

## CONSOLIDATED BALANCE SHEETS

As of March 31, 2002 and 2001	Millions of Yen		Thousands of U.S.Dollars
	2002	2001	2002
<b>Assets</b>			
Current assets:			
Cash and time deposits	¥46,663	¥60,699	\$350,192
Notes and accounts receivable	36,713	35,531	275,527
Marketable securities, at cost	8,632	8,588	64,784
Inventories	9,992	9,813	74,993
Deferred tax assets	1,488	1,432	11,170
Other current assets	2,029	1,361	15,227
Allowance for doubtful accounts	(3)	(8)	(24)
<b>Total current assets</b>	<b>105,516</b>	<b>117,418</b>	<b>791,872</b>
Property, plant and equipment:			
Buildings and structures	23,275	24,420	174,674
Machinery, equipment and vehicles	12,006	13,885	90,101
Land	17,394	17,223	130,537
Construction in progress	1,278	103	9,595
Other tangible fixed assets	1,319	1,523	9,905
<b>Total property, plant and equipment</b>	<b>55,274</b>	<b>57,156</b>	<b>414,815</b>
Intangible assets:			
Softwares	345	361	2,591
Other intangible assets	266	276	2,002
<b>Total intangible assets</b>	<b>612</b>	<b>638</b>	<b>4,594</b>
Investments and other assets:			
Investment securities	70,428	57,481	528,542
Long-term receivables	24	26	184
Deferred tax assets	2,757	1,301	20,697
Other investments	3,160	3,057	23,720
Allowance for doubtful accounts	(297)	(239)	(2,232)
<b>Total investments and other assets</b>	<b>76,073</b>	<b>61,627</b>	<b>570,911</b>
<b>Total</b>	<b>¥237,477</b>	<b>¥236,841</b>	<b>\$1,782,192</b>

	Millions of Yen		Thousands of U.S.Dollars
	2002	2001	2002
<b>Liabilities and Shareholders' equity</b>			
<b>Current liabilities:</b>			
Notes and accounts payable	¥20,830	¥19,798	\$156,328
Accrued expenses	12,271	10,491	92,094
Accrued income taxes	911	2,585	6,838
Convertible bonds redeemable within a year	14,894	–	111,774
Other current liabilities	3,272	3,571	24,559
<b>Total current liabilities</b>	<b>52,180</b>	<b>36,446</b>	<b>391,596</b>
<b>Long-term liabilities:</b>			
Convertible bonds	–	14,894	–
Deferred tax liabilities	2	10	20
Allowance for directors' retirement benefits	1,066	962	8,002
Termination and retirement benefits	10,678	10,717	80,137
Negative goodwill	505	748	3,797
Other long-term liabilities	370	303	2,778
<b>Total long-term liabilities</b>	<b>12,623</b>	<b>27,637</b>	<b>94,735</b>
<b>Total liabilities</b>	<b>64,803</b>	<b>64,083</b>	<b>486,331</b>
<b>Minority interests</b>	<b>363</b>	<b>334</b>	<b>2,731</b>
<b>Shareholders' equity</b>			
Common stock, ¥50 par value—authorized 393,000,000 shares ; issued 112,378,734 shares in 2002 and 2001	9,948	9,948	74,659
Capital surplus	23,868	23,868	179,124
Consolidated retained earnings	134,470	133,191	1,009,161
Unrealized gains on available-for-sale securities	4,177	5,791	31,347
Foreign currency translation adjustments	(135)	(373)	(1,016)
Treasury stock	(19)	(2)	(146)
<b>Total shareholders' equity</b>	<b>172,309</b>	<b>172,423</b>	<b>1,293,129</b>
<b>Total</b>	<b>¥237,477</b>	<b>¥236,841</b>	<b>\$1,782,192</b>

CONSOLIDATED STATEMENTS OF INCOME

For the years ended March 31,2002 and 2001	Millions of Yen		Thousands of U.S.Dollars
	2002	2001	2002
Net sales	¥189,184	¥200,914	\$1,419,770
Costs and expenses:			
Cost and sales	101,595	105,509	762,439
Selling, general and administrative expenses	80,825	83,483	606,573
Operating income	6,763	11,921	50,757
Non-operating income:			
Interest and dividends received	1,325	1,964	9,950
Amortization of negative goodwill	242	236	1,820
Others	389	521	2,926
Non-operating expenses:			
Interest paid	278	273	2,089
Others	252	254	1,898
Ordinary income	8,190	14,116	61,467
Extraordinary income:			
Gain on sales of fixed assets	82	1	622
Reversal of allowance for doubtful accounts	–	135	
Gain on sales of investment securities	1	1,218	14
Recognition benefit arising out of change in pension plan	–	1,249	
Others	8	2	66
Extraordinary losses:			
Loss on disposals of fixed assets	254	215	1,908
Loss on revaluation of investment securities	584	89	4,383
Revaluation of golf club memberships	171	342	1,286
Expenses related to a voluntary recall of the products	863	45	6,477
Effect of adaption of new pension accounting	–	12,164	–
Others	182	6	1,367
Net income before income taxes and minority interest:	6,229	3,861	46,747
Income taxes:			
Current	3,038	5,733	22,805
Deferred	(340)	(4,076)	(2,558)
Total income taxes	2,697	1,656	20,247
Minority interests	32	35	241
Net income	¥3,498	¥2,168	\$26,258

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the years ended March 31, 2002	Millions of Yen 2002	Thousands of U.S. Dollars 2002
Cash flows from operating activities:		
Net income before income taxes and minority interests	¥6,229	\$46,747
Adjustments for:		
Depreciation and amortization	5,201	39,033
Amortization of negative goodwill	(242)	(1,820)
Return on invested capital by equity method	(2)	(19)
Loss arising out of revaluation of investment securities & golf club memberships	682	5,123
Increase in allowance for doubtful accounts	51	386
Increase in allowance for directors' retirement benefits	103	779
Decrease in provision for retirement benefits	(39)	(295)
Interest and dividends receivable	(1,325)	(9,950)
Interest payable	278	2,089
Gain from changes in exchange rates	(28)	(214)
Gain on sales of marketable securities	(2)	(17)
Gain on sales of fixed assets	(82)	(622)
Loss on disposals of fixed assets	254	1,908
Increase in trade receivable	(1,135)	(8,523)
Increase in inventories	(163)	(1,225)
Increase in purchase payable	1,265	9,494
Decrease in accrued bonus	(12)	(93)
Increase in other assets	(762)	(5,719)
Increase in other liabilities	1,553	11,655
Amount of bonus paid to directors	(85)	(645)
Subtotal	11,735	88,070
Interest and dividends received	1,353	10,156
Interest paid	(276)	(2,077)
Income taxes paid	(4,713)	(35,370)
Cash flows from operating activities	8,098	60,779
Cash flows from investing activities:		
Acquisition of marketable securities	(500)	(3,759)
Income on sales of marketable securities	9,095	68,257
Acquisition of property, plant and equipment	(3,815)	(28,632)
Proceeds from sales of property, plant and equipment	462	3,471
Acquisition of intangible fixed assets	(95)	(720)
Acquisition of investment securities	(34,808)	(261,227)
Income on sales of investment securities	12,852	96,454
Acquisition of affiliate securities	(3,261)	(24,479)
Cash flows from investing activities	(20,072)	(150,634)
Cash flows from financing activities:		
Acquisition of treasury stock	(41)	(313)
Income on sales of treasury stock	24	182
Dividends paid	(2,136)	(16,033)
Cash flows from financing activities	(2,153)	(16,163)
Effect of exchange rate changes	90	682
Decrease in cash and cash equivalents	(14,036)	(105,336)
Beginning balance of cash and cash equivalents	60,699	455,529
Ending balance of cash and cash equivalents	46,663	350,192

NON-CONSOLIDATED BALANCE SHEETS

As of March 31, 2002 and 2001	Millions of Yen		Thousands of U.S.Dollars
	2002	2001	2002
<b>Assets</b>			
Current assets:			
Cash and time deposits	¥41,555	¥56,034	\$311,858
Notes receivable	850	1,074	6,382
Accounts receivable	33,182	32,154	249,023
Marketable securities at cost	8,497	8,568	63,770
Finished products and goods	6,451	6,088	48,418
Raw materials	1,923	2,044	14,433
Goods in progress	537	673	4,037
Supplies	436	465	3,277
Deferred tax assets	1,378	1,345	10,345
Other current assets	2,261	1,586	16,975
Allowance for doubtful accounts	(0)	(0)	(6)
<b>Total current assets</b>	<b>97,074</b>	<b>110,034</b>	<b>728,517</b>
Property, plant and equipment:			
Buildings	19,728	20,638	148,058
Structures	1,108	1,204	8,319
Machinery and equipment	9,745	11,354	73,139
Vehicles	198	388	1,487
Tools, furnitures, and fixtures	1,154	1,347	8,663
Land	16,435	16,331	123,343
Construction in progress	1,259	95	9,454
<b>Total property, plant and equipment</b>	<b>49,631</b>	<b>51,359</b>	<b>372,466</b>
Intangible assets:			
Telephone subscription right	45	45	342
Softwares	130	155	980
Other intangible assets	14	31	107
<b>Total intangible assets</b>	<b>190</b>	<b>232</b>	<b>1,430</b>
Investments and other assets:			
Investment securities	75,631	62,555	567,587
Memberships	345	118	2,594
Long-term receivables	2,209	2,424	16,584
Lease deposits	1,604	1,638	12,041
Prepaid expenses	25	26	188
Deferred tax assets	2,498	1,060	18,747
Other investments	96	173	725
Allowance for doubtful accounts	(897)	(839)	(6,732)
<b>Total investments</b>	<b>81,513</b>	<b>67,158</b>	<b>611,736</b>
<b>Total</b>	<b>¥228,410</b>	<b>¥228,784</b>	<b>\$1,714,149</b>

	Millions of Yen		Thousands of U.S.Dollars
	2002	2001	2002
<b>Liabilities and Shareholders' equity</b>			
<b>Current liabilities:</b>			
Notes payable	¥2,971	¥3,261	\$22,297
Accounts payable	16,941	15,669	127,141
Other accounts payable	12,058	10,781	90,495
Convertible bonds redeemable within a year	14,894	–	111,774
Accrued income taxes	646	2,426	4,848
Accrued expenses	1,886	1,928	14,160
Deposits received	91	91	685
Other current liabilities	322	479	2,422
<b>Total current liabilities</b>	<b>49,812</b>	<b>34,637</b>	<b>373,826</b>
<b>Long-term liabilities:</b>			
Convertible bonds	–	14,894	–
Termination and retirement benefits	10,246	10,351	76,899
Guarantee deposits received from customers	345	259	2,594
Allowance for directors' retirement benefits	1,066	962	8,002
<b>Total long-term liabilities</b>	<b>11,658</b>	<b>26,467</b>	<b>87,496</b>
<b>Total liabilities</b>	<b>61,471</b>	<b>61,105</b>	<b>461,322</b>
<b>Shareholders' equity</b>			
Common stock, ¥50 par value—authorized 393,000,000 shares ; issued 112,378,734 shares in 2002 and 2001	9,948	9,948	74,659
Capital surplus	23,815	23,815	178,727
Legal reserve	2,487	2,487	18,664
Retained earnings:			
Appropriated	122,400	120,400	918,574
Unappropriated	4,138	5,254	31,056
Amount arising out of revaluation of securities	4,169	5,774	31,291
Treasury stock	(19)	–	(146)
<b>Total shareholders' equity</b>	<b>166,939</b>	<b>167,679</b>	<b>1,252,827</b>
<b>Total</b>	<b>¥228,410</b>	<b>¥228,784</b>	<b>\$1,714,149</b>

NON-CONSOLIDATED STATEMENTS OF INCOME

For the years ended March 31, 2002 and 2001	Millions of Yen		Thousands of U.S.Dollars
	2002	2001	2002
Net sales	¥164,384	¥176,761	\$1,233,658
Costs and expenses:			
Cost of sales	80,625	85,669	605,071
Selling, general and administrative expenses	77,658	80,056	582,800
Operating income	6,101	11,034	45,786
Non-operating income:			
Interest and dividends received	1,410	1,997	10,587
Others	728	819	5,466
Non-operating expenses:			
Interest paid	278	276	2,093
Lease	374	440	2,807
Others	199	184	1,496
Ordinary income	7,387	12,950	55,443
Extraordinary income:			
Gain on sales of fixed assets	82	0	617
Reversal of allowance for doubtful accounts	–	147	–
Gain on sales of investment securities	1	1,218	14
Recognition benefit arising out of change in pension plan	–	1,249	–
Extraordinary losses:			
Loss on disposals of fixed assets	236	201	1,777
Loss arising out of revaluation of investment securities	575	89	4,315
Loss arising out of revaluation golf club memberships	171	322	1,286
Expenses related to a voluntary recall of the products	863	45	6,477
Effect of adaption of new pension accounting	–	11,788	–
Others	167	–	1,259
Net income before income taxes	5,457	3,120	40,959
Income taxes:			
Current	2,677	5,379	20,094
Deferred	(306)	(3,975)	(2,299)
Total income taxes	2,371	1,404	17,794
Net income	3,086	1,716	23,164
Unappropriated retained earnings at beginning of year	1,051	3,537	7,892
Unappropriated retained earnings at end of year	¥4,138	¥5,254	\$31,056