

Consolidated Financial Statements

for the year ended March 31,2009

Sansei Yusoki Co., Ltd

Consolidated Balance Sheets

	As of March 31 2008		As of March 31 2009	
	Unit 1000 Yen	(%)	Unit 1000 Yen	(%)
ASSETS				
Current assets				
Cash on hand and in banks		6,497,946		7,241,370
Trade notes and accounts receivables		3,571,684		3,114,413
Marketable securities		1,667,133		2,959,408
Inventories		1,096,398		926,460
Deferred tax assets		221,421		243,390
Other current assets		166,918		28,838
Allowance for doubtful accounts		1,891		117
Total current assets		13,219,610	47.5	14,513,764
Fixed assets				
Tangible fixed assets				
Buildings and structures	3,097,043		4,081,326	
Accumulated depreciation	1,356,179	1,740,863	734,569	3,346,757
Machinery and equipment	720,281		895,431	
Accumulated depreciation	587,677	132,603	453,253	442,178
Land		2,812,737		2,615,073
Construction in progress		2,216,262		31,724
Other tangible fixed assets	489,022		508,072	
Accumulated depreciation	349,135	139,887	366,722	141,350
Total tangible fixed assets		7,042,355	25.3	6,577,084
Intangible fixed assets		80,549	0.3	70,961
Investments and advances				
Investments in securities		5,703,853		3,875,014
Long-term loans receivable		55,601		57,608
Deferred tax assets		115,516		167,982
Other assets		1,651,436		1,490,852
Allowance for doubtful accounts		13,994		6,391
Total investments and advances		7,512,414	26.9	5,585,067
Total fixed assets		14,635,319	52.5	12,233,113
Total assets		27,854,930	100.0	26,746,878

Sanseiyusoki Co.,Ltd

	As of March 31 2008		As of March 31 2009	
	Unit 1000 Yen	(%)	Unit 1000 Yen	(%)
LIABILITIES AND NET ASSETS				
Current liabilities				
Notes and accounts payable	1,175,242		733,518	
Accrued income taxes	466,919		83,475	
Advances received	403,470		604,127	
Accrued bonuses for employees	284,961		276,149	
Accrued bonuses for directors	24,000		24,000	
Provision for losses on contracts	12,079		43,974	
Other current liabilities	365,531		393,543	
Total current liabilities	2,732,206	9.8	2,158,791	8.1
Fixed liabilities				
Long-term accounts payable	462,477		379,801	
Accrued retirement benefits	756,897		709,562	
Other fixed liabilities	282,443		115,323	
Total fixed liabilities	1,501,819	5.4	1,204,687	4.5
Total liabilities	4,234,025	15.2	3,363,478	12.6
NET ASSETS				
Shareholders' equity				
Common stock				
Authorized-39,000,000 shares				
Issued-19,332,057 shares	3,251,279	11.7	3,251,279	12.2
Capital surplus	2,989,057	10.7	2,989,102	11.2
Retained earnings	15,351,320	55.1	15,548,783	58.1
Treasury stock at cost	63,200	0.2	67,336	0.3
Total shareholders' equity	21,528,456	77.3	21,721,828	81.2
Net unrealized gains on securities	568,933	2.0	4,317	0.0
Minority interests	1,523,514	5.5	1,657,252	6.2
Total net assets	23,620,905	84.8	23,383,399	87.4
Total liabilities and net assets	27,854,930	100.0	26,746,878	100.0

Consolidated Statements of Income

	As of March 31 2008		As of March 31 2009			
	Unit 1000 Yen	(%)	Unit 1000 Yen	(%)		
Net sales		13,613,120	100.0		11,841,232	100.0
Cost of sales		9,355,709	68.7		8,147,696	68.8
Selling, general and administrative expenses		2,194,444	16.1		2,307,483	19.5
Operating income		2,062,967	15.2		1,386,052	11.7
Other income						
Interest and dividend income	123,267				103,094	
Other	183,728	306,996	2.2	83,866	186,962	1.5
Other expenses						
Interest expense	1,529				677	
Other	8,506	10,035	0.1	3,755	4,433	0.0
Ordinary profit		2,359,928	17.3		1,568,581	13.2
Extraordinary profit						
Gain on sales of fixed assets	9,408				506,581	
Gain on sale of investments in securities	12,172				-	
Reversal of allowance for doubtful receivables	4,982	26,563	0.2	2,896	509,478	4.3
Extraordinary expenses						
Loss on sale of investments in securities	252				-	
Loss on sale of fixed assets	39,194				-	
Loss on disposal of fixed assets	8,558				715	
Write-down of investment securities	413,905				612,543	
Loss on retirement of materials	6,626				1,237	
Payment of compensation	85,793				501	
Other	25,435	579,765	4.2	38,088	653,087	5.5
Income before income taxes and minority		1,806,726	13.3		1,424,972	12.0
Income taxes						
Current	785,923				485,750	
Deferred	235,442	1,021,366	7.5	172,846	658,596	5.5
Minority interests in net income of consolidated subsidiaries		138,358	1.0		184,122	1.6
Net income		647,002	4.8		582,253	4.9

Consolidated Statements of Cash Flows

	As of March 31 2008	As of March 31 2009
	Unit 1000 Yen	Unit 1000 Yen
Operating activities		
Income before income taxes and minority interest	1,806,726	1,424,972
Depreciation and amortization	137,843	344,062
Decrease in accrued retirement benefits for employees	41,250	47,334
long-term accrued amount payable	94,820	82,676
Increase in Allowance for doubtful accounts	4,982	9,376
interest and dividend income	123,267	103,095
interest cost	1,529	677
Write-down of investment securities	413,905	612,543
Gain on sale of investments in securities	12,172	-
Gain on sale of property and equipment	9,408	506,581
Loss on sale of property and equipment	39,194	-
Loss on disposal of property and equipment	8,558	715
Loss on retirement of materials	6,626	1,237
Notes and accounts receivable	987,559	457,270
Inventories	59,992	168,700
Notes and accounts payable	563,141	402,995
Increase in advance receipt	410,185	200,656
Other, net	208,586	458,606
Sub total	1,956,636	2,517,384
interest and dividend income	125,342	105,169
Interest expense	1,529	677
Payment for income taxes	794,815	869,193
Net cash from operating activities	1,285,633	1,752,683
Investing activities		
Increase in time deposits	743,365	1,743,406
Decrease in time deposits	749,099	743,365
Payments for purchase of securities	300,179	1,500,686
Proceeds from sale of securities	669,714	855,546
Purchases of investments in securities	599,900	605,636
Proceeds from sales of investments in securities	17,501	-
Payment for purchase of property and equipment	2,092,008	474,891
Acquisition of intangible fixed assets	8,550	9,826
Proceeds from sale of tangible fixed assets	-	955,230
Payments for loans receivable	20,500	13,480
Collections on loans	36,380	11,243
Net cash from investing activities	2,291,807	1,782,542
Financing activities		
Repayment of lease obligations	-	552
Purchase of treasury stock	5,544	4,842
Proceeds from sales of treasury stock	-	751
Cash dividends paid	409,556	420,562
Net cash from financing activities	415,100	425,206
Net increase in cash and cash equivalents	1,421,274	455,065
Cash and cash equivalents at beginning of the year	7,606,061	6,184,786
cash and cash equivalents at end of the year	6,184,786	5,729,720

Consolidated Statements of Changes in Net Assets

(Unit 1000 Yen)

	Common stock	Capital surplus	Retained earnings	Treasury stock
Balance at March 31,2008	3,251,279	2,989,057	15,351,320	63,200
Cash dividends			384,790	
Net income			582,253	
Treasury stock acquired				4,842
Disposal of treasury stock		45		706
Balance at March 31,2009	3,251,279	2,989,102	15,548,783	67,336

	Total shareholders' equity	Net unrealized gains on securities	Minority interest in consolidated subsidiaries	Total Net Assets
Balance at March 31,2008	21,528,456	568,933	1,523,514	23,620,905
Cash dividends	384,790			384,790
Net income	582,253			582,253
Treasury stock acquired	4,842			4,842
Disposal of treasury stock	751			751
Change in net unrealized gains on securities		564,615		564,615
Minority interest in consolidated subsidiaries			133,737	133,737
Balance at March 31,2009	21,721,828	4,317	1,657,252	23,383,399