

CONSOLIDATED BALANCE SHEETS

TOA CORPORATION and its consolidated subsidiaries
As of March 31, 2001 and 2000

ASSETS	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 2)
	2001	2000	2001
Current assets:			
Cash and time deposits (Note 3)	¥ 36,766	¥ 42,135	\$ 296,497
Marketable securities (Notes 4 and 5)	—	14,056	—
Notes and accounts receivable, trade	83,889	72,435	676,527
Inventories, principally real estate for sale	13,040	14,841	105,165
Cost on contracts in progress	70,622	71,653	569,532
Prepaid expenses and other current assets	25,416	22,793	204,967
Deferred income taxes (Note 8)	4,774	4,133	38,497
Allowance for doubtful accounts	(1,982)	(1,835)	(15,983)
Total current assets	<u>232,525</u>	<u>240,211</u>	<u>1,875,202</u>
Investments and other assets:			
Investments in and long-term loans to affiliates	1,734	77	13,984
Investments in securities (Notes 4 and 5)	15,721	3,444	126,782
Long-term loans	582	606	4,694
Deferred income taxes (Note 8)	9,478	1,400	76,437
Others	13,876	14,846	111,906
Allowance for doubtful accounts	(8,049)	(7,933)	(64,912)
Total investments and other assets	<u>33,342</u>	<u>12,440</u>	<u>268,891</u>
Property, plant and equipment, at cost (Notes 5 and 10):			
Land	31,174	31,415	251,407
Buildings and structures	21,765	21,895	175,521
Machinery and equipment	28,962	29,690	233,566
Construction in progress	1,395	811	11,248
Total property, plant and equipment	<u>83,296</u>	<u>83,811</u>	<u>671,742</u>
Less accumulated depreciation	<u>(31,145)</u>	<u>(32,587)</u>	<u>(251,170)</u>
Property, plant and equipment—net	<u>52,151</u>	<u>51,224</u>	<u>420,572</u>
 Total	 <u>¥ 318,018</u>	 <u>¥ 303,875</u>	 <u>\$ 2,564,665</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)
	2001	2000	2001
Current liabilities:			
Short-term borrowings (Note 5)	¥ 39,402	¥ 46,099	\$ 317,760
Current portion of long-term debt (Note 5)	4,561	6,260	36,782
Notes and accounts payable, trade	106,538	89,598	859,180
Accrued expenses	—	3,502	—
Accrued income taxes	5,286	3,106	42,630
Advances on contracts in progress (Note 6)	44,450	49,024	358,466
Other current liabilities	19,005	12,125	153,262
Total current liabilities	<u>219,242</u>	<u>209,714</u>	<u>1,768,080</u>
Long-term debt (Note 5)	31,728	34,611	255,866
Reserve for retirement benefits (Note 7)	16,278	5,078	131,275
Other long-term liabilities	3,249	1,458	26,204
Total liabilities	<u>270,497</u>	<u>250,861</u>	<u>2,181,425</u>
Minority interest	1,273	1,322	10,266
Shareholders' equity (Note 9):			
Common stock, ¥50 par value:			
Authorized—600,000,000 shares			
Issued—199,401,173 shares at March 31, 2001 and 2000	16,469	16,469	132,818
Additional paid-in capital	15,582	15,582	125,662
Retained earnings	15,152	20,183	122,189
Evaluation differences of securities	(393)	—	(3,164)
Common stock owned by consolidated subsidiaries, at cost	(562)	(542)	(4,531)
Total shareholders' equity	<u>46,248</u>	<u>51,692</u>	<u>372,974</u>
Commitments and contingent liabilities (Note 11):			
Total	<u>¥ 318,018</u>	<u>¥ 303,875</u>	<u>\$ 2,564,665</u>

The accompanying notes are an integral part of this statement.