KAJIMA CORPORATION

NOTICE OF CONSOLIDATED AND NON-CONSOLIDATED FINANCIAL STATEMENTS

(For the Financial Year from April 1, 2004 to March 31, 2005)

1. Date of the Board of Directors` Meeting to Approve
   the Consolidated Financial Statements : May 18, 2005

2. Financial Highlights (Consolidation base)

(1) Results of Operations

	Years ended March 31		
	Millions of Yen		Thousands of U.S. Dollars
	2005	2004	2005
Revenues	Yen 1,687,380	Yen 1,621,760	$ 15,769,907
Operating Income	47,115	46,419	440,327
Net Income (Loss)	13,220	(4,474)	123,551
	Yen		U.S. Dollars
Net Income (Loss) per Share	Yen 12.28	Yen (4.61)	$ 0.11

(2) Assets and Equity

	As of March 31		
	Millions of Yen		Thousands of U.S. Dollars
	2005	2004	2005
Total Assets	Yen 1,817,730	Yen 1,870,279	$ 16,988,131
Total Stockholders` Equity	219,742	216,509	2,053,664
Equity/Assets Ratio(%)	12.1	11.6	12.1
	Yen		U.S. Dollars
Equity per Share	Yen 208.59	Yen 205.60	$ 1.95

(3) Cash Flows

	Years ended March 31		
	Millions of Yen		Thousands of U.S. Dollars
	2005	2004	2005
Operating Activities	Yen 87,489	Yen 50,102	$ 817,654
Investing Activities	16,105	(34,651)	150,514
Financing Activities	(71,359)	6,667	(666,907)
Cash and Cash Equivalents, End of Year	139,597	107,476	1,304,645

(4) Forecast for the financial year from April 1, 2005 to March 31, 2006

(a) Major Financial Results

	Year ending March 31, 2006		
	Millions of Yen		Thousands of U.S. Dollars
	First Half	Full Year	Full Year
Revenues	Yen 770,000	Yen 1,640,000	$ 15,327,103
Construction projects	660,000	1,410,000	13,177,570
Real estate and other	110,000	230,000	2,149,533
Gross Profit	63,500	150,500	1,406,542
Gross profit margin (%)	8.2	9.2	9.2
Construction projects (%)	7.4	8.5	8.5
Real estate and other (%)	13.2	13.5	13.5
Selling, General and Administrative Expenses	47,000	95,000	887,850
Operating Income	16,500	55,500	518,692
Net Income	7,000	24,000	224,299

(b) Contract Awards

	Year ending March 31, 2006		
	Millions of Yen		Thousands of U.S. Dollars
	First Half	Full Year	Full Year
Construction contract awards			
Domestic	Yen 521,000	Yen 1,184,000	$ 11,065,421
Overseas	79,000	136,000	1,271,028
Total	Yen 600,000	Yen 1,320,000	$ 12,336,449

The above projections/forecasts are based on information available as of the release of this document and are subject to risks and uncertainties that may cause the actual results to vary.

(5) Basis of Presentation

(a) The accompanying consolidated financial statements of Kajima Corporation (the “Company”) and its consolidated subsidiaries (together, the ”Companies”) have been prepared in accordance with the provisions set forth in the Japanese Securities and Exchange Law and its related accounting regulations and in conformity with accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards (IFRSs).

In preparing this Notice (the “NOTICE”) of the consolidated financial statements, certain reclassifications and rearrangements have been made to the NOTICE issued domestically in order to present these consolidated statements in a form which is more familiar to readers of these statements outside Japan. In addition, certain reclassifications and rearrangements have been made in the 2004 consolidated financial statements to conform to classifications and presentations used in 2005. In accordance with accounting procedures generally accepted in Japan, certain comparative disclosures are not required to be and have not been presented herein.

The accounts of the Company and its Japanese subsidiaries are maintained in Japanese yen, the currency of the country in which they are incorporated and principally operate. The U.S. dollar amounts included in Financial Highlights above and elsewhere in the NOTICE are presented solely for the convenience of the reader.

Such dollar amounts have been translated from yen at the approximate exchange rate in Tokyo on March 31, 2005 of Yen107 = U.S. $1. The translation should not be construed as representation that Japanese yen have been, could have been, or could in the future be, converted into U.S. dollars at that or any other rate.

(b) Scope of Consolidation

The consolidated financial statements for the year ended March 31, 2005 include the accounts of the Company and its 71 significant subsidiaries. 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 Companies have the ability to exercise significant influence are accounted for by the equity method.

Other 62 subsidiaries were not consolidated as they would not have a material effect on the accompanying consolidated financial statements.

All unconsolidated subsidiaries and 58 affiliates were accounted for using the equity method.

The excess of the cost of an acquisition over the fair value of the net assets of the acquired subsidiary and affiliate at the date of acquisition is being amortized over a period of 5 years. All significant inter-company balances and transactions have been eliminated in consolidation. All material unrealized profit included in assets resulting from inter-company transactions is eliminated.

The breakdown and changes of fully consolidated companies and companies accounted for using the equity method are summarized below:

i) Breakdown as of March 31, 2005

Number of consolidated subsidiaries	:	71
Principal consolidated subsidiaries	:	Taiko Trading Co., Ltd. Kajima Leasing Corporation Kajima Road Co., Ltd. Kajima U.S.A. Inc. Kajima Europe B.V. Kajima Overseas Asia Pte. Ltd.
Number of unconsolidated subsidiaries accounted for using the equity method	:	62 ARTES Corporation, Japan Sea Works Co., Ltd. and 60 other companies
Number of affiliated companies accounted for using the equity method	:	58 Katabami Kogyo Co., Ltd., Yaesu Book Center Co., Ltd. and 56 other companies

ii) Changes in the year ended March 31, 2005

Companies excluded from consolidation	: 1 subsidiary, 1 subsidiary of Kajima U.S.A. Inc. and 5 subsidiaries of Kajima Europe B.V.
Companies newly accounted for using the equity method	: 2 subsidiaries and 13 affiliated companies
Companies excluded from the equity method	: 5 subsidiaries and 3 affiliated companies

(c) Per Share Information

Basic net income (loss) per share is computed by dividing net income (loss) attributable to common stockholders by the weighted-average number of common shares outstanding for the period, retroactively adjusted for stock splits. The weighted-average number of common shares used in the computation for the years ended March 31, 2005 and 2004 were 1,052,320,885 and 996,618,775 shares, respectively.

Equity per share data is calculated using the number of shares at the end of each year.

Diluted net income per share is not disclosed because the Companies have nothing which might dilute the per share information for the year ended March 31, 2005 and because of the net loss of the Companies for the year ended March 31, 2004.

3. Further information is available at:

Mr. Hironobu Takano
General Manager
Accounting Department
Treasury Division
Kajima Corporation
2-7, Motoakasaka 1- chome,
Minato-ku, Tokyo 107-8388, Japan
Telephone(03)3404-3311
International 81-3-3404-3311
Facsimile(03)3746-7168
International 81-3-3746-7168

I. Management Policies

(1) Corporate Philosophy

A cornerstone of Kajima's group philosophy is a commitment to bringing scientific and humanitarian approaches to business. Our mission is to enhance social well-being through our creative endeavors and corporate achievements. Our quality policy requires that we provide products and services that best satisfy clients' needs throughout our business relationship and earn their confidence in placing repeated orders with us.

We are at our clients' disposal for delivering a broad range of quality products and services. With our extensive R&D and proven track record, the Group companies respond globally to clients' diverse requirements over the entire life cycle of their projects, from initial research and planning, design and construction, operation and maintenance through renovation or demolition.

The Group companies stand by these policies, and strive to meet and exceed stakeholder expectations by growing our business and our capabilities.

(2) Dividend Policy

We consider it appropriate to balance the need to maintain stable dividend payouts and the funding requirements of the company's ongoing operations, all in the context of our current and expected financial performance. It is also our goal to retain earnings to the extent necessary to build and maintain a stable financial base.

(3) Medium-Term Strategy

The Group companies have been pushing ahead with the Medium-Term Business Plan, a three-year effort through March 31, 2006. During this financial year ending March 31, 2005, the Group has successfully exceeded the March 31, 2006 target of ¥42 billion for consolidated recurring profit one year ahead of schedule. We will push hard to enhance our revenue-generating capacity and to make an optimal use of the corporate resources. In our core construction business, we strive to:

1) maintain high contract volume by competitively offering innovative business and technical solutions and by strategically targeting regional markets and product segments; and

2) bolster cost competitiveness and construction margins through construction process improvements, central purchasing and overseas procurements; and

3) pursue and expand the Group's revenue potential in real estate, private finance initiative (PFI), engineering and environmental businesses.

At the same time, we continue to emphasize focused and efficient R&D, controlling and reducing fixed, selling, general and administrative expenses, paying off interest bearing debt as well as increasing shareholders' equity.

(4) Corporate Governance:

We are committed to building and maintaining fair and transparent management processes that serve shareholder interests. We believe it essential that effective monitoring and surveillance procedures be in place to make sure that decisions are made and implemented in compliance with relevant rules and regulations, and that we meet the expectations and requirements of stockholders, clients and other stakeholders by achieving financial targets and enhancing the value of the Group.

1) Internal control:

The Board of Directors meets once a month or more often as and when necessary. Its responsibilities include discussing and determining the strategic direction of the Company, issues that board resolutions are legally required on and other management issues of importance, overseeing how the Company conducts its business, and monitoring the progress of the business plans.

The Company's audit structure consists of the following:

Audit Department:

Audit Department conducts, independently of corporate as well as independent auditors, regular internal audits of the Group companies as needed to ensure that their business and financial transactions are properly processed and recorded.

Corporate Auditors:

The Company has adopted a corporate auditor system. Of its five corporate auditors, two are non-executives who have declared that they are not in a position of conflict of interest with the Company. Corporate auditors cooperate closely with independent auditors and the Audit Department in order to ensure an efficient and effective audit.

Independent Auditors:

Deloitte Touche Tohmatsu has been retained as independent auditor to do audits on the Company in accordance with Commercial Code's legal supplement as well as the Securities and Exchange Law. We hereby declare that no conflict of interest exists between the Company and the said auditor or the employees of the auditor engaged in the audit, and that the auditor as independent auditor conducts a fair and impartial audit of the Company.

The names of the certified public accountants who have conducted the audit for this period are provided below, along with the number of consecutive years for which the said accountants provided audit services for the Group companies as defined by Section 3 of Article 24 of the Japan Certified Public Accountants Act. The numbers of additional professionals assisting the audit are also provided:

Designated principal partners engaged in the audit:

Yoshio Aoki

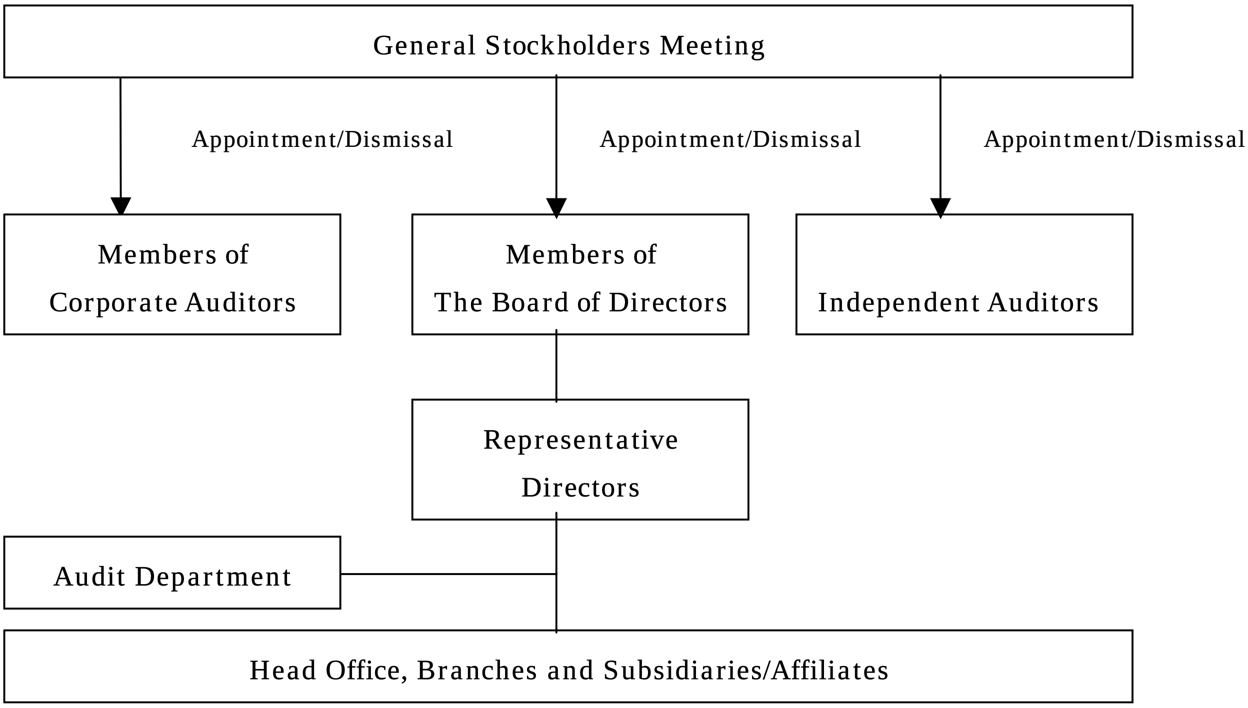
Naritsune Yuya (8 years)*

*The number of consecutive years of audit is provided when it exceeds seven (7) years.

The numbers of additional professionals assisting the audit:

Four (4) certified public accountants and two (2) junior certified public accountants

The following diagram summarizes our current system of corporate governance of the Company:



Furthermore, the Company plans to reconfigure its corporate governance structure by reforming the Board as well as by introducing the "Executive Officer" system, all subject to approval at the Annual Stockholders' Meeting scheduled in June, 2005. The intensions are to:

(a) improve the decision-making and supervising functions of the Board by reducing its size; and

(b) enable the "Executive Officers" to better focus on achieving the operational goals in their respective areas of responsibility.

Also being prepared are plans to reorganize our headquarters and branch offices and strengthen our operations in the Tokyo Metropolitan area and in key overseas markets. Combined with upgraded corporate functions, these restructurings should help boost our earnings power.

2) Risk Management

We have specific officers, departments and special-purpose committees in charge of implementing preventive and control measures that are designed to anticipate and address the compliance risks in our business activities. The law firms we have retained provide us with legal expertise as needed. In our effort to fulfill our corporate social responsibility (CSR), the Company updated the Corporate Code of Conducts in December 2004, and has worked with all levels of employees to embrace and uphold the Code.

Compensations paid to the Directors:

The Company has paid during this period Yen1,132 million to the directors and Yen99 million to the corporate auditors. The Company has made an additional payment of Yen146 million to the director-employees as a salary equivalent. Yen86 million was paid to the directors and Yen34 million to the corporate auditors as retirement bonuses, as approved at the stockholders' meeting. During this period, no bonus has been paid to the directors out of retained earnings.

4) Fee and compensations paid to the independent auditors:

The amount of fees and compensations that the Company has paid to Deloitte Touche Tohmatsu during this period are as follows:

- Yen48 million in fees paid for services defined by Section 1 of Article 2 of the Japan Certified Public Accountants Act
- Yen2 million as compensation otherwise

5) Proactive disclosures

We believe in proactive investor/public relations and in timely disclosures of management information.

(5) Issues relating to the Company's parent and others:

Not applicable.

II. Summary and Forecast of Business Performance

(a) Business Performance

1. Summary of Business Performance for the financial year from April 1, 2004 to March 31, 2005

Overview

While the Japanese economy did enter a “soft patch” toward the latter half of the period, weakening export performance and inventory adjustments in the IT sector were offset by strong corporate earnings and capital expenditures. Coupled with a slight up tick in jobs and payroll, the economy overall appears to be holding up.

This period saw domestic construction markets bottom out in the aggregate. Active investments in manufacturing and urban real estate drove the growth of private sector construction, while the expansion of Haneda Airport and reconstruction activities following natural disasters helped shore up the otherwise weak public works demand.

This, in our view, may represent a kind of cyclical improvement that does not change the secular downtrend in domestic construction demand. We thus believe that general contractors will continue to face severe market conditions.

Against such economic backdrop, the Companies worked to achieve the goals in the Medium-Term Business Plan, a three-year effort through March 31, 2006, aiming to build a business platform that is strong enough to generate required return on investment consistently.

Consolidated Construction Contract Awards reached Yen 1,619.3 billion, up 23.4% year on year, primarily due to an increase in building contract awarded to the Company and its consolidated overseas subsidiaries. Non-Consolidated Construction Contract Awards came in at Yen 1,339.3 billion, up 22.6% year on year, with Yen343.6 billion from civil works, up 19.0%, and Yen995.6 billion from building construction works, up 23.9%, respectively year on year.

Consolidated revenues for this financial year came in at Yen 1,687.3 billion, up 4.0% from last year, reflecting the increase in construction revenues of consolidated overseas subsidiaries.

Despite the year-on-year drop of gross profit by 2.6% due to construction segment underperformance by consolidated overseas subsidiaries, consolidated operating income advanced to Yen47.1 billion, up 1.5% from last year, due to the successful reduction of selling, general and administrative cost of the Company and its consolidated subsidiaries as well as to the better non-operating income/expense results. Consolidated net income of Yen13.2 billion (as opposed to consolidated net loss of Yen4.4 billion last year) resulted even after the extraordinary loss of Yen24.4 billion, including Yen1.7 billion in impairment loss recorded in connection with the early adoption of Accounting Standard for Impairment of Fixed Assets and Yen15.3 billion in loss on restructuring of affiliates.

Segment Performance

(1) Construction Operations

Consolidated revenues rose to Yen 1,375.8 billion, up 4.4% from last year, primarily attributable to the rise in revenue to the Company and its consolidated overseas subsidiaries.

Consolidated gross profit on completed projects for this period declined to Yen102.6 billion, down Yen3.0 billion from last year. While gross profit declined sharply in overseas subsidiaries, the Company achieved higher gross profit. The Company’s gross profit margin for this period improved to 9.1% from 8.2% of last year.

Consolidated operating income climbed to Yen27.1billion, up 12.3% from last year, due to the successful reduction of selling, general and administrative expenses.

(2) Real Estate Operations

Consolidated revenues from real estate operations climbed to Yen204.2 billion, up 9.7% from last year, reflecting the sale of a large-scale real estate development project posted by the Company. Consequently, the consolidated operating income came in at Yen19.5 billion, up 21.8% from last year

(3) Other Operations

Other segments, consisting mainly of processed construction materials and design/engineering and property management services, reported consolidated revenues of Yen107.3 billion (down 9.2% from last year) and consolidated operating income of Yen 0.6 billion, down 34.1% against last year.

2. Declaration of Dividends

We plan on declaring an ordinary annual payout of Yen6.0 per share, up Yen1.0 above the initial plan (with semi-annual payout remaining as Yen2.5).

3. Business Performance Forecast for the Full Financial Year

Although the slow-growing Japanese economy may eventually reaccelerate onto a full-fledged growth path, the current global economic uncertainties point to a near-term likelihood of Japan remaining in the “soft patch.”

Domestic construction demand may suffer as some concern exists that both business and residential investments could weaken in the months ahead while the public works volume tends to keep on shrinking. On the brighter side, construction demand is expected to grow in such submarkets as urban renewal, private finance initiative (PFI) projects as well as natural hazard mitigation and environmental protection.

Finally, the Company projects its consolidated financial performance for the financial year ending March 31, 2006 as follows:

Revenue is projected at Yen 1,640 billion, down 2.8% from the preceding year. Net income is projected at Yen24 billion, based on an anticipated improvement in net income of consolidated companies and the lower real estate sales anticipated for the coming year as fewer large-scale real estate projects are scheduled for completion.

The above projections/forecasts are based on information available as of the release of this document and are subject to risks and uncertainties that may cause the actual results to vary.

(b) Risk Factors

Investors should consider the following risk factors before making any decision concerning the Group. Forward-looking statements contained herein are based on judgments made as of March 31, 2005. The Group companies seek to mitigate, as much as practically possible, the impact that these various risks and uncertainties may have on their business performance by removing, diversifying and/or hedging them.

(1) Changes in market conditions

Should market conditions change beyond what we currently assume (e.g., steep declines in construction demand, upsurges in construction material prices, major fluctuations of real estate markets), the Group’s business performance and financial conditions may turn out to be materially different from our projections and forecasts.

(2) Fluctuations of interest rates and foreign exchange rates

Interest rate spikes and/or foreign exchange volatility may cause the Group’s business performance and financial conditions to differ from our projections and forecasts.

(3) Asset value fluctuations

Should the prices of assets owned by the Group (e.g., real estate for sale and marketable securities) or the cash flow from the income-producing properties drop substantially, the Group’s business performance and financial conditions may turn out to be materially different from our projections and forecasts.

(4) Changed political/economic conditions of foreign countries

The Group companies are doing business in foreign countries including the U.S. and countries in Europe and Asia. Should political/economic conditions or the legal systems in these countries change beyond what we currently assume, the Group's business performance and financial conditions may turn out to be materially different from our projections and forecasts.

(5) Changes affecting PFI projects

Should changes beyond what we currently assume occur that affect PFI projects during the course of their long-term operation, the Group's business performance and financial conditions may turn out to be materially different from our projections and forecasts.

(6) Deferred income tax assets

Although we expect deferred income tax assets outstanding as of March 31, 2005 to be fully utilized to offset the Group's future taxable income, changes in tax laws may partially prevent the Group from doing so.

(7) Legal restrictions

The Group companies operate in the construction industry where the companies are required to comply with various statutes including Construction Business Act, Building Standard Act, Real Estate Business Transaction Act, Land Use Planning Act, Urban Planning Act and Antitrust Law. Should there be changes to or abolitions of the above laws, the imposition of new legal constraints, or changes to the applicable standards, the Group's business performance and financial conditions may turn out to be materially different from our projections and forecasts.

III.CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS

	As of March 31		
	Millions of Yen		Thousands of U.S. Dollars
	2005	2004	2005
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	Yen 139,597	Yen 107,476	$ 1,304,645
Marketable securities	228	130	2,131
Notes and accounts receivable-trade	455,517	382,692	4,257,168
Allowance for doubtful accounts	(8,341)	(13,441)	(77,953)
Inventories:			
Construction projects in progress	144,894	178,020	1,354,150
Development projects in progress, real estate and other	191,953	231,249	1,793,953
Deferred income taxes	79,552	76,270	743,477
Other current assets	111,670	147,324	1,043,644
Total current assets	1,115,070	1,109,720	10,421,215
PROPERTY AND EQUIPMENT:			
Land	157,125	170,013	1,468,458
Buildings and structures	143,997	160,979	1,345,766
Machinery and equipment	17,183	17,998	160,589
Construction in progress	29,933	29,814	279,748
Total property and equipment	348,238	378,804	3,254,561
INVESTMENTS AND OTHER ASSETS:			
Investments in securities	204,434	218,423	1,910,598
Investments in unconsolidated subsidiaries and affiliates	36,164	26,565	337,981
Long-term loans receivable	30,021	32,026	280,570
Long-term loans to unconsolidated subsidiaries and affiliates	22,342	45,030	208,804
Allowance for doubtful accounts	(34,028)	(60,836)	(318,019)
Deferred income taxes	39,740	54,776	371,402
Other	55,749	65,771	521,019
Total investments and other assets	354,422	381,755	3,312,355
TOTAL	Yen 1,817,730	Yen 1,870,279	$ 16,988,131

	As of March 31		
	Millions of Yen		Thousands of U.S. Dollars
	2005	2004	2005
LIABILITIES AND STOCKHOLDERS` EQUITY			
CURRENT LIABILITIES:			
Short-term borrowings	Yen 98,575	Yen 152,140	$ 921,262
Commercial paper	26,000	44,000	242,991
Current portion of long-term debt	107,689	58,442	1,006,439
Notes and accounts payable-trade	519,352	461,848	4,853,757
Advances received:			
Construction projects in progress	172,645	155,902	1,613,505
Development projects in progress, real estate and other	64,225	76,713	600,234
Income taxes payable	4,657	3,144	43,523
Accrued expenses	22,450	19,230	209,813
Other current liabilities	155,903	201,076	1,457,037
Total current liabilities	1,171,496	1,172,495	10,948,561
LONG-TERM LIABILITIES:			
Long-term debt	243,556	288,681	2,276,224
Deferred income taxes on revaluation of land	16,105	12,108	150,514
Liability for retirement benefits	68,666	71,412	641,738
Allowance for loss on development projects	20,440	19,825	191,028
Equity loss in excess of investments in and loans to unconsolidated subsidiaries and affiliates	6,022	12,212	56,280
Other long-term liabilities	56,676	62,563	529,683
Total long-term liabilities	411,465	466,801	3,845,467
MINORITY INTERESTS	15,027	14,474	140,439
CONTINGENT LIABILITIES (See Note 6)			
STOCKHOLDERS` EQUITY:			
Common stock, authorized, 1,920,000,000 shares; issued, 1,057,312,022 shares	81,447	81,447	761,187
Additional paid-in capital	49,485	49,485	462,476
Retained earnings	30,666	30,107	286,598
Revaluation surplus of land	21,061	13,773	196,832
Unrealized gain on available-for-sale securities	40,997	44,924	383,150
Foreign currency statements translation adjustments	(2,412)	(1,910)	(22,542)
Treasury stock - at cost, shares 5,256,592 in 2005 and 4,807,912 shares in 2004	(1,502)	(1,317)	(14,037)
Total stockholders` equity	219,742	216,509	2,053,664
TOTAL	Yen 1,817,730	Yen 1,870,279	$ 16,988,131

CONSOLIDATED STATEMENTS OF OPERATIONS

	Years Ended March 31		
	Millions of Yen		Thousands of U.S. Dollars
	2005	2004	2005
REVENUES:			
Construction projects	Yen 1,375,804	Yen 1,317,382	$ 12,857,982
Real estate and other	311,576	304,378	2,911,925
Total revenues	1,687,380	1,621,760	15,769,907
COST OF REVENUES:			
Construction projects	1,273,132	1,211,640	11,898,430
Real estate and other	271,744	263,864	2,539,664
Total cost of revenues	1,544,876	1,475,504	14,438,094
Gross profit	142,504	146,256	1,331,813
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	95,389	99,837	891,486
Operating income	47,115	46,419	440,327
OTHER INCOME (EXPENSES):			
Interest and dividends	4,240	4,868	39,626
Interest expense	(8,239)	(10,406)	(77,000)
Equity in earnings of unconsolidated subsidiaries and affiliates	2,190	494	20,467
Valuation loss on marketable and investment securities	(891)	(496)	(8,327)
Gain on sales of marketable and investment securities-net	10,497	4,740	98,103
Gain (loss) on sales or disposals of property and equipment-net	(476)	1,519	(4,449)
Loss on dissolution of Welfare Pension Fund	-	(33,484)	-
Provision for doubtful accounts	(2,999)	(4,975)	(28,028)
Provision for loss on development projects	(1,858)	(6,775)	(17,364)
Loss on restructuring of affiliates	(15,310)	-	(143,084)
Loss on impairment of long-lived assets	(1,772)	-	(16,561)
Other-net	3,468	1,009	32,411
Other expenses-net	(11,150)	(43,506)	(104,206)
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	35,965	2,913	336,121
INCOME TAXES			
Current	3,719	2,791	34,757
Deferred	18,379	5,120	171,766
Total income taxes	22,098	7,911	206,523
MINORITY INTERESTS	(647)	524	(6,047)
NET INCOME (LOSS)	Yen 13,220	Yen (4,474)	$ 123,551

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended March 31		
	Millions of Yen		Thousands of U.S. Dollars
	2005	2004	2005
OPERATING ACTIVITIES :			
Income before income taxes and minority interests	Yen 35,965	Yen 2,913	$ 336,121
Adjustments for :			
Income taxes-paid	(1,436)	(3,597)	(13,421)
Depreciation and amortization	20,612	20,152	192,636
Provision for doubtful accounts	83	5,752	776
Equity in earnings of unconsolidated subsidiaries and affiliates	(2,190)	(494)	(20,467)
Valuation loss on marketable and investment securities	891	496	8,327
Gain on sales of marketable and investment securities - net	(10,497)	(4,740)	(98,103)
Loss on impairment of long-lived assets	1,772	-	16,561
(Increase) decrease in receivables	(80,979)	91,815	(756,813)
(Increase) decrease in inventories	77,554	29,553	724,804
Increase (decrease) in payables	57,061	(59,858)	533,280
Increase (decrease) in advances received	4,370	(27,362)	40,841
Increase (decrease) in liability for retirement benefits	(2,747)	(22,990)	(25,673)
Increase in allowance for loss on development projects	615	6,775	5,748
Other - net	(13,585)	11,687	(126,963)
Net cash provided by operating activities	87,489	50,102	817,654
INVESTING ACTIVITIES:			
Payment for purchases of marketable and investment securities	(8,816)	(15,601)	(82,393)
Proceeds from sales and redemption of marketable and investment securities	23,705	18,492	221,542
Payment for purchases of property and equipment	(12,157)	(22,174)	(113,617)
Proceeds from sales of property and equipment	15,116	16,676	141,271
Disbursements for loans	(15,286)	(34,094)	(142,860)
Proceeds from collection of loans	11,850	11,527	110,748
Other - net	1,693	(9,477)	15,823
Net cash provided by (used in) investing activities	16,105	(34,651)	150,514
FINANCING ACTIVITIES:			
Increase (decrease) in short-term borrowings	(49,910)	35,131	(466,449)
Net repayment of commercial paper	(18,000)	(10,000)	(168,224)
Proceeds from issuance of long-term debt	72,203	64,299	674,794
Repayment of long-term debt	(106,101)	(137,665)	(991,598)
Proceeds from issuance of bonds	35,993	25,372	336,383
Proceeds from issuance of new shares	-	34,478	-
Cash dividends paid	(5,256)	(4,778)	(49,121)
Other - net	(288)	(170)	(2,692)
Net cash provided by (used in) financing activities	(71,359)	6,667	(666,907)
FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS	(39)	(1,387)	(364)
NET INCREASE IN CASH AND CASH EQUIVALENTS	32,196	20,731	300,897
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	107,476	86,745	1,004,449
CASH AND CASH EQUIVALENTS OF SUBSIDIARIES EXCLUDED FROM CONSOLIDATION, BEGINNING OF YEAR	(75)	-	(701)
CASH AND CASH EQUIVALENTS, END OF YEAR	Yen 139,597	Yen 107,476	$ 1,304,645

(NOTES)

1.Summary of Significant Accounting Policies

(a) 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 three months of the date of acquisition.

(b) Inventories

Construction projects in progress are stated at cost as determined on a specific project basis. Related general and administrative expenses and financial charges are principally excluded from such costs. Other inventories are primarily stated at cost determined on a specific project basis or by the moving-average method.

However, in the case of certain overseas subsidiaries, construction projects in progress and real estate for sale are stated at cost, when not in excess of net realizable value.

(c) Capitalization of Interest

Interest costs incurred for real estate development projects (including property and equipment) conducted by certain overseas subsidiaries have been capitalized as a part of the development cost of such projects.

(d) Marketable Securities and Investments in Securities

Marketable securities and investments in securities are classified and accounted for, depending on management`s intent, as follows:

i) Trading securities, which are held for the purpose of earning capital gains in near term, are reported at fair value and the related unrealized gains and losses are included in earnings;

ii) Held-to-maturity debt securities, which are expected to be held to maturity with the positive intent and ability to hold to maturity, are reported at amortized cost;

iii)Available-for-sale securities, which are not classified as either of the aforementioned securities, are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported in a separate component of stockholders` equity.

All securities held by the Companies are classified as available-for-sale securities. The cost of securities sold is determined based on the moving-average method. However, securities held by certain overseas subsidiaries are stated at the lower of cost or market value. Non-marketable available-for-sale securities are stated at amortized cost or at cost determined by the moving-average method according to the nature. For other than temporary declines in fair value, available-for-sale securities are reduced to net realizable value by a charge to income.

(e) Property and Equipment

Property and equipment are principally stated at cost, net of accumulated depreciation and amortization. Depreciation and amortization have been principally computed using the declining-balance method while the straight-line method is applied to buildings acquired after April 1, 1998.

However, in the accounts of certain overseas subsidiaries, depreciation is principally calculated using the straight-line method over the estimated useful lives of the respective assets.

Accumulated depreciation and amortization totaled Yen255,869 million ($2,391,299 thousand) and Yen249,502 million as of March 31, 2005 and 2004, respectively.

(f) Long-lived Assets

In August 2002, the Business Accounting Council issued a Statement of Opinion, “Accounting for Impairment of Fixed Assets”, and in October 2003 the Accounting Standards Board of Japan (ASB) issued ASB Guidance No. 6, “Guidance for Accounting Standard for Impairment of Fixed Assets”. These new pronouncements are effective for years beginning on or after April 1, 2005 with early adoption permitted for years ending on or after March 31, 2004.

The Company and its consolidated domestic subsidiaries adopted the new accounting standard for impairment of fixed assets as of April 1, 2004. The Company and its consolidated domestic subsidiaries review their long-lived assets for impairment whenever events or changes in circumstances 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.
The effect of adoption of the new accounting standard was to decrease income before income taxes and minority interests by Yen1,772 million ($16,561 thousand) for the year ended March 31, 2005.
In addition, accumulated impairment losses are deducted directly from the related fixed assets.

(g) Allowance for Doubtful Accounts
Allowance for doubtful accounts provided by the Company and its consolidated domestic subsidiaries is stated in amounts considered to be appropriate based on each company`s past credit loss experience and an evaluation of potential losses in the receivables and others outstanding. However, the consolidated overseas subsidiaries provide for such possible losses using management`s estimate.

(h) Retirement Benefits
Under the employees` retirement benefit plans, the Company, its consolidated domestic subsidiaries and certain overseas subsidiaries have funded and/or unfunded retirement benefit plans covering all of their employees. Certain overseas subsidiaries have defined contribution plans.
The employees` retirement benefits accounted for the liability for retirement benefits based on projected benefit obligations and plan assets at the balance sheet date in conformity with the accounting standard for employees` retirement benefits.
Retirement benefits to directors and corporate auditors are recorded to state the liability at the amount which would be required if all directors and corporate auditors retired at the balance sheet date as stipulated in the retirement regulations.

(i) Allowances for Loss on Development Projects
The Companies provide for foreseeable losses arising from certain real estate projects.

(j) Recognition of Revenues and Related Costs
In the Company and its consolidated domestic subsidiaries, individual construction projects, whose contract amounts are not less than Yen100 million and the contract periods are beyond one year, are recorded using the percentage-of-completion method, while individual construction projects except the aforementioned are recorded using the completed-contract method.
In the consolidated overseas subsidiaries, construction projects are principally recorded using the percentage-of-completion method.
The revenues posted by way of the percentage-of-completion method for the years ended March 31, 2005 and 2004 were Yen875,456 million ($8,181,832 thousand) and Yen758,461 million, respectively.

(k) Cost of Research and Development, Share Issuance and Debenture Issuance
All research and development costs, share issuance costs and debenture issuance costs are charged to income as incurred.

(l) Leases
All leases are accounted for as operating leases. Under the Japanese accounting standards for leases, finance leases that deem to transfer ownership of the leased property to the lessee are to be capitalized, while other finance leases are permitted to be accounted for as operating lease transactions if certain ‘as if capitalized’ information is disclosed in the notes to the lessee’s consolidated financial statements.
Accordingly, the Companies will disclose ‘Lease’ related information in the annual report covering the financial years ended March 31, 2005 and 2004.

(m) Income Taxes
The provision for income taxes is computed based on the pretax income included in the consolidated statements 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 tax bases of assets and liabilities. Deferred income taxes are measured by applying currently enacted tax laws to the temporary differences.
Effective April 1, 2003, the Company files a tax return under the consolidated corporate-tax system, which allows companies to base tax payments on the combined profits or losses of the parent company and its wholly owned domestic

subsidiaries. Under the consolidated-tax system, a surcharge tax of 2% of taxable income was levied in addition to the national corporate income tax rate for the year ended March 31, 2004, but such surcharge tax is no more levied for the year ended March 31, 2005.

(n) Appropriations of Retained Earnings

Appropriations of retained earnings are reflected in the accompanying consolidated financial statements for the following year upon stockholders` approval.

(o) Foreign Currency Transactions

All short-term and long-term monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates at the balance sheet date. The foreign exchange gains and losses from translation are recognized in the consolidated statements of operations to the extent that they are not hedged by forward exchange contracts or currency swaps.

(p) Foreign Currency Financial Statements

The balance sheet accounts and revenue and expense accounts of the consolidated overseas subsidiaries are translated into Japanese yen at the current exchange rates as of each balance sheet date except for stockholders` equity, which is translated at the historical exchange rate.

Differences arising from such translation are shown in “Stockholders` equity” as foreign currency statements translation adjustments in the accompanying consolidated balance sheets.

(q) Derivatives and Hedging Activities

The Companies use derivative financial instruments to manage their exposures to fluctuations in foreign exchange, interest rates and value of listed equity securities. Foreign exchange forward contracts, currency swaps, interest rate swaps and contracts for future delivery of the equity securities are principally utilized by the Companies to reduce the risks arising from the factors mentioned above. The Companies do not enter into derivatives for trading or speculative purposes. Derivative financial instruments and foreign currency transactions are classified and accounted for as follows:

i) all derivatives are recognized as either assets or liabilities and measured at fair value, and gains or losses on derivative transactions are recognized in the consolidated statements of operations, and

ii)for derivatives used for hedging purposes, if derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging instruments and the hedged items, gains or losses on derivatives are deferred until maturity of the hedged transactions, however, the contracts for future delivery engaged in to hedge fluctuations in listed equity securities are measured at fair value and the unrealized gains or losses are charged to income.

The derivative instruments applied for forecasted or committed transactions are also measured at the fair value, but the unrealized gains/losses are deferred until the underlying transactions are completed.

The monetary debts and credits denominated in foreign currencies, for which foreign exchange forward contracts or currency swaps are used to hedge the foreign currency fluctuations, are translated at the contracted rate if the forward contracts or currency swaps qualify for hedge accounting.

The interest rate swaps, which qualify for hedge accounting and meet specific matching criteria, are not remeasured at market value, but the differential paid or received under the swap agreements are charged to income.

2.Marketable Securities and Investments in Securities

Marketable securities and investments in securities as of March 31, 2005 and 2004 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2005	2004	2005
Current:			
Government and corporate bonds	Yen 180	Yen 130	$ 1,682
Fund trusts and other	48	-	449
Total	Yen 228	Yen 130	$ 2,131
Non-Current:			
Equity securities	Yen 183,896	Yen 200,619	$ 1,718,654
Government and corporate bonds	25	105	234
Fund trusts and other	20,513	17,699	191,710
Total	Yen 204,434	Yen 218,423	$ 1,910,598

Information regarding the category of the securities classified as available-for-sale as of March 31, 2005 and 2004 were as follows:

As of March 31, 2005	Millions of Yen		
	Cost	Unrealized Gain (Loss)	Fair Value (Carrying Amount)
Available-for-sale:			
Equity securities	Yen 98,762	Yen 69,861	Yen 168,623
Government and corporate bonds	205	0	205
Fund trusts and other	1,771	(80)	1,691
Total	Yen 100,738	Yen 69,781	Yen 170,519

As of March 31, 2004	Millions of Yen		
	Cost	Unrealized Gain (Loss)	Fair Value (Carrying Amount)
Available-for-sale:			
Equity securities	Yen 108,184	Yen 76,451	Yen 184,635
Government and corporate bonds	214	1	215
Fund trusts and other	1,772	(149)	1,623
Total	Yen 110,170	Yen 76,303	Yen 186,473

As of March 31, 2005	Thousands of U.S. Dollars		
	Cost	Unrealized Gain (Loss)	Fair Value (Carrying Amount)
Available-for-sale:			
Equity securities	$ 923,009	$ 652,907	$ 1,575,916
Government and corporate bonds	1,916	0	1,916
Fund trusts and other	16,552	(748)	15,804
Total	$ 941,477	$ 652,159	$ 1,593,636

Available-for-sale securities whose fair value is not readily determinable such as non-listed securities excluding over-the-counter securities as of March 31, 2005 and 2004 were as follows:

	Carrying amount		
	Millions of Yen		Thousands of U.S. Dollars
	2005	2004	2005
Available-for-sale:			
Equity securities	Yen 15,273	Yen 15,984	$ 142,738
Government and corporate bonds	-	20	-
Fund trusts and other	18,870	16,076	176,355
Total	Yen 34,143	Yen 32,080	$ 319,093

Proceeds from sales of available-for-sale securities for the years ended March 31, 2005 and 2004 were Yen23,571 million ($220,290 thousand) and Yen14,853 million, respectively. Realized gains and losses on these sales, computed on the moving average cost method, were Yen10,846 million ($101,364 thousand) and Yen352 million ($3,290 thousand) for the year ended March 31, 2005 and Yen4,825 million and Yen111 million for the year ended March 31, 2004, respectively.

The carrying values of bonds, fund trusts and other securities by contractual maturities for securities classified as available-for-sale as of March 31, 2005 are as follows:

	Millions of Yen	Thousands of U.S. Dollars
Due within one year	Yen 228	$ 2,131
Due after one year through five years	185	1,729
Total	Yen 413	$ 3,860

3.Revaluation of Land

Under the “Law of Land Revaluation”, the Company and a domestic subsidiary adopted a one-time revaluation of their own-use land in Japan to a value based on real estate appraisal information as of March 31, 2002.

The resulting land revaluation excess represents unrealized appreciation of land and is stated, net of income taxes and minority interests, as a component of stockholders` equity. There is no effect on the consolidated statements of operations. Continuous readjustment is not permitted unless the land value subsequently declines significantly such that the amount of the decline in value should be removed from the land revaluation excess account, related deferred tax liabilities and minority interests.

As of March 31, 2005, the carrying amount of the land after the above one-time revaluation exceeded the market value by Yen 17,551 million ($164,028 thousand).

4.Retirement Benefits

The Company, its consolidated domestic subsidiaries and certain overseas subsidiaries have retirement benefit plans for employees, directors and corporate auditors. The amount of the employees’ retirement benefits is, in general, determined on the basis of length of service and current basic salary at the time of termination of service. If the termination of service is involuntary, an employee is entitled to greater payments than in the case of voluntary termination. The allowance of retirement benefits for employees of the Companies is partially funded in non-contributory and contributory pension plans. In the case of the Company, the Kajima Pension Fund had been established, the assets of which are administrated by the board of trustees composed of management and employee representatives. The fund is established under the Japanese Welfare Pension Insurance Law, which covers a substitutional portion of the governmental pension program managed by the Company on behalf of the government.

The Company obtained the approval of dissolution of the Kajima Pension Fund by Ministry of Health, Labor and Welfare on March 31, 2004 and dissolved the pension fund. The Company applied accounting treatments specified in the guidance issued by the Accounting Standards Board of Japan. The effect of dissolution was Yen33,484 million, recorded as loss on dissolution of welfare pension fund in the statements of operations for the year ended March 31, 2004.

At the same time of dissolution of the pension fund, the Company obtained the approval of a regulation of defined contribution pension plan by Ministry of Health, Labor and Welfare. On April 1, 2004, the Company implemented the defined contribution pension plan by which the former qualified defined benefit pension plan was terminated and revised severance lump-sum payment plan.

Liability for retirement benefits as of March 31, 2005 and 2004 includes retirement benefits for directors and corporate auditors of Yen5,796 million ($54,168 thousand) and Yen5,307 million, respectively. The retirement benefits for directors and corporate auditors are paid subject to the approval of stockholders.

The information of employees` retirement benefits were as follows:

(1)The liability for employees` retirement benefits

	As of March 31		
	Millions of Yen		Thousands of U.S. Dollars
	2005	2004	2005
Projected benefit obligation	Yen 112,196	Yen 117,039	$ 1,048,561
Fair value of plan assets	(15,384)	(14,645)	(143,776)
Unrecognized prior service cost	(29,085)	(32,329)	(271,822)
Unrecognized actuarial loss	(4,857)	(3,960)	(45,393)
Net liability	Yen 62,870	Yen 66,105	$ 587,570

(2)The components of net periodic benefit costs

	Years ended March 31		
	Millions of Yen		Thousands of U.S. Dollars
	2005	2004	2005
Service cost	Yen 4,822	Yen 14,548	$ 45,065
Interest cost	2,256	9,840	21,084
Expected return on plan assets	(224)	(1,561)	(2,093)
Amortization of prior service cost	3,261	(1,932)	30,477
Amortization of actuarial loss	556	14,357	5,196
Other	2,182	171	20,392
Net periodic benefit costs	Yen 12,853	Yen 35,423	$ 120,121

(3)Assumptions used

	Years ended March 31	
	2005	2004
Discount rate	2.0%	2.0% to 2.5%
Expected rate of return on plan assets	1.0% to 2.5%	1.0% to 2.5%
Amortization period of prior service cost	10 years	10 years
Recognition period of actuarial gain/loss	10 years	10 years

5.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 rates of approximately 40.5% and 41.5% for the years ended March 31, 2005 and 2004, respectively. The tax effects of significant temporary differences and loss carryforwards which resulted in deferred tax assets and liabilities as of March 31, 2005 and 2004 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2005	2004	2005
Deferred Tax Assets:			
Inventories	Yen 40,147	Yen 42,445	$ 375,206
Liability for retirement benefits	24,994	22,814	233,589
Allowance for doubtful accounts	15,512	24,157	144,972
Valuation loss on securities	11,822	15,217	110,486
Property and equipment	11,615	13,675	108,551
Other	70,911	70,135	662,719
Subtotal	175,001	188,443	1,635,523
Valuation allowance	(19,198)	(18,550)	(179,420)
Total	155,803	169,893	1,456,103
Deferred Tax Liabilities:			
Unrealized gain on available-for-sale securities	(28,545)	(30,714)	(266,776)
Property and equipment	(7,945)	(8,122)	(74,252)
Other	(34)	(29)	(318)
Total	(36,524)	(38,865)	(341,346)
Net Deferred Tax Assets	Yen 119,279	Yen 131,028	$ 1,114,757

6.Contingent Liabilities

As of March 31, 2005, contingent liabilities for loans guaranteed including related items of similar nature amounted to Yen24,049 million ($224,757 thousand).

7. Segment Information

(1) Business Segments

	Millions of Yen					
	Year ended March 31, 2005					
	Construction	Real Estate	Other	Total	Elimination	Consolidated
Revenues:						
Customers	Y 1,375,804	Y 204,267	Y 107,309	Y 1,687,380	Y -	Y 1,687,380
Inter-segments	1,862	1,520	16,133	19,515	(19,515)	-
Total	1,377,666	205,787	123,442	1,706,895	(19,515)	1,687,380
Operating expenses	1,350,551	186,258	122,813	1,659,622	(19,357)	1,640,265
Operating income	Y 27,115	Y 19,529	Y 629	Y 47,273	Y (158)	Y 47,115
Assets	Y 1,421,936	Y 506,194	Y 86,782	Y 2,014,912	Y (197,182)	Y 1,817,730
Depreciation	8,916	9,624	2,166	20,706	(94)	20,612
Impairment loss	319	1,404	49	1,772	-	1,772
Capital expenditures	5,417	5,559	2,726	13,702	(117)	13,585

	Millions of Yen					
	Year ended March 31, 2004					
	Construction	Real Estate	Other	Total	Elimination	Consolidated
Revenues:						
Customers	Y 1,317,382	Y 186,192	Y 118,186	Y 1,621,760	Y -	Y 1,621,760
Inter-segments	331	1,944	23,175	25,450	(25,450)	-
Total	1,317,713	188,136	141,361	1,647,210	(25,450)	1,621,760
Operating expenses	1,293,572	172,108	140,408	1,606,088	(30,747)	1,575,341
Operating income	Y 24,141	Y 16,028	Y 953	Y 41,122	Y 5,297	Y 46,419
Assets	Y 1,471,840	Y 518,616	Y 72,092	Y 2,062,548	Y (192,269)	Y 1,870,279
Depreciation	9,517	7,771	2,965	20,253	(101)	20,152
Capital expenditures	4,230	19,475	1,635	25,340	(74)	25,266

	Thousands of U.S. Dollars					
	Year ended March 31, 2005					
	Construction	Real Estate	Other	Total	Elimination	Consolidated
Revenues:						
Customers	$ 12,857,981	$ 1,909,038	$ 1,002,888	$ 15,769,907	$ -	$ 15,769,907
Inter-segments	17,402	14,205	150,776	182,383	(182,383)	-
Total	12,875,383	1,923,243	1,153,664	15,952,290	(182,383)	15,769,907
Operating expenses	12,621,972	1,740,729	1,147,785	15,510,486	(180,906)	15,329,580
Operating income	$ 253,411	$ 182,514	$ 5,879	$ 441,804	$ (1,477)	$ 440,327
Assets	$ 13,289,121	$ 4,730,785	$ 811,047	$ 18,830,953	$ (1,842,822)	$ 16,988,131
Depreciation	83,327	89,944	20,243	193,514	(878)	192,636
Impairment loss	2,981	13,122	458	16,561	-	16,561
Capital expenditures	50,626	51,953	25,477	128,056	(1,093)	126,963

(2) Geographical Segments

	Millions of Yen						
	Year ended March 31, 2005						
	Japan	North America	Europe	Asia	Total	Elimination	Consolidated
Revenues:							
Customers	Y 1,483,469	Y 107,540	Y 35,707	Y 60,664	Y 1,687,380	Y -	Y 1,687,380
Inter-segments	548	-	-	-	548	(548)	-
Total	1,484,017	107,540	35,707	60,664	1,687,928	(548)	1,687,380
Operating expenses	1,425,845	106,553	50,580	57,912	1,640,890	(625)	1,640,265
Operating income (loss)	Y 58,172	Y 987	Y (14,873)	Y 2,752	Y 47,038	Y 77	Y 47,115
Assets	Y 1,666,097	Y 112,287	Y 34,044	Y 56,082	Y 1,868,510	Y (50,780)	Y 1,817,730

	Millions of Yen						
	Year ended March 31, 2004						
	Japan	North America	Europe	Asia	Total	Elimination	Consolidated
Revenues:							
Customers	Y 1,460,206	Y 105,287	Y 21,819	Y 34,448	Y 1,621,760	Y -	Y 1,621,760
Inter-segments	898	-	-	335	1,233	(1,233)	-
Total	1,461,104	105,287	21,819	34,783	1,622,993	(1,233)	1,621,760
Operating expenses	1,418,262	101,906	24,280	32,126	1,576,574	(1,233)	1,575,341
Operating income (loss)	Y 42,842	Y 3,381	Y (2,461)	Y 2,657	Y 46,419	Y -	Y 46,419
Assets	Y 1,734,137	Y 106,493	Y 36,132	Y 48,576	Y 1,925,338	Y (55,059)	Y 1,870,279

	Thousands of U.S. Dollars						
	Year ended March 31, 2005						
	Japan	North America	Europe	Asia	Total	Elimination	Consolidated
Revenues:							
Customers	$ 13,864,197	$ 1,005,047	$ 333,710	$ 566,953	$ 15,769,907	$ -	$ 15,769,907
Inter-segments	5,121	-	-	-	5,121	(5,121)	-
Total	13,869,318	1,005,047	333,710	566,953	15,775,028	(5,121)	15,769,907
Operating expenses	13,325,654	995,823	472,710	541,234	15,335,421	(5,841)	15,329,580
Operating income(loss)	$ 543,664	$ 9,224	$ (139,000)	$ 25,719	$ 439,607	$ 720	$ 440,327
Assets	$ 15,571,000	$ 1,049,411	$ 318,168	$ 524,131	$ 17,462,710	$ (474,579)	$ 16,988,131

(3)Overseas Revenues

	Millions of Yen				
	Year ended March 31, 2005				
	North America	Europe	Asia	Other Area	Total
Overseas Revenues	Y 107,543	Y 36,291	Y 87,972	Y 3,244	Y 235,050
Consolidated Revenues	-	-	-	-	1,687,380
Overseas/Consolidated Ratio(%)	6.4	2.2	5.2	0.1	13.9

	Millions of Yen				
	Year ended March 31, 2004				
	North America	Europe	Asia	Other Area	Total
Overseas Revenues	Y 105,302	Y 22,395	Y 62,927	Y 2,994	Y 193,618
Consolidated Revenues	-	-	-	-	1,621,760
Overseas/Consolidated Ratio(%)	6.5	1.4	3.9	0.1	11.9

	Thousands of U.S. Dollars				
	Year ended March 31, 2005				
	North America	Europe	Asia	Other Area	Total
Overseas Revenues	$ 1,005,075	$ 339,168	$ 822,168	$ 30,318	$ 2,196,729
Consolidated Revenues	-	-	-	-	15,769,907