

# **SEMI-ANNUAL REPORT 2007**

**SEPTEMBER 30, 2007**

**YAMATO KOGYO CO., LTD.**

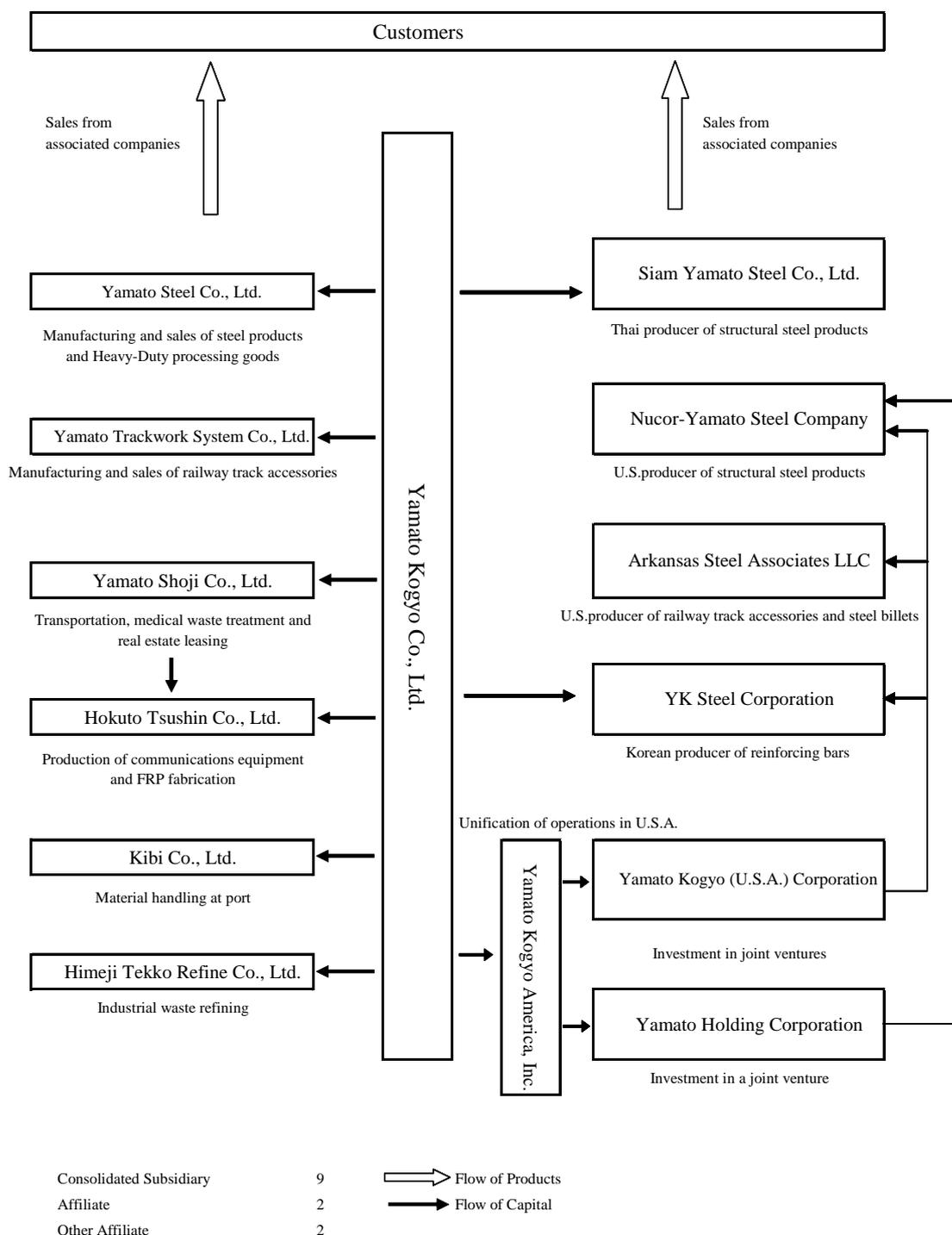
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# Corporate Structure and Affiliates

As of September 30, 2007



Note: Due to the acquisition of shares on June 27, 2007, Siam Yamato Steel Co. Ltd., which had been an affiliated company with equity method applied at the end of the previous consolidated accounting year, is treated as a consolidated subsidiary in the current mid-term consolidated accounting period. Since the date of acquisition is presumed to be at the end of the current mid-term consolidated accounting period, in current mid-term consolidated accounting period, only the Balance Sheet for the company is consolidated, and profit/loss is included in equity method investment profit.

**YAMATO KOGYO CO., LTD.**  
**OPERATING RESULTS FOR THE SIX MONTHS PERIOD**  
**ENDED SEPTEMBER 30, 2007**

**1. Business Performance**

**(1) Analysis of Business Performance**

**Status During the Current Mid-Term Consolidated Accounting Period**

During the current mid-term consolidated accounting period, Japan's economy showed solid performance, with private sector investment in plant and equipment continuing to be favorable. In addition, in the United States, Thailand, and South Korea, where our Company has developed joint ventures, the economy and business environment showed movement for the most part in a favorable direction during the first half of the year (January-June 2007).

In view of this situation, the group has been working to raise product quality, to promote greater energy conservation, and to raise productivity, in order to bring costs down. In addition, our U.S. and Thai joint ventures continue to show solid performance, reflected as equity method investment profit.

As a result of the above, performance during the current mid-term consolidated accounting period showed sales of 66,249 million yen (Results in the same accounting period in the previous year: 50,443 million yen). Regarding profits, although operating profit decreased to 3,830 million yen (Results in the same accounting period in the previous year: 5,050 million yen), ordinary profit was 26,398 million yen (Results in the same accounting period in the previous year: 18,970 million yen), and mid-term net profit was 14,782 million yen (Results in the same accounting period in the previous year: 12,465 million yen).

We report in brief on the performance of each of our business operations as follows.

**Steel**

Due to an increase in the number of tons sold and a rise in the sales prices of finished products in Japan, and due to a rise in the sales prices of finished products in South Korea, there were greater sales in both countries, with sales in our steel business amounting to 59,345 million yen (Results in the same accounting period in the previous year: 45,074 million yen). Appreciation of the South Korean won is one reason for the increase in yen-based sales of our South Korean operations. Although there was a rise in the sales prices of finished products, these were exceeded by increases in the cost of the primary raw material, steel scrap, as well as the secondary raw material, alloy iron, so business profit was 3,982 million yen (Results in the same accounting period in the previous year: 5,270 million yen).

**Railway Track Accessories**

Due to an increase in sales of assembly turnout equipment and tie plates for JR, sales for this business sector were 1,897 million yen (Results in the same accounting period in the previous

year: 1,686 million yen), and operating profit was 75 million yen (Results in the same accounting period in the previous year: 65 million yen).

### **Heavy-Duty Machining**

Favorable demand for ships forms the back-drop for a sustained high volume of new ship-building for ship builders, and the volume of construction of our Company's products, steel casings and stern frames has increased, and there has been a corresponding expansion of facilities. As a result, sales in this business sector were 4,231 million yen (Results in the same accounting period in the previous year: 2,935 million yen). However, since revision of sales prices of finished products was delayed, the operating profit was 301 million yen (Results in the same accounting period in the previous year: 416 million yen).

### **FRP Forming**

Increased corporate investment in plant and equipment forms the back-drop for steady progress relating to FRP electrical equipment and FRP for the residential housing market, resulting in sales in this business sector of 642 million yen (Results in the same accounting period in the previous year: 560 million yen), and operating profit was 36 million yen (Results in the same accounting period in the previous year: 25 million yen).

### **Real Estate Leases**

Since we sold a large portion of our rental real estate holdings during this accounting period, sales in this business sector were 72 million yen (Results in the same accounting period in the previous year: 123 million yen), and operating profit was 23 million yen (Results in the same accounting period in the previous year: 28 million yen).

### **Treatment of Medical Waste**

Our Company's system for the treatment of medical waste (Messcud) features melt-treatment that utilizes high-temperature electric furnaces. This system is safe, reliable, and responsive to environmental protection needs. Stiff price competition continues, and sales in this sector amounted to 59 million yen (Results in the same accounting period of the previous year: 63 million yen), and the operating profit was 3 million yen (Results in the same accounting period of the previous year: 3 million yen).

### **Future Outlook**

There is concern that growth in the U.S. economy, which is the locomotive pulling the world behind it, will be sluggish due to a drop in housing construction investment, as a result of the sub-prime loan problem. However, this will have little effect on our Company's joint venture operations, and indeed, we sense that our joint venture is responding to the demand in energy-related industries, and to demand for the construction of highways, bridges, etc. We believe that there will be over-all improvement in the economies of Japan, South Korea, and Thailand, where our Company's group operates.

Given this state of affairs, it is predicted that the performance of Yamato Steel Co., Ltd. and YK Steel Corporation will show a decline in operating profit, with a worldwide rise in scrap prices

in the background. However, the performance of Siam Yamato Steel Co., Ltd. is forecast to show steady improvement, due to vigorous demand in Thailand and surrounding countries.

Record-breaking favorable performance is expected for Nucor Yamato Steel Company in the United States, due to the vigorous demand for steel, as reflected in equity method investment profit.

Based on the above, the forecast for the entire fiscal year is as follows: Sales of 162 billion yen, operating profit of 13.5 billion yen, ordinary profit of 56 billion yen, and net profit for the current accounting period of 31 billion yen.

Please note that the currency conversions are based on an exchange rate (average for the accounting period) of 118.20 yen/dollar, 3.57 yen/baht, and 935.80 won/dollar (7.92 won/yen).

## **(2) Analysis of Financial Status**

Total assets at the end of the current mid-term consolidated accounting period were 255,352 million yen, obtained by adding Siam Yamato Steel Co., Ltd., which had been an affiliated company with equity method applied at the end of the previous consolidated accounting year, to the consolidated subsidiaries, for an additional 40,540 million yen over the previous consolidated accounting year.

Cash and cash equivalents (hereinafter referred to as “funds”) for the current mid-term consolidated accounting period increased 2,455 million yen due to greater cash flow resulting from operating activities, investing activities, and financing activities, and due to conversion differentials, and with the addition of increased cash and cash equivalents of 1,321 million yen accompanying the new consolidation, resulting in a total of 78,308 million yen, an increase of 9,506 million yen compared to the end of the previous consolidated accounting year.

### **(Cash Flows from Operating Activities)**

The increase in funds due to business activity was 16,932 million yen. This was because the net profits for this mid-term accounting period before adjustment for taxes was 26,315 million yen, and corporate tax payments were 9,341 million yen.

### **(Cash Flows from Investing Activities)**

The decrease in funds due to investment activity was 8,075 million yen. This resulted from the expenditure of 8,307 million yen due to the additional acquisition of Siam Yamato Steel Co., Ltd., the expenditure of 2,393 million yen due to the acquisition of tangible fixed assets, and income of 2,113 million yen due to the sale of tangible fixed assets.

### **(Cash Flows from Financing Activities)**

The decrease in funds due to financial activity was 3,127 million yen. This was due to the payment of dividends and the acquisition of treasury stock, as well as the repayment of loans by YK Steel Corporation.

### **(3) Basic Policy Regarding Profit Allocation and Dividends for the Current and Next Accounting Period**

We believe that the development of future dividend policies will be based not only on the performance of each member of the group, but also on the consolidated performance, financial situation, and internal reserves of the group as a whole. Moreover, from the standpoint of medium- and long-term shareholder profits, the company has already acquired and retired 22,880,000 of its own shares.

Regarding the distribution of profits for the current mid-term accounting period: in response to the constant support from our shareholders, we would like to pay a dividend of 20 yen per share. It should be noted that, with the inclusion of the mid-term dividend, the planned annual distribution of profit is 40 yen per share.

### **(4) Business Risks**

Following is a description of the main items we consider to be possible risk factors involved in developing our group's business. Items relating to the future reflect our Company's judgement based on data as of today.

#### **Latent Risks in Doing Business Overseas**

Our group's manufacturing and sales activities are not only in Japan, but also in the U.S., Thailand, and South Korea, as we are developing a global business targeting the world market. When entering overseas markets, there is a possibility that terrorism, war, and other factors could arise in various countries, causing social unrest, and having a huge impact on a company's results and financial standing. Moreover, problems in conducting business could also arise such as unpredictable changes in the political or legal environment, or changes in the economic environment in various countries.

#### **Exchange Rate Fluctuations**

In our group, the performance of subsidiaries greatly affects consolidated business results. Since figures in the consolidated financial statements are converted to yen from the local currencies, the financial standing can be affected by the exchange rate. Also, foreign currency holdings make up a high percentage of the group's cash and savings. Generally, the yen is strong vis-à-vis other currencies, so a lower yen would be better for our Company.

#### **Fluctuations in Sales Prices and Scrap Prices**

The performance of our group's vital steel business is greatly affected by fluctuations in sales prices of products and the price of scrap, the primary raw material. These market prices can be greatly affected by the external environment, and first and foremost, the domestic and foreign economic situation.

## **2. Management Policy**

### **(1) Basic Business Policy**

The Yamato Kogyo group of companies has served as a responsible member of the business community and strives to manufacture high quality and high value added products based on

customer needs. We utilize scrap steel to manufacture final products in order to respond to global needs to conserve energy and resources, and we are striving on a global scale to meet the challenge of environmental protection, which is the most pressing task of modern society. We make products that enable high-speed and high-volume rail and ocean transportation. With all of its products, the group contributes to the betterment of society and the economy, through the development of its domestic and global business enterprises.

## **(2) Our Target Business Indicator**

We have been promoting the decentralization of domestic and overseas business investments so as to achieve a management environment capable of responding to dramatic changes in the structure of the global economy, and to avoid a unipolar approach to conducting business. The revamping of our Company's organizational structure to enable it to rapidly respond to these changes resulted in our Company being positioned at the top of the group as the holding company. Our Company aims for a management structure that maximizes the unique qualities and functions of each of the subsidiaries under the overall management umbrella of the group as a whole. We consider ROE (Return on Equity) as an important business indicator.

## **(3) Medium- and Long-term Corporate Business Strategy and Challenges Facing the Company**

In the business areas in which our Company's group deals, we anticipate increasingly vigorous competition with both foreign and domestic manufacturers in the future. In order to counter this competition, our Company's group aims to improve productivity and to cut costs by renewing and expanding manufacturing facilities at our operations in Japan and overseas, so as to achieve greater profitability as a group. In addition, in order to gain knowledge and experience from each other, we are holding technical conferences among the five steel manufacturing companies in our group, exchanging information and striving to raise the level of our technology.

In addition, on the basis of its structure as a holding company, our Company's group will look at how it can contribute to society from a variety of standpoints. Our group will maximize the unique qualities and functions of each company under its umbrella, and will promote an active and harmonious group business, as it develops its operations to target the global market.

As part of these integrated efforts, in June of 2007, we increased the investment in Siam Yamato Steel Co., Ltd., which had previously been an affiliated company with equity method applied from 40.66% to 64.16%, converting it to a consolidated subsidiary. In order to meet the growing demand in the favorable Southeast Asian region, we plan to build a second plant with an annual capacity of 400,000 tons. We are also conducting a feasibility study regarding the Middle East region.

Our Company's group aims to constantly improve its value, and we recognize this as our greatest corporate responsibility and as a constant issue of importance from the standpoint of management. In order to earn the trust of all of our stakeholders, including our stockholders first and foremost, we are striving to raise the management efficiency of the group as a whole and to ensure sound management.

**YAMATO KOGYO CO., LTD.**  
**AND CONSOLIDATED SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**September 30, 2007 and 2006**

**In Japanese Yen**

	(In millions of Japanese Yen)			(In millions of Japanese Yen)	
	2007	2006		2007	2006
<b>Current assets</b>			<b>Current liabilities</b>		
Cash and deposits at banks	¥81,585	¥65,548	Trade notes and accounts payable	¥20,979	¥11,131
Trade notes and accounts receivable	42,343	28,856	Short-term loans payable	5,797	5,262
Inventories	23,751	9,960	Income taxes payable	2,673	1,715
Others	2,998	2,601	Others	7,133	6,853
Allowance for doubtful accounts	(124)	(15)	Total current liabilities	36,583	24,962
Total current assets	150,553	106,951			
			Long-term loans payable	4,994	2,952
<b>Property, plant and equipment, net</b>			Accrued retirement benefits for employees	2,188	1,899
Buildings and structures	10,591	8,354	Deferred income tax liabilities	11,438	7,172
Machinery, equipment and vehicles	14,613	12,684	Others	1,412	1,524
Land	18,365	18,494	Total liabilities	56,618	38,511
Others	4,255	1,185			
Total property, plant and equipment	47,826	40,718	<b>Net assets</b>		
			Shareholders' equity		
<b>Intangible fixed assets</b>	5,178	671	Common stock	7,996	7,996
			Additional paid-in capital	1,813	3,438
<b>Investments, etc.</b>			Retained earnings	153,141	126,644
Investments in securities	16,747	15,005	Treasury stocks	(1,389)	(1,367)
Investments in capital	33,667	27,786	Total shareholder's equity	161,561	136,712
Others	1,527	1,112	Valuation and translation adjustments		
Allowance for doubtful accounts	(148)	(163)	Unrealized gain on revaluation of securities	6,228	3,810
Total investments	51,794	43,740	Translation adjustments	12,492	2,855
			Total valuation and translation adjustments	18,721	6,666
<b>Total assets</b>	¥255,352	¥192,081	Minority shareholders' equity in consolidated subsidiaries	18,451	10,191
			Total net assets	198,734	153,569
			<b>Total liabilities and net assets</b>	¥255,352	¥192,081

**In U.S. Dollars for Convenience Purposes (Note 1)**

	(In thousands of U.S. Dollars)			(In thousands of U.S. Dollars)	
	2007	2006		2007	2006
<b>Current assets</b>			<b>Current liabilities</b>		
Cash and deposits at banks	\$706,794	\$567,865	Trade notes and accounts payable	\$181,751	\$96,436
Trade notes and accounts receivable	366,829	249,994	Short-term loans payable	50,223	45,587
Inventories	205,766	86,286	Income taxes payable	23,158	14,860
Others	25,977	22,533	Others	61,801	59,375
Allowance for doubtful accounts	(1,082)	(135)	Total current liabilities	316,935	216,260
Total current assets	1,304,284	926,544			
			Long-term loans payable	43,265	25,574
<b>Property, plant and equipment, net</b>			Accrued retirement benefits for employees	18,961	16,460
Buildings and structures	91,756	72,374	Deferred income tax liabilities	99,094	62,139
Machinery, equipment and vehicles	126,600	109,888	Others	12,241	13,203
Land	159,106	160,219	Total liabilities	490,497	333,638
Others	36,867	10,272			
Total property, plant and equipment	414,332	352,753	<b>Net assets</b>		
			Shareholders' equity		
<b>Intangible fixed assets</b>	44,858	5,818	Common stock	69,277	69,277
			Additional paid-in capital	15,710	29,792
<b>Investments, etc.</b>			Retained earnings	1,326,701	1,097,151
Investments in securities	145,091	129,994	Treasury stocks	(12,037)	(11,847)
Investments in capital	291,672	240,718	Total shareholder's equity	1,399,651	1,184,373
Others	13,231	9,640	Valuation and translation adjustments		
Allowance for doubtful accounts	(1,285)	(1,414)	Unrealized gain on revaluation of securities	53,961	33,014
Total investments	448,709	378,937	Translation adjustments	108,227	24,740
			Total valuation and translation adjustments	162,189	57,755
<b>Total assets</b>	\$2,212,185	\$1,664,054	Minority shareholders' equity in consolidated subsidiaries	159,846	88,288
			Total net assets	1,721,687	1,330,416
			<b>Total liabilities and net assets</b>	\$2,212,185	\$1,664,054

**Notes:**

1. U.S. Dollar amounts are translated from Japanese Yen, for convenience only, at the rate of ¥115.43 = \$ 1 as of September 30, 2007.

2. All figures are prepared under accounting principles generally accepted in Japan.

3. All figures are rounded down to the nearest millions of Japanese Yen or thousands of U.S. Dollars.

**YAMATO KOGYO CO., LTD.**  
**AND CONSOLIDATED SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**For The Six Months Period Ended September 30, 2007 and 2006**

**In Japanese Yen**

(In millions of Japanese Yen)

	<u>2007</u>	<u>2006</u>
Sales	¥ 66,249	¥ 50,443
Cost of goods sold	57,948	41,180
Operating expenses	4,469	4,213
Operating income	3,830	5,050
Non operating revenues	22,788	14,166
Non operating expenses	220	245
Ordinary income	26,398	18,970
Special gains	11	532
Special losses	94	45
Income before taxes	26,315	19,458
Income taxes		
Current	9,750	7,011
Deferred	1,146	(610)
Total income taxes	10,896	6,400
Minority stockholders' interest	636	591
Net income	¥ 14,782	¥ 12,465

**In U.S. Dollars for Convenience Purposes (Note 1)**

(In thousands of U.S. Dollars)

	<u>2007</u>	<u>2006</u>
Sales	\$ 573,933	\$ 437,006
Cost of goods sold	502,026	356,753
Operating expenses	38,718	36,498
Operating income	33,188	43,754
Non operating revenues	197,421	122,724
Non operating expenses	1,911	2,130
Ordinary income	228,698	164,348
Special gains	99	4,615
Special losses	821	393
Income before taxes	227,976	168,570
Income taxes		
Current	84,467	60,738
Deferred	9,930	(5,288)
Total income taxes	94,398	55,450
Minority stockholders' interest	5,514	5,126
Net income	\$ 128,062	\$ 107,992

Notes:

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**YAMTO KOGYO CO., LTD.**  
**AND CONSOLIDATED SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS**  
**For the Six-Month Period Ended September 30, 2007**

**In Japanese Yen**

(In millions of Japanese Yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earning	Treasury stock	Total shareholders' equity
<b>Balance at March 31, 2007</b>	¥7,996	¥1,883	¥139,715	(¥888)	¥148,707
Cash dividends paid			(1,356)		(1,356)
Net income			14,782		14,782
Purchase of treasury stocks		(70)		(501)	(571)
Others					-
<b>Total</b>	-	(70)	13,425	(501)	12,853
<b>Balance at September 30, 2007</b>	¥7,996	¥1,813	¥153,141	(¥1,389)	¥161,561

	Valuation and translation adjustments			Minority shareholders' equity in consolidated subsidiaries	Total net assets
	Unrealized gain on revaluation of securities	Translation adjustments	Total valuation and translation adjustments		
<b>Balance at March 31, 2007</b>	¥5,128	¥7,249	¥12,378	¥10,562	¥171,649
Cash dividends paid			-		(1,356)
Net income			-		14,782
Purchase of treasury stocks			-		(571)
Others	1,099	5,243	6,343	7,888	14,231
<b>Total</b>	1,099	5,243	6,343	7,888	27,085
<b>Balance at September 30, 2007</b>	¥6,228	¥12,492	¥18,721	¥18,451	¥198,734

**In U.S. Dollars for Convenience Purposes (Note 1)**

(In thousands of U.S. Dollars)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earning	Treasury stock	Total shareholders' equity
<b>Balance at March 31, 2007</b>	\$69,277	\$16,320	\$1,210,393	(\$7,695)	\$1,288,295
Cash dividends paid			(11,754)		(11,754)
Net income			128,062		128,062
Purchase of treasury stocks		(610)		(4,341)	(4,951)
Others					-
<b>Total</b>	-	(610)	116,307	(4,341)	111,356
<b>Balance at September 30, 2007</b>	\$69,277	\$15,710	\$1,326,701	(\$12,037)	\$1,399,651

	Valuation and translation adjustments			Minority shareholders' equity in consolidated subsidiaries	Total net assets
	Unrealized gain on revaluation of securities	Translation adjustments	Total valuation and translation adjustments		
<b>Balance at March 31, 2007</b>	\$44,433	\$62,803	\$107,237	\$91,507	\$1,487,040
Cash dividends paid			-		(11,754)
Net income			-		128,062
Purchase of treasury stocks			-		(4,951)
Others	9,528	45,423	54,951	68,339	123,291
<b>Total</b>	9,528	45,423	54,951	68,339	234,647
<b>Balance at September 30, 2007</b>	\$53,961	\$108,227	\$162,189	\$159,846	\$1,721,687

Notes:

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2. All figures are prepared under accounting principles generally accepted in Japan.
3. All figures are rounded down to the nearest millions of Japanese Yen or thousands of U.S. Dollars.

**YAMATO KOGYO CO., LTD.**  
**AND CONSOLIDATED SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For The Six Months Period Ended September 30, 2007**

<b>Cash flows from operating activities</b>	In millions of Japanese Yen	In thousands of U.S.Dollars
Income before taxes	¥26,315	\$227,976
Depreciation and amortization	2,012	17,433
Interest and dividends	(2,086)	(18,074)
Interest expenses	217	1,880
Equity in earnings of affiliated companies	(19,983)	(173,121)
Increase in receivable	(3,517)	(30,476)
Increase in inventories	(844)	(7,318)
Increase in payable	3,694	32,003
Others	(20)	(177)
	<b>5,786</b>	<b>50,125</b>
Interest and dividends received	20,712	179,438
Interest paid	(224)	(1,946)
Income taxes paid	(9,341)	(80,927)
<b>Net cash provided by operating activities</b>	<b>16,932</b>	<b>146,689</b>
<b>Cash flows from investing activities</b>		
Payment for time deposits	(4,831)	(41,852)
Proceeds from time deposits	5,375	46,567
Purchase of investment securities	(9)	(85)
Purchase of affiliated company shares accompanied by the change in criteria of consolidation	(8,307)	(71,966)
Purchase of fixed assets	(2,393)	(20,734)
Proceeds from sale of fixed assets	2,113	18,308
Others	(22)	(195)
<b>Net cash provided by investing activities</b>	<b>(8,075)</b>	<b>(69,959)</b>
<b>Cash flows from financing activities</b>		
Purchase of treasury stocks	(443)	(3,845)
Repayment of short-term loans	(732)	(6,347)
Repayment of long-term loans	(593)	(5,140)
Cash contribution from the Minority stockholders	(1)	(16)
Dividends paid	(1,355)	(11,746)
<b>Net cash used in financing activities</b>	<b>(3,127)</b>	<b>(27,096)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>2,455</b>	<b>21,276</b>
<b>Net increase in cash and cash equivalents</b>	<b>8,185</b>	<b>70,911</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>68,802</b>	<b>596,051</b>
<b>Increase in cash and cash equivalents due to a company newly consolidated</b>	<b>1,321</b>	<b>11,444</b>
<b>Cash and cash equivalents at end of year</b>	<b>¥78,308</b>	<b>\$678,407</b>

Notes:

1. U.S. Dollar amounts are translated from Japanese Yen, for convenience only, at the rate of ¥115.43 = \$1 as of September 30, 2007.
2. All figures are prepared under accounting principles generally accepted in Japan.
3. All figures are rounded down to the nearest millions of Japanese Yen or thousands of U.S.Dollars.

## Situation of Issue Shares

The situation of shares in this fiscal year is as outlined below.  
(As of September 30, 2007)

(1) Total number of shares to be issued.....	171,257,770
Total number of shares issued .....	72,560,000
Total number of shares holders .....	4,899

(2) Distribution of shares (by holder)

Kind of holder	No. of persons	No. of stocks held	Ratio of stocks held
Banking facilities	59	16,334,840	22.52
Security companies	34	571,843	0.79
Other corporations	77	18,132,945	24.99
Foreign corporations	231	21,657,384	29.84
(Individual foreigners among the foreign corporations)	(2)	(4,000)	(0.01)
Individual persons and others	4,498	15,862,988	21.86
<b>Total</b>	4,899	72,560,000	100.00

(3) Dividends

The following table shows the dividends per share paid by Company.

2007	2007	2006	2006	2005	
Sep.	Mar.	Sep.	Mar.	Sep.	
20	20	17	16	15	(Unit : Japanese Yen)
0.17	0.17	0.15	0.14	0.13	(Unit : U.S. Dollar)

Notes:

U.S. Dollar amounts are translated from Japanese Yen, for convenience only, at the rate of  
¥ 115.43 = \$ 1 as of September 30, 2007.

## Board of Directors

President	Senior Executive Director	Executive Director	Executive Advisor	Directors	Auditors
Hiroyuki Inoue	Yoshiro Inoue	Kazumi Kajihara	Shigeo Kawata	Takafumi Yoshida	Hisakazu Fukuhara
				Tadashi Takahashi	
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# Yamato Kogyo Group MISSION



「ものづくり」企業としての誇りとフェアな経営姿勢をベースに、  
鉄事業をとおして、和の精神をもって、  
グローバルな事業展開により、新たな価値を創造し、  
豊かな社会の実現に貢献します。

Generate unique value and contribute to society  
through our global steel business,  
based on pride in our manufacturing skill,  
fair management, and a spirit of Harmony.



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