

May 16, 2002

## Financial Results for the Year ended March 31, 2002

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### Notes:

(1) Throughout this report, the term "the Company" is used to refer to Nichimen Corporation and its affiliates. "The Parent" refers to Nichimen Corporation.

(2) This report contains forward-looking statements, which reflect management assumptions and beliefs based on information currently available and are subject to a number of risks and uncertainties, such as economic conditions, exchange rate fluctuations, etc. Accordingly, the Company wishes to caution readers that actual results may differ materially from those projected herein, and expressly disclaims any obligation or undertaking to release any update or revision of any contained forward-looking statements.

(4) Both consolidated and non-consolidated financial statements have been prepared in accordance with the provisions set forth in the Securities and Exchange Law of Japan and in conformity with accounting principles and practices generally accepted in Japan, which may differ in some material respects and jurisdictions other than Japan.

(4) This report is translation of the Financial Summary filed with Tokyo Stock Exchange on May 16, 2002 for conveniences of investors outside of Japan. The original version of this report is written in Japanese. In case of any discrepancies between this report and the original, the Japanese version shall govern.

**Summary of consolidated results for the fiscal year ended March 31, 2002**

(\*The accounting methods used in this report are not consistent with U.S. standard accounting methods)

**Nichimen Corporation**  
**(Securities Code 8004)**  
**Listings ; First sections of**  
**Tokyo, Osaka, Nagoya**  
**Stock Exchange**  
 URL: <http://www.nichimen.co.jp>

**1. Results for the fiscal year ended March 31, 2002 ( April 1, 2001 to March 31, 2002)**

## 1) Consolidated Operating Results

	Net sales		Operating income		Recurring profit	
	Millions of yen	change(%)	Millions of yen	change(%)	Millions of yen	change(%)
For the year ended						
March 31, 2002	2,055,240	(15.0)	33,054	43.2	26,788	53.9
March 31, 2001	2,419,340	(15.5)	23,079	12.3	17,402	(25.5)

	Net income		EPS	EPS(diluted)	ROE
	Millions of yen	change(%)	Yen		(%)
For the year ended					
March 31, 2002	1,340	-	3.21	-	1.6
March 31, 2001	(21,142)	-	(50.62)	-	(19.4)

- \* Equity in earnings of unconsolidated subsidiaries and affiliates for: (yen)  
     the fiscal year ended March 31, 2002 (781) million  
     the fiscal year ended March 31, 2001 (896) million
- \* Average number of shares for:  
     the fiscal year ended March 31, 2002 417,954,891 shares  
     the fiscal year ended March 31, 2001 417,677,927 shares
- \* Changes in accounting policies during the period: Yes
- \* (%) for net sales, operating income, recurring profit, and net income are expressed as an increase or decrease compared with the previous fiscal year

## 2) Assets and Shareholders' equity

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
For the year ended				
March 31, 2002	1,404,359	81,535	5.8	195.05
March 31, 2001	1,663,923	88,624	5.3	212.20

Number of shares issued at the end of:  
     March 2002 418,025,736 shares  
     March 2001 417,641,440 shares

## 3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
For the year ended				
March 31, 2002	70,538	122,141	(224,410)	178,682
March 31, 2001	25,880	22,453	(28,247)	204,826

## 4) Number of consolidated companies

Consolidated subsidiaries : 175  
 Non-consolidated subsidiaries accounted for by equity method : 21  
 Affiliated companies accounted for by equity method : 120

## 5) Changes in status of consolidated companies and companies accounted for by equity method

Newly consolidated : 23                      Removed from consolidation : 20  
 Newly accounted for by equity method : 18      Removed from the equity method : 19

**2. Outlook for the fiscal year ending March 31, 2003 (April 1, 2002 to March 31, 2003)**

	Net sales	Recurring profit	Net income
	Millions of yen	Millions of yen	Millions of yen
For the six months ending September 30, 2002	900,000	9,000	4,000
For the year ending March 31, 2003	2,000,000	22,000	10,000

Reference: forecast of net income per share for the fiscal year ending March 31, 2003 is Yen 23.92

## Summary of non-consolidated results for the fiscal year ended March 31, 2002

**Nichimen Corporation**  
**(Securities Code 8004)**  
**Listings ; First sections of**  
**Tokyo, Osaka, Nagoya**  
**Stock Exchange**  
 URL: <http://www.nichimen.co.jp>

## 1. Results for the fiscal year ended March 31, 2002 ( April 1, 2001 to March 31, 2002)

## 1) Non-Consolidated Operating Results

For the year ended	Net sales		Operating income		Recurring profit	
	Millions of yen	change(%)	Millions of yen	change(%)	Millions of yen	change(%)
March 31, 2002	1,501,834	(14.3)	15,976	121.9	21,179	162.5
March 31, 2001	1,753,307	(21.3)	7,200	(5.4)	8,069	(42.3)

For the year ended	Net income		EPS	EPS(diluted)	ROE
	Millions of yen	change(%)	Yen		(%)
March 31, 2002	1,132	-	2.71	-	1.2
March 31, 2001	(14,857)	-	(35.29)	-	(14.7)

- \* Average number of shares for ;  
 the fiscal year ended March 31, 2002 417,954,891 shares (deducted number of treasury shares)  
 the fiscal year ended March 31, 2001 421,002,957 shares
- \* Changes in accounting policies during the period: Yes
- \* (%) for net sales, operating income, recurring profit, and net income are expressed as an increase or decrease compared with the previous fiscal year

## 2) Dividends

For the year ended	Dividends per share			Total amount of dividends	Payout ratio(%)	Dividends to shareholders' equity ratio
	total(full year)	interim	year-end			
March 31, 2002	Yen 0.00	Yen 0.00	Yen 0.00	Millions of yen -	% -	% -
March 31, 2001	Yen 0.00	Yen 0.00	Yen 0.00	Millions of yen -	% -	% -

## 2) Assets and Shareholders' equity

For the year ended	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2002	1,086,160	92,147	8.5	220.43
March 31, 2001	1,204,976	100,907	8.4	239.68

Number of shares issued at the end of;  
 March 2002 418,025,736 shares (deducted number of treasury shares)  
 March 2001 421,002,957 shares

Number of treasury shares at the end of;  
 March 2002 2,977,221 shares  
 March 2001 3,361,517 shares

## 2. Outlook for the fiscal year ending March 31, 2003 (April 1, 2002 to March 31, 2003)

For the six months ending September 30, 2002	Net sales	Recurring Profit	Net income	Dividends per share		
				total(full year)	interim	year-end
	Millions of yen	Millions of yen	Millions of yen	Yen	Yen	Yen
For the six months ending September 30, 2002	700,000	4,000	1,500	-	none	-
For the year ending March 31, 2003	1,500,000	9,000	4,000	not decided	-	not decided

Reference: forecast of net income per share for the fiscal year ending March 31, 2003 is Yen 9.57

## Subsidiaries and Affiliates

The list below shows the number of subsidiaries and affiliates and names of principal subsidiaries and affiliates in each industry segment of the Company. As of March 31, 2002, the total number of subsidiaries and affiliates are 214 and 123 respectively.

(\* As of March 31, 2002, the listed subsidiaries on the domestic stock exchanges are Nichimen Infinity Inc. and Pla Matels Corp.)

Industry Segment	Major business areas / products in NP2002	Number of Companies	Principal Subsidiaries & Affiliates
<b>Plastics</b>	Electronics materials	sub. domestic 16	Pla Matels Corp. (Japan) *
	Film	24 overseas 8	Pla -Net Holdings, Inc.(Japan)
	Compound	affi. domestic 7	Nichimen Plastics (China) Ltd. (Hong Kong)
	PP resin	19 overseas 12	Biaxis OY Ltd. (Finland)
<b>Chemicals &amp; Energy</b>	Agrochemical	sub. domestic 2	Nichimen Energy Company Limited. (Japan)
	Pharmaceutical chemical	3 overseas 1	Global Chemical Holdings, Inc.(Japan)
		affi. domestic 3	Arysta LifeScience Corporation (Japan)
		15 overseas 12	
<b>Textiles</b>	Apparels	sub. domestic 8	Nichimen Infinity Inc. (Japan) *
	Fabrics and bedding	14 overseas 6	Nichimen Orient Wear Ltd. (Hong Kong)
		affi. domestic 0	
		6 overseas 6	
<b>Foodstuffs</b>	Imported grain	sub. domestic 1	Granplex, Inc. (U.S.A)
	Confectionery	2 overseas 1	Yamazaki-Nabisco Co., Ltd. (Japan)
	Foodstuffs for convenience stores and food-service restaurant	affi. domestic 5	
		17 overseas 12	
<b>Construction</b>	Condominium construction including planning and development businesses	sub. domestic 6	Nichimen Real Estate Corp. (Japan)
		15 overseas 9	Suncrown Development, Inc. (U.S.A)
		affi. domestic 3	NI Community Corporation(Japan)
		6 overseas 3	
<b>Forest Products</b>	Imported round logs	sub. domestic 1	Sun Building Materials Corp. (Japan)
	Imported lumber	3 overseas 2	Nichimen Home Materials Corporation (Japan)
		affi. domestic 1	Tachikawa Forest Products(N.Z.), Ltd. (New Zealand)
		2 overseas 1	
<b>Machinery</b>	Power & petrochemical plant	sub. domestic 12	Nichimen Machinery Corporation (Japan)
	Semiconductor facility related business	71 overseas 59	Fuji Machine MFG.(Europe)GmbH. (Germany)
		affi. domestic 0	
		28 overseas 28	
<b>Metals</b>	Specialty steel	sub. domestic 13	Nichimen Metals Co., Ltd. (Japan)
	Precious metals	18 overseas 5	Ishihara Kohtetsu Co., Ltd. (Japan)
		affi. domestic 6	Nichimen Jewelry Co., Ltd. (Japan)
		9 overseas 3	
<b>Others</b> (IT Center) (Investment & Merchant Banking Center) (Corporate division)	Internet-Infrastructure tools & services,	sub. domestic 19	Nichimen Computer Systems Corp.(Japan)
	Satellite, Mobile, IP Network	22 overseas 3	Nichimen Business Support Corp. (Japan)
	Software development,	affi. domestic 2	Nichimen Cash Management Corp.(Japan)
	Information processing services, Venture capital, Investment advisory service Shared services to group companies	6 overseas 4	

Besides the above, both overseas and domestic trading subsidiary offices, such as Nichimen America Inc. (U.S.A) , Nichimen Europe PLC(U.K.), and Nichimen Asia Oceania Pte. Ltd. (Singapore), engage in trading businesses and provide services in various fields making the most of their geographical features, strengths, and the Company's group network.

Overseas Trading Subsidiaries 52

Domestic Trading Subsidiaries 5

# Management Policy

## 1. Basic Management Strategy

The Company's management policy is to maximize Group corporate value.

Based on this policy, the Company's NP2002 medium-term management plan sets its goal as maximizing net income by rebuilding its business portfolio. To achieve this goal, the Company has been pursuing selection and concentration in its businesses, and proactively redistributing its management resources in its strategic and strong business areas, such as chemical products (chemicals and plastics) and household, consumer and general products (textiles, foodstuffs, construction and forest products) to build its optimal business portfolio. Aggressively promoting M&A and strategic alliances in these fields, the Company aims to strengthen its business base and to enhance operating profitability.

## 2. Basic Policy on Profit Distribution

The Company's basic policy on profit distribution is providing stable returns to its shareholders as well as enhancing its competitiveness through effective use of retained earnings. Great diligence is exercised when determining shareholder dividends, from the perspective of maximizing its medium-to-long-term corporate value.

As a result of the loss on investment securities due to the decline in the stock prices, which was posted as an extraordinary loss, non-consolidated net income for the period was approximately ¥1.1 billion. Due to the mergers of four affiliates: Nichimen Paltex Corp., Nichimen Apparel Co., Ltd., and Nichimen Foods Corp., and Nics Corporation, during the period, the Parent took over undistributed earnings of ¥669 million from the three subsidiaries: Nichimen Paltex Corp., Nichimen Apparel Co., Ltd., and Nichimen Foods Corp. and it recorded ¥1,650 million as a loss on retirement of Nics Corporation stock. Accordingly, non-consolidated undistributed earnings at the end of the period amounted to only ¥151 million. As such, the Parent decided to forgo the payment of year-end dividends.

Regarding the dividends for the next fiscal year will be determined after the prudent consideration.

## 3. Medium-to-long term Management Strategy

Under its current NP2002 plan, the Company takes diverse measures focused on the principal strategies of rebuilding its business portfolio and reforming management and administration systems to meet the goal of maximizing net income.

### 1) Rebuilding Business Portfolio

In addition to pursuing selection and concentration in its businesses, and proactively redistributing its management resources in its strategic business fields, such as chemical products and household, consumer and general products, the Company has been aggressively promoting M&A and strategic alliances in order to strengthen both financial and operational bases.

Also, in order to improve profitability and fiscal soundness of affiliates, the Company has been proceeding with liquidation of loss-making affiliates. Rigorous application of "exit-rules" for withdrawing from

unprofitable businesses aims to reduce losses made by affiliates as well as to minimize losses on disposal of or provisions for affiliates.

NP 2002 has also called for various measures to increase net income. Reviewing group-wide expenditures would result in a reduction in costs, such as selling, general and administrative (SG&A) expenses.

## **2) Reforming Management and Administration Systems**

With a view to improving fund efficiency, interest-bearing debt has been continuously reduced. In order to strengthen its financial base, the Company will continue to reduce interest-bearing debts by decreasing inefficient and unprofitable business assets and to increase shareholders' equity by maximizing net income. Moreover, to unify and facilitate group-wide management and administration systems, the Company has decided to introduce enterprise resource planning (ERP) systems. As one element of promoting business reforms, this is expected to advance more precision and speedy decision-making in both management and business judgements.

## **4. Measures to Reform Management and Administration Systems**

### **1) Restructuring Corporate Organization**

The Company is continuing to adjust Internal Company System, aiming at more optimal organization. From April 1, 2002, the number of companies was reduced from eight to six, while Retail Division was established to develop new business relating to retail and consumer products. Furthermore, pursuing more efficiency in headquarters' functions, the Company reorganized Corporate Staff Division.

### **2) Changing Group Management Strategy**

Up to now, the Parent had aggressively transferred some businesses to its affiliates and promoted independent operations of the affiliates so that each of them could adjust its operations to rapidly changing business environment. As a result, the Company and the affiliates succeeded in increasing Group corporate value through the optimal operation and significant cost reduction. However, corresponding to current severe business environment reflecting domestic stagnant economy and deflation, the Company judged that it was necessary to strengthen non-consolidated management base by gathering management resources and functions from the strategic affiliates. Therefore, the Company changed its group management strategy. More specifically, the Company decided to merge with some affiliates or acquire wholly ownership of principal affiliates especially in its strategic business fields such as chemical products and household, consumer and general products. As a part of this strategy, Nichimen Paltex Corp., Nichimen Apparel Co., Ltd., and Nichimen Foods Corp. were merged with the Parent, and it was decided that Nichimen Infinity Inc. would be a wholly-owned subsidiary through TOB.

### **3) Improving Corporate Governance**

To promote dynamic and responsive management, the Company has reduced the number of directors. In addition, the Company appointed an outside director in order to gain a broader range of opinions and to activate discussion. The Company believes that these measures would lead to management transparency and strengthening corporate governance. Establishing Investor Relations Section in April 2001 was another way to strengthen corporate governance. Through interactive communications with the market, the Company has intended to reflect market opinions in its decision making process.

## **5. Issues to be focused**

The Company will focus on implementing the management strategies identified in its medium-term management plan to maximize its corporate value.

To this end, the Company will thoroughly implement the strategies outlined in the above item 3. “Medium –to- long term Management Strategy,” to strengthen its business base, increase operating profitability, and thereby maximize net income. At the same time, the Company will make its financial base stronger by lowering interest-bearing debt and by increasing shareholders’ equity through the maximization of net income.

# Operating Results and Financial Conditions

## 1. Operating Results and Outlook

### 1) Overview

During the fiscal year ended March 31, 2002, the U.S. economy showed deceleration mainly due to the IT slump, and the terrorist attack in September 2001 raised concerns about further deterioration. However, signs of a recovery could be seen in the latter half of the fiscal year as consumer spending remained firm, helped by tax reduction and interest rate cuts. The European economies also showed gradual deceleration, affected by downturn of the U.S. economy. In Asia, economic growth rates were slowed reflecting decline in export to the U.S. In particular, GDP growth rates of Singapore and Taiwan, which are highly dependent on exports, resulted in being negative for the year 2001. The Japan's economy continued to decelerate mainly due to weak domestic demands and decline in capital investments and exports. A recovery in consumer spending has not been expected because of weak corporate earnings results and severe employment conditions.

Under such circumstances, consolidated net sales for the fiscal year under review decreased 15.0% to ¥2,055.2 billion, compared with the previous fiscal year, mainly due to the Company's continuous efforts to withdraw from inefficient and low-profit businesses such as offshore grain transactions.

Examined by transaction type, export sales fell 21.1% mainly due to a decline in machinery sales. Import sales slipped 7.0%, mainly due to lower sales of textile sales. Domestic sales fell 13.5%, mainly due to a decline in sales of metals, and offshore sales dropped 17.6%, mainly due to lower sales of foodstuff. Examined by product segment, foodstuff sales fell 28.8%, due to a drop in offshore sales of grains. Machinery sales fell 21.8%, due to declining exports. Metals fell 23.0%, as a result of lower domestic sales, and sales of other products fell 67.9%.

Despite strong performance of both condominium and land sales businesses in construction segment, consolidated gross trading profit decreased 3.1% to ¥126,552 million, compared with the previous fiscal year. This was due primarily to business reorganizations or strategic alliances during the previous fiscal year, such as sales of the five IT related subsidiaries and transfer of life science businesses operated by the Parent and consolidated subsidiaries to a newly established affiliate accounted by the equity method. However, the gross trading profit margin improved from 5.40% of the previous fiscal year to 6.16% reflecting the Company's continuous efforts to withdraw from inefficient and low-profit businesses and to concentrate on profitable businesses.

Selling, general and administrative (SG&A) expenses decreased largely, compared with the previous fiscal year, by ¥14,087 million, due mainly to reduction of personnel expenses.

As a result, consolidated operating income increased 43.2% compared with the previous fiscal year to ¥33,054 million, and recurring profit jumped 53.9% to ¥26,788 million.

The Company recorded ¥27,438 million as a special gain including gain from sales of tangible fixed assets and sales of investment securities in addition to a gain of ¥17,913 million from the transfers of its LP gas, petroleum and carbon businesses and its coal and ore business. On the other hand, a special loss amounted



to ¥45,022 million. Main items recorded as a special loss were losses on sales of investment securities, losses on sales of property & equipments, losses on disposal of investment in or provisions for subsidiaries and affiliates, and devaluation losses on investment securities amounted to ¥33,833 million including a ¥28,732 million loss on ITX Corporation stock.

Thus, consolidated income before income taxes for the fiscal year under review was ¥9,203 million, and consolidated net income after taxes and minority interests was ¥1,340 million.

## **2) Consolidated Business Results by Business Segment**

### **Plastics**

Net sales for the fiscal year under review was ¥288,059 million, largely unchanged from the previous fiscal year. Despite contribution of newly-consolidated subsidiaries, the results were offset by decrease in sales relating to electronic materials reflecting the global IT slump and by withdrawal from low-profit transactions. Operating income fell 19.8%, compared with the previous fiscal year, to ¥2,919 million.

### **Chemicals & Energy**

Net sales declined 4.7%, compared with the previous fiscal year, to ¥699,533 million, and operating income dropped 7.6%, compared with the previous fiscal year, to ¥4,155 million. This was mainly due to the transfer of the company's life sciences businesses to Arista LifeScience Corporation, which is accounted by the equity method, during the last fiscal year.

### **Textiles**

Net sales decreased 14.2%, compared with the previous fiscal year, to ¥182,276 million, mainly due to the reduction of low-profit transactions. However, operating income increased 2.5% compared with the previous fiscal year, to ¥7,599 million primarily due to strong performance in import of some apparel products.

### **Foodstuffs**

Net sales fell 28.8% compared with the previous fiscal year, to ¥227,025 million primarily due to withdrawal from low-profit offshore grain transactions. Operating income fell 12.8% compared with the previous fiscal year, to ¥1,986 million, as a result of increase in selling, general and administrative (SG&A) expenses, such as preceding advertisement expenses.

### **Construction**

Net sales increased 5.8%, compared with the previous fiscal year, to ¥132,386 million, attributed by land sales transaction. Strong performance of condominiums and land sales transactions also contributed to a 167.3% year-to-year leap in operating income, which resulted in ¥15,000 million for the year under review.

**Forest products**

Net sales decreased 18.0%, compared with the previous fiscal year, to ¥59,017 million, mainly due to the weakening lumber market. However, selling, general and administrative (SG&A) expenses was reduced reflecting decrease in provision for doubtful accounts, hence, operating income jumped 148.7%, compared with the previous fiscal year, to ¥679 million.

**Machinery**

Net sales decreased 21.8% compared with the previous fiscal year, to ¥212,627 million, due to such factors as decreased exports of plants and slack sales of semiconductor manufacturing equipment.

On the other hand, withdrawal from unprofitable businesses was accelerated and profit structure was improved largely, which resulted in decrease in personnel expenses and provisions for doubtful accounts. Thus, operating income of the fiscal year under review turned to ¥348 million profit, from operating loss of ¥2,704 million of the previous fiscal year.

**Metals**

Net sales decreased 23.0%, compared with the previous fiscal year, to ¥218,097 million, and operating income decreased 13.9%, to ¥898 million, due to a fall on domestic sales of mild steel products.

**Others**

Net sales fell 67.9%, compared with the previous fiscal year, to ¥36,218 million, and operating income declined 95.0% to ¥81 million, attributed by the sale of the five IT-related subsidiaries during the previous fiscal year.

**3) Outlook**

During the fiscal year ending March 2003, the economic condition in the U.S. is expected to show a continuing recovery led by solid consumer spending and inventory adjustments, although there are still uncertainties in corporate earnings forecasts as shown in lower capacity utilization rate. In Europe, an export-led recovery is expected in the areas of production and capital investments, due to stable prices, effects of government's monetary expansion policy and the influence of recovering U.S. economy. Highly relying on exports, an upturn in Asian economies will depend on pace of economic recovery in the U.S. As for Japan's economy, the Japanese government has made an upward adjustment in its outlook, corresponding to signs of upturn in the U.S. economy. However, immediate recovery could not be expected in corporate earnings or employment, and it will take a while to see a recovery in domestic demand.

Due to these circumstances, the business environment of the Company is expected to remain severe. During the fiscal year ending March 31, 2003, textile imports, wherein several products made a strong performance in the fiscal year under review, are expected to weaken, due to declining domestic demand. Also, in construction segment, land sales transaction is expected to generate less income during the current fiscal year than the year under review. On the other hand, in plastics segment, newly purchased subsidiaries are expected to contribute to earnings. In addition, led by the recovery of the U.S. economy, the Company expects increases in sales of electronic materials in plastics segment and semiconductor manufacturing equipment in machinery segment

In consideration of the above factors, the Company anticipates the following consolidated outlook for the year ending March 2003. (Changes are compared with the fiscal year ended March 31, 2002)

Net Sales:	¥2,000 billion	(down ¥ 55.2 billion)
Recurring profit:	¥22,000 million	(up ¥4,788 million)
Net income:	¥10,000 million	(up ¥8,660 million)

\*) the assumptions for the above outlook are as follows;

Exchange rate (Yen/US\$) ¥130.00 / Crude oil price (US\$/BBL) US\$ 25.00

The Company will determine dividends for the fiscal year ending March 31, 2003 after careful consideration of all relevant factors.

## **2. Financial Conditions**

### **1) Consolidated Balance Sheet**

Total assets as of March 31, 2002 decreased ¥259.5 billion to ¥1,404.3 billion. Decreases in accounts receivables and long-term loans were mainly due to withdrawal from non-strategic businesses, in line with strategy of selection and concentration under NP2002. Other than these items, the Company reduced cash & time deposits, marketable securities and tangible fixed assets with an eye of pursuing financial efficiency. The decrease in investment securities was attributed by evaluation losses on some stocks.

Due to the reduction of assets, total interest-bearing debt was reduced ¥204.9 billion, compared with the previous fiscal year-end, to ¥1,020.7 billion.

Although the foreign currency translation adjustment improved due to the weak yen, shareholders' equity decreased ¥7.0 billion, compared with the previous fiscal year-end, to ¥81.5 billion, partially as a result of evaluation losses of ¥6.5 billion on land and ¥8.4 billion on other investment securities.

### **2) Consolidated Cash Flows**

Regarding cash flows for the fiscal year under review, net cash inflow from operating activities was ¥70.5 billion, due primarily to collections of receivables. Net cash inflow from investing activities was ¥122.1 billion, mainly provided by sales of tangible fixed assets, both marketable and investment securities, and the collections of long-term loans. Net cash outflow used in financing activities was ¥224.4 billion resulting from continuous reduction of interest-bearing debt.

After adjustments for effects of changes from exchange rates and increases due to changes in the scope of consolidation, cash and cash equivalents at the end of the fiscal year under review stood at ¥178.6 billion, ¥26.1 billion down from the beginning of the fiscal year.

**Consolidated Statements of Operations**  
( for the year ended March 31, 2002 & 2001)

	Millions of yen		Yen/\$ 133.25	Millions of \$
	Mar-02	Mar-01	increase / decrease	Mar-02
<b>Net sales</b>	2,055,240	2,419,340	(364,100)	15,424
Cost of sales	(1,928,687)	(2,288,676)	359,989	(14,474)
<b>Gross trading profit</b>	126,552	130,664	(4,112)	950
Gross trading profit margin	6.16%	5.40%		
Selling, general & administrative expenses	(93,498)	(107,585)	14,087	(702)
<b>Operating income</b>	33,054	23,079	9,975	248
Interest income	16,055	21,988	(5,933)	120
Dividends	1,446	1,625	(179)	11
Other income	12,407	15,321	(2,914)	93
Non-operating income	29,910	38,936	(9,026)	224
Interest expenses	(26,363)	(33,129)	6,766	(198)
Interest expenses on commercial papers	(403)	(334)	(69)	(3)
Equity in losses of unconsolidated subsidiaries and affiliates-net	(781)	(896)	115	(6)
Other expenses	(8,627)	(10,251)	1,624	(65)
Non-operating expenses	(36,176)	(44,612)	8,436	(271)
<b>Recurring profit</b>	26,788	17,402	9,386	201
Special income/loss-net(*)	(17,584)	(46,348)	28,764	(132)
<b>Income before income taxes</b>	9,203	(28,946)	38,149	69
Income taxes;            Current	(7,635)	(13,555)	5,920	(57)
Deferred	218	21,871	(21,653)	2
Minority interests in net income	(446)	(513)	67	(3)
<b>Net income</b>	1,340	(21,142)	22,482	10

(\*) refer to the next page for the breakdown of special income and loss

\* Breakdown of Consolidated Special Income and Loss

	Millions of Yen	
	Mar-02	Mar-01
<b>(Special income)</b>		
Gain on property & equipment	2,305	2,216
Gain on investment securities	7,219	72,256
Gain on transfer of business	17,913	-
<b>Total special income</b>	<b>27,438</b>	<b>74,473</b>
<b>(Special loss)</b>		
Loss on property & equipment	(3,841)	(2,804)
Loss on investment securities	(4,248)	(2,691)
Write-down of investment securities & investments other than securities	(33,383)	(42,146)
Loss on disposal of investments in & provision for from subsidiaries & affiliates	(1,397)	(12,506)
Provision for doubtful accounts	-	(40,024)
Loss on disposal of accounts related to specified overseas countries	-	(4,084)
Write-down of real estate for sales	-	(3,894)
Loss on disposal of real estate for sales	-	(3,296)
Expenses for employee early retirement benefit	(2,151)	(6,154)
Write-down of interest receivables	-	(2,019)
Write-down of golf club membership	-	(1,199)
<b>Total special loss</b>	<b>(45,022)</b>	<b>(120,822)</b>
<b>Special loss-net</b>	<b>(17,584)</b>	<b>(46,348)</b>

\*reference: the following accounts are not included in the above special items.

	Millions of Yen	
	Mar-02	Mar-01
Provision for doubtful receivables (Included in Selling, general & administrative expenses)	(652)	(4,001)
Gain on marketable securities-net (Included in Non-operating income & expenses)	121	1,298

**Consolidated Balance Sheets**  
( as of March 31, 2002 & 2001)

Assets	Millions of yen			Yen/\$ 133.25
	Mar-02	Mar-01	increase / decrease	Millions of \$ Mar-02
<b>Current assets;</b>				
Cash & time deposits	177,105	210,349	(33,244)	1,329
Trade notes & trade accounts receivables	385,350	460,499	(75,149)	2,892
Marketable securities	30,058	60,440	(30,382)	226
Inventories	139,441	138,481	960	1,046
Deferred tax assets-current	4,712	6,195	(1,483)	35
Other current assets	114,234	113,460	774	857
Allowance for doubtful receivables	(2,869)	(1,827)	(1,042)	(22)
<b>Total current assets</b>	<b>848,032</b>	<b>987,599</b>	<b>(139,567)</b>	<b>6,364</b>
<b>Fixed assets;</b>				
<b>Tangible assets</b>	189,899	236,456	(46,557)	1,425
<b>Intangible assets;</b>				
Goodwill	16,974	11,571	5,403	127
Other intangible assets	4,703	3,777	926	35
<b>Total intangible assets</b>	<b>21,678</b>	<b>15,348</b>	<b>6,330</b>	<b>163</b>
<b>Investments &amp; other fixed assets;</b>				
Investment securities	194,301	257,765	(63,464)	1,458
Long-term loans	49,028	71,141	(22,113)	368
Deferred tax assets-non-current	42,720	34,404	8,316	321
Deferred tax assets-revaluation	2,058	-	2,058	15
Others	122,602	142,186	(19,584)	920
Allowance for doubtful receivables	(66,260)	(81,621)	15,361	(497)
<b>Total investments &amp; other fixed assets</b>	<b>344,450</b>	<b>423,876</b>	<b>(79,426)</b>	<b>2,585</b>
<b>Total fixed assets</b>	<b>556,027</b>	<b>675,680</b>	<b>(119,653)</b>	<b>4,173</b>
Long term deferred assets	298	643	(345)	2
<b>Total</b>	<b>1,404,359</b>	<b>1,663,923</b>	<b>(259,564)</b>	<b>10,539</b>

**Consolidated Balance Sheets**  
( as of March 31, 2002 & 2001)

**Liabilities & shareholders' equity**

Yen/\$  
133.25

	Millions of yen			Millions of \$
	Mar-02	Mar-01	increase / decrease	Mar-02
<b>Liabilities</b>				
<b>Current liabilities;</b>				
Trade notes & trade accounts payables	224,675	257,460	(32,785)	1,686
Short-term borrowings from banks	499,238	550,383	(51,145)	3,747
Commercial paper	-	51,500	(51,500)	-
Bonds - current portion	53,048	22,154	30,894	398
Deferred tax liabilities-current	44	23	21	0
Other current liabilities	48,773	57,006	(8,233)	366
<b>Total current liabilities</b>	<b>825,781</b>	<b>938,527</b>	<b>(112,746)</b>	<b>6,197</b>
<b>Long-term liabilities;</b>				
Bonds, less current portion	86,771	147,823	(61,052)	651
Long-term borrowings from banks	381,646	453,830	(72,184)	2,864
Allowance for retirement benefits	6,025	4,575	1,450	45
Deferred tax liabilities - non-current	3,678	2,964	714	28
Other long-term liabilities	4,496	14,641	(10,145)	34
<b>Total long-term liabilities</b>	<b>482,618</b>	<b>623,835</b>	<b>(141,217)</b>	<b>3,622</b>
<b>Total liabilities</b>	<b>1,308,399</b>	<b>1,562,362</b>	<b>(253,963)</b>	<b>9,819</b>
<b>Minority interest</b>	<b>14,424</b>	<b>12,936</b>	<b>1,488</b>	<b>108</b>
<b>Shareholders' equity;</b>				
Common stock	52,179	52,179	0	392
Capital surplus	48,140	48,140	0	361
Revaluation difference on land	(6,534)	-	(6,534)	(49)
Retained earnings	9,655	8,193	1,462	72
Net unrealized loss on other securities *2)	(8,466)	-	(8,466)	(64)
Foreign currency translation adjustments	(12,495)	(18,873)	6,378	(94)
Treasury stock	(942)	(1,015)	73	(7)
<b>Total shareholders' equity</b>	<b>81,535</b>	<b>88,624</b>	<b>(7,089)</b>	<b>612</b>
<b>Total</b>	<b>1,404,359</b>	<b>1,663,923</b>	<b>(259,564)</b>	<b>10,539</b>

\*1) Pursuant to the Law concerning Revaluation of Land, promulgated on March 31, 1998 and revised on March 31, 2001, land used for business operations of some of the domestic subsidiaries has been revalued as of March 31, 2002. Revaluation difference on land included in Shareholders' equity, net of the applicable income taxes.

\*2) In accordance with the new accounting standard for financial instruments effective from April 1, 2001, other securities with available market value are accounted for at fair value. As such, unrealized gains and losses on the securities, net of the applicable income taxes, included directly in shareholders' equity.

(Reference) **Contingent liabilities**

	Millions of yen			Millions of \$
	Mar-02	Mar-01	increase / decrease	Mar-02
Guarantee or indebtedness	47,441	47,686	(245)	356
Repurchase of notes discounted and endorsed	21,905	18,477	3,428	164

**Consolidated Statements of Retained Earnings**  
 ( for the year ended March 31, 2002 & 2001)

	Millions of yen		Yen/\$ 133.25
	Mar-02	Mar-01	Millions of \$ Mar-02
<b>Consolidated balance at the beginning of year</b>	8,193	29,505	61
<b>Add;</b>			
Transfer of balance to revaluation of other marketable securities	127	-	1
Additions in consolidated balance due to non-consolidated business	16	-	0
total	143	-	1
<b>Deduct;</b>			
Bonuses to directors	(22)	(38)	(0)
Unrealized loss on marketable securities	-	(74)	-
Deductions in consolidated balance due to non-consolidated business	-	(56)	-
total	(22)	(169)	(0)
<b>Net income for the period</b>	1,340	-	10
<b>Net loss for the period</b>	-	(21,142)	-
<b>Consolidated balance at the end of the period</b>	9,655	8,193	72



**Consolidated Statements of Cash Flows**  
( for the year ended March 31, 2002 & 2001)

	Millions of yen			Yen/\$ 133.25
	Mar-02	Mar-01	increase / decrease	Millions of \$ Mar-02
<b>. Operating activities</b>				
Income from consolidated operations before income taxes	9,203	(28,946)	38,149	69
Depreciation and amortization	8,333	6,817	1,516	63
Write-down of investment securities	33,383	41,682	(8,299)	251
Income from transfer of business	(17,913)	-	(17,913)	(134)
Change in provision for doubtful receivables	(12,398)	45,791	(58,189)	(93)
Interest income & dividend	(17,502)	(23,613)	6,111	(131)
Interest expense	26,767	33,463	(6,696)	201
Equity in earnings of affiliated companies	781	896	(115)	6
Gain on marketable securities - net	(3,185)	(70,864)	67,679	(24)
Gain on property & equipment	(2,306)	(2,216)	(90)	(17)
Change in notes and account receivable-trade	105,630	(4,390)	110,020	793
Change in inventories	(110)	363	(473)	(1)
Change in notes & account payable-trade	(42,909)	35,896	(78,805)	(322)
Others-net	(17,236)	(8,999)	(8,237)	(129)
<b>Net cash provided by operating activities</b>	<b>70,538</b>	<b>25,880</b>	<b>44,658</b>	<b>529</b>
<b>. Investing activities</b>				
Change in time deposit	(1,677)	3,114	(4,791)	(13)
Change in marketable securities	43,112	15,585	27,527	324
Payments for purchase of property & equipment	(7,738)	(13,183)	5,445	(58)
Proceeds from sale of property & equipment	41,088	17,448	23,640	308
Payments for purchase of investment securities	(47,505)	(188,395)	140,890	(357)
Proceeds from sale of investment securities	67,385	157,297	(89,912)	506
Change in short-term loans -net	(11,524)	1,805	(13,329)	(86)
Increase of long-term loans	(7,278)	(50,055)	42,777	(55)
Collection of long-term loans	26,382	80,669	(54,287)	198
Others - net	19,896	(1,834)	21,730	149
<b>Net cash provided by investing activities</b>	<b>122,141</b>	<b>22,453</b>	<b>99,688</b>	<b>917</b>
<b>. Financing activities</b>				
Change in short-term borrowings - net	(61,090)	(107,219)	46,129	(458)
Change in commercial paper	(51,500)	11,600	(63,100)	(386)
Proceeds from long-term borrowings	167,892	214,023	(46,131)	1,260
Repayment of long-term borrowings	(249,252)	(180,664)	(68,588)	(1,871)
Proceeds from issuance of bonds	-	45,684	(45,684)	-
Redemption of bonds	(31,392)	(11,561)	(19,831)	(236)
Others-net	932	(110)	1,042	7
<b>Net cash provided by financing activities</b>	<b>(224,410)</b>	<b>(28,247)</b>	<b>(196,163)</b>	<b>(1,684)</b>
. Effect of Exchange rates change on cash & cash equivalents	5,564	3,897	1,667	42
. Net increase(decrease) in cash & cash equivalents	(26,167)	23,983	(50,150)	(196)
. Cash & cash equivalents at the beginning of the year	204,826	181,829	22,997	1,537
. Cash & cash equivalents of newly consolidated subsidiaries	23	(986)	1,009	0
. Cash & Cash equivalents at the end of the year	178,682	204,826	(26,144)	1,341

**Breakdown of Consolidated Net Sales**  
( for the year ended March 31, 2002 & 2001)

	Net sales by type of transactions					Yen/\$
	Millions of yen					133.25
	Mar-02	%	Mar-01	%	increase / decrease	Millions of \$
Export	214,173	10.4%	271,604	11.2%	(57,431)	1,607
Import	320,634	15.6%	344,694	14.2%	(24,060)	2,406
Domestic	724,194	35.2%	836,871	34.6%	(112,677)	5,435
Overseas	796,239	38.8%	966,171	40.0%	(169,932)	5,976
Total	2,055,240	100.0%	2,419,340	100.0%	(364,100)	15,424

	Net Sales by business segment					Yen/\$
	Millions of yen					133.25
	Mar-02	%	Mar-01	%	increase / decrease	Millions of \$
Plastics	288,059	14.0%	288,519	11.9%	(460)	2,162
Chemicals and energy	699,535	34.0%	734,061	30.2%	(34,526)	5,250
Textiles	182,276	8.9%	212,530	8.8%	(30,254)	1,368
Foodstuffs	227,025	11.0%	318,895	13.2%	(91,870)	1,704
Construction	132,386	6.4%	125,153	5.2%	7,233	994
Forest products	59,017	2.9%	71,957	3.0%	(12,940)	443
Machinery	212,627	10.4%	271,877	11.2%	(59,250)	1,596
Metals	218,097	10.6%	283,405	11.7%	(65,308)	1,637
Others	36,218	1.8%	112,943	4.7%	(76,725)	272
Total	2,055,240	100.0%	2,419,340	100.0%	(364,100)	15,424

## Segment Information

( for the year ended March 31, 2002 & 2001)

### Industry Segments

			Yen/\$ ( Yen : mil)	133.25 (\$ : mil)
	Mar-02	Mar-01	increase / decrease	Mar-02
<b>(Plastics)</b>				
Net sales	292,140	292,656	(516)	2,192
Operating income	2,919	3,641	(722)	22
Total assets	197,215	186,998	10,217	1,480
<b>(Chemicals &amp; Energy)</b>				
Net sales	700,343	735,598	(35,255)	5,256
Operating income	4,155	4,498	(343)	31
Total assets	113,644	143,576	(29,932)	853
<b>(Textiles)</b>				
Net sales	182,294	212,840	(30,546)	1,368
Operating income	7,599	7,411	188	57
Total assets	109,608	137,588	(27,980)	823
<b>(Foodstuffs)</b>				
Net sales	236,751	319,174	(82,423)	1,777
Operating income	1,986	2,278	(292)	15
Total assets	48,488	57,778	(9,290)	364
<b>(Construction)</b>				
Net sales	132,386	125,153	7,233	994
Operating income	15,000	5,612	9,388	113
Total assets	193,869	209,246	(15,377)	1,455
<b>(Forest products)</b>				
Net sales	59,279	72,215	(12,936)	445
Operating income	679	273	406	5
Total assets	25,246	29,530	(4,284)	189
<b>(Machinery)</b>				
Net sales	212,891	273,020	(60,129)	1,598
Operating income	348	(2,704)	3,052	3
Total assets	242,315	250,220	(7,905)	1,818
<b>(Metals)</b>				
Net sales	222,088	286,422	(64,334)	1,667
Operating income	898	1,043	(145)	7
Total assets	104,679	129,056	(24,377)	786
<b>(Others)</b>				
Net sales	36,220	112,968	(76,748)	272
Operating income	81	1,622	(1,541)	1
Total assets	80,459	116,073	(35,614)	604
<b>(Total)</b>				
Net sales	2,074,392	2,430,046	(355,654)	15,568
Operating income	33,665	23,674	9,991	253
Total assets	1,115,523	1,260,065	(144,542)	8,372
<b>(Elimination &amp; Unallocated)</b>				
Net sales	(19,152)	(10,706)	(8,446)	(144)
Operating income	(611)	(595)	(16)	(5)
Total assets	288,836	403,858	(115,022)	2,168
<b>(Consolidated)</b>				
Net sales	2,055,240	2,419,340	(364,100)	15,424
Operating income	33,054	23,079	9,975	248
Total assets	1,404,359	1,663,923	(259,564)	10,539

## Segment Information

( for the year ended March 31, 2002 & 2001)

### Geographic Segments

			Yen/\$ ( Yen : mil)	133.25 (\$ : mil)
	Mar-02	Mar-01	increase / decrease	Mar-02
<b>(Japan)</b>				
Net sales	1,886,204	2,265,363	(379,159)	14,155
Operating income	32,559	23,249	9,310	244
Total assets	1,059,495	1,136,523	(77,028)	7,951
<b>(North &amp; South America)</b>				
Net sales	128,574	166,051	(37,477)	965
Operating income	449	76	373	3
Total assets	83,680	80,885	2,795	628
<b>(Europe, Africa &amp; Middle East)</b>				
Net sales	46,549	61,333	(14,784)	349
Operating income	750	14	736	6
Total assets	34,108	47,099	(12,991)	256
<b>(Asia)</b>				
Net sales	112,580	160,392	(47,812)	845
Operating income	604	305	299	5
Total assets	36,969	34,346	2,623	277
<b>(Oceania)</b>				
Net sales	14,654	10,895	3,759	110
Operating income	10	(90)	100	0
Total assets	1,272	1,222	50	10
<b>(Total)</b>				
Net sales	2,188,561	2,664,034	(475,473)	16,424
Operating income	34,372	23,554	10,818	258
Total assets	1,215,524	1,300,075	(84,551)	9,122
<b>(Elimination &amp; Unallocated)</b>				
Net sales	(133,321)	(244,694)	111,373	(1,001)
Operating income	(1,318)	(475)	(843)	(10)
Total assets	188,835	363,848	(175,013)	1,417
<b>(Consolidated)</b>				
Net sales	2,055,240	2,419,340	(364,100)	15,424
Operating income	33,054	23,079	9,975	248
Total assets	1,404,359	1,663,923	(259,564)	10,539

## Securities

(as of March 31, 2002)

### 1. Debt Securities held-to-maturity with current market value

Type	Millions of Yen		
	Book Value	Market Value	Difference
Government bonds and local government bonds	2,771	2,756	(15)
Corporate bonds	6,023	6,015	(8)
Others	6,467	6,390	(78)
Total	15,264	15,163	(101)

### 2. Other Securities with current market value

Type	Millions of Yen		
	Cost	Book Value	Unrealized Gains/Losses
Equity Securities	75,001	63,830	(11,171)
Debt Securities			
Government bonds and local government bonds	1,228	1,205	(23)
Corporate bonds	62,603	60,852	(1,751)
Others	9,867	10,588	721
Total	148,703	136,480	(12,223)

### 3. Accumulated amount of other securities sold during the fiscal year

Millions of Yen		
Accumulated sold amount	Capital gain	Capital loss
156,728	3,070	(4,620)

### 4. Content and book value of securities for which current market value could not be available

Type	Millions of Yen
	Book Value
Debt Securities held-to-maturity	
Unlisted yen bonds	3,913
Other Securities	
Equity securities	21,158
Unlisted foreign bonds	4,938
Others	6,889
Total	32,986

\*1) The new Accounting Standard for Financial Instruments, which became effective April 1, 2000, requires that securities should be classified into three categories: trading, held-to-maturity, or other securities, according to the purpose for holding securities. The company classified its equity and debt securities to be held-to-maturity, and other securities, which are shown in investment securities, except that debt securities whose maturities will be within one year are included in short-term investment.

\*2) In accordance with the new accounting standard referred \*1), effective from April 1, 2001, other securities with available market value are accounted for at fair value. As such, unrealized gains and losses on the securities, net of the applicable income taxes, included directly in shareholders' equity. On the other hand, other securities without market value are stated at cost by the moving-average method, and debt securities to be held-to-maturity are stated at amortized cost. Besides certain write-downs of other securities are recognized in earnings when investees have suffered substantial losses and are not expected to recover such losses in the near future.

**Non-Consolidated Statements of Operations**  
( for the year ended March 31, 2002 & 2001)

	Millions of yen			Yen/\$ 133.25
	Mar-02	Mar-01	increase / decrease	Millions of \$ Mar-02
<b>Net sales</b>	1,501,834	1,753,307	(251,473)	11,271
Cost of sales	(1,456,225)	(1,710,318)	254,093	(10,929)
<b>Gross trading profit</b>	45,608	42,988	2,620	342
Gross trading profit margin	3.04%	2.45%		
Selling, general & administrative expenses	(29,632)	(35,788)	6,156	(222)
<b>Operating income</b>	15,976	7,200	8,776	120
Interest income	6,634	9,232	(2,598)	50
Dividends	8,709	5,006	3,703	65
Other income	9,463	11,664	(2,201)	71
Non-operating income	24,807	25,904	(1,097)	186
Interest expenses	(14,022)	(16,426)	2,404	(105)
Interest expenses on commercial papers	(403)	(334)	(69)	(3)
Other expenses	(5,178)	(8,273)	3,095	(39)
Non-operating expenses	(19,604)	(25,034)	5,430	(147)
<b>Recurring profit</b>	21,179	8,069	13,110	159
Special income(*)	23,571	84,703	(61,132)	177
Special loss(*)	(42,815)	(121,005)	78,190	(321)
<b>Income before income taxes</b>	1,934	(28,232)	30,166	15
Income taxes;            Current	(309)	(4,910)	4,601	(2)
Deferred	(492)	18,286	(18,778)	(4)
<b>Net income (loss)</b>	1,132	(14,857)	15,989	8
Retained earnings at beginning of year	-	9,666	(9,666)	-
Retained earnings taken over due to merger	669	880	(211)	5
Loss on retirement of subsidiaries' stock due to merger	(1,650)	-	(1,650)	(12)
<b>Retained earnings (deficit) at end of year</b>	151	(4,310)	4,461	1

(\*) refer to the next page for the breakdown of special income and loss

\* Breakdown of Non-Consolidated Special Income / loss

	Millions of Yen	
	Mar-02	Mar-01
<b>(Special income)</b>		
Gain on property & equipment	1,087	1,086
Gain on investment securities of subsidiaries & affiliates	8,597	76,982
Gain on investment securities	2,192	6,633
Gain on transfer of business	11,694	-
<b>Total special income</b>	<b>23,571</b>	<b>84,703</b>
<b>(Special loss)</b>		
Loss on property & equipment	(182)	(919)
Write-down of investment securities & investments other than securities	(32,462)	(41,258)
Write-down of golf club membership		(354)
Loss on investment securities	(4,113)	(1,409)
Loss on disposal of investments in & provision for from subsidiaries & affiliates	(4,802)	(27,309)
Provision for doubtful accounts	-	(33,858)
Write-down of interest receivables	-	(2,019)
Loss on disposal of accounts related to specified overseas countries	-	(4,084)
Write-down of real estate for sales	-	(3,894)
Expenses for employee early retirement benefit	(1,253)	(5,896)
<b>Total special loss</b>	<b>(42,815)</b>	<b>(121,005)</b>
<b>Special loss-net</b>	<b>(19,244)</b>	<b>(36,302)</b>

\*reference: the following accounts are not included in the above special items.

	Millions of Yen	
	Mar-02	Mar-01
Provision for doubtful receivables (Included in Selling, general & administrative expenses)	(247)	(1,522)

**Non-Consolidated Balance Sheets**  
(as of March 31, 2002 & 2001)

**Assets**

Yen/\$  
133.25

	Millions of yen		increase / decrease	Millions of \$
	Mar-02	Mar-01		Mar-02
<b>Current assets;</b>				
Cash & time deposits	119,520	137,419	(17,899)	897
Trade notes receivables	57,792	66,418	(8,626)	434
Trade accounts receivables	187,731	226,553	(38,822)	1,409
Marketable securities	5,198	7,407	(2,209)	39
Inventories	108,165	102,979	5,186	812
Advances paid	10,440	11,582	(1,142)	78
Deferred tax assets-current	2,726	3,637	(911)	20
Short-term loans	3,585	19,942	(16,357)	27
Short-term loans to subsidiaries & affiliates	73,116	47,330	25,786	549
Other current assets	23,379	33,608	(10,229)	175
Allowance for doubtful receivables	(1,634)	(1,721)	87	(12)
<b>Total current assets</b>	<b>590,023</b>	<b>655,158</b>	<b>(65,135)</b>	<b>4,428</b>
<b>Fixed assets;</b>				
<b>Tangible assets</b>	69,456	71,863	(2,407)	521
<b>Intangible assets</b>	1,744	712	1,032	13
<b>Investments &amp; other fixed assets;</b>				
Investment securities	113,220	179,651	(66,431)	850
Investment securities of subsidiaries and affiliates	146,483	127,958	18,525	1,099
Investments other than securities	14,175	12,585	1,590	106
Investments in subsidiaries and affiliates other than securities	18,871	19,067	(196)	142
Long-term loans	38,083	44,184	(6,101)	286
Long-term loans to subsidiaries and affiliates	44,690	55,158	(10,468)	335
Deferred tax assets-non-current	38,637	30,070	8,567	290
Treasury stock *)	-	1,015	(1,015)	-
Others	75,654	76,260	(606)	568
Allowance for doubtful receivables	(65,163)	(69,306)	4,143	(489)
<b>Total investments &amp; other fixed assets</b>	<b>424,654</b>	<b>476,647</b>	<b>(51,993)</b>	<b>3,187</b>
<b>Total fixed assets</b>	<b>495,855</b>	<b>549,223</b>	<b>(53,368)</b>	<b>3,721</b>
Long term deferred assets	281	593	(312)	2
<b>Total</b>	<b>1,086,160</b>	<b>1,204,976</b>	<b>(118,816)</b>	<b>8,151</b>

\*) Due to changes in accounting principle and practices generally accepted in Japan, Treasury stock at the end of March 31, 2002 is shown in shareholders' equity instead of shown as a part of fixed assets.



**Non-Consolidated Balance Sheets**  
(as of March 31, 2002 & 2001)

**Liabilities & shareholders' equity**

Yen/\$  
133.25

	Millions of yen		increase / decrease	Millions of \$
	Mar-02	Mar-01		Mar-02
<b>Liabilities</b>				
<b>Current liabilities;</b>				
Trade notes payables	36,185	51,723	(15,538)	272
Trade accounts payables	120,162	136,961	(16,799)	902
Short-term borrowings from banks	299,202	325,986	(26,784)	2,245
Short-term borrowings from subsidairie & affiliates	42,373	186	42,187	318
Commercial paper	-	51,500	(51,500)	-
Bonds - current portion	49,800	14,000	35,800	374
Advances received	5,878	9,035	(3,157)	44
Reserve for bonuses	619	768	(149)	5
Other current liabilities	34,775	29,979	4,796	261
<b>Total current liabilities</b>	<b>589,000</b>	<b>620,140</b>	<b>(31,140)</b>	<b>4,420</b>
<b>Long-term liabilities;</b>				
Bonds, less current portion	84,876	142,076	(57,200)	637
Long-term borrowings from banks	314,279	335,668	(21,389)	2,359
Allowance for retirement benefits	4,714	3,026	1,688	35
Other long-term liabilities	1,142	3,157	(2,015)	9
<b>Total long-term liabilities</b>	<b>405,012</b>	<b>483,928</b>	<b>(78,916)</b>	<b>3,039</b>
<b>Total liabilities</b>	<b>994,013</b>	<b>1,104,068</b>	<b>(110,055)</b>	<b>7,460</b>
<b>Shareholders' equity;</b>				
Common stock	52,179	52,179	0	392
Capital surplus	48,140	48,140	0	361
Legal surplus	661	4,896	(4,235)	5
Retained earnings	151	(4,308)	4,459	1
Unrealized loss on other securities	(8,043)	-	(8,043)	(60)
Treasury stock *)	(942)	-	(942)	(7)
<b>Total shareholders' equity</b>	<b>92,147</b>	<b>100,907</b>	<b>(8,760)</b>	<b>692</b>
<b>Total</b>	<b>1,086,160</b>	<b>1,204,976</b>	<b>(118,816)</b>	<b>8,151</b>

\*) Due to changes in accounting principle and practices generally accepted in Japan, Treasury stock at the end of March 31, 2002 is shown in shareholders' equity instead of shown as a part of fixed assets.

(Reference) **Contingent liabilities**

	Millions of yen		increase / decrease	Millions of \$
	Mar-02	Mar-01		Mar-02
Guarantee or indebtedness	195,789	243,403	(47,614)	1,469
Repurchase of notes discounted and endorsed	14,480	12,215	2,265	109