

**BALANCE SHEETS**

As of March 31, 2008

Thousands of yen

( ASSETS )	
<b>Current Assets</b>	
1 Cash and Bank deposits	7,717,142
2 Notes receivable-trade	1,540,961
3 Accounts receivable-trade	24,812,990
4 Inventories	2,226,417
5 Advance payment	6,060,221
6 Prepaid expenses	376,536
7 Accounts receivable-non-trade	119,550
8 Deposits receivable	47,650
9 Deferred tax assets-current	222,345
10 Other current assets	14,613
11 Allowance for doubtful receivables	95,000
<b>Total current assets</b>	<b>43,043,430</b>
<b>Fixed Assets</b>	
1 Tangible fixed assets	
(1) Buildings	31,551
(2) Machinery and equipment	27,473
(3) Autos and trucks	2,389
(4) Furniture and fixtures	33,978
Total tangible fixed assets	95,392
2 Intangible fixed assets	
(1) Software	2,805
(2) Other intangible fixed assets	550
Total intangible fixed assets	3,356
3 Investments and other fixed assets	
(1) Investment securities	164,232
(2) Deposits	153,279
(3) Deferred tax assets-non-current	80,194
(4) Investment in affiliated companies	55,740
(5) Others	96,092
(6) Allowance for doubtful receivables	81,415
Total investment and other fixed assets	468,123
<b>Total fixed assets</b>	<b>566,872</b>
<b>Total Assets</b>	<b>43,610,302</b>

Sojitz Machinery Corporation

<b>( LIABILITIES )</b>	
<b>Current Liabilities</b>	
1 Notes payable-trade	4,231,919
2 Accounts payable-trade	23,944,094
3 Short-term loans payable	1,500,000
4 Accounts payable-non-trade	882,724
5 Income taxes payable	190,051
6 Advance received	8,448,082
7 Other current liabilities	605,193
<b>Fixed Liabilities</b>	
1 Long-term deposit	93,000
2 Other fixed liabilities	34,000
<b>Total liabilities</b>	<b>39,929,065</b>
<b>( SHAREHOLDERS' EQUITY )</b>	
<b>Common Stock</b>	1,500,000
<b>Capital surplus</b>	833,000
<b>Retained Earnings</b>	1,421,593
1 Legal reserve	81,601
2 General reserve	24,000
3 Unappropriated earned surplus/loss	1,315,992
<b>Securities Gain/Loss</b>	42,074
<b>Deferred hedge profit and loss</b>	31,282
<b>Total Shareholders' equity</b>	<b>3,681,236</b>
<b>Total Liabilities and shareholders' equity</b>	<b>43,610,302</b>

**STATEMENTS OF INCOME**

For the year ended March 31,2008

Thousands of yen

<b>Net sales</b>	98,518,359
Cost of sales	92,898,078
Gross trading profit	5,620,280
Selling,general and administrative expenses	3,326,617
<b>Operating income</b>	2,293,662
Non-operating income	
Interest income	48,410
Receipt dividends	19,591
Other income	36,394
	104,397
Non-operating expenses	
Interest expense	55,442
Other expenses	1,327
	56,769
<b>Recurring profit</b>	2,341,291
Extraordinary loss	
Losses on property disposed	22,009
Extraordinary losses-other	478
<b>Income before income taxes</b>	2,318,803
Income taxes current	902,725
Income taxes deferred	105,424
<b>Net Income/Loss</b>	1,310,653