

Consolidated Balance Sheets

Oki Electric Industry Co., Ltd. and consolidated subsidiaries
As of March 31, 2006 and 2005

ASSETS	Millions of yen		Thousands of U.S. dollars (Note 2)
	2006	2005	2006
Current assets:			
Cash and cash equivalents	¥ 38,419	¥ 49,411	\$ 328,367
Time deposits	—	30	—
Marketable securities (Note 3)	500	—	4,273
Notes and accounts receivable:			
Unconsolidated subsidiaries and affiliates	11,787	12,831	100,743
Other	153,699	149,240	1,313,666
Less: Allowance for doubtful receivables	(1,842)	(1,798)	(15,743)
Inventories (Note 4)	166,899	149,298	1,426,487
Other current assets (Note 8)	9,875	16,029	84,401
Total current assets	379,339	375,043	3,242,213
Investments and long-term receivables:			
Investments in and advances to unconsolidated subsidiaries and affiliates (Note 5)	15,643	14,494	133,700
Other investments in securities (Note 3)	57,900	48,180	494,871
Other long-term receivables	3,089	4,271	26,401
Less: Allowance for doubtful receivables	(5,581)	(5,453)	(47,700)
Total investments and long-term receivables	71,052	61,492	607,282
Property, plant and equipment (Notes 6 and 10):			
Land	15,940	18,247	136,239
Buildings	124,515	122,528	1,064,230
Machinery and equipment	482,365	473,125	4,122,777
Construction in progress	431	985	3,683
	623,253	614,887	5,326,948
Less: Accumulated depreciation	(498,030)	(488,416)	(4,256,666)
Property, plant and equipment, net	125,223	126,470	1,070,282
Other assets (Note 8)	43,244	45,008	369,606
Total assets	¥ 618,859	¥ 608,015	\$ 5,289,393

LIABILITIES AND SHAREHOLDERS' EQUITY	Millions of yen		Thousands of U.S. dollars (Note 2)
	2006	2005	2006
Current liabilities:			
Short-term borrowings (Note 6)	¥ 79,412	¥ 80,092	\$ 678,735
Current portion of long-term debt (Note 6)	56,665	65,202	484,316
Notes and accounts payable:			
Unconsolidated subsidiaries and affiliates	6,370	7,536	54,444
Other	98,130	103,806	838,717
Accrued income taxes	1,182	2,327	10,102
Other accrued expenses	44,350	43,727	379,059
Other current liabilities (Note 8)	9,752	11,136	83,350
Total current liabilities	295,865	313,828	2,528,760
Long-term liabilities:			
Long-term debt (Note 6)	132,229	119,860	1,130,162
Retirement benefits (Note 7)	42,897	37,876	366,641
Other long-term liabilities	7,644	5,631	65,333
Total long-term liabilities	182,770	163,369	1,562,136
Minority interests in consolidated subsidiaries	6,335	5,989	54,145
Shareholders' equity:			
Common stock:			
Authorized—2,400,000,000 shares			
Issued—612,371,797 shares	67,882	67,877	580,188
Additional paid-in capital	37,801	37,797	323,085
Retained earnings	16,580	14,854	141,709
Net unrealized holding gain on other securities	19,113	12,441	163,358
Translation adjustments	(7,210)	(7,925)	(61,623)
Less: Treasury stock, at cost: 915,526 shares in 2006 and 753,771 shares in 2005	(280)	(217)	(2,393)
Total shareholders' equity	133,887	124,827	1,144,333
Contingent liabilities (Note 16)			
Total liabilities and shareholders' equity	¥ 618,859	¥ 608,015	\$ 5,289,393

The accompanying notes are an integral part of these statements.