

# CONSOLIDATED BALANCE SHEETS

TOA CORPORATION and its consolidated subsidiaries  
As of March 31, 2004 and 2003

ASSETS	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 2)
	2004	2003	2004
<b>Current assets:</b>			
Cash and time deposits (Note 3) .....	¥ 24,721	¥ 26,171	\$ 233,220
Marketable securities (Notes 4) .....	5	25	47
Notes and accounts receivable, trade .....	70,024	60,815	660,602
Allowance for doubtful accounts .....	(2,087)	(1,708)	(19,696)
Inventories, principally real estate for sale .....	17,164	17,143	161,930
Cost on contracts in progress .....	37,961	54,912	358,124
Deferred income taxes (Note 8) .....	4,068	5,156	38,382
Prepaid expenses and other current assets .....	25,937	18,965	244,686
Total current assets .....	<u>177,793</u>	<u>181,479</u>	<u>1,677,295</u>
<b>Investments and other assets:</b>			
Investments in and long-term loans to affiliates .....	575	767	5,422
Investments in securities (Notes 4 and 5) .....	18,015	13,264	169,955
Long-term loans .....	492	535	4,645
Deferred income taxes (Note 8) .....	6,376	8,667	60,150
Others .....	10,735	11,272	101,273
Allowance for doubtful accounts .....	(6,721)	(7,045)	(63,407)
Total investments and other assets .....	<u>29,472</u>	<u>27,460</u>	<u>278,038</u>
<b>Property, plant and equipment, at cost (Notes 5 and 10):</b>			
Land .....	32,085	35,893	302,688
Buildings and structures .....	21,628	22,008	204,041
Machinery and equipment .....	32,076	33,115	302,601
Construction in progress .....	170	33	1,607
Total property, plant and equipment .....	<u>85,959</u>	<u>91,049</u>	<u>810,937</u>
Less accumulated depreciation .....	<u>(36,730)</u>	<u>(36,047)</u>	<u>(346,509)</u>
Property, plant and equipment—net .....	<u>49,229</u>	<u>55,002</u>	<u>464,428</u>
 Total .....	 <u>¥ 256,494</u>	 <u>¥ 263,941</u>	 <u>\$ 2,419,761</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)
	2004	2003	2004
<b>Current liabilities:</b>			
Short-term borrowings (Note 5) .....	¥ 32,678	¥ 33,832	\$ 308,283
Current portion of long-term debt (Note 5) .....	12,147	15,607	114,595
Commercial paper .....	7,000	12,500	66,038
Notes and accounts payable, trade .....	72,180	63,464	680,946
Accrued income taxes .....	980	558	9,245
Advances on contracts in progress (Note 6) .....	23,190	33,686	218,778
Other current liabilities .....	16,507	16,502	155,726
Total current liabilities .....	<u>164,682</u>	<u>176,149</u>	<u>1,553,611</u>
<b>Long-term debt</b> (Note 5) .....	24,449	23,664	230,653
<b>Reserve for retirement benefits</b> (Note 7) .....	13,427	13,402	126,666
<b>Other long-term liabilities</b> .....	3,001	3,214	28,314
Total liabilities .....	<u>205,559</u>	<u>216,429</u>	<u>1,939,244</u>
<b>Minority interests</b> .....	1,334	1,308	12,583
<b>Shareholders equity</b> (Note 9):			
Common stock, ¥50 par value:			
Authorized—600,000,000 shares			
Issued—199,401,173 shares at March 31, 2004 and 2003 .....	16,469	16,469	155,372
Additional paid-in capital .....	15,582	15,582	147,001
Revaluation reserve for land (Note 11) .....	175	265	1,649
Retained earnings .....	15,542	15,389	146,619
Net unrealized gain (loss) on securities .....	2,334	(1,159)	22,020
Common stock owned by consolidated subsidiaries, at cost .....	(501)	(342)	(4,727)
Total shareholders' equity .....	<u>49,601</u>	<u>46,204</u>	<u>467,934</u>
<b>Commitments and contingent liabilities</b> (Note 12):			
Total .....	<u>¥ 256,494</u>	<u>¥ 263,941</u>	<u>\$ 2,419,761</u>

The accompanying notes are an integral part of this statement.