

Report of Independent Auditors

The Board of Directors
IWASAKI ELECTRIC CO., Ltd.

We have audited the accompanying consolidated balance sheets of IWASAKI ELECTRIC CO., Ltd. 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 IWASAKI ELECTRIC CO., Ltd. 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.

(Supplemental Information)

1. As described in Note 1(g), effective the year ended March 31, 2009, the Company adopted "Accounting Standard for Measurement of Inventories."
2. Information regarding litigation is described in Note 18.

June 26, 2009

Ernst & Young Shin Nihon L L C