

## Consolidated Balance Sheets

Akebono Brake Industry Co., Ltd. and Consolidated Subsidiaries March 31, 2011 and 2010

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
<b>ASSETS</b>			
Current assets:	<b>¥100,958</b>	¥ 73,144	<b>\$1,216,361</b>
Cash and deposits	<b>26,661</b>	16,754	<b>321,216</b>
Notes and accounts receivable – trade	<b>33,035</b>	26,624	<b>398,012</b>
Short-term investment securities	<b>20,300</b>	10,800	<b>244,578</b>
Merchandise and finished goods	<b>3,571</b>	4,699	<b>43,024</b>
Work in process	<b>1,916</b>	1,587	<b>23,084</b>
Raw materials and supplies	<b>8,049</b>	6,077	<b>96,975</b>
Accounts receivable – other	<b>3,630</b>	3,405	<b>43,734</b>
Deferred tax assets	<b>2,443</b>	1,983	<b>29,433</b>
Other	<b>1,374</b>	1,237	<b>16,554</b>
Allowance for doubtful accounts	<b>(21)</b>	(22)	<b>(253)</b>
Noncurrent assets:	<b>84,994</b>	90,976	<b>1,024,024</b>
Property, plant and equipment	<b>65,735</b>	73,605	<b>791,987</b>
Buildings and structures	<b>16,283</b>	18,080	<b>196,180</b>
Machinery, equipment and vehicles	<b>22,740</b>	28,173	<b>273,975</b>
Land	<b>21,396</b>	21,498	<b>257,783</b>
Construction in progress	<b>3,989</b>	4,478	<b>48,060</b>
Other	<b>1,326</b>	1,376	<b>15,975</b>
Intangible assets	<b>1,813</b>	1,315	<b>21,843</b>
Investments and other assets	<b>17,446</b>	16,055	<b>210,192</b>
Investment securities	<b>11,184</b>	9,199	<b>134,746</b>
Deferred tax assets	<b>5,535</b>	6,150	<b>66,686</b>
Other	<b>812</b>	804	<b>9,783</b>
Allowance for doubtful accounts	<b>(86)</b>	(98)	<b>(1,036)</b>
<b>Total assets</b>	<b>¥185,952</b>	¥164,120	<b>\$2,240,385</b>

See accompanying Notes to Consolidated Financial Statements.

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
<b>LIABILITIES AND EQUITY</b>			
Current liabilities:	¥ 59,942	¥ 38,313	\$ 722,192
Notes and accounts payable – trade	22,988	16,553	276,963
Short-term loans payable	8,059	6,742	97,096
Current portion of bonds	—	100	—
Current portion of long-term loans payable	15,435	4,568	185,963
Income taxes payable	871	560	10,493
Accrued expenses	4,827	4,765	58,156
Deferred tax liabilities	—	32	—
Provision for bonuses	2,072	1,877	24,963
Provision for loss on earthquake disaster	515	—	6,204
Provision for business structure improvement	—	410	—
Notes payable – facilities	455	233	5,481
Provision incurred from transfer of business applied to foreign subsidiaries	1,699	—	20,469
Other	3,020	2,473	36,385
Noncurrent liabilities:	71,438	76,721	860,698
Bonds payable	15,000	—	180,722
Long-term loans payable	45,301	55,610	545,795
Long-term accounts payable – other	1,302	2,058	15,686
Provision for retirement benefits	3,821	5,908	46,036
Provision for director's retirement benefits	28	165	337
Deferred tax liabilities	1,581	909	19,048
Deferred tax liabilities for land revaluation	4,268	4,268	51,421
Provision incurred from transfer of business applied to foreign subsidiaries	—	7,615	—
Other	136	188	1,638
<b>Total liabilities</b>	<b>131,380</b>	<b>115,034</b>	<b>1,582,891</b>
Equity:	54,573	49,086	657,506
Shareholders' equity:	44,438	40,445	535,397
Common stock	19,939	19,939	240,228
Capital surplus	14,244	14,248	171,614
Retained earnings	12,602	8,661	151,831
Treasury stock	(2,348)	(2,404)	(28,289)
Accumulated other comprehensive income:	2,711	3,349	32,662
Valuation difference on available-for-sale securities	1,539	771	18,542
Revaluation reserve for land	5,882	5,882	70,867
Foreign currency translation adjustment	(4,710)	(3,303)	(56,746)
Subscription rights to shares	283	234	3,409
Minority interests	7,141	5,058	86,036
<b>Total liabilities and equity</b>	<b>¥185,952</b>	<b>¥164,120</b>	<b>\$2,240,385</b>