

HISAKA WORKS, LTD.
NON CONSOLIDATED STATEMENTS OF SHAREHOLDERS EQUITY
For the years ended March 31, 2008 and 2009

	Thousands of Yen	
	2008	2009
Net cash provided by (used in) operating activities		
Income before income taxes	3,906,235	2,623,589
Depreciation and amortization	1,436,381	2,193,033
Increase (decrease) in provision for retirement benefits	(12,186)	-
Increase (decrease) in allowance for doubtful accounts	(1,051)	584,350
Increase (decrease) in provision for product warranties	11,400	1,000
Increase (decrease) in provision for bonuses	(40,000)	(140,000)
Interest and dividends income	(484,251)	(369,182)
Interest expenses	19,692	50,808
Exchange losses (gains)	997	(289)
Loss on valuation of securities	459,383	1,534,282
Gain on sales of securities	(114,386)	(2,660)
Loss on sales of securities	28,410	-
Gain on sales of noncurrent assets	(840)	-
Loss on sales and retirement of noncurrent assets	893,782	233,105
Decrease (increase) in notes and accounts receivable-trade	(1,624,758)	834,837
Decrease (increase) in inventories	(3,936,980)	(712,891)
Increase (decrease) in notes and accounts payable-trade	406,552	946,338
Increase (decrease) in accrued consumption taxes	(274,543)	405,642
Other, net	1,931,537	(1,688,545)
Subtotal	<u>2,605,375</u>	<u>6,493,418</u>
Interest and dividends income received	485,332	369,649
Interest expenses paid	(19,692)	(50,808)
Income taxes paid	(1,998,650)	(1,610,291)
Net cash provided by (used in) operating activities	<u>1,072,364</u>	<u>5,201,968</u>
Net cash provided by (used in) investing activities		
Proceeds from withdrawal of time deposits	-	300,000
Proceeds from sales of short-term investment securities	500,000	-
Purchase of noncurrent assets	(7,472,660)	(2,574,356)
Proceeds from sales of noncurrent assets	1,342	34,437
Payments for retirement and transference of noncurrent assets	(780,709)	(204,986)
Purchase of investment securities	(1,901,558)	(201,689)
Proceeds from sales of investment securities	760,201	3,487
Payments of additional capital to subsidiaries and affiliates	(30,000)	-
Payments of loans receivable to subsidiaries and affiliates	-	(15,000)
Decrease (increase) in short-term loans receivable	(46,000)	42,000
Payments of long-term loans receivable	-	(130,000)
Other, net	279,138	(1,212)
Net cash provided by (used in) investing activities	<u>(8,690,246)</u>	<u>(2,747,318)</u>
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	5,354,000	(554,000)
Purchase of treasury stock	(67,925)	(33,483)
Cash dividends paid	(943,369)	(1,007,553)
Net cash provided by (used in) financing activities	<u>4,342,704</u>	<u>(1,595,036)</u>
Effect of exchange rate change on cash and cash equivalents	(997)	289
Net increase (decrease) in cash and cash equivalents	<u>(3,276,175)</u>	<u>859,903</u>
Cash and cash equivalents at beginning of period	<u>3,346,782</u>	<u>70,607</u>
Cash and cash equivalents at end of period	<u>70,607</u>	<u>930,510</u>