SEMI-ANNUAL REPORT 2012

SEPTEMBER 30, 2012

YAMATO KOGYO CO., LTD.

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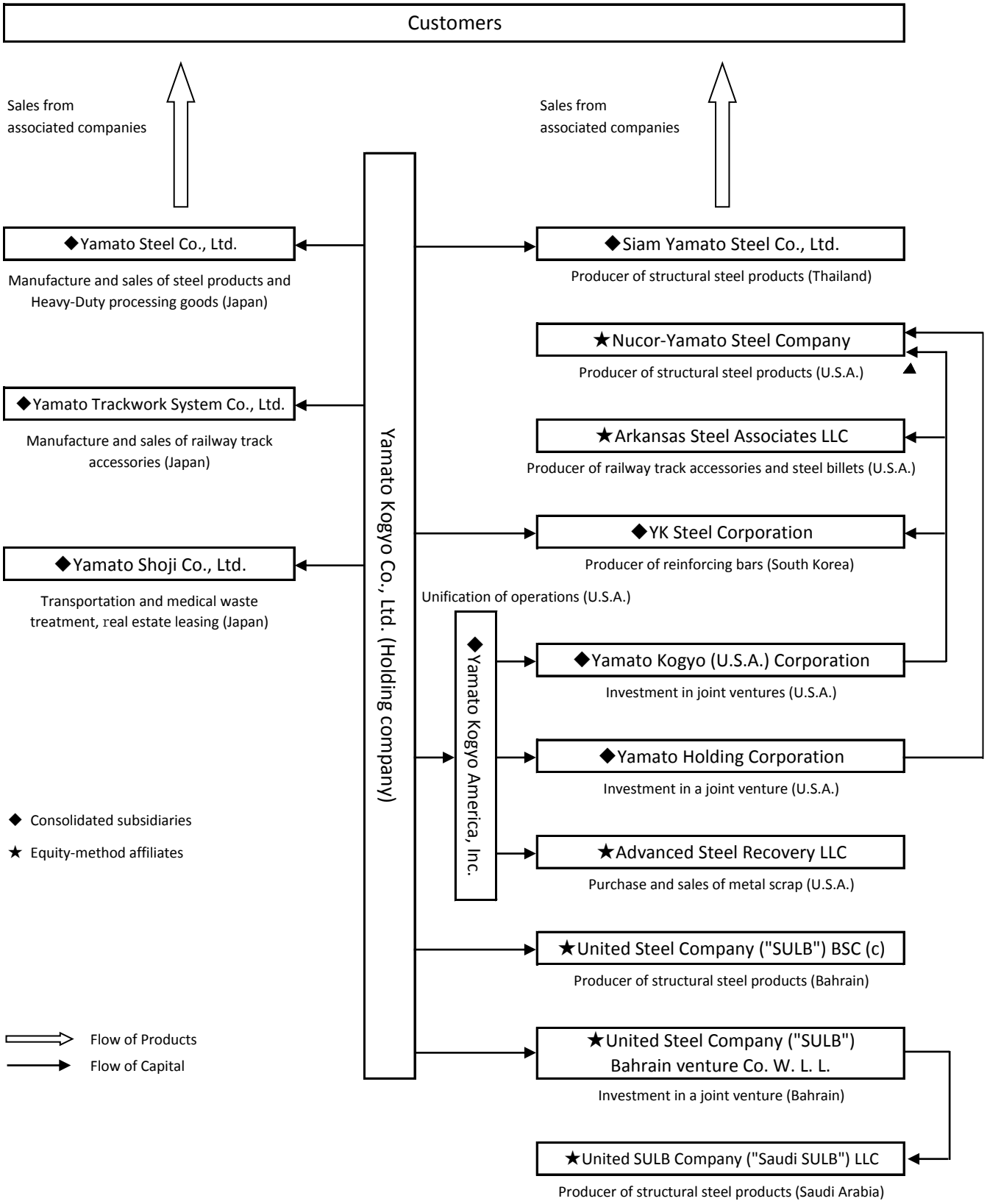
Corporate Structure and Affiliates

As of September 30, 2012



*We have stakes in 3 non-consolidated subsidiary not accounted for by the equity method and 3 affiliates not accounted for by the equity method, however these have been omitted as they are immaterial.

YAMATO KOGYO CO., LTD.
OPERATING RESULTS FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2012

1. Business Performance and Financial Status

(1) Business Performance

① Status During the Current Mid-Term Consolidated Accounting Period

The business environment for Yamato Kogyo Group (the Group) during the current mid-term consolidated accounting period continues to lack increase in demand for steel product.
In Japan, the demand for steel continues to struggle. The sales prices of structural steel and those of scrap steel, the main raw material, also remained sluggish. In South Korea and Thailand, where we have consolidated subsidiaries, and in the United States and the Kingdom Saudi Arabia where we have affiliated companies with equity method applied, the business performance between January and June of 2012 was reflected in the current mid-term accounting period.
YK Steel Corporation in South Korea, strove to strengthen our cost competitiveness through plant and equipment upgrades.
United Steel Company ("SULB") BSC(c) (referred to hereafter as "SULB"), a company in Bahrain accounted for by the equity method, has not significantly impacted the results during the second quarterly consolidated cumulative period under review since the factory is under construction.
As a result of the above, sales for the current mid-term consolidated accounting period were 79,802 million yen(an increase of 1,654 million yen in comparison with the same period in the previous year), operating income was 2,226 million yen(a decrease of 351 million yen in comparison with the same period in the previous year), ordinary income was 7,229 million yen(a decrease of 246 million yen in comparison with the same period in the previous year), and the net income was 4,778 million yen(an increase of 343 million yen in comparison with the same period in the previous year).

Please note that the exchange rates, used to convert profits and losses in financial statements of overseas subsidiaries and affiliates, are as follows:
(Each company’s accounting period is from January to June, 2012)
Average rate: 79.77 yen/U.S. dollar, 2.57 yen/baht, and 14.31 won/yen

The average exchange rates for same period in the previous year are as follows:

(Each company’s accounting period is from January to June, 2011)
Average rate: 81.77 yen/U.S. dollar, 2.68 yen/baht, and 13.47 won/yen

We report the business results of the segment as follows:
Starting with the first quarterly consolidated accounting period, the previous reportable segment "Heavy-duty machining" is included in "Steel (Japan)."
Comparisons and analyses for the second quarterly consolidated cumulative period under review are based on the figures effective after the changes made to the segment categories.

● Steel (Japan)

While the demand for steel struggled to grow, sales prices of structural steel and those of scrap steel, which is the main raw material, hovered at a low level. As a result, sales were 18,054 million yen (a decrease of 3,801 million yen in comparison with the same period in the previous year), the operating income was 206 million yen(a decrease of 709 million yen in comparison with the same period in the previous year).

● **Steel (South Korea)**

The slump in demand for construction continues to place a strain on the business. Nonetheless, sales were 25,966 million yen (an increase of 2,366 million over yen in comparison with the same period in the previous year), the operating income was 476 million yen (an operating loss of 186 million yen was posted during the previous second quarter).

● **Steel (Thailand)**

Sales were 32,740 million yen (an increase of 2,081 million over yen in comparison with the same period in the previous year).Meanwhile, due to the exacerbating market competition, the operating income was 1,727 million yen (a decrease of 466 million yen in comparison with the same period in the previous year).

● **Railway Track Accessories**

Sales were 2,900 million yen (an increase of 1,019 million over yen in comparison with the same period in the previous year), and the operating income was 398 million yen (an increase of 264 million over yen in comparison with the same period in the previous year).

● **Other Business Sectors**

Other sales were 138 million yen, (a decrease of 11 million yen in comparison with the same period in the previous year) and operating income was 10 million yen (a decrease of 16 million yen in comparison with the same period in the previous year).

② **Future Outlook**

The forecast for the entire fiscal year is as follows: Sales of 150,000 million yen, operating income of 4,000 million yen, ordinary income of 13,000 million yen, and net income of 8,000 million yen.

This forecast reflects the anticipated performance of Saudi Sulb which is already operating. However, SULB, which is not reflected in the consolidated performance forecast, since at this point, there are many uncertainties involved. Once we are able to forecast SULB's operations, we will reflect those in future consolidated performance forecasts.

Please note that the exchange rates used to convert revenues and expenses of our overseas subsidiaries and affiliates are based on their fiscal year, January to December, 2012. The rates are as follows:

Average rate: 78.17 yen/U.S. dollar, 2.50 yen/baht, and 14.62 won/yen

(2) Analysis of Financial Status

Total assets at the end of the current mid-term consolidated accounting period year were 235,424 million yen, an increase of 5,084 million yen in comparison with the end of the previous consolidated fiscal year. This was due to increase in cash and deposits.

Liabilities were 44,729 million yen, a decrease of 2,088 million yen in comparison with the end of the previous consolidated fiscal year. This was due to decrease in loans payable.

Also, net assets were 190,694 million yen, an increase of 7,173 million yen in comparison with the end of the previous consolidated fiscal year. This was due to factors such as increase in net income, decrease by the payment of dividends, and increased of 2,575 million yen in foreign currency translation adjustment.

Please note that the following exchange rates are used in preparation of financial statements for overseas subsidiaries and affiliates at the end of the current consolidated fiscal year.

(Each company's accounting period is from January to June, 2012)
79.31yen/U.S. dollar, 2.50 yen/baht, and 14.55 won/yen

Also, exchange rates for the end of previous consolidated fiscal year are as follows:

(The end of fiscal year for each overseas company is end of December 2011)
77.73 yen/U.S. dollar, 2.45 yen/baht, and 14.84 won/yen

(Cash Flows from Operating Activities)
The increase in funds from operating activities was 8,029 million yen, primarily due to the income before income taxes, and cash dividend from affiliated companies in U.S. with equity method applied.

(Cash Flows from Investing Activities)
The decrease in funds from investing activities was 32,482 million yen, primarily due to payments into time deposits.

(Cash Flows from Financing Activities)
The decrease in funds from financing activities was 2,566 million yen, due to repayment of loans payable and payment of dividend.

With the addition of a 986 million yen, in effect of exchange rate change on cash and cash equivalents, the balance of cash and cash equivalents at the end of the current consolidated fiscal year was 21,854 million yen, which is a decrease of 26,033 million yen in comparison with the end of the previous year.

(3) Basic Policy Regarding Profit Allocation and Dividends for the Current and Next Fiscal Year

We believe that the dividend shall be determined in view of the Group’s consolidated performance, financial situation, and development of future policies based on internal reserves.
Regarding the dividend for the current fiscal year, the plan is for an annual dividend of 30 yen per share, with interim dividend of 15 yen per share, and the end-of-term dividend of 15 yen per share.

(4) Business Risks

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

① Latent Risks in Doing Business Overseas

The Group's manufacturing and sales activities are not only in Japan, but also in the U.S., Thailand, South Korea, Kingdom of Saudi Arabia, and the steel plant is being constructed through a joint company in Bahrain in the Middle East, 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.

② Exchange Rate Fluctuations

The Group is developing global operations which target world markets, thus 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, appreciation of the yen will have a negative influence on our company, and on the contrary, depreciation of yen will have a positive influence.

③ Fluctuations in Sales Prices and Scrap Prices

The performance of the Group's vital steel business is greatly affected by fluctuations in sales prices of products and the scrap prices, 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.

④ Electrical Power Risks

Since our Company’s Group is an steel producer using electric furnaces to melt scrap steel which operates on a global scale and utilizes large amounts of electrical power, the Company’s performance could be negatively impacted if there are steep unit price increases in electrical power and if there are restrictions of electrical power consumption.

2. Management Policy

(1) Basic Business Policy

We have served as a responsible member of the business community and strive to manufacture high quality and high value added products based on customer needs. We utilize scrap steel to make 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 investments by primarily investing in overseas business, 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. We will conduct our business with an emphasis on cash flow, aiming to invest in future growth fields, while maintaining a sound financial standing.

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

In the business areas in which the Group deals, we anticipate increasingly vigorous competition with both foreign and domestic manufacturers in the future. Under such tough business environment, we will aim to improve productivity and reduce costs by renewing and expanding manufacturing facilities at our operations in Japan and overseas, so as to achieve greater profitability as a manufacturing group. Furthermore, we are holding technical conferences among the 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, the Group will look at how it can contribute to society from a variety of standpoints. The 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.

Our Company established SULB in Bahrain in the Middle East, as a joint venture with capital participation of 49% from our Company. SULB will produce structural steel, primarily focusing on the wide flange beams. Regarding the construction to integrate direct reduction iron production, steel making and rolling, currently, installation of equipment has finished. Then we are proceeding to preparation toward commencement of operations.

YAMATO KOGYO CO., LTD.
AND CONSOLIDATED SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
September 30, 2012 and March 31, 2012

In Japanese Yen

(In millions of Japanese Yen)

	Mar-12	Sep-12		Mar-12	Sep-12
Assets			Liabilities		
Current assets			Current liabilities		
Cash and deposits	¥54,549	**¥58,026**	Notes and accounts payable-trade	¥14,838	**¥14,204**
Notes and accounts receivable-trade	26,411	**25,737**	Short-term loans payable	5,329	**4,193**
Merchandise and finished goods	11,180	**10,640**	Income taxes payable	962	**607**
Work in process	429	**438**	Provision for bonuses	398	**571**
Raw materials and supplies	16,412	**15,990**	Other	6,838	**7,501**
Other	1,487	**1,376**	Total current liabilities	28,367	**27,078**
Allowance for doubtful accounts	(16)	**(13)**			
Total current assets	110,454	**112,197**	Noncurrent liabilities		
			Long-term loans payable	6,713	**5,925**
Noncurrent assets			Deferred tax liabilities	8,304	**8,102**
Property, plant and equipment			Provision for retirement benefits	1,912	**2,061**
Buildings and structures, net	13,659	**13,477**	Provision for directors' retirement benefits	1,212	**1,300**
Machinery, equipment and vehicles, net	25,230	**25,217**	Other	308	**262**
Land	12,948	**13,101**	Total noncurrent liabilities	18,451	**17,651**
Construction in progress	1,368	**4,743**	Total liabilities	46,818	**44,729**
Other, net	203	**243**	Net assets		
Total property, plant and equipment	53,409	**56,784**	Shareholders' equity		
			Capital stock	7,996	**7,996**
Intangible assets			Capital surplus	—	**341**
Goodwill	2,697	**2,517**	Retained earnings	218,242	**222,019**
Other	325	**333**	Treasury stocks	(705)	**(587)**
Total intangible assets	3,022	**2,851**	Total shareholders' equity	225,533	**229,769**
Investments and other assets			Accumulated other comprehensive income		
Investments securities	37,243	**37,075**	Valuation difference on available-for-sale securities	1,881	**1,347**
Investments in capital	23,715	**23,816**	Foreign currency translation adjustment	(52,477)	**(49,902)**
Other	2,619	**2,824**	Total accumulated other comprehensive income	(50,595)	**(48,554)**
Allowance for doubtful accounts	(125)	**(125)**			
Total investments and other assets	63,452	**63,591**	Minority interests	8,583	**9,479**
Total noncurrent assets	119,885	**123,227**	Total net assets	183,521	**190,694**
Total assets	¥230,340	**¥235,424**	Total liabilities and net assets	¥230,340	**¥235,424**

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

(In thousands of U.S. Dollars)

	Mar-12	Sep-12		Mar-12	Sep-12
Assets			Liabilities		
Current assets			Current liabilities		
Cash and deposits	$702,862	**$747,671**	Notes and accounts payable-trade	$191,197	**$183,018**
Notes and accounts receivable-trade	340,314	**331,622**	Short-term loans payable	68,672	**54,036**
Merchandise and finished goods	144,054	**137,107**	Income taxes payable	12,403	**7,827**
Work in process	5,537	**5,653**	Provision for bonuses	5,135	**7,369**
Raw materials and supplies	211,471	**206,041**	Other	88,108	**96,653**
Other	19,172	**17,738**	Total current liabilities	365,517	**348,904**
Allowance for doubtful accounts	(209)	**(178)**			
Total current assets	1,423,203	**1,445,655**	Noncurrent liabilities		
			Long-term loans payable	86,496	**76,343**
Noncurrent assets			Deferred tax liabilities	106,998	**104,398**
Property, plant and equipment			Provision for retirement benefits	24,647	**26,558**
Buildings and structures, net	175,996	**173,659**	Provision for directors' retirement benefits	15,617	**16,760**
Machinery, equipment and vehicles, net	325,087	**324,931**	Other	3,980	**3,377**
Land	166,841	**168,812**	Total noncurrent liabilities	237,740	**227,438**
Construction in progress	17,638	**61,116**	Total liabilities	603,258	**576,343**
Other, net	2,616	**3,142**	Net assets		
Total property, plant and equipment	688,181	**731,662**	Shareholders' equity		
			Capital stock	103,036	**103,036**
Intangible assets			Capital surplus	—	**4,396**
Goodwill	34,757	**32,440**	Retained earnings	2,812,036	**2,860,712**
Other	4,191	**4,298**	Treasury stocks	(9,086)	**(7,575)**
Total intangible assets	38,948	**36,738**	Total shareholders' equity	2,905,987	**2,960,570**
Investments and other assets			Accumulated other comprehensive income		
Investments securities	479,874	**477,718**	Valuation difference on available-for-sale securities	24,247	**17,365**
Investments in capital	305,578	**306,877**	Foreign currency translation adjustment	(676,167)	**(642,988)**
Other	33,746	**36,389**	Total accumulated other comprehensive income	(651,920)	**(625,622)**
Allowance for doubtful accounts	(1,612)	**(1,612)**			
Total investments and other assets	817,586	**819,372**	Minority interests	110,594	**122,139**
Total noncurrent assets	1,544,716	**1,587,774**	Total net assets	2,364,661	**2,457,086**
Total assets	$2,967,920	**$3,033,429**	Total liabilities and net assets	$2,967,920	**$3,033,429**

Notes:

1. U.S. Dollar amounts are translated from Japanese Yen, for convenience only, at the rate of ¥77.61 = $1 as of September 30, 2012.
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-Month Period Ended September 30, 2012 and 2011

In Japanese Yen

(In millions of Japanese Yen)

	Sep-11	**Sep-12**
Net sales	¥78,148	**¥79,802**
Cost of sales	70,108	**72,206**
Selling, general and administrative expenses	5,461	**5,369**
Operating income	2,577	**2,226**
Non-operating income	5,837	**5,781**
Non-operating expenses	939	**778**
Ordinary income	7,475	**7,229**
Extraordinary income	1	**364**
Extraordinary loss	274	**257**
Income before income taxes	7,202	**7,335**
Income taxes		
Income taxes-current	2,204	**2,152**
Income taxes-deferred	(92)	**(256)**
Total income taxes	2,112	**1,895**
Income before minority interests	5,090	**5,439**
Minority interests in income	654	**660**
Net income	¥4,435	**¥4,778**

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

(In thousands of U.S. Dollars)

	Sep-11	**Sep-12**
Net sales	$1,006,932	**$1,028,248**
Cost of sales	903,349	**930,370**
Selling, general and administrative expenses	70,369	**69,187**
Operating income	33,213	**28,689**
Non-operating income	75,215	**74,493**
Non-operating expenses	12,104	**10,035**
Ordinary income	96,323	**93,147**
Extraordinary income	13	**4,692**
Extraordinary loss	3,535	**3,324**
Income before income taxes	92,802	**94,516**
Income taxes		
Income taxes-current	28,408	**27,731**
Income taxes-deferred	(1,192)	**(3,304)**
Total income taxes	27,215	**24,427**
Income before minority interests	65,586	**70,089**
Minority interests in income	8,438	**8,512**
Net income	$57,148	**$61,576**

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 STATEMENTS OF COMPREHENSIVE INCOME
For the Six-Month Period Ended September 30, 2012 and 2011

In Japanese Yen

(In millions of Japanese Yen)

	Sep-11	**Sep-12**
Income before minority interests	¥5,090	**¥5,439**
Other comprehensive income		
Valuation difference on available-for-sale securities	(694)	**(535)**
Foreign currency translation adjustment	(884)	**2,742**
Total other comprehensive income	(1,578)	**2,206**
Comprehensive income	¥3,511	**¥7,646**
(Breakdown)		
Comprehensive income attributable to owners of the parent	3,132	**6,819**
Comprehensive income attributable to minority interests	379	**826**

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

(In thousands of U.S. Dollars)

	Sep-11	**Sep-12**
Income before minority interests	$65,586	**$70,089**
Other comprehensive income		
Valuation difference on available-for-sale securities	(8,943)	**(6,897)**
Foreign currency translation adjustment	(11,394)	**35,330**
Total other comprehensive income	(20,337)	**28,433**
Comprehensive income	$45,249	**$98,522**
(Breakdown)		
Comprehensive income attributable to owners of the parent	40,357	**87,874**
Comprehensive income attributable to minority interests	4,891	**10,648**

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 STATEMENTS OF CHANGES IN NET ASSETS
For the Six-Month Period Ended September 30, 2012

In Japanese Yen

(In millions of Japanese Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at April 1, 2012	¥7,996	—	¥218,242	(¥705)	¥225,533
Changes of items during the period					
Dividends from surplus			(1,001)		(1,001)
Net income			4,778		4,778
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock		341		117	458
Net changes of items other than shareholders' equity					—
Total changes of items during the period	—	341	3,777	117	4,236
Balance at September 30, 2012	¥7,996	¥341	¥222,019	(¥587)	¥229,769

	Accumulated other comprehensive income			Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at April 1, 2011	¥1,881	(¥52,477)	(¥50,595)	¥8,583	¥183,521
Changes of items during the period					
Dividends from surplus					(1,001)
Net income					4,778
Purchase of treasury stock					(0)
Disposal of treasury stock					458
Net changes of items other than shareholders' equity	(534)	2,575	2,040	895	2,936
Total changes of items during the period	(534)	2,575	2,040	895	7,173
Balance at September 30, 2012	¥1,347	(¥49,902)	(¥48,554)	¥9,479	¥190,694

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

(In thousands of U.S. Dollars)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at April 1, 2012	$103,036	—	$2,812,036	($9,086)	$2,905,987
Changes of items during the period					
Dividends from surplus			(12,901)		(12,901)
Net income			61,576		61,576
Purchase of treasury stock				(3)	(3)
Disposal of treasury stock		4,396		1,514	5,910
Net changes of items other than shareholders' equity					—
Total changes of items during the period	—	4,396	48,675	1,510	54,582
Balance at September 30, 2012	$103,036	$4,396	$2,860,712	($7,575)	$2,960,570

	Accumulated other comprehensive income			Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at April 1, 2012	$24,247	($676,167)	($651,920)	$110,594	$2,364,661
Changes of items during the period					
Dividends from surplus					(12,901)
Net income					61,576
Purchase of treasury stock					(3)
Disposal of treasury stock					5,910
Net changes of items other than shareholders' equity	(6,881)	33,179	26,297	11,544	37,841
Total changes of items during the period	(6,881)	33,179	26,297	11,544	92,424
Balance at September 30, 2012	$17,365	($642,988)	($625,622)	$122,139	$2,457,086

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 STATEMENTS OF CASH FLOWS
For the Six-Month Period Ended September 30, 2012

	In millions of Japanese Yen	In thousands of U.S. Dollars (Note1)
Ⅰ. Cash flows from operating activities		
Income before income taxes	¥7,335	$94,516
Depreciation and amortization	2,357	30,376
Interest and dividends income	(392)	(5,056)
Interest expenses	359	4,630
Equity in earnings of affiliates	(4,955)	(63,848)
Gain on valuation of derivatives	(51)	(666)
Increase in notes and accounts receivable-trade	866	11,171
Increase in inventories	1,373	17,697
Decrease in notes and accounts payable-trade	(845)	(10,899)
Other, net	(515)	(6,639)
Subtotal	5,532	71,281
Interest and dividends income received	5,312	68,451
Interest expenses paid	(377)	(4,861)
Income taxes paid	(2,437)	(31,405)
Net cash used in operating activities	8,029	103,465
Ⅱ. Cash flows from investment activities		
Payments into time deposits	(37,186)	(479,151)
Proceeds from withdrawal of time deposits	7,653	98,617
Purchase of property, plant and equipment	(3,683)	(47,463)
Proceeds from sales of investment securities	411	5,296
Other, net	322	4,160
Net cash used in investment activities	(32,482)	(418,540)
Ⅲ. Cash flows from financing activities		
Net decrease in short-term loans payable	(1,343)	(17,313)
Repayment of long-term loans payable	(893)	(11,507)
Purchase of treasury stock	(0)	(3)
Proceeds from sales of treasury stock	680	8,767
Cash dividends paid	(1,000)	(12,893)
Cash dividends paid to minority shareholders	(1)	(18)
Other, net	(8)	(103)
Net cash used in financing activities	(2,566)	(33,073)
Ⅳ. Effect of exchange rate change on cash and cash equivalents	986	12,707
Ⅴ. Net decrease in cash and cash equivalents	(26,033)	(335,441)
Ⅵ. Cash and cash equivalents at beginning of year	47,887	617,030
Ⅶ. Cash and cash equivalents at end of year	¥21,854	$281,588

Notes:
1. U.S. Dollar amounts are translated from Japanese Yen, for convenience only, at the rate of ¥ 77.61 = $1 as of September 30, 2012.
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, 2012)

(1) Total number of shares authorized to be issued 171,257,770
Number of shares outstanding 69,750,000
Total number of shareholders 4,108

(2) Distribution of shares (by holder)

	Kind of holder	Number of shareholders	Number of shares held (unit)	Ratio of shares held (%)
Share (Number of one unit of shares :100)	Financial institutions	42	209,233	30.01
	Financial instrument dealers	24	4,916	0.71
	Other corporations	58	191,635	27.49
	Foreign corporations, etc. (Individuals)	303 (3)	147,959 (22)	21.22 (0.00)
	Japanese individuals and other	3,681	143,440	20.57
	Total	**4,108**	**697,183**	**100.00**
Shares less than one unit		—	31,700	—

(3) Dividends
The following table shows the dividends per share paid by Company.

2012 Sep.	2012 Mar.	2011 Sep.	2011 Mar.	2010 Sep.	
15	15	15	15	20	(Unit : Japanese Yen)
0.19	0.18	0.18	0.18	0.24	(Unit : U.S. Dollar)

Note: U.S. Dollar amounts are translated from Japanese Yen, for convenience only, at the rate of ¥77.61 = $1 as of September 30, 2012.

Board of Directors

(As of September 30, 2012)

President	Senior Managing Director	Managing Directors	Director and Executive Advisor	Directors	Auditors
Hiroyuki Inoue	Kazumi Kajihara	Takafumi Yoshida	Shigeo Kawata	Yoshinori Toritani	Hisakazu Fukuhara
		Tadashi Takahashi		Yoshio Morikawa	Tamaki Tsukada
		Mikio Kobayashi		Chun-Ho Lee	Hisashi Sawada
				Damri Tunshevavong	

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