

Financial Section

Consolidated Balance Sheets

TAISEI CORPORATION and Consolidated Subsidiaries
Years Ended March 31, 2007 and 2008

ASSETS	Millions of Yen		Thousands of U.S. Dollars
	2007	2008	(Note 1) 2008
Current assets:			
Cash and time deposits (Notes 3 and 6).....	¥ 155,552	¥ 94,190	\$ 940,114
Receivables:			
Trade notes (Note 4 and 6).....	24,368	19,412	193,752
Trade accounts (Note 4 and 16).....	517,519	447,749	4,468,999
Loans.....	86	79	788
Allowance for doubtful accounts.....	(1,572)	(1,216)	(12,137)
Inventories:			
Development projects in progress, real estate development (Note 6).....	68,891	82,997	828,396
Raw materials and supplies.....	97,139	104,548	1,043,497
Cost of uncompleted contracts.....	206,544	218,140	2,177,263
Deferred income taxes (Note 8).....	55,992	54,020	539,176
Prepaid expenses and other current assets (Notes 4 and 6).....	76,426	100,879	1,006,877
Total current assets.....	1,200,945	1,120,798	11,186,725
Property and equipment, at cost (Note 19):			
Land (Note 6).....	169,251	153,185	1,528,945
Buildings and structures (Note 6).....	169,312	158,425	1,581,245
Machinery and equipment.....	67,447	65,326	652,021
Construction in progress.....	1,898	1,898	18,944
Total.....	407,908	378,834	3,781,155
Accumulated depreciation.....	(137,226)	(134,240)	(1,339,854)
Net property and equipment.....	270,682	244,594	2,441,301
Investments and other assets:			
Investments in unconsolidated subsidiaries and affiliated companies.....	9,474	9,441	94,231
Investment securities (Notes 5 and 6).....	403,114	291,148	2,905,959
Deferred income taxes (Note 8).....	11,803	8,963	89,460
Other assets (Note 6).....	100,295	70,991	708,564
Allowance for doubtful accounts.....	(6,994)	(6,452)	(64,398)
Total investments and other assets.....	517,692	374,091	3,733,816
Total assets.....	¥ 1,989,319	¥ 1,739,483	\$ 17,361,842

LIABILITIES AND NET ASSETS	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2007	2008	2008
Current liabilities:			
Short-term borrowings (Notes 6 and 7).....	¥ 115,022	¥ 90,178	\$ 900,070
Commercial papers (Note 7).....	-	19,996	199,581
Long-term debt due within one year (Notes 6 and 7).....	92,083	91,863	916,888
Trade payables:			
Notes (Note 4).....	66,896	51,999	519,004
Accounts.....	526,367	436,484	4,356,563
Advances received and progress billings on uncompleted contracts.....	198,972	163,518	1,632,079
Income taxes payable (Note 8).....	8,354	3,331	33,247
Deposits received.....	97,343	86,574	864,098
Allowance for losses on construction contracts.....	5,274	10,168	101,487
Other current liabilities (Note 4).....	51,559	49,630	495,358
Total current liabilities	1,161,870	1,003,741	10,018,375
Long-term debt (Notes 6 and 7).....	276,923	291,550	2,909,971
Allowance for employees' severance and retirement benefits (Note 9).....	29,891	24,581	245,344
Allowance for accrued severance indemnities to directors and corporate auditors	829	822	8,204
Deferred income taxes (Note 8).....	50,133	5,557	55,465
Deferred income taxes for revaluation of land (Notes 8 and 17).....	9,122	9,122	91,047
Allowance for losses on investments in subsidiaries and affiliates	1,084	619	6,178
Allowance for environmental spending	445	440	4,392
Other non-current liabilities	37,291	29,063	290,078
Total long-term debt	405,718	361,754	3,610,679
Contingent liabilities and commitments (Note 15)			
Net assets (Notes 10 and 20):			
Shareholders' equity :			
Common stock			
Authorized: 2,200,000,000 shares			
Issued: 1,064,802,821 shares.....	112,448	112,448	1,122,348
Capital surplus.....	79,475	79,474	793,233
Retained earnings.....	74,893	91,417	912,436
Less-Treasury stock, at cost.....	(179)	(204)	(2,036)
Total shareholders' equity	266,637	283,135	2,825,981
Valuation and translation adjustments:			
Unrealized holding gains on securities, net of taxes.....	124,240	57,656	575,467
Unrealized gains on hedging derivatives, net of taxes.....	136	(394)	(3,933)
Revaluation reserve for land (Note 17).....	(999)	(982)	(9,801)
Foreign currency translation adjustments.....	(761)	(844)	(8,424)
Total valuation and translation adjustments	122,616	55,436	553,309
Minority interests:	32,478	35,417	353,498
Total net assets	421,731	373,988	3,732,788
Total liabilities and net assets	¥ 1,989,319	¥ 1,739,483	\$ 17,361,842