

CONSOLIDATED BALANCE SHEETS

TOA CORPORATION and its consolidated subsidiaries
As of March 31, 2000 and 1999

ASSETS	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 2)
	2000	1999	2000
Current assets:			
Cash and time deposits (Note 3)	¥ 42,135	¥ 41,764	\$ 397,504
Marketable securities (Note 4 and 5)	14,056	15,701	132,603
Notes and accounts receivable, trade	72,435	72,624	683,349
Inventories, principally real estate for sale	14,841	15,707	140,013
Cost on contracts in progress	71,653	57,620	675,974
Prepaid expenses and other current assets	22,793	19,901	215,021
Deferred income taxes (Note 8)	4,133	—	38,993
Allowance for doubtful accounts	(1,835)	(2,032)	(17,312)
Total current assets	<u>240,211</u>	<u>221,285</u>	<u>2,266,145</u>
Investments and other assets:			
Investments in and long-term loans to affiliates	77	4,382	730
Investments in securities (Note 4)	3,444	3,611	32,488
Long-term loans	606	1,230	5,711
Deferred income taxes (Note 8)	1,400	—	13,210
Others	6,913	8,289	65,218
Total investments and other assets	<u>12,440</u>	<u>17,512</u>	<u>117,357</u>
Property, plant and equipment, at cost (Notes 5 and 10):			
Land	31,415	26,002	296,366
Buildings and structures	21,895	16,358	206,562
Machinery and equipment	29,690	20,923	280,094
Construction in progress	811	228	7,651
Total property, plant and equipment	<u>83,811</u>	<u>63,511</u>	<u>790,673</u>
Less accumulated depreciation	<u>(32,587)</u>	<u>(21,966)</u>	<u>(307,428)</u>
Property, plant and equipment—net	<u>51,224</u>	<u>41,545</u>	<u>483,245</u>
Total	<u>¥ 303,875</u>	<u>¥ 280,342</u>	<u>\$ 2,866,747</u>

The accompanying notes are an integral part of this statement.

LIABILITIES AND SHAREHOLDERS' EQUITY	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 2)
	2000	1999	2000
Current liabilities:			
Short-term borrowings (Note 5)	¥ 46,099	¥ 43,559	\$ 434,897
Current portion of long-term debt (Note 5)	6,260	3,792	59,055
Commercial paper	—	1,000	—
Notes and accounts payable, trade	89,598	79,558	845,264
Accrued expenses	3,502	8,911	33,039
Accrued income taxes	3,106	—	29,299
Advances on contracts in progress (Note 6)	49,024	49,810	462,495
Other current liabilities	12,125	13,879	114,386
Total current liabilities	<u>209,714</u>	<u>200,509</u>	<u>1,978,435</u>
Long-term debt (Note 5)	34,611	32,774	326,516
Accrued severance indemnities (Note 7)	5,078	4,317	47,905
Other long-term liabilities	1,458	197	13,759
Total liabilities	<u>250,861</u>	<u>237,797</u>	<u>2,366,615</u>
Minority interests	1,322	—	12,474
Shareholders' equity (Note 9):			
Common stock, ¥50 par value:			
Authorized—600,000,000 shares			
Issued—199,401,173 shares at March 31, 2000 and 1999	16,469	16,469	155,372
Additional paid-in capital	15,582	15,582	147,001
Retained earnings	20,183	10,494	190,403
Treasury stock	(542)	0	(5,118)
Total shareholders' equity	<u>51,692</u>	<u>42,545</u>	<u>487,658</u>
Commitments and contingent liabilities (Note 11):			
Total	<u>¥303,875</u>	<u>¥280,342</u>	<u>\$ 2,866,747</u>

The accompanying notes are an integral part of this statement.