

No.1292

MITSUBISHI HEAVY INDUSTRIES,LTD.

16-5, Konan 2-chome, Minato-ku, Tokyo 108-8215,Japan Phone: +81-3-6716-3111

MHI ANNOUNCES FY2008 CONSOLIDATED FINANCIAL RESULTS

Tokyo, April 28, 2009 -- Mitsubishi Heavy Industries, Ltd. (MHI) today announced its **consolidated** financial results for fiscal year (FY) 2008 ended March 31, 2009.

(billions of yen)

	FY2008	FY2007	Changes (%)
Orders Received	3,268.7	3,715.2	-12.0
Net Sales	3,375.6	3,203.0	5.4
Operating Income	105.8	136.0	-22.2
Ordinary Income	75.3	109.5	-31.2
Income Before Income Taxes and Minority Interests	64.9	101.3	-36.0
Net Income	24.2	61.3	-60.5
Operating Cash Flow	79.5	161.8	_
Investment Cash Flow	-156.5	-193.0	_
Financing Cash Flow	262.0	71.2	_
Net Income Per Share	7.22 yen	18.28 yen	-60.5

Consolidated financial results (continued)

Orders Received by Operational Segment

(billions of yen)

	FY2008	FY2007
Shipbuilding & Ocean Development	271.3	353.6
Power Systems	1,148.8	1,214.9
Machinery & Steel Structures	527.8	557.3
Aerospace	510.8	615.8
Mass and Medium-Lot Manufactured Machinery	767.0	901.7
Others	42.8	71.7
TOTAL	3,268.7	3,715.2

Sales by Operational Segment

(billions of yen)

	FY2008	FY2007
Shipbuilding & Ocean Development	240.1	283.9
Power Systems	1,209.1	946.9
Machinery & Steel Structures	542.2	472.5
Aerospace	512.3	500.5
Mass and Medium-Lot Manufactured Machinery	805.4	913.6
Others	66.3	85.4
TOTAL	3,375.6	3,203.0

Operating Income (Loss) by Operational Segment (billions of yen)

	FY2008	FY2007
Shipbuilding & Ocean Development	1.6	4.0
Power Systems	80.0	58.2
Machinery & Steel Structures	31.6	11.3
Aerospace	-10.3	14.6
Mass and Medium-Lot Manufactured Machinery	-7.0	40.0
Others	9.9	7.6
TOTAL	105.8	136.0

Estimate of Consolidated Financial Results for FY 2009

For the fiscal year 2009 ending March 31, 2010, MHI is expecting 3,000 billion yen in net sales, 65 billion yen in operating income, 20 billion yen in ordinary income, and 12 billion yen in net income. This estimate is based on the assumption of currency exchange rate of US\$ 1.00 = \$95 and \$1.00 = \$125 for the portion yet to be fixed.

This estimate has been projected with currently available information and data. Therefore please be advised that the actual results may diverge broadly with the influence of the variety of the outside factors such as economics surrounding MHI or currency exchange rate fluctuation.

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CONSOLIDATED BALANCE SHEETS (1/2)

	A C	(Willions of Tel
	As of Mar.31, 2008	As of Mar.31, 2009
	1/101.51, 2008	Wiai.31, 2009
ASSETS		
Current assets:		
Cash and deposits	274,885	435,038
Trade receivables	1,086,580	1,082,569
Securities Securities	3,569	3,010
Inventories	1,164,853	3,010
Merchandise and finished products	1,104,033	170,754
Work in process		959,13
Raw materials and supplies		138,72
Deferred income taxes	114,548	136,72
Others	298,125	245,10
Allowance for doubtful receivables	(5,677)	(5,61
Total current assets	2,936,886	3,165,059
Total current assets	2,930,000	3,103,03
Fixed assets:		
Property, plant and equipment:		
Buildings and structures	316,559	331,06
Machinery and transportation equipment	272,442	282,37
Tools, equipment and furniture	82,779	65,91
Land	153,615	157,98
Leased assets	133,013	3,04
	50,256	51,96
Construction in progress		
Subtotal	875,653	892,34
Intangible fixed assets	29,037	30,99
Investments and advances:		
Investment securities	609,248	274,19
Long-term loans and advances	3,119	2,50
Deferred income taxes	7,411	9,37
Others	74,281	162,27
Allowance for doubtful accounts	(18,490)	(10,53
Subtotal	675,570	437,81
Subtotal	073,370	437,61
Total fixed assets	1,580,261	1,361,15
TOTAL ASSETS	4,517,148	4,526,21

CONSOLIDATED BALANCE SHEETS (2/2)

	Asset	As of
	As of Mar.31, 2008	As of Mar.31, 2009
	1,141.51, 2000	1,141.51, 2005
LIABILITIES		
Current liabilities:		
Trade payables	733,500	699,648
Bank loans	233,801	248,734
Current portion of long-term debt	85,416	108,267
Commercial papers	-	115,000
Current portion of debentures	40,300	20,300
Reserve for product warranties	23,660	23,872
Reserve for losses on construction contracts	6,893	37,911
Reserve for legal claims	0,073	23,300
Advance payments received on contracts	469,285	479,004
Others	233,037	238,853
Total current liabilities	1,825,894	1,994,892
Total current nabilities	1,023,094	1,554,652
Long-term liabilities:		
Debentures	286,057	264,60
Long-term debt	719,818	855,950
Deferred income taxes	94,134	7,519
Reserve for retirement allowance	89,936	50,770
Reserve for treatment of PCB waste	4,300	4,293
Others	56,577	64,92
Total long-term liabilities	1,250,824	1,248,068
TOTAL LIABILITIES	3,076,719	3,242,961
NET ASSETS		
Stockholders' equity:		
Common stock	265,608	265,608
Capital surplus	203,893	203,92
Retained earnings	787,007	788,94
Treasury stock	(5,045)	(5,04
Total stockholders' equity	1,251,464	1,253,443
Valuation, translation adjustments and others:		
Net unrealized gains on investment securities	157,546	17,313
Deferred gains or losses on hedges	7,346	323
Foreign currency translation adjustments	3,847	(29,482
Total valuation, translation adjustments and others	168,739	(11,845
Share subscription rights	549	881
Minority interests	19,676	40,772
TOTAL NET ASSETS	1,440,429	1,283,251
TOTAL LIABILITIES AND NET ASSETS	4,517,148	4,526,213

CONSOLIDATED STATEMENTS OF INCOME

	FY2007	FY2008
Net sales	3,203,085	3,375,67
Cost of sales	2,753,951	2,945,34
Gross profit	449,134	430,33
G1633 profit	717,134	430,30
Selling, general and administrative expenses:		
Provision of allowance for doubtful accounts	4,438	2,28
Directors' compensations, salaries and allowances	115,924	121,49
Research and development expenses	46,801	54,8
Expenses for inquiries	23,389	23,4
Others	122,551	122,4
Total selling, general and administrative expenses	313,103	324,4
Operating income	136,030	105,8
Non-operating income:		
Interest income	7,071	5,5
Dividend income	7,487	8,6
Equity in earnings of unconsolidated subsidiaries and affiliates	8,224	
Foreign exchange gain	-	1,2
Others	5,425	2,5
Total non-operating income	28,208	18,0
NI		
Non-operating expenses: Interest expense	20,288	20,2
Equity in losses of unconsolidated subsidiaries and affiliates	20,288	9,0
	10,784	9,0
Foreign exchange loss Loss on disposal of fixed assets	7,344	7,0
Others	16,317	12,2
Total non-operating expenses	54,734	48,5
Ordinary income	109,504	75,3
Extraordinary gain:		
Gain on contribution of securities to retirement benefit trust	-	36,1
Gain on sales of investment securities	_	14,2
Gain on sales of fixed assets	18,467	3,9
Gain on transfer of business	3,664	2,2
Total extraordinary gain	22,132	54,3
Extraordinary loss:	,,	,-
Effect of the application of the accounting standard		
for measurement of inventories	-	33,4
Loss on legal claims	-	20,8
Business structure improvement expenses	30,261	10,4
Total extraordinary loss	30,261	64,7
Income before income taxes and minority interests	101,375	64,9
Income taxes:		
Current	58,889	54,2
Deferred	(20,612)	(13,1
Total income taxes	38,276	41,0
Minority interests	1,765	(3
Net income	61,332	24,2

Consolidated Statements of Changes in Net Assets

		(Millions of Yen
	FY2007	FY2008
Stockholders' equity		
Common stock		
Balance at the end of previous period	265,608	265,608
Balance at the end of current period	265,608	265,608
Capital surplus		
Balance at the end of previous period	203,879	203,893
Changes in the period		
Disposal of treasury stock	14	34
Total changes in the period	14	34
Balance at the end of current period	203,893	203,928
Retained earnings		
Balance at the end of previous period	744,562	787,007
Effect of changes in accounting policies		
applied to foreign subsidiaries	-	(2,142)
Changes in the period		
Cash dividends	(20,135)	(20,137)
Net income	61,332	24,217
Change of scope of equity method	1,247	3
Total changes in the period	42,444	4,083
Balance at the end of current period	787,007	788,948
Treasury stock		
Balance at the end of previous period	(5,063)	(5,045)
Changes in the period		
Purchase of treasury stock	(118)	(72)
Disposal of treasury stock	136	76
Total changes in the period	18	3
Balance at the end of current period	(5,045)	(5,041)
Total stockholders' equity		
Balance at the end of previous period	1,208,987	1,251,464
Effect of changes in accounting policies	1,200,707	1,231,404
applied to foreign subsidiaries	_	(2,142)
Changes in the period		(2,1 12)
Cash dividends	(20,135)	(20,137)
Net income	61,332	24,217
Change of scope of equity method	1,247	3
Purchase of treasury stock	(118)	(72)
Disposal of treasury stock	151	111
Total changes in the period	42,477	4,121
Balance at the end of current period	1,251,464	1,253,443

	FY2007	FY2008
Valuation, translation adjustments and others		
Net unrealized gains on investment securities Balance at the end of previous period	212,165	157,546
Changes in the period		
Net changes in items other than stockholders' equity	(54,619)	(140,232)
Total changes in the period	(54,619)	(140,232)
Balance at the end of current period	157,546	17,313
Deferred gains or losses on hedges		
Balance at the end of previous period Changes in the period	657	7,346
Net changes in items other than stockholders' equity	6,688	(7,022)
Total changes in the period	6,688	(7,022)
Balance at the end of current period	7,346	323
	7,510	
Foreign currency translation adjustments	- 211	2 0 4 5
Balance at the end of previous period	6,211	3,847
Changes in the period	(2.264)	(22.220)
Net changes in items other than stockholders' equity	(2,364)	(33,329)
Total changes in the period	(2,364)	(33,329)
Balance at the end of current period	3,847	(29,482)
Total Valuation, translation adjustments and others		
Balance at the end of previous period	219,034	168,739
Changes in the period		
Net changes in items other than stockholders' equity	(50,295)	(180,585)
Total changes in the period	(50,295)	(180,585)
Balance at the end of current period	168,739	(11,845)
Share subscription rights		
Balance at the end of previous period	293	549
Changes in the period		
Net changes in items other than stockholders' equity	255	332
Total changes in the period	255	332
Balance at the end of current period	549	881
Minority interests	10.120	10.656
Balance at the end of previous period	18,120	19,676
Changes in the period	1.555	21.005
Net changes in items other than stockholders' equity	1,555	21,095
Total changes in the period	1,555	21,095
Balance at the end of current period	19,676	40,772

	FY2007	FY2008
Total net assets		
Balance at the end of previous period	1,446,436	1,440,429
Effect of changes in accounting policies		
applied to foreign subsidiaries	-	(2,142)
Changes in the period		
Cash dividends	(20,135)	(20,137)
Net income	61,332	24,217
Change of scope of equity method	1,247	3
Purchase of treasury stock	(118)	(72)
Disposal of treasury stock	151	111
Net changes in items other than stockholders' equity	(48,483)	(159,157)
Total changes in the period	(6,006)	(155,035)
Balance at the end of current period	1,440,429	1,283,251

CONSOLIDATED STATEMENTS OF CASH FLOWS

		(Millions of Yen)
	FY 2007	FY 2008
Cash flows from operating activities:		
Income before income taxes and minority interests	101,375	64,923
Adjustments to reconcile income before income taxes and		
minority interests to net cash provided by operating activities		
Depreciation and amortization	128,260	152,989
Decrease in reserve for retirement allowance	(8,554)	(38,827)
Interest and dividend income	(14,558)	(14,193)
Interest expense	20,288	20,224
Equity in losses (earnings) of unconsolidated subsidiaries	(9.224)	
and affiliates	(8,224)	9,006
Gain on sales of investment securities	-	(14,286)
Gain on sales of fixed assets	(18,467)	(3,932)
Loss on disposal of fixed assets	7,344	7,080
Loss on legal claims	-	20,835
Business structure improvement expenses	30,261	10,434
Gain on transfer of business	(3,664)	-
Decrease in investment securities due to the contribution	-	71,735
to retirement benefit trust		
(Increase) decrease in receivables	80,076	(41,289)
(Increase) decrease in inventories and advances to suppliers	(140,789)	(149,996)
(Increase) decrease in other assets	(3,559)	(40,010)
Increase (decrease) in payables	(14,683)	305
Increase (decrease) in advance payments received on contracts	76,971	26,492
Increase (decrease) in other liabilities	(17,543)	77,159
Others Subtotal	(504)	(1,397)
Interest and dividends received	214,027 16,240	157,255 18,644
Interest and dividends received	(20,068)	(19,863)
Payments for income taxes	(48,375)	(76,503)
Net cash provided by operating activities	161,823	79,533
	101,020	15,000
Cash flows from investing activities:		
Net decrease in time deposits	2,903	3,029
Purchases of marketable securities	-	(245)
Proceeds from sales and redemption of marketable securities	793	555
Purchases of property, plant, equipment and intangible assets Proceeds from sales of property, plant, equipment	(194,660)	(182,273)
and intangible assets	15,100	6,363
Purchases of investment securities	(28,366)	(41,068)
Proceeds from sales and redemption of investment securities	8,986	53,541
Disbursement of long-term loans	(1,956)	(1,615)
Collection of long-term loans	1,142	5,038
Others	3,000	80
Net cash used in investing activities	(193,055)	(156,593)
Cash flows from financing activities:	(50.010)	124.026
Net increase (decrease) in bank loans and commercial papers	(56,816)	134,936
Proceeds from long-term debt Repayment of long-term debt	132,219 (60,402)	249,621
Proceeds from issuance of bonds		(84,925)
Payment for redemption of bonds	130,000 (52,656)	(40,300)
Proceeds from issuance of stock to minority stockholders	(32,030)	
of subsidiaries	-	23,533
Dividends paid to stockholders	(20,078)	(20,083)
Dividends paid to minority stockholders of subsidiaries	(712)	(501)
Others	(324)	(279)
Net cash provided by financing activities	71,228	262,002
Effect of exchange rate changes on cash and cash equivalents	(5,339)	(23,388)
Net increase in cash and cash equivalents	34,657	161,554
Cash and cash equivalents at beginning of year	227,584	262,852
Increase in cash and cash equivalents resulting from inclusion of	610	1,506
consolidated subsidiaries		
Cash and cash equivalents at end of year	262,852	425,913



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MHI ANNOUNCES FY2008 NON-CONSOLIDATED FINANCIAL RESULTS

Tokyo, April 28, 2009 -- Mitsubishi Heavy Industries, Ltd. (MHI) today announced its **non-consolidated** financial results for fiscal year (FY) 2008 ended March 31, 2009.

(billions of yen)

	FY2008	FY2007	Changes (%)
Orders Received	2,462.7	2,903.1	-15.2
Net Sales	2,647.2	2,471.1	7.1
Operating Income	56.9	94.9	-40.0
Ordinary Income	46.8	68.2	-31.4
Income Before Income Taxes	63.2	54.2	16.6
Net Income	44.8	34.4	30.2
Net Income Per Share	13.36 yen	10.26 yen	30.2
Dividend Per Share	6.00 yen	6.00 yen	_

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As of Mar 31, 2008 Mar 31, 2009		Α	(Millions of Yen)
Current assets: Cash and deposits			
Carrent assets: Cash and deposits 161,985 326,571 Trade notes receivable 929,749 910,634 Securities 7 7 Finished products 82,268 96,176 Raw materials and supplies 93,197 102,710 Work in process 801,158 818,207 Advances to suppliers 99,206 103,306 Prepaid expenses 835 1,077 Deferred income taxes 86,580 109,921 Others 161,927 110,763 Allowance for doubtful receivables (69) (65) Total current assets 2,423,765 2,586,285 Fixed assets: Property, plant and equipment: Buildings 221,457 230,605 Structures 24,107 25,771 Docks and facilities for shipbuilding 2,906 2,781 Machinery 200,847 210,637 Vessels 19 14 Aircraft 221 151 Vehicles and transportation equipment 3,521 4,061 Tools, equipment and furniture 59,307 47,553 Land 114,749 118,872 Leased assets 2,2626 Construction in progress 36,755 44,654 Construction in progress 36,755 44,654 Intangible fixed assets: 1,411 1,136 Leased assets 2,42 268 Touck and advances: 1,411 1,136 Leased assets 2,42 268 Investments and advances: 1,66 Others 274 268 Investments in capital of subsidiaries and affiliates 1,411 1,136 Long-term loans receivable from employees 98 97 Long-term loans receivable from employees 98 97 Long-term loans receivable from subsidiaries and affiliates 1,204 1,200 Long-term loans receivable from employees 98 97 Long-term penal acceptable from subsidiaries and affiliates 1,204 1,200 Long-term penal acceptable from subsidiaries and affiliates 22,297 4,549 Long-term penal despense 39,052 30,061 Long-term prepaid expense 39,		Mai.31, 2008	Mai.31, 2009
Carrent assets: Cash and deposits 161,985 326,571 Trade notes receivable 929,749 910,634 Securities 7 7 Finished products 82,268 96,176 Raw materials and supplies 93,197 102,710 Work in process 801,158 818,207 Advances to suppliers 99,206 103,306 Prepaid expenses 835 1,077 Deferred income taxes 86,580 109,921 Others 161,927 110,763 Allowance for doubtful receivables (69) (65) Total current assets 2,423,765 2,586,285 Fixed assets: Property, plant and equipment: Buildings 221,457 230,605 Structures 24,107 25,771 Docks and facilities for shipbuilding 2,906 2,781 Machinery 200,847 210,637 Vessels 19 14 Aircraft 221 151 Vehicles and transportation equipment 3,521 4,061 Tools, equipment and furniture 59,307 47,553 Land 114,749 118,872 Leased assets 2,2626 Construction in progress 36,755 44,654 Construction in progress 36,755 44,654 Intangible fixed assets: 1,411 1,136 Leased assets 2,42 268 Touck and advances: 1,411 1,136 Leased assets 2,42 268 Investments and advances: 1,66 Others 274 268 Investments in capital of subsidiaries and affiliates 1,411 1,136 Long-term loans receivable from employees 98 97 Long-term loans receivable from employees 98 97 Long-term loans receivable from subsidiaries and affiliates 1,204 1,200 Long-term loans receivable from employees 98 97 Long-term penal acceptable from subsidiaries and affiliates 1,204 1,200 Long-term penal acceptable from subsidiaries and affiliates 22,297 4,549 Long-term penal despense 39,052 30,061 Long-term prepaid expense 39,	ASSETS		
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Trade notes receivable Trade accounts receivable Securities Firnished products Raw materials and supplies Work in process Subtotal Property, plant and equipment Buildings Structures Buildings	Cash and deposits	161,985	326,571
Trade accounts receivable 929,749 910,634 Securities 7 7 7 7 7 7 7 7 7	÷	· ·	·
Securities		· ·	· ·
Raw materials and supplies	Securities	· ·	7
Raw materials and supplies	Finished products	82,268	96.176
Work in process	•	· ·	
Advances to suppliers Prepaid expenses Prepaid expenses Others Others Allowance for doubtful receivables Total current assets Fixed assets: Property, plant and equipment: Buildings Structures Pooks and facilities for shipbuilding Advances to supplier to the facilities of the facilities of the facilities of the facilities for shipbuilding Advances to the facilities for shipbuilding Advances for the facilities for shipbuilding Advances for the facilities for shipbuilding Advances for shipbuilding Advance		· ·	,
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Property, plant and equipment: Buildings		, , , , ,	, , , , , , ,
Buildings 221,457 230,605 Structures 24,107 25,771 Docks and facilities for shipbuilding 2,906 2,781 Machinery 200,847 210,637 Vessels 19 14 Aircraft 221 151 Vehicles and transportation equipment 3,521 4,061 Tools, equipment and furniture 59,307 47,563 Land 114,749 118,872 Leased assets 2,2626 Construction in progress 36,755 44,654 Subtotal 663,895 687,740 Intangible fixed assets: Software 12,048 11,811 1,136 Leased assets 274 268 Chessed assets 274 274 Chessed assets 274 274 Chessed assets 274 274 Chessed assets 274 274 Chessed assets	Fixed assets:		
Buildings 221,457 230,605 Structures 24,107 25,771 Docks and facilities for shipbuilding 2,906 2,781 Machinery 200,847 210,637 Vessels 19 14 Aircraft 221 151 Vehicles and transportation equipment 3,521 4,061 Tools, equipment and furniture 59,307 47,563 Land 114,749 118,872 Leased assets 2,2626 Construction in progress 36,755 44,654 Subtotal 663,895 687,740 Intangible fixed assets: Software 12,048 11,811 1,136 Leased assets 274 268 Chessed assets 274 274 Chessed assets 274 274 Chessed assets 274 274 Chessed assets 274 274 Chessed assets			
Structures 24,107 25,771		221,457	230,605
Docks and facilities for shipbuilding 2,906 2,781	<u> </u>	· ·	
Machinery 200,847 210,637 Vessels 19 14 Aircraft 221 151 Vehicles and transportation equipment 3,521 4,061 Tools, equipment and furniture 59,307 47,563 Land 114,749 118,872 Leased assets - 2,626 Construction in progress 36,755 44,654 Construction in progress 663,895 687,740 Intangible fixed assets: 50ftware 12,048 11,811 Right of using facilities 1,411 1,136 1,268 Leased assets - 16 0thers 274 268 Subtotal 13,735 13,233 13,233 Investments and advances: 11,048 144,542 145,764 144,542 Investments in capital of subsidiaries and affiliates 235,427 304,697 304,697 Investments in capital of subsidiaries and affiliates 15,336 15,961 158 Investments in capital of subsidiaries and affiliates 225,427 304,697 304,697<	Docks and facilities for shipbuilding	· ·	,
Vessels 19 14 Aircraft 221 151 Vehicles and transportation equipment 3,521 4,061 Tools, equipment and furniture 59,307 47,563 Land 114,749 118,872 Leased assets - 2,626 Construction in progress 36,755 44,654 Subtotal 663,895 687,740 Intangible fixed assets: 663,895 687,740 Intangible fixed assets: 12,048 11,811 Software 12,048 11,811 Right of using facilities 1,411 1,136 Leased assets - 16 Others 274 268 Subtotal 13,735 13,233 Investments and advances: 11,049 144,542 Investments in shares of subsidiaries and affiliates 235,427 304,697 Investments in capital 216 168 Investments in capital of subsidiaries and affiliates 15,336 15,961 Long-term loans receivable from subsidiaries and affi		· ·	
Vehicles and transportation equipment 3,521 4,061 Tools, equipment and furniture 59,307 47,563 Land 114,749 118,872 Leased assets - 2,626 Construction in progress 36,755 44,654 Subtotal 663,895 687,740 Intangible fixed assets: 12,048 11,811 Right of using facilities 1,411 1,136 Leased assets - 16 Others 274 268 Subtotal 13,735 13,233 Investments and advances: 1 415,764 144,542 Investments in shares of subsidiaries and affiliates 235,427 304,697 Investments in capital 216 168 Investments in capital of subsidiaries and affiliates 15,336 15,961 Long-term loans and advances 1,049 777 Long-term loans receivable from employees 98 97 Long-term prepaid expense 39,052 38,061 Prepaid pension cost - 96,316	·		· ·
Vehicles and transportation equipment 3,521 4,061 Tools, equipment and furniture 59,307 47,563 Land 114,749 118,872 Leased assets - 2,626 Construction in progress 36,755 44,654 Subtotal 663,895 687,740 Intangible fixed assets: 12,048 11,811 Right of using facilities 1,411 1,136 Leased assets - 16 Others 274 268 Subtotal 13,735 13,233 Investments and advances: 1 415,764 144,542 Investments securities 415,764 144,542 144,542 Investments in capital 216 168 168 Investments in capital 216 168 168 Investments in capital of subsidiaries and affiliates 15,336 15,961 Long-term loans and advances 1,049 777 Long-term loans receivable from employees 98 97 Claims provable in bankruptcy,		221	151
Tools, equipment and furniture	Vehicles and transportation equipment		
Land 114,749 118,872 Leased assets 2,626 Construction in progress 36,755 44,654 Subtotal 663,895 687,740 Intangible fixed assets: 12,048 11,811 Right of using facilities 1,411 1,136 Leased assets - 166 166 Others 274 268 Subtotal 13,735 13,233 Investments and advances: 274 268 Investments in shares of subsidiaries and affiliates 235,427 304,697 Investments in capital 216 168 Investments in capital of subsidiaries and affiliates 15,336 15,961 Long-term loans and advances 1,049 777 Long-term loans receivable from employees 98 97 Long-term loans receivable from subsidiaries and affiliates 22,297 4,549 Claims provable in bankruptcy, claims provable in rehabilitation and other 3,616 17,200 Long-term prepaid expense 39,052 38,061 Prepaid pension cost		· ·	
Leased assets	* *	· ·	
Construction in progress	Leased assets	_	
Subtotal 663,895 687,740	Construction in progress	36,755	·
Intangible fixed assets: Software			
Software 12,048 11,811 1,136 Leased assets		,	,
Software 12,048 11,811 1,136 Leased assets	Intangible fixed assets:		
Right of using facilities 1,411 1,136 Leased assets - 16 Others 274 268 Subtotal 13,735 13,233 Investments and advances: Investments in shares of subsidiaries and affiliates 235,427 304,697 Investments in capital 216 168 Investments in capital of subsidiaries and affiliates 15,336 15,961 Long-term loans and advances 1,049 777 Long-term loans receivable from employees 98 97 Long-term loans receivable from subsidiaries and affiliates 22,297 4,549 Claims provable in bankruptcy, 3,616 17,200 Claims provable in rehabilitation and other 3,616 17,200 Long-term prepaid expense 39,052 38,061 Prepaid pension cost - 96,316 Long-term receivables 8,956 3,770 Others 5,743 5,685 Allowance for doubtful accounts (9,162) (20,303) Subtotal 738,396 611,526 Total fixed assets 1,416,027 <td>e e e e e e e e e e e e e e e e e e e</td> <td>12,048</td> <td>11,811</td>	e e e e e e e e e e e e e e e e e e e	12,048	11,811
Leased assets - 16 Others 274 268 Subtotal 13,735 13,233 Investments and advances: 1 145,764 144,542 Investments in shares of subsidiaries and affiliates 235,427 304,697 Investments in capital 216 168 Investments in capital of subsidiaries and affiliates 15,336 15,961 Long-term loans and advances 1,049 777 Long-term loans receivable from employees 98 97 Long-term loans receivable from subsidiaries and affiliates 22,297 4,549 Claims provable in bankruptcy, 3,616 17,200 Claims provable in rehabilitation and other 3,616 17,200 Long-term prepaid expense 39,052 38,061 Prepaid pension cost - 96,316 Long-term receivables 8,956 3,770 Others 5,743 5,685 Allowance for doubtful accounts (9,162) (20,303) Subtotal 738,396 611,526 Total fixed assets<	Right of using facilities		
Subtotal 13,735 13,233		=	
Investments and advances: Investment securities	Others	274	268
Investment securities	Subtotal		
Investment securities		,	ŕ
Investments in shares of subsidiaries and affiliates 235,427 304,697 Investments in capital 216 168 Investments in capital of subsidiaries and affiliates 15,336 15,961 Long-term loans and advances 1,049 777 Long-term loans receivable from employees 98 97 Long-term loans receivable from subsidiaries and affiliates 22,297 4,549 Claims provable in bankruptcy, 3,616 17,200 Long-term prepaid expense 39,052 38,061 Prepaid pension cost - 96,316 Long-term receivables 8,956 3,770 Others 5,743 5,685 Allowance for doubtful accounts (9,162) (20,303) Subtotal 738,396 611,526 Total fixed assets 1,416,027 1,312,499	Investments and advances:		
Investments in shares of subsidiaries and affiliates 235,427 304,697 Investments in capital 216 168 Investments in capital of subsidiaries and affiliates 15,336 15,961 Long-term loans and advances 1,049 777 Long-term loans receivable from employees 98 97 Long-term loans receivable from subsidiaries and affiliates 22,297 4,549 Claims provable in bankruptcy, 23,616 17,200 Long-term prepaid expense 39,052 38,061 Prepaid pension cost - 96,316 Long-term receivables 8,956 3,770 Others 5,743 5,685 Allowance for doubtful accounts (9,162) (20,303) Subtotal 738,396 611,526 Total fixed assets 1,416,027 1,312,499	Investment securities	415,764	144,542
Investments in capital 216 168 Investments in capital of subsidiaries and affiliates 15,336 15,961 Long-term loans and advances 1,049 777 Long-term loans receivable from employees 98 97 Long-term loans receivable from subsidiaries and affiliates 22,297 4,549 Claims provable in bankruptcy, 216 10,49 777 Claims provable in bankruptcy, 3616 17,200 Long-term prepaid expense 39,052 38,061 Prepaid pension cost - 96,316 Long-term receivables 8,956 3,770 Others 5,743 5,685 Allowance for doubtful accounts (9,162) (20,303) Subtotal 738,396 611,526 Total fixed assets 1,416,027 1,312,499	Investments in shares of subsidiaries and affiliates		
Investments in capital of subsidiaries and affiliates 15,336 15,961 Long-term loans and advances 1,049 777 Long-term loans receivable from employees 98 97 Long-term loans receivable from subsidiaries and affiliates 22,297 4,549 Claims provable in bankruptcy, 3,616 17,200 Long-term prepaid expense 39,052 38,061 Prepaid pension cost - 96,316 Long-term receivables 8,956 3,770 Others 5,743 5,685 Allowance for doubtful accounts (9,162) (20,303) Subtotal 738,396 611,526 Total fixed assets 1,416,027 1,312,499	Investments in capital		
Long-term loans receivable from employees 98 97 Long-term loans receivable from subsidiaries and affiliates 22,297 4,549 Claims provable in bankruptcy, 3,616 17,200 Long-term prepaid expense 39,052 38,061 Prepaid pension cost - 96,316 Long-term receivables 8,956 3,770 Others 5,743 5,685 Allowance for doubtful accounts (9,162) (20,303) Subtotal 738,396 611,526 Total fixed assets 1,416,027 1,312,499	Investments in capital of subsidiaries and affiliates	15,336	15,961
Long-term loans receivable from subsidiaries and affiliates 22,297 4,549 Claims provable in bankruptcy, 3,616 17,200 claims provable in rehabilitation and other 39,052 38,061 Long-term prepaid expense 96,316 96,316 Long-term receivables 8,956 3,770 Others 5,743 5,685 Allowance for doubtful accounts (9,162) (20,303) Subtotal 738,396 611,526 Total fixed assets 1,416,027 1,312,499	Long-term loans and advances	1,049	777
Long-term loans receivable from subsidiaries and affiliates 22,297 4,549 Claims provable in bankruptcy, 3,616 17,200 claims provable in rehabilitation and other 39,052 38,061 Long-term prepaid expense 96,316 96,316 Long-term receivables 8,956 3,770 Others 5,743 5,685 Allowance for doubtful accounts (9,162) (20,303) Subtotal 738,396 611,526 Total fixed assets 1,416,027 1,312,499	Long-term loans receivable from employees	98	97
Claims provable in bankruptcy, 3,616 17,200 Long-term prepaid expense 39,052 38,061 Prepaid pension cost - 96,316 Long-term receivables 8,956 3,770 Others 5,743 5,685 Allowance for doubtful accounts (9,162) (20,303) Subtotal 738,396 611,526 Total fixed assets 1,416,027 1,312,499		22,297	4,549
claims provable in rehabilitation and other 3,616 17,200 Long-term prepaid expense 39,052 38,061 Prepaid pension cost - 96,316 Long-term receivables 8,956 3,770 Others 5,743 5,685 Allowance for doubtful accounts (9,162) (20,303) Subtotal 738,396 611,526 Total fixed assets 1,416,027 1,312,499			
Long-term prepaid expense 39,052 38,061 Prepaid pension cost - 96,316 Long-term receivables 8,956 3,770 Others 5,743 5,685 Allowance for doubtful accounts (9,162) (20,303) Subtotal 738,396 611,526 Total fixed assets 1,416,027 1,312,499		3,616	17,200
Long-term receivables 8,956 3,770 Others 5,743 5,685 Allowance for doubtful accounts (9,162) (20,303) Subtotal 738,396 611,526 Total fixed assets 1,416,027 1,312,499		39,052	38,061
Long-term receivables 8,956 3,770 Others 5,743 5,685 Allowance for doubtful accounts (9,162) (20,303) Subtotal 738,396 611,526 Total fixed assets 1,416,027 1,312,499		-	
Others 5,743 5,685 Allowance for doubtful accounts (9,162) (20,303) Subtotal 738,396 611,526 Total fixed assets 1,416,027 1,312,499		8,956	3,770
Allowance for doubtful accounts Subtotal Total fixed assets (9,162) (20,303) 738,396 611,526 1,416,027 1,312,499			
Subtotal 738,396 611,526 Total fixed assets 1,416,027 1,312,499	Allowance for doubtful accounts		
Total fixed assets 1,416,027 1,312,499	Subtotal		
TOTAL ASSETS 3,839,792 3,898,785	Total fixed assets	1,416,027	1,312,499
TOTAL ASSETS 3,839,792 3,898,785			
	TOTAL ASSETS	3,839,792	3,898,785

LIABILITIES			(Millions of Ye
Current liabilities: Tride accounts payable 636,946 594,57 Ease of Department of Departm		As of	As of
Current Habilities: Trade accounts payable 636,946 594,57 Trade accounts payable 636,946 594,57 Current portion of long-term debt 55,744 83.5; Current portion of long-term debt 55,744 83.5; Current portion of debentures 40,000 20,00 Lease obligations - 22, Accrued expenses 49,498 38.5; Accrued expenses 49,498 38.5; Accrued expenses 49,498 38.5; Accrued expenses 413,842 390,84 Accrued expenses 413,842 390,84 Deposits received 13,785 15,44 Linearned revenue 44 6 6 Reserve for product warranties 23,660 23,87 Reserve for losses on construction contracts 6,893 36,5; Reserve for losses on construction contracts 6,893 36,5; Reserve for losses on construction contracts 4,914 9.0; Total current liabilities 1,476,831 1,650,93 Long-term liabilities: 280,000 260,00 Long-term liabilities: 280,000 260,00 Long-term debt 659,998 802,4 Lease obligations 2,24,4 37,7 Long-term liabilities 1,122,546 1,122,74 Total long-term liabilities 1,22,546 1,122,74 Total long-term liabilities 1,22,546 1,122,74 Total long-term liabilities 2,599,377 2,773,7 NET ASSETS 2,599,377 2,773,7 NET ASSETS 2,243,24 3,29 Retained carmings: 203,536 203,55 Coher capital reserve 66,363 66,36 Retained carmings: 2,399,374 3,29 Reserve for accelerated depreciation 3,667 1,64 General reserve 66,363 66,36 Reserve for accelerated depreciation 3,667 1,64 General reserve 552,445 577,11 Fassury stock 1,04,295 1,107,6 Valuation, translation adjustments and others 150,343 1,49 Deferred gains or losses on hedges 6,568 1,44 Total valuation, translation adjustments and others 150,345 1,107,6 Valuation, translation adjustments and others 150,345 1,107,6 Valuation, translation adjustments and others 150,345 1,107,6 Valuation, translation adjustme		Mar.31, 2008	Mar.31, 2009
Trade accounts payable 636,946 594,55 Bank loams 105,711 244,00 Commertoriton of long-term debt 55,744 835,744 Commercial papers - 115,00 Commercial papers - 115,00 Commercial papers - 115,00 Commercial papers - 115,00 Commercial papers - 12,00 Lease obligations - 2,20 Accrued payables 40,543 52,14 Accrued expenses 49,498 835,214 Accrued expenses 49,498 835,214 Accrued income taxes 25,244 3,70 Advance payments received on contracts 413,842 390,88 Deposits received 13,785 15,40 Uncarned revenue 46 23,80 Reserve for product warranties 23,660 23,80 Reserve for product warranties 4,914 9,00 Total current liabilities 1,476,831 1,650,93 Long-term liabilities 280,000 260,00 Long-term debt 659,998 802,44 Lease obligations - 2,4 Deberred income taxes 102,062 17,49 Reserve for returnment of PCB waste 4,053 4,053 Others 35,240 36,3 Total long-term liabilities 1,122,546 1,122,74 TOTAL LIABILITIES 2,599,377 2,773,77 **Stockholders' equity: 2,599,377 2,773,77 **TOTAL LIABILITIES 2,599,377 2,773,77 **Stockholders' equity: 2,599,377 2,773,77 **Total capital surplus 203,536 203,5 Gapital reserve 203,536 203,5 General reserve 66,363 66,38 Retained earnings: 2,241 Logal reserve 66,363 66,38 Reserve for reduction in costs of fixed assets 33,924 32,93 Reserve for reduction in costs of fixed assets 33,924 32,93 Reserve for reduction in costs of fixed assets 33,924 32,93 Reserve for reduction in costs of fixed assets 33,924 32,93 Reserve for reduction in costs of fixed assets 33,924 32,93 Reserve for reduction in costs of fixed assets 33,924 32,93 Reserve for reduction in costs of fixed assets 33,924 32,93 Reserve for reduction in costs of fixed assets 33,924 32,93 Reserve for reduction in costs of fixed assets 33,924 32,93 Reserve for reduction in costs of fixed assets 33,924 32,	<u>LIABILITIES</u>		
Bank loans 165,711 244,0 Current portion of long-term debt 55,744 83,5 Commercial papers 115,00 Current portion of debentures 40,000 20,00 Lease obligations 22 Accrued payables 40,543 52,1 Accrued income taxes 25,244 37,8 Advance payments received on contracts 413,842 390,8 Unearned revenue 46 22,24 Reserve for product warranties 23,600 23,8 Reserve for losses on construction contracts 6,893 36,5 Reserve for losses on construction contracts 6,893 36,5 Reserve for losses on construction contracts 6,893 16,56,00 Reserve for losses on construction contracts 2,800 22,00 Reserve for losses on construction contracts 6,893 1,656,90 Long-term liabilities 1,476,831 1,656,90 Long-term liabilities 102,002 17,4 Lease obligations 20,000 260,00 Others 35,240 36,3 <td>Current liabilities:</td> <td></td> <td></td>	Current liabilities:		
Current portion of long-term debt	Trade accounts payable	636,946	594,520
Commercial papers	Bank loans	165,711	244,08
Commercial papers	Current portion of long-term debt	· ·	83,52
Current portion of debentures		_	
Lease obligations		40.000	
Accrued payables		,	28
Accrued expenses 49,498 38,55 Accrued income taxes 25,244 3.73 Actrued income taxes 25,244 3.73 Actrued income taxes 25,244 3.73 Advance payments received on contracts 13,785 15,44 Unearned revenue 46 46 2.73 Reserve for product warranties 23,660 23.8 Reserve for product warranties 5.893 36,5 Reserve for legal claims 5.23,33 Others 4,914 9,00 Total current liabilities 1,476,831 1,650,91 Long-term liabilities: 280,000 260,00 Long-term liabilities: 280,000 260,00 Long-term debt 659,998 802,4 Lease obligations - 2,4 Deferred income taxes 102,062 17,43 Reserve for treatment of PCB waste 41,191 Reserve for treatment of PCB waste 41,053 4,0 Others 35,240 36,33 Total long-term liabilities 1,122,746 1,122,746 TOTAL LIABILITIES 2,599,377 2,773,7. NET ASSETS Stockholders' equity: 2,599,377 2,773,7. NET ASSETS Stockholders' equity: 2,599,377 2,773,7. Retained earnings: 2,599,377 2,773,7. Retained earnings: 2,599,377 2,773,7. Retained earnings: 3,52,50 203,51 6,50 20		40 543	_
Accrued income taxes		· ·	
Advance payments received 13,842 390,88 Deposits received 13,785 15,44 Uncarned revenue 46 23,660 223,87 Reserve for product warranties 23,660 23,87 Reserve for losses on construction contracts 6,893 36,5 Reserve for losses on construction contracts 6,893 36,5 Reserve for losses on construction contracts 6,893 36,5 Reserve for legal claims			
Deposits received 13,785 15,46 Unearmed revenue 46 46 23,860 23,87 Reserve for product warranties 23,660 23,87 Reserve for losses on construction contracts 6,893 36,5 Reserve for losses on construction contracts 4,914 9,00 Cithers 4,914 9,00			
Unearned revenue 46 23,660 23,680 23,680 23,680 23,680 23,680 23,680 23,680 23,680 26,8	* *		*
Reserve for product warranties	=		
Reserve for losses on construction contracts 6,893 36.5 Reserve for legal claims - 23.3 Others		-	3
Reserve for legal claims	•	· · · · · · · · · · · · · · · · · · ·	*
Total current liabilities		6,893	*
Total current liabilities	_	-	*
Debentures	Others		9,03
Debentures	Total current liabilities	1,476,831	1,650,98
Debentures	Y W. 1		
Lease obligations	_	200,000	2.50.00
Lease obligations		· ·	
Deferred income taxes 102,062 17,49 Reserve for retirement allowance 41,191 Reserve for treatment of PCB waste 4,053 3,633 Others 35,240 36,33 Total long-term liabilities 1,122,546 1,122,70 TOTAL LIABILITIES 2,599,377 2,773,75 NET ASSETS		659,998	
Reserve for retirement allowance 41,191 Reserve for treatment of PCB waste 4,053 4,0 36,3 35,240 36,3 35,240 36,3 35,240 36,3 35,240 36,3 35,240 36,3 35,240 36,3 35,240 36,3 35,240 36,3 35,240 36,3 35,240 36,3 35,240 36,3 35,240 36,3 35,240 36,3 35,240 36,3 35,240 36,3 3		-	
Reserve for treatment of PCB waste		· ·	17,49
Total long-term liabilities		41,191	
Total long-term liabilities	Reserve for treatment of PCB waste	4,053	4,04
NET ASSETS 2,599,377 2,773,75	Others	35,240	36,33
NET ASSETS Stockholders' equity: Common stock	Total long-term liabilities	1,122,546	1,122,76
Stockholders' equity: Common stock 265,608 265,6	TOTAL LIABILITIES	2,599,377	2,773,74
Stockholders' equity: Common stock 265,608 265,6	NET ASSETS		
Common stock 265,608 265,608 265,608 Capital surplus: 203,536 203,536 203,536 Other capital reserve 39 203,576 203,6 Retained earnings: 203,576 203,6 Retained earnings: 66,363 66,363 Revenue reserve: 66,363 66,363 Reserve for reduction in costs of fixed assets 33,924 32,93 Reserve for accelerated depreciation 3,667 1,66 General reserves 460,000 460,000 Earned surplus brought forward 54,853 82,50 Total revenue reserve 552,445 577,12 Total retained earnings 618,809 643,44 Treasury stock (5,040) (5,040) Total stockholders' equity 1,082,953 1,107,60 Valuation, translation adjustments and others: 150,343 14,90 Net unrealized gains on investment securities 150,343 14,90 Deferred gains or losses on hedges 6,568 1,40 Total valuation, translation adjustments and others			
Capital surplus: 203,536 203,536 203,536 203,536 203,536 203,536 203,536 203,536 203,536 203,536 203,536 203,576 203,6 Retained earnings: 203,576 203,6 203,6 Retained earnings: 66,363	Stockholders' equity:		
Capital reserve 203,536 203,536 Other capital reserve 39 203,576 203,6 Retained earnings: 203,576 203,6 Legal reserve 66,363 66,36 Revenue reserve: 33,924 32,93 Reserve for reduction in costs of fixed assets 33,924 32,93 Reserve for accelerated depreciation 3,667 1,69 General reserves 460,000 460,00 Earned surplus brought forward 54,853 82,50 Total revenue reserve 552,445 577,13 Total retained earnings 618,809 643,49 Treasury stock (5,040) (5,02 Total stockholders' equity 1,082,953 1,107,60 Valuation, translation adjustments and others: 150,343 14,93 Net unrealized gains on investment securities 150,343 14,93 Deferred gains or losses on hedges 6,568 1,43 Total valuation, translation adjustments and others 156,912 16,43 Share subscription rights 549 83	Common stock	265,608	265,60
Other capital reserve 39 203,576 203,6 Retained earnings: 203,576 203,6 Legal reserve 66,363 66,363 Revenue reserve: 33,924 32,92 Reserve for reduction in costs of fixed assets 33,924 32,92 Reserve for accelerated depreciation 3,667 1,69 General reserves 460,000 460,00 Earned surplus brought forward 54,853 82,50 Total revenue reserve 552,445 577,11 Total retained earnings 618,809 643,49 Treasury stock (5,040) (5,02 Total stockholders' equity 1,082,953 1,107,60 Valuation, translation adjustments and others: 150,343 14,90 Net unrealized gains on investment securities 150,343 14,90 Deferred gains or losses on hedges 6,568 1,40 Total valuation, translation adjustments and others 156,912 16,40 Share subscription rights 549 88	Capital surplus:		
Total capital surplus 203,576 203,676 Retained earnings: 66,363 66,363 66,364 Revenue reserve 66,363 66,364 Revenue reserve:	Capital reserve	203,536	203,53
Retained earnings: 66,363 66,363 Revenue reserve: 33,924 32,92 Reserve for reduction in costs of fixed assets 33,924 32,92 Reserve for accelerated depreciation 3,667 1,66 General reserves 460,000 460,00 Earned surplus brought forward 54,853 82,51 Total revenue reserve 552,445 577,11 Total retained earnings 618,809 643,49 Treasury stock (5,040) (5,02 Total stockholders' equity 1,082,953 1,107,60 Valuation, translation adjustments and others: 150,343 14,90 Net unrealized gains on investment securities 150,343 14,90 Deferred gains or losses on hedges 6,568 1,40 Total valuation, translation adjustments and others 156,912 16,40 Share subscription rights 549 85 TOTAL NET ASSETS 1,240,415 1,125,00	Other capital reserve	39	7
Legal reserve 66,363 66,363 Revenue reserve: 33,924 32,92 Reserve for reduction in costs of fixed assets 33,924 32,92 Reserve for accelerated depreciation 3,667 1,69 General reserves 460,000 460,00 Earned surplus brought forward 54,853 82,50 Total revenue reserve 552,445 577,12 Total retained earnings 618,809 643,49 Treasury stock (5,040) (5,02 Total stockholders' equity 1,082,953 1,107,6° Valuation, translation adjustments and others: 150,343 14,98 Deferred gains or losses on hedges 6,568 1,49 Total valuation, translation adjustments and others 156,912 16,4° Share subscription rights 549 88 TOTAL NET ASSETS 1,240,415 1,125,00	Total capital surplus	203,576	203,61
Legal reserve 66,363 66,363 Revenue reserve: 33,924 32,92 Reserve for reduction in costs of fixed assets 33,924 32,92 Reserve for accelerated depreciation 3,667 1,69 General reserves 460,000 460,00 Earned surplus brought forward 54,853 82,50 Total revenue reserve 552,445 577,12 Total retained earnings 618,809 643,49 Treasury stock (5,040) (5,02 Total stockholders' equity 1,082,953 1,107,6° Valuation, translation adjustments and others: 150,343 14,98 Deferred gains or losses on hedges 6,568 1,49 Total valuation, translation adjustments and others 156,912 16,4° Share subscription rights 549 88 TOTAL NET ASSETS 1,240,415 1,125,00	Retained earnings:		
Revenue reserve: 33,924 32,92 Reserve for reduction in costs of fixed assets 3,667 1,69 Reserve for accelerated depreciation 3,667 1,69 General reserves 460,000 460,000 Earned surplus brought forward 54,853 82,50 Total revenue reserve 552,445 577,12 Total retained earnings 618,809 643,49 Treasury stock (5,040) (5,02 Total stockholders' equity 1,082,953 1,107,6° Valuation, translation adjustments and others: 150,343 14,98 Deferred gains or losses on hedges 6,568 1,49 Total valuation, translation adjustments and others 156,912 16,4° Share subscription rights 549 88 TOTAL NET ASSETS 1,240,415 1,125,00		66,363	66,36
Reserve for accelerated depreciation 3,667 1,69 General reserves 460,000 460,00 Earned surplus brought forward 54,853 82,50 Total revenue reserve 552,445 577,11 Total retained earnings 618,809 643,49 Treasury stock (5,040) (5,00 Total stockholders' equity 1,082,953 1,107,60 Valuation, translation adjustments and others: 150,343 14,90 Net unrealized gains on investment securities 150,343 14,90 Deferred gains or losses on hedges 6,568 1,40 Total valuation, translation adjustments and others 156,912 16,40 Share subscription rights 549 80 TOTAL NET ASSETS 1,240,415 1,125,00	=	·	
Reserve for accelerated depreciation 3,667 1,69 General reserves 460,000 460,000 Earned surplus brought forward 54,853 82,50 Total revenue reserve 552,445 577,13 Total retained earnings 618,809 643,49 Treasury stock (5,040) (5,02) Total stockholders' equity 1,082,953 1,107,69 Valuation, translation adjustments and others: 150,343 14,98 Deferred gains or losses on hedges 6,568 1,49 Total valuation, translation adjustments and others 156,912 16,49 Share subscription rights 549 86 TOTAL NET ASSETS 1,240,415 1,125,00	Reserve for reduction in costs of fixed assets	33,924	32,93
General reserves 460,000 460,00 Earned surplus brought forward 54,853 82,50 Total revenue reserve 552,445 577,12 Total retained earnings 618,809 643,44 Treasury stock (5,040) (5,02) Total stockholders' equity 1,082,953 1,107,62 Valuation, translation adjustments and others: 150,343 14,93 Deferred gains on investment securities 6,568 1,49 Total valuation, translation adjustments and others 156,912 16,42 Share subscription rights 549 83 TOTAL NET ASSETS 1,240,415 1,125,02	Reserve for accelerated depreciation		
Earned surplus brought forward 54,853 82,50 Total revenue reserve 552,445 577,12 Total retained earnings 618,809 643,49 Treasury stock (5,040) (5,02 Total stockholders' equity 1,082,953 1,107,60 Valuation, translation adjustments and others: Net unrealized gains on investment securities 150,343 14,90 Deferred gains or losses on hedges 6,568 1,49 Total valuation, translation adjustments and others 156,912 16,40 Share subscription rights 549 86 TOTAL NET ASSETS 1,240,415 1,125,00 TOTAL NET ASSETS 1,240,415 1,125,00 Total valuation, translation adjustments and others 1,240,415 1,125,00 Total valuation, translation adjustments and others 1,240,415 1,125,00 TOTAL NET ASSETS 1,240,415 1,125,00 Total valuation, translation adjustments and others 1,240,415 1,125,00 Total valuation, translation adjustments and o		· ·	
Total revenue reserve 552,445 577,13 Total retained earnings 618,809 643,44 Treasury stock (5,040) (5,030 Total stockholders' equity 1,082,953 1,107,67 Valuation, translation adjustments and others:			
Total retained earnings			
Treasury stock (5,040) (5,020) Total stockholders' equity 1,082,953 1,107,6° Valuation, translation adjustments and others: 3,0343 14,98 Net unrealized gains on investment securities 150,343 14,98 Deferred gains or losses on hedges 6,568 1,49 Total valuation, translation adjustments and others 156,912 16,4° Share subscription rights 549 88 TOTAL NET ASSETS 1,240,415 1,125,00			
Total stockholders' equity 1,082,953 1,107,6' Valuation, translation adjustments and others: Net unrealized gains on investment securities Deferred gains or losses on hedges Total valuation, translation adjustments and others 150,343 14,98 6,568 1,49 Total valuation, translation adjustments and others 156,912 16,4' Share subscription rights 549 86 TOTAL NET ASSETS 1,240,415 1,125,00			
Valuation, translation adjustments and others: Net unrealized gains on investment securities Deferred gains or losses on hedges Total valuation, translation adjustments and others 150,343 14,99 6,568 1,49 156,912 16,4' Share subscription rights 549 86 TOTAL NET ASSETS 1,240,415 1,125,00	-		
Net unrealized gains on investment securities 150,343 14,99 Deferred gains or losses on hedges 6,568 1,49 Total valuation, translation adjustments and others 156,912 16,49 Share subscription rights 549 85 TOTAL NET ASSETS 1,240,415 1,125,03	Total stockholders equity	1,002,755	1,107,07
Net unrealized gains on investment securities 150,343 14,99 Deferred gains or losses on hedges 6,568 1,49 Total valuation, translation adjustments and others 156,912 16,49 Share subscription rights 549 85 TOTAL NET ASSETS 1,240,415 1,125,03	Valuation, translation adjustments and others:		
Deferred gains or losses on hedges Total valuation, translation adjustments and others 156,912 16,4 Share subscription rights 549 85 TOTAL NET ASSETS 1,240,415 1,125,05		150.343	14.98
Total valuation, translation adjustments and others 156,912 16,4 Share subscription rights 549 83 TOTAL NET ASSETS 1,240,415 1,125,03			
TOTAL NET ASSETS 1,240,415 1,125,03			16,47
TOTAL NET ASSETS 1,240,415 1,125,03	Share subscription rights		88
TOTAL LIABILITIES AND NET ASSETS 3,839,792 3,898,78			1,125,03
	TOTAL LIABILITIES AND NET ASSETS	3,839,792	3,898,78

		(Millions of Yen)
	FY2007	FY2008
Net sales	2,471,101	2,647,266
Cost of sales	2,217,247	2,422,060
Gross profit	253,853	225,205
Gross profit	255,655	223,203
Selling, general and administrative expenses:		
Provision of allowance for doubtful accounts	-	3,676
Directors' compensations, salaries and allowances	39,218	41,390
Depreciation	6,167	5,927
Research and development expenses	44,244	46,835
Commission fee	18,539	20,591
Expenses for inquiries	17,518	17,235
Others	33,245	32,554
Total selling, general and administrative expenses	158,934	168,211
Operating income	94,919	56,993
Non-operating income:		
Interest income	4,130	3,159
Dividend income	13,015	15,000
Foreign exchange gain	13,013	2,477
Others	3,583	1,374
Total non-operating income	20,729	22,012
Total for operating meone	20,725	22,012
Non-operating expenses:		
Interest expense	11,776	13,662
Interest on debentures	4,730	4,079
Foreign exchange loss	10,230	-
Loss on disposal of fixed assets	6,614	6,320
Others	14,017	8,115
Total non-operating expenses	47,369	32,177
Ordinary income	68,279	46,828
Extraordinary gain:		
Gain on sales of investment securities	-	44,477
Gain on contribution of securities to retirement benefit trust	-	36,104
Gain on sales of fixed assets	21,027	2,414
Gain on transfer of business	3,664	-
Total extraordinary gain	24,692	82,997
Extraordinary loss:		
Effect of the application of the accounting standard		
for measurement of inventories	-	33,322
Loss on legal claims	-	20,835
Business structure improvement expenses	35,201	8,626
Loss on revaluation of investment securities	3,561	3,815
Total extraordinary loss	38,762	66,599
Income before income taxes	54,208	63,226
Income taxacı		
Income taxes: Current	35,484	30,725
Deferred	(15,697)	
		(12,324)
Total income taxes	19,787	18,401
Net income	34,421	44,825

Non-consolidated Statements of Changes in Net Assets

		(Millions of Yen)
	FY2007	FY2008
Stockholders' equity		
Common stock		
Balance at the end of previous period	265,608	265,608
Balance at the end of current period	265,608	265,608
Capital surplus		
Capital reserve		
Balance at the end of previous period	203,536	203,536
Balance at the end of current period	203,536	203,536
Other capital reserve		
Balance at the end of previous period	25	39
Changes in the period		
Disposal of treasury stock	14	34
Total changes in the period	14	34
Balance at the end of current period	39	74
Total capital surplus		
Balance at the end of previous period	203,561	203,576
Changes in the period		
Disposal of treasury stock	14	34
Total changes in the period	14	34
Balance at the end of current period	203,576	203,610
Retained earnings		
Legal reserve		
Balance at the end of previous period	66,363	66,363
Balance at the end of current period	66,363	66,363
Revenue reserve		
Reserve for reduction in costs of fixed assets		
Balance at the end of previous period	24,938	33,924
Changes in the period		
Provision of reserve for reduction		
in costs of fixed assets	10,210	914
Reversal of reserve for reduction		
in costs of fixed assets	(1,223)	(1,906)
Total changes in the period	8,986	(992)
Balance at the end of current period	33,924	32,932
Reserve for accelerated depreciation		
Balance at the end of previous period	5,838	3,667
Changes in the period		
Reversal of reserve for accelerated depreciation	(2,170)	(1,970)
Total changes in the period	(2,170)	(1,970)
Balance at the end of current period	3,667	1,697

	FY2007	FY2008
General reserves	460,000	460,000
Balance at the end of previous period	460,000	460,000
Balance at the end of current period	460,000	460,000
Earned surplus brought forward	47, 202	54.052
Balance at the end of previous period	47,383	54,853
Changes in the period Provision of reserve for reduction		
in costs of fixed assets	(10,210)	(914)
Reversal of reserve for reduction	(10,210)	(314)
in costs of fixed assets	1,223	1,906
Reversal of reserve for accelerated depreciation	2,170	1,970
Cash dividends	(20,135)	(20,137)
Net income	34,421	44,825
Total changes in the period	7,469	27,651
Balance at the end of current period	54,853	82,504
Total revenue reserve		
Balance at the end of previous period	538,160	552,445
Changes in the period	330,100	332,113
Cash dividends	(20,135)	(20,137)
Net income	34,421	44,825
Total changes in the period	14,285	24,688
Balance at the end of current period	552,445	577,133
Total retained earnings		
Balance at the end of previous period	604,523	618,809
Changes in the period	,	,
Cash dividends	(20,135)	(20,137)
Net income	34,421	44,825
Total changes in the period	14,285	24,688
Balance at the end of current period	618,809	643,497
Freasury stock		
Balance at the end of previous period	(5,062)	(5,040)
Changes in the period		
Purchase of treasury stock	(114)	(72)
Disposal of treasury stock	136	76
Total changes in the period	22	3
Balance at the end of current period	(5,040)	(5,037)
Total stockholders' equity		
Balance at the end of previous period	1,068,631	1,082,953
Changes in the period		
Cash dividends	(20,135)	(20,137
Net income	34,421	44,825
Purchase of treasury stock	(114)	(72)
Disposal of treasury stock	151	111
Total changes in the period	14,322	24,726
Balance at the end of current period	1,082,953	1,107,679

	FY2007	FY2008
Valuation, translation adjustments and others		
Net unrealized gains on investment securities		
Balance at the end of previous period	203,768	150,343
Changes in the period		
Net changes in items other than stockholders' equity	(53,424)	(135,363)
Total changes in the period	(53,424)	(135,363)
Balance at the end of current period	150,343	14,980
Deferred gains or losses on hedges	_	<u> </u>
Balance at the end of previous period	362	6,568
Changes in the period	302	0,500
Net changes in items other than stockholders' equity	6,206	(5,070)
Total changes in the period	6,206	(5,070)
Balance at the end of current period	6,568	1,497
		1,157
Total Valuation, translation adjustments and others	201121	4 7 6 0 4 9
Balance at the end of previous period	204,131	156,912
Changes in the period	(4= -10)	(4.40.40.4)
Net changes in items other than stockholders' equity	(47,218)	(140,434)
Total changes in the period	(47,218)	(140,434)
Balance at the end of current period	156,912	16,478
Share subscription rights		
Balance at the end of previous period	293	549
Changes in the period	2)3	349
Net changes in items other than stockholders' equity	255	332
Total changes in the period	255	332
Balance at the end of current period	549	881
Butance at the end of current period	J+7	001
Total net assets		
Balance at the end of previous period	1,273,056	1,240,415
Changes in the period	, ,	, ,
Cash dividends	(20,135)	(20,137)
Net income	34,421	44,825
Purchase of treasury stock	(114)	(72)
Disposal of treasury stock	151	111
Net changes in items other than stockholders' equity	(46,963)	(140,102)
Total changes in the period	(32,641)	(115,375)
Balance at the end of current period	1,240,415	1,125,039
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