

**FLASH REPORT**  
**NON-CONSOLIDATED FINANCIAL STATEMENTS**  
**Year Ended March 31, 2003**

**Name of the Company :** Sammy Corporation  
**Code number :** 6426  
 (URL <http://ir.sammy.co.jp>)  
**Any inquiry to :** Kiyofumi Sakino  
 Managing Director/Division Manager, Administration  
 2-23-2 Higashi Ikebukuro  
 Toshima-ku, Tokyo, Japan  
 Tel (03)5950 - 3790

Date of the Board of Directors meeting for the year closing May 8, 2003

Date of the ordinary shareholders' meeting for the year closing June 26, 2003

Interim dividend distribution Applicable

**1. RESULTS OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2003**

(1) RESULTS OF OPERATIONS

	Net sales		Operating income		Net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For Year ended March 31, 2003	150,462	(5.7)	51,809	( 0.3)	24,797	(6.1)
For Year ended March 31, 2002	142,394	(110.3)	51,955	(175.9)	23,375	(136.8)

	Net income per share	Net income per share (Diluted)	Return on equity	Operating income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
For Year ended March 31, 2003	470.76	469.28	40.2	46.6	34.4
For Year ended March 31, 2002	442.39	442.24	54.6	54.8	36.5

(Note) Weighted average number of shares outstanding for the fiscal year 2003 and 2002 were 52,038,939 shares and 52,839,269 shares, respectively.

There was no significant change in the accounting policy between the years presented.

Percentages for net sales, operating income and net income represent change from the prior year.

(2) DESCRIPTION OF DIVIDENDS PAID

	Dividend paid per share for the year			Total dividends paid (annual)	Dividend payout ratio	Ratio of dividend paid to equity
	Interim	Year-end				
	Yen	Yen	Yen	Millions of Yen	%	%
Fiscal year 2003	70.00	0.00	70.00	3,507	14.1	5.3
Fiscal year 2002	50.00	0.00	50.00	2,670	11.4	4.7

(3) FINANCIAL POSITION

	Total assets	Shareholders' equity	Equity ratio	Equity per share
	Millions of Yen	Millions of Yen	%	Yen
March 31, 2003	106,235	66,604	62.7	1,323.10
March 31, 2002	116,268	56,660	48.7	1,060.82

(Note) The total numbers of shares outstanding were 50,113,270 shares and 53,411,572 shares at March 31, 2003 and 2002, respectively.

The total numbers of Treasury stocks were 3,408,130 shares and 228 shares at March 31, 2003 and 2002, respectively.

**2. PROJECTION FOR NON-CONSOLIDATED RESULTS FOR FISCAL YEAR 2003 (APRIL 1, 2003 – MARCH 31, 2004)**

	Net sales	Operating income	Net income
	Millions of Yen	Millions of Yen	Millions of Yen
Interim	76,500	20,200	10,000
Entire – year	190,000	56,000	28,000

Dividend per share		
Interim	End of year	
¥ 35	¥ 35	¥ 70

(Reference) Projected net income per share for the entire-year is ¥551.75

Note :

The management of the Company is required to disclose the information about Projection of results for fiscal year ended March, 2004 in accordance with the regulation of Tokyo Stock Exchange.

Above estimate is made based on the information available at the date of announcement of this flash report and there may be a case that above estimate would differ from actual amount due to various reasons.

## 6. NON-CONSOLIDATED FINANCIAL STATEMENT

### SAMMY CORPORATION NON-CONSOLIDATED BALANCE SHEETS AS OF MARCH 31, 2003 AND 2002

(Unit : Millions of Yen)

	Current year ( As of March 31, 2003 )		Prior year ( As of March 31, 2002 )		Change
	Amount	Percentage	Amount	Percentage	Amount
( A s s e t s )		%		%	
Current Assets					
Cash and deposits	18,370		17,398		972
Notes receivable 2.3	12,290		17,662		(5,371)
Accounts receivable-trade 2	17,974		31,383		(13,409)
Allowance for doubtful accounts	(750)		(628)		(122)
Inventories	14,815		13,503		1,312
Deferred taxes-current	3,994		2,598		1,395
Deposit for lawsuit	5,000		5,000		-
Others 2	5,785		6,388		(603)
Total current assets	77,485	72.9	93,309	80.3	(15,824)
Non-current assets					
Property and equipment					
Buildings	4,494		4,101		393
Machinery and equipment	2,021		2,239		(218)
Rental equipment for amusement arcades	-		435		(435)
Land	2,803		2,521		282
Software	1,106		1,232		(126)
Construction in progress	-		220		(220)
Others	1,540		1,255		285
Total property and equipment	11,967	11.3	12,005	10.3	(38)
Investments and other assets					
Investment securities	2,960		2,087		873
Investments in subsidiaries and affiliates	6,764		3,379		3,385
Lease deposits	1,403		1,333		69
Deferred taxes non - current	1,597		1,349		247
Others	4,193		3,880		313
Allowance for doubtful accounts	(141)		(1,081)		939
Total investments and other assets	16,781	15.8	10,952	9.4	5,828
Total non-current assets	28,749	27.1	22,959	19.7	5,790
Total assets	106,235	100.0	116,268	100.0	(10,033)

SAMMY CORPORATION  
NON-CONSOLIDATED BALANCE SHEETS  
AS OF MARCH 31, 2003 AND 2002

(Unit : Millions of Yen)

	Current year ( As of March 31, 2003 )		Prior year ( As of March 31, 2002 )		Change
	Amount	Percentage	Amount	Percentage	Amount
( Liabilities )					
Current liabilities					
Short-term bank loans and current portion of long-term debt	2,100		4,600		(2,500)
Notes payable 3	10,350		14,586		(4,236)
Accounts payable – trade 2	2,354		7,522		(5,168)
Accounts payable – other 2	4,196		7,801		(3,605)
Income taxes payable	13,347		17,942		(4,594)
Accrued liabilities 2	1,323		1,996		(672)
Accrued employees' bonus	1,088		895		192
Others 2	91		170		(79)
Total current liabilities	34,852	32.8	55,517	47.8	(20,665)
Non-current liabilities					
Long-term debt, less current portion	1,200		1,800		(600)
Severance and retirement allowance	1,421		1,179		242
Others	2,156		1,111		1,044
Total non-current liabilities	4,777	4.5	4,090	3.5	686
Total liabilities	39,630	37.3	59,608	51.3	(19,978)
( Shareholders' equity )					
Common stock 1	8,017	7.5	7,966	6.9	51
Additional paid-in capital	9,011	8.5	8,960	7.7	51
Legal reserve	310	0.2	310	0.2	-
Retained earnings-appropriated	34,585	32.6	15,785	13.6	18,800
-unappropriated	26,324	24.8	23,528	20.2	2,795
Net unrealized holding gains on securities	562	0.6	109	0.1	452
	78,809	74.2	56,660	48.7	22,149
Treasury stock 4	(12,205)	(11.5)	(0)	(0.0)	(12,205)
Total shareholders' equity	66,604	62.7	56,660	48.7	9,944
Total liabilities and shareholders' equity	106,235	100.0	116,268	100.0	(10,033)

SAMMY CORPORATION  
NON-CONSOLIDATED STATEMENTS OF INCOME  
FOR THE YEARS ENDED MARCH 31, 2003 AND 2002

( Unit : Millions of Yen )

	Current year From April 1,2002 To March 31,2003		Prior year From April 1,2001 To March 31,2002		Change
	Amount	Percentage	Amount	Percentage	Amount
Net sales	150,462	100.0	142,394	100.0	8,067
Cost of sales	62,927	41.8	59,767	42.0	3,159
Gross profit	87,535	58.2	82,626	58.0	4,908
Selling, general and administrative expenses	35,725	23.8	30,671	21.5	5,053
Operating income	51,809	34.4	51,955	36.5	(145)
Other income ( expenses )					
Interest and dividend income	165		98		67
Gain on investment in silent partnership	2		87		(85)
Interest expenses	(143)		(148)		4
Loss on disposal of property and equipment	(69)		(301)		232
Gain (Loss) on sale of property and equipment-net	4		(1)		4
Loss on devaluation of investment securities and investment in subsidiaries	(296)		(9)		(287)
Exchange loss	(54)		-		(54)
Cost of restructuring for subsidiaries	(3,549)		-		(3,549)
Cost for special restoration for pachislot problem	-		(5,958)		5,958
Cost of voluntary recall of products	(111)		-		(111)
Others	(497)		(1,122)		625
Sub total	(4,548)		(7,354)		(2,804)
Income before income taxes	47,259	31.4	44,599	31.3	2,660
Income taxes - current	24,445	16.2	22,800	16.0	1,645
- deferred	(1,983)	(1.3)	(1,576)	(1.1)	(407)
Total income taxes	22,462	14.9	21,224	14.9	1,238
Net income	24,797	16.5	23,375	16.4	1,422
Unappropriated retained earnings - beginning of the year	1,758		153		1,604
Loss of disposal of treasury stock	(231)		-		(231)
Unappropriated retained earnings - end of the year	26,324		23,528		(2,795)

## PROPOSAL FOR APPROPRIATION OF RETAINED EARNINGS

(Unit : Millions of Yen)

	Current year	Prior year	Change
	Amounts	Amounts	Amounts
Unappropriated retained earnings at the end of year	26,324	23,528	2,796
Appropriation			
1. Dividends	(3,507)	(2,670)	837
2. Bonuses to directors and corporate auditors	(300)	(300)	-
3. Voluntary reserve			
General reserve	(20,600)	(18,800)	1,800
Total appropriation	(24,407)	(21,770)	2,637
Unappropriated retained earnings to be carried forward	1,916	1,758	158

### Components of Per-Share Dividend

	Current year			Prior year		
	Entire year	Interim	Year-end	Entire year	Interim	Year-end
	Yen	Yen	Yen	Yen	Yen	Yen
Ordinary Share	70.00	0.00	70.00	50.00	0.00	50.00
Ordinary dividend	70.00	0.00	70.00	50.00	0.00	50.00
One-time special dividend	- -	- -	- -	- -	- -	- -

## **SIGNIFICANT ACCOUNTING POLICIES**

1. Valuation for important assets
  - (1) Securities of subsidiary and affiliate  
Securities are carried at moving average cost.  
Securities that have quoted market prices are stated at the market value. The difference between acquisition cost and market value is accounted for as net unrealized holding gains on securities in Shareholders' equity.  
Other securities are carried at moving average cost.
  - (2) Inventories are stated at cost determined by the average method.
2. Depreciation method of property and equipment
  - Tangible assets  
Depreciation is computed primarily using the declining-balance method .  
In addition, buildings acquired after April 1, 1998 are depreciated using the straight-line method .  
Service life for primary assets is as follows;  
Building/Structure : 34-38 years  
Tools/Furniture : 4-6 years
  - Intangible assets  
Depreciation is computed primarily using the straight-line method. We adopt the straight-line method over the useful life of 5 years for Software for internal use.  
Advance payment  
Depreciation is computed primarily using the straight-line method.
3. Accounting for deferred assets  
Stock issuance costs are expensed as incurred.
4. Basis of recording allowances
  - Allowance for doubtful accounts  
The allowance for doubtful accounts is provided in an amount sufficient to cover possible losses by estimating individually uncollectible amounts and applying a historical percentage to the remaining accounts.  
Severance and retirement allowance for employees  
The liability for the employees' severance and retirement benefits is recorded based on the estimated amounts of benefit obligation and plan assets at the end of the year.  
Severance and retirement allowance for directors and corporate auditors  
The liability for the directors' and corporate auditors' severance and retirement benefits is recorded based on the amount required in accordance with the Company's policy.
5. Accounting for lease transactions  
Finance leases, which do not transfer ownership to lessees, are accounted for in the same manner as operating leases.
6. Accounting for significant hedge  
The Company has employed certain interest swaps to hedge its exposure to movements in the interest rates for its borrowings. As a matter of policy, the Company does not engage in speculative transactions. These swaps have been accounted for using the simplified method permissible.
7. Accounting method of consumption taxes  
Consumption taxes paid and received are recorded as suspense payments and suspense receipts during the year.  
The net payable resulting from offsetting the two accounts is recorded as consumption tax payable at year-end.

## **ACCOUNTING CHANGES**

1. Treasury stock and legal reserve  
New accounting standard for treasury stock and legal reserve, which is effective after April 1, 2002, has been adopted from this fiscal year. Impact of such adoption on income for this fiscal year has been insignificant.  
Due to revisions of the consolidated financial statement rules, shareholder's equity has been presented by common stock, capital surplus, earnings surplus and other from this fiscal year according to the revised rules. Presentation of shareholder's equity in the previous periods has been revised accordingly for comparison purpose.
2. New accounting standards for per share data, which are effective for fiscal years beginning on or after April 1, 2002, have been adopted from this fiscal year.

## NOTES TO FINANCIAL STATEMENTS

### BALANCE SHEET

Current year (As of March 31, 2003)	Prior year (As of March 31, 2002)
1. Number of shares authorized and outstanding	1. Number of shares authorized and outstanding
Authorized 200,000,000 shares	Authorized 100,000,000 shares
Outstanding 53,521,400 shares	Outstanding 53,411,800 shares
2. Notes related to subsidiaries	2. Notes related to subsidiaries
Intercompany transactions not separately presented but included in each account are as follows;	Intercompany transactions not separately presented but included in each account are as follows;
Millions of Yen	Millions of Yen
Note receivables 2,438	Note receivables 6,850
Accounts receivable-trade 7,976	Accounts receivable-trade 7,020
Other current assets 3,351	Loan 2,627
Accounts payable-trade 226	Other receivables 240
Accounts payable-others 1,389	Other current assets 357
Accrued liabilities 20	Accounts payable-trade 232
	Accounts payable others 109
	Accrued liabilities 341
	Other current liabilities 55
3.	3. Notes receivable and payable that matured on the balance sheet date (March 31, 2002) were settled on the following business day (April 1, 2002), because the balance sheet date was Sunday and banks were closed. Therefore, the following balances matured on the balance sheet date were included in the balance sheet:
	Notes receivable ¥2,847 million
	Notes payable ¥2,427 million
4. Treasury stock owned 3,408,130 shares	4. Treasury stock owned 228 shares
5. Liabilities for guarantees	5. Liabilities for guarantees
The Company was contingently liable for guarantees of the following subsidiaries' loan payable to the Banks	The Company was contingently liable for guarantees of Shuko Electronics Co., Ltd. loan payable to the Banks amounting to ¥132 million
Syuko Electronics Co.,Ltd. ¥889 million	
Sammy Amusement Service ¥558 million	
SI Electronics Co.,Ltd. ¥300 million	
Dimps Corporation ¥400 million	
Sammy USACorporation ¥180 million	
(US\$1,500,000)	
Total ¥2,328 million	
Additionally, the Company was liable for guarantees of the following subsidiaries' account payable	
SI Electronics Co.,Ltd. for Bond ¥200 million	
Syuko Electronics Co.,Ltd for contract of installment sales ¥290 million	
Sammy Studios Inc for office rent ¥237 million	
6. Net assets is increased by ¥562 million due to valuation at market price of securities. This amount is restricted from being allocated dividend by Commercial Code.	6. Net assets is increased by ¥109 million due to valuation at market price of securities. This amount is restricted from being allocated dividend by Commercial Code.

Increase of numbers of share issued is as follows;

1. Numbers of share issued was increased by 109,600 shares due to execution of stock option.

(1) Numbers of share / 20,000 Share Price for issuance / ¥314  
Amount allocated to common stock / ¥157

(2) Numbers of share / 89,600 Share Price for issuance / ¥1,071  
Amount allocated to common stock / ¥536



## STATEMENT OF INCOME

Current year From April 1,2002 To March 31,2003		Prior year From April 1,2001 To March 31,2002	
1. Amounts related to subsidiaries included in following each account are as follows;		1. Amounts related to subsidiaries included in following each account are as follows;	
Sales	¥37,362 million	Sales	¥35,078 million
Interest and dividend income	¥142 million		
Commission	¥52 million		
2. Summary of selling,,general and administrative expenses is as follows;		2. Summary of selling,,general and administrative expenses is as follows	
	Millions of Yen		Millions of Yen
Selling expenses		Selling expenses	
Sales agent fee	10,607	Sales agent fee	11,746
Advertisement	3,417	Advertisement	2,640
Fee for installation of products	847	Fee for installation of products	370
Others	1,004	Others	505
Total	15,877	Total	15,263
Personnel expenses		Personnel expenses	
Allowance for Bonus	647	Allowance for Bonus	484
Retirement allowance for director	98	Retirement allowance for director	164
Retirement allowance for employees	117	Retirement allowance for employees	80
Salary, allowance for employees	2,174	Salary, allowance for employees	1,765
Remuneration for director	269	Remuneration for director	241
Others	1,615	Others	1,167
Total	4,922	Total	3,904
General expenses		General expenses	
Research & Development	8,473	Research & Development	6,319
Bad debt expense	203	Bad debt expense	256
Allowance of doubtful accounts	-	Allowance of doubtful accounts	13
Rent	846	Rent	595
Commission	1,859	Commission	1,121
Depreciation	292	Depreciation	242
Others	3,248	Others	2,954
Total	14,925	Total	11,503
3. Depreciation expenses		3. Depreciation expenses	
Tangible assets	¥1,495 million	Tangible assets	¥1,545 million
Intangible assets	¥461 million	Intangible assets	¥354 million

## LEASE TRANSACTIONS

Current year From April 1,2002 To March 31,2003				Prior year From April 1,2001 To March 31,2002			
A summary of finance leases which do not transfer ownership to lessee:				A summary of finance leases which do not transfer ownership to lessee:			
1. Acquisition cost, accumulated depreciation, year-end book value of the leased items (Millions of Yen)				1. Acquisition cost, accumulated depreciation, year-end book value of the leased items (Millions of Yen)			
	Acquisition cost	Accumulated depreciation	Book value at year-end		Acquisition cost	Accumulated depreciation	Book value at year-end
Tools and furnitures	30	7	22	Tools and furnitures	7	5	2
Machinery and equipment	27	18	9	Machinery and equipments	38	17	20
Total	58	26	31	Total	45	23	23
2. Outstanding minimum lease payments at year-end (Millions of Yen)				2. Outstanding minimum lease payments at year-end (Millions of Yen)			
Within one year			14	Within one year			12
Exceeding one year			<u>17</u>	Exceeding one year			<u>10</u>
Total			<u>31</u>	Total			<u>23</u>
3. Payment of lease/Depreciation (Millions of Yen)				3. Payment of lease/Depreciation (Millions of Yen)			
Payment of lease			19	Payment of lease			11
Depreciation			19	Depreciation			11
4. Depreciation is computed using the straight-line method over the lease term to make residual value zero.				4. Depreciation is computed using the straight-line method over the lease term to make residual value zero.			
5. Above notes are presented inclusive of interest since the percentage of outstanding minimum lease payments to the total fixed assets at the year end is not significant.				5. Above notes are presented inclusive of interest since the percentage of outstanding minimum lease payments to the total fixed assets at the year end is not significant.			

## DEFERRED TAXES

Current year From April 1,2002 To March 31,2003	Prior year From April 1,2001 To March 31,2002																																																																												
<p>1 . Significant components of the deferred tax assets are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Deferred tax assets (Current assets)</td> <td style="text-align: right;">( Unit : Millions of Yen )</td> </tr> <tr> <td>Accrued enterprise tax</td> <td style="text-align: right;">¥ 1,051</td> </tr> <tr> <td>Inventories</td> <td style="text-align: right;">2,246</td> </tr> <tr> <td>Accrued bonus</td> <td style="text-align: right;">397</td> </tr> <tr> <td>Doubtful accounts</td> <td style="text-align: right;">231</td> </tr> <tr> <td>Others</td> <td style="text-align: right;">67</td> </tr> <tr> <td style="border-top: 1px solid black;">Current assets total</td> <td style="text-align: right; border-top: 1px solid black;">3,994</td> </tr> <tr> <td colspan="2"> </td> </tr> <tr> <td colspan="2">(Non current assets)</td> </tr> <tr> <td>Expensed tangible assets to be capitalized for tax purpose</td> <td style="text-align: right;">635</td> </tr> <tr> <td>Investment securities</td> <td style="text-align: right;">217</td> </tr> <tr> <td>Retirement benefits</td> <td style="text-align: right;">547</td> </tr> <tr> <td>Depreciation expense</td> <td style="text-align: right;">393</td> </tr> <tr> <td>Others</td> <td style="text-align: right;">189</td> </tr> <tr> <td style="border-top: 1px solid black;">Non-current assets total</td> <td style="text-align: right; border-top: 1px solid black;">1,983</td> </tr> <tr> <td style="border-top: 1px solid black;">Total assets</td> <td style="text-align: right; border-top: 1px solid black;">5,977</td> </tr> <tr> <td colspan="2">(Liability)</td> </tr> <tr> <td>Deferred tax valuation allowance</td> <td style="text-align: right;">(385)</td> </tr> <tr> <td style="border-top: 1px solid black;">Net deferred tax assets</td> <td style="text-align: right; border-top: 1px solid black;">¥5,592</td> </tr> </table>	Deferred tax assets (Current assets)	( Unit : Millions of Yen )	Accrued enterprise tax	¥ 1,051	Inventories	2,246	Accrued bonus	397	Doubtful accounts	231	Others	67	Current assets total	3,994			(Non current assets)		Expensed tangible assets to be capitalized for tax purpose	635	Investment securities	217	Retirement benefits	547	Depreciation expense	393	Others	189	Non-current assets total	1,983	Total assets	5,977	(Liability)		Deferred tax valuation allowance	(385)	Net deferred tax assets	¥5,592	<p>1 . Significant components of the deferred tax assets are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Deferred tax assets (Current assets)</td> <td style="text-align: right;">( Unit : Millions of Yen )</td> </tr> <tr> <td>Accrued enterprise tax</td> <td style="text-align: right;">¥ 1,429</td> </tr> <tr> <td>Inventories</td> <td style="text-align: right;">716</td> </tr> <tr> <td>Accrued bonus</td> <td style="text-align: right;">263</td> </tr> <tr> <td>Doubtful accounts</td> <td style="text-align: right;">113</td> </tr> <tr> <td>Others</td> <td style="text-align: right;">75</td> </tr> <tr> <td style="border-top: 1px solid black;">Current assets total</td> <td style="text-align: right; border-top: 1px solid black;">2,598</td> </tr> <tr> <td colspan="2"> </td> </tr> <tr> <td colspan="2">(Non current assets)</td> </tr> <tr> <td>Expensed tangible assets to be capitalized for tax purpose</td> <td style="text-align: right;">547</td> </tr> <tr> <td>Investment securities</td> <td style="text-align: right;">139</td> </tr> <tr> <td>Retirement benefits</td> <td style="text-align: right;">444</td> </tr> <tr> <td>Depreciation expense</td> <td style="text-align: right;">174</td> </tr> <tr> <td>Others</td> <td style="text-align: right;">122</td> </tr> <tr> <td style="border-top: 1px solid black;">Non-current assets total</td> <td style="text-align: right; border-top: 1px solid black;">1,429</td> </tr> <tr> <td style="border-top: 1px solid black;">Total assets</td> <td style="text-align: right; border-top: 1px solid black;">4,028</td> </tr> <tr> <td colspan="2">(Liability)</td> </tr> <tr> <td>Deferred tax valuation allowance</td> <td style="text-align: right;">( 79)</td> </tr> <tr> <td style="border-top: 1px solid black;">Net deferred tax assets</td> <td style="text-align: right; border-top: 1px solid black;">¥3,948</td> </tr> </table>	Deferred tax assets (Current assets)	( Unit : Millions of Yen )	Accrued enterprise tax	¥ 1,429	Inventories	716	Accrued bonus	263	Doubtful accounts	113	Others	75	Current assets total	2,598			(Non current assets)		Expensed tangible assets to be capitalized for tax purpose	547	Investment securities	139	Retirement benefits	444	Depreciation expense	174	Others	122	Non-current assets total	1,429	Total assets	4,028	(Liability)		Deferred tax valuation allowance	( 79)	Net deferred tax assets	¥3,948
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Accrued bonus	263																																																																												
Doubtful accounts	113																																																																												
Others	75																																																																												
Current assets total	2,598																																																																												
(Non current assets)																																																																													
Expensed tangible assets to be capitalized for tax purpose	547																																																																												
Investment securities	139																																																																												
Retirement benefits	444																																																																												
Depreciation expense	174																																																																												
Others	122																																																																												
Non-current assets total	1,429																																																																												
Total assets	4,028																																																																												
(Liability)																																																																													
Deferred tax valuation allowance	( 79)																																																																												
Net deferred tax assets	¥3,948																																																																												
<p>2 . Significant factors attributing to the differences between the effective statutory tax rate and the tax rate actually imposed</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="text-align: right;">( Unit : % )</td> </tr> <tr> <td>Effective statutory tax rate</td> <td style="text-align: right;">42.0</td> </tr> <tr> <td colspan="2">( Adjustments )</td> </tr> <tr> <td>Permanent differences such as entertainment expense</td> <td style="text-align: right;">0.8</td> </tr> <tr> <td>Inhabitant tax per capita</td> <td style="text-align: right;">0.0</td> </tr> <tr> <td>Tax on undistributed earnings of family corporation</td> <td style="text-align: right;">3.9</td> </tr> <tr> <td>Other</td> <td style="text-align: right;">0.8</td> </tr> <tr> <td style="border-top: 1px solid black;">Tax rate actually imposed</td> <td style="text-align: right; border-top: 1px solid black;">47.5</td> </tr> </table>		( Unit : % )	Effective statutory tax rate	42.0	( Adjustments )		Permanent differences such as entertainment expense	0.8	Inhabitant tax per capita	0.0	Tax on undistributed earnings of family corporation	3.9	Other	0.8	Tax rate actually imposed	47.5	<p>2 . Significant factors attributing to the differences between the effective statutory tax rate and the tax rate actually imposed</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="text-align: right;">( Unit : % )</td> </tr> <tr> <td>Effective statutory tax rate</td> <td style="text-align: right;">42.0</td> </tr> <tr> <td colspan="2">( Adjustments )</td> </tr> <tr> <td>Permanent differences such as entertainment expense</td> <td style="text-align: right;">0.4</td> </tr> <tr> <td>Inhabitant tax per capita</td> <td style="text-align: right;">0.1</td> </tr> <tr> <td>Tax on undistributed earnings of family corporation</td> <td style="text-align: right;">4.2</td> </tr> <tr> <td>Other</td> <td style="text-align: right;">0.9</td> </tr> <tr> <td style="border-top: 1px solid black;">Tax rate actually imposed</td> <td style="text-align: right; border-top: 1px solid black;">47.6</td> </tr> </table>		( Unit : % )	Effective statutory tax rate	42.0	( Adjustments )		Permanent differences such as entertainment expense	0.4	Inhabitant tax per capita	0.1	Tax on undistributed earnings of family corporation	4.2	Other	0.9	Tax rate actually imposed	47.6																																												
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<p>3. Adjustments to the amounts of deferred tax assets and deferred tax liabilities due to the change in the tax rate of the corporation tax etc.</p> <p>Pursuant to the Amendments to the Local Tax Laws of 2003, the capital-based enterprise tax on corporation will become effective from the fiscal year commencing on or after April 1, 2004, which will lower the standard tax rate for the income-based enterprise tax on corporation. Accordingly, the effective tax rate of 40.69% is used for the temporary differences etc. which are expected to reverse in the fiscal year commencing on or after April 1, 2004. This has resulted in a ¥66 million decrease in the net deferred tax assets.</p> <p>The changes in the net deferred tax assets due to such change in tax rate are calculated by applying the difference between the new and old tax rates to the temporary differences as of the end of the fiscal year.</p>																																																																													

## Per share data

Current year From April 1,2002 To March 31,2003		Prior year From April 1,2001 To March 31,2002	
Equity per share	¥ 1,323.10	Equity per share	¥ 1,060.82
Net income per share	¥ 470.76	Net income per share	¥ 442.39
Net income per share (diluted)	¥ 469.28	Net income per share (diluted)	¥ 442.24
New accounting standards for per share data have been adopted from this fiscal year. Per share data for the prior year would have been as follows if such new standards were applied;			
Equity per share	¥ 1,055.21		
Net income per share	¥ 436.71		
Net income per share (diluted)	¥ 433.83		

(Note) Equity per share and net income per share (diluted) are computed as follows:

	Current year From April 1,2002 To March 31,2003	Prior year From April 1,2001 To March 31,2002
Equity per share		
Net income (Millions of Yen)	24,797	-
Amount which does not belong to common shareholders (Millions of Yen)	300	-
(of which, bonus to directors)	300	-
Net income for common stock (Millions of Yen)	24,497	-
Average numbers of shares issued and outstanding during fiscal year(Thousand)	52,038	-
Net income per share (diluted)		
Adjustment to net income	-	-
Increase of common stock (Thousand)	163	-
(of which, preemptive rights on common stock)(Thousand)	163	-
Description and number of common stock equivalents which were not included in the computation of net income per share (diluted) as they were anti-dilutive	Stock option (common stock) 346,000 approved by General Meeting on June 22, 2001 Stock option (common stock) 332,000 approved by General Meeting on June 21, 2002	-

### (Securities)

Securities of subsidiaries and affiliate do not have market value in the period from April 1, 2001 to March 31,2002 and in the period from April 1, 2002 to March 31,2003.

### (Change of Directors/Corporate Auditor)

Not applicable