

## Consolidated Statements of Income and Comprehensive Income

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

### Consolidated Statements of Income

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
Net sales	¥216,574	¥130,604	\$2,609,325
Cost of sales	186,208	110,801	2,243,469
Gross profit	30,366	19,803	365,855
Selling, general and administrative expenses	18,974	15,140	228,602
Operating income	11,392	4,663	137,253
Other income	481	552	5,795
Interest income	87	123	1,048
Dividend income	113	75	1,361
Equity in earnings of affiliates	3	9	36
Subsidy for employment adjustment	—	72	—
Other	279	273	3,361
Other expenses	2,135	2,545	25,722
Interest expense	1,195	1,365	14,397
Foreign exchange loss	281	133	3,385
Depreciation	226	259	2,722
Product warranty expenses	139	206	1,674
Other	293	582	3,530
Ordinary income	9,738	2,670	117,325
Extraordinary income	452	897	5,445
Gain on sales of noncurrent assets	10	17	120
Gain on change in equity	336	—	4,048
Subsidy	66	123	795
Reversal of provision for business structure improvement	40	313	481
Gain on negative goodwill	—	371	—
Gain on abolishment of retirement pension plan	—	73	—
Gain on sales of investment securities	—	1	—
Extraordinary loss	1,709	889	20,590
Loss on sales and retirement of noncurrent assets	326	403	3,927
Impairment loss	131	376	1,578
Loss on earthquake disaster	1,252	—	15,084
Loss on valuation of investment securities	—	4	—
Contribution for withdrawal from employees' pension fund of subsidiaries	—	62	—
Other	—	43	—
Income before income taxes	8,482	2,678	102,192
Income taxes – current	1,265	676	15,240
Refund of income taxes	—	(668)	—
Income taxes – deferred	384	228	4,626
Income before minority interests	6,833	—	82,325
Minority interests in income	1,568	382	18,891
Net income	¥ 5,265	¥ 2,061	\$ 63,433

See accompanying Notes to Consolidated Financial Statements.

### Consolidated Statements of Comprehensive Income

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
Income before minority interests	¥ 6,833	—	\$ 82,325
Other comprehensive income	—	—	—
Valuation difference on available-for-sale securities	768	—	9,253
Foreign currency translation adjustment	(1,841)	—	(22,180)
Total other comprehensive income	(1,073)	—	(12,927)
Comprehensive income	5,760	—	69,397
Comprehensive income attributable to			
Comprehensive income attributable to owners of the parent	4,627	—	55,746
Comprehensive income attributable to minority interests	1,134	—	13,662

See accompanying Notes to Consolidated Financial Statements.