FINANCIAL SECTION

ANNUAL REPORT 2009 Year ended March 31, 2009

SHIBAURA MECHATRONICS CORPORATION

Contents

Ernst & Young ShinNihon LLC
Hibiya Kokusai Bldg.
2-2-3, Uchisaiwai-cho,
Chiyoda-ku, Tokyo, Japan 100-0011

Tel : +81 3 3503 1100
Fax: +81 3 3503 1197

Report of Independent Auditors

The Board of Directors
Shibaura Mechatronics Corporation

We have audited the accompanying consolidated balance sheets of Shibaura Mechatronics Corporation (the "Company") and consolidated subsidiaries as of March 31, 2009 and 2008, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, all expressed in yen. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Shibaura Mechatronics Corporation and consolidated subsidiaries at March 31, 2009 and 2008, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2009 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1.

Ernst & Young ShinNihon LLC

June 18, 2009

Consolidated Balance Sheets

Shibaura Mechatronics Corporation and Subsidiaries

Assets	March 31, 2009	March 31, 2008	March 31, 2009
	(Millions of yen)		(Thousands of U.S. dollars) (Note 1)
Current assets :			
Cash and bank deposits (Note 10)	¥ 4,385	¥ 9,060	$ 44,637
Short-term investments	38	286	387
Notes and accounts receivable, trade	18,529	21,933	188,628
Allowance for doubtful accounts	(79)	(55)	(808)
Inventories (Note 4)	13,210	11,848	134,485
Deferred tax assets (Note 7)	755	2,204	7,687
Income receivable	954	–	9,710
Other current assets	120	569	1,227
Total current assets	37,912	45,845	385,953
Property, plant and equipment:			
Land	161	193	1,636
Buildings and structures (Note 10)	28,888	29,281	294,086
Machinery and equipment	981	1,173	9,990
Lease assets	2,573	–	26,193
Construction in progress	61	232	624
Total	32,664	30,879	332,529
Accumulated depreciation	(16,899)	(15,373)	(172,034)
Property, plant and equipment, net	15,765	15,506	160,495
Investments and other assets:			
Investments in securities (Note 3)	183	295	1,865
Deferred tax assets (Note 7)	506	2,308	5,152
Other assets	1,432	1,046	14,579
Allowance for doubtful accounts	(149)	(5)	(1,526)
Total investments and other assets	1,972	3,644	20,070
Total assets	¥ 55,649	¥ 64,995	$ 566,518

Liabilities and net assets	March 31, 2009	March 31, 2008	March 31, 2009
	(Millions of yen)		(Thousands of U.S. dollars) (Note 1)
Current liabilities :			
Short-term bank loans (Note 5)	¥ 5,333	¥ 861	$ 54,291
Current portion of long-term debt (Note 5)	3,800	6,415	38,686
Notes and accounts payable, trade	9,816	14,097	99,923
Allowance for bonuses to directors and statutory auditors	–	32	–
Provision for contract losses	39	398	395
Lease obligations	764	–	7,775
Advances received	1,126	–	11,465
Accrued expenses	2,263	3,529	23,042
Accrued income taxes (Note 7)	49	711	500
Other current liabilities	645	1,695	6,562
Total current liabilities	23,835	27,738	242,639
Long-term liabilities:			
Long-term debt (Note 5)	3,204	3,804	32,619
Provision for retirement benefits (Note 8)	4,864	4,715	49,519
Lease obligations	1,360	–	13,841
Provision for directors' retirement benefits	127	188	1,296
Reserve for repair and maintenance	337	303	3,427
Negative goodwill	29	179	302
Other long-term liabilities	3,023	3,023	30,772
Total long-term liabilities	12,944	12,212	131,776
Total liabilities	¥ 36,779	¥ 39,950	$ 374,415
Contingent liabilities (Note 11)			
Net assets:			
Shareholders' equity:			
Common stock:			
Authorized :100,000,000 shares			
Issued :51,926,194 shares at March 31, 2009 and 2008	6,762	6,762	68,833
Additional paid-in capital	10,739	10,739	109,322
Retained earnings	2,950	8,871	30,037
Less treasury stock, at cost	(1,720)	(1,718)	(17,503)
Total shareholders' equity	18,731	24,654	190,689
Valuation and translation adjustments:			
Net unrealized holding gains on other securities	24	77	239
Foreign currency translation adjustments	15	54	156
Total valuation and translation adjustments	39	131	395
Minority interest in consolidated subsidiaries	100	260	1,019
Total net assets	18,870	25,045	192,103
Total liabilities and net assets	¥ 55,649	¥ 64,995	$ 566,518

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Operations

Shibaura Mechatronics Corporation and Subsidiaries

	Year ended March 31, 2009	Year ended March 31, 2008	Year ended March 31, 2009
	(Millions of yen)		(Thousands of U.S. dollars) (Note 1)
Net sales	¥ 49,013	¥ 66,441	$ 498,966
Cost of sales (Note 6)	39,309	52,070	400,176
Gross profit	9,704	14,371	98,790
Selling, general and administrative expenses (Note 15)	11,166	12,724	113,676
Operating (loss) income	(1,462)	1,647	(14,886)
Other income (expenses):			
Interest and dividend income	25	34	255
Interest expense	(182)	(147)	(1,857)
Foreign exchange loss, net	(251)	(65)	(2,551)
Amortization of negative goodwill	50	60	507
Loss on abandonment of noncurrent assets	(96)	(60)	(979)
Loss on disposal of inventory	–	(57)	–
Loss on valuation of investment securities	(38)	–	(382)
Impairment loss (Note 13)	(325)	–	(3,311)
Business structure improvement expenses	(67)	–	(677)
Other, net	114	70	1,160
(Loss) income before income taxes and minority interest	(2,232)	1,482	(22,721)
Income taxes (Note 7):			
Current	179	1,138	1,827
Prior years	–	59	–
Deferred	3,268	(118)	33,266
	3,447	1,079	35,093
(Loss) income before minority interest	(5,679)	403	(57,814)
Minority interest in losses of consolidated subsidiaries	(154)	(23)	(1,569)
Net (loss) income	¥ (5,525)	¥ 426	$ (56,245)

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Changes in Net Assets

Shibaura Mechatronics Corporation and Subsidiaries

	Shareholders' equity					Valuation and translation adjustments			Total
	Number of shares of common stock	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Net unrealized holding gains on other securities	Foreign currency translation adjustments	Minority interest in consolidated subsidiaries	
			(Millions of yen)				(Millions of yen)		(Millions of yen)
Balance as of March 31, 2007	51,926,194	¥ 6,762	¥10,739	¥ 8,769	¥ (1,715)	¥ 129	¥ 99	¥ 301	¥ 25,084
Net income	–	–	–	426	–	–	–	–	426
Cash dividends	–	–	–	(371)	–	–	–	–	(371)
Increase due to inclusion of additional subsidiary in the consolidation	–	–	–	47	–	–	–	–	47
Net change during the year	–	–	–	–	–	(52)	(45)	(41)	(138)
Net increase in treasury stock	–	–	–	–	(3)	–	–	–	(3)
Net decrease in treasury stock	–	–	(0)	–	0	–	–	–	0
Balance as of March 31, 2008	51,926,194	6,762	10,739	8,871	(1,718)	77	54	260	25,045
Net income	–	–	–	(5,525)	–	–	–	–	(5,525)
Cash dividends	–	–	–	(396)	–	–	–	–	(396)
Net change during the year	–	–	–	–	–	(53)	(39)	(160)	(252)
Net increase in treasury stock	–	–	–	–	(2)	–	–	–	(2)
Net decrease in treasury stock	–	–	(0)	–	0	–	–	–	0
Balance as of March 31, 2009	51,926,194	¥ 6,762	¥10,739	¥ 2,950	¥ (1,720)	¥ 24	¥ 15	¥ 100	¥ 18,870

	Shareholders' equity				Valuation and translation adjustments			Total
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Net unrealized holding gains on other securities	Foreign currency translation adjustments	Minority interest in consolidated subsidiaries	
		(Thousands of U.S. dollars) (Note 1)				(Thousands of U.S. dollars) (Note 1)		(Thousands of U.S. dollars) (Note 1)
Balance as of March 31, 2008	$68,833	$109,325	$90,307	$(17,482)	$ 781	$ 553	$2,643	$254,960
Net income	–	–	(56,245)	–	–	–	–	(56,245)
Cash dividends	–	–	(4,025)	–	–	–	–	(4,025)
Net change during the year	–	–	–	–	(542)	(397)	(1,624)	(2,563)
Net increase in treasury stock	–	–	–	(27)	–	–	–	(27)
Net decrease in treasury stock	–	(3)	–	6	–	–	–	3
Balance as of March 31, 2009	$68,833	$109,322	$30,037	$(17,503)	$ 239	$ 156	$1,019	$192,103

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Cash Flows

Shibaura Mechatronics Corporation and Subsidiaries

	Year ended March 31, **2009**	Year ended March 31, 2008	Year ended March 31, **2009**
	(Millions of yen)		(Thousands of U.S. dollars) (Note 1)
Operating activities:			
(Loss) income before income taxes and minority interest	¥ (2,232)	¥ 1,482	$ (22,721)
Depreciation and amortization	2,105	1,245	21,428
Impairment loss	325	–	3,311
Amortization of negative goodwill	(50)	(60)	(507)
Allowance for doubtful accounts	175	9	1,779
Increase (decrease) provision for retirement benefits	53	(263)	538
Interest and dividend income	(25)	(35)	(255)
Interest expense	182	147	1,857
Loss on disposal of property, plant and equipment	81	54	827
Gain on sale of land	0	3	2
Foreign exchange gain, net	174	6	1,771
Increase in advances received	324	111	3,300
Decrease in notes and accounts receivable, trade	2,932	3,596	29,851
(Increase) decrease in inventories	(1,482)	4,065	(15,092)
Decrease in notes and accounts payable, trade	(5,160)	(7,289)	(52,536)
(Decrease) increase in accrued consumption taxes	(100)	71	(1,015)
Other, net	(1,026)	641	(10,449)
Subtotal	(3,724)	3,783	(37,911)
Interest and dividends received	25	37	253
Interest paid	(184)	(147)	(1,876)
Income taxes paid	(770)	(755)	(7,839)
Net cash (used in) provided by operating activities	¥ (4,653)	¥ 2,918	$ (47,373)

The accompanying notes are an integral part of the consolidated financial statements.

	Year ended March 31, 2009	Year ended March 31, 2008	Year ended March 31, 2009
	(Millions of yen)		(Thousands of U.S. dollars) (Note 1)
Investment activities:			
Payments for time deposits	¥ (9)	¥ (113)	$ (97)
Proceeds from time deposits	229	202	2,333
Purchases of property, plant and equipment	(714)	(2,276)	(7,269)
Proceeds from sale of property, plant and equipment	498	810	5,069
Payments for acquisition of business, net of cash acquired	–	(59)	–
Purchases of investments in subsidiaries	(97)	–	(985)
Collection of long-term loans receivable	–	0	–
Other, net	2	(177)	24
Net cash used in investing activities	(91)	(1,613)	(925)
Financing activities:			
Increase (decrease) in short-term bank loans, net	4,763	(256)	48,492
Repayments of finance lease obligations	(927)	–	(9,442)
Proceeds from long-term loans payable	3,200	–	32,577
Repayments of long-term loans payable	(3,200)	–	(32,577)
Redemption of bonds	(3,215)	–	(32,729)
Purchases of treasury stock	(3)	(3)	(27)
Proceeds from sale of treasury stock	0	0	3
Cash dividends paid	(395)	(371)	(4,025)
Cash dividends paid to minority interest	–	(7)	–
Net cash used in financing activities	223	(637)	2,272
Effect of exchange rate changes on cash and cash equivalents	(154)	(7)	(1,569)
Net increase (decrease) in cash and cash equivalents	(4,675)	661	(47,595)
Cash and cash equivalents at beginning of year	9,060	8,211	92,232
Increase arising from inclusion of subsidiaries in consolidation	–	188	–
Cash and cash equivalents at end of year	¥ 4,385	¥ 9,060	$ 44,637

The accompanying notes are an integral part of the consolidated financial statements.

Notes to Consolidated Financial Statements

Shibaura Mechatronics Corporation and Subsidiaries
March 31, 2009

1. Basis of Presentation

Shibaura Mechatronics Corporation (the "Company") and its consolidated subsidiaries (collectively, the "Companies") maintain their accounting records and prepare their financial statements in accordance with accounting principles generally accepted in Japan. The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in Japan, which differ in certain respects from the application and disclosure requirements of International Financial Reporting Standards, and have been compiled from the consolidated financial statements prepared by the Company as required by the Financial Instruments and Exchange Act of Japan. Certain reclassifications have been made to present the accompanying consolidated financial statements in a format that is familiar to readers outside Japan. In addition, the non-consolidated balance sheets as of March 31, 2009 and 2008 and the non-consolidated statements of operations for the years then ended of Shibaura Mechatronics Corporation and included, as supplemental information, in the accompanying consolidated financial statements.

The accompanying consolidated financial statements are stated in yen, the currency of the country in which the Company is incorporated and operates. The translation of yen amounts into U.S. dollar amounts has been included solely for the convenience of readers outside Japan. The translation has been made at the rate of ¥98.23 = U.S. $1.00, the approximate rate of exchange in effect on March 31, 2009. This translation should not be construed as a representation that yen could be converted into U.S. dollars at the above or any other rate.

2. Summary of Significant Accounting Policies

(a) Basis of consolidation

The accompanying consolidated financial statements include the accounts of Shibaura Mechatronics Corporation and eight subsidiaries over which the Company exerts substantial control, either through majority ownership of voting stock and/or by other means. All assets and liabilities of the subsidiaries are revalued at fair value on acquisition, if applicable. All significant intercompany balances and transactions have been eliminated in consolidation.

Investment in an unconsolidated subsidiary that is not deemed material to the consolidated financial statements is stated at cost.

Certain subsidiaries have year end which differs from that of the Company. As a result, adjustments have been made for any significant transactions which took place during the period between the year end of the subsidiaries and the year end of the Company.

(b) Foreign currency translation

The revenue and expense accounts of the overseas consolidated subsidiaries are translated into yen at the rates of exchange in effect at the average exchange rate during the yen. The balance sheet accounts, except for the components of shareholders' equity, are also translated into yen at the rate of exchange in effect at the balance sheet date. The components of shareholders' equity are translated at their historical exchange rates. Differences arising from translations where two exchange rates have been used are presented as "Foreign currency translation adjustments," a component of net assets in the accompanying consolidated financial statements.

Foreign currency monetary assets and liabilities are translated into Japanese yen at the exchange rates in effect at each balance sheet date and the resulting translation gains or losses are credited or charged to income.

(c) Cash and cash equivalents

The Company and its subsidiaries consider all highly liquid investments with a maturity of three months or less from their purchase dates to be cash equivalents.

(d) Securities

Marketable securities categorized as other securities are carried at fair value with unrealized holding gain and loss, net of applicable income taxes, accounted for as a separate component of net assets. Non-marketable securities classified as other securities are stated at cost. Cost of securities sold is computed based on the moving average method.

(e) Derivatives
All derivatives are carried at fair value.

(f) Inventories
Before April 1, 2008, inventories are stated at cost, determined principally by the following methods:

Finished goods and raw materials
— moving average method
Semi-finished goods and work in process
— individual cost method

Effective for the fiscal year ended March 31, 2009 the Company and its domestic subsidiaries have adopted the "Accounting Standard for Measurement of Inventories" (ASBJ Statement No. 9 of July 5, 2006). As a result, operating loss and loss before taxes for the year ended March 31, 2009 increased ¥236 million ($ 2,411 thousand), respectively.

The impact on segment information is stated in the applicable sections.

From the fiscal year, ended March 31, 2009, inventories are stated at cost, determined principally by the following methods:

Finished goods and raw materials
— moving average method (in cases where the profitability has declined, the book value is reduced accordingly)
Semi-finished goods and work in process
— individual cost method (in cases where the profitability has declined, the book value is reduced accordingly)

(g) Depreciation and amortization (except for lease asset)
Depreciation of property, plant and equipment is generally computed by the declining-balance method, based on the estimated useful lives of the respective assets. The straight-line method is applied to a certain research facility acquired during the year ended March 31, 1995, and buildings acquired after April 1, 1998. Foreign consolidated subsidiaries compute depreciation primarily using the straight-line method. The following summarizes the estimated useful lives of property, plant and equipment by major category:

Buildings and structures	3 – 60 years
Machinery and equipment	2 – 17 years

Intangible assets, which are included in "other assets" of the accompanying consolidated balance sheets, are amortized by the straight-line method. Capitalized software for internal use is amortized by the straight-line method over a period of 5 years, based on the estimated useful life of the software.

The Company amortizes negative goodwill over an estimated useful life of 5 years by the straight-line method.

(h) Allowance for doubtful accounts
The allowance for doubtful accounts is provided at an amount sufficient to cover possible losses on the collection of receivables. The amount of the allowance is determined based on their historical experience with write-offs, plus an estimate of specific probable doubtful accounts based on a review of the collectibility of individual receivables.

(i) Allowance for bonuses to directors and statutory auditors
To provide for the payment of bonuses to directors and statutory auditors, an allowance is made based on projected amount.

(j) Provision for contract losses
Provision for contract losses is provided at an amount considered to cover the estimated possible losses involved in orders for which loss occurrence is highly anticipated where the loss amount can be reasonably estimated at the balance sheet date for all orders.

(k) Retirement benefits and pension plans
An allowance for employees' retirement benefits has been provided, based on the projected retirement benefit obligation and the pension fund assets. Actuarial gain or loss is amortized effective the year subsequent to the year in which they arise by the straight-line method over a period of 10 years, which is shorter than the average remaining years of service of the employees.

The Companies also provide for retirement benefits to directors and statutory auditors, based on the Companies' internal rules, at the amount that would be required to be paid if all directors and statutory auditors retired or resigned at the balance sheet date.

(l) Reserve for repair and maintenance
A certain research facility acquired during the year ended March 31, 1995 requires periodic repairs and maintenance. An accrual for these repair expenses is recorded based on the current portion of the total expenses estimated for such repairs.

(m) Leases
Before April 1, 2008, the Company and its domestic consolidated subsidiaries had accounted for finance leases other than those that transfer the ownership as operating leases. Effective for the fiscal year ended March 31, 2009, the Company and its domestic consolidated subsidiaries have applied "Accounting Standard for Lease Transactions" (ASBJ Standard No. 13, as issued by the First Subcommittee of the Business Accounting Council on June 17, 1993; revised March 30, 2007) and "Guidance on Accounting Standard for Lease Transactions" (ASBJ Guidance No. 16, as issued by the Japanese Institute of Certified Public Accountants Accounting Standards Board on January 18, 1994, as revised on March 30, 2007), and accordingly the finance leases other than those that transfer the ownership, of leased assets, entered into on and after April 1, 2008, and accounted for as finance leases.

The depreciation leased assets under finance lease is calculated using the straight-line method over the lease term with residual value of zero.

The finance leases other than those that transfer the ownership of lease assets, entered into before April 1, 2008, are accounted for as finance leases effective on April 1, 2008, as though those leased assets had been acquired for the amount of remaining future lease payments as of April 1, 2008.

The effect of this change on operating loss and loss before income taxes and minority interests for the year ended March 31, 2009 is immaterial.

(n) Hedging accounting
Interest rate swaps which meet specific hedge criteria and qualify for special hedge accounting treatment are not remeasured at fair value.

Hedging instruments and hedged items are summarized as follows:

Hedging instruments	Hedged items
Interest rate swap agreements ···	Interest on long-term debt

The Company uses financial instruments to hedge interest rate fluctuation risk exposed to long-term debt.

For interest rate swaps which meet the criteria for special hedge accounting, the assessment of hedge effectiveness is omitted.

(o) Research and development costs
Research and development costs are expensed as incurred and included in cost of sales and selling, general and administrative expenses.

(p) Income taxes
Deferred tax assets and liabilities are determined based on the differences between financial reporting and tax-based reporting of the assets and liabilities, and are measured using the statutory tax rates which will be in effect when the differences are expected to be realized.

(q) Unification of accounting policies applied to foreign subsidiaries
Effective for the year ended March 31, 2009, the Company has applied the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements" (ASBJ Practical Issues Task Force No.18 issued by the ASBJ on May 17, 2006) under which certain adjustments are required to be made over the books of accounts at foreign subsidiaries to comply with accounting principles generally accepted in Japan. This change had no significant effect on Profit and loss.

3. Investments in securities

At March 31, 2009 and 2008, marketable securities classified as other (available-for-sale) securities are summarized as follows:

	March 31, 2009			March 31, 2008			March 31, 2009		
	Acquisition costs	Amount recorded in the balance sheet	Difference	Acquisition costs	Amount recorded in the balance sheet	Difference	Acquisition costs	Amount recorded in the balance sheet	Difference
	(Millions of yen)			(Millions of yen)			(Thousands of U.S. dollars)		
Other securities whose market value recorded in the balance sheet exceed their acquisition costs:									
Equity securities	¥ 52	¥ 81	¥ 29	¥ 70	¥ 178	¥ 108	$ 530	$ 832	$ 302
Debt securities	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Total	¥ 52	¥ 81	¥ 29	¥ 70	¥ 178	¥ 108	$ 530	$ 832	$ 302
Other securities whose market value recorded in the balance sheet do not exceed their acquisition costs:									
Equity securities	49	49	–	68	64	(4)	497	497	–
Debt securities	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Total	¥ 49	¥ 49	¥ –	¥ 68	¥ 64	¥ (4)	$ 497	$ 497	$ –

With regard to other securities with fair value, impairment losses of ¥38 million ($382 thousand) were recorded for the year ended March 31, 2009.

At March 31, 2009 and 2008, non-marketable securities carried at cost are summarized as follows:

	March 31, 2009	March 31, 2008	March 31, 2009
	(Millions of yen)		(Thousands of U.S. dollars)
Investments in affiliates:			
Affiliate	¥ 52	¥ 52	$ 530
Other	1	1	6

4. Inventories

Inventories at March 31, 2009 and 2008 are summarized as follows:

	March 31, **2009**	March 31, 2008	March 31, **2009**
	(Millions of yen)		(Thousands of U.S. dollars)
Finished products	¥ 6,863	¥ 3,997	$ 69,866
Raw materials	169	171	1,721
Work in process	6,178	7,680	62,898
Total	¥ 13,210	¥ 11,848	$ 134,485

5. Short-Term Bank Loans and Long-Term Debt

The weighted average interest rate per annum on the short-term bank loans outstanding at March 31, 2009 and 2008 were 1.5% and 4.7%, respectively.

Long-term debt at March 31, 2009 and 2008 are summarized as follows:

	March 31, **2009**	March 31, 2008	March 31, **2009**
	(Millions of yen)		(Thousands of U.S. dollars)
Unsecured:			
Zero coupon Japanese yen convertible notes (notes with stock acquisition rights)	¥ –	¥ 3,215	$ –
1.42% to 2.16% loans from banks due 2009 to 2012	7,000	7,000	71,261
Loans from Pension Welfare Service Public Corporation due 2008 to 2034	4	4	44
Total	7,004	10,219	71,305
Less current portion	3,800	6,415	38,686
Long-term debt ,net	¥ 3,204	¥ 3,804	$ 32,619

Loans from the Pension Welfare Service Public Corporation represent financing for housing loans to the Company's employees, and the same amount is stated as a portion of other assets (loans to employees). The Company pays interest on such loans to the lender and collects the same amount from the employees as the borrowers.

On March 8, 2004, the Company issued ¥5,000 million zero coupon Japanese yen convertible notes (notes with stock acquisition rights) due March 8, 2009. These notes are convertible during the period from March 22, 2004 to February 20, 2009, at the option of the holder, into shares of common stock at a price of ¥943 per share, subject to adjustment in specific circumstances.

Aggregate annual maturities of long-term debt at March 31, 2009 are summarized as follows:

	March 31, 2009	
	(Millions of yen)	(Thousands of U.S. dollars)
2010	¥ 3,800	$ 38,686
2011	0	2
2012	3,200	32,578
2013 and thereafter	4	39
Total	¥ 7,004	$ 71,305

The company entered into the three-year contracts for commitment lines of credit with seven banks in the aggregated amount of ¥10,000 million ($101,802 thousand) on March 31, 2008, for efficient financial arrangements for operating funds.
At March 31, 2009, the Company had unused commitment lines of credit aggregating ¥8,700 million ($88,568 thousand).

6. Research and Development Expenses

Research and development expenses charged to income for the years ended March 31, 2009 and 2008, respectively, are as follows:

	Year ended March 31, **2009**	Year ended March 31, 2008	Year ended March 31, **2009**
	(Millions of yen)		(Thousands of U.S. dollars)
	¥ 2,933	¥ 3,184	$ 29,862

7. Income Taxes

Income taxes applicable to the Company and its domestic subsidiaries comprise corporation, inhabitants' and enterprise taxes which, in the aggregate, resulted in a statutory tax rate of 40.6 % for the years ended March 31, 2009 and 2008. Income taxes of the overseas subsidiaries are based on the tax rates applicable in their countries of incorporation.

The major components of deferred tax assets and liabilities as of March 31, 2009 and 2008 are summarized as follows:

	March 31, **2009**	March 31, 2008	March 31, **2009**
	(Millions of yen)		(Thousands of U.S. dollars)
Deferred tax assets:			
Employees' retirement benefits	¥ 1,956	¥ 1,852	$ 19,914
Accrued employees' bonuses	401	598	4,081
Provision for contract losses	16	142	160
Accrual for periodic repairs	137	123	1,392
Enterprise tax payable	11	73	112
Tax loss carried forward	2,023	1,341	20,597
Other	475	813	4,841
Gross deferred tax assets	5,019	4,942	51,097
Valuation allowance	(3,710)	(375)	(37,772)
Total deferred tax assets	1,309	4,567	13,325
Deferred tax liabilities:			
Unrecognized holding gain on other securities	(7)	(28)	(71)
Other	(41)	(27)	(415)
Total deferred tax liabilities	(48)	(55)	(486)
Net deferred tax assets	¥ 1,261	¥ 4,512	$ 12,839

The reconciliation between the effective tax rate and the statutory tax rate for the year ended March 31, 2009 was omitted since loss before income taxes and minority interests was recorded.

The effective tax rate reflected in the consolidated statement of operations for the year ended March 31, 2008 differ from the statutory tax rate for the statutory tax rate for the following reasons:

	Year ended March 31, 2008
Statutory tax rate	40.6%
Effect of:	
Tax non-deductible expenses such as entertainment expenses	3.2
Per capita levy of inhabitants' taxes and othe	1.4
Prior years' income taxes	1.3
Changes in valuation allowance	19.2
Dividends from foreign subsidiaries	12.9
Tax loss carried forward	(1.0)
Tax-deductible R&D credits	(3.4)
Other, net	(1.4)
Effective tax rates	72.8%

8. Retirement Benefits

The Companies have defined benefit pension plans and lump-sum retirement payment plans which cover substantially all employees who retire from the Companies. Eligible employees may also receive additional payments under the plans.

The following is a summary of the plans:

	March 31, **2009**	March 31, 2008	March 31, **2009**
	(Millions of yen)		(Thousands of U.S. dollars)
Projected benefit obligation	¥ (9,637)	¥ (9,714)	$(98,110)
Fair value of plan assets	2,782	3,312	28,322
Funded status	(6,855)	(6,402)	(69,788)
Unrecognized actuarial loss	2,338	1,894	23,802
Prepaid pension cost	(347)	(207)	(3,533)
Allowance for retirement benefits	¥ (4,864)	¥ (4,715)	$(49,519)

The consolidated subsidiaries have adopted a simplified method, as permitted, to calculate the projected benefit obligation.

Components of net periodic pension cost for the years ended March 31, 2009 and 2008 are summarized as follows:

	Year ended March 31, **2009**	Year ended March 31, 2008	Year ended March 31, **2009**
	(Millions of yen)		(Thousands of U.S. dollars)
Service cost	¥ 614	¥ 535	$ 6,255
Interest cost on projected benefit obligation	181	187	1,847
Expected return on plan assets	(116)	(127)	(1,180)
Amortization of actuarial loss	353	293	3,592
Extra retirement payments	61	–	623
Net periodic pension cost	¥ 1,093	¥ 888	$ 11,137

The provision for retirement benefits was determined by the simplified method by the consolidated subsidiaries and has been included in service cost.

Assumptions used in the actuarial calculation for the years ended March 31, 2009 and 2008 are summarized as follows:

	March 31, **2009**	March 31, 2008
Actuarial cost method	Projected unit credit method	
Discount rate	2.0 % per annum	2.0 % per annum
Expected rate of return on plan assets	3.5 % per annum	3.5 % per annum
Amortization period for actuarial loss	10 years (within the employees' average remaining years of service)	

9. Leases

(1) Finance leases

Leased property under finance leases that do not transfer the title of the leased property to the lessee on an as-if-capitalized-basis for the years ended March 31, 2008 is as follows:

	March 31, 2008
	(Millions of yen)
Machinery, equipment and other assets:	
Acquisition cost	¥ 3,861
Accumulated depreciation	1,557
Net leased property	¥ 2,304

Non-cancelable lease transactions are primarily accounted for as operating leases (regardless of whether such leases are classified as operating or finance leases) except that lease agreements which stipulate the transfer of the title of the leased asset to the lessee are accounted for as finance leases. Lease expenses relating to finance leases accounted for as operating leases amounted to ¥987 million and for the years ended March 31, 2008, respectively.

Future minimum lease payments subsequent to March 31, 2008 for finance lease transactions accounted for as operating leases are summarized as follows:

	March 31, 2008
	(Millions of yen)
Due within one year	¥ 807
Due after one year	1,557
Total	¥ 2,364

(2) Operating leases

	March 31, 2008
	(Millions of yen)
Due within one year	¥ 4
Due after one year	2
Total	¥ 6

10. Pledged assets

Assets pledged as collateral for loans payable at foreign subsidiaries as of March 31, 2009 are summarized as follows:

	March 31, 2009	
	(Millions of yen)	(Thousands of U.S. dollars)
Bank deposits	¥ 12	$ 122
Total	¥ 12	$ 122

11. Contingent Liabilities

The Company had the following contingent liability as of March 31, 2009:

	March 31, 2009	
	(Millions of yen)	(Thousands of U.S. dollars)
Guarantee for housing loans of employees	¥ 41	$ 416

12. Derivatives and Hedging Activities

The Company has entered into interest-rate swap contracts to manage its exposure to interest-rate risk on long-term debt. As a matter of policy, the Company does not enter into derivative transactions for trading purposes. The Company does not anticipate nonperformance by any of the counterparties to the above transactions, all of whom are domestic financial institutions with high credit ratings.

In accordance with the Company's policy, derivative transactions are entered into under the decision-making rules approved by the Management Strategy Committee of the Company. The department which has the responsibility to enter into such contracts monitors and controls the inherent risk and performance on a daily basis and reports these to management of the Company, if and when necessary.

In accordance with the special hedge accounting under the Accounting Standard for Financial Instruments, the Company does not record certain interest swap arrangements at fair value but charges or credits the net cash flows from the swap arrangements to the interest arising from the hedged borrowing, as long as these arrangements meet the specific criteria under the standard.

At March 31, 2009 and 2008, the fair value information for derivatives was not presented, since all derivatives were accounted for as hedges.

13. Segment Information

The business segment information of the Companies for the years ended March 31, 2009 and 2008 is summarized as follows:

Business segments

	Year ended March 31, 2009						
	Fine mechatronics	Electronic & vacuum systems	Vending machines & systems	Real estate leasing	Total	Eliminations or unallocated amounts	Consolidated
	(Millions of yen)						
I. Sales and operating (loss) income							
Sales to external customers	¥ 33,549	¥ 10,788	¥ 2,855	¥ 1,821	¥ 49,013	¥ –	¥ 49,013
Intersegment sales or transfers	42	110	–	–	152	(152)	–
Total sales	33,591	10,898	2,855	1,821	49,165	(152)	49,013
Operating expenses	35,386	10,342	3,134	1,268	50,130	345	50,475
Operating (loss) income	¥ (1,795)	¥ 556	¥ (279)	¥ 553	¥ (965)	¥ (497)	¥ (1,462)
II. Total assets, depreciation and capital expenditures							
Total assets	¥ 32,507	¥ 9,363	¥ 2,583	¥ 8,309	¥ 52,762	¥ 2,887	¥ 55,649
Depreciation and amortization	1,190	256	84	575	2,105	–	2,105
Impairment loss	325	–	–	–	325	–	325
Capital expenditures	745	436	40	266	1,487	–	1,487

	Year ended March 31, 2008						
	Fine mechatronics	Electronic & vacuum systems	Vending machines & systems	Real estate leasing	Total	Eliminations or unallocated amounts	Consolidated
	(Millions of yen)						
I. Sales and operating (loss) income							
Sales to external customers	¥ 47,559	¥ 9,589	¥ 7,470	¥ 1,823	¥ 66,441	¥ –	¥ 66,441
Intersegment sales or transfers	136	78	–	–	214	(214)	–
Total sales	47,695	9,667	7,470	1,823	66,655	(214)	66,441
Operating expenses	47,107	9,519	6,585	1,215	64,426	368	64,794
Operating income	¥ 588	¥ 148	¥ 885	¥ 608	¥ 2,229	¥ (582)	¥ 1,647
II. Total assets, depreciation and capital expenditures							
Total assets	¥ 34,634	¥ 7,923	¥ 4,122	¥ 8,678	¥ 55,357	¥ 9,638	¥ 64,995
Depreciation and amortization	520	88	65	572	1,245	–	1,245
Capital expenditures	470	163	42	19	694	–	694

	Year ended March 31, 2009						
	Fine mechatronics	Electronic & vacuum systems	Vending machines & systems	Real estate leasing	Total	Eliminations or unallocated amounts	Consolidated
	(Thousands of U.S. dollars)						
I. Sales and operating (loss) income							
Sales to external customers	$341,538	$109,823	$ 29,071	$ 18,534	$498,966	$ –	$498,966
Intersegment sales or transfers	433	1,116	–	–	1,549	(1,549)	–
Total sales	341,971	110,939	29,071	18,534	500,515	(1,549)	498,966
Operating expenses	360,240	105,282	31,910	12,911	510,343	3,509	513,852
Operating (loss) income	$ (18,269)	$ 5,657	$ (2,839)	$ 5,623	$ (9,828)	$ (5,058)	$ (14,886)
II. Total assets, depreciation and capital expenditures							
Total assets	$330,927	$ 95,323	$ 26,297	$ 84,583	$537,130	$ 29,388	$566,518
Depreciation and amortization	12,116	2,608	853	5,851	21,428	–	21,428
Impairment loss	3,311	–	–	–	3,311	–	3,311
Capital expenditures	7,588	4,437	404	2,708	15,137	–	15,137

Notes:

a) Basis of segmentation

Business segments are divided into product categories by the same criteria as applied for internal control purposes.

b) Major products in each business segment

(1) Fine mechatronics

FPD manufacturing equipment (wet cleaning equipment, stripping equipment, etching equipment, developing equipment, PI inkjet coater, cell assembly equipment, outer lead bonders), semiconductor manufacturing equipment (wet cleaning equipment, etching equipment, ashing equipment, die bonders, inner lead bonders, flip chip bonders, wafer inspection equipment), railroad maintenance equipment, non-destructive inspections, and other items.

(2) Electronic & vacuum systems

Laser equipment, microwave equipment, media device manufacturing equipment (sputtering equipment, vacuum bonding equipment), industrial vacuum evaporation equipment, rechargeable battery manufacturing equipment, precision parts manufacturing equipment, other automation equipment, vacuum pumps, and other items.

(3) Vending machines & systems

Vending machines, ticket vending machines, and others.

(4) Real estate leasing

Real estate leasing and management, and other businesses.

c) Included in eliminations or unallocated amounts of operating expenses are unallocable amounts relating to research and development expenses incurred over the entire Group as part of the Company's research and development activities.

d) Included in the eliminations or unallocated amounts of total assets were unallocable amounts totaling ¥2,887 million ($29,388 thousand) and ¥9,638 million for the years ended March 31, 2009 and 2008, respectively, which primarily consisted of surplus funds (cash and bank deposits), investment funds (investment securities) of the Company and deferred tax assets.

e) From the fiscal year under review the Company and its subsidiaries have adopted the "Accounting Standard for Measurement of Inventories" (ASBJ Statement No. 9 of July 5, 2006).

As a result, operating income decreased ¥206 million ($2,102 thousand) in Fine mechatronics, ¥13 million ($133 thousand) in Electronic & vacuum systems, ¥17 million ($177 thousand) in Vending machines & systems.

Geographical segments

	Year ended March 31, 2009				
	Japan	Northeastern Asia	Total	Eliminations or unallocated amounts	Consolidated
	(Millions of yen)				
I. Sales and operating (loss) income					
Sales to external customers	¥46,180	¥ 2,833	¥49,013	¥ –	¥49,013
Intersegment sales or transfers	594	1,022	1,616	(1,616)	–
Total sales	46,774	3,855	50,629	(1,616)	49,013
Operating expenses	47,671	3,923	51,594	(1,119)	50,475
Operating (loss) income	¥ (897)	¥ (68)	¥ (965)	¥ (497)	¥ (1,462)
II. Total assets					
Total assets	¥51,456	¥ 1,306	¥52,762	¥ 2,887	¥55,649

	Year ended March 31, 2009				
	Japan	Northeastern Asia	Total	Eliminations or unallocated amounts	Consolidated
	(Thousands of U.S. dollars)				
I. Sales and operating (loss) income					
Sales to external customers	$470,127	$ 28,839	$498,966	$ –	$498,966
Intersegment sales or transfers	6,046	10,406	16,452	(16,452)	–
Total sales	476,173	39,245	515,418	(16,452)	498,966
Operating expenses	485,308	39,938	525,246	(11,394)	513,852
Operating (loss) income	$ (9,135)	$ (693)	$ (9,828)	$ (5,058)	$ (14,886)
II. Total assets					
Total assets	$523,833	$ 13,297	$537,130	$ 29,388	$566,518

Notes:

a) Countries and regions are classified in each geographical segment by geographical proximity.

b) The main countries and regions in each segment.
Northeastern Asia – Taiwan, Korea, China

c) Included in eliminations or unallocated amounts of operating expenses are unallocable amounts relating to research and development expenses incurred over the entire Group as part of the Company's research and development activities.

d) Included in the eliminations or unallocated amounts of total assets were unallocable amounts totaling ¥2,887 million ($29,388 thousand) for the years ended March 31, 2009, respectively, which primarily consisted of surplus funds (cash and bank deposits), investment funds (investment securities) of the Company and deferred tax assets.

e) From the fiscal year under review the Company and its subsidiaries have adopted the "Accounting Standard for Measurement of Inventories" (ASBJ Statement No. 9 of July 5, 2006).

As a result, operating income decreased ¥223 million ($2,271 thousand) in Japan, ¥13 million ($140 thousand) in Northeastern Asia.

No information by geographical segment for the years ended March 31, 2008 has been presented, due to the fact that the net sales and total assets of the operations in Japan constituted more than 90 % of the respective totals for all segments.

Overseas sales

	Year ended March 31, 2009		
	Northeastern Asia	Other	Total
	(Millions of yen)		
I. Overseas sales	¥ 15,057	¥ 5,605	¥ 20,662
II. Consolidated net sales			49,013
III. % of consolidated net sales	30.7%	11.4%	42.2%

	Year ended March 31, 2008		
	Northeastern Asia	Other	Total
	(Millions of yen)		
I. Overseas sales	¥ 16,136	¥ 6,625	¥ 22,761
II. Consolidated net sales			66,441
III. % of consolidated net sales	24.3%	10.0%	34.3%

	Year ended March 31, 2009		
	Northeastern Asia	Other	Total
	(Thousands of U.S. dollars)		
I. Overseas sales	$ 153,288	$ 57,060	$ 210,348
II. Consolidated net sales			498,966
III. % of consolidated net sales	30.7%	11.4%	42.2%

Notes:

a) Overseas sales are sales recorded by the Company and its consolidated subsidiaries in countries or regions other than Japan.

b) The division of overseas sales into countries or regions is determined as follows:
(1) Overseas sales by country or region:
Geographical areas are defined based on geographical proximity.
(2) Major countries or regions included in each geographical area:
Northeastern Asia – Taiwan, Korea, China
Other – U.S.A., Australia

14. Content of no fund transaction

At March 31, 2009, Lease assets of 2,113 million ($21,517 thousand), lease obligations of 2,123 million ($21,616 thousand), summed up by finance lease dealings.

15. Selling, general and administrative expenses

At March 31, 2009 and 2008, selling, general and administrative expenses at cost are summarized as follows:

	March 31, **2009**	March 31, 2008	March 31, **2009**
	(Millions of yen)		(Thousands of U.S. dollars)
Packing and delivery expenses	¥ 148	¥ 289	$ 1,502
Sales commission	104	180	1,054
Advertising expenses	37	53	373
Employees' salaries and allowances	4,929	4,956	50,180
Provision of allowance for doubtful accounts	240	19	2,439
Provision for directors' bonuses	–	23	–
Provision for retirement benefits	379	269	3,854
Provision for directors' retirement benefits	52	47	528
Depreciation	793	173	8,075
Rent expenses	415	982	4,223
Development and research expenses	2,929	3,152	29,814

16. Impairment losses

The major assets with respect to which impairment losses were recorded for the fiscal year ended March 31, 2009 are as follows.

Location	Use	Classification
Shibaura Mechatronics Korea CO., LTD.	Fine mechatronics	Land, Buildings and structures, Vessel and software

The Companies mainly groups their assets by each operating division for the assets held and used at the Company, by each subsidiary for the assets held and used at subsidiaries and by each asset for idled assets with no plan to use.

Shibaura Mechatronics Korea CO., LTD revalued carrying value of these assets to their recoverable value due to reduction of manufacturing activities to more focus on distribution sales, services and procurement activities. As such, the Companies recorded an impairment loss of ¥325 million ($3,311 thousand), consisting of: "Land" —¥4 million ($38 thousand); "Buildings and structures"—¥268 million ($2,726 thousand); "Vessel"—¥4 million ($43 thousand); and "software"—¥49 million ($504 thousand).

The recoverable value of these assets was measured at their net realizable value using the appraisal for real estate fair value.

17. Related Party Transactions

Toshiba Corporation held 39.1 % of the Company's voting rights as of March 31, 2008.

The Company sold semiconductor manufacturing equipment to Toshiba Corporation and received rent revenue from Toshiba Corporation. The aggregate amounts of these transactions were ¥2,518 million for the years ended March 31, 2008, respectively.

The Company purchased material from Toshiba Corporation totaling ¥56 million for the years ended March 31, 2008, respectively.

Amounts due from and to Toshiba Corporation at March 31, 2008 was as follows:

	March 31, **2009**	March 31, 2008	March 31, **2009**
	(Millions of yen)		(Thousands of U.S. dollars)
Due from Toshiba Corporation	¥ –	¥ 239	$ –
Due to Toshiba Corporation	–	3,195	–

Notes:

The description in 2009 is omitted because amounts due from and to Toshiba Corporation is not important for the year ended March 31, 2009.

18. Per Share Information

Basic net income per share is computed based on the net income available for distribution to shareholders of common stock and the weighted-average number of shares of common stock outstanding during each year. Diluted net income per share is computed based on the net income available for distribution to the shareholders and the weighted-average number of shares of common stock outstanding during each year, assuming full dilution of common stock equivalents. Net assets per share is computed based on the weighted-average number of shares of common stock outstanding at each balance sheet date.

	Year ended March 31, **2009**	Year ended March 31, 2008	Year ended March 31, **2009**
	(Yen)		(U.S. dollars)
Net income (loss):			
– Basic	¥ (111.80)	¥ 8.62	$ (1.14)
– Diluted	–	8.06	–
Net assets	379.84	501.50	3.87

Notes:

The information regarding diluted net income per share in 2009 is omitted because of net loss for the year ended March 31, 2009.

Non-Consolidated Balance Sheets

Assets	March 31, **2009**	March 31, 2008	March 31, **2009**
	(Millions of yen)		(Thousands of U.S. dollars)
Current assets:			
Cash and bank deposits	¥ 1,779	¥ 5,654	$ 18,107
Notes and accounts receivable, trade:			
Notes	1,194	80	12,153
Accounts	14,799	16,066	150,661
Allowance for doubtful accounts	(69)	(21)	(700)
Inventories	11,696	9,421	119,071
Deferred tax assets	455	1,788	4,627
Other current assets	715	936	7,278
Total current assets	30,569	33,924	311,197
Property, plant and equipment:			
Land	68	68	700
Buildings and structures	27,549	27,547	280,452
Machinery and equipment	591	608	6,013
Lease assets	2,013	–	20,491
Construction in progress	61	231	624
Total	30,282	28,454	308,280
Accumulated depreciation	(15,956)	(14,649)	(162,438)
Property, plant and equipment, net	14,326	13,805	145,842
Investments and other assets:			
Investments in securities	118	218	1,201
Investments in subsidiaries and affiliates	884	1,474	8,999
Deferred tax assets	215	2,098	2,186
Intangible assets	428	253	4,363
Other assets	975	703	9,926
Allowance for doubtful accounts	(256)	(5)	(2,609)
Total investments and other assets	2,364	4,741	24,066
Total assets	¥ 47,259	¥ 52,470	$ 481,105

Liabilities and net assets	March 31, **2009**	March 31, 2008	March 31, **2009**
	(Millions of yen)		(Thousands of U.S. dollars)
Current liabilities:			
Current portion of long-term debt	¥ 7,100	¥ 6,415	$ 72,281
Notes and accounts payable:			
Notes	1,917	1,584	19,511
Accounts	5,846	8,211	59,517
Advances received	1,011	453	10,297
Lease obligations	639	–	6,502
Allowance for bonuses to directors and statutory auditors	–	22	–
Provision for contract losses	39	214	395
Accrued expenses	1,870	2,879	19,038
Accrued income taxes	40	55	407
Other current liabilities	146	129	1,490
Total current liabilities	18,608	19,962	189,438
Long-term liabilities:			
Long-term debt	3,204	3,804	32,619
Lease obligations	999	–	10,174
Allowance for retirement benefits	4,343	4,072	44,211
Directors' retirement benefits	93	150	944
Reserve for repair and maintenance	337	302	3,427
Other long-term liabilities	3,023	3,023	30,772
Total long-term liabilities	11,999	11,351	122,147
Total liabilities	30,607	31,313	311,585
Net assets:			
Shareholders' equity:			
Common stock:			
Authorized :100,000,000 shares			
Issued :51,926,194 shares at March 31, 2009 and 2008	6,762	6,762	68,833
Additional paid-in capital	10,739	10,739	109,322
Retained earnings	851	5,307	8,663
Less treasury stock, at cost	(1,720)	(1,718)	(17,503)
Total shareholders' equity	16,632	21,090	169,315
Valuation and translation adjustments:			
Net unrealized holding gain on other securities	20	67	205
Total net assets	16,652	21,157	169,520
Total liabilities and net assets	¥ 47,259	¥ 52,470	$ 481,105

Non-Consolidated Statements of Income

	Year ended March 31, **2009**	Year ended March 31, 2008	Year ended March 31, **2009**
	(Millions of yen)		(Thousands of U.S. dollars)
Net sales	¥ 37,007	¥ 47,077	$ 376,738
Cost of sales	30,398	39,082	309,461
Gross profit	6,609	7,995	67,277
Selling, general and administrative expenses	8,197	8,475	83,449
Operating loss	(1,588)	(480)	(16,172)
Other income (expenses):			
Interest and dividend income	1,839	1,395	18,720
Interest expense	(133)	(120)	(1,351)
Loss on valuation of investment securities	(38)	–	(382)
Loss on valuation of subsidiaries' stock	(1,180)	–	(12,010)
Provision of allowance for doubtful accounts for subsidiaries and affiliates	(106)	–	(1,083)
Other, net	429	(90)	4,363
(Loss) income before income taxes	(777)	705	(7,915)
Income taxes:			
Current	51	176	517
Prior years	–	59	–
Deferred	3,232	(69)	32,909
	3,283	166	33,426
Net (loss) income	¥ (4,060)	¥ 539	$ (41,341)

	(Yen)		(U.S. dollars)
Per share of common stock:			
Net (loss) income	¥ (82.17)	¥ 10.90	$ (0.84)
Cash dividends applicable to the year	4.00	8.00	0.04

SHIBAURA MECHATRONICS CORPORATION

5-1, Kasama 2-chome, Sakae-ku, Yokohama,
Kanagawa Pref. 247-8610, Japan

TEL：+81-45-897-2421
FAX：+81-45-897-2470

http://www.shibaura.co.jp/

SEA0310A 00 0910
09021