

# Financial Statements

**Consolidated** The consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

## Consolidated Balance Sheets (As of March 31, 2009)

Assets	Millions of yen	Millions of * U.S. dollars	Liabilities and shareholders' equity	Millions of yen	Millions of * U.S. dollars
<b>Current assets</b>	<b>¥ 1,103,239</b>	<b>\$ 11,144</b>	<b>Current liabilities</b>	<b>¥ 732,287</b>	<b>\$ 7,397</b>
Cash and cash equivalents	90,563	915	Short-term debt (including current maturities of long-term debt)	307,749	3,109
Time deposits	44	0	Trade notes, bills and accounts payable	214,375	2,165
Trade notes and accounts receivable	373,901	3,777	Income taxes payable	10,818	109
Inventories	507,357	5,125	Other current liabilities	199,345	2,014
Other current assets	131,374	1,327	<b>Long-term liabilities</b>	<b>388,438</b>	<b>3,924</b>
<b>Long-term trade receivables</b>	<b>102,969</b>	<b>1,040</b>	<b>Minority interests</b>	<b>33,393</b>	<b>337</b>
<b>Investments</b>	<b>85,120</b>	<b>860</b>	<b>Shareholders' equity</b>	<b>814,941</b>	<b>8,232</b>
<b>Property, plant and equipment - less accumulated depreciation</b>	<b>525,462</b>	<b>5,308</b>	Common stock	67,870	686
<b>Other assets</b>	<b>152,269</b>	<b>1,538</b>	Capital surplus	140,092	1,415
<b>Total</b>	<b>¥ 1,969,059</b>	<b>\$ 19,889</b>	Retained earnings	747,694	7,552
			Accumulated other comprehensive income (loss)*	(105,744)	(1,068)
			Treasury stock	(34,971)	(353)
			<b>Total</b>	<b>¥ 1,969,059</b>	<b>\$ 19,889</b>

\*Accumulated other comprehensive income (loss):

Foreign currency translation adjustments	¥ (84,152)	\$ (850)
Net unrealized holding gains on securities available for sale	8,646	87
Pension liability adjustments	(29,235)	(295)
Net unrealized holding gains on derivative instruments	(1,003)	(10)

## Consolidated Statements of Income (April 1, 2008 - March 31, 2009)

	Millions of yen	Millions of * U.S. dollars
<b>Net sales</b>	<b>¥ 2,021,743</b>	<b>\$ 20,422</b>
<b>Cost of sales</b>	<b>1,510,408</b>	<b>15,257</b>
<b>Selling, general and administrative expenses</b>	<b>322,677</b>	<b>3,259</b>
<b>Other operating income (expenses)</b>	<b>(36,710)</b>	<b>(371)</b>
<b>Operating income</b>	<b>151,948</b>	<b>1,535</b>
<b>Other income (expenses)</b>		
Interest and dividend income	8,621	87
Interest expense	(14,576)	(147)
Other-net	(17,211)	(174)
Other income (expenses)	(23,166)	(234)
<b>Income before income taxes, minority interests and equity in earnings of affiliated companies</b>	<b>128,782</b>	<b>1,301</b>
<b>Income taxes</b>	<b>42,293</b>	<b>427</b>
<b>Minority interests in income of consolidated subsidiaries</b>	<b>(8,088)</b>	<b>(82)</b>
<b>Equity in earnings of affiliated companies</b>	<b>396</b>	<b>4</b>
<b>Net income</b>	<b>¥ 78,797</b>	<b>\$ 796</b>

Note : \* U.S. dollar amounts are converted and rounded off only for reference at a rate of ¥99=US\$1.00, the prevailing rate announced by the Federal Reserve Bank of New York on March 31, 2009.

## Consolidated Statements of Shareholders' Equity (April 1, 2008 - March 31, 2009)

	Millions of yen	Millions of * U.S. dollars
<b>Common stock</b>		
Balance, beginning of year	¥ 67,870	\$ 686
Balance, end of year	¥ 67,870	\$ 686
<b>Capital surplus</b>		
Balance, beginning of year	¥ 138,170	\$ 1,396
Sales of treasury stock	1,570	16
Issuance and exercise of stock acquisition rights	352	4
Balance, end of year	¥ 140,092	\$ 1,415
<b>Retained earnings, appropriated for legal reserve</b>		
Balance, beginning of year	¥ 26,714	\$ 270
Transfer from unappropriated retained earnings	1,758	18
Balance, end of year	¥ 28,472	\$ 288
<b>Unappropriated retained earnings</b>		
Balance, beginning of year	¥ 685,986	\$ 6,929
Net income	78,797	796
Cash dividends paid	(43,803)	(442)
Transfer to retained earnings appropriated for legal reserve	(1,758)	(18)
Balance, end of year	¥ 719,222	\$ 7,265
<b>Accumulated other comprehensive income (loss)</b>		
Balance, beginning of year	¥ (28,779)	\$ (291)
Aggregate adjustment for the period resulting from translation of foreign currency financial statements	(49,695)	(502)
Net decrease in unrealized holding gains on securities available for sale	(16,090)	(163)
Adjustment for the year of pension liability	(10,027)	(101)
Net increase in unrealized holding gains on derivative instruments	(1,153)	(12)
Balance, end of year	¥ (105,744)	\$ (1,068)
<b>Treasury stock</b>		
Balance, beginning of year	¥ (2,835)	\$ (29)
Purchase of treasury stock	(33,090)	(334)
Sales of treasury stock	954	10
Balance, end of year	(34,971)	(353)
<b>Total shareholders' equity</b>	<b>¥ 814,941</b>	<b>\$ 8,232</b>
<b>Disclosure of comprehensive income</b>		
Net income for the year	¥ 78,797	\$ 796
Other comprehensive income (loss) for the year, net of tax	(76,965)	(777)
Comprehensive income for the year	¥ 1,832	\$ 19

## Consolidated Statements of Cash Flows (April 1, 2008 - March 31, 2009)

	Millions of yen	Millions of * U.S. dollars
<b>Operating activities</b>		
Net income	¥ 78,797	\$ 796
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	98,354	993
Deferred income taxes	(18,218)	(184)
Net gain from sale of investment securities and subsidiaries	3,543	36
Net loss on sale of property	(269)	(3)
Loss on disposal of fixed assets	5,561	56
Impairment loss on long-lived assets held for use	16,414	166
Impairment loss on goodwill	2,003	20
Pension and retirement benefits, net	3,378	34
Changes in assets and liabilities:		
Decrease in trade receivables	103,355	1,044
Increase in inventories	(22,307)	(225)
Decrease in trade payables	(148,655)	(1,502)
Decrease in income taxes payable	(40,507)	(409)
Other, net	(2,674)	(27)
<b>Net cash provided by operating activities</b>	<b>78,775</b>	<b>796</b>
<b>Investing activities</b>		
Capital expenditures	(145,670)	(1,471)
Proceeds from sale of property	6,414	65
Proceeds from sale of available for sale investment securities	703	7
Purchases of available for sale investment securities	(6,785)	(69)
Acquisition of subsidiaries and equity investees, net of cash acquired	(223)	(2)
Collection of loan receivables	7,736	78
Disbursement of loan receivables	(6,381)	(64)
Increase in time deposits	(1,162)	(12)
<b>Net cash used in investing activities</b>	<b>(145,368)</b>	<b>(1,468)</b>
<b>Financing activities</b>		
Proceeds from long-term debt	129,327	1,306
Repayments on long-term debt	(88,058)	(889)
Increase in short-term debt, net	127,589	1,289
Repayments of capital lease obligations	(30,770)	(311)
Purchase of treasury stock, net	(32,685)	(330)
Dividends paid	(43,803)	(442)
Other, net	(4,381)	(44)
<b>Net cash provided by financing activities</b>	<b>57,219</b>	<b>578</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>		
	(2,073)	(21)
<b>Net decrease in cash and cash equivalents</b>	<b>(11,447)</b>	<b>(116)</b>
Cash and cash equivalents, beginning of year	102,010	1,030
<b>Cash and cash equivalents, end of year</b>	<b>¥ 90,563</b>	<b>\$ 915</b>

Note : \* U.S. dollar amounts are converted and rounded off only for reference at a rate of ¥99=US\$1.00, the prevailing rate announced by the Federal Reserve Bank of New York on March 31, 2009.

# Financial Statements

## Consolidated

Business Segment Information (April 1, 2008 - March 31, 2009)

### 1. Information by Operating Segment

Millions of yen

#### Net sales

Construction, mining and utility equipment	¥ 1,749,386
Industrial machinery and others	303,399
Elimination	(31,042)
<b>Consolidated</b>	<b>¥ 2,021,743</b>

#### Segment profit

Construction, mining and utility equipment	¥ 180,455
Industrial machinery and others	12,891
Total	193,346
Corporate expenses and elimination	(4,688)
<b>Consolidated segment profit</b>	<b>188,658</b>
Other operating income (expenses)	(36,710)
<b>Operating income</b>	<b>151,948</b>
Interest and dividend income	8,621
Interest expense	(14,576)
Other-net	(17,211)
<b>Income before income taxes, minority interests and equity in earnings of affiliated companies</b>	<b>¥ 128,782</b>

#### Identifiable assets

Construction, mining and utility equipment	¥ 1,639,720
Industrial machinery and others	254,200
Corporate assets and elimination	75,139
<b>Consolidated</b>	<b>¥ 1,969,059</b>

#### Depreciation and amortization

Construction, mining and utility equipment	¥ 87,260
Industrial machinery and others	9,981
<b>Consolidated</b>	<b>¥ 97,241</b>

#### Capital investment

Construction, mining and utility equipment	¥ 152,803
Industrial machinery and others	9,709
<b>Consolidated</b>	<b>¥ 162,512</b>

### 2. Geographic Information

Net sales recognized by geographic origin and property, plant and equipment

Millions of yen

	Japan	U.S.A.	Europe and CIS	Others	Total
<b>Net sales</b>	¥ 831,569	¥ 469,047	¥ 269,139	¥ 451,988	¥ 2,021,743
<b>Property, plant and equipment</b>	400,554	68,170	28,207	28,531	525,462

Note : No individual country within Europe or other areas had a material impact on net sales or property, plant and equipment.  
There were no sales to a single major external customer for the year ended March 31, 2009.

### 3. Supplemental Information

The following information is disclosed in the light of the disclosure requirement of Japanese Securities and Exchange Law.

#### a) Information by region

Millions of yen

	Japan	Americas	Europe and CIS	Others	Total	Corporate and elimination	Consolidated
<b>Net sales</b>	¥ 1,212,449	¥ 511,821	¥ 294,398	¥ 481,250	¥ 2,499,918	¥ (478,175)	¥ 2,021,743
<b>Segment profit</b>	37,876	52,133	22,279	61,008	173,296	15,362	188,658
<b>Identifiable assets</b>	1,194,694	426,772	206,955	350,822	2,179,243	(210,184)	1,969,059

Note : Sales amount of each region includes inter-region transactions.

#### b) Overseas sales

Millions of yen

	Americas	Europe and CIS	Others	Total
<b>Overseas sales</b>	¥ 503,450	¥ 284,029	¥ 782,092	¥ 1,569,571
<b>Consolidated net sales</b>	—	—	—	2,021,743
<b>Ratio of overseas sales to consolidated net sales (%)</b>	24.9	14.0	38.7	77.6

Notes : 1. Overseas sales represent the sales of the Company and its consolidated subsidiaries to areas other than Japan.

2. Area segments are separated by the geographic proximity.

3. Main countries or areas of each segment above are as follows:

a) Americas : North America and Latin America b) Europe and CIS : Germany, U.K. and Russia c) Other : China, Oceania, Southeast Asia, Middle East and Africa