

# NON-CONSOLIDATED BALANCE SHEETS

TOA CORPORATION  
As of March 31, 2001 and 2000

| ASSETS  | Millions of Japanese Yen |                  | Thousands of<br>U.S. Dollars<br>(Note 2) |
|---|--------------------------|------------------|--|
|   | 2001                     | 2000             | 2001                                     |
| <b>Current assets:</b>  |                          |                  |  |
| Cash and time deposits (Note 3) .....                                   | ¥ 31,374                 | ¥ 36,663         | \$ 253,020                               |
| Marketable securities (Notes 4 and 5) .....                             | —                        | 13,842           | —  |
| Notes and accounts receivable:  |                          |                  |  |
| Construction contracts accounts .....                                   | 75,812                   | 64,594           | 611,384                                  |
| Subsidiaries and affiliates .....                                       | 4,620                    | 4,958            | 37,260                                   |
| Others .....  | 16,384                   | 15,482           | 132,126                                  |
| Allowance for doubtful accounts .....                                   | (1,911)                  | (1,830)          | (15,407)                                 |
| Inventories, principally real estate for sale .....                     | 11,009                   | 12,588           | 88,784                                   |
| Deferred income taxes (Note 7) .....                                    | 4,448                    | 3,835            | 35,870                                   |
| Cost on contracts in progress .....                                     | 59,817                   | 63,375           | 482,392                                  |
| Prepaid expenses and other current assets .....                         | 5,777                    | 6,961            | 46,586                                   |
| Total current assets .....  | <u>207,330</u>           | <u>220,468</u>   | <u>1,672,015</u>                         |
| <b>Investments and other assets:</b>                                    |                          |                  |  |
| Investments in and long-term loans to subsidiaries and affiliates ..... | 4,884                    | 3,219            | 39,390                                   |
| Investments in securities (Notes 4 and 5) .....                         | 15,575                   | 3,248            | 125,600                                  |
| Deferred income taxes (Note 7) .....                                    | 9,175                    | 2,690            | 73,989                                   |
| Long-term loans .....   | 582                      | 563              | 4,693                                    |
| Other investments .....   | 4,191                    | 5,152            | 33,802                                   |
| Other assets .....  | 9,575                    | 1,884            | 77,217                                   |
| Allowance for doubtful accounts .....                                   | (8,047)                  | —                | (64,891)                                 |
| Total investments and other assets .....                                | <u>35,935</u>            | <u>16,756</u>    | <u>289,800</u>                           |
| <b>Property, plant and equipment, at cost (Notes 5 and 9):</b>          |                          |                  |  |
| Land .....  | 25,472                   | 25,593           | 205,420                                  |
| Buildings and structures .....  | 15,562                   | 15,706           | 125,502                                  |
| Machinery and equipment .....   | 5,210                    | 4,972            | 42,017                                   |
| Vessels .....   | 14,125                   | 14,137           | 113,913                                  |
| Construction in progress .....  | 1,392                    | 809              | 11,221                                   |
| Total property, plant and equipment .....                               | <u>61,761</u>            | <u>61,217</u>    | <u>498,073</u>                           |
| Less accumulated depreciation .....                                     | <u>(21,157)</u>          | <u>(21,803)</u>  | <u>(170,621)</u>                         |
| Property, plant and equipment—net .....                                 | <u>40,604</u>            | <u>39,414</u>    | <u>327,452</u>                           |
| Total .....   | <u>¥ 283,869</u>         | <u>¥ 276,638</u> | <u>\$2,289,267</u>                       |

The accompanying notes to the financial statements are an integral part of these statements.

| LIABILITIES AND SHAREHOLDERS' EQUITY                       | Millions of Japanese Yen |                 | Thousands of<br>U.S. Dollars<br>(Note 2) |
|--|--------------------------|-----------------|--|
|  | 2001                     | 2000            | 2001                                     |
| <b>Current liabilities:</b>                                |                          |                 |  |
| Short-term borrowings (Note 5) .....                       | ¥ 34,194                 | ¥ 42,277        | \$ 275,758                               |
| Current portion of long-term debt (Note 5) .....           | 4,125                    | 4,532           | 33,266                                   |
| Notes and accounts payable:                                |                          |                 |  |
| Contract costs .....                                       | 87,156                   | 72,642          | 702,873                                  |
| Subsidiaries and affiliates .....                          | 8,567                    | 11,023          | 69,088                                   |
| Others .....   | 3,907                    | 3,559           | 31,507                                   |
| Accrued income taxes .....                                 | 4,700                    | 2,275           | 37,908                                   |
| Advances on contracts in progress .....                    | 43,674                   | 47,644          | 352,209                                  |
| Other current liabilities .....                            | 13,736                   | 11,334          | 110,772                                  |
| Total current liabilities .....                            | <u>200,059</u>           | <u>195,286</u>  | <u>1,613,381</u>                         |
| <b>Long-term debt</b> (Note 5) .....                       | 23,366                   | 26,180          | 188,440                                  |
| <b>Reserve for retirement benefits</b> .....               | 16,040                   | 4,901           | 129,352                                  |
| <b>Other long-term liabilities</b> .....                   | 408                      | 181             | 3,288                                    |
| Total liabilities .....                                    | <u>239,873</u>           | <u>226,548</u>  | <u>1,934,461</u>                         |
| <b>Shareholders' equity</b> (Note 8):                      |                          |                 |  |
| 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          | 132,819                                  |
| Additional paid-in capital .....                           | 15,582                   | 15,582          | 125,662                                  |
| Legal reserve .....  | 2,137                    | 2,032           | 17,235                                   |
| Retained earnings .....                                    | 10,212                   | 16,007          | 82,350                                   |
| Evaluation differences of securities .....                 | (404)                    | —               | (3,260)                                  |
| Total shareholders' equity .....                           | <u>43,996</u>            | <u>50,090</u>   | <u>354,806</u>                           |
| <b>Commitments and contingent liabilities</b> (Note 10)    |                          |                 |  |
| Total .....  | <u>¥283,869</u>          | <u>¥276,638</u> | <u>\$ 2,289,267</u>                      |

The accompanying notes to the financial statements are an integral part of these statements.