

CONSOLIDATED FINANCIAL STATEMENTS

 **SOSHIN ELECTRIC CO.,LTD.**

CONSOLIDATED BALANCE SHEETS

UNIT : 1000yen

ITEM	As of March 31, 2010	As of March 31, 2011	Difference
(ASSETS)			
I CURRENT ASSETS	8,840,104	9,107,300	267,196
CASH & DEPOSITS WITH BANKS	734,407	602,520	△131,887
NOTES & ACCOUNTS RECEIVABLE-TRADE	3,541,632	3,725,408	183,776
INVENTORIES	716,119	862,478	146,359
DEFERRED TAX ASSETS	9,178	38,940	29,762
SHORT – TERM LOAN RECEIVABLE	3,562,449	3,499,884	△62,565
OTHER CURRENT ASSETS	279,685	378,657	98,972
ALLOWANCE FOR DOUBTFUL ACCOUNTS	△ 3,366	△587	2,779
II FIXED ASSETS	5,806,466	5,855,375	48,909
TANGIBLE FIXED ASSETS	3,401,005	3,364,810	△36,195
BUILDINGS & STRUCTURES	1,402,848	1,377,696	△25,152
MACHINERIES, EQUIPMENTS & VEHICLES	944,487	718,773	△225,714
LAND	994,557	1,005,722	11,165
CONSTRUCTION IN PROGRESS	26,244	215,288	189,044
OTHER TANGIBLE FIXED ASSETS	32,869	47,331	14,462
INTANGIBLE FIXED ASSETS	91,538	56,771	△34,767
INVESTMENTS & OTHER ASSETS	2,313,923	2,433,794	119,871
SECURITIES	223,190	206,144	△17,046
PREPAID PENSION COST	1,917,908	2,036,648	118,740
DEFERRED TAX ASSETS	1,296	20,265	18,969
OTHER INVESTMENT & ASSETS	207,029	179,887	△27,142
ALLOWANCE FOR DOUBTFUL ACCOUNTS	△ 35,500	△9,150	26,350
TOTAL	14,646,570	14,962,675	316,105

SOSHIN ELECTRIC CO., LTD.

UNIT : 1000yen

ITEM	As of March 31, 2010	As of March 31, 2011	Difference
(LIABILITIES)			
I CURRENT LIABILITIES	2,253,340	2,251,957	△1,383
NOTES & ACCOUNTS PAYABLE-TRADE	1,164,159	1,076,716	△87,443
SHORT-TERM BORROWINGS	200,000	180,000	△20,000
INCOME TAX PAYABLE	27,071	121,571	94,500
ACCRUED EXPENSES	397,516	331,323	△66,193
RESERVE FOR BONUS	333,347	379,718	46,371
RESERVE FOR BONUS FOR CORPORATE EXECUTIVES	—	13,600	13,600
OTHER CURRENT LIABILITIES	131,247	149,029	17,782
II LONG-TERM LIABILITIES	958,092	987,948	29,856
RESERVE FOR RETIREMENT BENEFITS	71,391	77,988	6,597
RESERVE FOR RETIREMENT BENEFITS FOR CORPORATE EXECUTIVES	53,091	39,991	△13,100
DEFERRED TAX LIABILITIES	833,610	867,506	33,896
ASSET RETIREMENT OBLIGATION	—	2,463	2,463
TOTAL LIABILITIES	3,211,432	3,239,905	28,473
(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	4,078,441	4,383,162	304,721
IV APPRAISAL OF SECURITIES	20,195	13,278	△6,917
V FOREIGN CURRENCY TRANSLATION ADJUSTMENTS	△ 257,928	△268,005	10,077
VI TREASURY STOCK	△ 746	△841	95
VII MINORITY INTERESTS	—	—	
TOTAL SHAREHOLDERS' EQUITY	11,435,138	11,722,770	△656,562
TOTAL	14,646,570	14,962,675	△308,800

SOSHIN ELECTRIC CO., LTD.

CONSOLIDATED STATEMENT OF INCOME

UNIT : 1000yen

ITEMS	Year Ended March 31, 2010	Year Ended March 31, 2011	Difference
I NET SALES	9,673,454	11,734,077	2,060,623
II COST OF SALES	7,523,938	8,384,869	860,931
SALES GROSS INCOME	2,149,516	3,349,208	1,199,692
III SELLING, GENERAL & ADMINISTRATIVE EXPENSES	2,728,899	2,855,063	126,164
OPERATING INCOME	△579,383	494,145	1,073,528
IV NON-OPERATING INCOME	218,215	126,469	△91,746
V NON-OPERATING EXPENSES	34,109	74,595	40,486
ORDINARY INCOME	△395,277	546,019	941,296
VI EXTRA-ORDINARY INCOME	2,659	2,203	△456
VII EXTRA-ORDINARY LOSS	177,218	36,040	△141,178
NET INCOME BEFORE TAXES AND OTHER ADJUSTMENTS	△569,836	512,182	1,082,018
VIII INCOME TAXES	20,347	98,269	77,922
INCOME TAXES	17,538	110,337	92,799
DEFERRED INCOME TAXES	2,809	△12,068	△14,877
IX NET INCOME BEFORE MINORITY INTEREST	—	413,913	413,913
NET INCOME	△590,183	413,913	1,004,096

SOSHIN ELECTRIC CO., LTD.

CONSOLIDATED STATEMENTS OF CASH FLOW

UNIT : 1000yen

ITEMS	Year Ended March 31, 2010	Year Ended March 31, 2011
I OPERATING ACTIVITIES:		
NET INCOME BEFORE TAXES AND OTHER ADJUSTMENTS	△569,836	512,182
DEPRECIATION AND AMORTIZATION EXPENSES	757,258	524,442
DECREASE (INCREASE) IN NOTES AND ACCOUNTS RECEIVABLE	△652,486	△185,716
DECREASE (INCREASE) IN INVENTORIES	△40,710	△146,112
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	393,303	△84,686
INCREASE (DECREASE) IN RESERVE FOR RETIREMENT BENEFITS	△9,566	6,597
INCREASE (DECREASE) IN PREPAID PENSION COST	△42,473	△118,740
PAYMENT OF PENSION TO CORPORATE EXECUTIVES	12,704	△13,100
OTHERS	△745,927	△48,444
	△245,247	632,139
INTEREST AND DIVIDEND INCOME	42,660	29,628
INTEREST EXPENSES	△ 2,234	△1,671
OTHERS	152,872	—
INCOME AND OTHER TAXES	△17,475	△148,255
TOTAL	△69,424	511,841
II INVESTING ACTIVITIES:		
ACQUISITION OF TANGIBLE FIXED ASSETS	△390,666	△537,771
PROCEEDS FROM SALES OF TANGIBLE FIXED ASSETS	2,436	6,712
DECREASE (INCREASE) IN SHORT-TERM LOAN RECEIVABLE	744,995	43,386
OTHERS	32,547	93,230
TOTAL	389,312	△394,443
III FINANCING ACTIVITIES:		
INCREASE (DECREASE) IN SHORT-TERM BORROWINGS	—	△20,000
PAYMENTS OF DIVIDENDS	△93,594	△109,192
OTHERS	18	△95
TOTAL	△93,576	△129,287
IV EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	△ 5,389	△6,993
V INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	220,923	△18,882
VI CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	313,083	534,006
VII INCLUDED FROM CONSOLIDATION BEGINNING OF YEAR	—	7,173
VIII CASH AND CASH EQUIVALENTS AT END OF PERIOD	534,006	522,297