

MODEC, INC. and Consolidated Subsidiaries

CONSOLIDATED BALANCE SHEET

June 30, 2009

ASSETS

	Millions of Japanese yen
CURRENT ASSETS:	
Cash and time deposits	¥48,230
Accounts receivable - trade	32,399
Inventories	652
Short-term loans receivable	33,773
Other current assets	4,222
Less-Allowance for bad debts	(187)
Total current assets	<u>119,091</u>
PROPERTY AND EQUIPMENT:	
Vessels and equipment	2,774
Other	1,848
	<u>4,622</u>
INTANGIBLE ASSETS	8,020
OTHER ASSETS:	
Investment securities	13,749
Long-term loans receivable	15,031
Other investments	4,304
Less-Allowance for bad debts	(3)
	<u>33,082</u>
Total assets	<u><u>¥164,815</u></u>

** The figures are rounded down to the nearest million yen.*

LIABILITIES AND SHAREHOLDERS' EQUITY

	Millions of Japanese yen
CURRENT LIABILITIES:	
Accounts payable - trade	¥51,077
Short-term loans payable	40,067
Current portion of long-term loans payable	1,301
Accrued expenses	3,193
Income taxes payable	377
Advances Received	8,485
Other current liabilities	2,113
Total current liabilities	106,617
LONG-TERM LIABILITIES:	
Long-term loans payable	13,790
Severance and retirement benefits	
For employees	150
Long-term accounts payable	412
Other long-term liabilities	1,755
Total long-term liabilities	16,108
NET ASSETS	
SHAREHOLDERS' EQUITY:	
Common stock;	
authorized - 102,868,000 shares	
outstanding - 37,408,000 shares	12,391
Capital surplus	13,121
Retained earnings	18,996
Less-Treasury stock at cost	(1)
Total shareholders' equity	44,507
ACCUMULATED GAINS (LOSSES) FROM VALUATION AND TRANSLATION ADJUSTMENTS	
Net unrealized holding gains (losses) on securities	(24)
Unrealized losses on hedging derivative, net of tax	(163)
Foreign currency translation adjustments	(4,678)
Total accumulated gains (losses) from valuation and translation adjustments	(4,865)
MINORITY INTERESTS IN CONSOLIDATED SUBSIDIARIES:	
Total net assets	2,447
Total liabilities, net assets	42,089
	¥164,815

* The figures are rounded down to the nearest million yen.

MODEC, INC. and Consolidated Subsidiaries

CONSOLIDATED STATEMENT OF INCOME

For year ended June 30, 2009

	Millions of Japanese yen
SALES	¥96,244
COST OF SALES	92,013
Gross profit	<u>4,230</u>
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	<u>3,729</u>
Operating profit (loss)	501
OTHER INCOME (EXPENSES):	
Interest income and dividend income	812
Interest expense	(422)
Foreign exchange gain (loss), net	499
Equity in earnings of affiliates	1,215
Other, net	175
Total other income (expenses)	<u>2,279</u>
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	2,782
INCOME TAXES:	
Current	886
Deferred	(283)
INCOME BEFORE MINORITY INTERESTS	2,179
MINORITY INTERESTS	300
NET INCOME	<u>¥1,878</u>
Net income per share	¥50.23

** The figures are rounded down to the nearest million yen.*