

**INCOME STATEMENT**  
For the Years ended 31st March, 1999

(Thousands of Yen)

Accounts	Amount
<b>Ordinary Items</b>	
<b>Operating income and expenses</b>	
<b>Operating income</b>	<b>57,534,231</b>
Net sales	57,534,231
<b>Operating expenses</b>	<b>55,264,366</b>
Cost of Sales	49,305,461
Selling, general and administrative expenses	5,958,904
<b>Operating income</b>	<b>2,269,865</b>
<b>Non-operating income and expenses</b>	
<b>Non-operating income</b>	<b>319,200</b>
Interest income	84,714
Dividends received	29,435
Purchase discounts	146,004
Other	59,045
<b>Non-operating expenses</b>	<b>359,200</b>
Sales discounts	62,822
Appraisal loss of investment in securities	293,558
Other	2,819
<b>Ordinary income</b>	<b>2,229,865</b>
<b>Extraordinary items</b>	
<b>Extraordinary income</b>	<b>65,835</b>
Profit of reversal on employees retirement benefits	985
Profit of reversal on doubtful receivable	64,850
<b>Extraordinary losses</b>	<b>38,796</b>
Losses on disposal of fixed assets	1,397
Losses on sale of fixed assets	3,499
Forced appraisal of investment in securities	26,179
Losses on closing singapore branch	7,720
<b>Income before income taxes</b>	<b>2,256,904</b>
<b>Income taxes</b>	<b>1,120,000</b>
<b>Net income</b>	<b>1,136,904</b>
<b>Retained earnings brought forward</b>	<b>1,818,880</b>
<b>The amount of retire own shares by offsetting the related purchase costs against retained earnings</b>	<b>268,079</b>
<b>Unappropriated retained earnings</b>	<b>2,687,706</b>

(Notes)

Enterprise tax (230,000 thousands of yen) included in selling, general and administrative expenses is included in income taxes from this term.

(Notes on leases)

Note on finance leases, other than those , under which ownership of leased property substantially transfers to lessees:

Lease payments:

54,316 Thousands of Yen