

USHIO INC. and Consolidated Subsidiaries

Consolidated Balance Sheet

	As of March 31		
	2014	2013	2014
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i> <i>(Note 2)</i>
<b>Assets</b>			
Current assets:			
Cash and deposits <i>(Notes 3, 9 and 16)</i>	¥ 46,146	¥ 42,136	\$ 448,372
Notes and accounts receivable – trade <i>(Note 9)</i>	39,853	34,565	387,232
Securities <i>(Notes 9 and 10)</i>	12,724	14,140	123,635
Merchandise and finished goods	24,321	21,757	236,318
Work in process	5,836	5,817	56,706
Raw materials and supplies	11,691	10,405	113,598
Deferred tax assets <i>(Note 4)</i>	5,678	5,042	55,172
Prepaid expenses and other current assets	7,449	7,497	72,380
Less: Allowance for doubtful accounts <i>(Note 9)</i>	(697)	(717)	(6,776)
Total current assets	<b>153,004</b>	140,646	<b>1,486,637</b>
Property, plant and equipment, at cost:			
Buildings and structures	39,362	37,546	382,459
Machinery, equipment and other <i>(Notes 3 and 8)</i>	47,133	43,013	457,960
Land	9,266	9,057	90,039
Construction in progress	1,421	1,220	13,808
	<b>97,183</b>	90,837	<b>944,267</b>
Less: Accumulated depreciation	<b>(58,057)</b>	(54,061)	<b>(564,101)</b>
Property, plant and equipment, net	<b>39,126</b>	36,776	<b>380,166</b>
Intangible assets <i>(Note 8)</i>	<b>4,159</b>	2,863	<b>40,413</b>
Investments and other assets:			
Investment securities <i>(Notes 9 and 10)</i>	54,844	45,327	532,888
Investments in and advances to associates	38	56	372
Deferred tax assets <i>(Note 4)</i>	1,177	636	11,438
Other assets	2,987	2,350	29,031
Total investments and other assets	<b>59,048</b>	48,371	<b>573,729</b>
Total assets	<b>¥ 255,338</b>	¥ 228,657	<b>\$ 2,480,944</b>

	<b>As of March 31</b>		
	<b>2014</b>	2013	<b>2014</b>
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i> <i>(Note 2)</i>
<b>Liabilities and net assets</b>			
Current liabilities:			
Notes and accounts payable - trade <i>(Note 9)</i>	¥ 16,757	¥ 16,610	\$ 162,823
Short-term loans payable <i>(Notes 3 and 9)</i>	1,669	1,904	16,218
Current portion of long-term loans payable <i>(Notes 3 and 9)</i>	3,255	4,732	31,636
Income taxes payable	3,381	1,927	32,856
Deferred tax liabilities <i>(Note 4)</i>	83	146	807
Provision for bonuses	2,641	2,581	25,663
Provision for product warranties	1,695	1,549	16,474
Other current liabilities	10,472	8,498	101,758
Total current liabilities	<b>39,957</b>	37,950	<b>388,242</b>
Long-term liabilities:			
Long-term loans payable <i>(Notes 3 and 9)</i>	3,334	2,791	32,397
Deferred tax liabilities <i>(Note 4)</i>	2,347	1,089	22,810
Retirement benefits <i>(Note 12)</i>	-	2,441	-
Net defined benefit liability	10,687	-	103,841
Provision for directors' retirement benefits	538	253	5,232
Other long-term liabilities	7,226	7,348	70,213
Total long-term liabilities	<b>24,134</b>	13,922	<b>234,494</b>
Net assets:			
Shareholders' equity:			
Capital stock:			
Authorized - 300,000,000 shares			
Issued - 139,628,721 shares	19,556	19,556	190,015
Capital surplus	28,371	28,371	275,664
Retained earnings	134,798	126,912	1,309,744
Treasury shares, at cost	(13,244)	(12,231)	(128,683)
Total shareholders' equity	<b>169,482</b>	162,609	<b>1,646,740</b>
Accumulated other comprehensive income:			
Valuation difference on available-for-sale securities	21,407	14,666	207,997
Deferred gains or losses on hedges	(7)	(23)	(68)
Foreign currency translation adjustment	1,590	(3,623)	15,454
Remeasurements of defined benefit plans	(4,687)	-	(45,548)
Total accumulated other comprehensive income	<b>18,302</b>	11,019	<b>177,835</b>
Minority interests	3,461	3,155	33,634
Total net assets <i>(Note 15)</i>	<b>191,246</b>	176,784	<b>1,858,208</b>
Total liabilities and net assets	<b>¥ 255,338</b>	¥ 228,657	<b>\$ 2,480,944</b>

See notes to consolidated financial statements.