

HISAKA WORKS, LTD.
NON CONSOLIDATED BALANCE SHEETS
March 31, 2008 and 2007

ASSETS

	Millions of Yen		Thousands of U.S. Dollars
	2008	2007	2008
Current assets:			
Cash and bank deposits	¥ 71	¥ 48	\$ 709
Trade notes and accounts receivable	11,001	9,377	109,801
Less, allowance for doubtful accounts	(20)	(20)	(200)
Short-term investments	—	3,800	—
Inventories	9,837	5,911	98,183
Deferred tax assets	819	864	8,175
Others	1,562	977	15,590
Total current assets	<u>23,270</u>	<u>20,957</u>	<u>232,258</u>
Property, plant and equipment, at cost:			
Buildings and structures	14,145	9,011	141,182
Machinery and equipment	11,606	9,023	115,840
	<u>25,751</u>	<u>18,034</u>	<u>257,022</u>
Less, accumulated depreciation	(9,685)	(9,124)	(96,666)
Land	1,246	1,250	12,436
Others	143	1,855	1,427
Total property, plant and equipment	<u>17,455</u>	<u>12,015</u>	<u>174,219</u>
Investments and other assets:			
Investment in unconsolidated subsidiaries	84	54	838
Investments in securities	15,300	16,635	152,710
Long-term loans receivable	60	60	599
Insurance reserve fund	1,069	1,382	10,670
Others	1,200	1,077	11,977
Less, allowance for doubtful accounts	(35)	(36)	(349)
Total investments and other assets	<u>17,678</u>	<u>19,172</u>	<u>176,445</u>
Total assets	<u>¥ 58,403</u>	<u>¥ 52,144</u>	<u>\$ 582,922</u>

HISAKA WORKS, LTD.
NON CONSOLIDATED BALANCE SHEETS-CONTINUED
March 31, 2008 and 2007

LIABILITIES AND NET ASSETS

	Millions of Yen		Thousands of U.S. Dollars
	2008	2007	2008
Current liabilities:			
Trade notes and accounts payable	¥ 6,641	¥ 6,235	\$ 66,284
Short term bank loans	5,354	—	53,438
Accrued bonuses for employees	780	820	7,785
Accrued income taxes	783	1,199	7,815
Others	4,646	2,977	46,372
Total current liabilities	<u>18,204</u>	<u>11,231</u>	<u>181,694</u>
Long-term liabilities:			
Deferred tax liabilities	103	873	1,028
Accrued retirement benefits for employees	—	12	—
Others	100	103	998
Total long-term liabilities	<u>203</u>	<u>988</u>	<u>2,026</u>
Net assets:			
Common stock:			
Authorized 2007,2008-129,020,000 shares			
Issued 2007,2008- 32,732,800 shares	4,150	4,150	41,421
Additional paid-in capital	5,433	5,433	54,227
Capital surplus	3,382	3,382	33,756
Legal reserve	1,038	1,038	10,360
Voluntary reserves	18,765	18,765	187,294
Retained earnings	6,846	5,546	68,330
Treasury stock at cost	(199)	(131)	(1,986)
Net unrealized holding gains on securities	520	1,765	5,190
Deferred hedge gains or losses	61	(23)	610
Total net assets	<u>39,996</u>	<u>39,925</u>	<u>399,202</u>
Total liabilities and net assets	<u>¥ 58,403</u>	<u>¥ 52,144</u>	<u>\$ 582,922</u>