

CONSOLIDATED BALANCE SHEETS

TOKAI RIKA Co., Ltd. and Consolidated Subsidiaries
 March 31, 2002 and 2001

| ASSETS | Millions of Yen | | |
|---|-----------------|----------------|----------------|
| | 2002 | 2001 | Difference |
| CURRENT ASSETS: | | | |
| Cash and cash equivalents | 23,347 | 19,218 | 4,129 |
| Notes and accounts receivable | 38,413 | 36,224 | 2,189 |
| Marketable securities | 1,690 | 90 | 1,600 |
| Inventories | 13,330 | 12,255 | 1,075 |
| Deferred tax assets | 3,106 | 2,944 | 162 |
| Other current assets | 3,987 | 3,887 | 100 |
| Allowance for doubtful accounts | (14) | (87) | 73 |
| Total current assets | 83,861 | 74,534 | 9,327 |
| PROPERTY, PLANT AND EQUIPMENT : | | | |
| Land | 9,964 | 9,810 | 154 |
| Buildings and structures | 43,990 | 38,983 | 5,007 |
| Machinery and equipment | 151,733 | 144,990 | 6,743 |
| Construction in progress | 3,554 | 2,892 | 662 |
| Total | 209,244 | 196,676 | 12,568 |
| Accumulated depreciation | (149,708) | (143,062) | (6,646) |
| Net property, plant and equipment | 59,535 | 53,613 | 5,922 |
| INVESTMENTS AND OTHER ASSETS: | | | |
| Investments securities | 20,939 | 31,183 | (10,244) |
| Long-term loans | 568 | 571 | (3) |
| Deferred tax assets | 7,630 | 6,195 | 1,435 |
| Other assets | 2,188 | 2,032 | 156 |
| Allowance for doubtful accounts | (170) | (141) | (29) |
| Total investments and other assets | 31,156 | 39,841 | (8,685) |
| TOTAL | 174,553 | 167,990 | 6,563 |

Millions of Yen

| LIABILITIES AND SHAREHOLDERS' EQUITY | 2002 | 2001 | Difference |
|--|----------------|----------------|----------------|
| CURRENT LIABILITIES : | | | |
| Short-term borrowings | 1,841 | 1,215 | 626 |
| Notes and accounts payable | 30,410 | 29,230 | 1,180 |
| Accrued expenses | 5,545 | 5,536 | 9 |
| Income taxes payable | 2,250 | 2,953 | (703) |
| Employees' saving deposits | 6,590 | 6,755 | (165) |
| Accrued bonuses | 4,023 | 4,425 | (402) |
| Other current liabilities | 7,549 | 7,168 | 381 |
| Total current liabilities | 58,211 | 57,285 | 926 |
| LONG-TERM LIABILITIES : | | | |
| Convertible bonds | 15,607 | 19,461 | (3,854) |
| Long-term debt | 527 | 459 | 68 |
| Liability for retirement benefits | 17,720 | 17,108 | 612 |
| Deferred tax liabilities | - | 5 | (5) |
| Other long-term liabilities | 50 | - | 50 |
| Total long-term liabilities | 33,905 | 37,034 | (3,129) |
| MINORITY INTERESTS | 1,857 | 1,433 | 424 |
| SHAREHOLDERS' EQUITY : | | | |
| Common Stock, 50yen par value : | | | |
| Authorized: 200,000,000 shares in 2002 and 2001 | | | |
| Issued and outstanding : | | | |
| 77,331,460 shares in 2002 | | | |
| 73,426,567 shares in 2001 | | | |
| 15,087 | 15,087 | 13,160 | 1,927 |
| Additional paid-in capital | 17,341 | 15,414 | 1,927 |
| Retained earnings | 47,310 | 43,534 | 3,776 |
| Net unrealized gain on available-for-sale securities | 828 | 1,356 | (528) |
| Foreign currency translation adjustments | 275 | (1,228) | 1,503 |
| Total | 80,843 | 72,237 | 8,606 |
| Less: Treasury common stock, at cost | (264) | (0) | (264) |
| Total shareholders' equity | 80,578 | 72,236 | 8,342 |
| TOTAL | 174,553 | 167,990 | 6,563 |