

## Consolidated Earnings Report for the First-Quarter Ended June 30, 2010

Company Name: ITX Corporation  
 Stock Listing: Osaka Securities Exchange (Hercules)  
 Code: 2725  
 (URL <http://www.itx-corp.co.jp/>)  
 Representative Director: Masaya Ogiwara, President  
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 Scheduled date for submitting a Quarterly Securities Report: August 13, 2010  
 Scheduled start date of dividend payment: -  
 Preparation of supplementary materials for quarterly financial results: No  
 Information meeting for quarterly financial results to be held: No

### 1. Consolidated Financial Results for the First-Quarter ended June 30, 2010 (April 1, 2010 – June 30, 2010) -- Unaudited

#### (1) Consolidated Operating Results

(The percentage figure accompanying amounts represents the year-on-year change.)  
(Millions of yen)

	Revenues		Operating income		Net income	
Apr. 1 –Jun. 30, 2010	61,292	(17.9)%	1,433	(267.3) %	688	( - )%
Apr. 1 –Jun. 30, 2009	52,001	(-16.5)%	390	( - ) %	(84)	( - )%
	(Yen)					
	Net income per share		Net income per share (diluted)			
Apr. 1 –Jun. 30, 2010	1,073.96				-	
Apr. 1 –Jun. 30, 2009	(130.49)				-	

#### (2) Consolidated Financial Position

(Millions of yen)

	Total assets	Total net assets	Equity Ratio	Net assets per share
Jun. 30, 2010	110,305	34,127	29.7 %	51,247.49
Mar. 31, 2010	116,329	33,514	27.7	50,301.95

(Reference): Equity: Jun. 30, 2010 ¥ 32,810 million Mar. 31, 2010 ¥ 32,205 million

#### 2. Dividends

Record date	Dividends per Share( ¥ )				
	At end of the 1Q	At end of the 2Q	At end of the 3Q	Year-end	Annual
Year ended Mar. 31, 2010	-	0.00	-	0.00	0.00
Year ending Mar. 31, 2011	-	-	-	-	-
Year ending Mar. 31, 2011 (forecast)	-	0.00	-	0.00	0.00

(Note) Revision of Dividend Forecast: None

#### 3. Forecast for Fiscal 2011 (April 1, 2010 – March 31, 2011)

(The percentage figure accompanying amounts represents the year-on-year change.)

	Revenues		Operating income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six-month period ending Sep. 30, 2010	110,000	3.6	1,900	2.2	800	114.0	1,249.53
Year ending Mar. 31, 2011	210,000	11.4	3,000	26.1	1,600	6.0	2,499.06

(Note) Revision of Forecast: Yes

## 4. Other

- (1) Changes in major subsidiaries during the period  
(changes in specified subsidiaries accompanying change in the scope of consolidation): None
- (2) Application of simplified accounting methods as well as special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting principles, procedures and presentation methods associated with quarterly consolidated financial statements (significant changes in basis of presenting quarterly consolidated financial statements):
- (i) Changes due to revisions to accounting standards: Yes
- (ii) Other changes besides (i): None
- (4) Number of shares issued and outstanding (Common stock):

	Jun. 30, 2010	Mar. 31, 2010
Number of shares issued and outstanding	640,240	640,240
Treasury Stock	-	-
The weighted average number of shares issued and outstanding	640,240	640,240

## Implementation status of quarterly review procedures

This earnings report is not subject to quarterly review procedures under Japan's Financial Instruments and Exchange Law. At the time of this report's release such quarterly review procedures under the Financial Instruments and Exchange Law had not been completed.

## Cautionary statement on appropriate use of earnings forecasts;

Earnings forecasts are based on information available and on certain assumptions deemed rational as of the date of release. Accordingly, actual results could differ materially from forecasts due to a variety of factors. For more details on the forecast for fiscal 2011, please refer to "ITX Revises Forecasts for Fiscal 2011" provided separately as of the date of release.

## ITX Corporation Consolidated Balance Sheets

Assets	Millions of yen		Thousands of U.S. dollars
	Jun.30, 2010	Mar.31, 2010	Jun.30, 2010
<b>Current assets:</b>			
Cash and cash equivalents	¥ 22,427	¥ 21,825	\$ 254,852
Trade notes and accounts receivable	24,697	32,255	280,648
Merchandise and finished goods	11,217	9,721	127,466
Work in process	249	242	2,830
Other current assets	7,750	7,048	88,068
Allowance for doubtful accounts	(277)	(268)	(3,148)
Total current assets	66,063	70,823	750,716
<b>Non-current assets:</b>			
Property and equipment	6,031	6,204	68,533
Investment and other assets			
Investment securities	3,487	3,480	39,625
Goodwill	25,736	26,552	292,455
Intangible assets	1,547	1,567	17,580
Other non-current assets	8,456	8,735	96,091
Allowance for doubtful accounts	(1,015)	(1,032)	(11,534)
Total non-current assets	38,211	39,302	434,217
Total non-current assets	44,242	45,506	502,750
Total assets	¥ 110,305	¥ 116,329	\$ 1,253,466

The U.S. dollar amounts represent translations of Japanese yen amounts at the rate of ¥88=US\$1.

## ITX Corporation Consolidated Balance Sheets

Liabilities and Net Assets	Millions of yen		Thousands of U.S. dollars
	Jun. 30, 2010	Mar. 31, 2010	Jun. 30, 2010
<b>Current liabilities:</b>			
Trade notes and accounts payable	¥ 23,197	¥ 27,408	\$ 263,602
Short-term borrowings	4,959	5,899	56,352
Current portion of long-term debt	7,332	7,839	83,318
Accrued income taxes	327	448	3,716
Provision	3	2	34
Other current liabilities	9,115	8,922	103,580
Total current liabilities	44,933	50,518	510,602
<b>Non-current liabilities:</b>			
Long-term debt	28,760	29,903	326,818
Retirement allowance: Employees	1,586	1,563	18,023
Provision	22	32	250
Other non-current liabilities	877	799	9,966
Total non-current liabilities	31,245	32,297	355,057
<b>Net Assets:</b>			
Shareholders' Equity:			
Common stock	25,444	25,444	289,136
Capital surplus	9,458	18,015	107,477
Retained earnings	(26)	(9,271)	(295)
Total Shareholders' Equity	34,876	34,188	396,318
Valuation and Translation Adjustments:			
Net unrealized holding losses on available-for-sale securities, net of taxes	(177)	(160)	(2,012)
Net unrealized losses on hedging derivatives, net of taxes	(584)	(487)	(6,636)
Revaluation reserve for land	(113)	(113)	(1,284)
Foreign currency translation adjustments	(1,191)	(1,223)	(13,534)
Total valuation and translation adjustments	(2,065)	(1,983)	(23,466)
Minority Interests	1,316	1,309	14,955
Total Net Assets	34,127	33,514	387,807
Total Liabilities and Net Assets	¥ 110,305	¥ 116,329	\$ 1,253,466

The U.S. dollar amounts represent translations of Japanese yen amounts at the rate of ¥88=US\$1.

**ITX Corporation**  
**Consolidated Statements of Operations**

	Millions of yen		Thousands of U.S. dollars
	Apr.1, 2010- Jun.30, 2010	Apr.1, 2009- Jun.30, 2009	Apr.1, 2010- Jun.30, 2010
<b>Revenues</b>	¥ 61,292	¥ 52,001	\$ 696,500
<b>Costs of revenues</b>	50,532	41,879	574,227
<b>Gross profit</b>	<b>10,760</b>	10,122	<b>122,273</b>
<b>Selling, general and administrative expenses</b>	<b>9,327</b>	9,732	<b>105,989</b>
<b>Operating income</b>	<b>1,433</b>	390	<b>16,284</b>
<b>Other income (expenses):</b>			
Interest and dividend income	69	57	784
Interest expense	(218)	(269)	(2,477)
Impairment loss on investment securities	(0)	(90)	(0)
Gain(loss) on sales of investment securities, net	(8)	77	(91)
Gain on sales of investment securities in subsidiaries and affiliates	64	63	727
Impairment loss on fixed assets	-	(54)	-
Equity in gain(loss) of unconsolidated subsidiaries and affiliates	(32)	15	(364)
Foreign exchange gain(loss)	(10)	11	(113)
Loss on sales and disposal of non-current assets, net	(14)	(16)	(159)
Gain on change in equity	40	-	455
Prior year adjustment relating to adoption of the accounting standard on asset retirement obligations	(160)	-	(1,818)
Loss on valuation of inventories	(123)	-	(1,398)
Loss on restructuring of business	(167)	-	(1,898)
Other, net	38	(78)	432
<b>Income before income taxes and minority interests</b>	<b>912</b>	106	<b>10,364</b>
<b>Income taxes:</b>			
Current	250	173	2,841
Deferred	(92)	13	(1,045)
	<b>158</b>	186	<b>1,796</b>
<b>Income before minority interests</b>	<b>754</b>	-	<b>8,568</b>
<b>Minority interests</b>	<b>(66)</b>	(4)	<b>(750)</b>
<b>Net income (loss)</b>	<b>¥ 688</b>	<b>¥ (84)</b>	<b>\$ 7,818</b>

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## ITX Corporation Consolidated Statements of Cash Flows

	Millions of yen		Thousands of U.S. dollars
	Apr.1, 2010- Jun.30, 2010	Apr.1, 2009- Jun.30, 2009	Apr.1, 2010- Jun.30, 2010
Cash flows from operating activities:			
Income before income taxes and minority interests	¥ 912	¥ 105	\$ 10,364
Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities			
Depreciation	397	605	4,511
Impairment loss on fixed assets	-	54	-
Amortization of goodwill	680	764	7,727
Loss on adjustment for changes of accounting standard for asset retirement obligations	160	-	1,818
Increase (decrease) in allowance for doubtful accounts	(8)	1	(91)
Increase (decrease) in retirement allowance:			
Employees	23	31	261
Directors and corporate auditors	(9)	(9)	(102)
Interest and dividend income	(69)	(57)	(784)
Interest expense	218	269	2,477
Equity in losses (gains) of unconsolidated subsidiaries and affiliates	32	(15)	364
Loss(gain) on sales of investment securities, net	8	(77)	91
Gain on deemed sales of investment securities in affiliates due to dilution of equity interests, net	(40)	-	(454)
Impairment loss on investment securities	0	89	0
Gain on sales of investment securities in subsidiaries and affiliates	(64)	(62)	(727)
Decrease (increase) in trade receivables	7,560	5,726	85,909
Decrease (increase) in inventories	(1,502)	(1,772)	(17,068)
Increase (decrease) in trade payables	(4,212)	113	(47,864)
Increase in other assets	(148)	(40)	(1,682)
Increase (decrease) in other liabilities	6	(387)	68
Other, net	220	98	2,500
Sub-total	<u>4,164</u>	<u>5,436</u>	<u>47,318</u>
Receipt of interest and dividends	87	60	989
Payment of interest	(74)	(96)	(841)
Payment of income taxes	(347)	(1,060)	(3,943)
Net cash provided by operating activities	<u>3,830</u>	<u>4,340</u>	<u>43,523</u>
(to be continued)			

## ITX Corporation Consolidated Statements of Cash Flows

(continued)	Millions of yen		Thousands of U.S. dollars
	Apr.1, 2010- Jun.30, 2010	Apr.1, 2009- Jun.30, 2009	Apr.1, 2010- Jun.30, 2010
Cash flows from investment activities:			
Proceeds from sales and redemption of short-term investment securities	-	200	-
Acquisition of property and equipment	(185)	(501)	(2,102)
Proceeds from sales of property and equipment	1	10	11
Acquisition of intangible fixed assets	(89)	(416)	(1,011)
Acquisition of investment securities	(18)	(119)	(204)
Proceeds from sales and redemption of investment securities	3	325	34
Net increase(decrease) due to acquisition of investments in subsidiaries related to changes in scope of consolidation	201	(16)	2,284
Purchase of investments in subsidiaries	(55)	(797)	(625)
Net increase in short-term loans receivable	(399)	(458)	(4,534)
Collection of long-term loans receivable	1	2	11
Payments due to transfer of business	-	(904)	-
Other payments	(131)	(99)	(1,489)
Other proceeds	74	183	841
Net cash used in investment activities	(597)	(2,590)	(6,784)
Cash flows from financing activities:			
Net decrease (increase) in short-term loans payable	(940)	2,188	(10,682)
Proceeds from long-term debt	-	10	-
Repayments of long-term debt	(1,629)	(5,530)	(18,511)
Redemption of corporate bonds	(20)	-	(227)
Cash dividends paid to minority shareholders	(31)	(112)	(352)
Other, net	(26)	(17)	(296)
Net cash used in financing activities	(2,646)	(3,461)	(30,068)
Effect of exchange rate changes on cash and cash equivalents	15	72	170
Net increase (decrease) in cash and cash equivalents	602	(1,639)	6,841
Cash and cash equivalents at beginning of year	21,825	25,624	248,011
Cash and cash equivalents at end of year	¥ 22,427	¥ 23,985	\$ 254,852

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