

CONSOLIDATED FINANCIAL STATEMENTS

 **SOSHIN ELECTRIC CO.,LTD.**

CONSOLIDATED BALANCE SHEETS

UNIT : 1000yen

ITEM	As of March 31, 2009	As of March 31, 2010	Difference
(ASSETS)			
I CURRENT ASSETS	8,801,613	8,840,104	38,491
CASH & DEPOSITS WITH BANKS	555,312	734,407	179,095
NOTES & ACCOUNTS RECEIVABLE-TRADE	2,891,465	3,541,632	650,167
INVENTORIES	676,958	716,119	39,161
DEFERRED TAX ASSETS	12,492	9,178	△3,314
SHORT – TERM LOAN RECEIVABLE	4,307,444	3,562,449	△744,995
OTHER CURRENT ASSETS	361,099	279,685	△81,414
ALLOWANCE FOR DOUBTFUL ACCOUNTS	△ 3,157	△ 3,366	△209
II FIXED ASSETS	6,153,757	5,806,466	△347,291
TANGIBLE FIXED ASSETS	3,818,377	3,401,005	△417,372
BUILDINGS & STRUCTURES	1,478,433	1,402,848	△75,585
MACHINERIES, EQUIPMENTS & VEHICLES	945,247	944,487	△760
LAND	994,557	994,557	0
CONSTRUCTION IN PROGRESS	360,635	26,244	△334,391
OTHER TANGIBLE FIXED ASSETS	39,495	32,869	△6,626
INTANGIBLE FIXED ASSETS	127,787	91,538	△36,249
INVESTMENTS & OTHER ASSETS	2,207,593	2,313,923	106,330
SECURITIES	158,096	223,190	65,094
PREPAID PENSION COST	1,875,435	1,917,908	42,473
DEFERRED TAX ASSETS	93	1,296	1,203
OTHER INVESTMENT & ASSETS	217,169	207,029	-10,140
ALLOWANCE FOR DOUBTFUL ACCOUNTS	△ 43,200	△ 35,500	△7,700
TOTAL	14,995,370	14,646,570	△348,800

SOSHIN ELECTRIC CO., LTD.

UNIT : 1000yen

ITEM	As of March 31, 2009	As of March 31, 2010	Difference
(LIABILITIES)			
I CURRENT LIABILITIES	1,928,352	2,253,340	324,988
NOTES & ACCOUNTS PAYABLE-TRADE	773,868	1,164,159	390,291
SHORT-TERM BORROWINGS	200,000	200,000	0
INCOME TAX PAYABLE	4,146	27,071	22,925
ACCRUED EXPENSES	909,636	397,516	△512,120
RESERVE FOR BONUS	—	333,347	333,347
OTHER CURRENT LIABILITIES	40,702	131,247	90,545
II LONG-TERM LIABILITIES	935,318	958,092	22,774
RESERVE FOR RETIREMENT BENEFITS	80,957	71,391	△9,566
RESERVE FOR RETIREMENT BENEFITS FOR CORPORATE EXECUTIVES	40,387	53,091	12,704
DEFERRED TAX LIABILITIES	813,974	833,610	19,636
TOTAL LIABILITIES	2,863,670	3,211,432	347,762
(SHAREHOLDERS' EQUITY)			
I COMMON STOCK	3,806,750	3,806,750	0
II ADDITIONAL PAID-IN CAPITAL	3,788,426	3,788,426	0
III CONSOLIDATED RETAINED EARNINGS	4,762,218	4,078,441	△14,870
IV APPRAISAL OF SECURITIES	△23,652	20,195	43,847
V FOREIGN CURRENCY TRANSLATION ADJUSTMENTS	△ 243,058	△ 257,928	△14,870
VI TREASURY STOCK	△ 764	△ 746	18
VII MINORITY INTEREST	1,780	—	△1,780
TOTAL SHAREHOLDERS' EQUITY	12,091,700	11,435,138	△656,562
TOTAL	14,955,370	14,646,570	△308,800

SOSHIN ELECTRIC CO., LTD.

CONSOLIDATED STATEMENT OF INCOME

UNIT : 1000yen

ITEMS	Year Ended March 31, 2009	Year Ended March 31, 2010	Difference
I NET SALES	11,272,410	9,673,454	△598,956
II COST OF SALES	8,557,673	7,523,938	△1,033,735
SALES GROSS INCOME	2,714,737	2,149,516	△565,221
III SELLING, GENERAL & ADMINISTRATIVE EXPENSES	3,402,599	2,728,899	△673,200
OPERATING INCOME	△687,862	△579,383	108,479
IV NON-OPERATING INCOME	165,185	218,215	53,030
V NON-OPERATING EXPENSES	47,070	34,109	△12,961
ORDINARY INCOME	△569,747	△395,277	174,470
VI EXTRA-ORDINARY INCOME	7,762	2,659	△5,103
VII EXTRA-ORDINARY LOSS	1,116,333	177,218	△939,115
NET INCOME BEFORE TAXES AND OTHER ADJUSTMENTS	△1,678,318	△569,836	1,108,482
VIII INCOME TAXES	544,468	20,347	△524,121
INCOME TAXES	24,437	17,538	△6,899
DEFERRED INCOME TAXES	520,031	2,809	△517,222
IX MINORITY INTEREST IN NET INCOME	199	—	△199
NET INCOME	△2,222,985	△590,183	1,632,802

SOSHIN ELECTRIC CO., LTD.

CONSOLIDATED STATEMENTS OF CASH FLOW

UNIT : 1000yen

ITEMS	Year Ended March 31, 2009	Year Ended March 31, 2010
I OPERATING ACTIVITIES:		
NET INCOME BEFORE TAXES AND OTHER ADJUSTMENTS	△ 1,678,318	△ 569,836
DEPRECIATION AND AMORTIZATION EXPENSES	803,788	588,379
DECREASE (INCREASE) IN NOTES AND ACCOUNTS RECEIVABLE	1,636,575	168,879
DECREASE (INCREASE) IN INVENTORIES	249,858	△ 40,710
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	△ 576,376	393,303
INCREASE (DECREASE) IN RESERVE FOR RETIREMENT BENEFITS	△ 6,598	△ 9,566
INCREASE (DECREASE) IN PREPAID PENSION COST	△ 370,901	△ 42,473
PAYMENT OF PENSION TO CORPORATE EXECUTIVES	△ 78,149	12,704
OTHERS	731,654	△ 745,927
	751,775	△ 245,247
INTEREST AND DIVIDEND INCOME	60,886	42,660
INTEREST EXPENSES	△ 3,052	△ 2,234
OTHERS	—	152,872
INCOME AND OTHER TAXES	△ 208,610	△ 17,475
TOTAL	600,999	△ 69,424
II INVESTING ACTIVITIES:		
ACQUISITION OF TANGIBLE FIXED ASSETS	△ 752,165	△ 390,666
PROCEEDS FROM SALES OF TANGIBLE FIXED ASSETS	5,624	2,436
DECREASE (INCREASE) IN SHORT-TERM LOAN RECEIVABLE	220,880	744,995
OTHERS	△ 25,988	32,547
TOTAL	△ 499,673	389,312
III FINANCING ACTIVITIES:		
INCREASE (DECREASE) IN SHORT-TERM BORROWINGS	△ 60,000	—
PAYMENTS OF DIVIDENDS	△ 187,191	△ 93,594
OTHERS	△ 113	18
TOTAL	△ 247,304	△ 93,576
IV EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	△ 37,489	△ 5,389
V INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	△ 183,467	220,923
VI CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	496,550	313,083
VIII CASH AND CASH EQUIVALENTS AT END OF PERIOD	313,083	534,006

SOSHIN ELECTRIC CO., LTD.