

**HISAKA WORKS, LTD.**  
**NON CONSOLIDATED BALANCE SHEETS**  
**March 31, 2008 and 2009**

	<b>Thousands of Yen</b>	
	<b>2008</b>	<b>2009</b>
<b>Assets</b>		
Current assets		
Cash and deposits	70,607	930,510
Notes receivable-trade	3,053,548	2,831,618
Accounts receivable-trade	7,947,949	7,335,041
Short-term investment securities	-	500,000
Finished goods	57,224	61,772
Semi-finished goods	2,171,268	3,404,062
Raw materials	5,795,984	5,398,412
Work in process	1,694,967	1,535,745
Supplies	117,740	131,038
Deferred tax assets	819,398	904,510
Short-term loans receivable	893,000	866,000
Other	668,284	116,441
Allowance for doubtful accounts	(20,000)	(20,000)
Total current assets	23,269,973	23,995,153
Noncurrent assets		
Property, plant and equipment		
Buildings	13,735,873	14,173,003
Accumulated depreciation	(2,172,937)	(3,156,959)
Buildings, net	11,562,935	11,016,043
Structures	408,959	554,209
Accumulated depreciation	(186,887)	(250,891)
Structures, net	222,071	303,317
Machinery and equipment	8,506,820	8,327,220
Accumulated depreciation	(4,584,286)	(4,627,324)
Machinery and equipment, net	3,922,533	3,699,895
Vehicles	156,152	129,797
Accumulated depreciation	(108,390)	(100,292)
Vehicles, net	47,762	29,504
Tools, furniture and fixtures	2,942,880	2,889,724
Accumulated depreciation	(2,632,651)	(2,645,286)
Tools, furniture and fixtures, net	310,229	244,437
Land	1,245,857	1,245,857
Construction in progress	143,430	5,565
Total property, plant and equipment	17,454,818	16,544,622
Intangible assets		
Software	119,252	104,213
Other	1,523	-
Total intangible assets	120,776	104,213
Investments and other assets		
Investment securities	15,300,426	12,098,571
Stocks of subsidiaries and affiliates	84,100	84,100
Long-term loans receivable	60,000	690,000
Long-term prepaid expenses	31,567	27,490
Life insurance funds	1,068,795	1,067,511
Claims provable in bankruptcy, claims provable in rehabilitation and other	34,596	38,946
Deferred tax assets	-	611,347
Other	1,012,405	627,687
Allowance for doubtful accounts	(34,596)	(618,946)
Total investments and other assets	17,557,295	14,626,708
Total noncurrent assets	35,132,890	31,275,544
<b>Total assets</b>	<b>58,402,864</b>	<b>55,270,698</b>

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**NON CONSOLIDATED BALANCE SHEETS**  
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	<b>Thousands of Yen</b>	
	<b>2008</b>	<b>2009</b>
<b>Liabilities</b>		
Current liabilities		
Notes payable-trade	631,497	976,272
Accounts payable-trade	6,009,919	6,611,483
Short-term loans payable	5,354,000	4,800,000
Accounts payable-other	1,367,845	134,175
Accrued expenses	437,150	456,852
Income taxes payable	782,826	603,535
Advances received	2,596,334	776,709
Deposits received	87,941	63,317
Provision for product warranties	112,900	113,900
Provision for bonuses	780,000	640,000
Notes payable-facilities	43,121	-
Total current liabilities	<u>18,203,537</u>	<u>15,176,246</u>
Noncurrent liabilities		
Deferred tax liabilities	103,036	-
Other	100,226	98,642
Total noncurrent liabilities	<u>203,262</u>	<u>98,642</u>
Total liabilities	<u>18,406,800</u>	<u>15,274,888</u>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	4,150,000	4,150,000
Capital surplus		
Legal capital surplus	5,432,770	5,432,770
Other capital surplus	3,381,680	3,381,680
Total capital surpluses	<u>8,814,450</u>	<u>8,814,450</u>
Retained earnings		
Legal retained earnings	1,037,500	1,037,500
Other retained earnings		
Reserve for dividends	200,000	200,000
Reserve for reduction entry of replaced property	65,175	65,175
General reserve	18,500,000	18,500,000
Retained earnings brought forward	6,846,276	7,440,774
Total earned surpluses	<u>26,648,951</u>	<u>27,243,450</u>
Treasury stock	<u>(199,306)</u>	<u>(232,790)</u>
Total shareholders' equity	<u>39,414,095</u>	<u>39,975,110</u>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	520,209	7,833
Deferred gains or losses on hedges	61,758	12,866
Total valuation and translation adjustments	<u>581,968</u>	<u>20,699</u>
Total net assets	<u>39,996,063</u>	<u>39,995,810</u>
<b>Total liabilities and net assets</b>	<u>58,402,864</u>	<u>55,270,698</u>