

# NIF Ventures Co., Ltd.

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

( Summary of Japanese announcement )

We hereby report our consolidated results for the year ended March 31, 2002. The figures of the consolidated financial statements are prepared in accordance with the provision set forth in the Japanese Securities and Exchange Law, its related accounting regulations and are in conformity with the accounting principles and practices generally accepted in Japan.

### 1. Consolidated Performance for Fiscal 2001(from April 1, 2001 to March 31, 2002)

#### (1) Operating results

Note : All figures in the financial statements are rounded down to the nearest million.

	Net sales (¥ million)	(%)	Operating profit (¥ million)	(%)	Ordinary profit (¥ million)	(%)
Fiscal 2001	17,226	(16.3)	3,312	(33.3)	3,353	(32.4)
Fiscal 2000	20,586	-	4,970	-	4,958	-

	Net income (¥ million)	(%)	Earnings /share (¥)	Fully diluted earnings/ share (¥)	Return on stockholders' equity (%)	Ordinary profit/total capital (%)	Ordinary profit/ net sales %
Fiscal 2001	3,264	22.3	12,304.40	-	11.1	2.8	19.5
Fiscal 2000	2,668	-	113,747.72	-	14.6	3.0	24.1

Note 1. Investment profit based on the equity method:

Fiscal 2001 ¥5 million

Fiscal 2000 ¥0 million

#### 2. Average number of shares outstanding during period:

Fiscal 2001 265,298 shares

Fiscal 2000 23,462 shares

On August 1, 2001, the Company made a stock split to stockholders at the ratio of 10 shares of stock(with par value of ¥5,000) for each share of stock(with par value of ¥50,000)held. The earning per share for fiscal 2001 was computed based on the effect of the stock split on the beginning balance of the stock.

#### 3. Change in accounting policies : None

#### 4. Percentage(%) of net sales, operating profit, ordinary profit and net income represent the ratio of increase/(decrease) from the previous fiscal period.

#### 5. Return on stockholders'equity as of fiscal 2000, includes stockholders'equity of merged Nippon Investment & Finance Co.Ltd. as of March 31, 2001.

#### 6. Ordinary profit/total capital as of fiscal 2000, includes total capital of merged Nippon Investment & Finance Co.Ltd. as of March 31, 2001.

#### (2) Financial position

	Total assets (¥ million)	Stockholders' equity (¥ million)	Stockholders' equity Ratio (%)	Stockholders' equity/ Share (¥)
Fiscal 2001	112,847	33,865	30.0	117,182.72
Fiscal 2000	125,100	24,746	19.8	937,368.18

Note 1. Number of shares outstanding:

As of March 31,2002 288,997 shares

As of March 31,2001 26,400 shares

**(3) Cash flows**

	Net cash provided by operating activities (¥ million)	Net cash used in investing activities (¥ million)	Net cash used in financing activities (¥ million)	Cash and cash equivalents at end of year (¥ million)
Fiscal 2001	16,192	(2,157)	(13,835)	3,111
Fiscal 2000	68,693	(2,506)	(74,549)	2,870

**(4) Scope of consolidation and application of the equity method**

Number of consolidated subsidiaries : 4

Number of non-consolidated subsidiaries applicable for the equity method : 1

Number of affiliated companies applicable for the equity method : 1

**(5) Change in scope of consolidation and application of the equity method**

None

### **Information on Group Companies**

The Group composed of 5 consolidated subsidiaries and 7 affiliated companies is mainly engaged in private equity business including venture capital investments and buyout investments through its domestic and overseas networks.

#### **[Private investment business]**

The core business of the Group is venture capital investments in private venture companies of high-growth potential, not only for provision of funds but also management support for their enhancement of value, resulting in capital gains to the Group. The funds invested are our own fund and funds of Investment Enterprise Partnerships and Venture Capital Investment Limited Partnerships and so on, which are managed by the Group.

Through management and related administrative operation for the IEPs and others(\*1), the Group earns revenues including success fees and administrative fees.

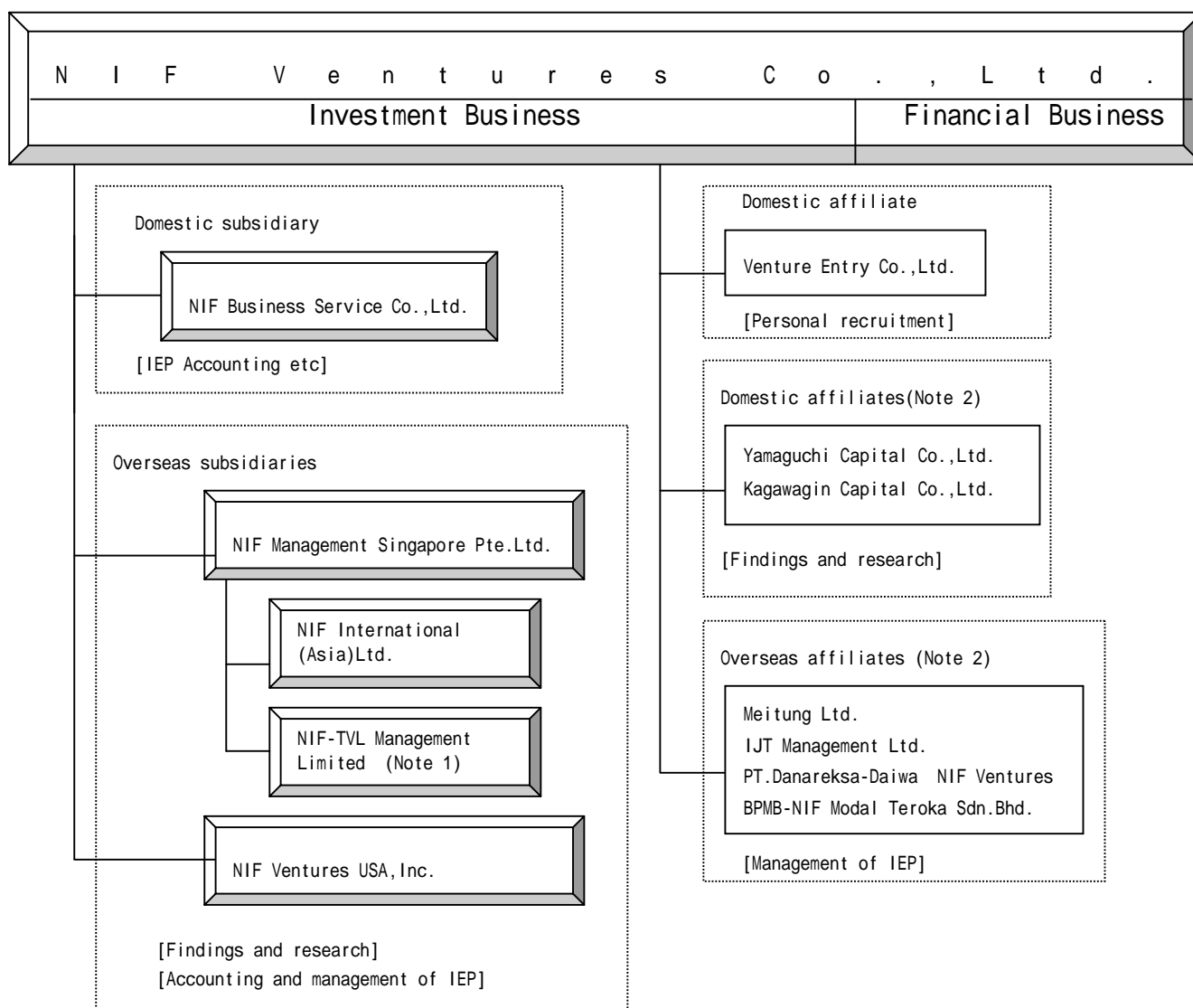
#### **[Financial business]**

The Company had been engaged in loan activities, such as mortgage-backed loans and the leasing. However, the company decided to withdraw from the business and focus on the private equity business. The company is now promoting collection of the outstanding loans.

\*1 The IEPs and others(such as Investment Enterprise Partnerships)

Here, "The IEPs and others" refers to non-mandatory partnerships under civil law, as well as other forms of jointly operated investment funds, including anonymous partnerships under commercial law and limited partnerships under foreign law.

The following flow chart shows the business operations of the Group with the Company as a leader.



- Note**
1. NIF-TVL Management Limited is a non-consolidated subsidiary where the equity method is applicable.
  2. Two domestic affiliates and 4 overseas affiliates are non-affiliated companies that are accounted for by the equity method

## Basic Management policies and Middle to Long term business strategy

### 1. Management policies

The main business purposes of NIF Ventures Co., Ltd. and its subsidiaries is private equity business, as stated in our “Corporate Mission” that “the mission of NIF Ventures Co., Ltd. is to contribute to the global New Economy through its private equity business”. Continued creation of new businesses and new industries are indispensable for the economy to sustain growth. It is our Basic Management Policy that we contribute to the birth of a new business for Japan and a global economy.

### 2. Middle to long term business strategy

As for our middle to long term business strategy, we are going to put top priority on private investments in IT-related, Bioscience-related and Nano-tech-related businesses, which have brought, are bringing and will continue to have a great impact across the traditional industries making the industrial structure change fundamentally. They have also changed and will continue to change the consumer's private daily life. This trend is expected to continue globally.

NIF Ventures will do our best to provide venture capital and buyout funds, and management support to private venture companies which pioneer in the new economy and companies engaged in corporate restructuring.

### 3. Basic policy on appropriation for profits

The basic policy of the company is to return profits to our shareholders steadily and appropriately and also to keep a sufficient level of retained earnings while taking into consideration our fluctuating business characteristics and our business development in the potential venture capital market in Japan.

Under this basic policy and our listing on JASDAQ market on March 12, 2002, the company is planning to propose dividends of ¥1,000 per share (a nominal dividend of ¥750 and special dividends of ¥250 in commemoration of the listing) at the 19th Ordinary Shareholders' Meeting to be held on June 27, 2002.

We are making the best use of retained earnings so that we could invest our funds into promising venture companies, making their value enhance and then maximize our shareholders' equity.

### 4. Primary management objectives

The company was listed on the JASDAQ market on March 12, 2002. As a publicly owned company, NIF Ventures will try to do the best in its ability to contribute to create new business. The Group will set the following as the primary management objectives;

#### (1) Strengthening of hands-on capacity

The ratio of the investment in a company during the short period after its establishment (the so-called “early stage”) has been rapidly increasing in recent years among our investee companies. It is becoming further more important for us company to provide businesses with such early stage investee management support including marketing and administration in addition to just provision of capital.

Therefore strengthening of hands-on capability for enhancement of corporate value of the investee companies is one of the primary objectives.

#### (2) Strengthening of investment funds business

Taking into consideration the indispensability of ventures for the Japanese economy to be revitalized and the fact that the venture capital market in Japan is immature compared with that of the U.S., drastic expansion of the venture capital market in Japan is expected. It is an important subject for NIF as a leading venture capital firm to establish and manage investment funds, including Investment Enterprise Partnerships and Venture Capital Investment Limited Partnerships, which are suitable for an investor's needs. These funds-related operations bring stable profits to the company.

**(3) Strengthening of global investments**

The Company recognized the importance of global investments since its commencement and has been developing the operation aggressively. As the economy globalizes, its field of business market, especially that of high-tech and R&D oriented venture businesses, have becomes borderless. It is important for the company to make investments“ by due diligence locally with a global eye”.

**(4) Promotion of buyout business**

A buyout investment, which is another important private equity business, has been becoming a further greater business chance for the company under the circumstances of the revival of the Japanese economy. The team must specialize for this opportunity and accelerate promotion of this important project.

**(5) Promotion of liquidation of “living dead assets”**

The liquidation of operational investment securities issued by the investees, possibility of whose listing has become quite small(so-called “living dead”), and the collection of the loan claims should be further accelerated. The company will try to make an efficient use of the capital and make the financial standing sound.

**(6) Training for capable staff**

The personal policy of the company is “a small number but highly capable professionals”. However, in order to expand and develop its business, the company will recruit several expert people with a good track record and also train the present staff to be proficient for the business.

## Performance

### Consolidated operating results for financial 2001

#### 1. Overview of Operations

The severe situation of the Japanese economy continued under the influence of the slow down in the IT-related industry and other industries domestically and was also affected by the U.S. business slowdown due to the terrorist attacks in the U.S. Although a recovery in the U.S. economy was seen at the end of the year and it looked like a bright sign for the Japanese economy, employment and the income situation have not recovered and personal consumption is still sluggish in Japan. There is also no end in sight as to the handling of the bad debts of Japanese financial institutions and plant-and-equipment investment of industrial companies remain low, so we cannot recognize economic recovery.

The number of IPO companies in the 3 domestic emerging markets (JASDAQ, Tokyo Stock Exchange Mothers, Nasdaq Japan) of the fiscal year is 147 in total, and was a little smaller than that of the preceding year when it was 156 companies. However, it showed the steady development for IPO markets in comparison to the situation of secondary markets such as 1<sup>st</sup> section of Tokyo Stock Exchange and also the situation of the domestic economy.

Under such circumstances, NIF Ventures could find and invest in promising venture companies at a reasonable investment price even though it occurred after the collapse of the IT bubble. Our investments were selectively made by careful due diligence of promising venture companies, resulting in total investment amount for the year of ¥16,265 million.

The number of IPO companies backed by NIF for the fiscal year was 24, including both domestic and overseas companies. New establishment of investment funds resulted in a total of ¥22,500 million in five partnerships.

The financial figures for this fiscal year are as follows; Sales ¥17,226 million(down 16.3% from the previous fiscal year),ordinary profit ¥3,353 million(down 32.4% from the previous fiscal year) and net income ¥3,264 million(up 22.3% from the previous fiscal year).

#### [Investment business]

##### (Investment Service)

The sum total of equity investment by the Company and its consolidated subsidiaries for the current fiscal year, together with discrete investments in funds undertaken based on judgment by the Company and its consolidated subsidiaries, came to ¥16,265 million (down 29.5% from the previous fiscal year), consisting of equity investment worth ¥5,586 million (down 43.7% from the previous fiscal year) and fund investments worth ¥10,678 million (down 18.9% from the previous fiscal year).

The total number of Company Group backed IPO investee companies for the current fiscal year came to 24, consisting of 16 domestic companies and 8 overseas companies.

Sales of operational investment securities yielded ¥11,831 million (down 1.2% from the previous fiscal year), while interest and dividend income from operational investment securities was ¥614 million (down 7.7% from the previous fiscal year). Thus, total revenue from operational investment securities was ¥12,445 million (down 1.5% from the previous fiscal year).

##### (Management Service of Investment Enterprise Partnership)

The Company and its consolidated subsidiaries established a new investment association; Investment Enterprise Partnership“NIF・H Fund No.1”, Investment Enterprise Partnership“NIF21-ONE(2-A)”, Investment Enterprise Partnership “NIF21-ONE(2-B)”, Venture Capital Investment Limited Partnership “Akita Activation Fund No.1”and Venture Capital Investment Limited Partnership“NIF JAPAN-USA-EUROPE BRIDGE FUND”, as the Funds undertaken based on judgment by the Company and its consolidated subsidiaries.

Total commitment in the above funds was ¥22,500 million(down 0.4% from the previous fiscal year).

Investment management fees from Investment Enterprise Partnership totaled ¥2,629 million in the current fiscal year (down 43.2% from the previous fiscal year), of which success fees accounted for ¥84 million (down 96.3% from the previous fiscal year).

Net sales from investment business totaled ¥15,438 million (down 11.8% from the previous fiscal year), while operating profit totaled ¥2,650 million (down 33.2% from the previous fiscal year).

#### [Financial Business]

The Company has continued working to administer and call in existing credit obligations. The total value of loans receivable at the end of the current fiscal year was ¥20,145 million (down 25.0% from the previous fiscal year), while the total value of bad debts was ¥18,904 million (down 25.0% from the previous fiscal year) after deductions of ¥10,279 million for the allowance for doubtful accounts. Interest from loans receivable totaled ¥1,586 million (down 42.0% from the previous fiscal year).

Net sales from financial business totaled ¥1,787 million (down 42.1% from the previous fiscal year), while operating profit totaled ¥662 million (down 34.1% from the previous fiscal year).

#### 2. Cash Flows

Cash flows from operating activities increased by ¥16,192 million, compared with an increase of ¥68,693 million for the previous fiscal year. This was due primarily to calling in credit obligations and sales of bad debts.

Cash flows from investing activities decreased by ¥2,157 million, compared with a decrease of ¥2,506 million for the previous fiscal year. This was due primarily to payment for purchases of investment securities.

Cash flows from financing activities decreased by ¥13,835 million, compared with a decrease of ¥74,549 million for the previous fiscal year. This was due primarily, because to strengthen financial structure, payments of borrowings decreased by ¥20,190 million and issuance of shares increased by ¥6,530 million.

As a result, cash and cash equivalents increased by ¥241 million, compared with a decrease of ¥2,809 million for the previous year. The closing balance totaled ¥3,111 million, compared with ¥2,870 million for the previous year.

#### 3. Business forecast

The Company and its consolidated subsidiaries do not disclose business performance forecast since it is generally difficult to predict the future performance of the venture capital industry because it is heavily influenced by fluctuations of the equity and other factors. However, the Company and its consolidated subsidiaries will endeavor to maintain a certain level of profitability and maximize corporate values.

In addition, the Company and its consolidated subsidiaries will disclose quarterly business performance result, as well as other significant issues on a timely basis for the benefits of investors.



## New Investment, Investment Enterprise Partnership funds(IEP), and IPOs

### Direct investments by proper account

Millions of Yen

	Current fiscal year (from April 1, 2001 to March 31, 2002)		Previous fiscal year (from April 1, 2000 to March 31, 2001)	
	Number of companies	amount	Number of companies	amount
Stock	82	4,424	129	6,063
Listed	-	-	-	-
Non-listed	82	4,424	129	6,063
C o r p o r a t e b o n d s	16	1,162	27	3,851
Total*2	92	5,586	141	9,915

Note : 1. Direct investments by proper account exclude investments through funds

2. For companies in which NIF Ventures has investment using both equity and corporate bonds, each company is only counted once for the “Total” of the “Number of companies”.

### Investment of IEP managed by the Company Group

Millions of Yen

	Current fiscal year (from April 1, 2001 to March 31, 2002)		Previous fiscal year (from April 1, 2000 to March 31, 2001)	
	Number of companies	amount	Number of companies	amount
Stock	88	10,041	123	12,350
Listed	-	-	-	-
Non-listed	88	10,041	123	12,350
Corporate bonds	10	637	8	789
Operational investment fund *2	-	-	1	20
Total *1	93	10,678	128	13,160

Note : 1. For companies in which NIF Ventures has investment using both equity and corporate bonds, each company is only counted once for the “Total” of the “Number of companies”.

2. Number of funds and amount invested in other funds.

New established of IEP

Current fiscal year(from April 1, 2001 to March 31, 2002)

Millions of Yen

Fund name	Date of Establishment	Total commitment
Investment Enterprise Partnership “NIF· H Fund No.1”	April 25, 2001	1,000
Investment Enterprise Partnership “NIF21-ONE(2-A)”	May 21, 2001	6,000
Investment Enterprise Partnership “NIF21-ONE(2-B)”	May 21, 2001	6,000
Venture Capital Investment Limited Partnership “Akita Activation Fund No.1”	December 14,2001	500
Venture Capital Investment Limited Partnership “NIF Japan-USA-Europe Bridge Fund”	January 10, 2002	9,000
Total		22,500

Previous fiscal year(from April 1, 2000 to March 31, 2001)

Millions of Yen

Fund name	Date of Establishment	Total commitment
Venture Capital Investment Limited Partnership “Kyoto Venture Hands-on Fund No.1”	April 3, 2000	1,000
Investment Enterprise Partnership “NIF· TT Fund”	April 19, 2000	400
Investment Enterprise Partnership “NIF· ST Fund”	April 19, 2000	100
Investment Enterprise Partnership “NIF New Technology Fund 2000/2”	May 31,2000	10,100
Investment Enterprise Partnership “NIF21-ONE(1)”	March 22,2001	11,000
Total		22,600

Note : Among of total investment, paid-in capital amounted to ￥22,350 million as of March 31, 2001

# NIF Venture-Backed IPOs

Current fiscal year ( from April 1, 2001 to March 31, 2002 )

	Investee companies	Date of IPO	Market	Business	Headquarters
16 Domestic companies	usen Corp.	April 25, 2001	NASDAQ Japan	Broadcasting service, operation of karaoke-box, sales and maintenance of karaoke equipment and Broadband business etc	Tokyo
	SOFT99 CORPORATION	June 12, 2001	Second section of Tokyo Stock Exchange	Manufacture and sales of chemical product for use in cars	Osaka
	INTELLIGENT WAVE INC.	June 15, 2001	JASDAQ	Computer software development	Tokyo
	MAILNEWS CORPORATION * (Exchange of stock with cyber communications inc.)	July 1, 2001	NASDAQ Japan	Marketing research used for e-mail	Tokyo
	PLANEX COMMUNICATIONS Inc.	July 11, 2001	JASDAQ	Development, planning and sales of computer network products	Tokyo
	Sodick Plustech Co.,Ltd.	August 31, 2001	JASDAQ	Development, manufacture and sales of injection molds	Kanagawa
	SHIN-NIHON TATEMONO CO.,LTD.	September 7, 2001	JASDAQ	Development and sales of condominium and houses, contracting work of construction, planning of buildings	Tokyo
	PROTO CORPORATION	September 12, 2001	JASDAQ	Publication of information magazine, planning and setting of events,database service	Aichi
	Estore corporation	September 19, 2001	NASDAQ Japan	Application provider for electrical commerce	Tokyo
	NISSIN HEALTHCARE FOOD SERVICE CO.,LTD.	October 10, 2001	JASDAQ	A hospital and welfare- institution-for-the-aged meal trust	Tokyo
	DENTSU INC.	November 30, 2001	First Section of Tokyo Stock Exchange	Advertising agency	Tokyo
	MOVIE TELEVISION INC.	December 13, 2001	JASDAQ	Import distribution of foreign movies and foreign telefilms	Tokyo
	WORKS APPLICATIONS CO.,LTD	December 13, 2001	JASDAQ	Development of software	Tokyo
	Pasona Inc.	December 18,2001	NASDAQ Japan	Temporary help business	Tokyo
	STARCAT CABLE NETWORK CO.,LTD	February 13,2002	JASDAQ	CATV enterprise	Aichi
8 Overseas companies	SUN CORPORATION	March 20, 2002	JASDAQ	Development and sale of system game software for pachinko peripheral equipment and pachinko parlors etc.	Aichi
	LXN Corporation * (Exchange of stock with Inverness Medical Technology, Inc.)	April 1,2001	Amex	Development and sales of FDA-approved diagnostic tests	USA

	Investee companies	Date of IPO	Market	Business	Headquarters
	Sis Nortel Telecommunication	April 2, 2001	Taiwan Stock Exchange	Manufacture and sales on Telecom network products and datacom products, wireless Lans etc.	Taiwan
	Emerging Display Technologies Corp.	April 3, 2001	Taiwan over-the-counter market	Manufacture and sales of LCM(LCD Modules) etc.	Taiwan
	HannStar Display Corporation	August 17,2001	Taiwan over-the-counter market	Manufacture and sales of transistor liquid crystal displays (TFT-LCD)	Taiwan
	Chilisin Electronics Corp.	September 26, 2001	Taiwan Stock Exchange	Manufacture of chip inductors, iron cores, Ni-Zn cores and traditional inductors	Taiwan
	SIMPLO TECH	November 27, 2001	Taiwan over-the-counter market	Battery packaging, such as lithium batteries for notebook personal computers	Taiwan
	Prime Optical Fiber Corporation	March 8, 2002	Taiwan Stock Exchange	Manufacture and sale of an optical fibers	Taiwan
	InterServe International Inc.	March 22, 2002	Taiwan over-the-counter market	Early-childhood-education software game software development, talented-people evaluation website construction and management, a career development program	Taiwan

Note \*Indicates the exchanges of stock with a listed company. The Date of IPO represents the exchange date.

Previous fiscal year ( from April 1, 2000 to March 31, 2001 )

	Investee companies	Date of IPO	Market	Business	Headquarters
27 Domestic companies	FOR YOU CO.,LTD.	April 25, 2000	Second section of Osaka Stock Exchange	Management of shops, selling game-software, compact discs, used books and used clothes	Kagawa
	DAIICHIKOUTSU Co.,Ltd.	April 26, 2000	Fukuoka Stock Exchange	TAXI business, sales of real estate, management of rental apartments	Fukuoka
	Sun A. Kaken Co.,Ltd.	April 27, 2000	JASDAQ	Production and sales of package materials	Tokyo
	EIGHT CONSULTANTS CO.,LTD	June 8, 2000	Second section of Tokyo Stock Exchange	Construction consultants	Okayama
	Miyako Corporation	June 12, 2000	JASDAQ	Development and sales of pipes and tubes	Osaka
	OTSUKA CORPORATION	July 14, 2000	First section of Tokyo Stock Exchange	Specialty trading of office automation products	Tokyo
	MANDARAKE INC.	July 26, 2000	Mothers	Operation of antiquarian bookshops, and sales of books and magazines	Tokyo
	SHINWA CORPORATION	August 8, 2000	Second section of Osaka Stock Exchange	Sales of meat	Osaka
	KITA KOUDENSHA Corporation	August 10, 2000	Sapporo Stock Exchange	Construction of LANs and cable, sales of equipment	Hokkaido
	Sotec Co.,Ltd.	September 7, 2000	NASDAQ Japan	Planning, development, production and sales of personal computers	Kanagawa
	DAIYU EIGHT CO.,LTD.	September 14, 2000	JASDAQ	Management of home-centers, drugstores, office-supply stores	Fukushima
	Asahi National Broadcasting co.,ltd.	October 3, 2000	First section of Tokyo Stock Exchange	Broadcasting business, Production, sale and performance of broadcast-programs, movies and publications.	Tokyo
	impress corporation	October 6, 2000	First section of Tokyo Stock Exchange	IT Related Magazines /Books/Videos Publishing, Internet/Digital Content Publishing	Tokyo
	DesignEXchange Co.,Ltd.	October 17, 2000	Mothers	Planning, production and sales of design contents and management of sites as design	Tokyo
	HIRAGA CO.,LTD.	October 24, 2000	JASDAQ	Production and sales of printed matter particularly inserted ads	Tokyo

	Investee companies	Date of IPO	Market	Business	Headquarters
	DYNAC CORPORATION	October 26, 2000	NASDAQ Japan	Management of restaurants Planning and operation of parties	Tokyo
	LINK CONSULTING ASSOCIATES JAPAN	October 31, 2000	NASDAQ Japan	Management consulting	Kyoto
	DIX KUROKI CO.,LTD.	November 14, 2000	JASDAQ	Management of rental apartments	Fukuoka
	GEO Co.,Ltd.	November 24, 2000	NASDAQ Japan	Management of Video rental shops, sales of used videos and used compact disks	Aichi
	Meiko Electronics Co.,Ltd.	December 8, 2000	JASDAQ	Design, manufacture and sales of printed boards	Kanagawa
	AXYZ CO.,LTD.	December 12, 2000	JASDAQ	Manufacture and sales of chicken and processed foods	Kagoshima
	KAWANISHI Co.,Ltd.	December 21, 2000	Second section Tokyo Stock Exchange	Sales of medical and related instruments	Okayama
	CVS Bay Area Inc.	December 21, 2000	NASDAQ Japan	Management of company stores, FC stores and convenience stores (THANKS)	Chiba
	RealVision, INC.	December 21, 2000	Mothers	Development and sales of three dimensional graphics	Kanagawa
	TAKAMATSU MACHINERY CO.,LTD.	February 21, 2001	JASDAQ	Manufacture and sales of machine tools(CNC precision lathes,etc) Manufacture and sales of industrial machines	Ishikawa
	Acces Co.,Ltd.	February 26, 2001	Mothers	Development of software for inter-net	Tokyo
	PRIME SYSTEMS CORPORATION	February 27, 2001	NASDAQ Japan	System solution service	Tokyo
16 Oversea companies	Jurong Technologies Industrial Corporation Pte.Ltd.	April 6, 2000	SGX Main board	Manufacture of printed circuit board assemblies and services such as marine automation and electrical engineering	Singapore
	Oridion Systems Limited.	April 10, 2000	SWX Swiss Exchange	Development, Manufacture and sales of monitoring and diagnostic equipment called Capnograph which is an instrument that continuously measures the carbon dioxide(CO2) content in exhaled breath	Israel
	ABIT CORPORATION	June 22, 2000	Taiwan Stock Exchange	Manufacture and sales of mother boards and PC related products	Taiwan

	Investee companies	Date of IPO	Market	Business	Headquarters
	TSMC-ACER Semiconductor * Manufacturing Inc. ( Exchange of stock with TSMC )	June 30, 2000	Taiwan Stock Exchange	Manufacture and design of a wide range of CPU, ASIC and DRAM chips.	Taiwan
	Worldwide Semiconductor * Manufacturing Corporation ( Exchange of stock with TSMC )	June 30, 2000	Taiwan Stock Exchange	Foundry Service 8" wafers	Taiwan
	enCommerce, Inc. * ( Exchange of stock with Entrust )	July 1, 2000	NASDAQ	Software development and sales for access control in enterprises	USA
	Intcera high tech group limited	July 7, 2000	Hong Kong GEM	Manufacture and sale of ceramic blanks and ferrules for fibre optic connectors	Hong Kong
	Ezyhealth Asia Pacific Pte.Ltd.	July 20, 2000	SGX Main board	Healthcare-related internet e-commerce portal	Singapore
	STRATECH SYSTEMS PTE.LTD.	August 2, 2000	SGX Main board	Design, development, implementation and maintenance of state-of the art Information Technology and Advanced Technology Systems	Singapore
	Arcontech Corporation	August 16, 2000	Hong Kong GEM	Provide solutions and innovations for semiconductor applications	Hong Kong
	Taiwan Cellular Corporation	September 19, 2000	Taiwan over-the- counter market	Mobile phone service	Taiwan
	Mustang Industrial	September 28, 2000	Taiwan over-the- counter market	Manufacture and sales of metal stamping and plastic injection	Taiwan
	NewSoft Technology Corporation	October 18, 2000	Taiwan over-the- counter market	Design and sales of internet software	Taiwan
	Element 14 Limited * ( Exchange of stock with Broadcom Corp. )	November 22, 2000	NASDAQ	Development and Design of DSP for high density broadband access systems	USA
	LEAD DATA INC.	January 3, 2001	Taiwan Stock Exchange	Manufacture and sales of CD-R(Compact Disc Recordable )	Taiwan
	EI-NETS COM.	January 19, 2001	SESDAQ	Design, building and operation of own industry-specific e-commerce portals	Singapore

Note \*Indicates the exchanges of stock with a listed company. The Date of IPO represents the exchange date.

**The balance of loans receivable**

Millions of yen		
	Current fiscal year (as of March 31,2002)	Previous fiscal year (as of March 31,2001)
Loans receivable	19,756	25,807
Mortgage-backed loans	389	1,061
Total	20,145	26,868

**The balance of bad debts**

Millions of yen		
	Current fiscal year (as of March 31,2002)	Previous fiscal year (as of March 31,2001)
Bad debts	29,183	42,434
Allowance for doubtful accounts	(10,279)	(17,225)
Total	18,904	25,209

**Capital planned to be spent and capital results of appropriation of Public offerings issued at market price**

Capital planned to be spent and capital results of appropriation, the amounts of ¥65 billion public offering at March 12, 2002 show the following:

**1. Capital planned to be spent**

The total amount of increased capital, the Company will appropriate to repay borrowings.

**2. Capital results of appropriation**

The total amount of increased capital, the Company appropriated to repay borrowings.



Consolidated Financial Statements

(1) Consolidated Balance Sheets

Millions of yen

Account \ Period	Current fiscal year (as of March 31,2002)	Previous fiscal year (as of March 31,2001)	Increase (Decrease)
<b>(Assets)</b>			
Current assets	79,549	89,117	(9,567)
Cash and time deposits	4,929	3,608	1,321
Operational investment securities	50,679	54,796	(4,116)
Less : Allowance for possible investment losses	(1,922)	(1,227)	(694)
Operational investment funds	2,100	1,440	660
Loans receivable	20,145	26,868	(6,722)
Marketable securities	2,834	2,624	209
Deferred tax assets	0	-	0
Other current assets	821	1,057	(236)
Less : Allowance for doubtful accounts	(40)	(51)	10
Fixed assets	33,298	35,983	(2,685)
Tangible fixed assets	2,082	2,820	(737)
Building and structures	341	356	(15)
Land	1,512	2,091	(579)
Other tangible fixed assets	229	371	(142)
Intangible fixed assets	137	146	(8)
Investments and other	31,077	33,016	(1,938)
Investment securities	10,769	5,970	4,798
Bad debts	18,904	25,209	(6,304)
Other investments and other	1,404	1,836	(432)
<b>Total Assets</b>	<b>112,847</b>	<b>125,100</b>	<b>(12,253)</b>

Millions of yen

Account \ Period	Current fiscal year (as of March 31,2002)	Previous fiscal year (as of March 31,2001)	Increase (Decrease)
<b>(Liabilities)</b>			
Current liabilities	65,423	75,912	(10,488)
Short-term borrowings	51,800	64,100	(12,300)
Long-term debt due within one year	11,071	8,870	2,201
Income taxes payable	25	76	(50)
Deferred tax liabilities	1,631	1,828	(196)
Accrued bonuses	172	197	(24)
Other current liabilities	722	840	(118)
Fixed liabilities	13,558	24,442	(10,883)
Long-term borrowings	12,719	19,211	(6,491)
Long-term securities borrowed	-	3,600	(3,600)
Deferred tax liabilities	0	224	(223)
Accrued retirement benefits	156	72	84
Accrued retirement benefits of directors	112	113	(0)
Multi-employer pension plan	-	448	(448)
Other fixed liabilities	569	773	(203)
<b>Total liabilities</b>	<b>78,981</b>	<b>100,354</b>	<b>(21,372)</b>
<b>(Stockholders' equity)</b>			
Common stock	11,267	8,292	2,975
Additional paid-in capital	13,913	10,308	3,605
Retained earnings	6,371	3,321	3,049
Net unrealized gain(loss) on securities	2,242	2,827	(585)
Currency translation adjustments	71	(4)	75
Treasury stock held by the Company	(0)	(0)	(0)
<b>Total stockholders' equity</b>	<b>33,865</b>	<b>24,746</b>	<b>9,119</b>
<b>Total liabilities and stockholders' equity</b>	<b>112,847</b>	<b>125,100</b>	<b>(12,253)</b>

## (2) Consolidated Statements of Income

Millions of yen

Account	Period	Current fiscal year April 1,2001 - March 31,2002	Previous fiscal year April 1,2000 - March 31,2001	Increase (Decrease)	
				Amount	%
Net sales		17,226	20,586	(3,359)	83.7
Revenues from operational investment securities		12,445	12,637	(191)	98.5
Investment management fees		2,629	4,630	(2,001)	56.8
Interests from loans receivable		1,586	2,737	(1,150)	58.0
Other		564	581	(16)	97.2
Sales costs		9,349	10,520	(1,170)	88.9
Cost of operational investment securities		7,211	7,386	(175)	97.6
Interest expenses for operational assets		1,177	2,100	(922)	56.1
Provision for possible investment losses		805	766	38	105.1
Other		154	266	(111)	58.1
Gross profit		7,876	10,065	(2,188)	78.3
Selling, general and administrative expenses		4,563	5,095	(531)	89.6
Operating profit		3,312	4,970	(1,657)	66.7
Non-operating income		295	260	35	113.6
Interest income		35	50	(14)	71.0
Dividend income		148	32	115	449.8
Equity in net gains on investments of a non-consolidated subsidiary and an affiliated company		5	0	5	887.3
Gain on sales of treasury stock		-	56	(56)	-
Other		106	119	(13)	88.8
Non-operating expenses		254	271	(16)	93.8
Interest expenses		195	234	(38)	83.5
Stock issue expenses		49	27	21	178.5
Other		10	9	0	101.5
Ordinary profit		3,353	4,958	(1,605)	67.6

Millions of yen

Account	Period	Current fiscal year April 1,2001 - March 31,2002	Previous fiscal year April 1,2000 - March 31,2001	Increase (Decrease)	
				Amount	%
Extraordinary gains		539	266	272	202.2
Gain on sales of investment securities		304	127	176	238.4
Reversal of multi-employer pension plan		197	-	197	-
Gain on sales of fixed assets		37	56	(18)	66.5
Reversal of allowance for doubtful accounts		-	82	(82)	-
Extraordinary losses		626	1,944	(1,317)	32.2
Provision for doubtful accounts		37	-	37	-
Loss on sales or disposal of fixed assets		10	27	(16)	39.8
Loss on disposal of bad debts		128	1,697	(1,568)	7.6
Valuation loss of fixed assets		38	37	1	103.7
Valuation loss of investment securities		405	164	241	247.0
Loss on sales of investment securities		5	8	(2)	65.1
Loss on restructuring of related companies		-	8	(8)	-
Income before income taxes		3,266	3,281	(15)	99.5
Income taxes-current expense		53	175	(122)	30.3
Income taxes-current benefit		54	-	54	-
Income taxes-deferred		3	436	(433)	0.8
Net income		3,264	2,668	595	122.3

(3) Consolidated Statements of Retained Earnings

Millions of yen

Account \ Period	Current fiscal year April 1,2001 - March 31,2002	Previous fiscal year April 1,2000 - March 31,2001
Retained earnings(deficits) at the beginning of year	3,321	(22,085)
Increase(decrease) in retained earnings (deficits)	-	22,738
Reversal of additional paid-in capital	-	22,075
Increase(decrease) in retained earnings (deficits) due to merger	-	663
Decrease in retained earnings	215	-
Cash dividends	176	-
Directors' bonuses	39	-
Net income	3,264	2,668
Retained earnings at the end of year	6,371	3,321

#### (4) Consolidated Statements of Cash Flows

Millions of yen

Account \ Period	Current fiscal year April 1,2001 - March 31,2002	Previous fiscal year April 1,2000- March 31,2001
Cash flows from operating activities		
Income before income taxes	3,266	3,281
Depreciation	223	291
Decrease in allowance for doubtful accounts	(10)	(82)
Increase in allowance for possible investment losses	694	657
Decrease in accrued bonuses	(24)	(1)
Increase in accrued retirement benefits	84	72
Decrease in accrued retirement benefits of directors	(0)	(12)
Decrease in multi-employer pension plan	(448)	-
Interest and dividend income	(2,383)	(3,486)
Interest expenses	1,373	2,334
Equity in net gains on investments of a non-consolidated subsidiary and an affiliated company	(5)	(0)
Valuation loss of investment securities	405	164
Gain(loss) on sales of investment securities	(298)	(119)
Gain on sales of treasury stock	-	(56)
Gain(loss) on sales or disposal of fixed assets	(26)	27
Valuation loss of fixed assets	38	37
Decrease in operational investment securities	636	396
Decrease in loans receivable and bad debts	13,584	63,981
Decrease in investment real estate	-	3,852
Directors' bonuses paid	(39)	-
Other	(1,745)	(3,476)
Sub-total	15,324	67,861
Interest and dividends received	2,401	3,655
Interest paid	(1,428)	(2,516)
Income taxes paid	(106)	(307)
Net cash provided by operating activities	16,192	68,693

Millions of yen

Account	Period	Current fiscal year April 1,2001 - March 31,2002	Previous fiscal year April 1,2000 - March 31,2001
Cash flows from investing activities			
Payments for purchases of tangible fixed assets		(42)	(123)
Proceeds from sales of tangible fixed assets		38	565
Payments for purchases of investment securities		(3,527)	(5,673)
Proceeds from sales and maturity of investment securities		1,117	2,392
Other		257	331
Net cash used in investing activities		(2,157)	(2,506)
Cash flows from financing activities			
Decrease in short-term borrowings, net		(12,300)	(41,510)
Proceeds from long-term borrowings		1,000	17,497
Repayments of long-term borrowings		(8,890)	(6,403)
Repayments of securities borrowed		-	(8,850)
Payments for redemption of mortgage-backed securities		-	(42,823)
Cash dividends paid		(176)	-
Proceeds from issuance of shares		6,530	7,472
Proceeds from sales of treasury stock		-	67
Payments for purchases of treasury stock		(0)	-
Net cash used in financing activities		(13,835)	(74,549)
Effect of exchange rate changes on cash and cash equivalents		42	36
Net change in cash and cash equivalents		241	(8,326)
Cash and cash equivalents at beginning of year		2,870	5,680
Change cash and cash equivalents due to merger		-	5,516
Cash and cash equivalents at end of year		3,111	2,870

### Notes to consolidated financial statements

The consolidated financial statements of the Company for fiscal 2001 ended March 31, 2002 are prepared in accordance with the "Regulations Concerning Terminology, Forms, and Preparation Methods of Consolidated Financial Statements" (Ministry of Finance Ordinance No. 28, 1976).

### Basis of consolidated financial statements

#### 1. Scope of consolidation

##### (1) Consolidated subsidiaries : 4 companies

NIF business service Co., Ltd.

NIF Management Singapore Pte. Ltd.

NIF Ventures USA, Inc.

NIF International (Asia) Ltd.

##### (2) Non-consolidated subsidiaries : 1 company

NIF-TVLM Management Limited

This company is excluded from scope of consolidation because each of amount of assets, net sales, net income and retained earnings of non-consolidated subsidiaries has little influence on the consolidated financial statements and has little materiality as a whole.

#### 2. Application of the equity method

##### (1) Non-consolidated subsidiaries that are accounted for by the equity method : 1 company

NIF-TVLM Management Limited

##### (2) Affiliated companies that are accounted for by the equity method : 1 company

Venture entry Co., Ltd.

##### (3) Non-affiliated companies that are accounted for by the equity method

Yamaguchi Capital Co., Ltd.

Kagawagin Capital Co., Ltd.

Meitung Ltd.

IJT Management Ltd.

PT. Danareksa-Daiwa NIF Ventures

BPMB-NIF Model Teroka Sdn. Bhd.

Investments in these affiliated companies are not accounted for by the equity method because each amount of net income and retained earnings of non-affiliated companies that are accounted for by the equity method has little influence on the consolidated financial statements and has little materiality as a whole.

##### (4) As fiscal year of affiliated companies that are accounted for by the equity method ends other than March 31, the financial statements for the relevant fiscal year are reflected.

#### 3. Year end of financial statements of consolidated subsidiaries

The following consolidated subsidiaries have a year end of December 31.

NIF Management Singapore Pte. Ltd.

NIF Ventures USA, Inc.

NIF International (Asia) Ltd.

The financial statements of the respective yearends are used in the preparation of the consolidated financial statements. Where significant transactions have occurred during the period between the yearend and March 31, the consolidated financial statements are adjusted accordingly.



#### 4. Accounting policies

##### (1) Valuation of securities and derivatives

###### Valuation of securities

###### Other securities

###### a. Securities with quoted market value

Securities with quoted market value are stated at fair value on the closing date and net unrealized gains and losses on other securities are reported, net of applicable income taxes as a separate component of the stockholders' equity. Cost of these securities is calculated based on the moving average cost method.

###### b. Securities without quoted market value

Securities without quoted market value are stated at moving average cost.

###### Valuation of derivatives

Derivatives are reported at fair value.

##### (2) Depreciation of depreciable assets

###### Tangible fixed assets

The Company and its domestic consolidated subsidiary employ the declining-balance method; however, the straight-line method is used for lease assets (taking the lease period as the useful life for depreciation), and for buildings (excluding associated equipment and facilities) acquired after April 1, 1998. The useful life for depreciation and the outstanding value are defined in accordance with Corporation Tax Law. For buildings (excluding associated equipment and facilities) acquired before March 31 1998, the useful life for depreciation is defined in accordance with the Corporation Tax Law prior to the 1998 amendments. For overseas consolidated subsidiaries, the straight-line method is used, based on local accounting standards.

###### Intangible fixed assets

The straight-line method is used. Software for in-house use is depreciated based on the straight-line method over its useful life as estimated by the Company.

##### (3) Accounting policies for various provisions

###### Allowance for doubtful accounts

The Company and a domestic consolidated subsidiary provide for doubtful accounts based on the historical deterioration rate as for normal loans, and the allowance specifically assessed financial evaluation as for doubtful and failed loans.

The overseas consolidated subsidiaries provide specifically assessed amounts.

###### Allowance for possible investment losses

In order to prepare for losses of operational investment securities held at the end of period, an amount is provided based on estimated losses, considering actual conditions of investee companies.

###### Accrued bonuses

The Company accrues for employee bonus payment at an estimated amount to be paid based on the prescribed calculation method.

###### Accrued retirement benefits

The Company and consolidated subsidiaries provide accrued retirement benefits for employees in conformity with the bylaws to meet obligations as of March 31, 2002, as the rise in salaries in the future does not cause fluctuation in the benefit obligation and therefore the service costs for each individual based on contribution, ability and performance are vested fiscal year by fiscal year.

As for the closed pension fund, accrued retirement benefits are provided based on the difference between projected benefit obligation and fund's fair value on the closing date.

###### Accrued retirement benefits of directors

The Company and consolidated subsidiaries provide accrued retirement benefits of directors in conformity with the bylaws to meet obligations as of March 31, 2002.

(4) Translation of foreign currency assets or liabilities into Japanese yen

Monetary assets and liabilities denominated in foreign currencies are translated into Japanese yen at the spot exchange rate as of the closing date, and the translation differences are accounted for as current profits or losses. Assets and liabilities of overseas subsidiaries are translated into Japanese yen at the spot exchange rate as of the closing date, profits and losses of overseas subsidiaries are translated into Japanese yen at the average exchange rate for the period with transaction differences reported as currency transaction adjustments in the stockholders'equity section.

(5) Accounting for certain lease transactions

Finance Lease in which ownership is not transferred to a lessee are accounted for in the same manner as operating leases.

(6) Hedging transactions

Method of hedge accounting

Valuation gains or losses on hedging instruments are deferred as assets or liabilities.

Hedging instruments and hedged items

The hedging instruments are interest rate swap transactions, and hedged items are floating interest rate borrowings.

Hedging policy

The Company has a policy of using the above hedging instruments only as a means of reducing the Company's exposure to interest rate fluctuation risks on borrowings, and not for speculation.

Method for assessing the effectiveness of hedging

The Company monitors the hedging of interest rate risk by regularly assessing the effectiveness, by comparing the fair value or the cumulative change in cash flows of hedging instruments with those of related hedged items.

(7) Other significant accounting policies

Revenues from operational investment securities and cost of operational investment securities

"Revenues from operational investment securities" include the sale of and interest and dividend income from operational investment securities acquired by the Company for the purpose of investment growth. "Cost of operational investment securities" includes the associated historical cost of operational investment securities, commission paid, and valuation loss on operational securities.

Accounting for investments in IEPs

As for accounting for investments in the Investment Enterprise Partnerships(IEP),assets, liabilities, profits and losses of IEP are recorded in proportion to our contributions to the IEP on the basis of the financial statements for the relevant business year and the interim financial statements for the relevant interim period.

Investments in IEPs without(interim) financial statements are included in"Operational investment fund"in current assets.

Interest expenses

Interest expenses are divided into those associated with operational assets and those associated with non-operational assets, based on the averaged asset balance. Interest expenses associated with operational assets are included in sales costs and interest expenses associated with non-operational assets are included in non-operating expenses.

Consumption taxes

Consumption taxes are separately recorded and nondeductible consumption taxes are reported as selling, general and administrative expenses. However, the undeductable consumption taxes concerning fixed assets are reported as"Other investments and other"under"Investments and other", and are amortized over the periods prescribed by the Corporation Tax Law.

#### 5. Valuation of asset and liabilities of consolidated subsidiaries

All assets and liabilities of consolidated subsidiaries are recorded based on market value on the start of consolidation.

#### 6. Appropriation of retained earnings

The consolidated statements of retained earnings are prepared based on appropriation of retained earnings approved at the Stockholders' Meeting during the fiscal year.

#### 7. Scope of "Cash and cash equivalents" in consolidated statements of cash flows

"Cash and cash equivalents" in the consolidated statements of cash flows includes cash on hand, readily available deposits, and short-term investments with original maturities of not exceeding three months, which are highly liquid and virtually risk-free with respect to change of value.

#### Additional information

Amendment to "Practical Guidelines for Accounting for Financial Instruments (Interim Report)"

In line with amendments to the Guidelines for Financial Instruments (Interim Report) in the current fiscal year (as described in *About the Amendments to the Accounting Guidelines for Financial Instruments (Interim Report)*, The Japanese Institute of Certified Public Accountants, 30 March 2001), borrowed securities with repayment period of up to one year are now called "Long-term debts due within one year".

#### Notes to consolidated balance sheets

	Millions of yen	
	Current fiscal year	Previous fiscal year
1. Mortgage-backed loans included in loans receivable	389	1,061
2. Accumulated depreciation of tangible fixed assets	2,017	1,852
3. Shares in non-consolidated subsidiaries, affiliated companies and corporate bonds of affiliated companies included in investment securities		
Shares in non-consolidated subsidiaries and affiliated companies	205	210
Corporate bonds of affiliated companies	20	20
4. Allowance for doubtful accounts deducted directly from "Investments and other"		
Bad debts	10,279	17,225
Other investments and other (membership)	91	51
*Bad debts = credits as defined in Article 32, Clause 1, No.10 of Regulations of Financial Statements		
5. Borrowed securities included in long-term debt due within one year	3,600	-

## Notes to consolidated statements of income

	Millions of yen	
	Current fiscal year	Previous fiscal year
1. Devaluation loss included in cost of operational investment securities	916	2,205
2. Breakdown of major selling, general and administrative expenses		
Salaries and bonuses	1,201	1,438
Bonuses accrual of accrued bonuses	283	197
Provision for retirement benefits of directors	27	28
Provision for doubtful accounts	230	-
Commission paid	502	1,130
3. Breakdown of gain on sales of fixed assets		
Tangible fixed assets "Land"	33	-
Investments and other		
"Other investments and other" (membership)	4	-
Investment real estate	-	56
4. Breakdown of loss on sales and disposal of fixed assets		
Loss on disposal of fixed assets		
Building and structure	6	18
Other tangible fixed assets(equipment)etc	0	8
Loss on sales fixed assets		
Other tangible fixed assets(equipment)etc	3	-
Investment real estate	-	0
5. Loss on disposal of bad debts includes losses derived from the sale and settlement of bad debts		
6. Breakdown of valuation loss of fixed asset		
Other investments and other(membership)	38	18
Other investments and other (investment commodity funds)	-	19
7. Loss on disposal of related company includes losses derived from liquidation and disposition of related companies.		

## Notes to consolidated statements of cash flows

1. Relationship between the balance of cash and cash equivalents at end of year and cash and deposits reported in the consolidated balance sheets

	Millions of yen	
	Current fiscal year	Previous fiscal year
Cash and deposits	4,929	3,608
Securities	2,834	2,624
Cash and deposits contributed to IEPs	(1,819)	(779)
Securities contributed to IEPs	(2,833)	(2,583)
Cash and cash equivalent	3,111	2,870

\*A breakdown of the major assets and liabilities inherited from Nippon Investment & Finance Co., Ltd. and its consolidated subsidiaries under the merger in the previous fiscal year is given below. The merger yielded ¥3,176 million in common stock and ¥3,186 million in additional paid-in capital.

Current assets	¥85,573 million
Fixed assets	¥6,890 million
Total assets	¥92,463 million
Current liabilities	¥70,542 million
Fixed liabilities	¥14,895 million
Total liabilities	¥85,437 million

## Segment information

### 1. Sales by business segment

Current fiscal year(from April 1, 2001 to March 31, 2002)

	Millions of yen				
	Investment	Financial	Total	Elimination or corporate	Consolidated
. Sales and operating income					
Sales					
(1)Sales to outside customers	15,438	1,787	17,226	-	17,226
(2)Inter-segment	-	-	-	-	-
Total	15,438	1,787	17,226	-	17,226
Operating expenses	12,787	1,125	13,913	-	13,913
Operating income	2,650	662	3,312	-	3,312
. Asset, depreciation and capital expenditure					
Assets	70,612	39,720	110,333	2,513	112,847
Depreciation	100	122	223	-	223
Capital expenditure	64	25	90	-	90

Note : 1. Business segments are defined for internal management purposes.

#### 2. Description of principal business of segments

Investment.....Investments in venture business of domestic and foreign companies, establishment of IEPs and operation and management of assets of IEPs etc

Financial ..... loan, leasing and other financial business etc

#### 3. Corporate assets included in "Elimination or corporate" column amounted to ¥2,513 million, which major consisted of cash and deposits of the Company.

Previous fiscal year(from April 1, 2000 to March 31, 2001)

	Millions of yen				
	Investment	Financial	Total	Elimination or corporate	Consolidated
. Sales and operating income					
Sales					
(1)Sales to outside customers	17,496	3,089	20,586	-	20,586
(2)Inter-segment	-	-	-	-	-
Total	17,496	3,089	20,586	-	20,586
Operating expenses	13,531	2,084	15,615	-	15,615
Operating income	3,965	1,004	4,970	-	4,970
. Asset, depreciation and capital expenditure					
Assets	68,863	53,939	122,802	2,298	125,100
Depreciation	88	203	291	-	291
Capital expenditure	174	739	913	-	913

Note : 1. Business segments are defined for internal management purposes.

#### 2. Description of principal business of segments

Investment.....Investments in venture business of domestic and foreign companies, establishment of IEPs and operation and management of assets of IEPs etc

Financial ..... loan, leasing and other financial business etc

#### 3. Corporate assets included in "Elimination or corporate" column amounted to ¥2,298 million, which major consisted of cash and deposits of the Company.

#### 4. "The Accounting Standards for Financial Instruments " is applied from this fiscal year. Consequently, operating expenses in the investments segment have fallen ¥1,166 million compared to the figures generated by the previous method, while operating profits have risen by the same amount.

## 2. Sales by geographic area

Current fiscal year(from April 1, 2001 to March 31, 2002)

Since sales and assets in Japan exceeded 90% of total sales and assets of all segments respectively, segment information by geographic area is omitted

Previous fiscal year(from April 1, 2000 to March 31, 2001)

Since sales and assets in Japan exceeded 90% of total sales and assets of all segments respectively, segment information by geographic area is omitted

## 3. Overseas sales

Current fiscal year (from April 1, 2001 to March 31, 2002)

	Millions of yen			
	Asia	America	Europe & other area	Total
Overseas sales	2,890	336	97	3,325
consolidated sales	-	-	-	17,226
% of total consolidated revenues	16.8%	2.0%	0.6%	19.3%

Previous fiscal year (from April 1, 2000 to March 31, 2001)

	Millions of yen			
	Asia	America	Europe & other area	Total
Overseas sales	2,861	2,296	531	5,689
consolidated sales	-	-	-	20,586
% of total consolidated revenues	13.9%	11.1%	2.6%	27.6%

Note :

1. Segmentation by geographic area is based on geographical proximity.
2. Principal countries by geographic area other than Japan :
  - (1) Asia ..... Taiwan, Hong Kong and Singapore etc
  - (2) America ..... USA
  - (3) Europe & Other ..... United Kingdom, France and Israel etc
3. Overseas sales are those of the Company and subsidiaries in counties and regions other than Japan.

## Marketable securities

### 1. Other securities with quoted market value

Millions of yen

	Type	Current fiscal year			Previous fiscal year		
		Acquisition costs	Amounts reported on the consolidated balance sheet	Difference	Acquisition costs	Amounts reported on the consolidated balance sheet	Difference
Securities for which amount stated on the consolidated balance sheets exceeds their acquisition costs	Operational investment securities						
	Stock	3,435	7,996	4,560	6,288	12,458	6,169
	Bond	-	-	-	-	-	-
	Other	-	-	-	-	-	-
	Sub-total	3,435	7,996	4,560	6,288	12,458	6,169
	Investment securities						
	Stock	1,950	2,482	531	2,081	3,030	949
	Bond	9	9	0	9	9	0
	Other	1,002	1,004	1	-	-	-
	Sub-total	2,962	3,496	534	2,090	3,040	949
Total		6,398	11,493	5,094	8,379	15,498	7,118
Securities for which amount stated on the consolidated balance sheets do not exceed their acquisition costs	Operational investment securities						
	Stock	3,668	2,988	(679)	7,828	5,721	(2,107)
	Bond	-	-	-	-	-	-
	Other	-	-	-	-	-	-
	Sub-total	3,668	2,988	(679)	7,828	5,721	(2,107)
	Investment securities						
	Stock	7,333	5,771	(1,562)	2,149	1,871	(278)
	Bond	-	-	-	-	-	-
	Other	500	307	(192)	500	361	(138)
	Sub-total	7,833	6,078	(1,755)	2,649	2,233	(416)
Total		11,501	9,066	(2,435)	10,478	7,954	(2,523)
Ground total		17,900	20,559	2,659	18,858	23,453	4,595

### 2. Other securities sold during fiscal year

Millions of yen

Type	Current fiscal year			Previous fiscal year		
	Amount of sale	Total profit on sale	Total loss on sale	Amount of sale	Total profit on sale	Total loss on sale
Operational investment securities	11,831	6,723	1,205	11,970	8,104	1,408
Investment securities	1,098	304	5	549	127	8

### 3. Other securities without quoted market value

	Millions of yen	
	Current fiscal year Amounts reported on the consolidated balance sheet	Previous fiscal year Amounts reported on the consolidated balance sheet
Operational investment securities		
Non-listed stock(excluding over-the-counter stock)	32,223	30,206
Non-listed domestic and foreign bonds	3,302	3,145
Others	4,169	3,265
Marketable securities		
Beneficiary certificates(MMF)	2,834	2,624
Investment securities		
Non-listed stock(excluding over-the-counter stock)	968	467
Non-listed domestic bonds	20	20
<b>Total</b>	<b>43,518</b>	<b>39,728</b>

(Note)

Securities owned by the Company except for investments in subsidiaries and affiliated companies are attributed to “Other securities” as prescribed by “The Accounting Standards for Financial Instruments”. Other securities held for venture capital investments, one of main business purposes of the Company are reported as “Operational investment securities” in current assets, and other securities held for long-term periods are reported as “Investment securities” in investment and other. In the current fiscal year the Company reclassified one marketable equity securities in the amount of ¥2,957 million and four non-marketable equity securities in the total amount of ¥343 million in “Operational investment securities” in current assets into “Investment securities” in “Investment and other”, since the purpose of holding these securities changed from venture capital investments to long-term investments at the timing of strengthening of business tie-up.

#### Derivative transactions

Current fiscal year(as of March 31, 2002)

Since hedge accounting is applied to all derivatives transactions used by the Company, there is no applicable information here.

Previous fiscal year(as of March 31, 2001)

Since hedge accounting is applied to all derivatives transactions used by the Company, there is no applicable information here.



## Retirement benefits

### 1. Retirement benefits plan

The Company has a retirement lump-benefit plan. The Company also has a closed tax-qualified pension plan for existing vested retired employees.

The company shifted certain portions of the retirement lump-benefit plan to a defined contribution plan at December 2001.

	Millions of yen	
2. Breakdown of benefit obligation	Current fiscal year	Previous fiscal year
Benefit obligation	(369)	(300)
Plan assets	212	229
Figures on the consolidated balance sheet(net)	(156)	(70)
Prepaid pension cost	-	1
Accrued retirement benefits	(156)	(72)

Note : 1. A simplified method is used to calculate the benefit obligation.

2. In addition to the above, plan assets related to an industry-wide welfare pension plan include the balance of plan assets at the end of each period, based on premium contributions by the Company as follows:

Current fiscal year	Previous fiscal year
-	826

3. Breakdown of pension cost	Current fiscal year	Previous fiscal year
Service expenses	82	88
Contribution to a welfare pension plan	14	26
Contribution to a defined contribution plan	8	-
Pension cost	105	115

## Amounts per share adjusted retroactively

Amounts per share adjusted retroactively by dilution to reflect stock split are shown as follows:

Current fiscal year (April 1,2001 - March 31,2002)	Previous fiscal year (April 1,2000 - March 31,2001)
Earnings per share ¥ 12,304.40	Earnings per share ¥ 11,374.77
Stockholders'equity per share ¥ 117,182.72	Stockholders'equity per share ¥ 93,736.82

Note : Detail of stock split :

Date : August 1, 2001

Ratio: 1 to 10

( Summary of Japanese announcement )

### (1) Operating results

	Operating sales (¥ million)	(%)	Operating profit (¥ million)	(%)	Ordinary profit (¥ million)	(%)
Fiscal 2001	16,820	(16.8)	3,289	(28.5)	3,336	(30.6)
Fiscal 2000	20,214	-	4,604	-	4,809	-

	Net income (¥ million)	(%)	Earnings /share (¥)	Fully diluted earnings/ share (¥)	Return on stockholders' equity (%)	Ordinary profit/Total capital (%)	Ordinary profit/ net sales (%)
Fiscal 2001	3,257	25.5	12,278.69	-	11.4	2.8	19.8
Fiscal 2000	2,596	-	110,610.94	-	14.8	2.9	23.8

5. Ordinary profit/total capital as of fiscal 2000, includes total capital merged of Nippon Investment & Finance Co.,Ltd. as of March 31, 2001

	Dividends / share (¥)			Dividends (¥ million)	Pay-out Ratio (%)	Dividends on equity (%)
	Interim (¥)	Full year (¥)				
Fiscal 2001	1,000.00	0.0	1,000.00	288	8.9	0.9
Fiscal 2000	7,500.00	0.0	7,500.00	176	6.8	0.7

**Dividend in commemoration of JASDAQ listing**      ¥250.00

**(3) Financial position**

	Total assets (¥ million)	Stockholders' equity (¥ million)	Stockholders' equity ratio (%)	Stockholders' equity/ share (¥)
Fiscal 2001	111,967	33,061	29.5	114,402.39
Fiscal 2000	124,212	24,025	19.3	910,038.86

**Note 1. Number of shares outstanding :**

As of March 31, 2002 288,997 shares  
As of March 31, 2001 26,400 shares

**2. Number of treasury stock held by the Company:**

As of March 31, 2002 3 shares  
As of March 31, 2001 0 shares

(1) Balance Sheets

Millions of yen

Account	Period	Fiscal 2001 (as of March 31,2002)	Fiscal 2000 (as of March 31,2001)	Increase (Decrease)
<b>(Assets)</b>				
Current assets		78,795	88,371	(9,576)
Cash and time deposits		4,332	3,077	1,255
Operational investment securities		50,679	54,796	(4,166)
Less: Allowance for possible investment losses		(1,922)	(1,227)	(694)
Operational investment funds		2,100	1,440	660
Loans receivable		20,145	26,868	(6,722)
Marketable securities		2,833	2,583	249
Prepaid expenses		45	59	(13)
Other current assets		620	824	(203)
Less: Allowance for doubtful accounts		(40)	(51)	10
Fixed assets		33,172	35,841	(2,669)
Tangible fixed assets		2,075	2,804	(728)
Building		337	354	(16)
Structures		3	2	1
Automobile		10	5	4
Furniture and fixtures		66	87	(21)
Lease property		144	261	(117)
Land		1,512	2,091	(579)
Intangible fixed assets		85	87	(2)
Software		71	73	(2)
Other intangible fixed assets		13	13	-
Investments and other		31,010	32,949	(1,938)
Investment securities		10,512	5,686	4,825
Equity investments in related companies		199	213	(14)
Debt investments in related companies		20	20	-
Investment commodity funds		214	490	(275)
Long-term loans receivable for employee		18	19	(0)
Bad debts		18,904	25,209	(6,304)
Long-term prepaid expenses		6	5	1
Other investments and other		1,134	1,305	(170)
<b>Total Assets</b>		<b>111,967</b>	<b>124,212</b>	<b>(12,245)</b>

Millions of yen

Account \ Period	Fiscal 2001 (as of March 31,2002)	Fiscal 2000 (as of March 31,2001)	Increase (Decrease)
<b>(Liabilities)</b>			
Current liabilities	65,346	75,745	(10,398)
Short-term borrowings	51,800	64,100	(12,300)
Long-term debt due within one year	11,071	8,870	2,201
Payables	170	17	153
Accrued expenses	112	214	(102)
Income taxes payable	9	8	0
Consumption taxes payable	-	1	(1)
Deferred tax liabilities	1,626	1,827	(200)
Deposits received	110	318	(208)
Deferred revenues	273	189	83
Accrued bonuses	172	197	(24)
Fixed liabilities	13,558	24,442	(10,883)
Long-term borrowings	12,719	19,211	(6,491)
Long-term securities borrowed	-	3,600	(3,600)
Deferred tax liabilities	-	223	(223)
Accrued retirement benefits	156	72	84
Accrued retirement benefits of directors	112	113	(0)
Multi-employer pension plan	-	448	(448)
Other fixed liabilities	569	773	(203)
<b>Total liabilities</b>	<b>78,905</b>	<b>100,187</b>	<b>(21,282)</b>
<b>(Stockholders' equity)</b>			
Common stock	11,267	8,292	2,975
Additional paid-in capital	13,913	10,308	3,605
Earned surplus reserve	21	-	21
Retained earnings	5,617	2,596	3,020
Unappropriated retained earnings	5,617	2,596	3,020
Net unrealized gain(loss) on securities	2,242	2,827	(585)
Treasury stock held by the Company	(0)	-	(0)
<b>Total stockholders' equity</b>	<b>33,061</b>	<b>24,025</b>	<b>9,036</b>
<b>Total liabilities and stockholders' equity</b>	<b>111,967</b>	<b>124,212</b>	<b>(12,245)</b>

## (2) Statements of Income

Millions of yen

Account	Period	Fiscal 2001 (April 1,2001- March 31,2002)	Fiscal 2000 (April 1,2000- March 31,2001)	Increase (Decrease)	
				Amount	%
Net sales		16,820	20,214	(3,394)	83.2
Revenues from operational investment securities		12,445	12,637	(191)	98.5
Investment management fees		2,424	4,390	(1,965)	55.2
Interests from loans receivable		1,586	2,763	(1,177)	57.4
Others		363	423	(60)	85.8
Sales costs		9,349	10,515	(1,165)	88.9
Cost of operational investment securities		7,211	7,386	(175)	97.6
Interest expenses for operational assets		1,177	2,100	(922)	56.1
Provision for possible investment losses		805	766	38	105.1
Other		154	261	(106)	59.2
Gross profit		7,470	9,699	(2,228)	77.0
Selling, general and administrative expenses		4,180	5,094	(914)	82.1
Operating profit		3,289	4,604	(1,314)	71.5
Non-operating income		305	476	(171)	64.0
Interest income		24	36	(11)	68.8
Dividend income		182	268	(86)	67.9
Gain on sales of treasury stock		-	56	(56)	-
Other		97	114	(16)	85.3
Non-operating expenses		258	271	(13)	95.2
Interest expenses		195	234	(38)	83.5
Stock issue expenses		49	27	21	178.5
Other		13	9	3	139.0
Ordinary profit		3,336	4,809	(1,472)	69.4

Millions of yen

Account	Period	Fiscal 2001 (April 1,2001- March 31,2002)	Fiscal 2000 (April 1,2000- March 31,2001)	Increase (Decrease)	
				Amount	%
Extraordinary gains		539	182	356	295.0
Gain on sales of investment securities		304	100	203	303.1
Reversal of multi-employer pension plan		197	-	197	-
Gain on sales of fixed assets		37	-	37	-
Reversal of allowance for doubtful accounts		-	82	(82)	-
Extraordinary losses		608	1,950	(1,341)	31.2
Provision for doubtful accounts		30	-	30	-
Loss on sales or disposal of fixed assets		7	26	(19)	28.1
Loss on restructuring of related companies		-	24	(24)	-
Loss on disposal of bad debts		128	1,697	(1,568)	7.6
Valuation loss of fixed assets		38	37	1	103.7
Valuation loss of investment securities		399	155	243	256.2
Loss on sales of investment securities		4	8	(3)	52.9
Income before income taxes		3,267	3,041	225	107.4
Income taxes-current		9	8	0	109.2
Income taxes-deferred		-	436	(436)	-
Net income		3,257	2,596	661	125.5
Unappropriated retained earnings - carryforward		2,359	-	2,359	-
Unappropriated retained earnings		5,617	2,596	3,020	216.4

(3) Statements of appropriation of retained earnings

(Appropriation Plan)

Millions of yen

Account \ Period	Fiscal 2001 (April 1,2001 - March 31,2002)		Fiscal 2000 (April 1,2000 - March 31,2001)	
Unappropriated retained earnings		5,617		2,596
Appropriation of retained earnings				
Earned surplus reserve	-		21	
Cash dividends	288		176	
Directors' bonuses	20	308	39	236
Unappropriated retained earnings carried forward		5,308		2,359

Note:Details of dividend per share

	Fiscal 2001 (April 1,2001 - March 31,2002)			Fiscal 2000 (April 1,2000 - March 31,2001)		
	Total (¥)	Intermin (¥)	Year end (¥)	Total (¥)	Intermin (¥)	Year end (¥)
Ordinary dividend	750.00	0.0	750.00	7,500.00	0.0	7,500.00
Dividend in commemoration of JASDAQ listing	250.00	0.0	250.00	0.0	0.0	0.0



## Notes to financial statements

The financial statements of the Company for fiscal 2001 ended March 31, 2002 are prepared in accordance with the "Regulations Concerning Terminology, Forms, and Preparation Methods of Financial Statements" (Ministry of Finance Ordinance No. 59, 1963).

## Basis of financial statement

### 1. Valuation of securities and investment securities

#### (1) Subsidiary stocks and affiliated company stocks

Subsidiary stocks and affiliated company stocks are valued at moving average cost method.

#### (2) Other securities

##### a. Securities with quoted market value

Securities with quoted market value are stated at fair value on the closing date and net unrealized gains and losses on other securities are reported, net of applicable income taxes as a separate component of the stockholders' equity. Cost of these securities is calculated based on the moving average cost method.

##### b. Securities without quoted market value

Securities without quoted market value are stated at moving average cost.

### 2. Valuation of Derivatives

Derivatives are reported at fair value.

### 3. Depreciation of depreciable assets

#### (1) Tangible fixed assets

The Company employ the declining-balance method; however, the straight-line method is used for lease assets (taking the lease period as the useful life for depreciation), and for buildings (excluding associated equipment and facilities) acquired after April 1, 1998. The useful life for depreciation and the outstanding value are defined in accordance with Corporation Tax Law. For buildings (excluding associated equipment and facilities) acquired before March 31 1998, the useful life for depreciation is defined in accordance with the Corporation Tax Law prior to the 1998 amendments.

#### (2) Intangible fixed assets

The straight-line method is used. Software for in-house use is depreciated based on the straight-line method over its useful life (five year) as estimated by the Company.

### 4. Amortization of deferred assets

Stock issue expenses are charged to income as incurred.

### 5. Translation of foreign currency assets or liabilities into Japanese yen

Monetary assets and liabilities denominated in foreign currencies are translated into Japanese yen at the spot exchange rate as of the closing date, and the translation differences are accounted for as current profits or losses.

### 6. Accounting policies for various provisions

#### (1) Allowance for doubtful accounts

The Company provide for doubtful accounts based on the historical deterioration rate as for normal loans, and the allowance specifically assessed financial evaluation as for doubtful and failed loans.

#### (2) Allowance for possible investment losses

In order to prepare for losses of operational investment securities held at the end of period, an amount is provided based on estimated losses, considering actual conditions of investee companies.

#### (3) Accrued bonuses

The Company accrues for employee bonus payment at an estimated amount to be paid based on the prescribed calculation method.

(4) Accrued retirement benefits

The Company provide accrued retirement benefits for employees in conformity with the bylaws to meet obligations as of March 31, 2002, as the rise in salaries in the future does not cause fluctuation in the benefit obligation and therefore the service costs for each individual based on contribution, ability and performance are vested fiscal year by fiscal year.

As for the closed pension fund, accrued retirement benefits are provided based on the difference between projected benefit obligation and fund's fair value on the closing date.

(5) Accrued retirement benefits of directors

The Company provide accrued retirement benefits of directors in conformity with the bylaws to meet obligations as of March 31, 2002.

7. Basis of accounting of profit and loss

(1) Revenues from operational investment securities and cost of operational investment securities

"Revenues from operational investment securities" include the sale of and interest and dividend income from operational investment securities acquired by the Company for the purpose of investment growth.

"Cost of operational investment securities" includes the associated historical cost of operational investment securities, commission paid, and valuation loss on operational securities.

(2) Interest expenses

Interest expenses are divided into those associated with operational assets and those associated with non-operational assets, based on the averaged asset balance. Interest expenses associated with operational assets are included in sales costs and interest expenses associated with non-operational assets are included in non-operating expenses.

8. Accounting for certain lease transactions

Finance Lease in which ownership is not transferred to a lessee are accounted for in the same manner as operating leases.

9. Hedging transactions

(1) Method of hedge accounting

Valuation gains or losses on hedging instruments are deferred as assets or liabilities.

(2) Hedging instruments and hedged items

The hedging instruments are interest rate swap transactions, and hedged items are floating interest rate borrowings.

(3) Hedging policy

The Company has a policy of using the above hedging instruments only as a means of reducing the Company's exposure to interest rate fluctuation risks on borrowings, and not for speculation.

(4) Method for assessing the effectiveness of hedging

The Company monitors the hedging of interest rate risk by regularly assessing the effectiveness, by comparing the fair value or the cumulative change in cash flows of hedging instruments with those of related hedged items.

10. Other significant accounting policies

(1) Accounting for investments in IEPs

As for accounting for investments in the Investment Enterprise Partnerships(IEP),assets, liabilities, profits and losses of IEP are recorded in proportion to our contributions to the IEP on the basis of the financial statements for the relevant business year and the interim financial statements for the relevant interim period.

Investments in IEPs without(interim) financial statements are included in"Operational investment fund"in current assets.

(2) Consumption taxes

Consumption taxes are separately recorded and nondeductible consumption taxes are reported as selling, general and administrative expenses. However, the undeductable consumption taxes concerning fixed assets are reported as"Long-term prepaid expenses"under"Investments and other", and are amortized over the periods prescribed by the Corporation Tax Law.

Additional information

**Amendment to “Practical Guidelines for Accounting for Financial Instruments (Interim Report)”**

In line with amendments to the Guidelines for Financial Instruments (Interim Report) in the current fiscal year (as described in *About the Amendments to the Accounting Guidelines for Financial Instruments (Interim Report)*, The Japanese Institute of Certified Public Accountants, 30 March 2001), borrowed securities with repayment period of up to one year are now called “Long-term debts due within one year”.

**Notes to balance sheets**

	<u>Fiscal 2001</u>	<u>Millions of yen Fiscal 2000</u>
1. Mortgage-backed loans include in loans receivable	389	1,061
2. Treasury stock include in marketable securities	-	0
*Treasury stock included in marketable securities through fiscal 2000, is reported as a deduction from stockholders'equity in fiscal 2001 in connection with the amendments to “the Regulation concerning the Terminology, Forms and Preparation Method of the Financial Statements”.		
3. Accumulated depreciation of tangible fixed assets	1,982	1,810
4. Allowance for doubtful accounts deducted directly from “Investments and other”		
Bat debts	10,279	17,225
Other investments and other(membership)	81	51
*Bad debts = credits as defined in Article 32, Clause 1, No.10 of Regulations of Financial Statements		
5. Shares of issuance and number of shares outstanding		
Number of authorized stock	1,056,000 share	70,700 share
Number of shares outstanding	289,000 share	26,400 share
6. Borrowed securities include in long-term debt due within one year	3,600	-

## Notes to income statements

	Fiscal 2001	Millions of yen Fiscal 2000
1. Trading with related companies		
Dividend income	35	241
2. Devaluation loss included in cost of operational investment securities	916	2,205
3. Breakdown of major selling, general and administrative expenses		
Salaries and bonuses	959	1,182
Bonuses accrual of accrued bonuses	283	197
Provision for retirement benefits of directors	27	28
Provision for doubtful accounts	230	-
Depreciation	88	92
Commission paid	639	1,602
Expenses related to investments in IEPS	385	360
Rent	329	304
4. Breakdown of gain on sales of fixed assets		
Tangible fixed assets "Land"	33	-
Investments and other		
"Other investments and other"(membership)	4	-
5. Breakdown of loss on sale and disposal of fixed assets		
Loss for disposal of fixed assets		
Building	6	18
Furniture and fixtures etc	0	7
Loss for sales fixed assets		
Land	-	0
6. Loss on disposal of bad debts includes losses derived from sales and settlement of bad debts		
7. Breakdown of valuation loss of fixed asset		
Investments and other		
"Other investments and other"(membership)	38	18
Investment commodity funds	-	19
8. Loss on disposal of bad debts include loss arisen from sales and settlement of bad debts		

## Securities

Disclosures related to "Fair value information of securities" for the previous fiscal year and "Securities" for the current fiscal year excluding information on quoted market values of investments in subsidiaries and affiliated companies are made in the notes to the consolidated financial statements.

### Current fiscal year(as of March 31, 2002)

Information on quoted market values of investments in subsidiaries and affiliated companies are not available.

### Previous fiscal year(as of March 31, 2001)

Information on quoted market values of investments in subsidiaries and affiliated companies are not available.

Amounts per share adjusted retroactively

Amounts per share adjusted retroactively by dilution to reflect stock split are shown as follows:

Fiscal 2001 (April 1,2001 - March 31,2002)	Fiscal 2000 (April 1,2000 - March 31,2001)
Earnings per share ¥ 12,278.69	Earnings per share ¥ 11,061.09
Cash dividends per share ¥ 1,000.00	Cash dividends per share ¥ 750.00
(Interim cash dividends per share) ¥ 0.0	(Interim cash dividends per share) ¥ 0.0
Stockholders' equity per share ¥ 114,402.39	Stockholders' equity per share ¥ 91,003.89

Note : Information of stock split carried out :

Date : August 1, 2001

Ratio: 1 to 10

(Details of an increase in number of shares outstanding for fiscal 2001)

1. Stock split

Stock split : 1 to 10

Increase in number of shares outstanding : 237,600 shares

2. Issuance of shares

Form of issuance : Public offering(Book-building)

Number of newly issued shares : 25,000 shares

Issue price : 280,000 yen per share

The amount of issuing price to be included in capital :  
119,000 yen per share

Other

Change of directors

1. Change of President  
Not decided

2. Change of directors  
Not decided