

**HISAKA WORKS, LTD.**  
**NON CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS**  
For the years ended March 31, 2008 and 2009

	Thousands of Yen	
	2008	2009
Net sales	29,190,975	35,092,142
Cost of sales		
Beginning finished goods	86,515	57,224
Cost of products manufactured	21,126,485	26,962,982
Total	21,213,001	27,020,207
Ending finished goods	57,224	61,772
Cost of finished goods sold	21,155,776	26,958,435
Gross profit	8,035,198	8,133,707
Selling, general and administrative expenses		
Selling expenses	2,505,792	2,431,789
General and administrative expenses	910,685	980,854
Total selling, general and administrative expenses	3,416,478	3,412,643
Operating income	4,618,720	4,721,063
Non-operating income		
Interest income	18,784	17,731
Interest on securities	282,854	186,781
Dividends income	182,612	164,669
Gain on sales of securities	-	2,660
Other	38,776	61,079
Total non-operating income	523,028	432,923
Non-operating expenses		
Interest expenses	19,692	50,808
Loss on sales of securities	28,410	-
Maintenance cost of inactive non current assets	-	76,028
Other	13,745	9,769
Total non-operating expenses	61,847	136,606
Ordinary income	5,079,900	5,017,380
Extraordinary income		
Gain on sales of securities	114,386	-
Gain on settlement of pension fund	65,115	-
Total extraordinary income	179,502	-
Extraordinary loss		
Loss on retirement of noncurrent assets	893,782	233,105
Completion ceremony expense	-	46,402
Loss on valuation of securities	459,383	1,534,282
Provision of allowance for doubtful accounts	-	580,000
Total extraordinary losses	1,353,166	2,393,791
Income before income taxes	3,906,235	2,623,589
Income taxes-current	1,582,000	1,431,000
Income taxes-deferred	81,012	(409,461)
Total income taxes	1,663,012	1,021,538
Net income	2,243,222	1,602,051