

**Exhibit 13–4****Sample Financial Statement Disclosure for Inventory**

Inventories, including work in progress, are valued at the lower of cost or net realizable value less costs to sell after provisions for obsolete inventories. The net realizable value less costs to sell is the estimated selling price in the ordinary course of business, less the estimated cost of completion and estimated costs necessary to make the sale. Inventories are measured using the FIFO method. Finished goods and work in progress include variable costs and fixed costs that can be allocated to goods based on normal capacity.

Obsolete inventories have been fully recognized as impairment losses.