

Consolidated Financial Statements

UNIDEN CORPORATION

Years ended March 31, 2010 and 2009

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UNIDEN CORPORATION

Consolidated Balance Sheets

	March 31,		
	2010	2009	2010
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Assets			
Current assets:			
Cash and cash equivalents	¥ 34,056	¥ 32,239	\$ 366,036
Trade receivables:			
Notes and accounts	5,553	7,077	59,684
Unconsolidated subsidiary	-	16	-
	5,553	7,093	59,684
Less allowance for doubtful accounts	(202)	(271)	(2,171)
	5,351	6,822	57,513
Inventories	8,218	9,582	88,328
Deferred taxes	1,143	645	12,285
Other	1,551	1,675	16,670
Total current assets	50,319	50,963	540,832
Investments and advances:			
Investment securities	110	189	1,182
Investments in unconsolidated subsidiaries	394	405	4,235
Other investments	847	5,146	9,104
Less allowance for doubtful accounts	(190)	(174)	(2,042)
Total investments and advances	1,161	5,566	12,479
Property, plant and equipment, at cost:			
Land	9,232	9,235	99,226
Buildings and structures	9,329	11,296	100,269
Machinery, equipment and tools	10,692	15,283	114,918
Vehicles	164	185	1,763
Construction in progress	13	300	140
Less accumulated depreciation	(12,281)	(18,027)	(131,997)
Property, plant and equipment, net	17,149	18,272	184,319
Other assets	588	516	6,319
Total assets	¥ 69,217	¥ 75,317	\$ 743,949

	March 31,		
	2010	2009	2010
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Liabilities and net assets			
Current liabilities:			
Short-term bank loans	¥ 25,440	¥ 25,440	\$ 273,431
Trade notes and accounts payable	5,378	5,435	57,803
Accrued expenses	3,887	3,461	41,778
Accrued income taxes	1,321	1,753	14,198
Other	1,339	1,141	14,392
Total current liabilities	<u>37,365</u>	<u>37,230</u>	<u>401,602</u>
Long-term liabilities:			
Accrued retirement benefits	270	159	2,902
Other	66	2	709
Total long-term liabilities	<u>336</u>	<u>161</u>	<u>3,611</u>
Total liabilities	<u>37,701</u>	<u>37,391</u>	<u>405,213</u>
Net assets:			
Common stock,			
Authorized : 169,000,000 shares			
Issued : 63,139,649 shares	35,999	35,999	386,920
Additional paid-in capital	12,233	12,233	131,481
Retained earnings	1,911	9,420	20,539
Less treasury stock, at cost	(7,314)	(7,312)	(78,611)
Total shareholders' equity	<u>42,829</u>	<u>50,340</u>	<u>460,329</u>
Net unrealized holding gain on securities	33	29	355
Foreign currency translation adjustments	(11,346)	(12,443)	(121,948)
Total valuation and translation adjustments	<u>(11,313)</u>	<u>(12,414)</u>	<u>(121,593)</u>
Total net assets	<u>31,516</u>	<u>37,926</u>	<u>338,736</u>
Total liabilities and net assets	<u>¥ 69,217</u>	<u>¥ 75,317</u>	<u>\$ 743,949</u>

UNIDEN CORPORATION

Consolidated Statements of Operations

	Year ended March 31,		
	2010	2009	2010
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Net sales	¥ 35,510	¥ 49,635	\$ 381,664
Cost of sales	31,791	41,869	341,692
Gross profit	3,719	7,766	39,972
Selling, general and administrative expenses	8,696	12,768	93,465
Operating loss	(4,977)	(5,002)	(53,493)
Other income (expenses):			
Interest and dividend income	590	1,245	6,341
Interest expense	(178)	(222)	(1,913)
Exchange (loss) gain	(2,805)	1,407	(30,148)
Gain on sale of investment securities	108	-	1,161
Valuation loss on investment securities	-	(18)	-
Loss on disposal and valuation of inventories	(107)	(1,452)	(1,150)
Impairment loss	(229)	(2,237)	(2,461)
Other	(641)	(3,615)	(6,890)
	(3,262)	(4,892)	(35,060)
Loss before income taxes	(8,239)	(9,894)	(88,553)
Income taxes :			
Current	36	138	387
Refund	(358)	-	(3,848)
Deferred	(408)	755	(4,385)
	(730)	893	(7,846)
Net loss	¥ (7,509)	¥ (10,787)	\$ (80,707)
	<i>(Yen)</i>		<i>(U.S. dollars)</i>
Net loss per share:			
Primary	¥ (127.47)	¥ (185.46)	\$ (1.37)
Fully diluted	-	-	-

UNIDEN CORPORATION

Consolidated Statements of Cash Flows

Year ended March 31,

	2010	2009	2010
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Operating activities:			
Loss before income taxes	¥ (8,239)	¥ (9,894)	\$ (88,553)
Adjustments to reconcile loss before income taxes to net cash used in operating activities:			
Depreciation and amortization	1,392	2,537	14,961
Impairment loss	229	2,237	2,461
Decrease in allowance for doubtful accounts	(48)	(77)	(516)
Interest and dividend income	(590)	(1,246)	(6,341)
Interest expense	178	222	1,913
Foreign exchange loss (gain)	2,961	(228)	31,825
Loss on sale and disposal of property, plant and equipment	187	372	2,010
Gain on sale of investment securities	(108)	-	(1,161)
Valuation loss on investment securities	-	18	-
Gain on transfer of business	(208)	-	(2,236)
Changes in operating assets and liabilities:			
Trade receivables	1,647	864	17,702
Inventories	1,065	(320)	11,447
Trade payables	241	(507)	2,590
Other, net	575	(890)	6,181
Subtotal	<u>(718)</u>	<u>(6,912)</u>	<u>(7,717)</u>
Interest and dividends received	742	1,373	7,975
Interest paid	(177)	(221)	(1,902)
Income taxes refund (paid)	2	(72)	21
Net cash used in operating activities	<u>(151)</u>	<u>(5,832)</u>	<u>(1,623)</u>
Investing activities:			
Purchases of property, plant and equipment	(1,021)	(2,192)	(10,974)
Proceeds from sale of property, plant and equipment	60	155	645
Proceeds from sale of investment securities	209	-	2,246
Proceeds from transfer of business	289	-	3,106
Net decrease in long-term investments	13,539	14,118	145,518
Other, net	(82)	(3)	(881)
Net cash provided by investing activities	<u>12,994</u>	<u>12,078</u>	<u>139,660</u>
Financing activities:			
Increase in short-term loans	-	6,440	-
Purchases of treasury stock	(2)	(32)	(22)
Proceeds from sale of treasury stock	-	175	-
Cash dividends paid	(4)	(880)	(43)
Increase in pledged bank deposits, net	(19,512)	-	(209,716)
Net cash (used in) provided by financing activities	<u>(19,518)</u>	<u>5,703</u>	<u>(209,781)</u>
Effect of exchange rate changes on cash and cash equivalents	(416)	(928)	(4,471)
Net (decrease) increase in cash and cash equivalents	(7,091)	11,021	(76,215)
Cash and cash equivalents at beginning of year	17,553	6,532	188,661
Cash and cash equivalents at end of year	<u>¥ 10,462</u>	<u>¥ 17,553</u>	<u>\$ 112,446</u>