

As of March 31, 2005

## Number of Employees

Consolidated*	5,442
Non-consolidated	571

\*The number of consolidated employees is based on actual working employees excluding temporary staff.

## Number of Subsidiaries and Associates

Domestic	24
Overseas	49

## Products & Services

- Oil, gas and petrochemical plants
- Ships
- Vehicles
- Rolling stock
- Power generating equipment
- Construction machinery
- Textile machinery
- Industrial machinery
- Medical devices
- Electronic device and equipment

## Organization (As of April 1, 2005)

Machinery Company	Planning & Coordinating Department
	Administration Department
Plant & Project Division	Marine Department
	Oil, Gas & Petrochemical Project Department
	Transport & Infrastructure Projects Department
	Utility Solution Business Department
Automobile Division	Automobile Department No.1
	Automobile Department No.2
	Automobile Department No.3
	Department of Automobile Business Strategy and Development
	Isuzu Business Promotion Department
Industrial Machinery & Solution Division	New Business Promotion Department
	Industrial Machinery & Project Department
	Fine Process Machinery Department

HIGHLIGHTS & TOP MANAGEMENT

SPECIAL FEATURE

REVIEW OF OPERATIONS

CORPORATE GOVERNANCE & CSR

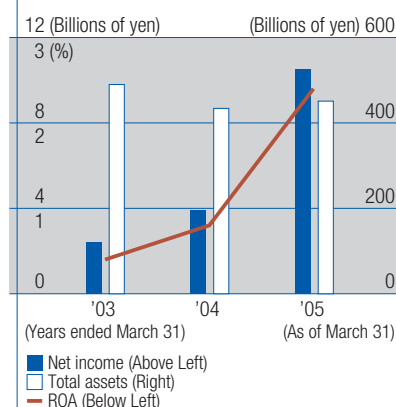
OTHER INFORMATION

FINANCIAL SECTION

CORPORATE DATA

These activities fueled a dramatic rise in profits for fiscal year 2005. Gross trading profit rose ¥6.9 billion to ¥58.0 billion and net income increased ¥6.6 billion (approximately 170%) to ¥10.5 billion, spurred on by increased profits from equity in the earnings of associated companies. ROA also improved dramatically, rising 1.6 percentage points to 2.4%.

## Financial Highlights



## Expanding Our Automotive Business through an Additional Investment in Isuzu Motors Ltd.

In November 2004, we expanded the scope of our automotive business with the purchase of ¥19.1 billion of outstanding preferred shares of Isuzu Motors.

Although high growth is not expected for the domestic Japanese auto market, we anticipate continued high growth overseas, primarily in Asia and the BRICs. Isuzu Motors has designated overseas business as a pillar of its growth strategy and plans to double overseas auto sales to 300,000 units by March 2008 through a strengthening of its local production and sales networks.

We have previously collaborated with Isuzu Motors in developing automotive operations overseas, establishing joint manufacturing and sales ventures in Vietnam and Indonesia as well as a distributorship for North America.

Moreover, we operate a number of businesses in North America that provide comprehensive distribution services ranging from parts procurement to vehicle transportation.

Our aim in purchasing the preferred shares is to strengthen further our relationship with Isuzu Motors. To this end, we established a new department called the Isuzu Business Promotion Department in April 2005. Our objective going forward is to develop and expand aggressively new business in regions such as North America and China.



Latest Isuzu commercial vehicle lineup