

CONSOLIDATED FINANCIAL STATEMENTS

 **SOSHIN ELECTRIC CO.,LTD.**

CONSOLIDATED BALANCE SHEETS

UNIT : 1000yen

ITEM	As of March 31, 2008	As of March 31, 2009	Difference
(ASSETS)			
I CURRENT ASSETS	11,234,558	8,801,613	△2,432,945
CASH & DEPOSITS WITH BANKS	728,970	555,312	△173,658
NOTES & ACCOUNTS RECEIVABLE-TRADE	4,560,662	2,891,465	△ 1,669,197
INVENTORIES	940,484	676,958	△ 263,526
DEFERRED TAX ASSETS	224,550	12,492	△212,058
SHORT – TERM LOAN RECEIVABLE	4,528,325	4,307,444	△220,881
OTHER CURRENT ASSETS	255,803	361,099	105,296
ALLOWANCE FOR DOUBTFUL ACCOUNTS	△ 4,238	△ 3,157	1,081
II FIXED ASSETS	7,015,472	6,153,757	△861,715
TANGIBLE FIXED ASSETS	4,806,683	3,818,377	△988,306
BUILDINGS & STRUCTURES	1,762,952	1,478,433	△284,509
MACHINERIES, EQUIPMENTS & VEHICLES	1,932,579	945,247	△987,332
LAND	994,556	994,557	1
CONSTRUCTION IN PROGRESS	33,791	360,635	326,844
OTHER TANGIBLE FIXED ASSETS	82,803	39,495	△43,308
INTANGIBLE FIXED ASSETS	142,215	127,787	△14,428
INVESTMENTS & OTHER ASSETS	2,066,574	2,207,593	141,019
SECURITIES	244,522	158,096	△86,426
PREPAID PENSION COST	1,504,534	1,875,435	370,901
DEFERRED TAX ASSETS	20,689	93	△20,596
OTHER INVESTMENT & ASSETS	340,128	217,169	△122,959
ALLOWANCE FOR DOUBTFUL ACCOUNTS	△ 43,300	△ 43,200	100
TOTAL	18,250,031	14,995,370	3,294,661

SOSHIN ELECTRIC CO., LTD.

UNIT : 1000yen

ITEM	As of March 31, 2008	As of March 31, 2009	Difference
(LIABILITIES)			
I CURRENT LIABILITIES	2,829,211	1,928,352	△ 900,859
NOTES & ACCOUNTS PAYABLE-TRADE	1,378,969	773,868	△605,101
SHORT-TERM BORROWINGS	260,000	200,000	△60,000
INCOME TAX PAYABLE	81,382	4,146	△77,236
ACCRUED EXPENSES	1,001,466	909,636	△91,830
RESERVE FOR BONUS FOR CORPORATE EXECUTIVES	12,200	—	△12,200
OTHER CURRENT LIABILITIES	95,191	40,702	△54,489
II LONG-TERM LIABILITIES	755,521	935,318	179,797
RESERVE FOR RETIREMENT BENEFITS	87,555	80,957	△6,598
RESERVE FOR RETIREMENT BENEFITS FOR CORPORATE EXECUTIVES	118,536	40,387	△78,149
DEFERRED TAX LIABILITIES	547,307	463,660	266,667
CONSOLIDATION GOODWILL	2,121	—	△2,121
TOTAL LIABILITIES	3,584,732	2,863,670	△721,062
(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	7,172,394	4,762,218	△2,410,176
IV APPRAISAL OF SECURITIES	21,094	△23,652	△44,746
V FOREIGN CURRENCY TRANSLATION ADJUSTMENTS	△ 124,312	△ 243,058	△118,746
VI TREASURY STOCK	△ 651	△ 764	△113
VII MINORITY INTEREST	1,597	1,780	183
TOTAL SHAREHOLDERS' EQUITY	14,665,299	12,091,700	△2,573,599
TOTAL	18,250,031	14,955,370	△3,294,661

SOSHIN ELECTRIC CO., LTD.

CONSOLIDATED STATEMENT OF INCOME

UNIT : 1000yen

ITEMS	Year Ended March 31, 2008	Year Ended March 31, 2009	Difference
I NET SALES	14,701,072	11,272,410	Δ3,428,662
II COST OF SALES	9,728,317	8,557,673	Δ1,170,644
SALES GROSS INCOME	4,972,754	2,714,737	Δ2,258,017
III SELLING, GENERAL & ADMINISTRATIVE EXPENSES	3,636,410	3,402,599	Δ233,811
OPERATING INCOME	1,336,344	Δ687,862	Δ2,024,206
IV NON-OPERATING INCOME	141,861	165,185	23,324
V NON-OPERATING EXPENSES	136,392	47,070	Δ89,322
ORDINARY INCOME	1,341,813	Δ569,747	Δ1,911,560
VI EXTRA-ORDINARY INCOME	30,335	7,762	Δ22,573
VII EXTRA-ORDINARY EXPENSES	40,033	1,116,333	1,076,300
NET INCOME BEFORE TAXES AND OTHER ADJUSTMENTS	1,332,115	Δ1,678,318	Δ3,010,433
VIII INCOME TAXES	542,062	544,468	2,406
INCOME TAXES	381,211	24,437	Δ356,774
DEFERRED INCOME TAXES	160,851	520,031	359,180
IX MINORITY INTEREST IN NET INCOME	376	199	Δ177
NET INCOME	789,675	Δ2,222,985	Δ3,012,660

SOSHIN ELECTRIC CO., LTD.

CONSOLIDATED STATEMENTS OF CASH FLOW

UNIT : 1000yen

ITEMS	Year Ended March 31, 2008	Year Ended March 31, 2009
I OPERATING ACTIVITIES:		
NET INCOME BEFORE TAXES AND OTHER ADJUSTMENTS	1,332,115	△1,678,318
DEPRECIATION AND AMORTIZATION EXPENSES	856,248	803,788
DECREASE (INCREASE) IN NOTES AND ACCOUNTS RECEIVABLE	88,775	1,636,575
DECREASE (INCREASE) IN INVENTORIES	26,024	249,858
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	237,892	△576,376
INCREASE (DECREASE) IN RESERVE FOR RETIREMENT BENEFITS	3,739	△6,598
INCREASE (DECREASE) IN PREPAID PENSION COST	△ 382,615	△ 370,901
PAYMENT OF PENSTION TO CORPORATE EXECUTIVES	—	△78,149
OTHERS	△ 181,580	768,610
	1,980,600	748,489
INTEREST AND DIVIDEND INCOME	67,847	60,886
INTEREST EXPENSES	△ 3,672	△ 3,052
OTHERS	—	—
INCOME AND OTHER TAXES	△ 757,301	△ 208,610
TOTAL	1,287,472	597,713
II INVESTING ACTIVITIES:		
ACQUISITION OF TANGIBLE FIXED ASSETS	△ 965,133	△ 748,879
PROCEEDS FROM SALES OF TANGIBLE FIXED ASSETS	3,415	—
DECREASE (INCREASE) IN SHORT-TERM LOAN RECEIVABLE	△ 105,279	220,880
OTHERS	△ 149,959	31,612
TOTAL	△ 1,216,956	△ 496,387
III FINANCING ACTIVITIES:		
INCREASE (DECREASE) IN SHORT-TERM BORROWINGS	△ 40,000	△ 60,000
PAYMENTS OF DIVIDENDS	△ 187,191	△ 187,191
OTHERS	—	—
TOTAL	△ 227,191	△ 247,304
IV EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	△ 15,264	△ 37,489
V INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	△ 171,939	△ 183,467
VI CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	668,490	496,550
VII CASH AND CASH EQUIVALENTS AT END OF PERIOD	496,550	313,083