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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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Form CB

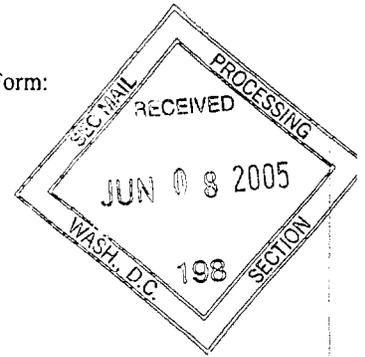
TENDER OFFER/RIGHTS OFFERING NOTIFICATION FORM  
(AMENDMENT NO. \_\_\_)

Please place an X in the box(es) to designate the appropriate rule provision(s) relied upon to file this Form:

- Securities Act Rule 801 (Rights Offering)
- Securities Act Rule 802 (Exchange Offer)
- Exchange Act Rule 13e-4(h)(8) (Issuer Tender Offer)
- Exchange Act Rule 14d-1(c) (Third Party Tender Offer)
- Exchange Act Rule 14e-2(d) (Subject Company Response)

Filed or submitted in paper if permitted by Regulation S-T Rule 101(b)(8)

Note: Regulation S-T Rule 101(b)(8) only permits the filing or submission of a Form CB in paper by a party that is not subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act.



Toyota Corolla Gifu kabushiki-kaisha  
(Name of Subject Company)

Toyota Corolla Gifu Co., Ltd.  
(Translation of Subject Company's Name into English (if applicable))

Japan  
(Jurisdiction of Subject Company's Incorporation or Organization)

Seino Transportation Co., Ltd.  
(Name of Person(s) Furnishing Form)

Common Shares  
(Title of Class of Subject Securities)

Not applicable  
(CUSIP Number of Class of Securities (if applicable))

Richard Gilden, Esq.  
Kramer Levin Naftalis & Frankel LLP  
1177 Avenue of the Americas  
New York, New York 10036  
(212) 715-9100

(Name, Address (including zip code) and Telephone Number (including area code) of Person(s) Authorized to Receive Notices and Communications on Behalf of Subject Company)

June 7, 2005  
(Date Tender Offer/Rights Offering Commenced)



## PART I - INFORMATION SENT TO SECURITY HOLDERS

### Item 1. Home Jurisdiction Documents

- (a) Attached hereto as Exhibit A is an English translation of the Convocation Notice of the 63<sup>rd</sup> ordinary general meeting of shareholders, together with Reference documents for solicitation to exercise voting rights by proxy, dated June 7, 2005 (the "Proxy Statement").
- (b) Not applicable.

### Item 2. Informational Legends

A legend in compliance with Rule 802(b) has been included on the cover page or other prominent portion of the Proxy Statement.

## PART II - INFORMATION NOT REQUIRED TO BE SENT TO SECURITY HOLDERS

Attached hereto as Exhibit B is an English translation of the Current Report, dated November 24, 2004, and attached hereto as Exhibit C is an English translation of the Correction Report, dated May 17, 2005, regarding the transactions described in the Proxy Statement.

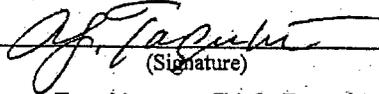
## PART III - CONSENT TO SERVICE OF PROCESS

A written irrevocable consent and power of attorney on Form F-X is being filed with the Commission by Seino Transportation Co., Ltd. concurrently with the filing of this Form CB.

PART IV - SIGNATURES

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

SEINO TRANSPORTATION CO., LTD.

  
(Signature)

Yoshikazu Taguchi Chief Executive Officer

(Name and Title)

June, 7, 2005

(Date)

## EXHIBIT INDEX

Exhibit No.   Exhibit

- A            English translation of the Convocation Notice of the 63<sup>rd</sup> ordinary general meeting of shareholders, together with Reference documents for solicitation to exercise voting rights by proxy, dated June 7, 2005 (the “Proxy Statement”).
- B            English translation of the Current Report, dated November 24, 2004.
- C            English translation of the Correction Report, dated May 17, 2005.

**Exhibit A**

English translation of the Convocation Notice of the 63<sup>rd</sup> ordinary general meeting of shareholders, together with Reference documents for solicitation to exercise voting rights by proxy, dated June 7, 2005 (the "Proxy Statement")

(TRANSLATION)

Regarding the stock swap among Seino Transportation Co., Ltd. and Toyota Corolla Gifu Co., Ltd., Gifu Hino Motor Co., Ltd., Netz Toyota Gifu Co., Ltd. and Netz Toyota Centro Gifu Co., Ltd.

Seino Transportation Co., Ltd., Toyota Corolla Gifu Co., Ltd., Gifu Hino Motor Co., Ltd., Netz Toyota Gifu Co., Ltd. and Netz Toyota Centro Gifu Co., Ltd. are Japanese companies. Information distributed in connection with the proposed stock swap is subject to Japanese disclosure requirements, which are different from those of the United States. Financial information included herein is prepared in accordance with Japanese accounting standards and may therefore not be comparable to the financial information of U. S. companies.

It may be difficult for you to enforce your rights and any claim you may have arising under the United States securities laws in respect of the stock swap, since the companies are located in Japan, and some or all of its officers and directors are residents of Japan. You may not be able to sue the companies or their officers or directors in Japanese court for violations of the U.S. securities laws. Finally, it may be difficult to compel the companies and their affiliates to subject themselves to a U.S. court's judgment.

June 7, 2005

TO OUR SHAREHOLDERS:

Tadashi Ohno  
Representative Director and President  
Toyota Corolla Gifu Co., Ltd.  
1-3, Rokujo-Omizo 4-chome, Gifu-shi  
Gifu Prefecture  
Japan

CONVOCAION NOTICE OF  
THE 63rd ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are hereby requested to attend the 63rd ordinary general meeting of shareholders of Toyota Corolla Gifu Co., Ltd. (the "Company"), which is to be held as outlined below.

In the event that you are not able to attend the meeting, please see the following reference documents, indicate whether you agree or not to the agenda, affix your seal to the enclosed power of attorney, and then return it to the Company.

1. Date and time: 10:00 a.m., June 22, 2005 (Wednesday)
2. Place: Conference room on the third floor at the head office of Toyota Corolla Gifu Co., Ltd.  
1-3, Rokujo-Omizo 4-chome, Gifu-shi  
Gifu Prefecture, Japan

3. Agenda of the meeting:

Subjects to be reported:

1. Reports of the business reports, consolidated balance sheets and consolidated statement of profit and loss of the 63rd fiscal year (from April 1, 2004 to March 31, 2005), and reports of the results of audits of the consolidated financial documents by the accounting auditor and the board of auditors
2. Reports of the balance sheets and statement of profit and loss of the 63rd fiscal year (from April 1, 2004 to March 31, 2005)

(TRANSLATION)

Subjects to be resolved:

Item 1: Approval of the proposed disposal of profits for the 63rd fiscal year

Item 2: Approval of the Stock Exchange Agreement executed among Seino Transportation Co., Ltd., Gifu Hino Motor Co., Ltd., Netz Toyota Gifu Co., Ltd., Netz Toyota Centro Gifu Co., Ltd. and the Company

The summary of this agenda is stated in pages 25 through 52 of the following document entitled "Reference Documents with Respect to Solicitation to Exercise Voting Rights by Proxy".

Item 3: Election of eleven (11) directors

- end -

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Attendees to the meeting are requested to submit the enclosed power of attorney to the reception upon arrival.

(TRANSLATION)

Attachment

BUSINESS REPORT  
(April 1, 2004 through March 31, 2005)

I. Summary of Business

(1) Progress and results of business of the Company Group

Although the economic situation in Japan during the current consolidated fiscal year showed some signs of recovering business conditions, such as improved corporate income and increased capital investment, beginning of fall onward there were concerns that the economy may enter a correction phase, due to such factors as a steep rise in crude oil prices and continuously higher raw materials prices as well as the effects of natural disasters.

In the automobile industry, the main area of business of the Company Group, the sales of compact cars stagnated due to the fact that the number of newly introduced car models, which would lead to a rise in demand, was small during the first half of the fiscal year, as well as demand for new low displacement car ("Kei Car") models that contributed to the sales of compact cars during the entire fiscal year. These factors resulted in 3,930,000 new cars (excluding Kei Cars) sold in Japan during the current fiscal year (as published by Japan Automobile Dealers Association), representing a decrease for the second year in a row, to a figure below 4 million cars for the first time in three years.

Under such circumstances, the Company Group has worked hard to be a winner, with "foresight", "activeness" and "passion" and under the policy that each company, each shop and each employee must try hard to achieve its goals. In addition, in order to improve customer satisfaction, we have strived even harder to make our shops indispensable for their surrounding community by always thinking matters from our customers' viewpoint, as well as enhancing overall sales activities, at the core of which are large-scale events that have been conducted continuously by the entire company, thereby implementing even more aggressive policies to increase demand. Furthermore, we have attempted to reduce costs and increase efficiency by promoting streamlining in all fields of our operation.

As the result, we had for the current consolidated fiscal year consolidated operating

(TRANSLATION)

income of 52,215 million yen (down 4.2% compared to the previous fiscal year) and ordinary income of 1,754 million yen (up 3.7% compared to the previous fiscal year), representing a decreased income and an increased profit. Our net income for the current fiscal year was 929 million yen (up 19.0% compared to the previous fiscal year).

Next, we will provide a summary of business of each department.

[New Car Department]

In the current fiscal year, while the sales of Kei Cars increased for the second year in a row, the new car (excluding Kei Cars) market saw a decrease in sales for the second year in a row, partially due to a small number of model changeovers in compact cars during the first half of the fiscal year. In such a harsh market environment, the department actively conducted marketing activities under the customer first policy, as well as further strengthening the link between their sales activities and services.

As for their products, "Passo" was newly put on sale by Corolla shops; "Vitz" and "Regius Ace" sold by Netz shops both accomplished a model changeover; and "Kluger Hybrid" was newly put on sale by both Corolla and Netz shops. In addition, a new "Golf" model and "Golf Touran" from Volkswagen were put on sale by the import car business section. These attempts to improve our products resulted in an increase in the number of cars sold (16,445 cars; up 0.5% compared to the previous fiscal year), but the sales decreased to 30,328 million yen (down 7.8% compared to the previous fiscal year) due to the reduced average price per car that resulted from the fact that the increase in the number of cars sold was achieved mainly by the sale of compact cars.

[U-Car Department]

In a continuously harsh market environment with decreasing selling prices and chronic shortage of merchandise, the department conducted aggressive marketing activities focusing on the large-scale customer-attracting centers of "Car Lots Gifu", "Car Lots Nagara", "WithUp Nakatsugawa" and "U-Car Kani Shop". The number of used cars sold by retailers, however, was 5,060 cars (down 3.6% compared to the previous fiscal year). The sales were 7,580 million yen (down 0.6% compared to the previous fiscal year), which were similar to the previous fiscal year due to good performance of our wholesale business.

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[Repairs Department]

In the circumstances where the price competition was getting more severe, the department continued to operate on Saturdays and Sundays and during long holiday periods, thereby enhancing their system for accepting orders in order to satisfy customers' needs. In addition, they attempted to increase the average service price per car by improving maintenance advice, as well as promoting increased efficiency by leveling works.

As the result of these efforts, the number of cars serviced outside the company was 405,886 cars (up 0.1% compared to the previous fiscal year), with the sales increasing to 10,030 million yen (up 0.3% compared to the previous fiscal year).

[Real Estate Department]

In the housing industry, the department's operation was supported by the good number of housing starts, resulting in an increased number of completed houses compared to the previous fiscal year (119 houses; up 5.3% compared to the previous fiscal year) and the sales of 3,281 million yen (up 10.2% compared to the previous fiscal year).

[Others]

As for other activities such as the sale of goods, the sales were 996 million yen (down 2.2% compared to the previous fiscal year) due to increased competition in the automobile aftermarket.

The operation income of each department is as follows.

[Details of Consolidated Operating Income]

Department	Previous Consolidated Fiscal Year (04/01/03 thru 03/31/04)	Current Consolidated Fiscal Year (04/01/04 thru 03/31/05)	Rate of Change
	(thousands of yen)	(thousands of yen)	(%)
New cars	32,898,534	30,328,087	-7.8
Used cars	7,628,779	7,580,195	-0.6
Repairs	10,002,046	10,030,101	+0.3
Real estate	2,976,625	3,281,187	+10.2
Others	1,018,168	996,191	-2.2
Total	54,524,154	52,215,762	-4.2

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(2) Capital investments by the Company Group

The total amount of capital investments during the current fiscal year was 1,216 million yen, which was covered by internal funds.

Major facilities obtained during the current fiscal year are as follows:

(a) Land lots:

- Ichihashi, Gifu-shi, Gifu Pref. (1,267.24 m<sup>2</sup>)

(b) Buildings:

- Tegano, Nakatsugawa-shi, Gifu Pref.  
Toyota Corolla Gifu Nakatsugawa Shop: Purchased
- Osashimacho, Ena-shi, Gifu Pref.  
Netz Toyota Centro Gifu Ena Shop: Relocation and new construction
- Kitauzura, Gifu-shi, Gifu Pref.  
Netz Toyota Centro Gifu Head Office: Reconstruction

(3) Financing activities by the Company Group

Nothing to report, as the Group conducted no fund-raising through capital increase or corporate bond issuance.

(4) Operating results and changes in properties of the Company Group and the Company

(i) Operating results and changes in properties of the Company Group

(Thousands of yen, except net earnings per share)

	60th Fiscal Year	61st Fiscal year	62nd Fiscal Year	63rd Fiscal Year (Current consolidated fiscal year)
	FY 2001	FY 2002	FY 2003	FY 2004
Operating income	55,329,970	55,003,383	54,524,154	52,215,762
Ordinary income	2,300,614	1,997,446	1,691,744	1,754,093
Current net income	1,194,142	974,375	780,888	929,061
Current net earnings per share (yen)	204.42	162.24	129.68	155.37
Total assets	45,599,289	46,213,201	47,693,826	47,130,142
Net assets	28,071,990	28,779,177	29,669,777	30,498,016

(Note)

1. Consolidated financial statements as specified in Article 19-2 of the Law for Special Provisions for the Commercial Code Concerning Audits, Etc. of Kabushiki-Kaisha (Joint Stock Companies) were prepared from the 63rd fiscal year (the current consolidated fiscal year).
2. Current net earnings per share were calculated using the average total number of shares issued during the fiscal year.
3. Since the 61st fiscal year, the calculation of current net earnings per share

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has been subject to the "Accounting Standards for Current Net Earnings per Share" (Corporate Accounting Standards No.2) and "Application Policy of the Accounting Standards pertaining to Current Net Earnings per Share" (Application Policy No.4 of the Corporate Accounting Standards).

(ii) Operating results and changes in properties of the Company  
(Thousands of yen, except net earnings per share)

	60th Fiscal Year	61st Fiscal year	62nd Fiscal Year	63rd Fiscal Year (Current consolidated fiscal year)
	FY 2001	FY 2002	FY 2003	FY 2004
Operating income	41,810,481	41,477,201	39,544,400	38,013,917
Ordinary income	1,808,818	1,542,752	1,112,038	1,221,460
Current net income	976,594	783,748	535,528	663,125
Current net earnings per share (yen)	167.21	130.51	88.49	110.74
Total assets	37,926,614	37,724,752	38,615,463	37,568,806
Net assets	26,896,401	27,431,055	28,064,468	28,630,736

(Note)

1. As the business reports have been prepared in accordance with the revised Commercial Code Implementation Regulations since the 62nd fiscal year, the traditional "current income" and "current earnings per share" figures are shown in the rows of "current net income" and "current net earnings per share" figures, respectively.
2. Current net earnings per share was calculated using the average total number of shares issued during the fiscal year.
3. Since the 61st fiscal year, the calculation of current net earnings per share has been subject to the "Accounting Standards pertaining to Current Net Earnings per Share" (Corporate Accounting Standards No.2) and "Application Policy of the Accounting Standards for Current Net Earnings per Share" (Application Policy No.4 of the Corporate Accounting Standards).

(5) Tasks to be addressed by the Company Group and the Company

With respect to the future perspective, some positive signs, such as increased capital investments, are beginning to appear due to recovering personal consumption resulting from the improved employment environment and increased employee compensation, as well as reduced structural correcting pressure from excess capacity, excessive debts, etc. of corporations. However, there are still many disturbing factors, such as trends in crude oil prices and in the world economy.

Under such circumstances, the automobile industry, the main area of business of the Company Group, is expected to see demand recovery and resulting increased sales

in the domestic new car market, due to the growth of the Japanese economy, the introduction of new car models, and the new long-term exhaust emission regulations. As for the business conditions which are to support such trend, however, it is hard to believe that the trend is steadily upward toward recovery. In addition, gasoline prices will rise due to the steep rise in crude oil prices. It thus seems that our business environment will remain severe.

In these circumstances, the Company Group will renew its understanding of the importance of returning to the beginning by thoroughly enforcing the "courtesy first policy". In addition, the Company Group will attempt to improve efficiency of the entire company group by starting from the centralization of accounting divisions and U-Car divisions of each company, followed by step-by-step promotion of the centralization of other divisions in the background. Through these measures, we intend to enhance our corporate strength and competitiveness. We are also planning to open "Lexus Yabuta" shop in Ichihashi, Gifu-shi in August as a new office of Toyota Corolla Gifu, where we will newly start the sale of luxury cars, thereby improving the sales system so as to satisfy more varied customers' needs in an attempt to improve our business results.

We hope that you shareholders will continue to extend your kind support and encouragement to us.

2. Outline of the Company (as of March 31, 2005)

(1) Main businesses of the company group

Business	Descriptions	
New cars	Toyota passenger cars	(Corolla shops) Sale of Corolla, Fielder, Runx, Spacio, Windom, Camry, Celica, Estima L, Estima Hybrid, Noah, Kluger L, Passo, RAV4L, and Probox Wagon. (Netz shops) Sale of Aristo, Avensis, Altezza, MR-S, bB, Alphard V, Alphard Hybrid, Ipsum, Voxy, Wish, Alex, Vitz, Raum, Ist, Kluger V, and RAV4J. (Corolla and Netz shops) Sale of Kluger Hybrid, WiLL CYPHA, Fun Cargo, and Sienta.
	Toyota freight cars	(Corolla shops) Sale of Probox Van, Townace Van, and TownAce Truck. (Netz shops) Sale of LiteAce and RegiusAce Van.
	Import cars	Sale of Volkswagen cars.
Used cars	Sale of various used cars.	
Repairs & sale of auto accessories	Car safety checks and service, statutory inspections and service, and sale of auto parts, tires and mineral oils.	
Lease	Auto lease.	
Communication	Sale of mobile phones, etc.	

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Real estate	Real estate sales and brokerage services, and designing and execution of construction works.
Others	Damage insurance agency services, and life insurance solicitation.

## (2) Principal offices of the company group

## (i) The Company

Name	Address	Number of offices
Head office	Rokujo Omizo, Gifu-shi, Gifu Pref.	..
Gifu, Kagashima and Nagara shops, U-Car Head Office Rokujo shop, DUO Gifu 21	Gifu-shi, Gifu Pref.	10
Ogaki and Ogaki Kita shops	Ogaki-shi, Gifu Pref.	5
Tajimi, Ena, Takayama, Maehira and Raibow Mall shops, U-Car Kagamihara shop, Total Support Centers	Other locations in Gifu Pref.	35

## (ii) Subsidiaries, etc.

Name	Address
Head Office, Netz Toyota Centro Gifu Co., Ltd.	Kitauzura, Gifu-shi, Gifu Pref.
Head Office, Toyota Home Gifu Co., Ltd.	Maruno, Yanaizucho, Hasima-gun, Gifu Pref.
Head Office, Jms Gifu Corporation	Kozanocho, Kagamihara-shi, Gifu Pref.

## (3) Shares

(i) Total number of shares to be issued by the Company: 12,000,000 shares

(ii) Total number of issued shares: 5,844,300 shares

(iii) Number of shareholders: 561

## (iv) Major shareholders (top 10)

Shareholder name	Investment in the Company		Investment by the Company in shareholders	
	Number of shares held	Equity stake	Number of shares held	Equity stake
	(shares)	(%)		(%)
Seino Transportation Co., Ltd.	2,338,437	40.01	--	--
Toyota Motor Corporation	417,450	7.14	182,969	0.00
Aioi Insurance Co., Ltd.	295,664	5.06	--	--
Ogaki Kyoritsu Bank, Ltd.	202,192	3.46	183,600	0.06
Tokio Marine & Nichido Fire Insurance Co., Ltd.	201,249	3.44	--	--
Mitsui Sumitomo Insurance Co., Ltd.	144,734	2.48	--	--
Juroku Bank, Ltd.	135,933	2.33	83,242	0.02
Sumitomo Life Insurance Company	133,000	2.28	--	--
Bank of New York GCM Client Accounts EISG	114,000	1.95	--	--
Gifu Shinkin Bank	103,302	1.77	150,000□	--

(Note)

Tokyo Marine & Fire Insurance Co., Ltd. merged with Nichido Fire & Marine Insurance Co., Ltd. on October 1, 2004 and changed its name to Tokyo Marine & Nichido Fire Insurance Co., Ltd.

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(4) Acquisition, disposition and holding of treasury shares

(i) Shares acquired	Common shares:	9,013 shares
	Total amount of purchase price:	13,818,281 yen
(ii) Shares sold	None applicable.	
(iii) Shares held at the end of the fiscal year	Common shares:	31,888 shares

(5) Employees of the Company Group and the Company

(i) Employees of the Company Group

Number of employees	Change compared to the end of previous fiscal year	Average age (years)	Average years of service
1,061	-68	34.9	12.3

(ii) Employees of the Company

Number of employees	Change compared to the end of previous fiscal year	Average age (years)	Average years of service
780	-69	35.4	13.7

(6) Main sources of borrowings

None applicable.

(7) State of Business combinations

(i) The Company is a consolidated subsidiary of Seino Transportation Co., Ltd., whose equity stake in the total number of the Company's shares outstanding is 40.01%.

(ii) Major subsidiary corporations, etc.

Company name	Capital (thousands of yen)	Equity Stake (%)	Main businesses
Netz Toyota Centro Gifu Co., Ltd.	463,750	50.04	Sale and repair of automobiles
Toyota Home Gifu Co., Ltd.	55,000	54.55	Sale and lease of real estate
Jms Gifu Corporation	30,000	70.00 (10.00)	Sale of auto accessories and parts

(Note) The figures in the parentheses in the equity stake column indicate the equity stake held by the Company's subsidiaries.

(iii) Other major business combinations

Company name	Capital (thousands of yen)	Equity Stake (%)	Main businesses
Netz Toyota Gifu Co., Ltd/	290,250	20.63	Sale and repair of automobiles

(iv) Results of business combinations

The Company's consolidated subsidiaries are the three companies listed above and

the company accounted for by the equity method is the one listed under "Other major business combinations". The consolidated sales for the current fiscal year were 52,215 million yen (down 4.2% compared to the previous fiscal year) and the consolidated current net income was 929 million yen (up 19.0% compared to the previous fiscal year).

(8) Directors and corporate auditors

Title	Name	Assignment or main occupation
Chairman and Representative Director	Masaki Ohashi	
President and Representative Director	Tadashi Ohno	
Senior Managing Director	Hiroyuki Taguchi	General Sales Manager
Managing Director	Yoshinori Nagara	Deputy General Sales Manager
Managing Director	Hiroo Yokoyama	In charge of import cars
Director	Yoshikazu Taguchi	Chairman and Representative Director, Seino Transportation Co., Ltd.
Director	Yoshitaka Taguchi	President and Representative Director, Seino Transportation Co., Ltd.
Director	Takao Taguchi	Senior Managing Director, Seino Transportation Co., Ltd.
Director	Eiji Mizuno	Manager for the Central District, Sales Department
Director	Masayuki Okabe	Manager of General Affairs Department
Director	Toshinori Miyake	Manager of Financial Affairs Department
Full-time Corporate Auditor	Masakatsu Nokura	
Corporate Auditor	Yoshio Matsuoka	Full-time Corporate Auditor, Seino Transportation Co., Ltd.
Corporate Auditor	Toshio Tsuda	Senior Managing Director, Netz Toyota Gifu K.K.

(Note)

1. Among the Directors, Mr. Yoshitaka Taguchi and Mr. Takao Taguchi are outside directors as specified in Article 188, Paragraph 2, Item 7-2 of the Commercial Code.
2. Among the Corporate Auditors, Mr. Yoshio Matsuoka and Mr. Toshio Tsuda are outside auditors as specified in Article 18, Paragraph 1 of the Law for Special Provisions for the Commercial Code Concerning Audits, Etc. of Kabushiki-Kaisha (Joint Stock Companies).
3. At the 62nd Ordinary General Meeting of Shareholders held on June 24, 2004, Mr. Masakatsu Nokura and Mr. Yoshio Matsuoka were appointed as new corporate auditors and assumed office.
4. At the end of the 62nd Ordinary General Meeting of Shareholders held on June 24, 2004, the former corporate auditors, Mr. Ikuo Shimizu and Mr. Motoharu Sobajima, retired upon expiration of term of office.

(TRANSLATION)

- (9) Amounts, etc. paid to accounting auditors (thousands of yen)
- (i) Total amount of fees, etc. payable by the Company and its subsidiary corporations, etc. to accounting auditors: 11,400
  - (ii) Of the total amount shown in (i) above, the total amount of fees, etc. payable in consideration of services as specified in Article 2, Paragraph 1 of the Certified Public Accountants Law (Law No.103 of 1948) (auditing and attestation services): 11,400
  - (iii) Of the total amount shown in (ii) above, the amount of fees, etc. payable by the Company to accounting auditors as fees, etc. for their services as accounting auditors: 11,400

(Note)

The amount shown in (iii) above includes the amount of audit fees, etc. under the Securities and Exchange Law, as fees for audit under the Law for Special Provisions for the Commercial Code Concerning Audits, Etc. of Kabushiki-Kaisha (Joint Stock Companies) and those under the Securities and Exchange Law are not differentiated from each other in the audit agreement between the Company and the accounting auditors.

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(Note)

All amounts of money shown in this business report are rounded down to the nearest respective applicable units of yen.

Consolidated Balance Sheet  
(As of March 31, 2005)

Account title	Amount	Account title	Amount
(Assets)	Thousands of yen	(Liabilities)	Thousands of yen
Current Assets	27,093,974	Current Liabilities	13,262,181
Cash on hand and in banks	6,171,284	Notes payable-trade and accounts payable-trade	6,228,428
Notes receivable and accounts receivable-trade	2,639,734	Short-term loans payable	1,830,000
Accounts receivable in installment sales	13,905,153	Accrued corporate tax	432,397
Securities	200,000	Accrued consumption tax	556,772
Inventories	3,211,313	Reserve for bonus	524,462
Deferred tax assets	326,668	Reserve for unrealized profit in installment sales	1,379,855
Other current assets	648,832	Other current liabilities	2,310,264
Reserve for doubtful accounts	-9,012	Fixed Liabilities	1,613,891
Fixed Assets	20,036,168	Reserve for retirement benefits to employees	1,276,310
Tangible fixed assets	15,326,251	Reserve for retirement benefits for officers	218,690
Buildings and structures	5,536,530	Other fixed liabilities	118,890
Machinery and equipment, vehicles	837,890	Total Liabilities	14,876,072
Land	8,602,954	(Minor Interest)	
Other tangible fixed assets	348,876	Minor interest	1,756,054
Intangible fixed assets	337,666	(Shareholders' Equity)	
Other intangible fixed assets	337,666	Capital stock	5,317,152
Investments and other assets	4,372,250	Capital surplus	6,049,017
Investment securities	3,285,019	Retained earnings	18,628,418
Deferred tax assets	252,196	Variance from valuation of securities	540,154
Other investments and assets	847,520	Treasury stock	-36,724
Reserve for doubtful accounts	-12,486	Total Shareholders' Equity	30,498,016
Total Assets	47,130,142	Total Liabilities, Minor Interest and Shareholders' Equity	47,130,142

Consolidated Income Statement  
(From April 1, 2004 to March 31, 2005)

Account title		Amount		
		Thousands of yen	Thousands of yen	
Ordinary Income and Expenses	Operating income and expenses	Operating income		
		Sales	49,378,455	
		Commission income	2,837,307	52,215,762
		Operating expenses		
		Cost of sales	40,754,930	
		Selling, general and administrative expenses	10,569,642	51,324,572
		Reversal of reserve for unrealized profit in installment sales		1,332,593
		Provision for unrealized profit in installment sales		1,379,855
	Operating income		843,928	
	Non-operating income and expenses	Non-operating income		
		Interest and dividends received	771,170	
		Return on investment by equity method	97,712	
		Other non-operating income	68,169	937,052
		Non-operating expenses		
Interest paid		11,330		
Other non-operating expenses	15,555	26,886		
Ordinary income			1,754,093	
Extraordinary Items	Extraordinary income			
	Profit on disposition of fixed assets	99,377		
	Profit on disposition of investment securities	4,005	103,383	
	Extraordinary loss			
	Loss on disposition of fixed assets	101,456		
	Loss on revaluation of golf club membership	4,750		
Other extraordinary loss	10,005	116,211		
			1,741,265	
			759,288	
			-103,887	
			156,803	
			929,069	

(TRANSLATION)

Notes

Important matters serving as basis for preparation of consolidated financial statements

1. Matters on scope of consolidation

- (1) Consolidated subsidiaries: Nets Toyota Centro Gifu Co., Ltd., Toyota Home Gifu, Co., Ltd. and Jms Gifu Corporation, three in total
- (2) Unconsolidated subsidiaries: N/A

2. Matters on application of equity method

- (1) Equity method affiliates: 1 (Nets Toyota Centro Gifu Co., Ltd.)
- (2) Unconsolidated subsidiaries and affiliates to which equity method is not applicable:  
N/A

3. Matters on fiscal year of consolidated subsidiaries

Closing date of consolidated subsidiaries is consistent with the consolidated closing date.

4. Valuation standards and methods for securities

- (1) Hold-to-maturity debenture: amortized cost method
- (2) Shares of subsidiaries and affiliates:  
stated at cost based on the moving average method
- (3) Other securities:
  - a) Securities whose market price is quoted: market value method based on the market price, etc. as of the end of the fiscal year (all of the variances resulting from the valuation are directly incorporated into capital, and the cost of the securities at the time of their sale is calculated using the moving average method)
  - b) Securities whose market price is not quoted: stated at cost based on the moving average method

5. Valuation standards and methods for inventories

- (1) Goods, work in process specific-order cost method
- (2) Parts, supplies stated at cost based on the moving average method

6. Depreciation method for fixed assets

- (1) Tangible fixed assets: declining balance method

For buildings, excluding attachment, acquired on and after April 1, 1998, straight line method is adopted

Small-sum depreciable assets are depreciated in equal installments over three years.

(2) Intangible fixed assets                      straight line method

The software used by the Company is depreciated by straight line method over the number of useful years for internal use (five years)

#### 7. Basis for recording of reserves

(1) Reserve for doubtful accounts: To prepare for possible losses resulting from non-payments of account receivables for trade and loans, etc., a reserve is provided based on the percentage of actual credit losses incurred in the case of general receivables and, in the case of credits for which the relevant debtors are likely to default and other certain credits, such reserve is based on the anticipated uncollectible amount after assessment of likelihood of non-payment of individual credit.

(2) Reserve for bonus: To prepare for payments of bonuses to employees, a reserve is provided based on the projected payments.

(3) Reserve for retirement benefits for employees: To prepare for payments of retirement benefits to employees, a reserve is provided based on the projected retirement benefit obligations as of the end of the current fiscal year.

The difference arising from actuarial computations is amortized and disposed as expenses in the subsequent fiscal years using the straight-line method over a certain number of years not exceeding the average number of remaining service years of the employees at the time of accrual of such payment (five years), and past service obligations are disposed as expenses for a certain number of years not exceeding the average number of remaining service years of the employees at the time of accrual of such payment (10 years).

(4) Reserve for retirement benefit for officers: To prepare for payments of retirement benefits to officers, a reserve is provided based on the required payment amount as of the end of year in accordance with by-laws.

This reserve is a reserve provided for in Article 43 of the Commercial Code Enforcement Regulations

#### 8. Basis for recording of revenue

Revenue on installment sales is provided in accordance with installment

basis.

9. Lease transactions

Financing lease transactions, other than those in which ownership of the leased assets is deemed to transfer to the lessee, are recorded based on the same accounting method as is used for normal rental transactions.

10. Consumption tax, etc.

Tax excluded method is used for treatment of consumption tax and local consumption tax.

11. Methods of valuation of assets and liabilities of consolidated subsidiaries

All fair market value method is used.

Additional Information

The Company, Seino Transportation Co., Ltd., Gifu Hino Motor Co., Ltd., Netz Toyota Gifu Co., Ltd. and Nets Toyota Centro Gifu Co. Ltd. made a resolution at their respective meeting of the board of directors held on November 24, 2004 that the Company and the other three companies become wholly-owned subsidiaries of Seino Transportation Co., Ltd. by means of stock exchange as of October 1, 2005, and entered into a Memorandum on Stock Exchange by and among them.

Notes to Balance Sheet

Accumulated depreciation of tangible fixed assets: 8,675,126 thousand yen

Notes to Income Statement

Net earnings per share 155.37 yen

(TRANSLATION)

COPY

Accounting Auditors' Report on Consolidated Financial Statements

Independent Auditors' Report

May 16, 2005

To the Board of Directors of  
Toyota Corolla Gifu Co., Ltd.:

Chuo Aoyama Audit Corporation  
Yoshitaka Sakai (seal)  
Designated Partner and Executing Partner  
Certified Public Accountant  
Jun Yamada (seal)  
Designated Partner and Executing Partner  
Certified Public Accountant

We have audited the consolidated financial statements (i.e. the consolidated balance sheet and the consolidated income statement) of Toyota Corolla Gifu Co., Ltd. for its 63rd fiscal year, starting April 1, 2004 and ending March 31, 2005, in accordance with the provisions of Article 19-2, Paragraph 3 of the Law for Special Provisions for the Commercial Code Concerning Audits, Etc. of Kabushiki-Kaisha (Joint Stock Companies). These consolidated financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and the methods by which they were applied and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion. Our audits included audit procedures conducted on the company's subsidiaries that we deemed necessary.

(TRANSLATION)

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the assets, profits and losses of the Company Group consisting of Toyota Corolla Gifu Co., Ltd. and its consolidated subsidiaries, etc., in conformity with laws and regulations and the company's articles of incorporation.

There is no conflict of interest between the company and us or one or both of the Executing Partners that must be reported pursuant to the provisions of the Certified Public Accountants Law.

(TRANSLATION)

COPY

Board of Corporate Auditors' Report on Consolidated Financial Statements

Audit Report on Consolidated Financial Statements

We have received from each corporate auditor a report on the methods and results of audits of the consolidated financial statements (the consolidated balance sheet and the consolidated income statement) for the 63rd fiscal year, starting April 1, 2004 and ending March 31, 2005. After discussion, we have prepared this audit report to report as follows:

1. Summary of the methods of audits by corporate auditors

Each corporate auditor received reports and explanations from directors, etc. and accounting auditors on the consolidated financial statements and conducted audits in accordance with the auditing principles, the allocation of duties, etc. determined by the Board of Corporate Auditors.

2. Results of the audits

We acknowledge that the methods and results of audits by the accounting auditors, Chuo Aoyama Audit Corporation, are satisfactory.

May 23, 2005

Board of Corporate Auditors  
Toyota Corolla Gifu Co., Ltd.

Full-time Corporate Auditor:	Masakatsu Nokura (Seal)
Corporate Auditor:	Yoshio Matsuoka (Seal)
Corporate Auditor:	Toshio Tsuda(Seal)

Note: Of the corporate auditors, Yoshio Matsuoka and Toshio Tsuda are outside auditors as set forth in Article 18, Paragraph 1 of the Law for Special Provisions for the Commercial Code concerning Audit, etc., of Kabushiki-Kaisha.

Balance Sheet  
(As of March 31, 2005)

Account title	Amount	Account title	Amount
	Thousands of yen		Thousands of yen
(Assets)		(Liabilities)	
Current Assets	20,669,173	Current Liabilities	7,479,265
Cash on hand and in banks	4,991,691	Notes payable-trade	969,879
Notes receivable	410,146	Accounts payable-trade	2,720,006
Accounts receivable in installment sales	10,893,557	Accounts payable-other	307,332
Accounts receivable-trade	1,593,486	Accrued corporate tax	368,758
Securities	200,000	Accrued consumption tax	539,784
Goods	1,729,162	Accrued expenses	309,271
Parts	94,867	Advance received	368,594
Work in process	50,423	Deposit received	452,137
Supplies	2,462	Reserve for bonus	400,000
Prepaid expenses	73,362	Reserve for unrealized profit in installment sales	1,036,820
Accrued revenue	315,588	Other current liabilities	6,678
Deferred tax assets	241,569	Fixed Liabilities	1,458,804
Other current assets	75,855	Reserve for retirement benefits to employees	1,189,214
Reserve for doubtful accounts	-3,000	Reserve for retirement benefits for officers	162,700
Fixed Assets	16,899,633	Deposits received for guarantee	106,890
Tangible fixed assets	12,693,507		
Buildings	3,896,107		
Structures	596,742		
Machinery and equipment	201,548		
Leased vehicles	248,619		
Vehicles	506,289		
Tools, furniture and fixture	66,188		
Land	7,164,511		
Construction in progress	13,500		
Intangible fixed assets	210,884		
Leasehold rights	169,329		
Telephone subscription rights	27,076		
Software	6,844		
Rights of using telecommunications facilities	3,995		
Other intangible fixed assets	3,637		
Investments and other assets	3,995,241		
		Total Liabilities	8,938,070
		(Shareholders' Equity)	
		Capital stock	5,317,152
		Capital surplus	6,049,017
		Legal capital reserve	6,049,017
		Retained earnings	16,810,569
		Legal reserve	359,825
		Voluntary reserve	15,765,574
		Reserve for advanced depreciation of fixed assets	135,574
		General reserve	15,630,000
		Unappropriated retained	685,169

(TRANSLATION)

Investment securities	2,317,767	earnings	
Investments in subsidiaries	905,525	Variance from valuation of shares	490,723
Long-term prepaid expenses	66,216	Treasury stock	-36,724
Guaranty money deposited	477,275		
Deferred tax assets	193,223		
Other investments	47,719		
Reserve for doubtful accounts	-12,486	Total Shareholders' Equity	28,630,736
Total Assets	37,568,806	Total liabilities and Shareholders' equity	37,568,806

Income Statement  
(From April 1, 2004 to March 31, 2005)

Account title			Amount	
			Thousands of yen	Thousands of yen
Ordinary Income and Expenses	Operating income and expenses	Operating income		
		Sales	35,777,552	
		Commission income	2,236,364	38,013,917
		Operating expenses		
		Cost of sales	29,643,636	
		Selling, general and administrative expenses	7,720,508	37,364,145
		Reversal of reserve for unrealized profit in installment sales		1,009,750
	Provision for unrealized profit in installment sales		1,036,820	
		Operating income		622,701
	Non-operating income and expenses	Non-operating income		
Interest and dividends received		561,136		
Other non-operating income		88,638	649,774	
Non-operating expenses				
Interest paid		1,162		
	Other non-operating expenses	49,853	51,015	
Ordinary income				1,221,460
Extraordinary Items	Extraordinary income			
	Profit on disposition of investment securities	4,005	4,005	
	Extraordinary loss			
	Loss on disposition of fixed assets	70,316		
	Loss on revaluation of golf club membership	4,750		
	Other extraordinary loss	7,740	82,806	
Current net income before tax				1,142,659
Income, resident and enterprise tax				582,800
Adjustment for tax				-103,266
Current net income				663,125
Retained earnings brought forward				56,944
Interim dividends				34,900
Current unappropriated retained earnings				685,169

(Notes to Balance Sheet and Income Statement for Gifu Hino Motor Co., Ltd.)

### Significant Accounting Policies

#### 1. Valuation standards and methods for securities

(1) Hold-to-maturity debenture: amortized cost method

(2) Shares of subsidiaries and affiliates:

stated at cost based on the moving average method

(3) Other securities:

a) Securities whose market price is quoted: market value method based on the market price, etc. as of the end of the fiscal year (all of the variances resulting from the valuation are directly incorporated into capital, and the cost of the securities at the time of their sale is calculated using the moving average method)

b) Securities whose market price is not quoted: stated at cost based on the moving average method

#### 2. Valuation standards and methods for inventories

(1) Goods, work in process specific-order cost method

(2) Parts, supplies stated at cost based on the moving average method

#### 3. Depreciation method for fixed assets

(1) Tangible fixed assets: declining balance method

For buildings, excluding attachment, acquired on and after April 1, 1998, straight line method is adopted

Small-sum depreciable assets are depreciated in equal installments over three years.

(2) Intangible fixed assets: straight line method

The software used by the Company is depreciated by straight line method over the number of useful years for internal use (five years)

#### 4. Basis for recording of reserves

(1) Reserve for doubtful accounts: To prepare for possible losses resulting from non-payments of account receivables for trade and loans, etc., a reserve is provided based on the percentage of actual credit losses incurred in the case of general receivables and, in the case of credits for which the relevant debtors are likely to default and other certain credits, such reserve is based on the anticipated uncollectible amount after assessment of likelihood of non-payment of individual

credit.

(2) Reserve for bonus: To prepare for payments of bonuses to employees, a reserve is provided based on the projected payments.

(3) Reserve for retirement benefits for employees: To prepare for payments of retirement benefits to employees, a reserve is provided based on the projected retirement benefit obligations as of the end of the current fiscal year.

The difference arising from actuarial computations is amortized and disposed as expenses in the subsequent fiscal years using the straight-line method over a certain number of years not exceeding the average number of remaining service years of the employees at the time of accrual of such payment (five years), and past service obligations are disposed as expenses for a certain number of years not exceeding the average number of remaining service years of the employees at the time of accrual of such payment (10 years).

(4) Reserve for retirement benefit for officers: To prepare for payments of retirement benefits to officers, a reserve is provided based on the required payment amount as of the end of year in accordance with by-laws.

This reserve is a reserve provided for in Article 43 of the Commercial Code Enforcement Regulations

#### 5. Basis for recording of revenue

Revenue on installment sales is provided in accordance with installment basis.

#### 6. Lease transactions

Financing lease transactions, other than those in which ownership of the leased assets is deemed to transfer to the lessee, are recorded based on the same accounting method as is used for normal rental transactions.

#### 7. Consumption tax, etc.

Tax excluded method is used for treatment of consumption tax and local consumption tax.

#### Additional Information

The Company, Seino Transportation Co., Ltd., Gifu Hino Motor Co., Ltd., Netz Toyota Gifu Co., Ltd. and Nets Toyota Centro Gifu Co. Ltd. made a resolution at

their respective meeting of the Board of Directors held on November 24, 2004 that the Company and the other three companies become wholly-owned subsidiaries of Seino Transportation Co., Ltd. by means of stock exchange as of October 1, 2005, and entered into a Memorandum on Stock Exchange by and among them.

#### Notes to Balance Sheet

1. Accumulated depreciation of tangible fixed assets: 7,348,973 thousand yen
2. In addition to the fixed assets recorded on the balance sheet, there are 78 leased vehicles and computers, etc.
3. Net assets provided for in Article 124, Item 3 of the Commercial Code Enforcement Regulations: 490,723 thousand yen
4. Claims and liabilities to subsidiaries
  - Short-term monetary claims to subsidiaries: 14,912 thousand yen
  - Short-term monetary liabilities to subsidiaries: 10,430 thousand yen
5. Amount of retirement benefit obligations, etc.
  - Retirement benefit obligations: 1,492,330 thousand yen
  - Unrecognized difference arising from actuarial computations: 117,723 thousand yen
  - Unrecognized past service obligations: 185,392 thousand yen

#### Notes to Income Statement

1. Transactions with subsidiaries:
  - Operating income 34,366 thousand yen
  - Operating expenses 43,976 thousand yen
  - Turnover from non-operating transactions 90,529 thousand yen
2. Current net earnings per share 110.74 yen

(TRANSLATION)

Proposed Disposal of Profits

(yen)

Unappropriated retained earnings	685,169,291
Reversal of reserve for advanced depreciation of fixed assets	4,394,303
Total	689,563,594
Earnings are appropriated as follows:	
Dividends (6 yen per share)	34,874,472
Bonus to officers (of which, bonus to corporate auditors)	18,950,000 (2,000,000)
Retained earnings brought forward to next period	635,739,122

(Note)

The Company paid interim dividends of 6 yen per share, 34,900,260 yen in total, on December 10, 2004.

(TRANSLATION)

COPY

Accounting Auditors' Report

Independent Auditors' Report

May 16, 2005

To the Board of Directors of  
Toyota Corolla Gifu Co., Ltd.:

Chuo Aoyama Audit Corporation  
Yoshitaka Sakai (seal)  
Certified Public Accountant  
Designated Partner and Executing Partner  
Jun Yamada (seal)  
Certified Public Accountant  
Designated Partner and Executing Partner

We have audited the financial statements (i.e. the balance sheet, income statement, business report (only for the part relating to accounting), statement of appropriations and schedules (only for the part relating to accounting)) of Toyota Corolla Gifu Co., Ltd. for its 63rd fiscal year, starting April 1, 2004 and ending March 31, 2005, in accordance with the provisions of Article 2, Paragraph 1 of the Law for Special Provisions for the Commercial Code Concerning Audits, Etc. of Kabushiki-Kaisha (Joint Stock Companies). The parts relating to accounting in the business report and schedule that we have audited are the statements in the business report and schedule based on accounting records of the Company. These financial statements and schedules are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements and schedules based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and schedules are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the methods by which they were applied and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a

(TRANSLATION)

reasonable basis for our opinion. Our audits included audit procedures conducted on the company's subsidiaries that we deemed necessary.

Our opinion based on our audits is as follows:

- (1) We acknowledge that the balance sheet and the income statement present fairly the assets, profits and losses of the Company in accordance with laws, regulations and the Company's articles of incorporation.
- (2) We acknowledge that the business report (only for the part relating to accounting) presents fairly the state of the Company in accordance with the laws, regulations and the Company's articles of incorporation.
- (3) We acknowledge that the statement of appropriation is in conformity with laws, regulations and the Company's articles of incorporation.
- (4) We did not discover anything that should be specified with respect to the schedules (only for the part relating to accounting) as provided for in the Commercial Code.

There is no conflict of interest between the company and us or one or both of the Executing Partners that must be reported pursuant to the provisions of the Certified Public Accountants Law.

AUDIT REPORT BY THE BOARD OF CORPORATE AUDITORS (Certified Copy)

AUDIT REPORT

The Board of Corporate Auditors of the Company received reports from each of the corporate auditors regarding the methods and results of the audit of the performance by the directors of their duties during the Company's 63rd fiscal year, which began on April 1, 2004 and ended on March 31, 2005. Based on our review of and discussions regarding such reports, we hereby report the following:

1. Summary of Auditing Methods Used by Corporate Auditors

In addition to attending meetings of the Board of Directors and other important meetings pursuant to the audit policies and division of duties set forth by the Board of Corporate Auditors, each of the corporate auditors made inquiries to the directors, etc., with regard to the operation, reviewed important documents, etc., stating decisions and approvals, and investigated the state of the operations and assets and liabilities at the head office and main branch offices of the Company. We also requested reports on the operation of the Company's subsidiaries from directors, etc., and visited important subsidiaries as necessary and investigated the state of their operations and assets and liabilities. Further, we received reports and explanations from the accounting auditors and examined financial statements and schedules thereto.

As for transactions made by the directors which were in competition with the business of the Company, transactions between the directors and the Company which were in conflict with the interests of the Company, benefits given without consideration by the Company, unusual transactions with subsidiaries or shareholders, and the Company's acquisition and disposition of its treasury stocks, we not only applied the above mentioned auditing methods, but also obtained relevant reports from the directors, etc., and examined the status of such transactions in detail.

2. Results of Audit

- (1) We acknowledge that the methods and results of the audit as reported by the accounting auditors, Chuo Aoyama Audit Corporation, are appropriate.
- (2) We acknowledge that the business report presents fairly the state of the Company in accordance with the relevant laws, regulations and the Company's articles of incorporation.
- (3) We did not find anything that should be specified with respect to the proposal on the profit appropriation in light of the conditions of the assets and liabilities and other circumstances of the Company.
- (4) We acknowledge that the schedules to the financial statements correctly state matters that should be stated therein, and did not discover anything that should be specified in connection therewith.
- (5) As for the performance by the directors of their duties, we did not discover any significant facts indicating any unlawful conduct or breach of the relevant laws, regulations or the Company's articles of incorporation.  
In addition, we did not discover any breach of duties by the directors in light of the transactions made by any of the directors which were in competition with the business of the Company, transactions between any of the directors and the

(TRANSLATION)

Company that were in conflict with the interests of the Company, benefits given without consideration by the Company, unusual transactions with subsidiaries or shareholders, or the Company's acquisition and disposition of treasury stocks.

- (6) As a result of our investigation into subsidiaries, we did not find anything that should be specified with respect to the performance of duties by directors.

May 23, 2005

Board of Corporate Auditors  
Toyota Corolla Gifu Co., Ltd.

Full-time Corporate Auditor:	Masakatsu Nogura	(Seal)
Corporate Auditor:	Yoshio Matsuoka	(Seal)
Corporate Auditor:	Toshio Tsuda	(Seal)

Note: Of the corporate auditors, Yoshio Matsuoka and Toshio Tsuda are outside auditors as set forth in Article 18, Paragraph 1 of the Law for Special Provisions for the Commercial Code concerning Audit, etc., of Kabushiki-Kaisha.

Reference Documents for Solicitation to Exercise  
Voting Rights by Proxy

1. Solicitor who solicits shareholders to exercise their voting rights by proxy:

Toyota Corolla Gifu Co., Ltd.  
Tadashi Ohno, Representative Director and President

2. Number of voting rights held by all the shareholders:

5,663

3. Referenced matters concerning agenda of the meeting:

Item 1.: Approval of the proposed disposal of profits for the 63rd fiscal year

The Company wishes to dispose of the profits for the current fiscal year as provided for in the document attached hereto (page 22), in order to reinforce and enhance our corporate structure and to prepare for our future business development, etc.

As for the dividend payable at the end of the current fiscal year, the Company wishes to distribute 6 yen per share, which is the same amount as the interim dividend, in light of the persistently severe circumstances surrounding the Company.

Item 2.: Approval of the Stock Exchange Agreement executed among Seino Transportation Co., Ltd., Gifu Hino Motor Co., Ltd., Netz Toyota Gifu Co., Ltd., Netz Toyota Centro Gifu Co., Ltd. and the Company

1. Reason for the need of stock exchange:

Having been part of the merchandizing business segment of the Seino Transportation Group, the Company agreed to conduct stock exchange with Seino Transportation Co., Ltd. (hereinafter referred to as "Seino"), because the Company concluded that it would be the best way to become the wholly owned subsidiary of Seino by means of stock exchange, so that the Company may, while maintaining its corporate initiative in business, deepen the cooperative relationship with the companies being part of the transportation business,

information-related-business and other three businesses of Seino Transportation Group, and thereby maximize its corporate value through the continuous growth and increase of profit by the whole Seino Transportation Group.

Further, Seino plans to transform to a pure holding company as of October 1, 2005, in order to improve the management efficiency of the whole group. Specifically, Seino, as it is, shall conduct Subsidiary-Incorporation-type Division by transferring its entire business excluding its administrative department to a company to be newly incorporated, shall become a pure holding company, and shall change its trade name to Seino Holdings Co., Ltd.. We expect that, through said sequence of business restructuring, the position of the Company as the core company in the merchandizing business segment of the Seino Transportation Group shall be further clarified.

The shareholders of the Company are requested to agree to the purpose of said stock exchange, and to approve the execution of the Stock Exchange Agreement.

2. Contents of the Stock Exchange Agreement:

A copy of the Stock Exchange Agreement

### Stock Exchange Agreement (Copy)

Seino Transportation Co., Ltd. ("Seino"), Toyota Corolla Gifu Co., Ltd. ("Toyota Corolla"), Gifu Hino Motor Co., Ltd. ("Gifu Hino"), Netz Toyota Gifu Co., Ltd. ("Toyota Gifu") and Netz Toyota Centro Gifu Co., Ltd. ("Toyota Centro") hereby enter into this stock exchange agreement (this "Agreement") under the following terms and conditions.

Article 1 (Stock exchange)

Seino, Toyota Corolla, Gifu Hino, Toyota Gifu and Toyota Centro shall hereby agree to make Seino the wholly parent company of the other parties hereto, and to make Toyota Corolla, Gifu Hino, Toyota Gifu and Toyota Centro wholly-owned subsidiaries of Seino, respectively, through stock exchange (*kabushiki kokan*; hereinafter the "Stock Exchange").

Article 2 (Exchange Ratio)

1 Seino shall allocate and deliver 12,282,997 shares (a total of 9,048,616 shares of common stock to be issued upon the Stock Exchange and 3,234,381 shares of its own common

(TRANSLATION)

stock held by it) to those shareholders (hereinafter including beneficial shareholders) listed in the final shareholders' registry (hereinafter including beneficial shareholders' registry) of Toyota Corolla, Gifu Hino, Toyota Gifu and Toyota Centro as of the date immediately preceding the date of Stock Exchange, in the following proportion: 1.68 shares of Seino's common stock per share of common stock of Toyota Corolla; 1.11 shares of Seino's common stock per share of common stock of Gifu Hino held; 27.80 shares of Seino's common stock per share of common stock of Toyota Gifu held; and 5.12 shares of Seino's common stock per share of common stock of Toyota Centro.

Notwithstanding the foregoing, shares of Seino's common stock shall not be allocated to the following numbers of shares held by Seino:

- 2,338,437 shares of common stock of Toyota Corolla;
- 2,338,051 shares of common stock of Gifu Hino;
- 76,300 shares of common stock of Toyota Gifu; and
- 41,650 shares of common stock of Toyota Centro.

- 2 The terms prescribed in the preceding paragraph may be amended through discussions among the parties hereto if there is any change in the asset or management status of any of the parties hereto due to any cause not provided for herein.

Article 3 (Amount of Increase in Capital and Capital Reserve)

The amount of capital and capital reserve to be increased by Seino upon the Stock Exchange shall be as follows.

- (1) Capital: nil
- (2) Capital reserve: the amount of net assets of Toyota Corolla, Gifu Hino, Toyota Gifu and Toyota Centro existing on the date of Stock Exchange multiplied by the respective ratios of the numbers of shares to be transferred to Seino upon the Stock Exchange to the total number of issued shares of each such party, less the book value of treasury stocks held by Seino to be delivered to shareholders of Toyota Corolla, Gifu Hino, Toyota Gifu and Toyota Centro pursuant to Paragraph 1 of the preceding article.

Article 4 (General Meetings of Shareholders for Approval of Share Exchanges Agreement, etc.)

- 1 Each party hereto shall convene a general meeting of shareholders as follows where it shall seek approval of this Agreement and other matters required for the respective

Stock Exchange (the "Shareholders Meeting"): Seino on June 24, 2005, Toyota Corolla on June 22, 2005, Gifu Hino on June 22, 2005, Toyota Gifu on June 22, 2005, and Toyota Centro on June 22, 2005. Notwithstanding the foregoing, each such date may be changed upon discussions among the parties, if required for the procedures of any of the Stock Exchange or otherwise.

- 2 Toyota Corolla, Gifu Hino, Toyota Gifu and Toyota Centro shall provide proper explanations at the Shareholders Meeting referred to in the preceding paragraph that Seino is to cause the newly-established company take over all operations (other than Seino's administration division) by way of Incorporation-type Division (*shinsetsu bunkatsu*) on the date of Stock Exchange.

Article 5 (Date of Stock Exchange)

The Stock Exchange shall take place on October 1, 2005; provided, however, that the date may be changed through discussions among the parties if required for the procedures of any of the Stock Exchange or otherwise.

Article 6 (Profit Dividends Prior to the Date of Stock Exchange)

Each party hereto shall make a profit dividend to the shareholders or registered pledgees listed on the final shareholders' registry as of March 31, 2005, to the maximum extent set forth below:

- (1) Seino: 11 yen per share, or 2,146,625,646 yen in the aggregate
- (2) Toyota Corolla: 6 yen per share, or 34,874,472 yen in the aggregate
- (3) Gifu Hino: 10 yen per share, or 58,016,710 yen in the aggregate
- (4) Toyota Gifu: 75 yen per share, or 11,250,000 yen in the aggregate
- (5) Toyota Centro: 25 yen per share, or 3,250,000 yen in the aggregate

Article 7 (Term of Office of Officers who Assumed Office Prior to the Stock Exchange)

The term of office of any director or corporate auditor of Seino who assumed office prior to the date of Stock Exchange shall expire on the date on which it would otherwise expire unless the Stock Exchange take place.

Article 8 (Duty of Care of a Good Manager for Company Assets)

Each party hereto shall perform its business and manage and operate its assets with the care of a good manager after execution hereof until the date immediately preceding the date of Stock Exchange, and any act which may materially affect any of its assets, rights or obligations other than as provided for herein shall be subject to prior discussions and

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agreement among the parties hereto.

Article 9 (Other Reorganization, Asset Transfer, Etc.)

- 1 Toyota Corolla, Gifu Hino, Toyota Gifu and Toyota Centro hereby approve that Seino is to implement the Incorporation-type Division after execution hereof until the date of Stock Exchange (inclusive), where Seino shall be spun off and all its operations other than the administration division shall be taken over which date of Incorporation-type Division is October 1, 2005.
- 2 Toyota Corolla, Gifu Hino, Toyota Gifu and Toyota Centro hereby approve that Seino is to issue stock acquisition rights (hereinafter "SARs") as generally described below after execution hereof until the date of Stock Exchange (inclusive), which shall be allocated to The Sumitomo Trust & Banking Co., Ltd. (*Shintaku-guchi* or trust account) by way of third-party allocation and substantially under especially favorable terms:
  - (1) Type and number of shares subject to the SARs:  
397,262,334 shares of common stock (1 share per 1 unit of SAR)
  - (2) Total number of SARs: 397,262,334
  - (3) Issue price of SARs: free
  - (4) Exercise price of SARs:  
The exercise price shall be initially the market value of shares of common stock of Seino multiplied by 3, and shall be 1 yen after there is any party holding more than 20% of shares issued by Seino.

Article 10 (Changes in Terms of Stock Exchange, and Termination of this Agreement)

In the event of any material change in the asset or management status of any party hereto due to a natural disaster or other causes from the execution date hereof to the date immediately preceding the date of Stock Exchange, subject to discussions among all parties hereto, (i) (if such event occurred to Seino) each party hereto, or (ii) (if such event occurred to a party hereto other than Seino) such party and Seino, may amend any term of the Exchange(s) or terminate this Agreement as between the parties concerned.

Article 11 (Validity of this Agreement)

If an approval of the Shareholders Meeting of any party hereto as provided for in Article 4 or an approval of any competent authority prescribed by law is not obtained, this Agreement shall become void as between Seino and each of the other parties hereto if such event occurred to Seino, or, if such event occurred to a party hereto other than Seino, this Agreement shall become void as between Seino and such party. For avoidance of doubt, even if an approval of the Shareholders Meeting or any competent authority prescribed by

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law is not obtained for any one or more of the Exchange(s) between Seino and any of the other parties hereto as provided for in this article, this Agreement shall continue in force and effect as among the remaining parties hereto.

Article 12 (Matters Not Provided for in this Agreement)

Matters not provided for herein and/or any matters required for any of the Stock Exchange shall be determined through discussions among the parties hereto in accordance with the purpose hereof.

IN WITNESS WHEREOF, this Agreement has been executed in five (5) originals, one each of which shall be retained by each party after the printing of its name and the impression of its seal.

May 17, 2005

Seino:	Seino Transportation Co., Ltd. 1, Taguchi-cho, Ogaki-shi, Gifu Prefecture Yoshitaka Taguchi President and Representative Director
Toyota Corolla:	Toyota Corolla Gifu Co., Ltd. 1-3, Rokujo-Omizo 4-chome, Gifu-shi, Gifu Prefecture Tadashi Ohno President and Representative Director
Gifu Hino:	Gifu Hino Motor Co., Ltd. 57, Kita Uzura 5-chome, Gifu-shi, Gifu Prefecture Shigeo Mizuno President and Representative Director
Toyota Gifu:	Netz Toyota Gifu Co., Ltd. 81, Ginan-cho Miyake 4-chome, Hashima-gun, Gifu Prefecture Isao Aimiya President and Representative Director

Toyota Centro: Netz Toyota Centro Gifu Co., Ltd.  
57, Kita Uzura 5-chome, Gifu-shi, Gifu Prefecture  
Kunihiro Tahara  
President and Representative Director

3. Explanation of the Stock Exchange Ratio Pursuant to Article 354, Paragraph 1, Item 2 of the Commercial Code of Japan

The Rational for Determining of the Stock Exchange Ratios

Seino Transportation Co., Ltd. (hereinafter referred to as "Seino"), Gifu Hino Motor Co., Ltd. (hereinafter referred to as "Gifu Hino"), Netz Toyota Gifu Co., Ltd. (hereinafter referred to as "Netz Toyota Gifu"), Netz Toyota Centro Gifu Co., Ltd. (hereinafter referred to as "Netz Toyota Centro Gifu") and the Company have determined the stock exchange ratios as follows, with respect to the stock exchange (hereinafter referred to as the "Stock Exchange"), which shall take place on October 1, 2005, whereupon Seino shall become the wholly parent company, while all of the Company, Gifu Hino, Netz Toyota Gifu and Netz Toyota Centro Gifu shall become the wholly owned subsidiaries of Seino.

- (1) Seino retained Nomura Securities Co., Ltd. (hereinafter referred to as "Nomura"), and Gifu Hino and the Company retained PwC Advisory Co., Ltd. (hereinafter referred to as "PWCA"), respectively, for the purpose of calculation of the stock exchange ratios.
- (2) Nomura, the financial advisor to Seino, conducted the evaluation of corporate value as follows, and calculated the stock exchange ratios on the basis of the result thereof. As for Seino and Gifu Hino, Nomura evaluated their corporate value mainly by the market value method and the DCF method. As for the Company, Nomura evaluated its corporate value mainly by the market value method, the peer company comparison method and the DCF method. Further, as for Netz Toyota Gifu and Netz Toyota Centro Gifu, Nomura evaluated their corporate value mainly by the peer company comparison method and the DCF method.

PWCA, the financial advisor to the Company and Gifu Hino, conducted the evaluation of corporate value as follows, and calculated the stock exchange ratios on the basis of the result thereof. As for Seino, the Company and Gifu Hino, PWCA evaluated their corporate value mainly by the market value method, the DCF method and the current

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net worth method.

- (3) Seino, Gifu Hino, Netz Toyota Gifu, Netz Toyota Centro Gifu and the Company commenced negotiation and discussion in order to determine the stock exchange ratios applicable to the Stock exchange based on the proposed stock exchange ratios submitted by Nomura and PWCA, and reviewed the stock exchange ratios.
- (4) As a result of the negotiation and discussion, Seino, Gifu Hino, Netz Toyota Gifu, Netz Toyota Centro Gifu and the Company adopted a resolution, at their respective meetings of the Board of Directors held on November 24, 2004, for the execution of a memorandum concerning the stock exchange to the effect that the Stock Exchange should be conducted at the following stock exchange ratios, and executed the memorandum as of November 24, 2004.
- Seino to the Company = 1 : 1.68
  - Seino to Gifu Hino = 1 : 1.11
  - Seino to Netz Toyota Gifu = 1 : 27.80
  - Seino to Netz Toyota Centro Gifu = 1 : 5.12

Further, the Company, Seino, Gifu Hino, Netz Toyota Gifu and Netz Toyota Centro Gifu each adopted a resolution, at their respective meetings of the Board of Directors held on May 17, 2005, for the execution of a stock exchange agreement to the effect that the Stock Exchange should take place, and executed said agreement, by judging that it was not necessary to change the above stock exchange ratios, for no material change had occurred in the conditions precedent to the determination of such stock exchange ratio since the execution of the above memorandum.

4. Contents of the Balance Sheets and the Profit and Loss Statements of the Companies Subject to Stock Exchange, Prescribed in Article 354, Paragraph 1, Items 3 through 6 of the Commercial Code

The contents of the balance sheet and the profit and loss statement of the Company are as specified in pages 18 through 21 of the attachment.

The balance sheets and the profit and loss statements of Seino, Gifu Hino, Netz Toyota Gifu and Netz Toyota Centro Gifu are as follows, respectively.

(TRANSLATION)

Balance Sheet for Seino Transportation Co., Ltd.  
(As of March 31, 2005)

Account title	Amount	Account title	Amount
	Millions of yen		Millions of yen
(Assets)		(Liabilities)	
Current Assets	72,997	Current Liabilities	51,467
Cash on hand and in banks	23,936	Accounts payable-trade	16,937
Notes receivable	5,148	Short-term loans payable	4,009
Accounts receivable-trade	28,789	Convertible bonds redeemable within one year	9,017
Securities	8,213	Accounts payable-other	8,173
Supplies	353	Accrued expenses	7,375
Short-term loans receivable	963	Accrued corporate tax	3,030
Accrued revenue	1,612	Accrued consumption tax	755
Deferred tax assets	3,560	Other current liabilities	2,169
Other current assets	1,272	Fixed Liabilities	39,700
Reserve for doubtful accounts	-850	Long-term loans payable	7,000
Fixed Assets	248,961	Reserve for retirement benefits	32,272
Tangible fixed assets	165,061	Reserve for loss from liabilities for guarantee	427
Buildings	56,834	Total Liabilities	91,167
Structures	3,208	(Shareholders' Equity)	
Machinery and equipment	2,283	Capital stock	42,481
Vehicles	14,294	Capital surplus	87,646
Tools, furniture and fixture	863	Legal capital reserve	87,632
Land	87,459	Other capital surplus	14
Construction in progress	118	Profit on disposition of treasury stock	14
Intangible fixed assets	2,125	Retained earnings	99,410
Leasehold rights	414	Legal reserve	4,262
Software	1,408	Voluntary reserve	88,310
Other intangible fixed assets	302	Reserve for retirement benefit	585
Investments and other assets	81,774	Reserve for advanced depreciation of land	6,367
Investment securities	30,206	Reserve for advanced depreciation of depreciation assets	2,010
Investments in subsidiaries and subsidiary partnership	39,258	General reserve	79,348
Long-term loans receivable	7,511	Unappropriated retained earnings	6,837
Deferred tax assets	6,939	Variance from valuation of shares	4,408
Other investments	668	Variance from valuation of	4,408

(TRANSLATION)

Reserve for doubtful accounts	-2,811	securities Treasury stock	-3,154
		Total Shareholders' Equity	230,791
Total Assets	321,959	Total Liabilities and Shareholders' Equity	321,959

(TRANSLATION)

Income Statement for Seino Transportation Co., Ltd.  
(From April 1, 2004 to March 31, 2005)

	Account title	Amount	
		Millions of yen	Millions of yen
Ordinary Income and Expenses	Operating income and expenses		
	Operating income		
	Sales	265,501	265,501
	Operating expenses		
	Cost of sales	255,306	
	Selling, general and administrative expenses	3,768	259,074
	Operating income		6,426
	Non-operating income and expenses		
	Non-operating income		
	Interest received	1,059	
	Dividends received	364	
Other income	1,150	2,574	
Non-operating expenses			
Interest paid	245		
Other expenses	11	257	
Ordinary income		8,744	
Extraordinary Items	Extraordinary income		
	Profit on disposition of fixed assets	443	
	Other extraordinary income	233	677
	Extraordinary loss		
	Loss on disposition of fixed assets	284	
Loss on investment in affiliates	603		
Other extraordinary loss	215	1,103	
	Current net income before tax		8,317
	Income, resident and enterprise tax		4,452
	Adjustment for tax		-695
	Current net income		4,561
	Retained earnings brought forward		2,275
	Current unappropriated retained earnings		6,837

(TRANSLATION)

(Notes to Balance Sheet and Income Statement for Seino Transportation Co., Ltd.)

Significant Accounting Policies

1. Valuation standards and methods for securities

Hold-to-maturity debenture: amortized cost method (straight line method)

Shares of subsidiaries and affiliates: stated at cost based on the moving average method

Other securities:

Securities whose market price is quoted: market value method based on the market price, etc. as of the end of the fiscal year (all of the variances resulting from the valuation are directly incorporated into capital, and the cost of the securities at the time of their sale is calculated using the moving average method)

Securities whose market price is not quoted: stated at cost based on the moving average method

2. Valuation standards and methods for inventories

Supplies: stated at cost based on the moving average method

3. Depreciation method for fixed assets

Buildings, vehicles: straight line method

Other tangible fixed assets declining balance method

Intangible fixed assets: straight line method

The software used by the Company is depreciated by straight line method over the number of useful years for internal use (five years)

4. Basis for recording of reserves

Reserve for doubtful accounts: To prepare for possible losses resulting from non-payments of account receivables for trade and loans, etc., a reserve is provided based on the percentage of actual credit losses incurred in the case of general receivables and, in the case of credits for which the relevant debtors are likely to default and other certain credits, such reserve is based on the anticipated uncollectible amount after assessment of likelihood of non-payment of individual credit.

Reserve for retirement benefits: To prepare for payments of retirement benefits to employees, a reserve is provided based on the projected

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retirement benefit obligations as of the end of the current fiscal year. Past service obligations are disposed as expenses for a certain number of years not exceeding the average number of remaining service years of the employees at the time of accrual of such payment (10 years). The difference arising from actuarial computations is amortized and disposed as expenses in the subsequent fiscal years using the straight-line method over a certain number of years not exceeding the average number of remaining service years of the employees at the time of accrual of such payment (10 years).

Reserve for loss from liabilities for guarantee: To prepare for possible losses resulting from fulfillment of liabilities for guarantee against subsidiaries, a reserve is provided based on the projected losses. Said reserve is a reserve provided for in Article 43 of the Commercial Code Enforcement Regulations.

5. Methods of hedge accounting

The Company uses deferral hedge accounting. As for interest swaps, if the requirements for special tax treatment is satisfied, such treatment is adopted.

6. Consumption tax, etc.

Tax excluded method is used for treatment of consumption tax and local consumption tax.

Additional Information

Pro Forma Standard taxation:

Upon promulgation of "Law to Partially Amend Local Tax Law, etc" (Law No. 9 of 2003) on March 31, 2003 and introduction of a pro forma standard taxation system as from the business year beginning on and after April 1, 2004, the Company started to record the value-added portion and capital portion of corporate enterprise tax as general administrative and selling expenses, in accordance with "Practical Treatment of Provision in Income Statement of Pro Forma Standard Taxation of Corporate Enterprise Tax" (Corporate Accounting Council, Practice Report No. 12, February 13, 2004)". As a result, selling, general and administrative expenses increased by 548 million yen while operating income, ordinary income and net income before tax decreased by 548 million yen.

Stock Exchange:

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The Company, Toyota Corolla Gifu Co., Ltd., Gifu Hino Motor Co., Ltd., Netz Toyota Gifu Co., Ltd. and Nets Toyota Centro Gifu Co. Ltd. made a resolution at their respective meeting of the board of directors held on November 24, 2004 that Toyota Corolla Gifu Co., Ltd. and the other three companies become wholly-owned subsidiaries of the Company by means of stock exchange as of October 1, 2005, and entered into a Memorandum on Stock Exchange by and among them.

Notes to Balance Sheet

1. Short-term monetary claims to subsidiaries: 1,147 million yen  
Long-term monetary claims to subsidiaries: 2,659 million yen  
Short-term monetary liabilities to subsidiaries: 7,914 million yen
2. Accumulated depreciation of tangible fixed assets: 116,214 million yen
3. Accumulated amount of advanced depreciation by reduction of book value of assets based on subsidies: 625 million yen
4. Notes endorsed: 4,164 million yen  
Liabilities for guarantee: 1,071 million yen  
(after deducting the reserve for loss from liabilities for guarantee)  
Submission of a letter of awareness concerning management advisory services:  
111 million yen (including denominated in 3,209 thousand Malaysia Ringgit)
5. Amount of retirement benefit obligations, etc.  
Retirement benefit obligations: 36,160 million yen  
Unrecognized past service obligations: 2,546 million yen  
Unrecognized difference arising from actuarial computations: 1,342 million yen
6. Net assets provided for in Article 124, Item 3 of the Commercial Code Enforcement Regulations: 4,408 million yen

Notes to Income Statement

1. Transactions with subsidiaries:  
Operating income 18,888 million yen  
Operating expenses 61,486 million yen  
Turnover from non-operating transactions 1,276 million yen
2. Current net earnings per share 23.07 yen

(TRANSLATION)

Balance Sheet for Gifu Hino Motor Co., Ltd.  
(As of March 31, 2005)

Account title	Amount	Account title	Amount
	Thousands of yen		Thousands of yen
(Assets)		(Liabilities)	
Current Assets	14,576,247	Current Liabilities	7,506,303
Cash on hand and in banks	7,073,988	Notes payable-trade	1,155,121
Notes receivable	2,940,707	Accounts payable-trade	5,326,880
Accounts receivable-trade	2,087,564	Accounts payable-other	83,223
Goods	1,620,054	Accrued corporate tax	185,852
Work in process	18,562	Accrued consumption tax	70,271
Supplies	3,290	Accrued expenses	83,107
Accrued revenue	557,787	Deposit received	177,354
Deferred tax assets	98,328	Reserve for bonus	170,500
Short-term loans receivable	207,346	Reserve for unrealized profit in installment sales	62,858
Other current assets	2,718	Notes payable for equipment	118,057
Reserve for doubtful accounts	-34,100	Other current liabilities	73,075
Fixed Assets	11,539,988	Fixed Liabilities	1,359,522
Tangible fixed assets	9,919,177	Reserve for retirement benefits to employees	217,294
Buildings	2,221,103	Reserve for retirement benefits for officers	197,600
Structures	367,046	Deferred tax liabilities for revaluation	924,908
Machinery and equipment	94,333	Deposits received for guarantee	19,720
Leased vehicles	670,911	Total Liabilities	8,865,825
Vehicles	48,149	(Shareholders' Equity)	
Tools, furniture and fixture	54,333	Capital stock	4,722,500
Land	6,463,299	Capital surplus	4,800,740
Intangible fixed assets	156,746	Legal capital reserve	4,800,740
Leasehold rights	149,790	Retained earnings	8,014,203
Telephone subscription rights	5,932	Legal reserve	379,479
Software	967	Voluntary reserve	7,330,000
Other intangible fixed assets	56	General reserve	7,330,000
Investments and other assets	1,464,064	Unappropriated retained earnings	304,724
Investment securities	639,582	Variance from valuation of land	-298,810
Investments in subsidiaries	168,424	Variance from valuation of shares	47,778
Investment in subsidiary partnership	85,950	Treasury stock	-36,000

(TRANSLATION)

Long-term loans receivable	9,696		
Long-term prepaid expenses	3,779		
Guaranty money deposited	11,619		
Deferred tax assets	450,642		
Other investments	336,484		
Reserve for doubtful accounts	-242,114	Total Shareholders' Equity	17,250,411
Total Assets	26,116,236	Total liabilities and Shareholders' equity	26,116,236

(TRANSLATION)

Income Statement for Gifu Hino Motor Co., Ltd.

(From April 1, 2004 to March 31, 2005)

Account title		Amount		
		Thousands of yen	Thousands of yen	
Ordinary Income and Expenses	Operating income and expenses	Operating income		
		Sales	24,278,192	
		Commission income	178,445	
		Income from real estate lease	196,043	24,652,681
		Operating expenses		
		Cost of sales	22,000,352	
		Cost of real estate lease	149,198	
		Selling, general and administrative expenses	2,100,267	24,249,818
		Reversal of reserve for unrealized profit in installment sales		42,374
		Provision for unrealized profit in installment sales		29,988
	Operating income		415,248	
	Non-operating income and expenses	Non-operating income		
		Interest and dividends received	77,874	
		Other non-operating income	68,471	146,345
		Non-operating expenses		
	Other non-operating expenses	127	127	
Ordinary income			561,466	
Extraordinary Items	Extraordinary income			
	Profit on disposition of fixed assets	61,469		
	Profit on disposition of investment securities	13,572		
	Profit on reversal of reserve for doubtful accounts	70,234	145,276	
	Extraordinary loss			
	Loss on disposition of fixed assets	9,776	9,776	
Current net income before tax			696,966	
Income, resident and enterprise tax			146,918	
Adjustment for tax			75,220	
Current net income			474,827	
Retained earnings brought forward			56,796	
Reversal of variance from revaluation of land			-197,862	

(TRANSLATION)

Interim dividends	29,036
Current unappropriated retained earnings	304,724

(TRANSLATION)

(Notes to Balance Sheet and Income Statement for Gifu Hino Motor Co., Ltd.)

Significant Accounting Policies

1. Valuation standards and methods for securities

Shares of subsidiaries and affiliates: stated at cost based on the moving average method

Other securities:

Securities whose market price is quoted: market value method based on the market price, etc. as of the end of the fiscal year (all of the variances resulting from the valuation are directly incorporated into capital, and the cost of the securities at the time of their sale is calculated using the moving average method)

Securities whose market price is not quoted: stated at cost based on the moving average method

Securities are classified in accordance with "Accounting Standards for Financial Products".

2. Valuation standards and methods for inventories

Goods (vehicles), work in process specific-order cost method

Goods (parts), supplies stated at cost based on the moving average method

3. Depreciation method for fixed assets

Tangible fixed assets: declining balance method

For buildings, excluding attachment, acquired on and after April 1, 1998, straight line method is adopted

Intangible fixed assets: straight line method

The software used by the Company is depreciated by straight line method over the number of useful years for internal use (five years)

4. Basis for recording of reserves

Reserve for doubtful accounts: To prepare for possible losses resulting from non-payments of account receivables for trade and loans, etc., a reserve is provided based on the percentage of actual credit losses incurred in the case of general receivables and, in the case of credits for which the relevant debtors are likely to default and other certain credits, such reserve is based on the anticipated uncollectible amount after assessment of likelihood of

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non-payment of individual credit.

Reserve for bonus: To prepare for payments of bonuses to employees, a reserve is provided based on the projected payments.

Reserve for retirement benefits for employees: To prepare for payments of retirement benefits to employees, a reserve is provided based on the projected retirement benefit obligations as of the end of the current fiscal year.

The difference arising from change in accounting standard is disposed as expenses in equal installments over five years.

The difference arising from actuarial computations is amortized and disposed as expenses in the subsequent fiscal years using the straight-line method over a certain number of years not exceeding the average number of remaining service years of the employees at the time of accrual of such payment (five years).

Reserve for retirement benefit for officers: To prepare for payments of retirement benefits to officers, a reserve is provided based on the required payment amount as of the end of year in accordance with by-laws.

This reserve is a reserve provided for in Article 43 of the Commercial Code Enforcement Regulations

5. Lease transactions

Financing lease transactions, other than those in which ownership of the leased assets is deemed to transfer to the lessee, are recorded based on the same accounting method as is used for normal rental transactions.

6. Basis for recording of revenue

Revenue on installment sales is provided in accordance with installment basis.

7. Consumption tax, etc.

Tax excluded method is used for treatment of consumption tax and local consumption tax.

8. Revaluation of land

Pursuant to the Law on Revaluation of Land (Law No. 34 promulgated on March 31, 1998, latest amendment on March 31, 2001), land for business

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purpose is revaluated.

Method of revaluation:

Using standard taxable value of land-holding tax set forth in Article 2, Item 2 of the Enforcement Ordinance of the Law on Revaluation of Land (Ordinance No. 119 of March 31, 1998) as reasonably adjusted

Date of revaluation: March 31, 2002

Difference between the year-end market value of the revaluated land and the book value after revaluation: 1,344,296 thousand yen

Additional Information

The Company, Seino Transportation Co., Ltd., Toyota Corolla Gifu Co., Ltd., Netz Toyota Gifu Co., Ltd. and Nets Toyota Centro Gifu Co. Ltd. made a resolution at their respective meeting of the board of directors held on November 24, 2004 that the Company and the other three companies become wholly-owned subsidiaries of Seino Transportation Co., Ltd. by means of stock exchange as of October 1, 2005, and entered into a Memorandum on Stock Exchange by and among them.

Notes to Balance Sheet

1. In addition to the fixed assets recorded on the balance sheet, safety inspection equipment, vehicles and computers are used under lease contracts.
2. Accumulated depreciation of tangible fixed assets: 5,547,387 thousand yen
3. Claims and liabilities to subsidiaries
  - Short-term monetary claims to subsidiaries: 242,929 thousand yen
  - Short-term monetary liabilities to subsidiaries: 62,407 thousand yen
4. Amount of retirement benefit obligations, etc.
  - Retirement benefit obligations: 1,379,458 thousand yen
  - Plan assets (market value): 1,097,128 thousand yen
  - Unrecognized difference arising from actuarial computations: 65,036 thousand yen
5. Liabilities for guarantee
  - Amount equal to notes endorsed: 399,212 thousand yen
6. Net assets provided for in Article 124, Item 3 of the Commercial Code Enforcement Regulations: 47,778 thousand yen

Notes to Income Statement

1. Transactions with subsidiaries:

(TRANSLATION)

	Operating income	583,947 thousand yen	
	Operating expenses	479,438 thousand yen	
	Turnover from non-operating transactions		11,235 thousand yen
2.	Current net earnings per share	78.37 yen	

(TRANSLATION)

Balance Sheet for Nets Toyota Gifu Co., Ltd.  
(As of March 31, 2005)

Account title	Amount	Account title	Amount
	Thousands of yen		Thousands of yen
(Assets)		(Liabilities)	
Current Assets	7,437,761	Current Liabilities	4,354,026
Cash on hand and in banks	500,612	Notes payable-trade	373,206
Notes receivable	69,949	Accounts payable-trade	1,874,451
Accounts receivable in installment sales	4,572,768	Short-term loans payable	500,000
Accounts receivable-trade	1,140,711	Accounts payable-other	275,741
New cars	477,497	Accrued corporate tax	160,197
Used cars	239,791	Accrued consumption tax	210,610
Parts	35,312	Accrued enterprise tax	2,423
Other goods	2,380	Accrued expenses	21,033
Supplies	4,039	Deposit received	177,244
Prepaid expenses	25,655	Advance received	54,943
Accrued revenue	262,217	Reserve for bonus	165,400
Deferred tax assets	104,757	Reserve for unrealized profit in installment sales	535,093
Other current assets	3,360	Other current liabilities	3,679
Reserve for doubtful accounts	-1,292	Fixed Liabilities	465,576
Fixed Assets	4,302,206	Reserve for retirement benefits to employees	465,576
Tangible fixed assets	3,557,655	<b>Total Liabilities</b>	<b>4,819,602</b>
Buildings	888,415	(Shareholders' Equity)	
Structures	139,242	Capital stock	290,250
Machinery and equipment	72,845	Capital surplus	230,250
Leased vehicles	670	Legal capital reserve	230,250
Vehicles	141,448	Retained earnings	6,160,296
Tools, furniture and fixture	20,864	Legal reserve	72,562
Land	2,290,168	Voluntary reserve	5,590,000
Construction in progress	4,000	General reserve	5,590,000
Intangible fixed assets	79,227	Unappropriated retained earnings	497,733
Leasehold rights	70,156	Variance from valuation of shares	239,568
Telephone subscription rights	8,041	Variance from valuation of securities	239,568
Other intangible fixed assets	1,030		
Investments and other assets	665,322		
Investment securities	444,633		
Investments in subsidiary	750		

(TRANSLATION)

partnership			
Deferred tax assets	38,707		
Other investments	184,982		
Reserve for doubtful accounts	-3,750	Total Shareholders' Equity	6,920,364
Total Assets	11,739,967	Total Liabilities and Shareholders' Equity	11,739,967

(TRANSLATION)

Income Statement for Nets Toyota Gifu Co., Ltd.  
(From April 1, 2004 to March 31, 2005)

	Account title	Amount	
		Thousands of yen	Thousands of yen
Ordinary Income and Expenses	Operating income and expenses		
	Operating income		
	Sales	18,382,780	
	Commission income	976,653	19,359,434
	Operating expenses		
	Cost of sales	15,407,589	
	Selling, general and administrative expenses	3,399,760	18,807,350
	Reversal of reserve for unrealized profit in installment sales		500,128
	Provision for unrealized profit in installment sales		535,093
	Operating income		517,120
	Non-operating income and expenses		
	Non-operating income		
Interest and dividends received	263,971		
Other income	36,554	300,526	
Non-operating expenses			
Interest paid	3,940		
Other expenses	8,738	12,678	
Ordinary income		804,967	
Extraordinary Items	Extraordinary loss		
	Other extraordinary loss	11,550	11,550
	Current net income before tax		793,417
	Income, resident and enterprise tax		350,500
	Adjustment for tax		-39,497
	Current net income		482,415
	Retained earnings brought forward		15,318
	Current unappropriated retained earnings		497,733

(Notes to Balance Sheet and Income Statement for Nets Toyota Gifu Co., Ltd.)

## Significant Accounting Policies

### 1. Valuation standards and methods for securities

#### Other securities:

Securities whose market price is quoted: market value method based on the market price, etc. as of the end of the fiscal year (all of the variances resulting from the valuation are directly incorporated into capital, and the cost of the securities at the time of their sale is calculated using the moving average method)

Securities whose market price is not quoted: stated at cost based on the moving average method

### 2. Valuation standards and methods for inventories

Goods, work in process specific-order cost method

Parts, supplies stated at cost based on the moving average method

### 3. Depreciation method for fixed assets

Tangible fixed assets: declining balance method

For buildings, excluding attachment, acquired on and after April 1, 1998, straight line method is adopted

Intangible fixed assets: straight line method

The software used by the Company is depreciated by straight line method over the number of useful years for internal use (five years)

### 4. Basis for recording of reserves

(1) Reserve for doubtful accounts: To prepare for possible losses resulting from non-payments of account receivables for trade and loans, etc., a reserve is provided based on the percentage of actual credit losses incurred in the case of general receivables and, in the case of credits for which the relevant debtors are likely to default and other certain credits, such reserve is based on the anticipated uncollectible amount after assessment of likelihood of non-payment of individual credit.

(2) Reserve for bonus: To prepare for payments of bonuses to employees, a reserve is provided based on the projected payments.

(3) Reserve for retirement benefits for employees: To prepare for payments of

(TRANSLATION)

retirement benefits to employees, a reserve is provided based on the projected retirement benefit obligations as of the end of the current fiscal year.

The difference arising from actuarial computations is amortized and disposed as expenses in the subsequent fiscal years using the straight-line method over a certain number of years not exceeding the average number of remaining service years of the employees at the time of accrual of such payment (10 years).

5. Basis for recording of revenue

Revenue on installment sales is provided in accordance with installment basis.

6. Consumption tax, etc.

Tax excluded method is used for treatment of consumption tax and local consumption tax.

Additional Information

The Company, Seino Transportation Co., Ltd., Toyota Corolla Gifu Co., Ltd., Gifu Hino Motor Co., Ltd. and Nets Toyota Centro Gifu Co. Ltd. made a resolution at their respective meeting of the board of directors held on November 24, 2004 that the Company and the other three companies become wholly-owned subsidiaries of Seino Transportation Co., Ltd. by means of stock exchange as of October 1, 2005, and entered into a Memorandum on Stock Exchange by and among them.

Notes to Balance Sheet

1. Accumulated depreciation of tangible fixed assets: 2,158,420 thousand yen
2. Assets provided as security and corresponding obligations
  - Buildings, land: 273,808 thousand yen
  - Short-term loans payable: 122,000 thousand yen
3. Net assets provided for in Article 124, Item 3 of the Commercial Code Enforcement Regulations: 239,568 thousand yen
4. Amount of retirement benefit obligations, etc.
  - Retirement benefit obligations: 570,583 thousand yen
  - Unrecognized difference arising from actuarial computations: 105,006 thousand yen

(TRANSLATION)

Notes to Income Statement

Current net earnings per share 3,216.10 yen

Balance Sheet for Nets Toyota Gifu Co., Ltd.  
(As of March 31, 2004)

Account title	Amount	Account title	Amount
(Assets)	Thousands of yen	(Liabilities)	Thousands of yen
Current Assets	7,099,639	Current Liabilities	4,563,518
Cash on hand and in banks	329,063	Notes payable-trade	392,262
Notes receivable	58,071	Accounts payable-trade	1,732,901
Accounts receivable in installment sales	4,548,348	Short-term loans payable	400,000
Accounts receivable-trade	1,092,042	Accounts payable-other	289,998
New cars	446,760	Accrued corporate tax	213,715
Used cars	204,624	Accrued consumption tax	191,558
Parts	31,776	Accrued enterprise tax	2,450
Other goods	2,081	Accrued expenses	21,299
Supplies	4,837	Deposit received	141,234
Prepaid expenses	16,563	Advance received	40,510
Short-term loans receivable	760	Reserve for bonus	179,894
Accrued revenue	255,174	Reserve for unrealized profit in installment sales	957,694
Deferred tax assets	108,804	Fixed Liabilities	420,665
Other current assets	3,112	Reserve for retirement benefits to employees	420,527
Reserve for doubtful accounts	-2,381	Deferred tax liabilities	137
Fixed Assets	4,335,474	Total Liabilities	4,984,184
Tangible fixed assets	3,590,534	(Shareholders' Equity)	
Buildings	939,613	Capital stock	290,250
Structures	124,404	Capital surplus	230,250
Machinery and equipment	75,352	Legal capital reserve	230,250
Leased vehicles	1,980	Retained earnings	5,697,980
Vehicles	136,402	Legal reserve	72,562
Tools, furniture and fixture	22,612	Voluntary reserve	5,060,000
Land	2,290,168	General reserve	5,060,000
Intangible fixed assets	74,985	Unappropriated retained earnings	565,418
Leasehold rights	65,700	Variance from valuation of shares	232,448
Telephone subscription rights	8,041	Variance from valuation of securities	232,448
Other intangible fixed assets	1,243		
Investments and other assets	669,954		
Investment securities	432,813		

(TRANSLATION)

Investments in subsidiary partnership	750		
Other investments	236,390	Total Shareholders' Equity	6,450,929
Total Assets	11,435,114	Total Liabilities and Shareholders' Equity	11,435,114

Income Statement for Nets Toyota Gifu Co., Ltd.  
(From April 1 2003 to March 31, 2004)

	Account title	Amount	
		Thousands of yen	Thousands of yen
Ordinary Income and Expenses	Operating income and expenses		
	Operating income		
	Sales	19,480,199	
	Commission income	1,325,655	20,805,854
	Operating expenses		
	Cost of sales	16,295,572	
	Selling, general and administrative expenses	3,483,636	19,779,208
	Reversal of reserve for unrealized profit in installment sales		838,846
	Provision for unrealized profit in installment sales		957,694
	Operating income		907,797
	Non-operating income and expenses		
	Non-operating income		
	Interest and dividends received	6,443	
Other income	67,895	74,339	
Non-operating expenses			
Interest paid	1,990		
Other expenses	13,471	15,462	
Ordinary income		966,674	
Extraordinary Items	Extraordinary loss		
	Other extraordinary loss	8,500	8,500
	Current net income before tax		958,174
	Income, resident and enterprise tax		407,850
	Adjustment for tax		-1,220
	Current net income		551,544
	Retained earnings brought forward		13,874
	Current unappropriated retained earnings		565,418

(Notes to Balance Sheet and Income Statement for Nets Toyota Gifu Co., LTd.)

Significant Accounting Policies

1. Valuation standards and methods for securities

Other securities:

Securities whose market price is quoted: market value method based on the market price, etc. as of the end of the fiscal year (all of the variances resulting from the valuation are directly incorporated into capital, and the cost of the securities at the time of their sale is calculated using the moving average method)

Securities whose market price is not quoted: stated at cost based on the moving average method

2. Valuation standards and methods for inventories

Goods, work in process specific-order cost method

Parts, supplies stated at cost based on the moving average method

3. Depreciation method for fixed assets

Tangible fixed assets: declining balance method

For buildings, excluding attachment, acquired on and after April 1, 1998, straight line method is adopted

Intangible fixed assets: straight line method

The software used by the Company is depreciated by straight line method over the number of useful years for internal use (five years)

4. Basis for recording of reserves

(1) Reserve for doubtful accounts: To prepare for possible losses resulting from non-payments of account receivables for trade and loans, etc., a reserve is provided based on the percentage of actual credit losses incurred in the case of general receivables and, in the case of credits for which the relevant debtors are likely to default and other certain credits, such reserve is based on the anticipated uncollectible amount after assessment of likelihood of non-payment of individual credit.

(2) Reserve for bonus: To prepare for payments of bonuses to employees, a reserve is provided based on the projected payments.

(3) Reserve for retirement benefits for employees: To prepare for payments of

(TRANSLATION)

retirement benefits to employees, a reserve is provided based on the projected retirement benefit obligations as of the end of the current fiscal year.

The difference arising from actuarial computations is amortized and disposed as expenses in the subsequent fiscal years using the straight-line method over a certain number of years not exceeding the average number of remaining service years of the employees at the time of accrual of such payment (10 years).

5. Basis for recording of revenue

Revenue on installment sales is provided in accordance with installment basis.

6. Consumption tax, etc.

Tax excluded method is used for treatment of consumption tax and local consumption tax.

Notes to Balance Sheet

1. Accumulated depreciation of tangible fixed assets: 2,049,059 thousand yen
2. Net assets provided for in Article 124, Item 3 of the Commercial Code Enforcement Regulations: 232,448 thousand yen
3. Amount of retirement benefit obligations, etc.  
Retirement benefit obligations: 666,154 thousand yen  
Unrecognized difference arising from actuarial computations: 245,626 thousand yen

Notes to Income Statement

Current net earnings per share 3,676.96 yen

Balance Sheet for Nets Toyota Centro Gifu Co., Ltd.  
(As of March 31, 2005)

Account title	Amount	Account title	Amount
(Assets)	Thousands of yen	(Liabilities)	Thousands of yen
Current Assets	4,778,194	Current Liabilities	4,394,179
Cash on hand and in banks	485,034	Notes payable-trade	302,100
Notes receivable	174,025	Accounts payable-trade	1,362,587
Accounts receivable in installment sales	3,011,596	Short-term loans payable	1,730,000
Accounts receivable-trade	479,707	Accounts payable-other	227,686
New cars	265,035	Accrued corporate tax	32,200
Used cars	75,075	Accrued consumption tax	17,276
Parts	53,327	Advance received	75,459
Supplies	6,946	Deposit received	61,890
Other goods	2,364	Reserve for bonus	105,000
Prepaid expenses	27,048	Reserve for unrealized profit in installment sales	343,035
Accrued revenue	151,790	Other current liabilities	136,942
Deferred tax assets	51,098	Fixed Liabilities	96,612
Other current assets	311	Reserve for retirement benefits to employees	70,412
Reserve for doubtful accounts	-5,169	Reserve for retirement benefits to officers	26,200
Fixed Assets	2,825,819	Total Liabilities	4,490,791
Tangible fixed assets	2,501,125	(Shareholders' Equity)	
Buildings	952,557	Capital stock	463,750
Structures	105,853	Capital surplus	426,250
Machinery and equipment	48,200	Legal capital reserve	426,250
Vehicles	65,839	Retained earnings	2,223,222
Tools, furniture and fixture	15,230	Legal reserve	22,375
Land	1,313,443	Voluntary reserve	2,014,000
Intangible fixed assets	123,362	General reserve	2,014,000
Utility rights	123,312	Unappropriated retained earnings	186,847
Software	50		
Investments and other assets	201,331	Total Shareholders' Equity	3,113,222
Investment securities	3,800		
Deferred tax assets	36,773		
Other investments	160,758		
Total Assets	7,604,013	Total Liabilities and Shareholders' Equity	7,604,013

(TRANSLATION)

Income Statement for Nets Toyota Centro Gifu Co., Ltd.  
(From April 1, 2004 to March 31, 2005)

Account title		Amount		
		Thousands of yen	Thousands of yen	
Ordinary Income and Expenses	Operating income and expenses	Operating income		
		Sales	9,632,318	
		Commission income	519,751	10,152,070
		Operating expenses		
		Cost of sales	8,069,782	
		Selling, general and administrative expenses	2,057,622	10,127,404
		Reversal of reserve for unrealized profit in installment sales		322,843
		Provision for unrealized profit in installment sales		343,035
	Operating income		4,473	
	Non-operating income and expenses	Non-operating income		
		Interest and dividends received	484	
		Interest in installment	183,469	
		Other non-operating income	32,653	216,608
		Non-operating expenses		
Interest paid	9,299			
Other non-operating expenses	18,786	28,085		
Ordinary income			192,996	
Extraordinary Items	Extraordinary income			
	Profit on disposition of fixed assets	99,377	99,377	
	Extraordinary loss			
Loss on retirement of fixed assets	11,761	11,761		
Current net income before tax			280,611	
Income, resident and enterprise tax			104,933	
Adjustment for tax			-2,594	
Current net income			178,273	
Retained earnings brought forward			8,573	
Current unappropriated retained earnings			186,847	

(TRANSLATION)

(Notes to Balance Sheet and Income Statement for Nets Toyota Centro Gifu Co., Ltd.)

## Significant Accounting Policies

### 1. Valuation standards and methods for securities

Other securities:

Securities whose market price is not quoted: stated at cost based on the moving average method

### 2. Valuation standards and methods for inventories

Goods, work in process      specific-order cost method

Parts, supplies              stated at cost based on the moving average method

### 3. Depreciation method for fixed assets

Tangible fixed assets: declining balance method

For buildings, excluding attachment, acquired on and after April 1, 1998, straight line method is adopted.

Small-sum depreciable assets are depreciated in equal installments over three years.

Intangible fixed assets: straight line method

The software used by the Company is depreciated by straight line method over the number of useful years for internal use (five years).

### 4. Basis for recording of reserves

(1) Reserve for doubtful accounts: To prepare for possible losses resulting from non-payments of account receivables for trade and loans, etc., a reserve is provided based on the percentage of actual credit losses incurred in the case of general receivables and, in the case of credits for which the relevant debtors are likely to default and other certain credits, such reserve is based on the anticipated uncollectible amount after assessment of likelihood of non-payment of individual credit.

(2) Reserve for bonus: To prepare for payments of bonuses to employees, a reserve is provided based on the projected payments.

(3) Reserve for retirement benefits to employees: To prepare for payments of retirement benefits to employees, a reserve is provided based on the required payment amount for retirement for personal reason as of the end of the

current fiscal year.

(4) Reserve for retirement benefit for officers: To prepare for payments of retirement benefits to officers, a reserve is provided based on the required payment amount as of the end of year in accordance with by-laws.

This reserve is a reserve provided for in Article 43 of the Commercial Code Enforcement Regulations

5. Basis for recording of revenue

Revenue on installment sales is provided in accordance with installment basis.

6. Consumption tax, etc.

Tax excluded method is used for treatment of consumption tax and local consumption tax.

Additional Information

The Company, Seino Transportation Co., Ltd., Toyota Corolla Gifu Co., Ltd., Gifu Hino Motor Co., Ltd. and Netz Toyota Gifu Co., Ltd. made a resolution at their respective meeting of the board of directors held on November 24, 2004 that the Company and the other three companies become wholly-owned subsidiaries of Seino Transportation Co., Ltd. by means of stock exchange as of October 1, 2005, and entered into a Memorandum on Stock Exchange by and among them.

Notes to Balance Sheet

Accumulated depreciation of tangible fixed assets: 1,289,256 thousand yen

Notes to Income Statement

Current net earnings per share 1,371.34 yen

(TRANSLATION)

Balance Sheet for Nets Toyota Centro Gifu Co., Ltd.  
(As of March 31, 2004)

Account title	Amount	Account title	Amount
	Thousands of yen		Thousands of yen
(Assets)		(Liabilities)	
Current Assets	4,778,927	Current Liabilities	4,416,533
Cash on hand and in banks	363,901	Notes payable-trade	189,730
Notes receivable	266,130	Accounts payable-trade	1,134,107
Accounts receivable in installment sales	2,893,302	Short-term loans payable	2,220,000
Accounts receivable-trade	558,011	Accounts payable-other	142,146
New cars	277,362	Accrued corporate tax	79,091
Used cars	110,996	Accrued consumption tax	5,121
Parts	44,149	Advance received	14,505
Supplies	4,558	Deposit received	66,329
Other goods	1,994	Reserve for bonus	105,000
Prepaid expenses	25,534	Reserve for unrealized profit in installment sales	322,843
Accrued revenue	177,397	Other current liabilities	137,658
Deferred tax assets	58,954	Fixed Liabilities	70,751
Other current assets	598	Reserve for retirement benefits to employees	51,151
Reserve for doubtful accounts	-3,962	Reserve for retirement benefits to officers	19,600
Fixed Assets	2,659,366	Total Liabilities	4,487,285
Tangible fixed assets	2,373,280	(Shareholders' Equity)	
Buildings	829,739	Capital stock	463,750
Structures	92,526	Capital surplus	426,250
Machinery and equipment	40,006	Legal capital reserve	426,250
Vehicles	75,569	Retained earnings	2,061,008
Tools, furniture and fixture	18,273	Legal reserve	22,375
Land	1,317,165	Voluntary reserve	1,859,000
Intangible fixed assets	89,549	General reserve	1,859,000
Utility rights	89,412	Unappropriated retained earnings	179,633
Software	136		
Investments and other assets	196,536	Total Shareholders' Equity	2,951,008
Investment securities	3,800		
Deferred tax assets	26,322		
Other investments	168,646		
Reserve for doubtful accounts	-2,232		
Total Assets	7,438,293	Total Liabilities and	7,438,293

(TRANSLATION)

		Shareholders' Equity	
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Income Statement for Nets Toyota Centro Gifu Co., Ltd.  
(From April 1, 2003 to March 31, 2004)

Account title		Amount	
		Thousands of yen	Thousands of yen
Ordinary Income and Expenses	Operating income		
	Sales	11,039,116	
	Commission income	473,811	11,512,928
	Operating expenses		
	Cost of sales	9,226,210	
	Selling, general and administrative expenses	2,091,907	11,318,118
	Reversal of reserve for unrealized profit in installment sales		335,244
	Provision for unrealized profit in installment sales		322,843
	Operating income		207,211
	Non-operating income		
	Interest and dividends received	516	
	Interest in installment	108,944	
	Other non-operating income	26,019	135,481
	Non-operating expenses		
Interest paid	8,552		
Other non-operating expenses	10,494	19,046	
	Ordinary income		323,645
Extraordinary Items	Extraordinary income	11,058	11,058
	Profit on disposition of fixed assets		
	Extraordinary loss		
	Loss on retirement of fixed assets	1,284	
		22,800	24,084
	Current net income before tax		310,619
	Income, resident and enterprise tax		167,702
	Adjustment for tax		-28,762
	Current net income		171,678
	Retained earnings brought forward		7,954
	Current unappropriated retained earnings		179,633

(TRANSLATION)

(Notes to Balance Sheet and Income Statement for Nets Toyota Centro Gifu Co., Ltd.)

Significant Accounting Policies

1. Valuation standards and methods for securities

Other securities:

Securities whose market price is not quoted: stated at cost based on the moving average method

2. Valuation standards and methods for inventories

Goods, work in process specific-order cost method

Parts, supplies stated at cost based on the moving average method

3. Depreciation method for fixed assets

Tangible fixed assets: declining balance method

For buildings, excluding attachment, acquired on and after April 1, 1998, straight line method is adopted.

Small-sum depreciable assets are depreciated in equal installments over three years.

Intangible fixed assets: straight line method

The software used by the Company is depreciated by straight line method over the number of useful years for internal use (five years).

4. Basis for recording of reserves

(1) Reserve for doubtful accounts: To prepare for possible losses resulting from non-payments of account receivables for trade and loans, etc., a reserve is provided based on the percentage of actual credit losses incurred in the case of general receivables and, in the case of credits for which the relevant debtors are likely to default and other certain credits, such reserve is based on the anticipated uncollectible amount after assessment of likelihood of non-payment of individual credit.

(2) Reserve for bonus: To prepare for payments of bonuses to employees, a reserve is provided based on the projected payments.

(3) Reserve for retirement benefits for employees: To prepare for payments of retirement benefits to employees, a reserve is provided based on the required payment amount for retirement for personal reason as of the end of the

(TRANSLATION)

current fiscal year.

(4) Reserve for retirement benefit for officers: To prepare for payments of retirement benefits to officers, a reserve is provided based on the required payment amount as of the end of year in accordance with by-laws.

This reserve is a reserve provided for in Article 43 of the Commercial Code Enforcement Regulations

5. Basis for recording of revenue

Revenue on installment sales is provided in accordance with installment basis.

6. Consumption tax, etc.

Tax excluded method is used for treatment of consumption tax and local consumption tax.

Notes to Balance Sheet

Accumulated depreciation of tangible fixed assets: 1,310,705 thousand yen

Notes to Income Statement

Current net earnings per share	1,320.61 yen
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## Item 3.: Election of eleven (11) directors

In light of the expiration of terms of office of all incumbent directors at the close of the general meeting of shareholders, the Company proposes to elect the following eleven (11) candidates to directors.

Name (Date of Birth)	Abridged Biographies (Representation of Other Companies)	No. of shares owned	Special Interest in the Company
Masami Ohashi (February 9, 1937)	<p>Jan. '59 Joined the Company</p> <p>July '75 Director/General Manager, Vehicles Dept.</p> <p>Jan. '80 Director/General Manager, Sales Headquarters, New Car/Used Car Depts.</p> <p>May '81 Managing Director/General Manager, Sales Headquarters</p> <p>Feb. '85 Senior Managing Director/General Manager, Sales Headquarters</p> <p>June '90 Director/Vice President/General Manager, Sales Headquarters</p> <p>June '93 President/Representative Director</p> <p>June '03 Chairman/Representative Director (currently holding the position)</p> <p>(Representation of other companies) Netz Toyota Gifu Co., Ltd., Netz Toyota Centro Co., Ltd., Toyota Home Gifu Co., Ltd., Jms Gifu Corporation</p>	2,921	See Note 1 below.
Tadashi Ohno (March 30, 1940)	<p>Feb. '68 Joined the Company</p> <p>June '91 Director/General Manager, Used Car Dept.</p> <p>June '99 Managing Director/General Manager, Sales Headquarters/Used Car Dept.</p> <p>July '99 Managing Director/Deputy General Manager, Sales Headquarters/Used Car/Communications Business Depts.</p> <p>Apr. '01 Managing Director/Deputy General Manager, Sales Headquarters/U-Car/Communications Business Depts.</p> <p>Oct. '01 Senior Managing</p>	1,459	None

## (TRANSLATION)

		Director/Deputy General Manager, Sales Headquarters/ U-Car/Communications Business Depts.		
	Jan. '02	Senior Managing Director/ General Manager, Sales Headquarters		
	June '03	President/Representative Director (currently holding the position)		
Hiroyuki Taguchi (December 11, 1946)	Mar. '85	Joined the Company	1,459	None
	June '91	Director/General Manager, New Car Dept., East District		
	Apr. '92	Director/General Manager, New Car Dept.		
	Oct. '94	Director/General Manager, New Car/Operations & Project Depts.		
	June '96	Managing Director/Deputy General Manager, Sales Headquarters/Vehicles Headquarters (Imported Cars)/Operations & Project Depts.		
	July '96	Managing Director/Deputy General Manager, Sales Headquarters/Vehicles Headquarters/Operations & Project Depts.		
	May '99	Senior Managing Director/ General Manager, Sales Headquarters		
	Jan. '02	Senior Managing Director/ Deputy General Manager, Administration Headquarters		
	June '03	Senior Managing Director/ General Manager, Administration Headquarters		
	May '04	Senior Managing Director/General Manager, Sales Headquarters (currently holding the position)		
Yoshinori Nagara (April 17, 1944)	Mar. '63	Joined the Company	1,459	None
	June '91	Director/General Manager, New Car Dept, West District		
	July '96	Director/General Manager, New Car Dept., West District/Communications Business		
	July '99	Director/General Manager, New Car Dept., West District/Lease Business		

## (TRANSLATION)

	Dec. '00	Director/General Manager, New Car Dept., West District/Imported Cars/Lease Business		
	May '01	Managing Director, New Car Dept., West District/ Imported Cars/Lease Business		
	Jan. '02	Managing Director, New Car Dept., West District/ Imported Cars		
	Jan. '03	Managing Director, Imported Cars		
	May '04	Managing Director/Deputy General Manager, Sales Headquarters (currently holding the position)		
Hiroo Yokoyama (March 8, 1950)	Mar. '67	Joined the Company	584	None
	May '95	Head of No. 1 East Block/Branch Manager, Kagamihara Office		
	Dec. '97	General Manager, New Car Dept., Central District		
	June '99	Director/General Manager, Service Dept.		
	Oct. '01	Managing Director/Deputy General Manager, Sales Headquarters/Service Dept.		
	Jan. '02	Managing Director/Deputy General Manager, Sales Headquarters		
	June '03	Managing Director/General Manager, Sales Headquarters		
	May '04	Managing Director, Imported Cars (currently holding the position)		
Yoshikazu Taguchi (March 1, 1938)	Nov. '69	Director of the Company	10,435	See Note 2 below.
	July '87	President/Representative Director, Seino Transportation Co., Ltd.		
	June '94	Chairman/Director of the Company		
	June '03	Chairman/Representative Director, Seino Transportation Co., Ltd. (currently holding the position)		
	June '03	Director of the Company (currently holding the position)		

## (TRANSLATION)

	(Representation of other companies) Seino Transportation Co., Ltd., Hokkaido Seino Transportation Co., Ltd., Kanto Seino Transportation Co., Ltd., Tokai Seino Transportation Co., Ltd., Seino Customs Clearance Service Co., Ltd., Seino Tsu-un Transportation Co., Ltd., Shikoku Seino Transportation Co., Ltd., Okinawa Seino Transportation Co., Ltd., Seino Hikkoshi K.K., Seino Enterprise, Ltd., Seino Engineering Co., Ltd., Seino Information Service Co., Ltd., Seino Trading Co., Ltd., Toyota Home Gifu Co., Ltd., and Seino Do Brazil Armazens Gerais Ltda.			
Yoshitaka Taguchi (April 20, 1961)	Mar. '85	Joined Seino Transportation Co., Ltd.	--	See Note 3 below.
	July '89	Director		
	July '91	Managing Director		
	June '96	Senior Managing Director		
	Oct. '98	Vice President/Representative Director		
	June '99	Director of the Company (currently holding the position)		
	June '03	President/Representative Director, Seino Transportation Co., Ltd. (currently holding the position)		
	(Representation of other companies) Seino Transportation Co., Ltd., Seino Logix Co., Ltd.			
Takao Taguchi (February 2, 1962)	July '92	Joined Gifu Hino Motor Co., Ltd.	1,000	None
	June '95	Director		
	Apr. '96	Managing Director		
	June 97	Director of the Company (currently holding the position)		
	Apr. '98	Senior Managing Director, Gifu Hino Motor Co., Ltd.		
	June '99	Director of Gifu Hino Motor, and Director of Seino Transportation Co., Ltd.		
	Apr. '00	Managing Director of Seino Transportation		
	June '03	Senior Managing Director of Seino Transportation (currently holding the position)		
Eiji Mizuho	Mar. '69	Joined the Company	584	None

## (TRANSLATION)

(February 12, 1951)	May '99	General Manager, New Car Dept., East District		
	Dec. '00	General Manager, New Car Dept., Central District		
	June '01	Director/General Manager, New Car Dept., Central District		
	Mar. '04	Director/General Manager, Sales Dept., Central District (currently holding the position)		
Masayuki Okabe (January 2, 1945)	Mar. '76	Joined the Company	--	None
	Apr. '00	General Manager, Vehicles Business Dept.		
	May '00	General Manager, New Car Dept.		
	June '01	Director/General Manager, New Car Dept.		
	Jan. '02	Director/General Manager, New Car Dept./Lease/Communications Business		
	Jan. '03	Director/General Manager, Vehicles/Lease/Communications Business		
	Mar. '04	Director/General Manager, Sales Dept.		
	June '04	Director/General Manager, General Affairs Dept. (currently holding the position)		
Toshinori Miyake (October 1, 1954)	Apr. '77	Joined Tokyo Regional Taxation Bureau	--	None
	Aug. '99	Joined the Company/General Manager, Finance Dept.		
	June '03	Director/General Manager, Finance Dept. (currently holding the position)		

1. Of the director candidates, Mr. Masami Ohashi concurrently holds positions of Chairman & Representative Director of Netz Toyota Gifu Co., Ltd. and Netz Toyota Centro Gifu Co., Ltd., and the Company has relationships with these companies for car sales and repair transactions, and there is a competitive relationship. Mr. Ohashi also concurrently holds the position of Chairman & Representative Director of Toyota Home Gifu Co., Ltd., and the Company has relationship with the company for fixed asset and other transactions.
2. Of the director candidates, Mr. Yoshikazu Taguchi concurrently holds positions of Chairman & Representative Director of Seino Transportation Co., Ltd., and Representative Director of Toyota Home Gifu Co., Ltd., and the Company has relationships with these companies for vehicle, fixed asset, repair, transportation and other transactions.

(TRANSLATION)

3. Of the director candidates, Mr. Yoshitaka Taguchi concurrently holds the position of President & Representative Director of Seino Transportation Co., Ltd., and the Company has relationships with the company for vehicle, repair, transportation and other transactions.
4. Of the director candidates, Messrs. Yoshitaka Taguchi and Takao Taguchi are candidates for outside directors as set forth in Article 188, Paragraph 2, Item 7-2 of the Commercial Code.

(TRANSLATION)

[location map – omitted]

**Exhibit B**

English translation of the Current Report, dated November 24, 2004

(TRANSLATION)

**[Cover Page]**

[Document to be filed] Current Report

[Addressee] Chief of Kanto Local Financial Bureau

[Date of filing] November 24, 2004

[Corporate name] Seino Transportation Co., Ltd.

[English Translation of the corporate name] Seino Transportation Co., Ltd.

[Name and title of the representative] Yoshitaka Taguchi, President and Representative Director

[Address of registered head office] 1, Taguchi-cho, Ogaki-shi, Gifu Prefecture

[Phone number] (0584)82-5023

[Administrative Personnel to Contact] Isao Murase, General Manager of Finance and IR Department

[Address of the nearest contact place] 8-13, Shiomi 2-chome, Koto-ku, Tokyo

[Contact phone number] (03)3699-4231

[Administrative Personnel to Contact] Masataka Nasuno, Managing Director (Eastern District and North Eastern District)

[The place to make available] Tokyo Stock Exchange, Inc.  
(2-1, Kabuto-cho, Nihonbashi, Chuo-ku, Tokyo)  
Nagoya Stock Exchange, Inc.  
(3-17, Sakae 3-chome, Naka-ku, Nagoya)

(TRANSLATION)

1 [The reason for filing]

This company has resolved at our board of directors held on November 24, 2004, to implement Stock Exchange subject to Article 352 of the Commercial Code to make Toyota Corolla Gifu Co., Ltd., Gifu Hino Motor Co., Ltd, Netz Toyota Gifu Co., Ltd and Netz Toyota Centro Co., Ltd. (hereinafter, collectively "Toyota Corolla Gifu and Three Other Companies") wholly owned subsidiaries of this company and to execute the Memorandum on Stock Exchange as of the same date. Therefore, this company hereto files this current report subject to Article 24-5, Clause 4 of Securities Exchange Law and Article 19, Clause 2, Item 6-2 of the Cabinet Ordinance regarding disclosure of status of the corporation.

2 [The content to be reported]

(1) Name, address, name of representative, capitalization and business description of the counterparty to the said stock exchange

Corporate Name: Toyota Corolla Gifu Co., Ltd.

Address: 1-3, Rokujo-Omizu 4 chome, Gifu-shi, Gifu

Name of the representative: Masashi Ohno, President and Representative Director

Capitalization: 5,317 million yen (as of March 31, 2004)

Business description: Vehicle distributorship business etc.

Corporate Name: Gifu Hino Motor Co., Ltd.

Address: 57, Kita Uzura 5-chome, Gifu-shi, Gifu Prefecture

Name of the representative: Shigeo Mizuno, President and Representative Director

Capitalization: 4,722 million yen (as of March 31, 2004)

Business description: Vehicle sales and maintenance business etc.

Corporate Name: Netz Toyota Gifu Co., Ltd.

Address: 81, Ginan-cho Miyake 4-chome, Hashima-gun, Gifu Prefecture

Name of the representative: Isao Aimiya, President and Representative Director

Capitalization: 290 million yen (as of March 31, 2004)

Business description: Vehicle distributorship business etc.

Corporate Name: Netz Toyota Centro Gifu Co., Ltd.

Address: 57, Kita Uzura 5-chome, Gifu-shi, Gifu Prefecture

(TRANSLATION)

Name of the representative: Kunihiro Tahara, President and Representative Director

Capitalization: 463 million yen (as of March 31, 2004)

Business description: Vehicle distributorship business etc.

(2) The purpose of the said stock exchange

Seino Transportation Co., Ltd. (hereinafter, "Seino") has raised our holding ratio of voting rights of Toyota Corolla Gifu Co., Ltd. and Gifu Hino Motor Co., Ltd. which were equity-method affiliates of Seino to strengthen the management of subsidiaries and enhance consolidated accountings by means of tender offer bid in 2002. Seino has determined that Seino will be able to optimize and improve efficiency of the capitalization of entire group and make it possible to respond to changes in the business environment dynamically and flexibly by strengthening capital ties among entire group, which will lead to further improvements in the corporate value on a consolidated basis.

(3) The method of the said stock exchange and the description of the Memorandum of Stock Exchange

[The method of the said stock exchange]

For Seino to become a wholly parent company of Toyota Gifu Corolla and Three Other Companies and for Toyota Gifu Corolla and Three Other Companies to become wholly owned subsidiaries of Seino, those shares of each Toyota Gifu Corolla and Three Other Companies held by shareholders of each companies shall be transferred to Seino, and, at the same time, the shares of Seino which shall be issued at the stock exchange or which are owned by Seino shall be allotted to those shareholders of Toyota Corolla Gifu and Three Other Companies (excluding us) and become shareholders of Seino.

[The description of Memorandum of Stock Exchange]

The description of each of Memorandum of Stock Exchange executed on November 24, 2004 by us and each of Toyota Corolla Gifu and Three Other Companies are as follows:

(TRANSLATION)

## Memorandum of Stock Exchange

Seino Transportation Co., Ltd. ("Seino") and Toyota Corolla Gifu Co., Ltd. ("Toyota Corolla Gifu") have agreed to the basic terms and conditions with regard to achieve stock exchange and hereby execute this memorandum ("Memorandum").

### Article 1 (Implementation of stock exchange)

Seino and Toyota Corolla Gifu will implement stock exchange (*Kabushiki-kokan*, in Japanese) making Seino a wholly parent company and Toyota Corolla Gifu a wholly owned subsidiary.

### Article 2 (Date of stock exchange)

Date of stock exchange shall be October 1, 2005; provided, however, that the parties hereto may amend the date of stock exchange upon mutual discussion if it is required for the procedure of the stock exchange or other reasons.

### Article 3 (General Meetings of shareholders for approval of stock exchange)

Seino and Toyota Corolla Gifu will seek approval of stock exchange agreement and other matters required for the respective stock exchange at the each general shareholders meeting which are to be held on June of 2005; provided, however, that the parties hereto may amend the terms and conditions upon mutual discussion if it is required for the procedures of the stock exchange or other reasons.

### Article 4 (Stock Exchange Ratio)

Seino will allocate and deliver 1.68 shares of Seino's ordinary shares per shares of ordinary share of Toyota Corolla Gifu (shares of Seino will not be allocated to the shares of Toyota Corolla Gifu held by Seino); provided, however, that in case of any change in the asset or management status of any of the parties, the exchange ratio hereto may be amended through mutual discussion.

### Article 5 (Execution of Stock Exchange Agreement)

Hereafter, terms and conditions of the stock exchange which is the object of this Memorandum will be agreed upon the mutual discussion on the details of stock exchange and the parties hereto will execute stock exchange agreement. The date of execution of stock exchange agreement will be around middle of May, 2005.

(TRANSLATION)

Article 6 (Management of Company Assets)

Seino and Toyota Corolla Gifu will execute its business and manage and operate its assets with the care of a good manager after the execution of this Memorandum hereof until the date of stock exchange, and any act which may materially affect any of its asset, rights and/or obligations will be subject to prior discussions and agreement between the both parties.

Article 7 (Termination of this Memorandum subject to the material adverse change)

Seino and/or Toyota Corolla Gifu may terminate this memorandum upon the mutual discussion and agreement in the event of the occurrence of material changes in assets or management status from the execution date of this Memorandum until the date of stock exchange.

Article 8 (Separation of this stock exchange)

The stock exchange between Seino and Toyota Corolla Gifu contemplated by this Memorandum will be separate and independent from the other stock exchange which might be taken place between Seino (as a wholly parent company) and the company other than Toyota Corolla Gifu, and will not be affected by such other stock exchange.

Article 9 (Discussion Matters)

Matters required for the stock exchange will be determined though discussions between Seino and Toyota Corolla Gifu in accordance with the purpose hereof.

IN WITNESS WHEREOF, this Memorandum has been executed in two (2) originals, one will be retained by each party.

November 24, 2004

Seino: Seino Transportation Co., Ltd.  
1, Taguchi-cho, Ogaki-shi, Gifu Prefecture  
Yoshitaka Taguchi  
President and Representative Director

(TRANSLATION)

Toyota Corolla Gifu:

Toyota Corolla Gifu Co., Ltd.

1-3, Rokujo-Omizu 4 chome, Gifu-shi, Gifu

Prefecture

Tadashi Ohno

President and Representative Director

Memorandum of Stock Exchange

Seino Transportation Co., Ltd. ("Seino") and Gifu Hino Motor Co., Ltd. ("Gifu Hino") have agreed to the basic terms and conditions with regard to achieve stock exchange and hereby execute this memorandum ("Memorandum").

Article 1 (Execution of stock exchange)

Seino and Gifu Hino will implement stock exchange (*Kabushiki-kokan*, in Japanese) making Seino a wholly parent company and Gifu Hino a wholly owned subsidiary.

Article 2 (Date of stock exchange)

Date of stock exchange will be October 1, 2005; provided, however, that the parties hereto may amend the date of stock exchange upon mutual discussion if it is required for the procedure of the stock exchange or other reasons.

Article 3 (General Meetings of shareholders for approval of stock exchange)

Seino and Gifu Hino will seek approval of stock exchange agreement and other matters required for the respective stock exchange at the each general shareholders meeting which are to be held on June of 2005; provided, however, that the parties hereto may amend the terms and conditions upon mutual discussion if it is required for the procedures of the stock exchange or other reasons.

Article 4 (Stock Exchange Ratio)

Seino will allocate and deliver 1.11 shares of Seino's ordinary shares per shares of ordinary share of Gifu Hino (shares of Seino will not be allocated to the shares of Gifu Hino held by Seino); provided, however, that in case of any change in the asset or management status of any of the parties, the exchange ratio hereto may be amended through mutual discussion.

Article 5 (Execution of Stock Exchange Agreement)

Hereafter, terms and conditions of the stock exchange which is the object of this Memorandum will be agreed upon the mutual discussion on the details of stock exchange and the parties hereto will execute stock exchange agreement. The date of execution of stock exchange agreement will be around middle of May, 2005.

Article 6 (Management of Company Assets)

(TRANSLATION)

Seino and Gifu Hino will execute its business and manage and operate its assets with the care of a good manager after the execution of this Memorandum hereof until the date of stock exchange, and any act which may materially affect any of its asset, rights and/or obligations will be subject to prior discussions and agreement between the both parties.

Article 7 (Termination of this Memorandum subject to the material adverse change)  
Seino and/or Gifu Hino may terminate this memorandum upon the mutual discussion and agreement in the event of the occurrence of material changes in assets or management status from the execution date of this Memorandum until the date of stock exchange.

Article 8 (Separation of this stock exchange)

The stock exchange between Seino and Gifu Hino contemplated by this Memorandum will be separate and independent from the other stock exchange which might be taken place between Seino (as a wholly parent company) and the company other than Gifu Hino, and will not be affected by such other stock exchange.

Article 9 (Discussion Matters)

Matters required for the stock exchange will be determined though discussions between Seino and Gifu Hino in accordance with the purpose hereof.

IN WITNESS WHEREOF, this Memorandum has been executed in two (2) originals, one will be retained by each party.

November 24, 2004

Seino:                   Seino Transportation Co., Ltd.  
                              1, Taguchi-cho, Ogaki-shi, Gifu Prefecture  
                              Yoshitaka Taguchi  
                              President and Representative Director

(TRANSLATION)

Gifu Hino:

Gifu Hino Co., Ltd.  
57, Kita Uzura 5-chome, Gifu-shi, Gifu  
Prefecture  
Shigeo Mizuno  
President and Representative Director

Memorandum of Stock Exchange

Seino Transportation Co., Ltd. ("Seino") and Netz Toyota Gifu Co., Ltd. ("Netz Toyota") have agreed to the basic terms and conditions with regard to achieve stock exchange and hereby execute this memorandum ("Memorandum").

Article 1 (Implementation of stock exchange)

Seino and Netz Toyota will implement stock exchange (*Kabushiki-kokan*, in Japanese) making Seino a wholly parent company and Netz Toyota a wholly owned subsidiary.

Article 2 (Date of stock exchange)

Date of stock exchange will be October 1, 2005; provided, however, that the parties hereto may amend the date of stock exchange upon mutual discussion if it is required for the procedure of the stock exchange or other reasons.

Article 3 (General Meetings of shareholders for approval of stock exchange)

Seino and Netz Toyota will seek approval of stock exchange agreement and other matters required for the respective stock exchange at the each general shareholders meeting which are to be held on June of 2005; provided, however, that the parties hereto may amend the terms and conditions upon mutual discussion if it is required for the procedures of the stock exchange or other reasons.

Article 4 (Stock Exchange Ratio)

Seino will allocate and deliver 27.80 shares of Seino's ordinary shares per shares of ordinary share of Netz Toyota (shares of Seino will not be allocated to the shares of Netz Toyota held by Seino); provided, however, that in case of any change in the asset or management status of any of the parties, the exchange ratio hereto may be amended through mutual discussion.

Article 5 (Execution of Stock Exchange Agreement)

Hereafter, terms and conditions of the stock exchange which is the object of this Memorandum will be agreed upon the mutual discussion on the details of stock exchange and the parties hereto will execute stock exchange agreement. The date of execution of stock exchange agreement will be around middle of May, 2005.

(TRANSLATION)

Article 6 (Management of Company Assets)

Seino and Netz Toyota will execute its business and manage and operate its assets with the care of a good manager after the execution of this Memorandum hereof until the date of stock exchange, and any act which may materially affect any of its asset, rights and/or obligations will be subject to prior discussions and agreement between the both parties.

Article 7 (Termination of this Memorandum subject to the material adverse change)

Seino and/or Netz Toyota may terminate this memorandum upon the mutual discussion and agreement in the event of the occurrence of material changes in assets or management status from the execution date of this Memorandum until the date of stock exchange.

Article 8 (Separation of this stock exchange)

The stock exchange between Seino and Netz Toyota contemplated by this Memorandum will be separate and independent from the other stock exchange which might be taken place between Seino (as a wholly parent company) and the company other than Netz Toyota, and will not be affected by such other stock exchange.

Article 9 (Discussion Matters)

Matters required for the stock exchange will be determined through discussions between Seino and Netz Toyota in accordance with the purpose hereof.

IN WITNESS WHEREOF, this Memorandum has been executed in two (2) originals, one shall be retained by each party.

November 24, 2004

Seino: Seino Transportation Co., Ltd.  
1, Taguchi-cho, Ogaki-shi, Gifu Prefecture  
Yoshitaka Taguchi  
President and Representative Director

(TRANSLATION)

Netz Toyota:

Netz Toyota Gifu Co., Ltd.  
81, Ginan-cho Miyake 4-chome,  
Hashima-gun, Gifu Prefecture  
Isao Aimiya  
President and Representative Director

Memorandum of Stock Exchange

Seino Transportation Co., Ltd. ("Seino") and Netz Toyota Centro Gifu Co., Ltd. ("Netz Centro") have agreed to the basic terms and conditions with regard to achieve stock exchange and hereby execute this memorandum ("Memorandum").

Article 1 (Implementation of stock exchange)

Seino and Netz Centro will implement stock exchange (*Kabushiki-kokan*, in Japanese) making Seino a wholly parent company and Netz Centro a wholly owned subsidiary.

Article 2 (Date of stock exchange)

Date of stock exchange will be October 1, 2005; provided, however, that the parties hereto may amend the date of stock exchange upon mutual discussion if it is required for the procedure of the stock exchange or otherwise.

Article 3 (General Meetings of shareholders for approval of stock exchange)

Seino and Netz Centro will seek approval of stock exchange agreement and other matters required for the respective stock exchange at the each general shareholders meeting which are to be held on June of 2005; provided, however, that the parties hereto may amend the terms and conditions upon mutual discussion if it is required for the procedures of the stock exchange or otherwise.

Article 4 (Stock Exchange Ratio)

Seino will allocate and deliver 5.12 shares of Seino's ordinary shares per shares of ordinary share of Netz Centro (shares of Seino will not be allocated to the shares of Netz Centro held by Seino); provided, however, that in case of any change in the asset or management status of any of the parties, the exchange ratio hereto may be amended through mutual discussion.

Article 5 (Execution of Stock Exchange Agreement)

Hereafter, terms and conditions of the stock exchange which is the object of this Memorandum will be agreed upon the mutual discussion on the details of stock exchange and the parties hereto will execute stock exchange agreement. The date of execution of stock exchange agreement will be around middle of May, 2005.

(TRANSLATION)

Article 6 (Management of Company Assets)

Seino and Netz Centro will execute its business and manage and operate its assets with the care of a good manager after the execution of this Memorandum hereof until the date of stock exchange, and any act which may materially affect any of its asset, rights and/or obligations will be subject to prior discussions and agreement between the both parties.

Article 7 (Termination of this Memorandum subject to the material adverse change)

Seino and/or Netz Centro may terminate this memorandum upon the mutual discussion and agreement in the event of the occurrence of material changes in assets or management status from the execution date of this Memorandum until the date of stock exchange.

Article 8 (Separation of this stock exchange)

The stock exchange between Seino and Netz Centro contemplated by this Memorandum will be separate and independent from the other stock exchange which might be taken place between Seino (as a wholly parent company) and the company other than Netz Centro, and will not be affected by such other stock exchange.

Article 9 (Discussion Matters)

Matters required for the stock exchange will be determined though discussions between Seino and Netz Centro in accordance with the purpose hereof.

IN WITNESS WHEREOF, this Memorandum has been executed in two (2) originals, one shall be retained by each party.

November 24, 2004

Seino:                   Seino Transportation Co., Ltd.  
1, Taguchi-cho, Ogaki-shi, Gifu Prefecture  
Yoshitaka Taguchi  
President and Representative Director

(TRANSLATION)

Netz Centro:

Netz Toyota Centro Gifu Co., Ltd.  
57, Kita Uzura 5-chome, Gifu-shi, Gifu  
Prefecture  
Kunihiro Tahara  
President and Representative Director

**Exhibit C**

English translation of the Correction Report, dated May 17, 2005

(TRANSLATION)

**[Cover Page]**

[Document to be filed] Correction Report to Current Report

[Addressee] Chief of Kanto Local Financial Bureau

[Date of filing] May 17, 2005

[Corporate name] Seino Transportation Co., Ltd.

[English Translation of the corporate name] Seino Transportation Co., Ltd.

[Name and title of the representative] Yoshitaka Taguchi, President and Representative Director

[Address of registered head office] 1, Taguchi-cho, Ogaki-shi, Gifu Prefecture

[Phone number] (0584)82-5023

[Administrative Personnel to Contact] Isao Murase, General Manager of Finance and IR Department

[Address of the nearest contact place] 8-13, Shiomi 2-chome, Koto-ku, Tokyo

[Contact phone number] (03)3699-4231

[Administrative Personnel to Contact] Masataka Nasuno, Managing Director (East District and North East District)

[The place to make available] Tokyo Stock Exchange, Inc.  
(2-1, Kabuto-cho, Nihonbashi, Chuo-ku, Tokyo)  
Nagoya Stock Exchange, Inc.  
(3-17, Sakae 3-chome, Naka-ku, Nagoya)

(TRANSLATION)

1 [The reason for filing]

While this company has already filed the current report according to the execution of the Memorandum of Stock Exchange between each of Toyota Corolla Gifu Co., Ltd., Gifu Hino Motor Co., Ltd, Netz Toyota Gifu Co., Ltd and Netz Toyota Centro Co., Ltd. (hereinafter, collectively "Toyota Corolla Gifu and Three Other Companies") as of November 24, 2004, this company has executed Stock Exchange Agreement with Toyota Corolla Gifu and Three Other Companies subject to the resolution of our board of directors held on May 17, 2005. Therefore, this company hereto files this correction report to current report subject to Article 24-5, Clause 5 of Securities Exchange Law.

2 [The description of the correction]

(before the correction)

[The method of the said stock exchange and the description of the Memorandum of Stock Exchange]

The description of each of Memorandum of Stock Exchange executed on November 24, 2004 by us and each of Toyota Corolla Gifu and Three Other Companies are as follows:

(\* description of the Memorandum of Stock Exchange is omitted)

(after the correction)

[The description of the Stock Exchange Agreement]

The description of Stock Exchange Agreement executed by and between us and Toyota Corolla Gifu and Three Other Companies as of May 17, 2005 is as follows:

(TRANSLATION)

## Stock Exchange Agreement

Seino Transportation Co., Ltd. ("Seino"), Toyota Corolla Gifu Co., Ltd. ("Toyota Corolla"), Gifu Hino Motor Co., Ltd. ("Gifu Hino"), Netz Toyota Gifu Co., Ltd. ("Toyota Gifu") and Netz Toyota Centro Gifu Co., Ltd. ("Toyota Centro") hereby enter into this stock exchange agreement (this "Agreement") under the following terms and conditions.

### Article 1 (Stock Exchange)

Seino, Toyota Corolla, Gifu Hino, Toyota Gifu and Toyota Centro shall hereby agree to make Seino the wholly parent company of the other parties hereto, and to make Toyota Corolla, Gifu Hino, Toyota Gifu and Toyota Centro wholly-owned subsidiaries of Seino, respectively, through stock exchange (*kabushiki kokan*; hereinafter the "Stock Exchange").

### Article 2 (Exchange Ratio)

1 Seino shall allocate and deliver 12,282,997 shares (a total of 9,048,616 shares of common stock to be issued upon the Stock Exchange and 3,234,381 shares of its own common stock held by it) to those shareholders (hereinafter including beneficial shareholders) listed in the final shareholders' registry (hereinafter including beneficial shareholders' registry) of Toyota Corolla, Gifu Hino, Toyota Gifu and Toyota Centro as of the date immediately preceding the date of Stock Exchange, in the following proportion: 1.68 shares of Seino's common stock per share of common stock of Toyota Corolla; 1.11 shares of Seino's common stock per share of common stock of Gifu Hino held; 27.80 shares of Seino's common stock per share of common stock of Toyota Gifu held; and 5.12 shares of Seino's common stock per share of common stock of Toyota Centro.

Notwithstanding the foregoing, shares of Seino's common stock shall not be allocated to the following numbers of shares held by Seino:

- 2,338,437 shares of common stock of Toyota Corolla;
- 2,338,051 shares of common stock of Gifu Hino;
- 76,300 shares of common stock of Toyota Gifu; and
- 41,650 shares of common stock of Toyota Centro.

2 The terms prescribed in the preceding paragraph may be amended through

(TRANSLATION)

discussions among the parties hereto if there is any change in the asset or management status of any of the parties hereto due to any cause not provided for herein.

Article 3 (Amount of Increase in Capital and Capital Reserve)

The amount of capital and capital reserve to be increased by Seino upon the Stock Exchange shall be as follows.

- (1) Capital: nil
- (2) Capital reserve: the amount of net assets of Toyota Corolla, Gifu Hino, Toyota Gifu and Toyota Centro existing on the date of Stock Exchange multiplied by the respective ratios of the numbers of shares to be transferred to Seino upon the Stock Exchange to the total number of issued shares of each such party, less the book value of treasury stocks held by Seino to be delivered to shareholders of Toyota Corolla, Gifu Hino, Toyota Gifu and Toyota Centro pursuant to Paragraph 1 of the preceding article.

Article 4 (General Meetings of Shareholders for Approval of Share Exchanges Agreement, etc.)

- 1 Each party hereto shall convene a general meeting of shareholders as follows where it shall seek approval of this Agreement and other matters required for the respective Stock Exchange (the "Shareholders Meeting"): Seino on June 24, 2005, Toyota Corolla on June 22, 2005, Gifu Hino on June 22, 2005, Toyota Gifu on June 22, 2005, and Toyota Centro on June 22, 2005. Notwithstanding the foregoing, each such date may be changed upon discussions among the parties, if required for the procedures of any of the Stock Exchange or otherwise.
- 2 Toyota Corolla, Gifu Hino, Toyota Gifu and Toyota Centro shall provide proper explanations at the Shareholders Meeting referred to in the preceding paragraph that Seino is to cause the newly-established company take over all operations (other than Seino's administration division) by way of Incorporation-type Division (*shinsetsu bunkatsu*) on the date of Stock Exchange.

Article 5 (Date of Stock Exchange)

The Stock Exchange shall take place on October 1, 2005; provided, however, that the date may be changed through discussions among the parties if required for the procedures of any of the Stock Exchange or otherwise.

(TRANSLATION)

Article 6 (Profit Dividends Prior to the Date of Stock Exchange)

Each party hereto shall make a profit dividend to the shareholders or registered pledgees listed on the final shareholders' registry as of March 31, 2005, to the maximum extent set forth below:

- (1) Seino: 11 yen per share, or 2,146,625,646 yen in the aggregate
- (2) Toyota Corolla: 6 yen per share, or 34,874,472 yen in the aggregate
- (3) Gifu Hino: 10 yen per share, or 58,016,710 yen in the aggregate
- (4) Toyota Gifu: 75 yen per share, or 11,250,000 yen in the aggregate
- (5) Toyota Centro: 25 yen per share, or 3,250,000 yen in the aggregate

Article 7 (Term of Office of Officers who Assumed Office Prior to the Stock Exchange)

The term of office of any director or statutory auditor of Seino who assumed office prior to the date of Stock Exchange shall expire on the date on which it would otherwise expire unless the Stock Exchange take place.

Article 8 (Duty of Care of a Good Manager for Company Assets)

Each party hereto shall perform its business and manage and operate its assets with the care of a good manager after execution hereof until the date immediately preceding the date of Stock Exchange, and any act which may materially affect any of its assets, rights or obligations other than as provided for herein shall be subject to prior discussions and agreement among the parties hereto.

Article 9 (Other Reorganization, Asset Transfer, Etc.)

- 1 Toyota Corolla, Gifu Hino, Toyota Gifu and Toyota Centro hereby approve that Seino is to implement the Incorporation-type Division after execution hereof until the date of Stock Exchange (inclusive), where Seino shall be spun off and all its operations other than the administration division shall be taken over which date of Incorporation-type Division is October 1, 2005.
- 2 Toyota Corolla, Gifu Hino, Toyota Gifu and Toyota Centro hereby approve that Seino is to issue stock acquisition rights (hereinafter "SARs") as generally described below after execution hereof until the date of Stock Exchange (inclusive), which shall be allocated to The Sumitomo Trust & Banking Co., Ltd. (*Shintaku-guchi* or trust account) by way of third-party allocation and substantially under especially favorable terms:

- (1) Type and number of shares subject to the SARs:

(TRANSLATION)

397,262,334 shares of common stock (1 share per 1 unit of SAR)

(2) Total number of SARs: 397,262,334

(3) Issue price of SARs: free

(4) Exercise price of SARs:

The exercise price shall be initially the market value of shares of common stock of Seino multiplied by 3, and shall be 1 yen after there is any party holding more than 20% of shares issued by Seino.

Article 10 (Changes in Terms of Stock Exchange, and Termination of this Agreement)

In the event of any material change in the asset or management status of any party hereto due to a natural disaster or other causes from the execution date hereof to the date immediately preceding the date of Stock Exchange, subject to discussions among all parties hereto, (i) (if such event occurred to Seino) each party hereto, or (ii) (if such event occurred to a party hereto other than Seino) such party and Seino, may amend any term of the Exchange(s) or terminate this Agreement as between the parties concerned.

Article 11 (Validity of this Agreement)

If an approval of the Shareholders Meeting of any party hereto as provided for in Article 4 or an approval of any competent authority prescribed by law is not obtained, this Agreement shall become void as between Seino and each of the other parties hereto if such event occurred to Seino, or, if such event occurred to a party hereto other than Seino, this Agreement shall become void as between Seino and such party. For avoidance of doubt, even if an approval of the Shareholders Meeting or any competent authority prescribed by law is not obtained for any one or more of the Exchange(s) between Seino and any of the other parties hereto as provided for in this article, this Agreement shall continue in force and effect as among the remaining parties hereto.

Article 12 (Matters Not Provided for in this Agreement)

Matters not provided for herein and/or any matters required for any of the Stock Exchange shall be determined through discussions among the parties hereto in accordance with the purpose hereof.

(TRANSLATION)

IN WITNESS WHEREOF, this Agreement has been executed in five (5) originals, one each of which shall be retained by each party after the printing of its name and the impression of its seal.

May 17, 2005

Seino: Seino Transportation Co., Ltd.  
1, Taguchi-cho, Ogaki-shi, Gifu Prefecture  
Yoshitaka Taguchi  
President and Representative Director

Toyota Corolla: Toyota Corolla Gifu Co., Ltd.  
1-3, Rokujo-Omizo 4-chome, Gifu-shi, Gifu  
Prefecture  
Tadashi Ohno  
President and Representative Director

Gifu Hino: Gifu Hino Motor Co., Ltd.  
57, Kita Uzura 5-chome, Gifu-shi, Gifu Prefecture  
Shigeo Mizuno  
President and Representative Director

Toyota Gifu: Netz Toyota Gifu Co., Ltd.  
81, Ginan-cho Miyake 4-chome, Hashima-gun,  
Gifu Prefecture  
Isao Aimiya  
President and Representative Director

Toyota Centro: Netz Toyota Centro Gifu Co., Ltd.  
57, Kita Uzura 5-chome, Gifu-shi, Gifu Prefecture  
Kunihiro Tahara  
President and Representative Director