

Notes to the Consolidated Financial Statements

AISIN SEIKI CO., LTD. and Its Consolidated Subsidiaries
Years ended March 31, 2002 and 2001

1. Basis of Presenting Financial Statements

The accompanying consolidated financial statements have been prepared based on the accounts maintained by AISIN SEIKI CO., LTD. (the "Company") and its consolidated subsidiaries in accordance with the provisions set forth in the Commercial Code of Japan and the Securities and Exchange Law, and in conformity with accounting principles and practices generally accepted in Japan, which are different in certain respects from application and disclosure requirements of International Accounting Standards. Certain items presented in the consolidated financial statements submitted to the Director of Kanto Finance Bureau in Japan have been reclassified in these accounts for the convenience of readers outside Japan. The consolidated financial statements are not intended to present the consolidated financial position, results of operation and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

2. Yen and U.S. Dollar Amounts

All yen figures have been rounded to millions of yen. The United States dollar amounts included herein are solely for convenience. The translation should not be construed as representations that Japanese yen have been, could have been, or may in the future be, converted into United States dollars. The exchange rate at March 31, 2002 of ¥133.25=US\$1 has been used in the translation.

3. Reclassification

Certain comparative figures have been reclassified to conform with the current year's presentations.

4. Summary of Significant Accounting Policies

(1) Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its 102 subsidiaries (58 domestic subsidiaries and 44 overseas subsidiaries) in 2002 and 89 subsidiaries (56 domestic subsidiaries and 33 overseas subsidiaries) in 2001. For the year ended March 31, 2002, 13 subsidiaries were newly added to the scope of consolidation. All significant intercompany accounts and transactions and unrealized profit among the companies, if any, have been eliminated in consolidation. There are no unconsolidated subsidiaries.

The Company's overseas consolidated subsidiaries close their books at December 31 every year, three months earlier than the Company. Among the Company's domestic consolidated subsidiaries, 6 consolidated subsidiaries close their books at January 31 every year and 17 consolidated subsidiaries close their book at February 28 every year. The Company consolidated such subsidiaries' financial statements as of their year-end. Significant transactions for the period between subsidiaries' year-end and the Company's year-end are adjusted on consolidation.

Overseas consolidated subsidiaries adopt accounting principles generally accepted in their respective countries, and no adjustments to conform with accounting principles generally accepted in Japan have been made to their financial statements on consolidation, as allowed under accounting principles and practices generally accepted in Japan.

Since fiscal year ended March 31, 2000, consolidation difference has been amortized over 5 years. But if that amount is not significant, it is charged to income as incurred. Assets and liabilities of consolidated subsidiaries are revalued at their fair value as of the date of acquisition of the control based on the full fair value method.

(2) Investments in Affiliates

The investments in all affiliates (15 companies in 2002, 13 companies in 2001) are accounted for by the equity method.

(3) Cash and Cash Equivalents

For the purposes of the consolidated statements of cash flows, all highly liquid debt instruments that have an original maturity of three months or less are considered as cash equivalents.

(4) Financial Instruments

(a) Securities

The Company and its subsidiaries do not have trading securities, which are held for the purpose of generating profits on short-term differences in prices and held-to-maturity debt securities, that the Company and its subsidiaries have intent to hold to maturity. Other securities for which market quotations are available are stated at fair value.

Net unrealized gains or losses on these securities are included in "Net unrealized gain on available-for-sale securities" as a separate item in the shareholders' equity at a net-of-tax amount. Gains and losses on disposition of such securities are computed by the moving average method.

Other securities for which market quotations are not available are stated at cost, as computed by moving average method.

(b) Derivatives

All derivatives, except for hedging instruments, are stated at fair value, with change in fair value included in net profit or loss for the period in which they arise.

The derivatives designated as hedging instruments by the Company and its subsidiaries are principally interest swaps and forward exchange contracts.

The related hedged items are trade accounts receivable, loans, securities and long-term debt.

The Company and its subsidiaries have a policy to utilize the above hedging instruments in order to reduce the exposure to the risk of interest rate and exchange rate fluctuation.

Thus, the Company and its subsidiaries' purchase of the hedging instruments are limited to, at maximum, the amounts of the hedged items.

The Company and its subsidiaries evaluate effectiveness of its hedging activities by reference to the accumulated gains or losses on the hedging instruments and the related hedged items from the commencement of the hedges.

(5) Inventories

Finished products, work in process and supplies (excluding steel supplies and fuel) are mainly stated at cost, as determined by the periodic average method. Raw materials, steel supplies and fuel are mainly stated at the lower of cost, as determined by the last-in, first-out method, or market.

(6) Property, Plant and Equipment

Property, plant and equipment are stated at cost. Depreciation is computed by the declining balance method at rates based on the useful lives and residual values of the assets decided by the tax law. Normal repairs and maintenance, including minor renewals and improvements, are charged to income as incurred.

(7) Accounting for Finance Lease

Leases that transfer substantially all the risks and rewards of ownership of the assets are accounted for as capital leases, except that leases do not transfer ownership of the assets at the end of the lease term are accounted for as operating leases, in accordance with accounting principles and practices generally accepted in Japan.

(8) Employee Retirement Benefits

Effective for the year ended March 31, 2001, the Company and its subsidiaries adopted new accounting standards for retirement benefits for employees. The Company and its subsidiaries accrue amount which is considered to be incurred in the period based on the estimated projected benefit obligations and estimated pension assets at the end of year.

As a result of this change, the transitional provision arising from adopting the new standard of ¥69,602 million on April 1, 2000 (the beginning of year) is recorded as Special Loss for the year ended March 31, 2001.

(9) Retirement Benefits for Directors and Corporate Auditors

Until the year ended March 31, 2000, the Company and most subsidiaries charged Retirement benefits for directors and corporate auditors to cost as occurred.

Effective from the year ended March 31, 2001, the Company and all subsidiaries have changed their methods of retirement benefits for directors and corporate auditors to provide for the accrued cost of retirement benefits payable to Directors and Corporate Auditors at an amount equivalent to 100 per cent of such benefits for which the Company and subsidiaries would be required to pay on the directors' retirement benefit rule.

As a result of this change, operating income and ordinary income decreased by ¥562 million, and loss before income taxes and minority interest in income of consolidated subsidiaries increased by ¥2,754 million for the year ended March 31, 2001.

(10) Allowance for Doubtful Accounts

Allowance for doubtful accounts has been provided for at the aggregate amount of estimated credit loss for doubtful or troubled receivables and a general reserve for other receivables calculated based on the historical loss experience for a certain past period.

(11) Income Taxes

The provision for income taxes is computed based on the pretax income included in the consolidated statement of income. The asset and liability approach is used to recognize deferred tax liabilities and assets for the expected future tax consequences of temporary differences between the carrying amounts and tax bases of assets and liabilities. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized.

(12) Translation of Foreign Currency Accounts

Receivables, payables and securities, other than stocks of subsidiaries and certain other securities, are translated into Japanese Yen at the exchange rates at the fiscal year-end.

Transactions in foreign currencies are recorded based on the prevailing exchange rates on the transaction dates. Resulting translation gains or losses are included in the current earnings.

In respect of the financial statement items of overseas consolidated subsidiaries, all asset and liability accounts are translated into Japanese Yen by applying the exchange rates in effect at the fiscal year-end. All income and expense accounts are translated at the average rates of exchange prevailing during the fiscal year.

Translation differences, after allocating to minority interest for portions attributable to minority interest, are reported as foreign currency translation adjustment in a separate component of shareholders' equity in the accompanying consolidated balance sheets.

(13) Appropriation of Retained Earnings

Cash dividends and bonuses to directors and corporate auditors are recorded in the fiscal year when a proposed appropriation of retained earnings is approved by the Board of Directors and/or shareholders.

(14) Per Share Data

Basic net income per share is based on the weighted average number of shares of common stock outstanding during the respective years. Diluted net income per share is computed assuming convertible bonds were converted at the time of issue unless having anti-dilutive effects and as if warrants were exercised at the beginning of the relevant year or (if later) on their first exercise date and as if the funds obtained thereby were used to purchase common stock at the average market price during the respective years under the treasury stock method.

Cash dividends per share shown for each fiscal year in the accompanying consolidated statements of operations represent dividends declared as applicable to the respective years.

5. Marketable Securities

Marketable investment securities are classified as other than trading or held-to-maturity, that is to say, available-for-sale securities, and are stated at fair value with unrealized gains and losses excluded from the current earnings and reported as a net amount within the shareholders' equity account until realized. At March 31, 2002 and 2001, gross unrealized gains and losses for marketable securities included in short term investments and investments in securities are summarized as follows:

Millions of Yen			
Fiscal Year	2002		
	Cost	Fair and Carrying Value	Unrealized Gains
(1) Stocks	¥34,209	¥117,199	¥82,990
(2) Bonds			
Government	3,515	3,681	166
Corporate	6,467	6,523	56
Others	—	—	—
(3) Others	441	443	2
Total	¥44,632	¥127,846	¥83,214

Millions of Yen			
Fiscal Year	2002		
	Cost	Fair and Carrying Value	Unrealized Losses
(1) Stocks	¥ 5,762	¥ 5,140	(¥622)
(2) Bonds			
Government	410	378	(32)
Corporate	9,736	9,714	(22)
Others	1,435	1,434	(1)
(3) Others	150	150	0
Total	¥17,493	¥ 16,816	(¥677)
Grand Total	¥62,125	¥144,662	¥82,537

Millions of U.S. Dollars			
Fiscal Year	2002		
	Cost	Fair and Carrying Value	Unrealized Gains
(1) Stocks	\$ 257	\$ 880	\$ 623
(2) Bonds			
Government	26	27	1
Corporate	49	49	0
Others	0	0	0
(3) Others	3	3	0
Total	\$ 335	\$ 959	\$ 624

Millions of U.S. Dollars			
Fiscal Year	2002		
	Cost	Fair and Carrying Value	Unrealized Losses
(1) Stocks	\$ 43	\$ 38	(\$5)
(2) Bonds			
Government	3	3	0
Corporate	73	73	0
Others	11	11	0
(3) Others	1	1	0
Total	\$ 131	\$ 126	(\$5)
Grand Total	\$ 466	\$ 1,085	\$ 619

Millions of Yen			
Fiscal Year	2001		
	Cost	Fair and Carrying Value	Unrealized Gains
(1) Stocks	¥38,248	¥144,429	¥106,181
(2) Bonds			
Government	3,107	3,250	143
Corporate	20,220	20,362	142
Others	1,259	1,260	1
(3) Others	4,171	4,261	90
Total	¥67,005	¥173,562	¥106,557

Millions of Yen			
Fiscal Year	2001		
	Cost	Fair and Carrying Value	Unrealized Losses
(1) Stocks	¥ 4,038	¥ 3,993	(¥45)
(2) Bonds			
Government	884	881	(3)
Corporate	9,907	9,858	(49)
Others	1,699	1,697	(2)
(3) Others	140	140	0
Total	¥16,668	¥ 16,569	(¥99)
Grand Total	¥83,673	¥190,131	¥106,458

6. Investments in Affiliates

The amounts of investments in affiliates included in Investments in securities and other assets were as follows:

Fiscal Year	Millions of Yen		Millions of U.S. Dollars
	2002	2001	2002
Investments in securities	¥23,969	¥6,434	\$180
Other assets	¥1,880	¥2,186	\$14

7. Inventories

At March 31, 2002 and 2001, inventories consisted of the following:

Fiscal Year	Millions of Yen		Millions of U.S. Dollars
	2002	2001	2002
Finished products	¥25,790	¥27,331	\$194
Work in process	20,445	18,213	153
Raw materials and supplies	23,961	21,121	180
	¥70,196	¥66,665	\$527

8. Assets pledged as collateral

Assets pledged as collateral for short-term debt, long-term debt and guarantees as at March 31, 2002 and 2001 were as follows:

Fiscal Year	Millions of Yen		Millions of U.S. Dollars
	2002	2001	2002
Investments in securities	¥17,353	¥19,404	\$130
Property, plant and equipment (at net book value)	13,399	14,456	101
Other investments	364	390	3
	¥31,116	¥34,250	\$234

9. Contingent Liabilities

Total contingent liabilities at March 31, 2002 and 2001 were as follows:

Fiscal Year	Millions of Yen		Millions of U.S. Dollars
	2002	2001	2002
Guarantee of Bank Loans of			
Employees	¥34	¥45	\$0
Others	1	1	0
Total	¥35	¥46	\$0
Export Bills Discounted	¥67	¥1,464	\$1

10. Research and Development Expenses

Our Research and Development Organizations are made of Corporate R & D Center and Engineering Department of each Division, and are proceeding development activities. Engineering Department is proceeding to progress current automobile parts and systems and life & energy related products.

Corporate R & D Center is developing forefront automotive technologies, products of new field for the future, and also proceeding new materials and manufacturing methods to assist these developments. Main subjects, which we are paying the most attention on are electronics, utilizing light materials, creating the suitable designing (small size, light weight), and so on.

Research and development expenses included in general and administrative expenses and manufacturing costs for the year ended March 31, 2002 and 2001 were as follows:

Fiscal Year	Millions of Yen		Millions of U.S. Dollars
	2002	2001	2002
Research and Development Expenses	¥67,665	¥58,831	\$508

11. Leases

The aggregate future minimum payments for finance leases and non-cancelable operating leases at March 31, 2002 and 2001 were as follows:

(1) Finance leases (as lessee) other than those where ownership is considered to be transferred to the lessee

Fiscal Year	Millions of Yen		Millions of U.S. Dollars
	2002	2001	2002
Due within One Year	¥1,873	¥1,982	\$14
Due after One Year	3,119	3,240	23
Total	¥4,992	¥5,222	\$37

Lease Expenses for Fiscal Year	¥2,183	¥2,245	\$16
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(2) Operating leases (as lessee)

Fiscal Year	Millions of Yen		Millions of U.S. Dollars
	2002	2001	2002
Due within One Year	¥764	¥565	\$6
Due after One Year	1,545	1,682	11
Total	¥2,309	¥2,247	\$17

12. Derivatives

All derivatives are utilized for the hedge purpose of reducing its exposure to adverse fluctuations in interest rates and foreign exchange rates and accounted for under hedge accounting. The trades of derivatives are limited by internal regulations.

13. Bonds Payable and Borrowings

Bonds payable at March 31, 2002 and 2001 consisted of the following:

Issued by	Item	Millions of Yen		Millions of U.S. Dollars	Annual interest	Year of Due
		2002	2001	2002		
AISIN SEIKI	Unsecured Convertible Bonds	¥29,117	¥29,117	\$218	2.00%	2004
AISIN SEIKI	Unsecured Straight Bonds	10,000	10,000	74	1.95	2003
AISIN SEIKI	Unsecured Straight Bonds	15,000	15,000	113	2.65	2008
AISIN AW	Unsecured Straight Bonds	5,000	5,000	38	1.59	2004
AISIN AW	Unsecured Straight Bonds	5,000	5,000	38	1.35	2003
AISIN AW	Unsecured Straight Bonds	5,000	5,000	38	1.07	2002
Total		¥69,117	¥69,117	\$519		

The conversion period of the Unsecured Convertible Bonds is from January 4, 1995 to March 30, 2004 and the conversion price was ¥1,435 (\$10.77) per share as of March 31, 2002.

Borrowings at March 31, 2002 and 2001 consisted of the following:

Item	Millions of Yen		Millions of U.S. Dollars	Annual interest	Year of Due
	2002	2001	2002		
Short-term Borrowings	¥57,969	¥41,908	\$435	1.66%	
Transfer to short-term borrowings					
due within one year	2,963	13,617	22	1.61	
Long-term Debt	8,518	24,052	64	1.12	2003–2009
Total	¥69,450	¥79,577	\$521		

Annual Maturities of Long-term Debt are as follows:

Year ending 31st March,	Millions of Yen	Millions of U.S. Dollars
2003	¥ 2,963	\$22
2004	6,857	51
2005	1,136	9
2006	232	2
2007 and thereafter	293	2
	¥ 11,481	\$86

14. Employee Retirement Benefits

The Company and its subsidiaries have a defined benefit pension plans and lump-sum retirement benefit plans which substantially cover all employees.

The following table reconciles the benefit obligation and net periodic retirement benefit expense as at or for the year ended March 31, 2002 and 2001.

Fiscal Year	Millions of Yen		Thousands of U.S. Dollars
	2002	2001	2002
Projected benefit obligation	¥308,336	¥308,643	\$2,314
Fair value of pension plan assets at end of year	(160,083)	(158,867)	(1,201)
Projected benefit obligation in excess of pension plan assets	148,253	149,776	1,113
Unrecognized prior service cost	19,310	—	145
Less, unrecognized actuarial differences (loss)	(36,349)	(22,273)	(273)
Net amounts of employee retirement benefit			
liability recognized on the consolidated balance sheets	¥131,214	¥127,503	\$ 985

Note: The above table includes the amounts related to the portion subject to the Japanese Welfare Pension Insurance Law.

Component of net periodic retirement benefit expense:

Service cost	¥ 13,204	¥ 13,708	\$ 99
Interest cost	8,702	8,539	65
Expected return of pension plan assets	(8,648)	(8,987)	(65)
Amortization of prior service cost	(1,995)	—	(15)
Recognized actuarial differences	2,259	—	17
Initial transitional provision	—	69,602	—
Net periodic retirement benefit expense	¥ 13,522	¥ 82,862	\$ 101

Major assumptions:

For the years 2002 and 2001

Method attributing the projected benefits to periods of services	Straight-line method
Discount rate	3.00%
Expected rate of return on pension plan assets	5.50%
Amortization of prior service cost	10 years
Amortization of actuarial differences	10 years
Amortization of initial transitional provision	1 year

15. Deferred Income Taxes

1. A summary of the components of the provision for deferred income taxes

Fiscal Year	Millions of Yen		Millions of U.S. Dollars
	2002	2001	2002
Deferred Tax Assets			
Deferred Tax Assets			
Employee retirement benefit liability	¥47,942	¥41,091	\$360
Accrued Expenses	12,815	10,035	96
Depreciation	7,469	6,607	56
Accrued Warranty Cost	4,494	4,364	34
Others	17,240	21,978	129
Deferred Tax Assets Sub-Total	89,960	84,075	675
Valuation Allowance	(661)	(1,038)	(5)
Deferred Tax Assets Total	89,299	83,037	670
Deferred Tax Liabilities			
Unrealized gain on available-for-sale securities	34,038	43,295	255
Special Depreciation of Acquired Assets	2,606	2,880	20
Special Depreciation Reserves	1,296	1,703	10
Depreciation	3,125	1,619	23
Others	1,017	1,015	8
Deferred Tax Liabilities	42,082	50,512	316
Net Deferred Taxes	¥47,217	¥32,525	\$354

2. Reconciliation of the difference between Statutory Tax Rate and the Effective Income Tax Rate

Fiscal Year	2002	2001
Statutory Tax Rate	41.24%	—
(Adjustment)		
Tax Exempt Income	(2.34)	—
Non-deductible Expenses	1.00	—
Others	3.93	—
Effective Income Tax Rate	43.83%	—

Reconciliation for the year 2001 was not presented, as loss before income taxes was recorded.

16. Segment Information

1. Industry Segments

The company's main business is manufacturing and sales of automotive parts. Sales, operating income and assets occupy over 90% in all segments. Therefore industry segments are omitted.

2. Geographical Segments

Fiscal Year			Millions of Yen		Millions of U.S. Dollars
			2002	2001	2002
Sales	Japan	Customers	¥1,040,887	¥ 971,869	\$7,811
		Intersegment	84,821	95,297	637
		Total	1,125,708	1,067,166	8,448
	North America	Customers	119,019	107,876	893
		Intersegment	5,263	2,621	40
		Total	124,282	110,497	933
	Europe	Customers	45,350	39,481	340
		Intersegment	1,923	2,359	15
		Total	47,273	41,840	355
	Others	Customers	16,660	9,257	125
		Intersegment	4,046	4,665	30
		Total	20,706	13,922	155
		Eliminations	(96,053)	(104,941)	(721)
		Consolidated	1,221,916	1,128,484	9,170
	Operating Costs and Expenses	Japan		1,064,650	1,004,356
North America			125,311	109,641	940
Europe			47,127	41,595	354
Others			19,548	13,016	147
Eliminations			(95,364)	(104,941)	(716)
Consolidated			1,161,272	1,063,667	8,715
Operating Income	Japan		61,058	62,810	458
	North America		(1,029)	856	(8)
	Europe		146	245	1
	Others		1,158	906	9
	Eliminations		(689)	(0)	(5)
	Consolidated		60,644	64,817	455
Assets	Japan		1,056,859	970,472	7,931
	North America		125,726	100,426	944
	Europe		36,366	27,826	273
	Others		33,749	19,401	253
	Eliminations		(105,880)	(13,483)	(794)
	Consolidated		¥1,146,820	¥1,104,642	\$8,607

Main countries or regions are:

(1) North America: U.S.A., Mexico (2) Europe: Belgium, UK (3) Others: Taiwan, Thailand

Assets Eliminations mainly included unallocated corporate items such as Cash and Cash Equivalents of AISIN SEIKI CO., LTD.

3. Sales by Geographic Area

Fiscal Year			Millions of Yen		Millions of U.S. Dollars
			2002	2001	2002
Sales	Japan		¥ 968,878	¥ 904,041	\$7,271
	North America		120,254	108,099	903
	Europe		75,592	71,407	567
	Others		57,192	44,937	429
	Consolidated		¥1,221,916	¥1,128,484	\$9,170

Main countries or regions are:

(1) North America: U.S.A., Canada (2) Europe: Sweden, Germany (3) Others: Korea, Taiwan

17. Related Party Transactions

During the years ended March 31, 2002 and 2001, the Company and its subsidiaries had operational transactions with Toyota Motor Corporation, 26.9% shareholders of the Parent.

A summary of the significant transactions with such a company for the years ended, or as at March 31, 2002 and 2001 were as follows:

Fiscal Year	Millions of Yen		Millions of
	2002	2001	U.S. Dollars
For the year:			
Purchases of parts	¥ 19,104	¥ 25,871	\$ 143
Sales of automotive parts	287,492	306,782	2,158
At the year-end:			
Accounts receivable	¥ 36,404	¥ 44,079	\$ 273
Accounts payable	2,599	4,817	20

18. Shareholders' Equity

(a) The authorized number of shares of common stock is 700 million at March 31, 2002, unless there may be a reduction due to a cancellation of treasury stock acquired.

Pursuant to the resolution by shareholders at the general meeting on June 26, 2002, the Company can purchase the treasury stock of the Company up to 20 million shares and up to ¥35,000 million.

(b) At March 31, 2002 and 2001, retained earnings included legal reserve of the Company in the amounts of ¥10,285 million (\$77 million) and ¥10,285 million, respectively.

The Commercial Code of Japan provides that an amount equivalent to 10% of cash payments as an appropriation of retained earnings shall be appropriated as legal reserve until total amount of additional paid-in capital and such legal reserve equals 25% of common stock.

The legal reserve may be used to reduce a deficit or may be transferred to common stock by proper actions of the Board of Directors and/or shareholders of the Company.

19. Stock Based Compensation

In June 2002, the Ordinary General Meeting of Shareholders approved "Share Acquisition Rights", which earmark a maximum of 1,100,000 shares of common stock to be further distributed among directors of the Company, its subsidiaries and affiliates. The purpose of this is to enhance enthusiasm and raise morale for improving business performance.

The Share Acquisition Rights were granted at a predetermined exercise price to all directors. The grant price is the higher of the closing price on the Tokyo Stock Exchange on the date of grant or 1.05 times the average closing price in the full calendar month prior to the month of grant date.

20. Subsequent Event

(a) On June 26, 2002, the following appropriations of retained earnings were approved at an annual general meeting of shareholders of the Company:

	Millions of Yen	Millions of U.S. Dollars
Cash dividends	¥2,024	\$15
Bonuses to directors and corporate auditors	201	2

(b) Return of the Substituted Portion of the Employee Pension Fund to the Government

In conjunction with the enforcement of the Defined Benefit Enterprise Pension Plan Law, the Company and major 18 domestic consolidated subsidiaries received approval from the Minister of Health, Labor and Welfare for exemption from the obligation of the future benefit payment regarding entrusted government's portion of the employee welfare pension funds on April 18, 2002.

The Company and major 18 domestic consolidated subsidiaries applied the transitional treatment specified on paragraph 47-2 of Accounting Committee Report No.13 "Practical Guidelines of Accounting for Retirement Benefits (Interim Report)", issued by the Japanese Institute of Certified Public Accountants, and recognized an extinguishment of retirement benefit obligation with respect to such entrusted government's portion as of the date of the approval.

As a result, the Company anticipates to record ¥44,907 million (forecast) as the special gain in the consolidated statements of income for the fiscal year ending March 31, 2003.