

## Consolidated Balance Sheets

As of March 31, 2002, 2001 and 2000

Assets	Millions of Yen			Thousands of U.S. Dollars
	2002	2001	2000	2002
<b>Current Assets:</b>				
Cash and cash equivalents (Note 3) . . . . .	¥ 79,121	¥ 109,760	¥ 99,876	\$ 593,784
Short-term investments . . . . .	–	–	121,458	–
Receivables:				
Notes and accounts (Note 4) . . . . .	220,696	352,459	347,156	1,656,260
Less: allowance for doubtful receivables . . . . .	(5,292)	(7,696)	(8,098)	(39,714)
Inventories (Note 4) . . . . .	156,305	202,038	206,818	1,173,023
Deferred taxes (Note 6) . . . . .	12,329	16,159	14,916	92,529
Other current assets . . . . .	85,780	138,978	92,419	643,755
<b>Total Current Assets . . . . .</b>	<b>548,941</b>	<b>811,698</b>	<b>874,548</b>	<b>4,119,638</b>
<b>Investments and Advances:</b>				
Investments (Notes 3, 4):				
Unconsolidated subsidiaries and affiliated companies . . . . .	28,304	22,892	36,685	212,414
Others . . . . .	37,893	63,362	7,533	284,378
Long-term loans . . . . .	34,894	20,469	21,566	261,871
Deferred taxes (Note 6) . . . . .	42,873	68,944	58,813	321,750
Other investments and advances . . . . .	88,255	134,372	54,053	662,328
Less: allowance for doubtful accounts . . . .	(15,117)	(10,626)	(11,303)	(113,450)
<b>Total Investments and Advances . . . . .</b>	<b>217,103</b>	<b>299,415</b>	<b>167,348</b>	<b>1,629,292</b>
<b>Property, Plant and Equipment (Note 4)</b>				
Land . . . . .	281,163	322,290	316,400	2,110,042
Buildings and structures . . . . .	247,188	265,951	267,312	1,855,069
Machinery and equipment . . . . .	623,135	913,966	876,125	4,676,441
Construction in progress . . . . .	9,236	14,304	28,278	69,316
Less: accumulated depreciation . . . . .	(609,543)	(745,369)	(715,276)	(4,574,439)
<b>Net Property, Plant and Equipment . . . . .</b>	<b>551,179</b>	<b>771,142</b>	<b>772,841</b>	<b>4,136,430</b>
<b>Other Assets . . . . .</b>	<b>6,920</b>	<b>9,235</b>	<b>9,172</b>	<b>51,935</b>
<b>Translation Adjustments . . . . .</b>	<b>–</b>	<b>–</b>	<b>19,142</b>	<b>–</b>
<b>Total Assets . . . . .</b>	<b>¥1,324,144</b>	<b>¥1,891,492</b>	<b>¥1,843,053</b>	<b>\$ 9,937,296</b>

See accompanying notes to consolidated financial statements.

Liabilities and Shareholders' Equity	Millions of Yen			Thousands of U.S. Dollars
	2002	2001	2000	2002
<b>Current Liabilities:</b>				
Bank loans . . . . .	¥ 472,957	¥ 572,085	¥ 493,745	\$ 3,549,397
Current portion of bonds . . . . .	52,000	31,739	30,000	390,243
Commercial paper . . . . .	–	50,000	15,000	–
Notes and accounts payable . . . . .	237,298	302,544	320,515	1,780,848
Accrued expenses . . . . .	60,656	86,697	77,493	455,210
Accrued income taxes (Note 6) . . . . .	1,217	3,694	1,292	9,138
Deposits received . . . . .	24,654	37,718	28,905	185,021
Deferred tax current liabilities (Note 6) . . . . .	5	44	69	38
Other current liabilities . . . . .	23,351	93,356	45,844	175,250
Total Current Liabilities . . . . .	872,141	1,177,880	1,012,867	6,545,149
<b>Long-Term Debt</b> (Note 4) . . . . .	213,777	414,384	444,543	1,604,337
<b>Accrued Retirement and Severance Benefits</b> (Note 5) . . . . .	98,562	105,385	115,547	739,682
<b>Deferred Tax Liabilities</b> (Note 6) . . . . .	4,557	13,889	6,592	34,201
<b>Deferred Tax Liabilities Related to Land Revaluation</b> (Note 8) . . . . .	56,460	68,116	68,024	423,719
<b>Other Long-Term Liabilities</b> . . . . .	13,880	13,171	17,534	104,175
<b>Minority Interest</b> . . . . .	3,679	4,555	8,605	27,614
<b>Contingent Liabilities</b> (Note 9)				
<b>Shareholders' Equity:</b>				
Common stock (Note 7)				
Authorized: 3,000,000,000 shares				
Issued 2002 and 2001: 1,277,453,911 shares				
2000: 1,263,246,218 shares . . . . .	90,329	90,329	89,619	677,897
Capital surplus (Note 7) . . . . .	101,741	101,741	99,212	763,537
Variance of land revaluation (Note 8) . . . . .	91,287	104,932	102,292	685,080
Accumulated deficit . . . . .	(213,562)	(188,891)	(121,785)	(1,602,718)
Unrealized holding loss on securities . . . . .	(2,213)	–	–	(16,609)
Foreign currency translation adjustments . . . . .	(6,474)	(13,239)	–	(48,605)
Treasury stock				
Less: treasury stock, at cost . . . . .	(22)	(764)	(0)	(166)
Total Shareholders' Equity . . . . .	61,084	94,108	169,338	458,416
<b>Total Liabilities, Minority Interests and Shareholders' Equity</b> . . . . .	¥1,324,144	¥1,891,492	¥1,843,053	\$ 9,937,296

See accompanying notes to consolidated financial statements.

## Consolidated Statements of Operations

For the years ended March 31, 2002, 2001 and 2000

	Millions of Yen			Thousands of U.S. Dollars
	2002	2001	2000	2002
<b>Net Sales</b> .....	<b>¥1,597,701</b>	¥1,569,199	¥1,506,642	<b>\$11,990,254</b>
<b>Cost of Sales</b> .....	<b>1,355,190</b>	1,343,166	1,297,291	<b>10,170,287</b>
Gross Profit .....	<b>242,510</b>	226,032	209,350	<b>1,819,967</b>
<b>Selling, General and Administrative Expenses</b> (Notes 6, 11) .....	<b>227,376</b>	253,349	260,147	<b>1,706,388</b>
Operating Income (Loss) .....	<b>15,134</b>	(27,316)	(50,797)	<b>113,579</b>
<b>Other Income (Expenses):</b>				
Interest and dividend income .....	<b>4,145</b>	5,318	4,902	<b>31,114</b>
Gain on sales of marketable securities .....	-	-	4,371	-
Interest expense .....	<b>(21,848)</b>	(23,522)	(21,924)	<b>(163,964)</b>
Equity in earnings of unconsolidated subsidiaries and affiliates .....	<b>(2,211)</b>	(1,149)	(900)	<b>(16,598)</b>
Others, net .....	<b>2,794</b>	(766)	(3,699)	<b>20,973</b>
Loss before Special Items .....	<b>(1,984)</b>	(47,435)	(68,047)	<b>(14,896)</b>
<b>Special Items:</b>				
Gain on sales or disposal of property, plant and equipment, net .....	<b>5,526</b>	5,306	27,097	<b>41,472</b>
Gain on sales of investments .....	<b>7,878</b>	1,017	1,192	<b>59,129</b>
Loss on revaluation of investments .....	<b>(15,209)</b>	(17,006)	(7,333)	<b>(114,143)</b>
Retirement reserve provision of past years ..	-	-	(93,526)	-
Severance benefits of early retirement plan ..	<b>(14,475)</b>	-	-	<b>(108,636)</b>
Others, net .....	<b>(10,241)</b>	(15,181)	(10,320)	<b>(76,861)</b>
Loss before Income Taxes and Minority Interests .....	<b>(28,506)</b>	(73,300)	(150,937)	<b>(213,935)</b>
<b>Income Taxes</b> (Note 6)				
Current .....	<b>5,616</b>	4,149	1,876	<b>42,152</b>
Deferred .....	<b>9,532</b>	(5,197)	(47,640)	<b>71,541</b>
<b>Minority Interests in Income of Consolidated Subsidiaries</b> .....	<b>664</b>	5,466	987	<b>(4,989)</b>
<b>Net Loss</b> .....	<b>¥ (42,991)</b>	¥ (66,787)	¥ (104,186)	<b>\$ (322,639)</b>
		Yen		U.S. Dollars
<b>Net Loss per Share</b> .....	<b>¥(33.68)</b>	¥(52.76)	¥(82.48)	<b>\$(0.25)</b>

See accompanying notes to consolidated financial statements.

## Consolidated Statements of Shareholders' Equity

For the years ended March 31, 2002, 2001, 2000 and 1999

	Millions of Yen				Thousands of U.S. Dollars
	2002	2001	2000	1999	2002
<b>Common Stock:</b>					
Balance at beginning of the year . . .	¥ 90,329	¥ 89,619	¥ 89,619	¥ 63,346	\$ 677,897
Add:					
Capital increase . . . . .	-	710	-	26,272	-
Balance at end of the year . . . . .	¥ 90,329	¥ 90,329	¥ 89,619	¥ 89,619	\$ 677,897
<b>Capital Surplus:</b>					
Balance at beginning of the year . . .	¥ 101,741	¥ 99,212	¥ 99,212	¥ 72,939	\$ 763,537
Add:					
Capital increase . . . . .	-	2,528	-	26,272	-
Balance at end of the year . . . . .	¥ 101,741	¥ 101,741	¥ 99,212	¥ 99,212	\$ 763,537
<b>Legal Reserve:</b>					
Balance at beginning of the year . . .	¥ -	¥ -	¥ -	¥ 9,207	\$ -
Deduct:					
Transfer to retained earnings . . .	-	-	-	(9,207)	-
Balance at end of the year . . . . .	¥ -	¥ -	¥ -	¥ -	\$ -
<b>Variance of Land Revaluation</b>					
Balance at beginning of the year . . .	¥ 104,932	¥ 102,292	¥ -	¥ -	\$ 787,485
Add:					
Land revaluation . . . . .	3,841	2,501	102,292	-	28,827
Reversal of land revaluation . . . .	-	138	-	-	-
Deduct:					
Transfer to retained earnings . . .	(17,486)	-	-	-	(131,232)
Balance at end of the year . . . . .	¥ 91,287	¥ 104,932	¥ 102,292	¥ -	\$ 685,080
<b>Accumulated Deficit:</b>					
Balance at beginning of the year . . .	¥(188,891)	¥(121,785)	¥ (11,058)	¥(23,277)	\$(1,417,571)
Add:					
Net income . . . . .	-	-	-	6,235	-
Transfer from legal reserve . . . . .	-	-	-	9,207	-
Transfer from variance of land revaluation . . . . .	17,486	(138)	-	-	131,232
Other . . . . .	2,583	577	2,555	1,304	19,387
Deduct:					
Net loss . . . . .	(42,991)	(66,787)	(104,186)	-	(322,639)
Cash dividends paid . . . . .	-	-	-	(2,576)	-
Other . . . . .	(1,749)	(758)	(9,096)	(1,951)	(13,127)
Balance at end of the year . . . . .	¥(213,562)	¥(188,891)	¥(121,785)	¥(11,058)	\$(1,602,718)

See accompanying notes to consolidated financial statements.

## Consolidated Statements of Cash Flows

For the years ended March 31, 2002, 2001 and 2000

	Millions of Yen			Thousands of U.S. Dollars
	2002	2001	2000	2002
<b>Cash Flows from Operating Activities</b>				
Loss before income taxes and minority interests . . . . .	¥ 28,506	¥ 73,300	¥ 150,937	\$ 213,935
Depreciation and amortization . . . . .	73,629	104,886	93,471	552,566
Equity in losses of unconsolidated subsidiaries and affiliates . . . . .	2,211	1,149	900	16,598
Loss on revaluation of investments . . . . .	15,209	14,460	4,053	114,143
Provision for retirement benefits, less payments . .	(4,725)	(10,329)	93,161	(35,461)
Provision for allowance for product warranty . . . . .	(1,564)	(964)	3,528	(11,737)
Provision for allowance for bonus . . . . .	(2,748)	(2,520)	(1,324)	(20,624)
Provision for allowance for doubtful assets . . . . .	1,842	468	(2,754)	13,824
Interest and dividend income . . . . .	(4,146)	(5,440)	(4,902)	(31,114)
Interest expense . . . . .	21,848	23,522	21,924	163,964
Gain on disposal of property assets . . . . .	(10,731)	(10,721)	(35,659)	(80,540)
Loss on disposal of property assets . . . . .	8,122	8,360	8,562	60,958
Gain on sales of securities . . . . .	(5,943)	(973)	(5,498)	(44,602)
Decrease (Increase) in receivables . . . . .	35,113	(13,902)	28,429	263,518
Decrease (Increase) in inventories . . . . .	56,643	18,200	12,322	425,088
Decrease (Increase) in other current assets . . . . .	6,787	(12,102)	(8,739)	50,939
Increase (Decrease) in notes and accounts payable . .	(29,065)	(34,823)	53,496	(218,125)
Increase (Decrease) in accrued expenses and taxes . .	(25,811)	7,797	2,826	(193,708)
Increase (Decrease) in deposits received . . . . .	(15,611)	7,395	(1,419)	(117,162)
Increase (Decrease) in other liabilities . . . . .	(5,208)	32,048	(14,582)	(39,090)
Others . . . . .	(8,717)	(1,469)	(16,281)	(65,421)
Cash received for interest and dividends . . . . .	6,382	4,834	8,386	47,894
Cash paid for interest . . . . .	(22,337)	(23,555)	(22,414)	(167,637)
Cash paid for income taxes . . . . .	(7,492)	(2,025)	(1,607)	(56,230)
<b>Net Cash Provided by Operating Activities . . . . .</b>	<b>55,179</b>	<b>30,995</b>	<b>64,942</b>	<b>414,105</b>
<b>Cash Flows from Investing Activities</b>				
Proceeds from sales of securities . . . . .	(2,450)	(1,955)	(21,654)	(18,393)
Payments for purchase of securities . . . . .	11,738	3,788	16,817	88,094
Payments for property, plant and equipment . . . . .	(30,215)	(26,180)	(42,340)	(226,756)
Payments for leased property, plant and equipment . .	(37,395)	(73,105)	(68,269)	(280,643)
Proceeds from sales of property, plant and equipment . . . . .	64,271	17,831	58,810	482,334
Payments for long-term loans receivable . . . . .	(22,919)	(3,500)	(5,350)	(172,000)
Collection of long-term loans receivable . . . . .	3,820	6,014	11,134	28,671
Increase (Decrease) in short-term loans receivable . .	10,563	9,469	11,217	79,275
Increase (Decrease) in finance receivable of overseas subsidiary . . . . .	14,129	(35,527)	-	106,035
Others . . . . .	(5,258)	(4,619)	(9,134)	(39,463)
<b>Net Cash Provided by (Used in) Investing Activities . . . . .</b>	<b>6,283</b>	<b>(107,785)</b>	<b>(48,771)</b>	<b>47,153</b>
<b>Cash Flows from Financing Activities</b>				
Increase (Decrease) in short-term debt . . . . .	(11,944)	36,002	(2,094)	(89,639)
Proceeds from commercial paper . . . . .	24,200	135,000	85,000	181,613
Payments of commercial paper . . . . .	(74,200)	(100,000)	(75,600)	(556,848)
Proceeds from long-term debt . . . . .	76,753	121,110	196,352	576,009
Payments of long-term debt . . . . .	(92,953)	(116,657)	(229,058)	(697,583)
Payments (Issuance) of bonds . . . . .	(31,739)	(32,500)	30,000	(238,191)
Others . . . . .	(13,647)	9,833	1	(102,418)
<b>Net Cash Provided by (Used in) Financing Activities . . . . .</b>	<b>(123,530)</b>	<b>52,788</b>	<b>4,600</b>	<b>(927,058)</b>
<b>Effect of Exchange Rate Changes on Cash and Cash Equivalents . . . . .</b>	<b>2,649</b>	<b>2,489</b>	<b>(3,948)</b>	<b>19,886</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents . .</b>	<b>(59,418)</b>	<b>(21,512)</b>	<b>16,822</b>	<b>(445,914)</b>
<b>Cash and Cash Equivalents at Beginning of the Year . . . . .</b>	<b>137,363</b>	<b>157,584</b>	<b>131,827</b>	<b>1,030,869</b>
<b>Increase (Decrease) in Cash and Cash Equivalents From the Addition or Exclusion of Consolidated Companies . . . . .</b>	<b>(5,660)</b>	<b>1,291</b>	<b>8,934</b>	<b>(42,479)</b>
<b>Cash and Cash Equivalents at End of the Year . . . . .</b>	<b>¥ 72,284</b>	<b>¥ 137,363</b>	<b>¥ 157,584</b>	<b>\$ 542,475</b>

See accompanying notes to consolidated financial statements.