.

1) Our Earnings Volatility

In the Hoosiers Group's main business of real estate sales, we book our sales of condominiums at the time of their delivery and not when we sign contracts for their sale. Therefore our business performance varies depending on the timing of the deliveries. Besides, our business performance, etc. can vary drastically when the delivery timing is delayed by unexpected contingencies beyond the end of the fiscal year, such as delayed construction periods due to unpredictable developments like natural disasters and others.

2) Legal Regulations

Because the Hoosiers Group participates in the real estate industry, it is subject to various laws and regulations including the real estate transaction law, building codes, zoning laws, and national land use plan law. Hoosiers Corporation has received its real estate license in accordance with the real estate transaction law and we act as a seller of real estate. Hoosiers Living Service is a real estate management company focused upon condominiums and is subject to the condominium management promotion law. In the future the elimination of existing and creation of new laws could profoundly impact our Group's businesses.

3) Fluctuations in the Economic Environment

Our Group is primarily involved with the sale of various real estate properties, and we are profoundly influenced by the changes in demand for real estate. At the same time demand for real estate is affected by changes in the economy, interest rates, and real estate prices, as well as residential tax laws. Additionally a worsening in the future outlook for personal income or a rise in interest rates could lead to weaker demand to purchase homes and could extend the length of time required to sell our properties, which would in turn lead to increases in our inventories and negatively impact our earnings.

At the same time, fluctuations in the economic environment could lead to higher prices for both real estate and for construction costs, which could negatively impact our earnings.

4) Dependence upon Interest Bearing Debt

Because we rely upon bank debt for a portion of the funds we use to acquire real estate for redevelopment, our dependence upon interest bearing liabilities as a percentage of our total assets is relatively high, and volatility in interest rates could influence both our earnings and our financial position. In our funding activities, we seek to lessen our dependence upon specific financial institutions by considering loans from various institutions for each project. However the inability to source an adequate amount of funds could prevent us from developing properties in line with our projections and negatively impact our earnings.

5) Important matters concerning the premise of going concern

Hoosiers' Group appropriated net loss of ¥13,861 million in the previous consolidated accounting period ended March 31, 2009 due to the effect of declined sales price of condominiums on sale and the going price of projected properties for development as a result of deteriorated real estate market, which caused a substantial reduction in our net assets and cash reserves. As a consequence of delayed business plan for projected properties for development, we were obliged to request cooperation of financial institutions and construction companies to postpone the date of repayment in accordance with the business plan. In light of this situation, we understand that "event or situation which cause significant question in regard to the premise of going concern" exists, but "important matters concerning the premise of going concern" is no longer recognized.

In order to dissolve the situation, we have engaged in the following endeavors.

As a result of our efforts to reduce inventories taking advantage of our strengths, an "understanding of the market", and the sales power in pursuit of "appropriate understanding of customer needs", we were able to complete sales of sales inventory, and payment of all construction expenses to construction companies of which the repayment date had been postponed. We will continue to strive for further improvement in profitability by the consigned sales business.

Also, in regard to properties under our possession, we have reviewed our business plan, carefully distinguishing properties to develop by ourselves and properties to sell at appropriate prices; thus, we have achieved substantial reduction of both inventory assets and debts. With respect to the self-developed properties, development of several properties is in progress. With respect to borrowings from financial institutions, of which the due date has arrived, the repayment conditions have been reviewed with the understanding of our new business plan.

Furthermore, we will strive to build a stable basis of earnings and enhance profitability, by increased contracts of sales consignment business, taking advantage of the planning/proposing capacity of solutions, as well as restarting the acquisition of premises for new business.

2. Our Corporate Structure

The Hoosiers Group is comprised of the parent company and two consolidated subsidiaries, and is primarily involved with the sale of newly-built condominiums and condominium management businesses.

Our consolidated subsidiary “Hoosiers Living Service Co., Ltd.” which is engaged in management service of our sold condominiums aims at expansion of the service business closely associated with life of clients.

Our consolidated subsidiary, Limited Company My Home Liner, conducts the planning and administrative business of shuttle bus operations between some of our sold condominiums and stations, with an aim to enhance satisfaction of customers who bought condominiums and increase the added value in condominiums remote from stations.

Our consolidated subsidiary, Hoosiers Capital Partners Co., Ltd. was a venture capital investment company which engages in venture capital investment and consulting services mainly for public listing of shares. However, the company ceased its operation as of July 31, 2009, and it has been excluded from the consolidation as its importance was no longer recognized.

Below we provide descriptions of the various business segments of our Group.

1. (Business Segments)

(I) Real Estate Sales

(1) New Condominium Sales

In order to cope with various client needs, we are engaged in the planning and sales of newly-built condominiums and detached residences which reflect our flexible product planning. We are also engaged in the consigned sales business of other companies’ condominiums for sale, developing into new product planning and area development of our condominiums for sale.

(2) Other Related Business

In our other business segment, we mainly provide loan introduction and application filing services, and rental of some of our real estate booked as inventories.

(II) Real Estate Management

(1) Condominium Management

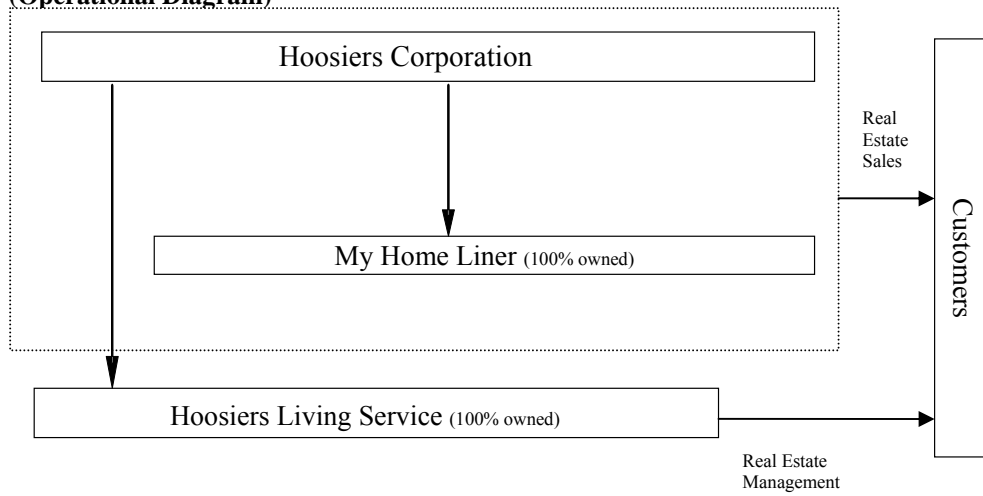
In our condominium management business, we conduct various services related to the management of condominiums.

(2) Other Income

In this business, we provide life related services to our customers, purchasing condominiums such as proxy and mediation of insurance policies, sale of goods, etc. and consigned construction business.

Below we provide a schematic diagram of our corporate structure.

2. (Operational Diagram)



Note: Hoosiers Capital Partners Co., Ltd. is not given in the schematic diagram since the company ceased its operations as of July 31, 2009.

3. Our Management Policy

(1) Our Basic Management Policy

The Hoosiers Group maintains corporate policy of “constantly providing our customers with high quality residential properties and services to enrich the Japanese home living experience.” And in keeping with this policy we seek to create and sell high quality condominiums and homes in the capital region surrounding Tokyo which include Saitama, and Chiba Prefectures.

In addition, our Group conducts a full range of integrated services ranging from the planning and sales of condominiums and homes, to various services after our customers take up residence in these housing units with the goal of becoming the industry’s leading company most able to satisfy the side range of needs of our customers.

In the future we will continue to operate our business with the viewpoint of the customer in mind in order to be able to keep them satisfied and retain their trust. And we will provide the highest quality homes and services as part of our efforts to contribute to Japanese society and to elevate the home living conditions in Japan.

(2) Our Management Benchmarks

1) Number of annual sales units

In the condominium sales business, the main business of our group, we have a policy to aim for a number of annual sales units in excess of 1,200 units (including consigned properties as a sales agency), taking advantage of our sales capacity, which is our strength.

2) Net asset ratio

In view of the risk involved in the real estate business, and in order to strive to expand our business scale while maintaining appropriate a financial basis, our management target is set at net asset ratio of 20% or more.

(3) Intermediate- to Long-Term Management Strategy

1) Condominium sales business

Our group has engaged in the promotion of planning and selling of new condominiums etc. with an understanding of our clients’ needs and provision of maximum quality residences and services that pursue the essence of housing in the metropolitan area centering on Saitama prefecture and Chiba prefecture.

For the future, while we will aim for the early resumption of development of our properties, we will focus on acquisition of new premises for business.

2) Sales agency business

In order to cope with the change in the real estate market in the condominium sales business flexibly, we consider it necessary to establish a system for moving to the sales agency business, with mobility, not relying excessively on our own properties for sale.

Our Group has a policy, to engage in large scale properties in our sales agency business as well, taking advantage of experiences with our own properties for sale, and thus, we will continue to expand the number of units sold.

3) Condominium management business

It is our policy to expand the scope of business trying to position condominium management business as a core business in future, by our efforts to enhance service quality prioritizing customer satisfaction in living life, as well as development of accompanying peripheral businesses.

(4) Key Management Issues

We recognize the following issues as important factors in the maintenance of our stable growth.

1) Risk management

We truly recognized anew the necessity of risk management in condominium sales business, through our experience of drastic deterioration in the recent real estate market.

We will continue to promote establishment of a risk management system, such as reinforcement of the corporate governance and formulation of a risk control criteria regarding our investment.

2) Reconstruction of profit structure

In order to cope with the change in the real estate market in the condominium sales business, we consider it necessary to establish a system for moving to the sales agency business, with mobility, not relying excessively on our own properties for sale.

Our Group will continue to try to expand our sales agency business.

3) Study of capital reinforcement

We recognize that it is an issue to be studied with priority measures to reinforce our capital, towards increasing our corporate value, in order to promote business in the condominium sales business, keeping a proper financial balance.

4) Resolution of the important matters on the premise of going concern

We recognize that we have been obliged to rely on cooperation of financial institutions to postpone the repayment date, in line with the delayed business plan of scheduled properties for development, and this situation is the major reason of “important matters concerning the premise of going concern”.

We will try to resolve the “important matters concerning the premise of a going concern” by promotion of restarted development of properties in our possession, as well as improved profitability by sales agency business and acquisition of new premises for business.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Units: ¥1,000)

	Previous Fiscal Year (March 31, 2009)	Current Fiscal Year (March 31, 2010)
Assets		
Current assets		
Cash and deposits	1,990,383	3,654,031
Accounts receivable-trade	14,299	30,609
Operational investment securities	42,061	—
Real estate for sale	10,069,459	777,233
Real estate for sale in process	26,026,775	13,448,872
Prepaid expenses	361,380	49,456
Deferred tax assets	3,409	425,321
Other	313,150	66,199
Allowance for doubtful accounts	-84,753	-14,143
Total current assets	38,736,166	18,437,581
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	281,167	1,057,426
Accumulated depreciation	-138,589	-143,588
Buildings and structures, net	142,578	913,837
Machinery, equipment and vehicles	16,594	13,803
Accumulated depreciation	-12,887	-9,677
Machinery, equipment and vehicles, net	3,706	4,126
Tools, furniture and fixtures	40,611	33,302
Accumulated depreciation	-18,027	-21,070
Tools, furniture and fixtures, net	22,583	12,231
Land	64,558	870,011
Total property, plant and equipment	233,427	1,800,206
Intangible assets	92,091	65,776
Investments and other assets		
Investment securities	3,600	3,000
Investment in capital of subsidiaries and affiliates	200,000	200,000
Long-term loans receivable	2,353	—
Deferred tax assets	—	20
Other	164,112	208,268
Allowance for doubtful accounts	-757	-996
Total investments and other assets	369,308	410,292
Total noncurrent assets	694,827	2,276,275
Total assets	39,430,993	20,713,856

(Units: ¥1,000)

	Previous Fiscal Year (March 31, 2009)	Current Fiscal Year (March 31, 2010)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	7,073,187	204,806
Short-term loans payable	4,065,650	10,059,600
Current portion of long-term loans payable	11,193,419	3,430,000
Income taxes payable	34,761	50,515
Advances received	423,018	284,700
Deposits received	336,352	213,244
Provision for bonuses	—	24,258
Other	297,568	523,036
Total current liabilities	23,423,957	14,790,162
Noncurrent liabilities		
Long-term loans payable	14,500,000	3,188,000
Other	36,781	24,787
Total noncurrent liabilities	14,536,781	3,212,787
Total liabilities	37,960,738	18,002,949
Net assets		
Shareholders' equity		
Capital stock	2,400,240	2,400,240
Capital surplus	2,420,708	—
Retained earnings	-2,619,628	1,041,732
Treasury stock	-731,065	-731,065
Total shareholders' equity	1,470,254	2,710,907
Total net assets	1,470,254	2,710,907
Total liabilities and net assets	39,430,993	20,713,856

(2) Consolidated Income Statement

(Units: ¥1,000)

	Previous Fiscal Year (From April 1, 2008 to March 31, 2009)	Current Fiscal Year (From April 1, 2009 to March 31, 2010)
Net sales	48,484,604	32,817,786
Cost of sales	53,546,427	28,535,925
Gross profit (loss)	-5,061,822	4,281,861
Selling, general and administrative expenses	5,161,721	2,871,569
Operating income (loss)	-10,223,544	1,410,292
Non-operating income		
Interest income	5,236	28,891
Dividends income	2,864	—
Contract cancellations	33,226	12,640
Commission fee	32,442	36,802
Insurance premiums refunded cancellation	10,778	—
Other	21,655	17,893
Total non-operating income	106,203	96,227
Non-operating expenses		
Interest expenses	849,614	600,990
Commission fee	254,099	15,250
Contract cancellations	501,890	—
Other	100,397	36,238
Total non-operating expenses	1,706,001	652,480
Ordinary income (loss)	-11,823,342	854,039
Extraordinary income		
Gain on sales of noncurrent assets	4,030	10,657
Gain on sales of subsidiaries and affiliates' stocks	8,600	—
Gain on sales of investment securities	6,995	1,999
Other	96	—
Total extraordinary income	19,721	12,656
Extraordinary loss		
Loss on valuation of inventories	1,451,379	—
Loss on retirement of noncurrent assets	—	3,516
Impairment loss	331,738	—
Other	51,452	199
Total extraordinary losses	1,834,571	3,716
Income (loss) before income taxes and minority	-13,638,192	862,979
Income taxes-current	40,312	44,259
Income taxes-deferred	182,705	-421,932
Total income taxes	223,018	-377,673
Net income (loss)	-13,861,210	1,240,652

(3) Statement of Change in Consolidated Shareholders' Equity

(Units: ¥1,000)

	Previous Fiscal Year (From April 1, 2008 to March 31, 2009)	Current Fiscal Year (From April 1, 2009 to March 31, 2010)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	2,400,240	2,400,240
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	2,400,240	2,400,240
Capital surplus		
Balance at the end of previous period	2,420,708	2,420,708
Changes of items during the period		
Deficit disposition	—	-2,420,708
Total changes of items during the period	—	-2,420,708
Balance at the end of current period	2,420,708	—
Retained earnings		
Balance at the end of previous period	11,484,560	-2,619,628
Changes of items during the period		
Deficit disposition	—	2,420,708
Dividends from surplus	-242,978	—
Net income (loss)	-13,861,210	1,240,652
Total changes of items during the period	-14,104,189	3,661,360
Balance at the end of current period	-2,619,628	1,041,732
Treasury stock		
Balance at the end of previous period	-731,065	-731,065
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	-731,065	-731,065
Total shareholders' equity		
Balance at the end of previous period	15,574,444	1,470,254
Changes of items during the period		
Deficit disposition	—	—
Dividend from surplus	-242,978	—
Net income (loss)	-13,861,210	1,240,652
Total changes of items during the period	-14,104,189	1,240,652
Balance at the end of current period	1,470,254	2,710,907

(Units: ¥1,000)

	Previous Fiscal Year (From April 1, 2008 to March 31, 2009)	Current Fiscal Year (From April 1, 2009 to March 31, 2010)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	-44,713	—
Changes of items during the period		
Net changes of items other than shareholders' equity	44,713	—
Total changes of items during the period	44,713	—
Balance at the end of current period	—	—
Total valuation and translation adjustments		
Balance at the end of previous period	-44,713	—
Changes of items during the period		
Net changes of items other than shareholders' equity	44,713	—
Total changes of items during the period	44,713	—
Balance at the end of current period	—	—
Minority interests		
Balance at the end of previous period	400	—
Changes of items during the period		
Net changes of items other than shareholders' equity	-400	—
Total changes of items during the period	-400	—
Balance at the end of current period	—	—
Total net assets		
Balance at the end of previous period	15,530,130	1,470,254
Changes of items during the period		
Deficit disposition	—	—
Dividends from surplus	-242,978	—
Net income (loss)	-13,861,210	1,240,652
Net changes of items other than shareholders' equity	44,313	—
Total changes of items during the period	-14,059,875	1,240,652
Balance at the end of current period	1,470,254	2,710,907

(4) Consolidated Cash Flow Statement

(Units: ¥1,000)

	Previous Fiscal Year (From April 1, 2008 to March 31, 2009)	Current Fiscal Year (From April 1, 2009 to March 31, 2010)
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	-13,638,192	862,979
Depreciation and amortization	200,400	116,873
Loss on valuation of inventories	12,006,245	—
Impairment loss	331,738	—
Increase (decrease) in allowance for doubtful accounts	84,206	-70,370
Increase (decrease) in provision for bonuses	—	24,258
Interest and dividends income	-8,101	-28,981
Interest expenses	849,614	600,990
Decrease (increase) in notes and accounts receivable-trade	51,969	-16,309
Decrease (increase) in investment securities for sale	59,039	42,061
Decrease (increase) in inventories	16,975,245	20,157,816
Decrease (increase) in advance payments	179,796	—
Decrease (increase) in prepaid expenses	489,221	303,077
Increase (decrease) in notes and accounts payable-trade	-9,604,764	-6,868,381
Decrease (increase) in consumption taxes refund receivable	-79,754	79,409
Increase (decrease) in accrued consumption taxes	-17,573	354,077
Increase (decrease) in advances received	-1,344,207	-138,317
Increase (decrease) in deposits received	-226,614	-123,107
Other, net	-200,112	-22,731
Subtotal	6,108,159	15,273,344
Interest and dividends income received	8,100	28,990
Interest expenses paid	-837,137	-597,181
Income taxes paid	-1,251,816	-30,193
Net cash provided by (used in) operating activities	4,027,306	14,674,960
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	-50,728	-365
Proceeds from sales of property, plant and equipment	282,075	68,236
Purchase of intangible assets	-73,008	—
Purchase of investment securities	-8,415	—
Proceeds from sales of investment securities	202,258	2,000
Proceeds from sales of stocks of subsidiaries and affiliates	93,600	—
Collection of loans receivable	2,661	—
Payments of lease deposits	-67,564	—
Collection of lease deposits	250,519	—
Other, net	-22,324	61,163
Net cash provided by (used in) investing activities	609,073	131,034
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	3,965,650	5,993,950
Proceeds from long-term loans payable	6,411,000	430,000
Repayment of long-term loans payable	-16,511,580	-19,505,419
Cash dividends paid	-245,541	-871
Other, net	-400	—
Net cash provided by (used in) financing activities	-6,380,872	-13,082,340
Net increase (decrease) in cash and cash equivalents	-1,744,492	1,723,653
Cash and cash equivalents at beginning of period	3,674,870	1,930,377
Cash and cash equivalents at end of period	1,930,377	3,654,031