

NIPPON THOMPSON CO., LTD.

Corporate Headquarters: Tokyo

Listed Code No. 6480

(URL: <http://www.ikont.co.jp/>)

Listed Stock Exchanges: Tokyo, Osaka

May 13, 2002

**Consolidated Financial Report
for the Fiscal Year ended March 31, 2002**

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Annual Board of Directors Meeting: May 13, 2002

**1. Consolidated Operating Performance for the Fiscal Year ended March 31, 2002
(From April 1, 2001, to March 31, 2002)**

This consolidated financial report has been prepared in accordance with Japanese accounting standards and Japanese law.
Figures have been rounded off to eliminate amounts less than one million yen.

(1) Results of consolidated operations

Years ended March 31, 2002 and 2001 (Millions of yen)

	Net sales	Percentage change	Operating income	Percentage change	Ordinary income	Percentage change
2002	30,247	(36.9)	905	(90.8)	191	(98.0)
2001	47,910	29.5	9,794	108.4	9,460	113.6

Years ended March 31, 2002 and 2001 (Millions of yen)

	Net income	Percentage change	Net income per share (in yen)	Diluted net income per share (in yen)	Return on equity (%)	Ordinary income to total assets (%)	Ordinary income to net sales (%)
2002	(326)	-	(4.40)	-	(0.8)	0.2	0.6
2001	4,893	159.3	65.98	-	11.7	12.2	19.7

Notes:

- Equity in earnings of affiliates
 - Fiscal year ended March 31, 2002: - million yen
 - Fiscal year ended March 31, 2001: - million yen
- Average number of shares outstanding (consolidated)
 - Fiscal year ended March 31, 2002: 74,162,650 shares
 - Fiscal year ended March 31, 2001: 74,165,010 shares
- Changes in accounting policies applied: None

(2) Consolidated financial position

Years ended March 31, 2002 and 2001 (Millions of yen)

	Total assets	Total shareholders' equity	Equity ratio (%)	Shareholders' equity per share (in yen)
2002	81,627	42,906	52.6	578.59
2001	87,964	43,652	49.7	588.59

Notes:

Number of shares outstanding at year-end (consolidated)

Fiscal year ended March 31, 2002: 74,158,939 shares

Fiscal year ended March 31, 2001: 74,165,010 shares

(3) Consolidated statements of cash flows

Years ended March 31, 2002 and 2001 (Millions of yen)

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents
2002	(3,397)	(7,852)	4,853	15,667
2001	7,742	(1,081)	7,867	21,999

(4) Application of consolidation and the equity method

Number of consolidated subsidiaries: 6

Number of non-consolidated subsidiaries applied to equity method: -

Number of affiliates applied to equity method: -

(5) Changes in scope of consolidation or application of the equity method

Consolidation None

Equity method None

2. Forecast of Consolidated Operating Performance for the Fiscal Year ending March 31, 2003

Six-month period ending September 30, 2002, and the fiscal year ending March 31, 2003 (Millions of yen)

	Net sales	Ordinary income	Net income
Six-month period ending Sept. 30, 2002	14,500	400	250
Year ending March 31, 2003	31,000	1,600	950

(Reference)

The forecast of "Net income per share" (in yen, from April 1, 2002, to March 31, 2003): 12.81

Note:

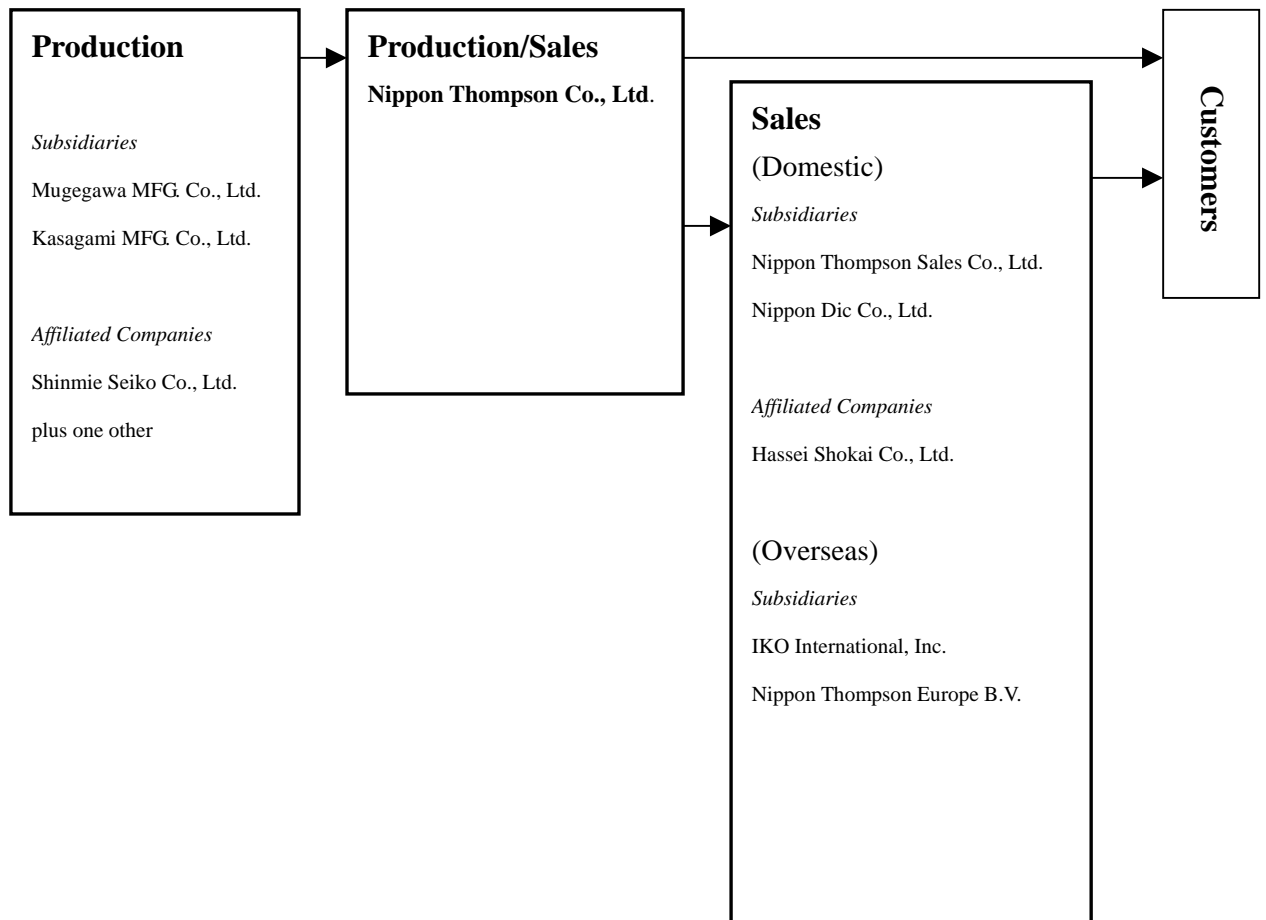
The forecast of results of operations made in this document involves risks and uncertainties since the forecast is based on management's assumptions and beliefs in light of the information currently available to it. The reader should be aware that actual results may be materially different from any future results expressed herein due to various factors.

We assumptions in foreign exchange rates of ¥125=U.S. \$1, ¥110=EUR 1.

Business Flows within the Group

The Nippon Thompson Group is composed of Nippon Thompson Co., Ltd. and its subsidiaries and engages in the manufacture and sale of needle roller bearings, linear motion rolling guide systems, and machine components, etc.

The Group's business is outlined in the following diagram.



Note:

Lines marked with  represent product flow

Summary of Operating Results

(1) Results of Operations

In the fiscal year under review, the Japanese economy experienced a marked deterioration of its export environment as a result of a pervading sense of a slowdown in the world economy, amid factors such as a dramatic contraction in information- and telecommunications-related demand and a U.S. economic recession. With a sustained deflation in the Japanese economy squeezing corporate earnings, curtailing equipment investment and dampening private consumption by worsening the employment and income environment, private-sector demand was extremely sluggish. And with public investment also entrenched in a downward trend as a result of the government's fiscal reconstruction policies, the domestic economy found itself in a phase of severe recession.

Under these circumstances, consolidated net sales for the term shrank 36.9% from the same term of the previous year to ¥30,247 million. On the earnings front, we concentrated on bolstering productivity and focused on reducing general expenditure, dramatically cutting costs and rationalizing our office. But impacted by the decline in net sales and the resulting fall in the level of operations, ordinary income slumped 98.0% from the same term of the previous year to ¥191 million. And with a loss on write-down on investment securities of ¥651 million, we were compelled to book a net loss of ¥326 million.

Since the Group manages the manufacture and sale of bearings, etc. and components, and any business related to this as a single business unit, we have detailed the performance of segments and business divisions by business type collectively.

Bearings, etc. and components

As the export environment worsened and the trend for contraction of private equipment investment intensified, aggravated not only by the recession of the U.S. economy and the global stagnation of information- and telecommunications-related areas but also by the progressive deflation of the Japanese economy, the Company strove to stir up demand by developing and introducing a large number of new products, including the "Ultimate Miniature Series," which comprises original products generated from the demand for extremely compact, high-performance equipment. Nonetheless, the impact of the global economic downturn caused sales to drop 36.9% from the same term of the previous year to ¥30,247 million.

The Company's performance by region is detailed below.

Japan

In Japan, we endeavored to develop demand by improving our flexible, speedy sales support system through measures such as the integration of sales bases and distribution bases and the upgrading of internal information systems. However, the impact of the slowdown in the information and telecommunications sectors was immense and, not only because of a large slump in orders, particularly for semiconductor fabrication machinery and the machine tool industry, which are the areas of largest demand, but also owing to the worsening of domestic market conditions generally, sales to agencies fell off sharply. Since exports also shrank as a result of the deterioration of the export environment, sales dropped 41.4% from the same term of the previous year to ¥22,837 million, and operating income sank 87.3% from the same term of the previous year to ¥1,118 million.

North America

In the United States, which had hitherto served as the engine of the global economy, the economic downturn became evident, with corporate results taking a dramatic turn for the worse and consumer sentiment also cooling. With the fallout from the September 11 terrorist attacks further exacerbating the economic deceleration, sales dipped 27.6% from the same term in the previous year to ¥4,449 million, and operating income slid 24.0% from the same term of the previous year to ¥687 million.

Europe

Europe saw signs of an economic recovery in the first half of the term, since the impact of factors such as the recession of the U.S. economy and the downturn in the information and telecommunications sectors led to a global deterioration in the export environment. The pace of growth of European economies also slackened noticeably. As a result, notwithstanding the increase in sales caused by the weak yen, sales advanced 5.8% from the same term of the previous year to ¥2,960 million, and operating income was down 82.8% from the same term of the previous year to ¥7 million.

(2) Cash Flows

In the fiscal year under review, the Group's cash and cash equivalents (net cash) fell ¥6,331 million from the same term of the previous year to ¥15,667 million.

Cash flows from operating activities

Cash flows from operating activities showed an increase in expenditure of ¥11,139 million compared with the same term of the previous year, resulting in net cash used in operating activities of ¥3,397 million. This result is attributable to the posting of loss before income taxes of ¥460 million, as our earnings shrank considerably because of the global stagnation of information- and telecommunications-related areas and the worsening of the domestic economy, and the booking of a large a loss on valuation of invested securities. It is also attributable to, notwithstanding the increase factor of a reduction in sales credits of ¥7,351 million, a decline in net cash, a rise in inventories of ¥5,490 million, a decrease in trade payables of ¥4,832 million, and income taxes paid of ¥3,487 million.

Cash flows from investing activities

Net cash used in investing activities expanded ¥6,771 million from the same term of the previous year to ¥7,852 million. This was due to demand for net cash, including acquisitions of securities of ¥1,160 million and acquisition of property and equipment totaling ¥4,882 million.

Cash flows from financing activities

Net cash provided by financing activities fell ¥3,014 million from the same term in the previous year to ¥4,853 million. The decrease was attributable to the fact that although there was a payment of debentures on redemption of ¥3,000 million and cash dividends paid of ¥741 million, there was also first-round issuance of unsecured bonds totaling ¥8,000 million and a net increase in short-term bank loans of ¥683 million.

Consolidated Financial Statements

Consolidated Balance Sheets

As of March 31, 2002 and 2001

ASSETS	Millions of yen	
	March 31, 2002	March 31, 2001
Current Assets:		
Cash and deposits	15,667	22,009
Notes and accounts receivables - trade	7,412	14,717
Marketable securities	1,160	—
Inventories	27,717	21,611
Deferred tax assets	1,843	1,189
Other current assets	721	835
Less: Allowance for doubtful accounts	(38)	(102)
Total current assets	<u>54,483</u>	<u>60,260</u>
Fixed Assets:		
Tangible fixed assets:		
Buildings and structures	6,726	7,340
Machinery and vehicles	9,766	10,113
Tools and fixtures	1,167	1,211
Land	1,666	1,672
Construction in progress	266	783
Net property, plant and equipment	<u>19,594</u>	<u>21,121</u>
Intangible fixed assets:	199	268
Investments and other assets:		
Investment securities	3,067	4,035
Deferred tax assets	724	493
Other investments	3,774	1,904
Less: Allowance for doubtful accounts	(217)	(121)
Total investments and other assets	<u>7,349</u>	<u>6,313</u>
Total fixed assets	<u>27,143</u>	<u>27,703</u>
TOTAL ASSETS	<u><u>81,627</u></u>	<u><u>87,964</u></u>

	Millions of yen	
LIABILITIES	<u>March 31, 2002</u>	<u>March 31, 2001</u>
Current Liabilities:		
Notes and accounts payable - trade	3,544	8,296
Short-term bank loans	1,789	933
Current portion of long-term bank loans	—	20
Current portion of bonds	7,560	3,000
Income taxes payable	48	2,935
Accrued expenses	1,640	3,035
Other current liabilities	696	3,345
Total current liabilities	<u>15,278</u>	<u>21,567</u>
Long-Term Liabilities:		
Bonds	18,000	17,560
Long-term bank loans	3,675	3,740
Accrued retirement benefits	1,344	1,051
Liability for retirement benefits for directors and corporate auditors	395	332
Other long-term liabilities	27	27
Total long-term liabilities	<u>23,442</u>	<u>22,711</u>
TOTAL LIABILITIES	<u>38,720</u>	<u>44,278</u>
MINORITY INTERESTS IN CONSOLIDATED SUBSIDIARIES	<u>—</u>	<u>33</u>
SHAREHOLDERS' EQUITY		
Common stock	9,325	9325
Additional paid-in capital	12,679	12,679
Legal reserve and retained earnings	21,057	22,205
Net unrealized holding gains on available-for-sale securities	(65)	120
Foreign currency translation adjustments	(86)	(678)
Treasury stock	(3)	(0)
TOTAL SHAREHOLDERS' EQUITY	<u>42,906</u>	<u>43,652</u>
TOTAL LIABILITIES, MINORITY INTERESTS AND SHAREHOLDERS' EQUITY	<u>81,627</u>	<u>87,964</u>

Consolidated Statements of Income

Years ended March 31, 2002 and 2001

	Millions of yen	
	<u>March 31, 2002</u>	<u>March 31, 2001</u>
Net sales	30,247	47,910
Cost of sales	<u>20,241</u>	<u>28,740</u>
Gross profit	10,006	19,170
Selling, general and administrative expenses	<u>9,101</u>	<u>9,376</u>
Operating income	905	9,794
Non-operating Income:		
Interest income	30	54
Dividend income	41	49
Others	261	120
	<u>333</u>	<u>224</u>
Non-operating Expenses:		
Interest expenses	568	446
Others	478	111
	<u>1,047</u>	<u>557</u>
Ordinary income	191	9,460
Extraordinary Gains	—	103
Extraordinary Loss:		
Loss on disposal of property, plant and equipment		142
Loss on write-down on investment securities	651	281
Loss on amount invested	—	342
Provision for retirement benefits for directors and corporate auditors	—	166
Others	—	232
	<u>651</u>	<u>1,165</u>
Income (Loss) before income taxes	<u>(460)</u>	<u>8,399</u>
Income taxes: Current	575	4,168
Income taxes: Deferred	(710)	(664)
Minority interest in earnings of consolidated subsidiaries	<u>(0)</u>	<u>(2)</u>
Net income (loss)	<u>(326)</u>	<u>4,893</u>

Consolidated Statements of Retained Earnings

For the fiscal years ended March 31, 2002 and 2001

	Millions of yen	
	<u>March 31, 2002</u>	<u>March 31, 2001</u>
Consolidated retained earnings at beginning of year	<u>22,205</u>	<u>18,113</u>
Decrease in retained earnings		
Cash dividends	742	741
Directors' bonuses	80	60
Total	<u>822</u>	<u>801</u>
Net income (loss)	<u>(326)</u>	<u>4,893</u>
Consolidated retained earnings at end of year	<u><u>21,057</u></u>	<u><u>22,205</u></u>

Consolidated Statements of Cash Flows

Years ended March 31, 2002 and 2001

Millions of yen

	March 31, 2002	March 31, 2001
Cash Flows from Operating Activities:		
Income (Loss) before income taxes	(460)	8,399
Depreciation and amortization	3,644	2,975
Interest and dividend income	(72)	(103)
Interest expenses	569	446
Write-down of investments and other assets	703	624
Decrease (Increase) in notes and accounts receivables - trade	7,351	(3,387)
Increase in inventories	(5,490)	(2,663)
Increase (Decrease) in notes and accounts payables - trade	(4,832)	2,937
Increase in accrued retirement benefits	293	180
Others - net	(1,118)	724
Subtotal	<u>587</u>	<u>10,132</u>
Interest and dividend income received	72	103
Interest paid	(570)	(403)
Income taxes paid	(3,487)	(2,090)
Net cash provided by (used in) operating activities	<u>(3,397)</u>	<u>7,742</u>
Cash Flows from Investing Activities:		
Payments for making time deposits	—	(10,320)
Proceeds from withdrawal of time deposits	10	15,810
Payments for purchase of property, plant and equipment	(4,882)	(5,798)
Others - net	(2,979)	(773)
Net cash used in investing activities	<u>(7,852)</u>	<u>(1,081)</u>
Cash Flows from Financing Activities:		
Net increase (decrease) in short-term bank loans	683	(1,928)
Proceeds from long-term bank loans	—	640
Repayments of long-term bank loans	(85)	(103)
Proceeds from issuance of bonds	8,000	10,000
Redemption of bonds	(3,000)	—
Cash dividends paid	(741)	(740)
Others - net	(3)	0
Net cash provided by financing activities	<u>4,853</u>	<u>7,867</u>
Foreign currency translation adjustments on cash and cash equivalents	<u>65</u>	<u>(28)</u>
Net increase (decrease) in cash and cash equivalents	<u>(6,331)</u>	<u>14,499</u>
Cash and cash equivalents at beginning of year	21,999	7,499
Cash and cash equivalents at end of year	<u>15,667</u>	<u>21,999</u>

BASIS FOR PRESENTING CONSOLIDATED FINANCIAL STATEMENTS

1. Scope of Consolidation

Consolidated subsidiaries: 6 **Mugegawa MFG. Co., Ltd.**
Kasagami MFG. Co., Ltd.
Nippon Thompson Sales Co., Ltd.
Nippon Dic Co., Ltd.
IKO International, Inc.
Nippon Thompson Europe B.V.

Unconsolidated subsidiaries: 3

2. Application of Equity Method of Accounting None

3. Consolidated Subsidiaries with Different Fiscal Year-Ends

IKO International, Inc. and Nippon Thompson Europe B.V. adopt a fiscal year ending on December 31, and Nippon Dic Co., Ltd. adopts that ending on March 20. For consolidation, subsidiaries whose fiscal years do not correspond to that of the Company have necessary adjustments made on significant inter-company transactions that occurred during the periods between the fiscal period-ends of the respective consolidated subsidiaries and that of the Company.

4. Significant Accounting Policies

(1) Valuation policy and method of significant assets

a) Valuation of Securities

Bonds held to maturity:

Amortized cost method

Available-for-sale securities:

Marketable securities

Market value method based on the fair market value as of the balance sheet data. (Net unrealized gains or losses on these securities are reported as a separate item in the shareholders' equity at net-of-tax amounts. Costs of sales of these securities are principally calculated based on a moving-average cost method.)

Non-marketable securities

Mainly moving-average cost method

b) Inventories valuation

Finished products and work in process are stated at cost as determined by the average method.

Raw materials are stated at the most recent purchase price.

(2) Depreciation method of significant depreciable assets

Tangible fixed assets:

Mainly declining-balance method

Intangible fixed assets:

Mainly straight-line method

The software used in our Company is depreciated using the straight-line method with an effective life of five years of mainly internal usability.

(3) Treatment of corporate bond issue costs

The full amount is expensed at the time of payment

(4) Calculation method of significant allowances

a) Allowance for doubtful accounts

The Company and consolidated subsidiaries provide the allowance for doubtful accounts by the method that uses the percentage of its own actual experience of bad debt loss written off against the balance of general receivables plus the amount deemed necessary to cover individual accounts estimated to be uncollectable.

b) Accrued retirement benefits

Pension and severance costs for employees are accrued based on the estimates of the pension obligations and the plan assets at the end of current fiscal year. The actuarial difference is amortized for three years using the straight-line method from the fiscal year when the difference was generated. The Company also provided for retirement benefits to directors and corporate auditors determined based on its pertinent rules, which are calculated as the estimated amount to be paid if all directors and corporate auditors retired at each balance sheet date.

(5) Rules for conversion of outstanding foreign currency-denominated assets or liabilities into Japanese yen

Monetary claims or debt denominated in a foreign currency are converted to Japanese yen according to the spot exchange rate, usually at the closing date. The difference arising from the conversion is treated as a deductible expense. Assets and liabilities of overseas subsidiaries are converted into yen by the spot exchange rate on the closing dates of subsidiaries; earnings and expenses are converted into yen by using average market rates during the period. The difference arising from the conversion is added to the "Foreign currency translation adjustments" under shareholders' equity.

(6) Accounting method of significant lease transactions

Finance lease transactions, except for lease items of which the title is recognized as moving to the borrower, are accounted for based on regular lease contracts.

(7) Key hedge accounting

To those exchange contracts and currency swaps that meet the requirements for appropriation, appropriation treatment is applied. To those currency swaps that meet the requirements for exceptional treatment, exceptional treatment is applied.

(8) Other basis for presenting consolidated financial statements

The tax-exclusion method is used for accounting for consumption tax and local consumption tax.

5. Items Concerning Valuation of Assets and Liabilities of Consolidated Subsidiaries

All valuation of assets and liabilities of consolidated subsidiaries are based on the current price method.

6. Distribution of Profits

The Consolidated Statements of Retained Earnings are based on the distribution of profits defined during the fiscal year ended March 31, 2002.

7. Nature of Fund on Consolidated Statements of Cash Flows

The fund (cash and cash equivalents) consists of cash on hand, and deposits that can be easily withdrawn and converted to cash with maturity within three months of its acquisition date.

Notes:

	Millions of yen	
	<u>March 31, 2002</u>	<u>March 31, 2001</u>
1. Accumulated depreciation of tangible fixed assets	40,034	37,276
Depreciation	3,565	2,901
2. Investment in securities for unconsolidated subsidiaries	146	146
3. Net discount on notes receivable - trade	302	234
4. End-of-period matured bill Date of maturity settlement transaction method		
Notes receivable - trade	247	501
5. Selling, general and administrative expenses		
Employees' salaries	3,829	3,969
Rent expenses	717	815
Welfare expenses	603	558
Shipping and storage expenses	595	753
6. Research and development costs	1,406	1,410
7. Cash and cash equivalents on consolidated statements of cash flows		
Cash and deposits	15,667	22,009
<u>Deposits over three months</u>		<u>(10)</u>
Cash and cash equivalents	15,667	21,999

Segment Information

1. Segment Information by Geographic Areas

(Millions of yen)

	Fiscal Year Ended March 31, 2002					
	Japan	North America	Europe	Total	Corporate/ Eliminations	Consolidated
(1) Net sales to customers	22,837	4,449	2,960	30,247	—	30,247
(2) Intersegment sales	3,856	1	6	3,864	(3,864)	—
Total net sales	26,694	4,450	2,967	34,112	(3,864)	30,247
Operating expenditure	25,574	3,762	2,960	32,298	(2,956)	29,342
Operating income	1,118	687	7	1,813	(908)	905
Assets	56,372	4,515	2,823	63,710	17,916	81,627

(Millions of yen)

	Fiscal Year Ended March 31, 2001					
	Japan	North America	Europe	Total	Corporate/ Eliminations	Consolidated
(1) Net sales to customers	38,967	6,144	2,798	47,910	—	47,910
(2) Intersegment sales	7,096	7	16	7,120	(7,120)	—
Total net sales	46,064	6,151	2,815	55,031	(7,120)	47,910
Operating expenditure	37,278	5,246	2,773	45,299	(7,183)	38,116
Operating income	8,785	904	41	9,731	62	9,794
Assets	59,384	3,818	2,399	65,603	22,360	87,964

Notes:

1. Categorization of countries and area is based on geographical adjacency.
2. Main countries or areas other than Japan:
 - (1) North America: United States
 - (2) Europe: The Netherlands, Germany, United Kingdom, Spain
3. Indistributable operating expenditure (¥346 million as of March 31, 2002, and ¥350 million as of March 31, 2001) that are included in "Corporate/Eliminations" are mainly concerned with administrative sectors such as personnel and general affairs of the head offices of data-offering units.
4. Overall corporate assets (¥22,339 million as of March 31, 2002, and ¥26,526 million as of March 31, 2001) that are included in "Corporate/Eliminations" are mainly concerned with surplus funds for investment (cash/deposits and securities), long-term investment funds (investment securities), and administrative sectors.

2.Overseas Sales Information

(Millions of yen)

	Fiscal Year Ended March 31, 2002			
	North America	Europe	Other areas	Total
I Overseas sales	4,698	2,995	2,446	10,139
II Consolidated sales				30,247
III Ratio of Overseas sales to consolidated sales	15.5%	9.9%	8.1%	33.5%

(Millions of yen)

	Fiscal Year Ended March 31, 2001			
	North America	Europe	Other areas	Total
I Overseas sales	6,492	2,827	3,414	12,734
II Consolidated sales				47,910
III Ratio of Overseas sales to consolidated sales	13.6%	5.9%	7.1%	26.6%

Notes:

1. Categorization of countries and area is based on geographical adjacency.

2. Major countries or areas that belong to a category:

(1) North America: United States, Canada

(2) Europe: The Netherlands, Germany, United Kingdom, Spain

(3) Other areas: Asia, Latin America, and Oceanian countries

3. Foreign sales indicate the amount of sales made by the Group in foreign countries and areas except Japan.

Lease Transactions

	Millions of yen	
	March 31, 2002	March 31, 2001
Equipment and other assets		
Acquisition cost	822	1,223
Accumulated depreciation	690	970
Net book value	131	252
Future lease payments		
Within one year	65	158
Over one year	66	94
Total	131	252
Lease expenses		
(Equivalent amount of depreciation expenses)	163	246
The computation of the amount corresponding to depreciation expenses	straight-line method	straight-line method

Notes: The amount equivalent to the acquisition price and that the equivalent of the balance of unearned rental revenue includes interest expenses, given that the ratio of the amount equivalent to the term-end balance of unearned rental revenue to the term-end balance of tangible fixed assets is low.

Deferred Tax Assets

Factors of deferred tax assets and liabilities

	Millions of yen	
	March 31, 2002	March 31, 2001
Deferred Tax Assets		
Unrealized profit on inventories in consolidation	1,325	380
Pension and severance costs	559	417
Accrued enterprise taxes	—	275
Accrued expenditures	148	221
Reserve for directors' retirement benefits	165	139
Other investments	219	193
Others	151	145
Total	<u>2,568</u>	<u>1,770</u>
Deferred Tax Liabilities		
Unrealized gain on available-for-sale securities	—	(87)
Net Deferred Tax Assets	<u>2,568</u>	<u>1,683</u>

Securities

	Millions of Yen	
	March 31, 2002	March 31, 2001
Available-for-Sale Securities		
Market value of bond held to maturity (debentures)		
Book value	1,160	—
Market value	<u>1,156</u>	<u>—</u>
Unrealized gain (loss)	(3)	—
Stocks		
Acquisition cost	2,624	3,270
Book value	<u>2,511</u>	<u>3,479</u>
Unrealized gain (loss)	(113)	208
Book values of securities without market value		
Other securities		
Non-listed shares (except OTC shares)		
Book value	410	410

Derivative transactions

There are no applicable articles.

Retirement Benefits

Retirement benefit system

In addition to retirement lump-sum benefits, the Company and its major domestic consolidated affiliates introduced the approved retirement annuity system applicable to employees with three or more years of service on April 1, 1966.

	Millions of yen	
	March 31, 2002	March 31, 2001
Breakdown of Benefit Obligations		
Benefit obligation	9,017	8,488
Pension assets	6,986	7,020
Unrecognized actuarial differences	687	416
Accrued Retirement Benefit	1,344	1,051
Breakdown of Retirement Benefit Costs		
Service costs	353	374
Interest costs	253	241
Expected return on plan assets	(175)	(208)
Recognized actuarial loss	455	208
Amortization of difference arising from adopting the new standard	—	219
Retirement Benefit Costs	887	834
Basic Assumptions for Calculating Benefit Obligations		
Discount rate	2.5%	3.0%
Expected return on plan assets	2.5%	3.0%
Period allocation method for estimated retirement benefits	Fixed-period standard	Fixed-period standard
Period of amortizing actuarial differences	3 years	3 years