

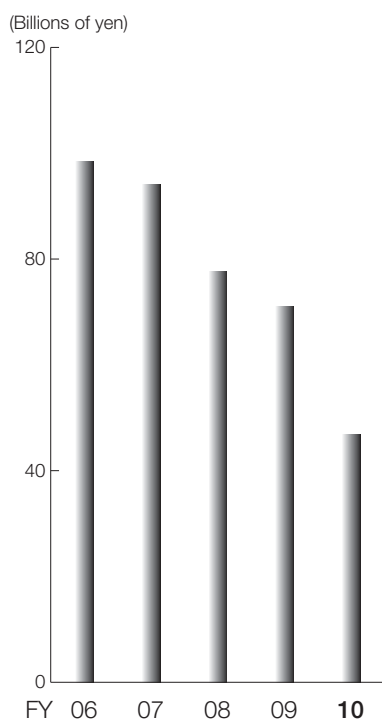
CONSOLIDATED FINANCIAL HIGHLIGHTS

Kyokuto Boeki Kaisha, Ltd. and Its Consolidated Subsidiaries
Years ended March 31

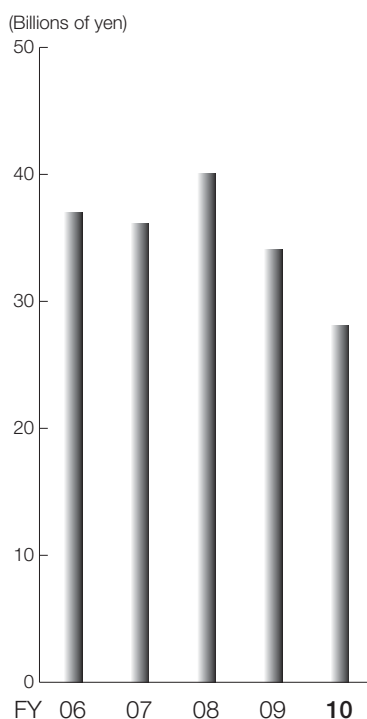
	Millions of yen					Thousands of U.S. dollars (Note)
	2006	2007	2008	2009	2010	2010
For the year:						
Net sales	¥98,420	¥94,146	¥77,691	¥71,137	¥46,802	\$503,033
Net income (loss)	(382)	984	339	(2,867)	(1,202)	(12,920)
At year-end:						
Total liabilities and net assets	37,026	36,099	40,144	34,148	28,098	302,004
Total net assets	17,124	17,744	16,530	12,070	11,540	124,037
	Yen					U.S. dollars (Note)
Per share:						
Net income (loss), primary	¥(14.25)	¥36.74	¥12.65	¥(107.05)	¥(44.89)	\$(0.48)
Dividends, historical	7.50	9.50	7.50	7.50	3.75	0.04

Note: U.S. dollar amounts above and elsewhere in this report represent translations of Japanese yen, for convenience only, at the rate of ¥93.04=US\$1, the exchange rate prevailing at March 31, 2010.

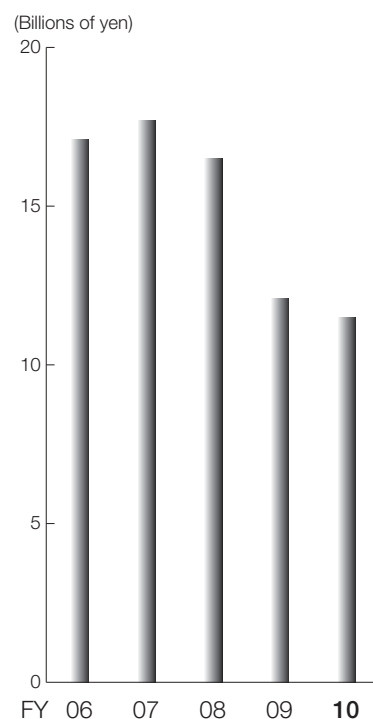
Net Sales



Total Liabilities and Net Assets



Total Net Assets



REVIEW OF OPERATIONS

Electrical and Energy-Related Division

During fiscal 2010, the KBK Group proactively worked to obtain highly profitable orders in the field of thermal electric power generation plant control equipment and was able to record robust sales in this field. The performance of the Group's domestic business in heavy electric facilities for steelmaking and chemical plants was considerably depressed owing to the efforts of major companies in Japan to restrain their capital investments. In resource development engineering equipment business, a number of large orders related to offshore oil exploration projects were postponed for a second consecutive year.

Consequently, the division's consolidated net sales amounted to ¥21,020 million, down 38.8% from the previous fiscal year.

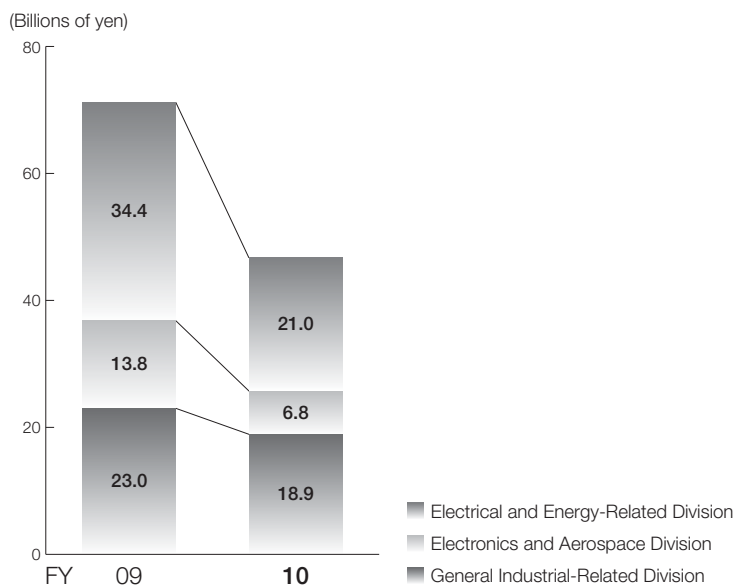
Electronics and Aerospace Division

Regarding the KBK Group's business in aircraft-related equipment, the impact of the suspension of new transactions with the Japan Ministry of Defense in connection with an over-charge for imported products was relatively light during fiscal 2009 owing to numerous deliveries made to fill outstanding orders and other factors, but this impact caused a large drop in sales during fiscal 2010. Just as in fiscal 2009, net sales of the Group's electronic equipment business were unavoidably depressed by slack conditions in related industries.

As a result, the division's consolidated net sales totaled ¥6,833 million, down 50.3% from the previous fiscal year.

General Industrial-Related Division

Although a strong performance was maintained in business exporting welding and cutting equipment for high-grade steel sheets to overseas steelmaking facilities, sales of coatings for China's consumer electric product manufacturing industry dropped sharply due to the deterioration of economic conditions. This had a large negative impact on the division's net sales, which decreased 17.7% from the previous fiscal year, to ¥18,948 million.



CONSOLIDATED BALANCE SHEETS

Kyokuto Boeki Kaisha, Ltd. and Its Consolidated Subsidiaries
March 31, 2009 and 2010

ASSETS	Millions of yen		Thousands of U.S. dollars (Note)
	2009	2010	2010
Current assets:			
Cash	¥ 5,308	¥ 2,870	\$ 30,851
Time deposits	202	251	2,701
Marketable securities	793	—	—
Notes and accounts receivable	15,765	11,779	126,604
Less: Allowance for doubtful accounts	(34)	(35)	(386)
	22,036	14,865	159,771
Inventories	1,303	1,823	19,597
Deferred income taxes	12	16	172
Other current assets	3,055	2,350	25,258
Total current assets	26,407	19,054	204,799
Property and equipment, at cost:			
Buildings	896	668	7,184
Equipment	606	619	6,659
	1,502	1,288	13,843
Less: Accumulated depreciation	(1,102)	(900)	(9,678)
	400	387	4,164
Land	196	151	1,625
Total property and equipment	596	538	5,790
Investments and other assets:			
Investments in securities	5,177	6,024	64,755
Investments in unconsolidated subsidiaries and affiliates	890	1,192	12,815
Deferred income taxes	11	16	177
Other assets	1,138	1,337	14,378
Less: Allowance for doubtful accounts	(74)	(66)	(712)
Total investments and other assets	7,143	8,505	91,415
Total assets	¥34,148	¥28,098	\$302,004

Note: U.S. dollar amounts above and elsewhere in this report represent translations of Japanese yen, for convenience only, at the rate of ¥93.04=US\$1, the exchange rate prevailing at March 31, 2010.

LIABILITIES AND NET ASSETS	Millions of yen		Thousands of U.S. dollars (Note)
	2009	2010	2010
Current liabilities:			
Short-term debt	¥ 1,920	¥ 1,908	\$ 20,509
Notes and accounts payable	12,257	9,835	105,713
Current portion of bonds	300	300	3,224
Accrued income taxes	43	28	307
Allowance for default losses	1,375	—	—
Deferred income taxes	21	20	223
Other current liabilities	3,769	2,008	21,585
Total current liabilities	19,688	14,101	151,565
Long-term liabilities:			
Long-term debt	—	326	3,508
Bonds payable	1,200	900	9,673
Deferred income taxes	19	352	3,784
Long-term accounts payable	192	72	773
Reserve for employees' retirement benefits	963	796	8,562
Other long-term liabilities	14	9	98
Total long-term liabilities	2,389	2,456	26,402
Total liabilities	22,077	16,558	177,967
Contingent liabilities			
Shareholders' equity:			
Common stock:			
Authorized: 100,000,000 shares			
Issued: 27,899,592 shares at March 31, 2009 and 2010	5,030	5,030	54,064
Capital surplus	4,630	4,630	49,771
Retained earnings	3,549	2,261	24,304
Treasury stock	(340)	(341)	(3,672)
Total shareholders' equity	12,870	11,580	124,468
Valuation and translation adjustments:			
Net unrealized gains on securities	(416)	240	2,580
Deferred hedge gain	(62)	2	30
Foreign currency translation adjustments	(321)	(283)	(3,041)
Total valuation and translation adjustments	(800)	(40)	(431)
Minority interests:			
Total net assets	12,070	11,540	124,037
Total liabilities and net assets	¥34,148	¥28,098	\$302,004

CONSOLIDATED STATEMENTS OF OPERATIONS

Kyokuto Boeki Kaisha, Ltd. and Its Consolidated Subsidiaries
For the years ended March 31, 2008, 2009 and 2010

	Millions of yen			Thousands of U.S. dollars (Note)
	2008	2009	2010	2010
Net sales	¥77,691	¥71,137	¥46,802	\$503,033
Cost of sales	70,230	64,662	41,882	450,152
Gross profit	7,461	6,474	4,919	52,880
Selling, general and administrative expenses	6,318	6,205	5,184	55,720
Operating income (loss)	1,143	269	(264)	(2,840)
Other income (expenses):				
Interest and dividend income	182	158	100	1,084
Interest expense	(13)	(28)	(45)	(488)
Gain on sale of marketable securities and investments in securities	36	—	388	4,172
Evaluation loss on marketable securities and investments in securities	(295)	(928)	(295)	(3,179)
Equity in profit (loss) of affiliates	105	348	153	1,649
Loss on asset impairment	(4)	(6)	0	10
Reversal of allowance for investment losses	25	—	—	—
Additional expense for early retirement benefits	—	—	(296)	(3,183)
Provision for allowance for default losses	(843)	(1,256)	(847)	(9,111)
Other, net	71	(75)	(41)	(444)
	(734)	(1,787)	(884)	(9,509)
Income (loss) before income taxes	408	(1,518)	(1,149)	(12,349)
Income taxes:				
Current	97	95	66	711
Deferred	(27)	1,255	(13)	(140)
	70	1,351	53	571
Minority interests in loss	(1)	(3)	—	—
Net income (loss)	¥ 339	¥ (2,867)	¥ (1,202)	\$ (12,920)
Per share:				
Net income (loss), primary	¥12.65	¥(107.05)	¥(44.89)	\$(0.48)
Net income, fully diluted	—	—	—	—
Dividends, historical	7.50	7.50	3.75	0.04
Weighted average number of shares of common stock (in thousands)	26,793	26,788	26,777	

Note: U.S. dollar amounts above and elsewhere in this report represent translations of Japanese yen, for convenience only, at the rate of ¥93.04=US\$1, the exchange rate prevailing at March 31, 2010.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

Kyokuto Boeki Kaisha, Ltd. and Its Consolidated Subsidiaries
For the years ended March 31, 2008, 2009 and 2010

	Millions of yen								
	Number of shares of common stock (thousands)	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Net unrealized gain (loss) on securities	Deferred hedge gain	Foreign currency translation adjustments	Minority interests
Balance as at March 31, 2007	27,899	¥5,030	¥4,630	¥6,521	¥(336)	¥1,910	¥ 40	¥ (52)	¥—
Cash dividends	—	—	—	(254)	—	—	—	—	—
Sales/purchases of treasury stocks, net	—	—	—	—	(3)	—	—	—	—
Gain on disposal of treasury stock	—	—	0	—	—	—	—	—	—
Net income for the year ended March 31, 2008	—	—	—	339	—	—	—	—	—
Decrease due to changes in subsidiaries	—	—	—	(11)	—	—	—	—	—
Net changes of items other than shareholders' equity	—	—	—	—	—	(1,185)	(105)	3	3
Balance as at March 31, 2008	27,899	5,030	4,630	6,594	(339)	725	(64)	(48)	3
Effect of changes in accounting policies applied to foreign subsidiaries	—	—	—	(15)	—	—	—	—	—
Cash dividends	—	—	—	(200)	—	—	—	—	—
Sales/purchases of treasury stocks, net	—	—	—	—	(2)	—	—	—	—
Gain (loss) on disposal of treasury stock	—	—	(0)	(0)	1	—	—	—	—
Net loss for the year ended March 31, 2009	—	—	—	(2,867)	—	—	—	—	—
Increase due to changes in subsidiaries	—	—	—	39	—	—	—	—	—
Net changes of items other than shareholders' equity	—	—	—	—	—	(1,141)	2	(272)	(3)
Balance as at March 31, 2009	27,899	5,030	4,630	3,549	(340)	(416)	(62)	(321)	—
Effect of changes in accounting policies applied to foreign subsidiaries	—	—	—	—	—	—	—	—	—
Cash dividends	—	—	—	(100)	—	—	—	—	—
Sales/purchases of treasury stocks, net	—	—	—	—	—	—	—	—	—
Gain on disposal of treasury stock	—	—	—	—	(1)	—	—	—	—
Net loss for the year ended March 31, 2009	—	—	—	(1,202)	—	—	—	—	—
Increase due to changes in subsidiaries	—	—	—	14	—	—	—	—	—
Net changes of items other than shareholders' equity	—	—	—	—	—	656	65	38	—
Balance as at March 31, 2010	27,899	¥5,030	¥4,630	¥2,261	¥(341)	¥ 240	¥ 2	¥(283)	¥—

	Thousands of U.S. dollars (Note)								
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Net unrealized gain (loss) on securities	Deferred hedge gain	Foreign currency translation adjustments	Minority interests	
Balance as at March 31, 2009	\$54,064	\$49,771	\$38,154	\$(3,656)	\$(4,476)	\$(670)	\$(3,455)	\$—	
Effect of changes in accounting policies applied to foreign subsidiaries	—	—	—	—	—	—	—	—	
Cash dividends	—	—	(1,079)	—	—	—	—	—	
Sales/purchases of treasury stocks, net	—	—	—	—	—	—	—	—	
Gain on disposal of treasury stock	—	—	—	(15)	—	—	—	—	
Net loss for the year ended March 31, 2009	—	—	(12,920)	—	—	—	—	—	
Increase due to changes in subsidiaries	—	—	151	—	—	—	—	—	
Net changes of items other than shareholders' equity	—	—	—	—	7,056	700	413	—	
Balance as at March 31, 2010	\$54,064	\$49,771	\$24,304	\$(3,672)	\$ 2,580	\$ 30	\$(3,041)	\$—	

Note: U.S. dollar amounts above and elsewhere in this report represent translations of Japanese yen, for convenience only, at the rate of ¥93.04=US\$1, the exchange rate prevailing at March 31, 2010.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Kyokuto Boeki Kaisha, Ltd. and Its Consolidated Subsidiaries
For the years ended March 31, 2008, 2009 and 2010

	Millions of yen			Thousands of U.S. dollars (Note)
	2008	2009	2010	2010
Cash flows from operating activities:				
Income (loss) before income taxes	¥ 408	¥(1,518)	¥(1,149)	\$(12,349)
Adjustments for:				
Depreciation and amortization	168	150	141	1,517
Equity in profit of affiliates	(105)	(348)	(153)	(1,649)
Net decrease in reserve for retirement benefits	(55)	(41)	(166)	(1,788)
Decrease in provision for allowance for doubtful accounts	(289)	(122)	(6)	(65)
Decrease in provision for allowance for investment losses	(75)	—	—	—
Increase (decrease) in provision for allowance for default losses	843	532	(1,375)	(14,786)
Interest and dividend income	(182)	(158)	(100)	(1,084)
Interest expense	13	28	45	488
Evaluation loss on marketable securities and investments in securities	295	928	295	3,179
Gain on sale of marketable securities and investments in securities	(36)	—	(388)	(4,172)
Net decrease (increase) in accounts receivable	(5,580)	6,280	3,992	42,913
Net (increase) decrease in inventories	729	669	(518)	(5,574)
Net increase (decrease) in accounts payable	3,769	(4,874)	(2,417)	(25,984)
Others	124	1,310	(1,288)	(13,851)
Subtotal	26	2,834	(3,089)	(33,210)
Interest and dividend income received	200	235	258	2,778
Interest expense paid	(11)	(27)	(45)	(484)
Income taxes paid	(122)	(113)	(73)	(790)
Net cash provided by (used in) operating activities	93	2,928	(2,950)	(31,706)
Cash flows from investing activities:				
Payment for making time deposits	(70)	(213)	(673)	(7,236)
Proceeds from withdrawal of time deposits	73	68	402	4,326
Payment for acquisition of marketable securities	—	(799)	(551)	(5,923)
Proceeds from sale of marketable securities	—	300	1,354	14,562
Payment for acquisition of investment securities	(1,314)	(480)	(738)	(7,934)
Proceeds from sale of investment securities	69	0	861	9,254
Others	(123)	(85)	(100)	(1,074)
Net cash provided by (used in) investing activities	(1,364)	(1,210)	555	5,975
Cash flows from financing activities:				
Net increase (decrease) in short-term bank loans	941	70	(108)	(1,162)
Proceeds from issuance of bonds	—	1,468	—	—
Cash dividends paid to the Company's shareholders	(254)	(199)	(101)	(1,090)
Others	(3)	(4)	128	1,386
Net cash provided by (used in) financing activities	683	1,334	(80)	(866)
Effect of exchange rate changes on cash and cash equivalents	(17)	(128)	13	147
Net change in cash and cash equivalents	(606)	2,923	(2,460)	(26,450)
Cash and cash equivalents at beginning of year	2,980	2,425	5,348	57,486
Cash and cash equivalents of newly consolidated subsidiaries	50	—	—	—
Cash and cash equivalents at end of year	¥2,425	¥ 5,348	¥ 2,887	\$ 31,035

Note: U.S. dollar amounts above and elsewhere in this report represent translations of Japanese yen, for convenience only, at the rate of ¥93.04=US\$1, the exchange rate prevailing at March 31, 2010.

SEGMENT INFORMATION

Segment Information

(1) Information by Business Segment

The Company and its consolidated subsidiaries engage in a comprehensive range of business activities that center on the domestic and overseas trading of various commodities. As a trading company with engineering expertise, the Company provides numerous financial and other services that are integrated with its trading transactions.

The business segment categories used correspond to categories the Company uses to organize its business management structure.

The business segment information for the Company and its consolidated subsidiaries for the year ended March 31, 2009 is as follows:

	Millions of yen					Consolidated
	Electrical and Energy-Related Division	Electronics and Aerospace Division	General Industrial-Related Division	Total	Elimination or corporate	
I. Sales and operating income						
Sales						
(1) Sales to external customers	¥34,357	¥13,753	¥23,026	¥71,137	¥ —	¥71,137
(2) Intersegment internal sales or transfers	—	—	—	—	—	—
Total	34,357	13,753	23,026	71,137	—	71,137
Operating expenses	34,089	14,052	22,740	70,882	(14)	70,867
Operating income (loss)	¥ 268	¥ (299)	¥ 285	¥ 254	¥ 14	¥ 269
II. Total assets, depreciation and capital expenditures						
Total assets	¥ 3,855	¥ 3,230	¥12,689	¥19,775	¥14,372	¥34,148
Depreciation and amortization	0	38	7	46	103	149
Loss on impairment of fixed assets	—	—	—	—	6	6
Capital expenditures	0	14	10	25	123	149

Notes: 1. Business classification method:

Businesses are classified based on similarities among products and markets.

2. Capital expenditures include long-term prepaid expenses.

3. Principal products in each business segment:

Business Segment	Principal Products
Electrical and Energy-Related Division	Electrical machinery facilities, measuring and control systems, drilling equipment, oil and gas exploration services, and other natural resource development equipment
Electronics and Aerospace Division	Electronic equipment, electronic components and software, image processing equipment, aircraft-mounted avionics, ground support electronic equipment, aircraft machinery, and automotive illumination equipment
General Industrial-Related Division	Steel, nonferrous metals, automobile chemicals, ships, plant engineering related machinery, environmental preservation facilities, composite materials manufacturing facilities, textile processing machinery, food processing machinery, resin processing machinery, painting facilities, measuring and analysis devices and associated secondary foodstuff materials, industrial resins and paints, construction materials, synthetic composite materials, drop-forged products, and textile products

4. The amount of corporate assets, included in those under the elimination or corporate heading, was ¥14,372 million. The principal items were the Company's surplus funds under management (cash and marketable securities), long-term investment funds (investment securities), administrative division related assets, and other assets.

The business segment information for the Company and its consolidated subsidiaries for the year ended March 31, 2010 is as follows:

	Millions of yen					
	Electrical and Energy-Related Division	Electronics and Aerospace Division	General Industrial-Related Division	Total	Elimination or corporate	Consolidated
I. Sales and operating income						
Sales						
(1) Sales to external customers	¥21,020	¥6,833	¥18,948	¥46,802	¥ —	¥46,802
(2) Intersegment internal sales or transfers	—	—	—	—	—	—
Total	21,020	6,833	18,948	46,802	—	46,802
Operating expenses	20,960	7,219	18,880	47,059	6	47,066
Operating income (loss)	¥ 59	¥ (386)	¥ 68	¥ (257)	¥ (6)	¥ (264)
II. Total assets, depreciation and capital expenditures						
Total assets	¥ 6,809	¥1,778	¥ 6,617	¥15,205	¥12,892	¥28,098
Depreciation and amortization	0	28	19	48	92	141
Loss on impairment of fixed assets	—	—	—	—	0	0
Capital expenditures	0	28	35	64	308	372

	Thousands of U.S. dollars					
	Electrical and Energy-Related Division	Electronics and Aerospace Division	General Industrial-Related Division	Total	Elimination or corporate	Consolidated
I. Sales and operating income						
Sales						
(1) Sales to external customers	\$225,926	\$73,442	\$203,663	\$503,033	\$ —	\$503,033
(2) Intersegment internal sales or transfers	—	—	—	—	—	—
Total	225,926	73,442	203,663	503,033	—	503,033
Operating expenses	225,282	77,594	202,923	505,800	72	505,873
Operating income (loss)	\$ 644	\$ (4,151)	\$ 740	\$ (2,767)	\$ (72)	\$ (2,840)
II. Total assets, depreciation and capital expenditures						
Total assets	\$ 73,186	\$19,120	\$ 71,124	\$163,430	\$138,574	\$302,004
Depreciation and amortization	7	305	210	523	993	1,517
Loss on impairment of fixed assets	—	—	—	—	10	10
Capital expenditures	2	302	386	691	3,312	4,003

Notes: 1. Business classification method:

Businesses are classified based on similarities among products and markets.

2. Capital expenditures include long-term prepaid expenses.

3. Principal products in each business segment:

Business Segment	Principal Products
Electrical and Energy-Related Division	Electrical machinery facilities, measuring and control systems, drilling equipment, oil and gas exploration services, and other natural resource development equipment
Electronics and Aerospace Division	Electronic equipment, electronic components and software, image processing equipment, aircraft-mounted avionics, ground support electronic equipment, aircraft machinery, and automotive illumination equipment
General Industrial-Related Division	Steel, nonferrous metals, automobile chemicals, ships, plant engineering related machinery, environmental preservation facilities, composite materials manufacturing facilities, textile processing machinery, food processing machinery, resin processing machinery, painting facilities, measuring and analysis devices and associated secondary foodstuff materials, industrial resins and paints, construction materials, synthetic composite materials, drop-forged products, and textile products

4. The amount of corporate assets, included in those under the elimination or corporate heading, was ¥12,892 million (US\$138,574 thousand). The principal items were the Company's surplus funds under management (cash and marketable securities), long-term investment funds (investment securities), administrative division related assets, and other assets.

(2) Segment Information by Geographical Area

The Company's operating results by geographical area for the year ended March 31, 2009 are summarized as follows:

	Millions of yen					Consolidated
	Japan	North America	Southeast Asia	Total	Elimination or corporate	
I. Sales and operating income						
Sales						
(1) Sales to external customers	¥65,914	¥2,699	¥2,523	¥71,137	¥ —	¥71,137
(2) Intersegment internal sales or transfers	1,288	922	14	2,225	(2,225)	—
Total	67,203	3,621	2,537	73,362	(2,225)	71,137
Operating expenses	67,153	3,760	2,219	73,133	(2,265)	70,867
Operating income (loss)	¥ 50	¥ (138)	¥ 317	¥ 229	¥ 39	¥ 269
II. Assets	¥18,403	¥ 719	¥1,521	¥20,644	¥13,503	¥34,148

Notes: 1. The country or regional classification categories are based on geographical contiguity.

2. Principal regional classifications other than Japan:

(1) North America: United States, Canada (2) Southeast Asia: China, Taiwan

The Company's operating results by geographical area for the year ended March 31, 2010 are summarized as follows:

	Millions of yen					Consolidated
	Japan	North America	Southeast Asia	Total	Elimination or corporate	
I. Sales and operating income						
Sales						
(1) Sales to external customers	¥43,783	¥1,605	¥1,412	¥46,802	¥ —	¥46,802
(2) Intersegment internal sales or transfers	1,009	414	71	1,495	(1,495)	—
Total	44,793	2,020	1,484	48,297	(1,495)	46,802
Operating expenses	45,105	2,107	1,340	48,553	(1,487)	47,066
Operating income (loss)	¥ (312)	¥ (86)	¥ 143	¥ (255)	¥ (8)	¥ (264)
II. Assets	¥13,525	¥ 708	¥1,310	¥15,544	¥12,553	¥28,098

	Thousands of U.S. dollars					Consolidated
	Japan	North America	Southeast Asia	Total	Elimination or corporate	
I. Sales and operating income						
Sales						
(1) Sales to external customers	\$470,589	\$17,259	\$15,184	\$503,033	\$ —	\$503,033
(2) Intersegment internal sales or transfers	10,849	4,457	766	16,073	(16,073)	—
Total	481,438	21,716	15,950	519,106	(16,073)	503,033
Operating expenses	484,798	22,649	14,409	521,857	(15,984)	505,873
Operating income (loss)	\$ (3,359)	\$ (932)	\$ 1,541	\$ (2,750)	\$ (89)	\$ (2,840)
II. Assets	\$145,372	\$ 7,613	\$14,090	\$167,075	\$134,929	\$302,004

Notes: 1. The country or regional classification categories are based on geographical contiguity.

2. Principal regional classifications other than Japan:

(1) North America: United States (2) Southeast Asia: China, Taiwan

(3) Overseas Sales

Overseas sales information of the Company and its consolidated subsidiaries for the fiscal year ended March 31, 2009 is as follows:

	Millions of yen				Total
	North America	Europe	Southeast Asia	Other areas	
I. Overseas sales	¥7,457	¥700	¥9,465	¥79	¥17,702
II. Consolidated sales					71,137
III. Overseas sales as proportion of consolidated sales	10.5%	1.0%	13.3%	0.1%	24.9%

Notes: 1. The regional classification categories are based on geographical contiguity.

2. Principal regional classifications:

- (1) North America: United States, Canada
- (2) Europe: United Kingdom, Sweden, Germany
- (3) Southeast Asia: China, Korea, Taiwan, Singapore
- (4) Other areas: Tunisia

3. Overseas sales are sales of the Company and its consolidated subsidiaries to countries and regions other than Japan.

Overseas sales information of the Company and its consolidated subsidiaries for the fiscal year ended March 31, 2010 is as follows:

	Millions of yen				Total
	North America	Europe	Southeast Asia	Other areas	
I. Overseas sales	¥4,617	¥620	¥5,953	¥70	¥11,261
II. Consolidated sales					46,802
III. Overseas sales as proportion of consolidated sales	9.9%	1.3%	12.7%	0.2%	24.1%

	Thousands of U.S. dollars				Total
	North America	Europe	Southeast Asia	Other areas	
I. Overseas sales	\$49,624	\$6,671	\$63,986	\$757	\$121,039
II. Consolidated sales					503,033

Notes: 1. The regional classification categories are based on geographical contiguity.

2. Principal regional classifications:

- (1) North America: United States, Canada
- (2) Europe: United Kingdom, Sweden, Germany
- (3) Southeast Asia: China, Taiwan, Thailand, Singapore
- (4) Other areas: Tunisia

3. Overseas sales are sales of the Company and its consolidated subsidiaries to countries and regions other than Japan.

OVERSEAS NETWORK

Overseas Branch and Office

Taipei Branch

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N Road,
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Fax: (2) 2561-6085

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1000 Lujiazui Ring Road,
Pudong New Area, Shanghai,
People's Republic of China
Tel: (21) 6841-2066
Fax: (21) 6841-5395

Overseas Subsidiaries and Representative Offices

KBK Inc. (New York)

420 Lexington Avenue, Room #2853,
New York, NY 10170, U.S.A.
Tel: (212) 687-8564
Fax: (212) 972-9212

Michigan Representative Office

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Suite B-6, Battle Creek,
MI 49015, U.S.A.
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Fax: (269) 964-1310

KBK Europe GmbH

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DOMESTIC NETWORK

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Fax: (03) 3246-2148

Domestic Branches

Sapporo Branch
Nagoya Branch
Osaka Branch
Fukuoka Branch

Subsidiaries

Nippon System Industries Corporation
KBK Office Works Co., Ltd.
KBK Frontier Co., Ltd.
KBK Steel Products Co., Ltd.
3DDS Nagoya, LLP

(As of June 30, 2010)