

Consolidated Statements of Operations

Years ended March 31, 2003 and 2002

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2003	2002	2003
Net sales	¥1,204,750	¥1,198,014	\$10,022,879
Cost of sales	1,001,418	1,022,195	8,331,265
Gross profit	203,332	175,819	1,691,614
Selling, general and administrative expenses (Note 10)	122,278	140,320	1,017,288
Operating income	81,054	35,499	674,326
Other income (expenses):			
Interest and dividend income	2,871	3,937	23,885
Interest expense	(29,726)	(31,560)	(247,304)
Seconded employees' salaries net of reimbursement	(18,009)	(20,853)	(149,825)
Gain on sale of securities	5,143	11,665	42,787
Gain (loss) on sale or disposal of plant and equipment	(2,142)	1,186	(17,820)
Loss (gain) on write-down of securities, investments and golf memberships	(11,280)	(19,668)	(93,844)
Business transfer gain	2,387	—	19,859
Foreign exchange gain (loss)	(2,845)	596	(23,669)
Provision for doubtful receivables	—	(1,190)	—
Reversal of allowance for special repairs	5,913	—	49,193
Special employees' retirement benefits	(988)	(7,531)	(8,220)
Gain on securities contributed to employees' retirement benefit trust	—	9,021	—
Effect of applying new accounting standard for retirement benefits	(12,798)	(12,966)	(106,473)
Provision for restructuring costs	(811)	(1,590)	(6,747)
Loss on disposal of inventories and other assets of discontinued operations	(2,927)	—	(24,351)
Amortization of prior service costs of pension plans	6,975	6,975	58,028
Equity in income of unconsolidated subsidiaries and affiliates	5,586	1,241	46,473
Loss on write-down of plant and equipment	(3,294)	—	(27,404)
Other, net	(9,105)	(6,190)	(75,749)
	(65,050)	(66,927)	(541,181)
Income (loss) before income taxes	16,004	(31,428)	133,145
Income taxes (Note 11):			
Current	6,964	7,452	57,937
Deferred	6,513	(11,122)	54,185
	13,477	(3,670)	112,122
Minority interests in income of subsidiaries	804	761	6,689
Net income (loss)	¥1,723	¥(28,519)	\$14,334
	Yen	U.S. dollars (Note 1)	
Net income (loss) per 1,000 shares	¥592	¥(10,068)	\$4.93

See accompanying notes.