

**For the Fiscal Year Ended March 31, 2014**

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**Annual Select<sup>®</sup> 2014**

**HISAKA WORKS, LTD.**

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**4-2-14 Fushimimachi, Chuo-ku, Osaka**

**(Securities Code: 6247)**

**+81-6-6201-3531**

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### **Corporate Profile**

HISAKA that upholds company precept “Sincerity (*magokoro*)” as a fundamental principle is a specialist manufacturer of plate type heat exchangers, food, pharmaceutical sterilizers, dyeing & finishing machines, and ball valves. We and our products offer strong support to all industrial fields including energy source, environment, food, pharmaceuticals, housing and clothing, by providing highest efficiency of utilization of heat energy, improved safety and easiness to take food and pharmaceuticals, excellent dyeing of textile products and industrial materials, as well as fluids control of various solutions. All our products are designed and manufactured with very keen interests in the highest energy efficiency and environmental conservation to contribute to the society.

In today’s world where needs are becoming increasingly diverse and sophisticated with the changing times, we strive to make maximum use of our reliable ISO9001-certified quality control system, and cutting-edge equipment and machinery in all aspects of our original integrated work operations throughout development, design, manufacturing and sales based on our “Control Technology of Thermal Energy” and “Stainless Steel Processing Technology.” While proactively developing new technologies and products, we deliver “Comfort,” “Safety” and “Convenience” to the everyday life of the people of this world.



## I. Summary of Selected Financial Data (Consolidated)

	81 <sup>st</sup> term Fiscal year ended March 31, 2010	82 <sup>nd</sup> term Fiscal year ended March 31, 2011	83 <sup>rd</sup> term Fiscal year ended March 31, 2012	84 <sup>th</sup> term Fiscal year ended March 31, 2013	85 <sup>th</sup> term Fiscal year ended March 31, 2014
Net sales (Thousands of yen)	—	—	23,368,391	23,699,849	23,181,831
Ordinary income (Thousands of yen)	—	—	2,568,753	2,549,446	2,268,720
Net income (Thousands of yen)	—	—	1,395,559	1,721,991	1,480,876
Comprehensive income (Thousands of yen)	—	—	691,982	2,805,189	4,163,273
Net assets (Thousands of yen)	—	—	41,612,376	43,164,265	45,985,474
Total assets (Thousands of yen)	—	—	50,830,969	50,657,502	55,129,585
Net assets per share (Yen)	—	—	1,305.43	1,398.02	1,539.75
Net income per share (Yen)	—	—	43.04	54.62	48.50
Diluted net income per share (Yen)	—	—	—	—	—
Equity ratio (%)	—	—	81.8	85.2	83.4
Return on equity (ROE) (%)	—	—	3.3	4.1	3.3
Price earnings ratio (PER) (Times)	—	—	21.24	16.17	20.60
Net cash provided by (used in) operating activities (Thousands of yen)	—	—	2,901,040	740,302	3,391,781
Net cash provided by (used in) investing activities (Thousands of yen)	—	—	1,177,229	455,434	(2,794,047)
Net cash provided by (used in) financing activities (Thousands of yen)	—	—	(1,153,527)	(1,310,005)	(1,556,107)
Cash and cash equivalents at end of period (Thousands of yen)	—	—	7,590,291	8,222,978	7,351,900
Number of employees (Persons)	—	—	487	577	590

Notes: 1. The Company first prepared consolidated financial statements for the 83<sup>rd</sup> term, and thus figures for the prior terms are not provided.

2. Net sales do not include consumption taxes.

3. Diluted net income per share is not provided since there are no potential shares.

## II. Annual Report



Yuichi Maeda, President

Looking at the global economy in the fiscal year ended March 31, 2014, economic activity in the U.S. was showing a pattern of recovery but there was also caution about unwinding quantitative easing, which, together with slowdown in China and other emerging economies and growing geo-political risks, maintained a level of global economic uncertainty. Meanwhile, in the Japanese economy, economic activity was showing a pattern of moderate recovery. Companies, particularly the major corporations, improved their earnings thanks to the positive effects of weak yen and high stock market prices brought about by monetary easing by the Bank of Japan and economic measures by the Japanese government. Consumer spending also showed a temporary rise in demand before the consumption tax increase.

Despite favorable prospects in the economic environment, the market temperatures tended to vary among the industrial fields of clothing, food, housing, pharmaceuticals, environment, and energy sources, which comprise the HISAKA Group's major markets, and the economic recovery did not lead to proactive capital investment in these fields.

Operating in such an environment, the HISAKA Group's consolidated net orders received rose considerably in the Heat Exchanger Division and the Vital Industry Division, outweighing a decline in the Valve Division and the Other segment to a 0.6% rise year on year to ¥23,082 million.

Consolidated net sales declined 2.2% year on year to ¥23,181 million as the amount of decline in the Valve Division and the Other segment outweighed sales increases in the Heat Exchanger Division and the Vital Industry Division.

In terms of profits, consolidated operating income declined 22.2% year on year to ¥1,757 million as a result of a lower profitability in the Heat Exchanger Division and the reporting of operating losses in the Valve Division and the Other segment. Consolidated ordinary income declined 11.0% year on year to ¥2,268 million. Consolidated net income declined 14.0% year on year to ¥1,480 million due to the large decline in operating income outweighing the recording of extraordinary income such as gain on redemption of securities.

## III. Management Challenges

The HISAKA Group formulates a medium-term management plan every three years and pursues business strategies according to this plan. Under the medium-term management plan "G-14" started from April 2014, we defined the guidelines for action by establishing our company precept "Sincerity (*magokoro*)" as our vision and "Challenge for Innovation" as our slogan, and we set the goal of achieving consolidated net sales of ¥32,000 million and consolidated operating income of ¥3,200 million in the plan's final fiscal year (ending March 31, 2017).

We shall pursue the following business strategies as the priority challenges of the medium-term plan "G-14."

- (1) Strengthen the company through qualitative improvements such as reinforcing human resources to strengthen the business base and strengthen the organization.
- (2) Invest aggressively (personnel training, research and development, production equipment, IT, workplace improvement, etc.) to realize sustainable company management and strategies for further growth.
- (3) Analyze the business environment thoroughly, and make swift judgments to identify the HISAKA Group's core competencies through a process of selection and concentration, and expand the business and enter new fields by taking account of mergers and acquisitions.
- (4) Strengthen cooperative relationships with overseas subsidiaries and other alliance partners to extract maximum synergies to promote globalization.
- (5) Carry out measures concerning maintenance of a sound financial position; labor-management cooperation; rigorous compliance, enhancement of the CSR system and important matters concerning BCP (Business Continuity Plan).



## IV. Segment Information

(Amounts indicate those before elimination of intersegment transactions.)

### 1. Heat Exchanger Division

Net orders received rose year on year. Although orders declined for chemical company/air-conditioning, our major domestic market, orders grew for marine use due to increased production of bulk carrier vessels, large container vessels, and LNG vessels owing to recovery in the domestic ship building industry on the back of the weaker yen. Orders for large overseas projects were also received. Net sales were slightly higher than the previous year due to the accumulation of goods with short delivery, despite a reduction in the order backlog. Segment profit was lower, owing to worsening profitability arising from the large number of unprofitable projects received when the yen was strong.

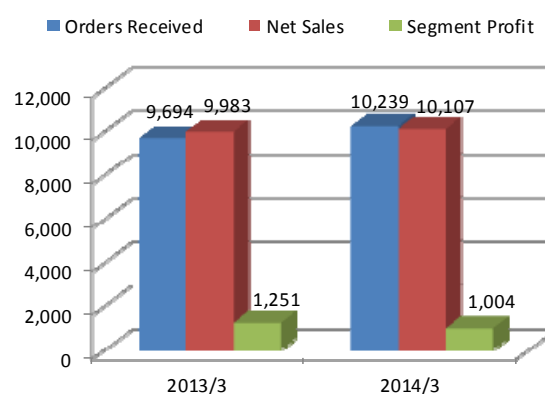
As a result of the above, net orders received were ¥10,239 million (up 5.6% year on year), net sales were ¥10,107 million (up 1.2%) and segment profit was ¥1,004 million (down 19.7%).



Plate Heat Exchanger



Braze Plate Heat Exchanger



### 2. Vital Industry Division

The Vital Industry Division is comprised of three departments: Food Machinery, Pharmaceutical Machinery and Dyeing & Finishing Machinery.

Net orders received increased for the Vital Industry Division overall with a significant growth in orders for Dyeing & Finishing Machinery due to active facility investment in the textile industry, particularly in China and South East Asia, despite receiving slightly less orders year on year for Food and Pharmaceutical Machineries. Net sales were firm with increases in Pharmaceutical Machinery, which had an abundant order backlog, and Dyeing & Finishing Machinery, which received strong orders, despite a decrease in sales of Food Machinery. Segment profit increased owing to improved profitability for plant projects, despite fierce price competition against rival companies in the general machinery category.

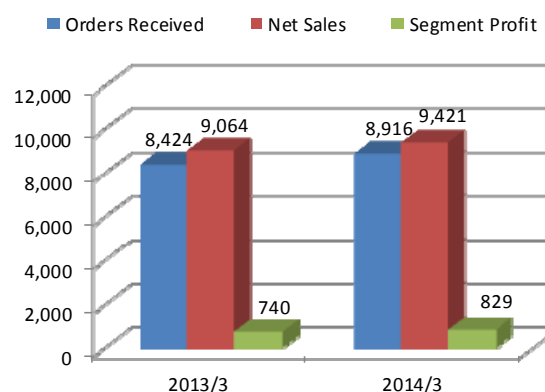
As a result of the above, net orders received were ¥8,916 million (up 5.9% year on year), net sales were ¥9,421 million (up 3.9%) and segment profit was ¥829 million (up 12.0%).



Retort Sterilisation Equipment



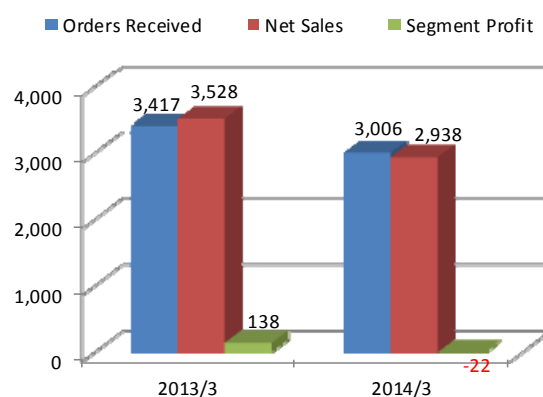
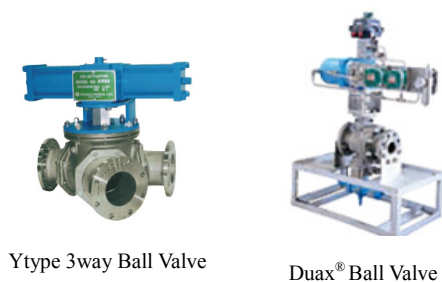
Liquid Dyeing Machine



### 3. Valve Division

Net orders received and net sales were considerably lower year on year due to a slump in domestic demand, particularly from chemical companies, a major domestic industry, and a slowdown in overseas demand resulting from economic slowdown in China, despite growth in valves for gas, which are valves with limitation of use for the semiconductor related industry. The segment's bottom line deteriorated due to lower sales caused mainly by fewer orders received from high-value added products and fewer orders received from goods with short delivery, which led to a significant operating loss.

As a result of the above, net orders received were ¥3,006 million (down 12.0% year on year), net sales were ¥2,938 million (down 16.7%) and segment loss was ¥22 million (compared with segment profit of ¥137 million in the previous fiscal year).

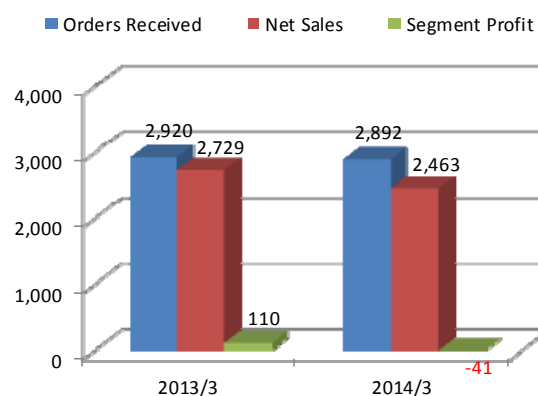
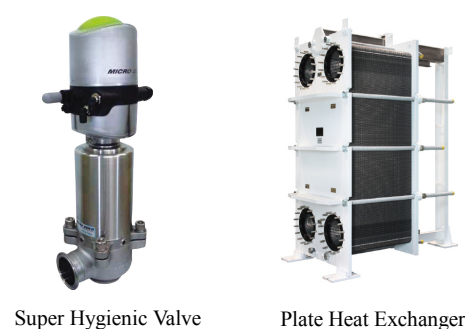


### 4. Other

The Other segment is comprised of subsidiary business operations in Japan and overseas.

At our overseas subsidiaries, we expanded our overseas production system such as by starting operations at No. 2 Plant at a Chinese subsidiary and constructing a new plant at a Malaysian subsidiary that functions as headquarters in ASEAN. Orders received and net sales grew steadily at our Malaysian subsidiaries but contracted overall due to flat performance from our Chinese and domestic subsidiaries. The segment's bottom line benefited from profit secured at our Malaysian subsidiaries but we recorded segment loss due to losses at our Chinese and domestic subsidiaries.

As a result of the above, net orders received were ¥2,892 million (down 0.9% year on year), net sales were ¥2,463 million (down 9.7%) and segment loss was ¥41 million (compared with segment profit of ¥110 million in the previous fiscal year).



## V. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2013	As of March 31, 2014
<b>Assets</b>		
Current assets		
Cash and deposits	8,327,804	7,456,727
Notes and accounts receivable - trade	8,967,936	7,985,966
Securities	—	1,003,297
Merchandise and finished goods	1,805,485	1,687,121
Work in process	1,436,914	1,145,355
Raw materials and supplies	995,102	645,122
Deferred tax assets	759,020	532,956
Other	1,430,206	2,073,139
Allowance for doubtful accounts	(6,104)	(2,714)
Total current assets	23,716,366	22,526,972
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,521,068	13,848,579
Accumulated depreciation	(5,288,315)	(5,861,252)
Buildings and structures, net	8,232,753	7,987,326
Machinery, equipment and vehicles	8,929,364	9,254,189
Accumulated depreciation	(6,916,298)	(7,215,577)
Machinery, equipment and vehicles, net	2,013,066	2,038,612
Land	1,868,562	1,896,076
Other	3,394,656	3,811,868
Accumulated depreciation	(3,113,811)	(3,212,642)
Other, net	280,844	599,225
Total property, plant and equipment	12,395,226	12,521,241
Intangible assets		
Software	59,520	150,238
Other	96,872	123,442
Total intangible assets	156,392	273,681
Investments and other assets		
Investment securities	13,269,467	18,201,979
Long-term loans receivable	642,374	640,000
Net defined benefit asset	—	224,643
Other	1,061,736	1,333,504
Allowance for doubtful accounts	(584,062)	(592,436)
Total investments and other assets	14,389,516	19,807,690
Total non-current assets	26,941,135	32,602,612
Total assets	50,657,502	55,129,585

(Thousands of yen)

	As of March 31, 2013	As of March 31, 2014
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	4,873,934	4,319,096
Income taxes payable	33,995	245,289
Provision for product warranties	96,528	168,367
Provision for bonuses	454,700	448,300
Other	1,249,172	1,450,955
Total current liabilities	6,708,329	6,632,008
Non-current liabilities		
Deferred tax liabilities	442,245	2,490,412
Provision for retirement benefits	308,971	—
Other	33,690	21,690
Total non-current liabilities	784,907	2,512,103
Total liabilities	7,493,237	9,144,111
<b>Net assets</b>		
Shareholders' equity		
Capital stock	4,150,000	4,150,000
Capital surplus	8,814,450	8,814,450
Retained earnings	28,938,714	29,802,288
Treasury shares	(1,480,382)	(2,404,724)
Total shareholders' equity	40,422,782	40,362,014
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,444,069	4,946,349
Deferred gains or losses on hedges	(24,042)	(8,511)
Foreign currency translation adjustment	309,193	474,573
Remeasurements of defined benefit plans	—	199,580
Total accumulated other comprehensive income	2,729,220	5,611,992
Minority interests	12,263	11,467
Total net assets	43,164,265	45,985,474
Total liabilities and net assets	50,657,502	55,129,585

## (2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

### (Consolidated Statements of Income)

(Thousands of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Net sales	23,699,849	23,181,831
Cost of sales	18,211,503	17,892,697
Gross profit	5,488,346	5,289,134
Selling, general and administrative expenses	3,229,324	3,531,212
Operating income	2,259,021	1,757,921
Non-operating income		
Interest income	104,159	147,121
Dividend income	158,525	171,640
Share of profit of entities accounted for using equity method	2,888	8,838
Foreign exchange gains	—	158,192
Other	54,503	31,646
Total non-operating income	320,075	517,439
Non-operating expenses		
Interest expenses	3,221	2,528
Loss on sales of notes receivable	340	2,691
Commission for purchase of treasury shares	1,372	969
Foreign exchange losses	24,622	—
Other	94	451
Total non-operating expenses	29,651	6,640
Ordinary income	2,549,446	2,268,720
Extraordinary income		
Gain on sales of securities	—	163,324
Gain on redemption of securities	290,750	292,950
Gain on extinguishment of tie-in shares	3,351	—
Total extraordinary income	294,101	456,274
Extraordinary losses		
Loss on retirement of non-current assets	3,113	6,083
Loss on valuation of securities	220,711	—
Expenses for commemorative ceremony of the seventieth anniversary	28,408	—
Total extraordinary losses	252,233	6,083
Income before income taxes and minority interests	2,591,315	2,718,910
Income taxes - current	378,047	460,386
Income taxes - deferred	486,565	778,442
Total income taxes	864,613	1,238,829
Income before minority interests	1,726,702	1,480,081
Minority interests in income (loss)	4,710	(795)
Net income	1,721,991	1,480,876



# **(Consolidated Statements of Comprehensive Income)**

(Thousands of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Income before minority interests	1,726,702	1,480,081
Other comprehensive income		
Valuation difference on available-for-sale securities	788,566	2,502,280
Deferred gains or losses on hedges	(19,272)	15,531
Foreign currency translation adjustment	308,263	166,283
Share of other comprehensive income of entities accounted for using equity method	929	(903)
Total other comprehensive income	1,078,487	2,683,191
Comprehensive income	2,805,189	4,163,273
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,800,478	4,164,068
Comprehensive income attributable to minority interests	4,710	(795)

### (3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2013

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	4,150,000	8,814,450	27,781,019	(791,378)	39,954,091
Changes of items during period					
Dividends of surplus			(605,523)		(605,523)
Net income			1,721,991		1,721,991
Purchase of treasury shares				(689,004)	(689,004)
Change of scope of consolidation			41,227		41,227
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	1,157,695	(689,004)	468,691
Balance at end of current period	4,150,000	8,814,450	28,938,714	(1,480,382)	40,422,782

	Accumulated other comprehensive income					Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	1,655,502	(4,769)	—	—	1,650,732	7,552	41,612,376
Changes of items during period							
Dividends of surplus							(605,523)
Net income							1,721,991
Purchase of treasury shares							(689,004)
Change of scope of consolidation							41,227
Net changes of items other than shareholders' equity	788,566	(19,272)	309,193		1,078,487	4,710	1,083,198
Total changes of items during period	788,566	(19,272)	309,193	—	1,078,487	4,710	1,551,889
Balance at end of current period	2,444,069	(24,042)	309,193	—	2,729,220	12,263	43,164,265

Fiscal year ended March 31, 2014

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	4,150,000	8,814,450	28,938,714	(1,480,382)	40,422,782
Changes of items during period					
Dividends of surplus			(617,302)		(617,302)
Net income			1,480,876		1,480,876
Purchase of treasury shares				(924,342)	(924,342)
Change of scope of consolidation					
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	863,574	(924,342)	(60,768)
Balance at end of current period	4,150,000	8,814,450	29,802,288	(2,404,724)	40,362,014

	Accumulated other comprehensive income					Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	2,444,069	(24,042)	309,193	—	2,729,220	12,263	43,164,265
Changes of items during period							
Dividends of surplus							(617,302)
Net income							1,480,876
Purchase of treasury shares							(924,342)
Change of scope of consolidation							—
Net changes of items other than shareholders' equity	2,502,280	15,531	165,379	199,580	2,882,771	(795)	2,881,976
Total changes of items during period	2,502,280	15,531	165,379	199,580	2,882,771	(795)	2,821,208
Balance at end of current period	4,946,349	(8,511)	474,573	199,580	5,611,992	11,467	45,985,474

#### (4) Consolidated Statements of Cash Flows

(Thousands of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Cash flows from operating activities		
Income before income taxes and minority interests	2,591,315	2,718,910
Depreciation	1,249,449	1,126,336
Increase (decrease) in allowance for doubtful accounts	(44,939)	4,984
Increase (decrease) in provision for product warranties	24,697	71,839
Increase (decrease) in provision for bonuses	3,000	(6,400)
Increase (decrease) in provision for retirement benefits	(179,674)	(308,971)
Decrease (increase) in net defined benefit asset	–	(224,643)
Interest and dividend income	(262,684)	(318,761)
Interest expenses	3,221	2,528
Foreign exchange losses (gains)	(2,474)	(166,801)
Share of (profit) loss of entities accounted for using equity method	(2,888)	(8,838)
Loss (gain) on extinguishment of tie-in shares	(3,351)	–
Loss (gain) on valuation of securities	220,711	–
Loss (gain) on sales of securities	–	(163,324)
Loss (gain) on redemption of securities	(290,750)	(292,950)
Loss on retirement of non-current assets	3,113	6,083
Decrease (increase) in notes and accounts receivable - trade	(136,723)	1,014,074
Decrease (increase) in inventories	315,263	767,244
Increase (decrease) in notes and accounts payable - trade	(1,026,635)	(573,683)
Increase (decrease) in advances received	328,117	(97,788)
Increase (decrease) in accrued consumption taxes	157,240	(74,842)
Decrease (increase) in accounts receivable - other	(4,441)	(1,003,707)
Other, net	(94,462)	433,693
Subtotal	2,847,104	2,904,983
Interest and dividend income received	265,103	323,438
Interest expenses paid	(3,221)	(2,528)
Income taxes (paid) refund	(2,368,683)	165,888
Net cash provided by (used in) operating activities	740,302	3,391,781
Cash flows from investing activities		
Payments into time deposits	(205,426)	(107,018)
Proceeds from withdrawal of time deposits	215,394	104,826
Payments into long-term time deposits	–	(400,000)
Purchase of non-current assets	(618,588)	(870,422)
Purchase of investment securities	(381,851)	(4,922,722)
Proceeds from sales of investment securities	1,500,000	3,353,144
Purchase of shares of subsidiaries and associates	(1,618)	(28,073)
Decrease (increase) in short-term loans receivable	67,000	(64,000)
Payments of long-term loans receivable	(2,374)	–
Collection of long-term loans receivable	–	2,374
Other, net	(117,101)	137,844
Net cash provided by (used in) investing activities	455,434	(2,794,047)

(Thousands of yen)

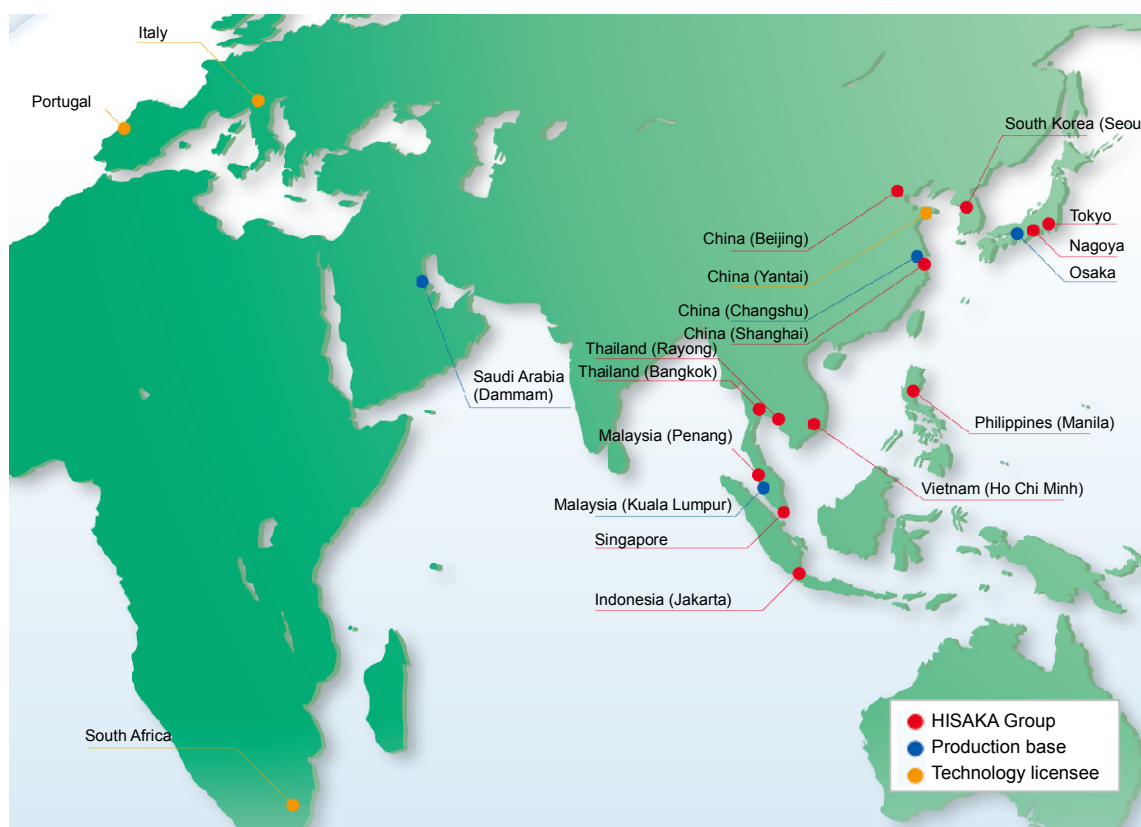
	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Cash flows from financing activities		
Repayments of lease obligations	(13,385)	(14,065)
Purchase of treasury shares	(690,376)	(925,311)
Cash dividends paid	(606,243)	(616,730)
Net cash provided by (used in) financing activities	(1,310,005)	(1,556,107)
Effect of exchange rate change on cash and cash equivalents	89,926	87,296
Net increase (decrease) in cash and cash equivalents	(24,341)	(871,078)
Cash and cash equivalents at beginning of period	7,590,291	8,222,978
Increase in cash and cash equivalents from newly consolidated subsidiary	656,615	—
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	413	—
Cash and cash equivalents at end of period	8,222,978	7,351,900

## VI. Corporate Data

### Basic Information (as of March 31, 2014)

Trade name:	HISAKA WORKS, LTD.
Established:	May 5, 1942
Listed market:	The First Section of Tokyo Stock Exchange (Securities Code: 6247)
Listed:	November 1971
Business year:	From April 1 to March 31 of the following year
Capital stock:	4,150 million yen
Number of employees:	590 persons (Consolidated)
Head office:	4-2-14 Fushimimachi, Chuo-ku, Osaka
Telephone:	+81-6-6201-3531
Consolidated subsidiaries:	MICROZERO CO., LTD. [JAPAN] HISAKAWORKS S.E.A. SDN. BHD. [MALAYSIA] HISAKAWORKS SINGAPORE PTE. LTD. [SINGAPORE] HISAKA (SHANGHAI) COMMERCE CO., LTD. [CHINA] HISAKA WORKS (CHINA) CO., LTD. [CHINA]
Website Address:	<a href="http://www.hisaka.co.jp/english/">http://www.hisaka.co.jp/english/</a>

### The global network of the HISAKA Group is as follows:



**Directors and Corporate Auditors (as of June 27, 2014)**

President:	Yuichi Maeda	Director:	Toshiyuki Funakoshi
Senior Executive Director:	Shozo Terada	Director (Outside):	Tatsuji Tomiyasu
Executive Director:	Kaoru Nakazaki	Auditor (Full Time):	Takuo Yamada
Executive Director:	Junichi Nakamura	Auditor (Outside):	Hitoshi Tanaka
Director:	Hitoshi Iwamoto	Auditor (Outside):	Tatsuo Hirai
Director:	Yoshikazu Takeshita		

**Accounting Auditor (as of June 27, 2014)**

Grant Thornton Taiyo ASG LLC

**Stock Status (as of March 31, 2014)**

Total number of shares authorized:	129,020,000 shares
Total number of shares issued:	32,732,800 shares
Number of shareholders:	3,008

**Major shareholders (Top 10)**

Shareholder name	Number of shares held (Thousands)	Share-holding ratio (%)
Nisshin Steel Co., Ltd.	2,903	8.86
HISAKA WORKS, LTD.	2,874	8.78
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,129	3.44
Nippon Life Insurance Company	1,058	3.23
NORTHERN TRUST CO. (AVFC) RE 15PCT TREATY ACCOUNT (Standing proxy: The Hongkong and Shanghai Banking Corporation Limited, Tokyo Branch)	1,024	3.12
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	912	2.78
INABA DENKI SANGYO CO., LTD.	910	2.78
Japan Trustee Services Bank, Ltd. (Trust Account)	800	2.44
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	678	2.07
Juniper (Standing proxy: The Bank of Tokyo-Mitsubishi UFJ, Ltd.)	671	2.04

## VII. Environment

**HISAKA WORKS, LTD. obtained ISO14001 certification in December 2007.**

Accordingly, we intend to grow as a company able to inspire even more peace of mind and trust among its customers and an “enterprise that contributes to the Earth’s environment through its business activities, products and services.”



We started solar power generation on the roof of Konoike plant in June 2014.

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\* While every best effort has been made to provide a translation meeting the quality standards required of professionals, the Company does not guarantee it is 100% accurate. Therefore, please verify the original Japanese text for any final judgments made based on this information.