

HISAKA WORKS, LTD.
NON CONSOLIDATED STATEMENTS OF SHAREHOLDERS EQUITY
For the years ended March 31, 2009 and 2010

	Thousands of Yen	
	2009	2010
Net cash provided by (used in) operating activities		
Income before income taxes	2,623,589	902,971
Depreciation and amortization	2,193,033	1,891,685
Increase (decrease) in provision for retirement benefits	—	263,354
Increase (decrease) in allowance for doubtful accounts	584,350	50,784
Increase (decrease) in provision for product warranties	1,000	(53,800)
Increase (decrease) in provision for bonuses	(140,000)	(220,000)
Interest and dividends income	(369,182)	(260,019)
Interest expenses	50,808	9,154
Exchange losses (gains)	(289)	410
Loss on valuation of securities	1,534,282	123,000
Gain on sales of securities	(2,660)	—
Gain on sales of noncurrent assets	—	(1,714)
Loss on sales and retirement of noncurrent assets	233,105	739,790
Decrease (increase) in notes and accounts receivable-trade	834,837	2,539,833
Decrease (increase) in inventories	(712,891)	5,775,202
Increase (decrease) in notes and accounts payable-trade	946,338	(4,049,410)
Increase (decrease) in accrued consumption taxes	405,642	443,740
Other, net	(1,688,545)	(887,313)
Subtotal	6,493,418	7,267,672
Interest and dividends income received	369,649	259,759
Interest expenses paid	(50,808)	(9,154)
Income taxes paid	(1,610,291)	(1,179,247)
Net cash provided by (used in) operating activities	5,201,968	6,339,030
Net cash provided by (used in) investing activities		
Payments into time deposits	—	(300,000)
Proceeds from withdrawal of time deposits	300,000	—
Proceeds from sales of short-term investment securities	—	500,000
Purchase of noncurrent assets	(2,574,356)	(509,646)
Proceeds from sales of noncurrent assets	34,437	2,304
Payments for retirement and transference of noncurrent assets	(204,986)	—
Purchase of investment securities	(201,689)	(6,516)
Proceeds from sales of investment securities	3,487	300,000
Purchase of stocks of subsidiaries and affiliates	—	(677,320)
Payments of additional capital to subsidiaries and affiliates	—	(40,000)
Payments of loans receivable from subsidiaries and affiliates	(15,000)	(50,000)
Collection of loans receivable from subsidiaries and affiliates	—	15,000
Decrease (increase) in short-term loans receivable	42,000	351,000
Payments of long-term loans receivable	(130,000)	—
Other, net	(1,212)	449,881
Net cash provided by (used in) investing activities	(2,747,318)	34,702
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(554,000)	(4,800,000)
Purchase of treasury stock	(33,483)	(5,830)
Cash dividends paid	(1,007,553)	(844,719)
Repayments of lease obligations	—	(5,847)
Net cash provided by (used in) financing activities	(1,595,036)	(5,656,397)
Effect of exchange rate change on cash and cash equivalents	289	(410)
Net increase (decrease) in cash and cash equivalents	859,903	716,924
Cash and cash equivalents at beginning of period	70,607	930,510
Cash and cash equivalents at end of period	930,510	1,647,435