奥村組
OKUMURA CORPORATION

Okumura Corporation
Annual Report 2012

奥村組
OKUMURA CORPORATION

Okumura was established in 1907 based on two key principles enshrined in the corporate mottos “steadfast management” and “sincere operation.” The steady growth achieved over the years has been made possible through the unflagging support of our customers.

Okumura’s main business activities include construction projects for houses, public facilities, medical facilities, and office buildings. In the area of civil engineering are projects such as railways, roads, power station facilities, sewage and water works, and others. The Company has developed technology at the highest level, with achievements including the seismic isolation system used to construct Japan’s first earthquake-absorbing building. In the area of environment-related technology, Okumura has developed techniques for 100% recycling of demolished concrete, and natural greening of concrete surfaces on buildings.

Okumura understands what an important mission it is to provide a better environment for the future. Accordingly, the Company is dedicated to contributing to meaningful social infrastructure investment and to always being a corporation regarded highly by society. It will achieve this by continuing to develop as an all-around construction company based on steadfast business management.

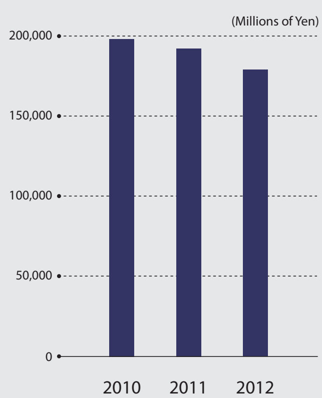
Contents

Financial Highlights

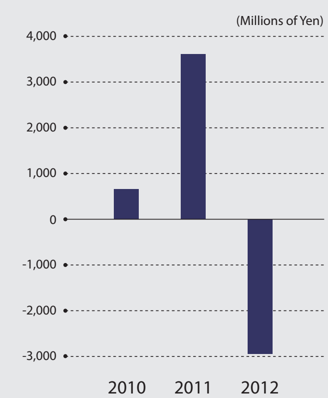
For the years ended March 31	2010	2011	**2012**	**2012**
Consolidated:		Millions of yen		Thousands of U.S. dollars
Net sales	¥198,494	¥192,617	**¥179,285**	**$2,182,676**
Operating income (loss)	864	3,380	**(3,940)**	**(47,964)**
Net income (loss)	652	3,605	**(2,958)**	**(36,013)**
Total assets	241,759	229,771	**216,856**	**2,640,079**
Total equity	115,469	114,387	**111,714**	**1,360,048**
Per Share:		Yen		U.S. dollars
Basic net income (loss)	¥3.26	¥18.04	**¥(14.80)**	**$(0.18)**
Cash dividends applicable to the year	9.00	9.00	**9.00**	**0.11**

Note: The U.S. dollar amounts included herein are presented solely for convenience of the reader. Such dollar amounts have been translated from yen at the approximate exchange rate in Tokyo on March 30, 2012, of ¥82=U.S.$1.

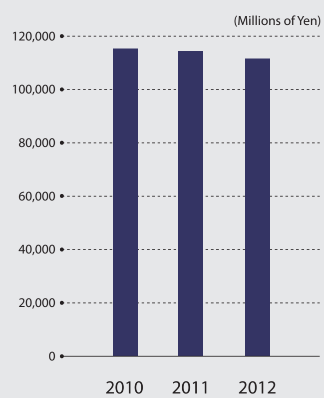
Net Sales



Net Income



Total Equity



Disclaimer Regarding Forecasts and Projections

This Annual Report includes forecasts, projections and other predictive statements that represent Okumura's assumptions and expectations in light of currently available information. These forecasts, etc., are based on industry trends, circumstances involving clients and other factors, and involve risks, variables and uncertainties. The Okumura Group's actual performance results may differ from those projected in this Annual Report. Consequently, no guarantee is presented or implied as to the accuracy of specific forecasts, projections or predictive statements contained herein.

To Our Shareholders

We would like to thank our shareholders for their continuing support and encouragement, and wish each of them the greatest success in their endeavors.

A general overview of business performance for the period to March 2012 (April 1, 2011 to March 31, 2012) is provided in the following sections.

Fiscal 2012 Results

During the period under review, the Japanese economy was generally on a moderate recovery trend, despite being affected by the prolonged strong yen, global economic slowdown and other factors. The construction industry lacked momentum and was in a harsh operating environment overall, as reflected in the tight supply of skilled construction workers, etc. that had been induced by the reconstruction demand following the Great East Japan Earthquake.

In these circumstances, the Company's consolidated net sales fell 6.9% year on year to ¥179,285 million. In terms of profit/loss, construction work profitability deteriorated due to such factors as the impact of surging outsourced labor costs in construction operations. As a result, consolidated gross profit decreased 36.5% year on year to ¥12,232 million, and consolidated operating loss and net loss amounted to ¥3,940 million and ¥2,958 million, respectively.

Despite such unsatisfactory, deficit-generating performance in stark contrast to the previous period, the Company decided to pay a regular dividend of ¥9.00 per share for the period ended March 31, 2012 according to its basic corporate policy regarding profit sharing.

Looking Ahead and Key Strategies

The Japanese economy is expected to be propped up by policy effects and foreign demand and thus perform solidly. However, the construction industry will likely to continue experiencing a harsh operating environment, given the unpredictability of capital investment trends in the private sector, even though reconstruction demand is anticipated.

Under these circumstances, the Okumura Group is verifying and reassessing the existing Five-Year Medium-Term Business Plan to formulate a new medium-term plan to be launched in fiscal 2013. The Okumura Group is committed to securing stable profits by implementing tactics adapted to the operating environment, without making any changes in its stance of upholding the core elements of its business strategies.

Specifically, in construction operations, securing a certain volume of business is regarded as a matter of top priority, as cutthroat competition is intensifying further. In civil engineering operations, the Company will seek to fulfill customers' needs by making the most of the proprietary technologies and its construction knowhow, and create more opportunities to acquire orders through improved precision of quantity surveys and thorough cost reduction. In building operations, the Company will enhance proposal-oriented marketing by determining the target fields on an area-by-area basis, while proactively injecting business resources into renovation fields such as seismic retrofitting where the growth potential of demand is promising.

In real estate operations, the Company intends to further accelerate initiatives centering on the acquisition of profit-earning real estate, for the purpose of alleviating and absorbing yearly fluctuations in the performance of construction operations, in which risk-taking as a contractor is imperative.

For the future, Okumura will apply all of its resources with the aim of responding quickly and flexibly to the changing operating environment, and thereby secure stable profits in accordance with its corporate philosophy, which has endured through the many years since the Company's founding. This will enable Okumura to maintain the trust and confidence of its shareholders.

In all its efforts, the Company looks forward to the continued support of its shareholders.

June 2012

T. Okumura

Takanori Okumura
President and Representative Director

Major Projects Completed

BUILDINGS

Abeno nini

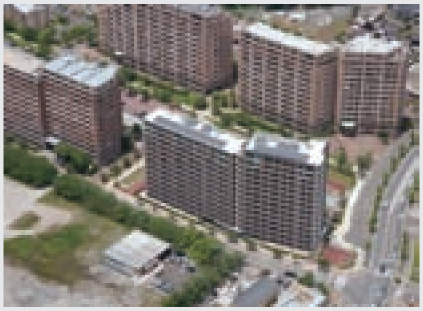
Work period: January 2009 to January 2012
Structure: RC and Steel
Total floor area: 26,010.58 m^2

Hotel Kintetsu Kyoto Station

Work period: May 2009 to September 2011
Structure: RC (seismic isolation structure)
Total floor area: 14,299.49 m^2

Toyonaka-Itami Clean Land

Work period: May 2009 to March 2012
Structure: Steel and SRC
Total floor area: 11,078.76 m^2



Next Stage Takami Shichijo Nibankan

Work period: November 2009 to July 2011
Structure: RC (seismic isolation structure)
Total floor area: 13,948.98 m^2

CIVIL ENGINEERING

Kita-Kokubun Area Box Culvert Construction

Work period: February 2010 to March 2012
Length of box culvert for high-speed way: 118 m
Length of box culvert for ramp: 237.4 m

National Route 42 Kiho Bypass: Kiho Tunnel Construction

Work period: March 2010 to March 2012
Tunnel length: 212 m (Slot Drilling (SD) and Electronic Delay Detonator (EDD) tunneling methods); 76 m (SD machinery)

National Route 23 Toyohashi Bypass: Construction of lower portion of Toyogawa Bridge on the right bank

Work period: August 2010 to August 2011
Construction length: 380 m; 1 bridge abutment (5 cast-in-place piles)
3 bridge columns (22 iron pipe sheet pile foundations per pier)

Post-Disaster Restoration Work on Sendai Airport Access Railway (including tunnels)

Work period: March 2011 to September 2011
Removal of rubble and dirt, examination of structures, restoration work, etc.

Orders Received

BUILDINGS

Lions Ichijo Residence Shonan C-X

Work period: April 2011 to March 2013
Structure: RC and Steel (seismic isolation structure)
Total floor area: 27,425.64 m²

Buildings A-2 and B-2 of the Ikoma Station North Exit Region 2 Category I Urban Redevelopment Project

Work period: February 2012 to February 2014
Structure: Steel and RC
Total floor area: 27,456.35 m²

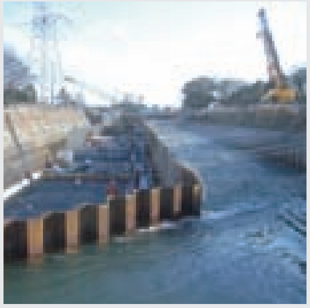
Nara Prefectural Pool Facilities Construction and Administration Project

Work period: May 2012 to May 2014
Structure: RC and Steel
Total floor area: 8,988.88 m²

Kansai No. 3 Plant of Sanko Co., Ltd.

Work period: February 2012 to October 2012
Structure: Steel
Total floor area: 42,201.69 m²

CIVIL ENGINEERING



Rebuilding of the downstream portion of Musashi Canal

Work period: April 2011 to March 2016
Length of the extended channel: approx. 2,500 m; length of open channel: approximately 1,890 m; length of channel outside the dike: approx. 450 m
Bridges (box culvert): 9
Reinforcement work to make siphon quake-resistant: 1

Kisei Line: Furusato No. 1 Tunnel Construction Work

Work period: February 2012 to March 2013
Construction length: 680 m
Tunnel length: 560 m

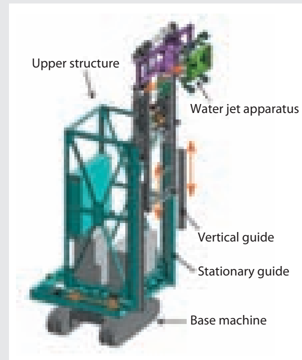
Hasamata-Nagahama Line Subsidiary Road Development Project Construction

Work period: October 2011 to July 2014
Construction length: 1,008.8 m
Tunnel length: 531 m

Onohama Pumping Station Construction (Civil Engineering)

Work period: August 2011 to March 2013
Construction of entire pumping station, construction of entire drain pipe system

Topics



❶ Rendering of finished building

❶ Construction site

❷ High-speed processing system

❷ System in use

❸ Inside the seminar hall

❸ Panel discussion

❶ Development of a Seismic Reinforcement Method Based on External Frames Using Cantilevered Slabs

By mounting precast concrete frames to the balconies and outside corridors of housing complexes, the Company has developed a reinforcement method that enhances the earthquake resistance of buildings while giving due consideration to the residents and the surrounding environment, and has been applying this construction method to its actual works.

As this construction method utilizes existing cantilevered slabs such as those used in balconies as part of the connecting member of the new reinforcement frame, it requires fewer anchors during construction, thereby reducing construction noise, vibrations and dust while at the same time contributing to the shortening of the construction schedule.

❷ Development of High-Speed Processing System for Concrete Surfaces in Repair and Reinforcement Works

The Company has developed a system capable of high-speed processing even when scraping wide concrete surfaces such as in the repair and reinforcement works of water and sewer facilities.

By mechanizing the process of jetting concrete surfaces with pressurized water to strip old paint film and deteriorated areas, tasks that had previously been conducted manually, this technology ensures an even finish while also considerably speeding up the process and saving energy.

❸ Hosting of a Technical Seminar

On November 2, 2011, Okumura hosted the 23rd Technical Seminar at the Tokyo International Forum in Tokyo's Chiyoda Ward. The seminar was attended by approximately 270 participants from various fields, including clients of Okumura.

Okumura began hosting the seminar in 1988 as part of the collaboration among the industrial, governmental and academic sectors related to the construction industry. This year's theme was "Preparing for a Tokyo Inland Earthquake: How to prepare for the worst case scenario." Professor Yoshiaki Kawata of Kansai University delivered the keynote speech. In addition, a panel discussion was held on topics including responses by the national and local governments immediately following the Great East Japan Earthquake, lessons to be learned from massive earthquakes experienced thus far, and the revised estimates of damages from a Tokyo inland earthquake.

❹ Recipients of the Okumura Environmental Construction Technology Foundation Grant for the Fiscal Year Ended March 31, 2012 Are Announced

In 2007, the Company established a charitable trust fund, the Okumura Environmental Construction Technology Foundation Grant, whose objective is to further promote the preservation and improvement of Japan's environment by providing funds to various research projects on construction technologies that reduce the environmental load.

❺ Cutting grass

❺ Cleaning up the gutters

❻ Tokyo Head Office

❻ Nagoya Branch

The steering committee – comprising experts such as university professors – met on July 5, 2011 to select the recipients and determine the amount of the grant awarded for the fiscal year ended March 31, 2012. The foundation has ensured that all those chosen for the fiscal year have received the grant.

Research themes of the recipients are as follows:

- Research on the long-term effects of large-scale construction on biodiversity: Assessing the 40 years of construction of undersea roadways
- Development of wire-driven weight compensation mechanism and spider-shaped walking robot that enable the sophistication of technology for surveying inaccessible locations
- Analysis of habitats and food web structures to clarify the alteration phenomenon of ecosystems in downstream river channels of multi-purpose dams
- Integrating building environment information and using it as practical teaching materials

❺ Dispatching Employees to Assist Areas Stricken by the Great East Japan Earthquake

Employees who had volunteered from around the nation were sent to the cities of Rikuzentakata and Miyako and the town of Yamada in Iwate Prefecture for the five-day period from August 22 to 26, 2011 to assist in cutting grass, clearing trees, clearing away rubble, cleaning up gutters, sorting relief supplies, and other activities. Additionally, employees newly-recruited this fiscal year were sent to Rikuzentakata for three days from October 19 to 21 to engage in support activities as part of their training.

The Company will continue to make a concerted effort to assist in the recovery and restoration of the areas affected by the earthquake.

❻ "Earthquake and Seismic Isolation Simulator" Is Installed in Tokyo and Nagoya

In 1986, the Company constructed the administrative building of its Technical Research Institute (Tsukuba City), which was the nation's first practical application of seismic isolation technology, and since then has been designing and constructing numerous seismically isolated buildings.

The Company, as part of its presentation tools for seismic isolation technology, has installed an "earthquake and seismic isolation simulator," which simulates earthquake vibrations and the effects of seismic isolation technology, at its Tokyo Head Office (Minato Ward, Tokyo) and Nagoya Branch (Nakamura Ward, Nagoya City). Customers who have tried these simulation systems have commented on how well they were able to understand the effects of seismic isolation.

Consolidated Balance Sheet

Okumura Corporation and Consolidated Subsidiaries
March 31, 2012

ASSETS	Millions of yen 2012	2011	Thousands of U.S. dollars (Note 1) 2012
Current assets:			
Cash and cash equivalents (Note 12)	**¥ 24,521**	¥ 34,721	**$ 298,520**
Time deposits (Notes 12 and 13)	**1,104**	232	**13,444**
Marketable securities (Notes 3 and 12)	**999**	1	**12,167**
Receivables:			
Trade notes (Note 12)	**2,592**	2,320	**31,553**
Trade accounts (Note 12)	**82,525**	80,037	**1,004,691**
Unconsolidated subsidiaries and associated companies (Note 12)	**3,377**	2,257	**41,117**
Other	**6,264**	8,179	**76,255**
Allowance for doubtful receivables	**(4,461)**	(3,482)	**(54,305)**
Inventories (Note 4)	**27,516**	40,033	**334,984**
Deferred tax assets (Note 9)	**58**	—	**707**
Prepaid expenses and other	**684**	454	**8,324**
Total current assets	**145,179**	164,752	**1,767,457**
Property, plant and equipment (Notes 5 and 6):			
Land (Note 13)	**19,767**	17,966	**240,651**
Buildings and structures	**18,093**	17,331	**220,268**
Machinery and equipment	**2,693**	3,323	**32,790**
Furniture and fixtures	**2,127**	2,109	**25,899**
Lease assets (Note 11)	**58**	41	**702**
Construction in progress	**82**	19	**999**
Total	**42,820**	40,789	**521,309**
Accumulated depreciation	**(14,586)**	(14,841)	**(177,572)**
Net property, plant and equipment	**28,234**	25,948	**343,737**
Investments and other assets:			
Investment securities (Notes 3, 12 and 13)	**42,058**	37,448	**512,027**
Investments in and advances to unconsolidated subsidiaries and associated companies (Note 12)	**1,104**	1,001	**13,441**
Long-term loans receivable (Note 12)	**246**	339	**2,994**
Other assets	**4,128**	4,534	**50,256**
Allowance for doubtful receivables	**(4,093)**	(4,251)	**(49,833)**
Total investments and other assets	**43,443**	39,071	**528,885**
Total	**¥216,856**	¥229,771	**$2,640,079**

See notes to consolidated financial statements.

LIABILITIES AND EQUITY	Millions of yen 2012	Millions of yen 2011	Thousands of U.S. dollars (Note 1) 2012
Current liabilities:			
Short-term bank loans including current portion of long-term debt (Notes 6, 11 and 12)	**¥ 11,176**	¥ 11,299	**$ 136,065**
Payables:			
Trade notes (Note 12)	**7,130**	6,258	**86,807**
Trade accounts (Note 12)	**39,267**	40,546	**478,050**
Other	**207**	174	**2,520**
Advances received on construction projects in progress	**17,830**	25,928	**217,071**
Income taxes payable	**185**	205	**2,246**
Allowance for warranty work on construction projects	**446**	347	**5,430**
Allowance for losses on construction contracts	**4,360**	4,272	**53,081**
Other (Note 13)	**14,484**	14,512	**176,332**
Total current liabilities	**95,085**	103,541	**1,157,602**
Long-term liabilities:			
Long-term debt (Notes 6, 11 and 12)	**194**	204	**2,365**
Liability for retirement benefits (Note 7)	**3,289**	4,683	**40,039**
Deferred tax liabilities (Note 9)	**6,151**	6,242	**74,877**
Negative goodwill	**284**	567	**3,452**
Other	**139**	147	**1,696**
Total long-term liabilities	**10,057**	11,843	**122,429**
Total liabilities	**105,142**	115,384	**1,280,031**
Commitments and contingent liabilities (Notes 11 and 13)			
Equity (Notes 8, 14 and 15)**:**			
Common stock			
authorized, 480,376,000 shares; issued, 228,326,133 shares	**19,839**	19,839	**241,525**
Capital surplus	**25,327**	25,327	**308,336**
Retained earnings	**69,250**	74,006	**843,079**
Treasury stock—at cost			
28,579,984 shares in 2012 and 28,549,412 shares in 2011	**(12,358)**	(12,348)	**(150,445)**
Accumulated other comprehensive income			
Unrealized gain on available-for-sale securities	**9,656**	7,563	**117,553**
Total	**9,656**	7,563	**117,553**
Total equity	**111,714**	114,387	**1,360,048**
Total	**¥216,856**	¥229,771	**$2,640,079**

Consolidated Statement of Operations

Okumura Corporation and Consolidated Subsidiaries
Year ended March 31, 2012

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2012	2011	**2012**
Net sales	**¥179,285**	¥192,617	**$2,182,676**
Cost of sales	**167,053**	173,340	**2,033,764**
Gross profit	**12,232**	19,277	**148,912**
Selling, general and administrative expenses (Note 10)	**16,172**	15,897	**196,876**
Operating income (loss)	**(3,940)**	3,380	**(47,964)**
Other income (expenses):			
Interest and dividend income	**952**	951	**11,595**
Interest expense	**(177)**	(193)	**(2,154)**
Amortization of negative goodwill	**284**	284	**3,452**
Other—net	**(294)**	(702)	**(3,585)**
Other income (expenses)—net	**765**	340	**9,308**
Income (loss) before income taxes and minority interests	**(3,175)**	3,720	**(38,656)**
Income taxes (Note 9)**:**			
Current	**138**	138	**1,682**
Deferred	**(355)**	(23)	**(4,325)**
Total income taxes	**(217)**	115	**(2,643)**
Net income (loss) before minority interests	**(2,958)**	3,605	**(36,013)**
Net income (loss)	**¥ (2,958)**	¥ 3,605	**$ (36,013)**

Per share of common stock (Notes 2.o and 15)**:**	Yen		U.S. dollars (Note 1)
Basic net income (loss)	**¥ (14.80)**	¥ 18.04	**$ (0.18)**
Cash dividends applicable to the year	**9.00**	9.00	**0.11**

See notes to consolidated financial statements.

Consolidated Statement of Comprehensive Income

Okumura Corporation and Consolidated Subsidiaries
Year ended March 31, 2012

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2012	2011	**2012**
Net income (loss) before minority interests	**¥(2,958)**	¥3,605	**$(36,013)**
Other comprehensive income (loss) (Note 14)**:**			
Unrealized gain (loss) on available-for-sale securities	**2,093**	(2,872)	**25,477**
Total other comprehensive income (loss)	**2,093**	(2,872)	**25,477**
Comprehensive income (loss) (Note 14)	**(865)**	733	**(10,536)**
Total comprehensive income (loss) attributable to (Note 14)**:**			
Owners of the parent	**¥ (865)**	¥ 733	**$(10,536)**
Minority interests	**—**	—	**—**

See notes to consolidated financial statements.

Consolidated Statement of Changes in Equity

Okumura Corporation and Consolidated Subsidiaries
Year ended March 31, 2012

	Thousands	Millions of yen					
						Accumulated other comprehensive income	
	Outstanding number of shares of common stock	Common stock	Capital surplus	Retained earnings	Treasury stock	Unrealized gain on available for-sale securities	Total equity
BALANCE, APRIL 1, 2010	199,830	¥19,839	¥25,327	¥72,200	¥(12,332)	¥10,435	¥115,469
Net income	—	—	—	3,605	—	—	3,605
Cash dividends, ¥9 per share	—	—	—	(1,799)	—	—	(1,799)
Purchase of treasury stock	(56)	—	—	—	(17)	—	(17)
Disposal of treasury stock	3	—	(0)	—	1	—	1
Net change in the year	—	—	—	—	—	(2,872)	(2,872)
BALANCE, MARCH 31, 2011	199,777	¥19,839	¥25,327	¥74,006	¥(12,348)	¥ 7,563	¥114,387
Net loss	**—**	**—**	**—**	**(2,958)**	**—**	**—**	**(2,958)**
Cash dividends, ¥9 per share	**—**	**—**	**—**	**(1,798)**	**—**	**—**	**(1,798)**
Purchase of treasury stock	**(31)**	**—**	**—**	**—**	**(10)**	**—**	**(10)**
Disposal of treasury stock	**0**	**—**	**(0)**	**—**	**0**	**—**	**0**
Net change in the year	**—**	**—**	**—**	**—**	**—**	**2,093**	**2,093**
BALANCE, MARCH 31, 2012	**199,746**	**¥19,839**	**¥25,327**	**¥69,250**	**¥(12,358)**	**¥ 9,656**	**¥111,714**

	Thousands of U.S. dollars (Note 1)					
					Accumulated other comprehensive income	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Unrealized gain on available for-sale securities	Total equity
BALANCE, MARCH 31, 2011	$241,525	$308,337	$900,981	$(150,333)	$ 92,076	$1,392,586
Net loss	**—**	**—**	**(36,013)**	**—**	**—**	**(36,013)**
Cash dividends, $0.11 per share	**—**	**—**	**(21,889)**	**—**	**—**	**(21,889)**
Purchase of treasury stock	**—**	**—**	**—**	**(116)**	**—**	**(116)**
Disposal of treasury stock	**—**	**(1)**	**—**	**4**	**—**	**3**
Net change in the year	**—**	**—**	**—**	**—**	**25,477**	**25,477**
BALANCE, MARCH 31, 2012	**$241,525**	**$308,336**	**$843,079**	**$(150,445)**	**$117,553**	**$1,360,048**

See notes to consolidated financial statements.

Consolidated Statement of Cash Flows

Okumura Corporation and Consolidated Subsidiaries
Year ended March 31, 2012

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2012	2011	**2012**
Cash flows from operating activities:			
Income (loss) before income taxes and minority interests	**¥ (3,175)**	¥ 3,720	**$ (38,656)**
Adjustments for:			
Income taxes—paid	**(132)**	(111)	**(1,608)**
Depreciation and amortization	**777**	975	**9,466**
Amortization of negative goodwill	**(284)**	(284)	**(3,452)**
Provision for doubtful receivables	**2,910**	1,468	**35,424**
Changes in assets and liabilities:			
Increase in trade notes and accounts receivable	**(5,860)**	(23,642)	**(71,346)**
Decrease in accumulated costs of construction projects in progress	**6,053**	30,504	**73,689**
Decrease in other inventories	**6,464**	3,051	**78,697**
Increase in trade notes and accounts payable	**1,541**	7,365	**18,758**
Decrease in advances received on construction projects in progress	**(8,098)**	(14,868)	**(98,591)**
Increase in liability for retirement benefits	**(1,395)**	(1,101)	**(16,978)**
Other—net	**485**	1,419	**5,903**
Total adjustments	**2,461**	4,776	**29,962**
Net cash provided by (used in) operating activities	**(714)**	8,496	**(8,694)**
Cash flows from investing activities:			
Net decrease (increase) in time deposits	**(872)**	236	**(10,615)**
Payments for purchases of securities	**(11,662)**	(113)	**(141,985)**
Proceeds from sales of securities	**8,205**	152	**99,891**
Purchases of property, plant and equipment	**(3,200)**	(2,398)	**(38,953)**
Proceeds from sales of property, plant and equipment	**8**	1	**102**
Investment in loans receivable	**(311)**	(204)	**(3,793)**
Collection of loans receivable	**374**	1,563	**4,556**
Other—net	**(36)**	29	**(439)**
Net cash used in investing activities	**(7,494)**	(734)	**(91,236)**
Cash flows from financing activities:			
Increase (decrease) in short-term bank loans—net	**(127)**	1,063	**(1,552)**
Repayments of long-term debt	**(30)**	(50)	**(366)**
Purchase of treasury stock	**(10)**	(17)	**(116)**
Disposal of treasury stock	**0**	1	**3**
Dividends paid	**(1,798)**	(1,798)	**(21,890)**
Other	**(12)**	(8)	**(146)**
Net cash used in financing activities	**(1,977)**	(809)	**(24,067)**
Foreign currency translation adjustments on cash and cash equivalents	**(15)**	(63)	**(186)**
Net increase (decrease) in cash and cash equivalents	**(10,200)**	6,890	**(124,183)**
Cash and cash equivalents, beginning of year	**34,721**	27,831	**422,703**
Cash and cash equivalents, end of year	**¥ 24,521**	¥34,721	**$298,520**

See notes to consolidated financial statements.

1. Basis of Presenting Consolidated Financial Statements
The accompanying consolidated financial statements have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the 2011 consolidated financial statements to conform to the classifications used in 2012.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which Okumura Corporation (the "Company") is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥82 to $1, the approximate rate of exchange at March 31, 2012. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

2. Summary of Significant Accounting Policies
a. Consolidation — The consolidated financial statements as of March 31, 2012 and 2011 include the accounts of the Company and its 2 significant subsidiaries (together, the "Group").

Under the control or influence concept, those companies in which the Company, directly or indirectly, is able to exercise control over operations are fully consolidated, and those companies over which the Group has the ability to exercise significant influence are accounted for by the equity method.

Investments in 8 (7 in 2011) unconsolidated subsidiaries and 1 associated company (1 in 2011) are stated at cost. If the equity method of accounting had been applied to the investments in these companies, the effect on the accompanying consolidated financial statements would not be material.

The differences between the cost of investments and the fair value of net assets of consolidated subsidiaries and associated companies at the date of acquisition are amortized on a straight-line basis over 5 years.

All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized profit included in assets resulting from transactions within the Group is also eliminated.

b. Cash Equivalents — Cash equivalents are short-term investments that are readily convertible into cash and that are exposed to insignificant risk of changes in value.

Cash equivalents include time deposits and certificate of deposits, all of which mature or become due within 3 months of the date of acquisition.

c. Inventories — Construction projects in progress are stated at cost determined by the specific identification method.

Real estate held for sale and development projects in progress are stated at the lower of cost determined by specific identification method or net selling value, which is defined as the selling price less additional estimated manufacturing costs and estimated direct selling expenses.

d. Marketable and Investment Securities — Marketable and investment securities are classified and accounted for, depending on management's intent, as follows:
(1) held-to-maturity debt securities, for which there is the positive intent and ability to hold to maturity are reported at amortized cost and
(2) available-for-sale securities, which are not classified as the held-to-maturity, are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported in a separate component of equity.

Non-marketable available-for-sale securities are stated at cost determined by the moving-average method. For other–than-temporary declines in fair value, investment securities are reduced to net realizable value by a charge to income.

Equities of limited liability partnerships for investment purpose and of other similar partnerships (defined as "securities" by Section 2 of Article 2 of the Financial Instruments and Exchange Act) are valued at the net equity equivalent based on the recently available financial statements of the partnerships corresponding to the reporting dates of the financial statements defined by the partnership agreements.

e. Property, Plant and Equipment — Property, plant and equipment are stated at cost. Depreciation is computed by the declining-balance method based on the estimated useful lives of the assets, while the straight-line method is applied to buildings acquired after April 1, 1998 and lease assets. The range of useful lives is principally from 3 to 60 years for buildings and structures, from 4 to 17 years for machinery and equipment, and from 2 to 20 years for furniture and fixtures. The useful lives for lease assets are the terms of the respective leases.

f. Long-Lived Assets — The Group reviews its long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss would be recognized if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

g. Allowance for Doubtful Receivables — The allowance for doubtful receivables is stated in amounts considered to be appropriate based on the Group's past credit loss experience and an evaluation of estimated losses in the receivables outstanding.

h. Allowance for Warranty Work on Construction Projects — The allowance for warranty costs for completed work is provided at the amount of warranty costs based on past loss experience.

i. Allowance for Losses on Construction Contracts — Allowance for losses on construction contracts is provided with respect to construction projects for which eventual losses are reasonably expected and estimated.

j. Employees' Retirement Benefits — The Company has a contributory funded pension plan covering substantially all of their employees.

Liability for retirement benefits for employees is recorded based on the estimated present value of projected benefit obligations and the fair value of the plan assets at the end of the fiscal year.

The unrecognized transition amount which arose from adopting the new standard during the year ended March 31, 2001 has been amortized on a straight-line basis over 15 years, and unrecognized actuarial differences are amortized subsequent to the year in which they arise on a straight-line basis over the period of 10 years which is within the employees' average remaining service years. Unrecognized prior service costs have been amortized on straight-line over the period of 10 years which is within the employees' average remaining service years.

k. Asset Retirement Obligations — In March 2008, the Accounting Standards Board of Japan (the "ASBJ") published ASBJ Statement No.18, "Accounting Standard for Asset Retirement Obligations" and ASBJ Guidance No.21 "Guidance on Accounting Standard for Asset Retirement Obligations". Under this accounting standard, an asset retirement obligation is defined as a legal obligation imposed either by law or contract that results from the acquisition, construction, development and normal operation of a tangible fixed asset and is associated with the retirement of such tangible fixed asset. The asset retirement obligation is recognized as the sum of the discounted cash flows required for the future asset retirement and is recorded in the period in which the obligation is incurred if a reasonable estimate can be made. If a reasonable estimate of the asset retirement obligation cannot be made in the period the asset retirement obligation is incurred, the liability should be recognized when a reasonable estimate of asset retirement obligation can be made. Upon initial recognition of a liability for an asset retirement obligation, an asset retirement cost is capitalized by increasing the carrying amount of the related fixed asset by the amount of the liability. The asset retirement cost is subsequently allocated to expense through depreciation over the remaining useful life of the asset. Over time, the liability is accreted to its present value each period. Any subsequent revisions to the timing or the amount of the original estimate of undiscounted cash flows are reflected as an increase or a decrease in the carrying amount of the liability and the capitalized amount of the related asset retirement cost.

l. Construction Contracts — In December 2007, the ASBJ issued ASBJ Statement No. 15, "Accounting Standard for Construction Contracts" and ASBJ Guidance No. 18, "Guidance on Accounting Standard for Construction Contracts." Under this accounting standard, the construction revenue and construction costs should be recognized by the percentage-of-completion method, if the outcome of a construction contract can be estimated reliably. When total construction revenue, total construction costs and the stage of completion of the contract at the balance sheet date can be reliably measured, the outcome of a construction contract can be estimated reliably. If the outcome of a construction contract cannot be reliably estimated, the completed-contract method should be applied. When it is probable that the total construction costs will exceed total construction revenue, an estimated loss on the contract should be immediately recognized by providing for a loss on construction contracts.

The revenues recognized by the percentage-of-completion method for the years ended March 31, 2012 and 2011, were ¥139,853 million ($1,702,614 thousand) and ¥114,963 million, respectively.

m. Leases — In March 2007, the ASBJ issued ASBJ Statement No. 13, "Accounting Standard for Lease Transactions", which revised the previous accounting standard for lease transactions issued in June 1993. The revised accounting standard for lease transactions was effective for fiscal years beginning on or after April 1, 2008.

Under the previous accounting standard, finance leases that were deemed to transfer ownership of the leased property to the lessee were capitalized. However, other finance leases were permitted to be accounted for as operating lease transactions if certain "as if capitalized" information was disclosed in the note to the lessee's financial statements. The revised accounting standard requires that all finance lease transactions be capitalized by recognizing lease assets and lease obligations in the balance sheet.

In addition, the accounting standard permits leases which existed at the transition date and do not transfer ownership of the leased property to the lessee to continue to be accounted for as operating lease transactions.

The Group applied the revised accounting standard effective April 1, 2008. In addition, the Group continues to account for leases which existed at the transition date and do not transfer ownership of the leased property to the lessee as operating lease transactions.

All other leases are accounted for as operating leases.

n. Income Taxes — The provision for income taxes is computed based on the pretax income included in the consolidated statement of operations. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying currently enacted tax laws to the temporary differences.

o. Per Share Information — Basic net income per share is computed by dividing net income available to common shareholders by the weighted-average number of common shares outstanding for the period, retroactively adjusted for stock splits.

Diluted net income per share is not disclosed because there are no securities with dilutive effect upon exercise or conversion into common stock.

Cash dividends per share presented in the accompanying consolidated statement of operations are dividends applicable to the respective years including dividends to be paid after the end of the year.

p. Accounting Changes and Error Corrections — In December 2009, the ASBJ issued ASBJ Statement No. 24, "Accounting Standard for Accounting Changes and Error Corrections" and ASBJ Guidance No. 24, "Guidance on Accounting Standard for Accounting Changes and Error Corrections." Accounting treatments under this standard and guidance are as follows:

(1) Changes in Accounting Policies:
When a new accounting policy is applied with revision of accounting standards, the new policy is applied retrospectively unless the revised accounting standards include specific transitional provisions. When the revised accounting standards include specific transitional provisions, an entity shall comply with the specific transitional provisions.

(2) Changes in Presentations:
When the presentation of financial statements is changed, prior-period financial statements are reclassified in accordance with the new presentation.

(3) Changes in Accounting Estimates:
A change in an accounting estimate is accounted for in the period of the change if the change affects that period only, and is accounted for prospectively if the change affects both the period of the change and future periods.

(4) Corrections of Prior-Period Errors:
When an error in prior-period financial statements is discovered, those statements are restated.

This accounting standard and the guidance are applicable to accounting changes and corrections of prior-period errors which are made from the beginning of the fiscal year that begins on or after April 1, 2011.

q. New Accounting Pronouncements

Accounting Standard for Retirement Benefits — On May 17, 2012, the ASBJ issued ASBJ Statement No. 26, "Accounting Standard for Retirement Benefits" and ASBJ Guidance No. 25, "Guidance on Accounting Standard for Retirement Benefits," which replaced the Accounting Standard for Retirement Benefits that had been issued by the Business Accounting Council in 1998 with effective date of April 1, 2000 and the other related practical guidance, being followed by partial amendments from time to time through 2009.

Major changes are as follows:

(a) Treatment in the balance sheet
Under the current requirements, actuarial gains and losses and past service costs that are yet to be recognized in profit or loss are not recognized in the balance sheet, and the difference between retirement benefit obligations and plan assets (hereinafter, "deficit or surplus"), adjusted by such unrecognized amounts, are recognized as a liability or asset.

Under the revised accounting standard, actuarial gains and losses and past service costs that are yet to be recognized in profit or loss shall be recognized within equity (accumulated other comprehensive income), after adjusting for tax effects, and the deficit or surplus shall be recognized as a liability (liability for retirement benefits) or asset (asset for retirement benefits).

(b) Treatment in the statement of income and the statement of comprehensive income (or the statement of income and comprehensive income)

The revised accounting standard would not change how to recognize actuarial gains and losses and past service costs in profit or loss. Those amounts would be recognized in profit or loss over a certain period no longer than the expected average remaining working lives of the employees. However, actuarial gains and losses and past service costs that arose in the current period and have yet to be recognized in profit or loss shall be included in other comprehensive income and actuarial gains and losses and past service costs that were recognized in other comprehensive income in prior periods and then recognized in profit or loss in the current period shall be treated as reclassification adjustments.

This accounting standard and the guidance are effective for the end of fiscal years beginning on or after April 1, 2013 with earlier application being permitted from the beginning of fiscal years beginning on or after April 1, 2013. However, no retrospective application of this accounting standard to consolidated financial statements in prior periods is required.

3. Marketable and Investment Securities

Marketable and investment securities as of March 31, 2012 and 2011 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2012	2011	**2012**
Current:			
Short-term bonds payable	**¥ 999**	¥ —	**$ 12,167**
Investments in limited liability partnerships and other	**—**	1	**—**
Total	**¥ 999**	¥ 1	**$ 12,167**
Non-current:			
Marketable equity securities	**¥39,699**	¥34,989	**$483,306**
Japanese government bonds	**113**	—	**1,371**
Trust fund investments and other	**2,246**	2,459	**27,350**
Total	**¥42,058**	¥37,448	**$512,027**

The costs and aggregate fair values of marketable and investment securities at March 31, 2012 and 2011 were as follows:

	Millions of yen			
March 31, 2012	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	¥25,596	¥14,653	¥ 550	¥ 39,699
Debt securities	1,000	—	241	759
Held-to-maturity:				
Debt securities	1,112	0	0	1,112
March 31, 2011				
Securities classified as:				
Available-for-sale:				
Equity securities	¥23,197	¥12,481	¥ 689	¥ 34,989
Debt securities	1,200	3	232	971

	Thousands of U.S. dollars			
March 31, 2012	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	$311,616	$178,391	$6,701	$483,306
Debt securities	12,175	—	2,938	9,237
Held-to-maturity:				
Debt securities	13,538	2	3	13,537

The information for available-for-sale securities which were sold during the years ended March 31, 2012 and 2011 was as follows:

March 31, 2012	Proceeds	Realized Gains	Realized Losses
	Millions of yen		
Available-for-sale:			
Equity securities	¥ 3	¥ 0	¥—

March 31, 2011	Proceeds	Realized Gains	Realized Losses
	Millions of yen		
Available-for-sale:			
Equity securities	¥91	¥44	¥—

March 31, 2012	Proceeds	Realized Gains	Realized Losses
	Thousands of U.S. dollars		
Available-for-sale:			
Equity securities	$33	$ 0	$—

The impairment losses on available-for-sale equity securities for the years ended March 31, 2012 and 2011 were ¥112 million ($1,369 thousand) and ¥701 million, respectively.

4. Inventories

Inventories at March 31, 2012 and 2011 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2012	2011	**2012**
Construction projects in progress	**¥21,228**	¥27,281	**$258,440**
Real estate held for sale	**2,058**	8,226	**25,056**
Development projects in progress	**3,087**	3,019	**37,577**
Other	**1,143**	1,507	**13,911**
Total	**¥27,516**	¥40,033	**$334,984**

5. Investment Property

In November 2008, the ASBJ issued ASBJ Statement No. 20, "Accounting Standard for Investment Property and Related Disclosures" and issued ASBJ Guidance No. 23, "Guidance on Accounting Standard for Investment Property and Related Disclosures."

The Group owns certain rental properties such as office buildings, warehouses, and land in Osaka and other areas. Some rental warehouses, part of which the Company uses, are classified as rental properties in part.

The net of rental income and operating expenses for those rental properties was ¥2,277 million ($27,714 thousand) and ¥2,162 million for the fiscal years ended March 31, 2012 and 2011, respectively.

The carrying amounts, changes in such balances and market prices of such properties were as follows:

	Carrying Amount (Millions of yen)			Fair Value (Millions of yen)
	April 1, 2011	Increase/ Decrease	March 31, 2012	March 31, 2012
Rental properties	¥16,587	¥2,608	¥19,195	¥36,436
Rental properties in part	1,482	(51)	1,431	9,366
Total	¥18,069	¥2,557	¥20,626	¥45,802

	Carrying Amount (Millions of yen)			Fair Value (Millions of yen)
	April 1, 2010	Increase/ Decrease	March 31, 2011	March 31, 2011
Rental properties	¥14,400	¥2,187	¥16,587	¥34,102
Rental properties in part	1,537	(55)	1,482	9,357
Total	¥15,937	¥2,132	¥18,069	¥43,459

	Carrying Amount (Thousands of U.S. dollars)			Fair Value (Thousands of U.S. dollars)
	April 1, 2011	Increase/ Decrease	March 31, 2012	March 31, 2012
Rental properties	$201,935	$31,749	$233,684	$443,593
Rental properties in part	18,037	(614)	17,423	114,022
Total	$219,972	$31,135	$251,107	$557,615

Notes:

(1) Carrying amount recognized in the consolidated balance sheets is net of accumulated depreciation and accumulated impairment losses, if any.

(2) Fair value of properties as of March 31, 2012 and 2011 are measured by the Group in accordance with its Real-Estate Appraisal Standard.

6. Short-term Bank Loans and Long-term Debt

Short-term bank loans at March 31, 2012 and 2011 consisted of notes to banks and bank overdrafts. The annual interest rate applicable to the short-term bank loans was 1.475% at March 31, 2012 and 2011.

Long-term debt at March 31, 2012 and 2011 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2012	2011	**2012**
Loans from banks and other financial institutions, due serially to 2031 with interest rates ranging from 1.33% to 5.60%			
Collateralized	**¥ 30**	¥ 44	**$ 361**
Unsecured	**140**	156	**1,710**
Obligations under finance leases	**56**	31	**679**
Total	**226**	231	**2,750**
Less current portion	**(32)**	(27)	**(385)**
Long-term debt, less current portion	**¥194**	¥204	**$2,365**

Annual maturities of long-term debt, excluding finance leases (See Note 11) at March 31, 2012, were as follows:

Year Ending March 31	Millions of yen	Thousands of U.S. dollars
2013	¥ 16	$ 195
2014	16	193
2015	16	193
2016	16	193
2017	15	190
2018 and thereafter	91	1,107
Total	¥170	$2,071

The carrying amount of assets pledged as collateral for the above collateralized long-term debt at March 31, 2012 was as follow:

	Millions of yen	Thousands of U.S. dollars
Property, plant and equipment—net of accumulated depreciation	¥127	$1,546

As is customary in Japan, the Company maintains substantial deposit balances with banks with which it has borrowings. Such deposit balances are not legally or contractually restricted as to withdrawal.

General agreements with respective banks provide, as is customary in Japan, that additional collateral must be provided under certain circumstances if requested by such banks and that certain banks have the right to offset cash deposited with them against any long-term or short-term debt or obligation that becomes due and, in case of default and certain other specified events, against all other debt payable to the banks. The Company has never been requested to provide any additional collateral.

7. Employees' Retirement Benefits

Most of the employees of the Company are covered by a contributory trusted pension plan.

The Company has lump-sum retirement benefit plans and a cash balance plan (pension plan linked to the market interest rates) based on the Defined Benefit Corporate Pension Law.

The liability for employees' retirement benefits at March 31, 2012 and 2011 consisted of the following:

	Millions of yen		Thousands of U.S. Dollars
	2012	2011	**2012**
Projected benefit obligation	**¥27,336**	¥29,190	**$332,797**
Fair value of plan assets	**(23,914)**	(24,847)	**(291,144)**
Unrecognized actuarial differences	**(425)**	(28)	**(5,171)**
Unrecognized transitional obligation	**165**	220	**2,009**
Unrecognized prior service cost	**127**	148	**1,548**
Net liability	**¥ 3,289**	¥ 4,683	**$ 40,039**

The components of net periodic benefit costs for the years ended March 2012 and 2011 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	2011	**2012**
Service cost	**¥963**	¥993	**$11,720**
Interest cost	**583**	610	**7,105**
Expected return on plan assets	**(373)**	(389)	**(4,537)**
Recognized actuarial differences	**(488)**	(196)	**(5,943)**
Amortization of transitional obligation	**(55)**	(55)	**(670)**
Amortization of prior service cost	**(21)**	(21)	**(258)**
Net periodic benefit costs	**¥609**	¥942	**$ 7,417**

Assumptions used for the years ended March 31, 2012 and 2011 were set forth as follows:

	2012	2011
Discount rate	**2.0%**	2.0%
Expected rate of return on plan assets	**1.5%**	1.5%
Amortization period of prior service cost	**10 years**	10 years
Recognition period of actuarial differences	**10 years**	10 years
Amortization period of transitional obligation	**15 years**	15 years

8. Equity

Japanese companies are subject to the Companies Act of Japan (the "Companies Act"). The significant provisions in the Companies Act that affect financial and accounting matters are summarized below:

a. Dividends

Under the Companies Act, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders meeting. For companies that meet certain criteria such as (1) having a Board of Directors, (2) having independent auditors, (3) having a Board of Corporate Auditors, and (4) the term of service of the directors is prescribed as one year rather than two years of normal term by its articles of incorporation, the Board of Directors may declare dividends (except for dividends-in-kind) at any time during the fiscal year if the company has prescribed so in its articles of incorporation. However, the Company cannot do so because it does not meet all the above criteria.

The Companies Act permits companies to distribute dividends-in-kind (non-cash assets) to shareholders subject to a certain limitation and additional requirements.

Semiannual interim dividends may also be paid once a year upon resolution by the Board of Directors if the articles of incorporation of the company so stipulate. The Companies Act provides certain limitations on the amounts available for dividends or the purchase of treasury stock. The limitation is defined as the amount available for distribution to the shareholders, but the amount of net assets after dividends must be maintained at no less than ¥3 million.

b. Increases / Decreases and Transfer of Common Stock, Reserve and Surplus

The Companies Act requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the aggregate amount of legal reserve and additional paid-in capital equals 25% of the common stock. Under the Companies Act, the total amount of additional paid-in capital and legal reserve may be reversed without limitation. The Companies Act also provides that common stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts under certain conditions upon resolution of the shareholders.

c. Treasury Stock and Treasury Stock Acquisition Rights

The Companies Act also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by specific formula. Under the Companies Act, stock acquisition rights are presented as a separate component of equity. The Companies Act also provides that companies can purchase both treasury stock acquisition rights and treasury stock. Such treasury stock acquisition rights are presented as a separate component of equity or deducted directly from stock acquisition rights.

9. Income Taxes

The Company and its domestic subsidiaries are subject to Japanese national and local income taxes which, in the aggregate, resulted in a normal effective statutory tax rate of approximately 40.6% for the years ended March 31, 2012 and 2011.

The tax effects of significant temporary differences and tax loss carryforwards which resulted in deferred tax assets and liabilities at March 31, 2012 and 2011 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	2011	**2012**
Deferred tax assets:			
Tax loss carryforwards	**¥11,923**	¥11,414	**$145,159**
Allowance for doubtful accounts	**2,925**	2,908	**35,611**
Impairment losses on securities	**2,570**	3,033	**31,284**
Write-down of inventories	**2,271**	2,415	**27,651**
Allowance for losses on construction contracts	**1,656**	1,734	**20,164**
Liability for retirement benefits	**1,171**	1,901	**14,254**
Accrued expenses	**485**	536	**5,905**
Allowance for bonuses	**278**	743	**3,386**
Write-off of bad debt	**72**	228	**881**
Other	**340**	314	**4,133**
Less valuation allowances	**(23,633)**	(25,226)	**(287,721)**
Total	**58**	—	**707**
Deferred tax liabilities:			
Net unrealized gains on available-for-sale securities	**(4,191)**	(3,985)	**(51,021)**
Retained earnings appropriated for special allowance	**(1,960)**	(2,257)	**(23,856)**
Total	**(6,151)**	(6,242)	**(74,877)**
Net deferred tax liabilities	**¥ (6,093)**	¥ (6,242)	**$ (74,170)**

A reconciliation between the normal effective statutory tax rates and the actual effective tax rates reflected in the accompanying consolidated statements of operations for the year ended March 31, 2011 was as follows (2012 was omitted because of the net loss for the period):

	2011
Normal effective statutory tax rate	40.6%
Expenses not deductible for income tax purposes	2.4
Non-taxable income	(4.1)
Inhabitant tax per capita	3.7
Valuation allowance	(36.2)
Other—net	(3.3)
Actual effective tax rate	3.1%

On December 2, 2011, new tax reform laws were enacted in Japan, which changed the normal effective statutory tax rate from approximately 40.6% to 38.0% effective for the fiscal years beginning on or after April 1, 2012 through March 31, 2015, and to 35.6% afterwards. The effect of this change was to decrease deferred taxes liabilities, net of deferred tax assets, in the consolidated balance sheet as of March 31, 2012 by ¥855 million ($10,403 thousand) and to increase income taxes—deferred in the consolidated statement of operations for the year then ended by ¥266 million ($3,237 thousand).

10. Research and Development Costs

Research and development costs charged to income were ¥614 million ($7,481 thousand) and ¥579 million for the years ended March 31, 2012 and 2011, respectively.

11. Leases

(1) Finance leases

The Group leases certain machinery and equipment, office space and other assets.

Total rental expenses including lease payments under finance leases for the years ended March 31, 2012 and 2011 were ¥20 million ($249 thousand) and ¥21 million, respectively.

Obligations under finance leases were as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	2011	**2012**
Due within one year	**¥16**	¥ 9	**$190**
Due after one year	**40**	22	**489**
Total	**¥56**	¥31	**$679**

Pro forma Information of Leased Property Whose Lease Inception Was before March 31, 2008

ASBJ Statement No. 13, "Accounting Standard for Lease Transactions" requires that all finance lease transactions be capitalized to recognize lease assets and lease obligations in the balance sheet. However, the ASBJ Statement No. 13 permits leases without ownership transfer of the leased property to the lessee and whose lease inception was before March 31, 2008 to continue to be accounted for as operating lease transactions if certain "as if capitalized" information is disclosed in the note to the financial statements. The Group applied ASBJ Statement No. 13 effective April 1, 2008 and accounted for such leases as operating lease transactions. Pro forma information of leased property whose lease inception was before March 31, 2008 that does not transfer ownership of the leased property to the lessee on an "as if capitalized" basis was as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	2011	**2012**
	Machinery and equipment	Machinery and equipment	Machinery and equipment
Acquisition cost	**¥7**	¥63	**$95**
Accumulated depreciation	**7**	54	**86**
Net leased property	**¥0**	¥ 9	**$ 9**

Obligations under finance leases, which existed at the transition date and do not transfer ownership of the leased property to the lessee:

	Millions of yen		Thousands of U.S. dollars
	2012	2011	**2012**
Due within one year	**¥0**	¥9	**$9**
Due after one year	**—**	0	**—**
Total	**¥0**	¥9	**$9**

The amount of acquisition cost and obligations under finance leases includes the imputed interest expense portion.

Depreciation expenses, which are not reflected in the accompanying consolidated statements of operations, computed by the straight-line method were ¥9 million ($104 thousand) and ¥13 million for the years ended March 31, 2012 and 2011, respectively.

(2) Operating leases

Future minimum lease receivables or payments under noncancellable operating leases at March 31, 2012 and 2011 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	2011	**2012**
As a lessor:			
Due within one year	**¥ 1,889**	¥ 1,845	**$ 23,000**
Due after one year	**18,828**	20,364	**229,221**
Total	**¥20,717**	¥22,209	**$252,221**
As a lessee:			
Due within one year	**¥ 26**	¥ 33	**$ 316**
Due after one year	**69**	95	**843**
Total	**¥ 95**	¥ 128	**$ 1,159**

12. Financial Instruments and Related Disclosures

(1) Group policy for financial instruments

At the Group level cash surpluses, if any, are invested in low-risk and capital-safe financial assets. Short-term bank loans are used to fund its ongoing operations.

(2) Nature and extent of risks arising from financial instruments

Receivables such as trade notes and trade accounts are exposed to customer credit risk. Marketable and investment securities, mainly held-to-maturity securities and equity instruments of customers and suppliers of the Group, are exposed to the risk of market price fluctuations.

Payment terms of payables, such as trade notes and trade accounts, are mostly less than one year.

(3) Risk management for financial instruments

Credit Risk Management

Credit risk is the risk of economic loss arising from a counterparty's failure to repay or service debt according to the contractual terms. The Group manages its credit risk from receivables on the basis of internal guidelines, which include continuously grasping the customers' circumstances from the phase of accepting orders to that of collection of the receivables, along with monitoring of payment term and balances of each transaction.

Market risk management (foreign exchange risk and interest rate risk)

Marketable and investment securities are managed by monitoring market values and financial position of issuers on a regular basis.

Also, the Group continuously reviews its possession of those securities except for held-to-maturity securities.

Liquidity risk management

Liquidity risk comprises the risk that the Group cannot meet its contractual obligations in full on maturity dates. The Group manages its liquidity risk by making the appropriate cash schedule on a monthly basis.

(4) Fair values of financial instruments

Fair values of financial instruments are based on quoted prices in active markets. If quoted price is not available, other rational valuation techniques are used instead.

(a) Fair values of financial instruments

March 31, 2012	Carrying Amount	Fair Value	Unrealized Gain/Loss
			Millions of yen
Cash and cash equivalents and time deposits	¥ 25,625	¥ 25,625	¥ —
Marketable securities	999	999	0
Receivables—trade notes and accounts	88,492		
Allowance for doubtful receivables	(1,938)		
Net	86,554	86,524	(30)
Investment securities	40,570	40,570	(0)
Long-term loans receivable	878		
Allowance for doubtful long-term loans receivable	(742)		
Net	136	136	0
Total	¥153,884	¥153,854	¥ (30)
Short-term bank loans	¥ 11,145	¥ 11,145	¥ —
Payables—trade notes and accounts	46,397	46,397	—
Long-term debt—lease obligation including current portion	56	54	(2)
Total	¥ 57,598	¥ 57,596	¥ (2)

March 31, 2011	Carrying Amount	Fair Value	Unrealized Gain/Loss
			Millions of yen
Cash and cash equivalents and time deposits	¥ 34,953	¥ 34,953	¥ —
Receivables—trade notes and accounts	84,613		
Allowance for doubtful receivables	(3,340)		
Net	81,273	81,199	(74)
Investment securities	35,960	35,960	—
Long-term loans receivable	877		
Allowance for doubtful long-term loans receivable	(643)		
Net	234	233	(1)
Total	¥152,420	¥152,345	¥ (75)
Short-term bank loans	¥ 11,272	¥ 11,272	¥ —
Payables—trade notes and accounts	46,803	46,803	—
Long-term debt—lease obligation including current portion	31	30	(1)
Total	¥ 58,106	¥ 58,105	¥ (1)

March 31, 2012	Carrying Amount	Fair Value	Unrealized Gain/Loss
			Thousands of U.S. dollars
Cash and cash equivalents and time deposits	$ 311,964	$ 311,964	$ —
Marketable securities	12,167	12,169	2
Receivables—trade notes and accounts	1,077,325		
Allowance for doubtful receivables	(23,590)		
Net	1,053,735	1,053,366	(369)
Investment securities	493,914	493,911	(3)
Long-term loans receivable	10,689		
Allowance for doubtful long-term loans receivable	(9,036)		
Net	1,653	1,662	9
Total	$1,873,433	$1,873,072	$ (361)
Short-term bank loans	$ 135,680	$ 135,680	$ —
Payables—trade notes and accounts	564,857	564,857	—
Long-term debt—lease obligation including current portion	679	654	(25)
Total	$ 701,216	$ 701,191	$ (25)

Amounts due from unconsolidated subsidiaries and associated companies are included in receivables-trade notes and accounts and long-term loans receivable.

Cash and Cash equivalents and Time deposits

The carrying values of cash and cash equivalents and time deposits approximate fair value because of their short maturities.

Marketable securities and investment securities

The fair values of marketable securities and investment securities are measured at the quoted market price of the stock exchange for the equity instruments and at the quoted price obtained from the financial institution for certain debt instruments. The information of the fair value for the marketable securities and the investment securities by classification is included in Note 3.

Receivables—Trade notes and Accounts, and Long-Term Loans Receivable

The fair values of receivables—trade notes and accounts and long-term loans receivable are measured at the amount to be received at maturity, discounted at the Group's assumed corporate discount rate, such as the rate of national bonds to the maturity. Also, the amounts of the allowance for doubtful receivables are deducted from the fair values.

Payables—Trade notes and Accounts, and Short-Term Bank Loans

The carrying values of payables—trade notes and accounts, and short-term bank loans approximate fair value because of their short maturities.

Long-term debt—lease obligation

The fair values of long-term debt—lease obligation are determined by discounting the cash flows related to the debt at the Group's assumed corporate borrowing rate.

(b) Financial instruments whose fair value cannot be reliably determined

	Carrying Amount		
	Millions of yen		Thousands of U.S. dollars
	2012	2011	**2012**
Investments in equity instruments that do not have a quoted market price in an active market	**¥1,787**	¥1,742	**$21,758**
Other	**¥ —**	¥ 1	**$ —**

(5) Maturity Analysis for Financial Assets and Securities with Contractual Maturities

	Millions of yen			
March 31, 2012	Due in 1 Year or Less	Due after 1 Year through 5 Years	Due after 5 Years through 10 Years	Due after 10 Years
Cash and cash equivalents and time deposits	¥ 25,625	¥ —	¥ —	¥ —
Marketable securities	1,000	—	—	—
Receivables—trade notes and accounts	81,067	7,425	—	—
Investment securities				
Available-for-sale securities with contractual maturities	—	—	124	1,000
Long-term loans receivable	—	494	163	221
Total	¥107,692	¥7,919	¥287	¥1,221

	Thousands of U.S. dollars			
March 31, 2012	Due in 1 Year or Less	Due after 1 Year through 5 Years	Due after 5 Years through 10 Years	Due after 10 Years
Cash and cash equivalents and time deposits	$ 311,964	$ —	$ —	$ —
Marketable securities	12,174	—	—	—
Receivables—trade notes and accounts	986,933	90,392	—	—
Investment securities				
Available-for-sale securities with contractual maturities	—	—	1,510	12,174
Long-term loans receivable	—	6,021	1,979	2,689
Total	$1,311,071	$96,413	$3,489	$14,863

Please see Note 6 for annual maturities of long-term debt and Note 11 for obligations under finance leases.

13. Commitments and Contingent Liabilities

Investments in securities in the amounts of ¥113 million ($1,371 thousand), ¥74 million ($903 thousand), and ¥1 million ($12 thousand) are pledged as collateral for the guarantee against defect of construction, the loans of an affiliate, and contract performance obligation of PFI business, respectively, at March 31, 2012 and time deposit in the amount of ¥4 million ($52 thousand) is pledged for lease arrangements of construction materials at March 31, 2012. Land in the amount of ¥21 million ($253 thousand) is pledged for the deposit received from lessee related to the fixed-term land leasehold at March 31, 2012.

14. Comprehensive Income

The components of other comprehensive income for the year ended March 31, 2012 were as follows:

	Millions of yen	Thousands of U.S. dollars
Unrealized gain on available-for-sale securities		
Gains arising during the year	¥2,186	$26,609
Reclassification adjustments to profit or loss	112	1,369
Amount before tax effect	2,298	27,978
Income tax effect	(205)	(2,501)
Total	¥2,093	$25,477
Total other comprehensive income	¥2,093	$25,477

The corresponding information for the year ended March 31, 2011 was not required under the accounting standard for presentation of comprehensive income as an exemption for the first year of adopting that standard and is not disclosed herein.

15. Subsequent Events

Appropriation of Retained Earnings

The following appropriation of retained earnings at March 31, 2012 was approved at the Company's shareholders meeting held on June 28, 2012.

	Millions of yen	Thousands of U.S. dollars
Year-end cash dividends, ¥9 ($0.11) per share	¥1,798	$21,886

16. Segment Information

Under ASBJ Statement No. 17 "Accounting Standard for Segment Information Disclosures" and ASBJ Guidance No. 20 "Guidance on Accounting Standard for Segment Information Disclosures", an entity is required to report financial and descriptive information about its reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of an entity about which separate financial information is available and such information is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Generally, segment information is required to be reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

1. Description of Reportable Segments

   The Group's reportable segments are those for which separately financial information is available and regular evaluation by the Company's management is being performed in order to decide how resources are allocated among the Group. Therefore, the Group's reportable segments consist of "Civil engineering", "Architectural construction," and "Real estate."

2. Methods of measurement for the amounts of sales, profit (loss), assets, liabilities and other items for each reportable segment

   The accounting policies of each reportable segment are consistent to those disclosed in Note 2, "Summary of Significant Accounting Policies."

3. Information about sales, profit (loss), assets, liabilities and other items is as follows:

Millions of yen

2012

	Reportable segment: Civil engineering	Reportable segment: Architectural construction	Reportable segment: Real estate	Reportable segment: Total	Other (Note 1)	Total	Reconciliations (Note 2)	Consolidated (Note 3)
Sales								
Sales to external customers	¥58,814	¥105,051	¥10,568	¥174,433	¥4,852	¥179,285	¥ —	¥179,285
Intersegment sales or transfers	—	—	26	26	362	388	(388)	—
Total	58,814	105,051	10,594	174,459	5,214	179,673	(388)	179,285
Segment profit (loss)	(1,187)	(4,584)	2,096	(3,675)	(304)	(3,979)	39	(3,940)
Other:								
Depreciation	¥ 176	¥ 270	¥ 294	¥ 740	¥ 45	¥ 785	¥ (7)	¥ 778

Millions of yen

2011

	Reportable segment: Civil engineering	Reportable segment: Architectural construction	Reportable segment: Real estate	Reportable segment: Total	Other (Note 1)	Total	Reconciliations (Note 2)	Consolidated (Note 3)
Sales								
Sales to external customers	¥81,359	¥101,282	¥6,213	¥188,854	¥3,763	¥192,617	¥ —	¥192,617
Intersegment sales or transfers	—	—	44	44	1,110	1,154	(1,154)	—
Total	81,359	101,282	6,257	188,898	4,873	193,771	(1,154)	192,617
Segment profit (loss)	168	1,334	2,263	3,765	(442)	3,323	57	3,380
Other:								
Depreciation	¥ 303	¥ 353	¥ 278	¥ 934	¥ 48	¥ 982	¥ (7)	¥ 975

Thousands of U.S. dollars

2012

	Reportable segment: Civil engineering	Reportable segment: Architectural construction	Reportable segment: Real estate	Reportable segment: Total	Other (Note 1)	Total	Reconciliations (Note 2)	Consolidated (Note 3)
Sales								
Sales to external customers	$716,026	$1,278,930	$128,655	$2,123,611	$59,065	$2,182,676	$ —	$2,182,676
Intersegment sales or transfers	—	—	315	315	4,406	4,721	(4,721)	—
Total	716,026	1,278,930	128,970	2,123,926	63,471	2,187,397	(4,721)	2,182,676
Segment profit (loss)	(14,447)	(55,809)	25,515	(44,741)	(3,699)	(48,440)	476	(47,964)
Other:								
Depreciation	$ 2,146	$ 3,286	$ 3,572	$ 9,004	$ 547	$ 9,551	$ (85)	$ 9,466

Notes:

1. Other is a business segment which is not included in any reportable segment, and includes business related to manufacturing and sales of construction machineries and materials.
2. Reconciliations to segment profit (loss) in the amount of ¥39 million ($476 thousand) and ¥57 million for the years ended March 31, 2012 and 2011 respectively, include eliminations of intersegment transactions.
3. Consolidated amounts of segment profit (loss) above correspond to the amounts of operating income in the consolidated statements of income.

Information concerning amortization of goodwill and unamortized balance of goodwill by reportable segment

The Group records negative goodwill not allocated to any reportable segment. Amortization of negative goodwill was ¥284 million ($3,452 thousand) and ¥284 million for the years ended March 2012 and 2011, respectively, and unamortized balance at the year-end was ¥284 million ($3,452 thousand) and ¥567 million at March 31, 2012 and 2011, respectively. The negative goodwill was incurred when the Company acquired additional shares in Okumura Machinery Corporation.

Deloitte.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Okumura Corporation:

We have audited the accompanying consolidated balance sheet of Okumura Corporation and consolidated subsidiaries as of March 31, 2012, and the related consolidated statements of operations, comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in conformity with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in conformity with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Okumura Corporation and consolidated subsidiaries as of March 31, 2012, and the consolidated results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

Convenience Translation
Our audit also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 1. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu LLC

June 28, 2012

Member of
Deloitte Touche Tohmatsu Limited

Breakdown of Orders (Non-Consolidated)

Okumura Corporation
Year ended March 31, 2012

Construction Orders Awarded

	2012		2011		2012
	Millions of yen	Composition ratio	Millions of yen	Composition ratio	Thousands of U.S. dollars
Civil engineering:					
Domestic:					
Public sector	**¥ 29,943**		¥ 25,500		**$ 364,539**
Private sector	**14,970**		15,785		**182,249**
Overseas	**3,748**		220		**45,630**
Subtotal	**48,661**	**34.7%**	41,505	31.2%	**592,418**
Architectural construction:					
Domestic:					
Public sector	**18,564**		11,815		**226,008**
Private sector	**72,814**		79,520		**886,460**
Overseas	**—**		2		**—**
Subtotal	**91,378**	**65.3**	91,337	68.8	**1,112,468**
Total:					
Domestic:					
Public sector	**48,507**		37,315		**590,547**
Private sector	**87,784**		95,304		**1,068,709**
Overseas	**3,748**		223		**45,630**
Total	**¥140,039**	**100 %**	¥132,842	100 %	**$1,704,886**

Net Sales

	2012		2011		2012
	Millions of yen	Composition ratio	Millions of yen	Composition ratio	Thousands of U.S. dollars
Projects completed:					
Civil engineering:					
Domestic:					
Public sector	**¥ 39,818**		¥ 49,211		**$ 484,757**
Private sector	**16,484**		25,191		**200,683**
Overseas	**2,512**		6,957		**30,586**
Subtotal	**58,814**	**34.6%**	81,359	43.4%	**716,026**
Architectural construction:					
Domestic:					
Public sector	**15,567**		23,365		**189,525**
Private sector	**89,484**		77,915		**1,089,405**
Overseas	**—**		2		**—**
Subtotal	**105,051**	**61.8**	101,282	53.9	**1,278,930**
Subtotal:					
Domestic:					
Public sector	**55,385**		72,576		**674,282**
Private sector	**105,968**		103,106		**1,290,088**
Overseas	**2,512**		6,959		**30,586**
Subtotal	**163,865**	**96.4**	182,641	97.2	**1,994,956**
Real estate and other	**6,169**	**3.6**	5,328	2.8	**75,097**
Total	**¥170,034**	**100 %**	¥187,969	100 %	**$2,070,053**

Year-end Backlog

	2012		2011		2012
	Millions of yen	Composition ratio	Millions of yen	Composition ratio	Thousands of U.S. dollars
Civil engineering:					
Domestic:					
Public sector	**¥ 50,000**		¥ 59,874		**$ 608,711**
Private sector	**21,419**		22,933		**260,767**
Overseas	**5,828**		4,593		**70,956**
Subtotal	**77,247**	**39.3%**	87,400	39.6%	**940,434**
Architectural construction:					
Domestic:					
Public sector	**30,205**		27,209		**367,731**
Private sector	**89,187**		105,856		**1,085,783**
Subtotal	**119,392**	**60.7**	133,065	60.4	**1,453,514**
Total:					
Domestic:					
Public sector	**80,205**		87,083		**976,442**
Private sector	**110,606**		128,789		**1,346,550**
Overseas	**5,828**		4,593		**70,956**
Total	**¥196,639**	**100 %**	¥220,465	100 %	**$2,393,948**

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Consolidated Subsidiaries

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Business line:Design, manufacture, sales, and repair of construction/industrial machines and devices

Taihei Real Estate Corporation
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Board of Directors

(As of June 28, 2012)

Directors and Auditors

President & Representative Director
Takanori Okumura

Representative Director
Takaiku Hirako

Directors
Toshio Yamaguchi
Kozo Aoki
Makoto Tsuchiya
Kazuo Takami
Seiichi Fujioka
Toshio Kobayashi
Yuichi Mizuno
Kiyoshi Saito

Standing Statutory Auditors
Yusaku Nishigami
Yuji Takemura

Auditors
Nobuhiko Dejima
Yoshio Takahashi
Yoshihiro Ban

Notes: 1. Kiyoshi Saito is outside director.
2. Nobuhiko Dejima, Yoshio Takahashi and Yoshihiro Ban are outside auditors.

Executive Officers

Senior Managing Officers
Takaiku Hirako*
Toshio Yamaguchi*
Tadashi Hashimoto
Masamichi Shirahase
Kozo Aoki*
Makoto Tsuchiya*

Managing Officers
Kazuo Takami*
Akiyoshi Hida
Seiichi Fujioka*
Hiroomi Iida
Keiji Yamaguchi

Executive Officers
Toshiharu Shimizu
Koji Esumi
Toshio Kobayashi*
Hirokazu Oishi
Takeshi Kurita
Yuichi Mizuno*
Yutaka Maruyama
Takanori Hayashi

Note: Those officers marked with an asterisk (*) work as directors.

Investor Information

(As of March 31, 2012)

Corporate Data

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Established
February 22, 1907

Capital
¥19.8 billion

Group Employees
1,922

Stock Information

Stock Exchange Listings
Tokyo and Osaka

Transfer Agent
The Sumitomo Trust and Banking Co., Ltd.

Major Shareholders

Shareholder	Shares held (thousands)	Percentage of total
Okumura Corporation (Treasury stock)	28,579	12.52%
Northern Trust Co. (AVFC) Sub A/C American Clients	19,400	8.50
Northern Trust Co. AVFC Re U.S. Tax Exempted Pension Funds	7,666	3.36
Okumura Employees' Shareholding Association	7,339	3.21
BBH/Blackrock Global Allocation Fund, Inc.	7,158	3.14
Japan Trustee Services Bank, Ltd. (Trust Account)	6,595	2.89
Resona Bank, Limited.	6,074	2.66
Sumitomo Realty & Development Co., Ltd.	6,050	2.65
Sumitomo Mitsui Banking Corporation	5,568	2.44
Nippon Life Insurance Company	4,593	2.01
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,209	1.84

OKUMURA CORPORATION

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