

## ① BALANCE SHEETS

As of March 31, 2011

Thousands of yen

|                 |   | Thousands of yen  |
|-----------------|---|-------------------|
| <b>(ASSETS)</b> |   |                   |
| <b>I</b>        | <b>Current Assets</b>                         |                   |
| 1               | Cash and Bank deposits                        | 383,511           |
| 2               | Notes receivable-trade                        | 585,550           |
| 3               | Accounts receivable-trade                     | 9,593,784         |
| 4               | Inventories                                   | 1,241,400         |
| 5               | Advance payment                               | 2,399,140         |
| 6               | Prepaid expenses                              | 72,440            |
| 7               | Accounts receivable-non-trade                 | 177,473           |
| 8               | Deposits receivable                           | 6,234,809         |
| 9               | Deferred tax assets-current                   | 43,939            |
| 10              | Other current assets                          | 201,154           |
| 11              | Allowance for doubtful receivables            | ▲ 10,000          |
|                 | <b>Total current assets</b>                   | <b>20,923,206</b> |
| <b>II</b>       | <b>Fixed Assets</b>                           |                   |
| 1               | Tangible fixed assets                         |                   |
| (1)             | Buildings                                     | 24,377            |
| (2)             | Machinery and equipment                       | 13,954            |
| (3)             | Autos and trucks                              | 150               |
| (4)             | Furniture and fixtures                        | 16,436            |
| (5)             | Lease asset                                   | 3,132             |
|                 | Total tangible fixed assets                   | 58,051            |
| 2               | Intangible fixed assets                       |                   |
| (1)             | Software                                      | 4,787             |
| (2)             | Other intangible fixed assets                 | 51                |
|                 | Total intangible fixed assets                 | 4,839             |
| 3               | Investments and other fixed assets            |                   |
| (1)             | Investment securities                         | 161,938           |
| (2)             | Investment securities in affiliated companies | 21,165            |
| (3)             | Investment in affiliated companies            | 34,575            |
| (4)             | Deposits                                      | 155,686           |
| (5)             | Bankruptcy or Reorganization Claims           | 25,021            |
| (5)             | Deferred tax assets-non-current               | 33,600            |
| (6)             | Others  | 85,702            |
| (7)             | Allowance for doubtful receivables            | ▲ 25,021          |
|                 | Total investment and other fixed assets       | 492,667           |
|                 | <b>Total fixed assets</b>                     | <b>555,558</b>    |
|                 | <b>Total Assets</b>                           | <b>21,478,764</b> |

Sojitz Machinery Corporation

|                               |   |            |
|-------------------------------|---|------------|
| <b>(LIABILITIES)</b>          |   |            |
| <b>I</b>                      | <b>Current Liabilities</b>                        |            |
| 1                             | Notes payable-trade                               | 1,253,231  |
| 2                             | Accounts payable-trade                            | 10,953,050 |
| 3                             | Short-term loans payable                          | 1,500,000  |
| 4                             | Short-term lease debt                             | 1,360      |
| 5                             | Accounts payable-non-trade                        | 522,410    |
| 6                             | Income taxes payable                              | 114,706    |
| 7                             | Accrued expense                                   | 19,000     |
| 8                             | Deposits received                                 | 57,428     |
| 9                             | Advance received                                  | 3,156,601  |
| 10                            | Allowance for bonus                               | 145,000    |
|                               |   | 17,722,789 |
| <b>II</b>                     | <b>Fixed Liabilities</b>                          |            |
| 1                             | Allowance for director's retirement benefits      | 56,198     |
| 2                             | Long-term lease debt                              | 1,927      |
|                               |   | 58,125     |
|                               | <b>Total liabilities</b>                          | 17,780,915 |
| <b>(SHAREHOLDERS' EQUITY)</b> |   |            |
| <b>I</b>                      | <b>Common Stock</b>                               | 1,500,000  |
| <b>II</b>                     | <b>Capital surplus</b>                            | 833,000    |
| <b>III</b>                    | <b>Retained Earnings</b>                          | 1,224,743  |
| 1                             | Legal reserve                                     | 81,601     |
| 2                             | General reserve                                   | 24,000     |
| 3                             | Unappropriated earned surplus/loss                | 1,119,142  |
| <b>IV</b>                     | <b>Securities Gain/Loss</b>                       | 28,446     |
|                               | <b>Deferred hedge profit and loss</b>             | 111,659    |
|                               | <b>Total Shareholders' equity</b>                 | 3,697,849  |
|                               | <b>Total Liabilities and shareholders' equity</b> | 21,478,764 |

## ② STATEMENTS OF INCOME

For the year ended March 31,2011

Thousands of yen

|  |            |
|--|------------|
| <b>Net sales</b>                               | 61,674,342 |
| Cost of sales                                  | 57,320,153 |
| Gross trading profit                           | 4,354,188  |
| Selling,general and administrative expenses    | 3,199,808  |
| <b>Operating income</b>                        | 1,154,380  |
| Non-operating income                           |            |
| Interest income                                | 17,085     |
| Receipt dividends                              | 3,773      |
| Other income                                   | 14,846     |
|  | 35,705     |
| Non-operating expenses                         |            |
| Interest expense                               | 21,324     |
| Foreign exchange loss                          | 17,432     |
| Bill of exchange discount fee                  | 13,023     |
| Factoring discount fee                         | 21,726     |
| Other expenses                                 | 826        |
|  | 74,333     |
| <b>Recurring profit</b>                        | 1,115,752  |
| Extraordinary income                           |            |
| Reversal of allowance for doubtful receivables | 1,691      |
| Reversal of long-term deposits received        | 93,000     |
| Income from discharge of indebtedness          | 1,910      |
| Extraordinary profits-other                    | 6,659      |
|  | 103,262    |
| Extraordinary loss                             |            |
| Losses on property disposed                    | 1,251      |
| Losses on office moving                        | 1,512      |
| Extraordinary losses-other                     | 858        |
|  | 3,622      |
| <b>Income before income taxes</b>              | 1,215,391  |
| Income taxes current                           | 529,016    |
| Income taxes deferred                          | ▲ 34,061   |
|  | 494,955    |
| <b>Net Income/Loss</b>                         | 720,436    |