

Consolidated Financial Statements

April 24,2008

For the Fiscal Year Ended March 31,2008

AICHI MACHINE INDUSTRY CO.,LTD.

Code No. : 7263
 URL : http://www.aichikikai.co.jp/
 Stock Exchange Listed : Tokyo and Nagoya Stock Exchange-First Section
 Corporate Headquarters : 2-12, Kawanami-cho, Atsuta-ku, Nagoya, 456-8601, Japan
 Corporate Representative : Yoshikazu Ishizaki, President and CEO
 Investor Relations : Toshihiro Sato, General Manager, Accounting & Finance Department
 Annual meeting of shareholders to be held on : June 27,2008
 Dividend to be paid on or after : June 30,2008
 Annual Securities Report to be submitted on : June 27,2008

1.Consolidated Financial Results for the Fiscal Years Ended March 31,2008 and 2007

(1)Consolidated Results of Operations (millions of yen, except per share amount)

	Sales		Operating Income		Ordinary Income		Net Income	
Year ended Mar.31,2008	113,011	6.1%	5,497	18.5%	5,527	18.7%	1,039	69.2%
Year ended Mar.31,2007	106,477	(13.4)%	4,640	(16.1)%	4,658	(15.7)%	614	(64.3)%

	Net Income per Share	Diluted Net Income Per Share	Ratio of Net Income to Net Assets	Ordinary Income/ Total Assets	Operating Income/ Sales
Year ended Mar.31,2008	11.48yen	—	2.0%	5.9%	4.9%
Year ended Mar.31,2007	6.79yen	—	1.2%	5.0%	4.4%

Notes: 1.Equity in earnings(losses) of affiliates: For the fiscal year ended Mar.31,2008: - million yen
 For the fiscal year ended Mar.31,2007: - million yen

2.Percentage above represent annual changes over the preceding year unless otherwise stated.

(2)Consolidated Financial Positions (millions of yen, except per share amount)

	Total Assets	Net Assets	Ratio of Net Assets to Total Assets	Net Assets per Share
Year ended Mar.31,2008	97,166	53,254	54.8%	588.12yen
Year ended Mar.31,2007	91,596	52,399	57.2%	578.59yen

Notes: Shareholders' Equity For the fiscal year ended Mar.31,2008: 53,254 million yen
 For the fiscal year ended Mar.31,2007: 52,399 million yen

(3)Consolidated Cash Flows (millions of yen)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at Fiscal Year End
Year ended Mar.31,2008	13,916	(4,604)	(3,480)	6,657
Year ended Mar.31,2007	6,829	(7,797)	(108)	825

2.Dividend Payout Status (millions of yen, except per share amount)

	Dividend Per Share			Total Dividend Paid (Full Year)	Dividend Payout Ratio (consolidated)	Ratio of Dividends to Net Assets (consolidated)
	Interim	Year-End	Full Year			
Year ended Mar.31,2007	—yen	2.00yen	2.00yen	181	29.5%	0.3%
Year ended Mar.31,2008	—yen	2.00yen	2.00yen	181	17.4%	0.3%
Year ended Mar.31,2009(Forecast)	—yen	3.00yen	3.00yen		8.8%	

3.Consolidated Financial Forecasts for the Fiscal Year ending March 31,2009 (millions of yen, except per share amount)

	Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
Six months ending Sep.30,2008	55,000	10.4%	2,300	37.9%	2,300	35.1%	1,300	494.5%	14.36yen
Year ending Mar.31,2009	118,000	4.4%	5,700	3.7%	5,700	3.1%	3,100	198.2%	34.24yen

Notes: Percentage above represent annual changes over the preceding year unless otherwise stated.

4.Others

(1)Important Changes in scope of consolidation: No

(2)Major revision to accounting policy No

①Any revision due to accounting policy amendment: No

②Other revisions: No

(3)Number of Shares Outstanding(Ordinary Shares)

①Number of Shares Outstanding at Term-End(incl. treasury stock)

Year ended Mar.31,2008: 90,655,636 shares

Year ended Mar.31,2007: 90,655,636 shares

②Number of Treasury Stock at Term-End

Year ended Mar.31,2008: 105,974 shares

Year ended Mar.31,2007: 91,318 shares

※Management of the Company has made estimates and assumptions relating to financial forecasts based on information available as of the reporting date. Actual results could differ from those estimates.

Amounts are disregarded to omit fraction less than 1 million yen, through this report.