

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

 **SOSHIN ELECTORIC CO.,LTD.**

CONSOLIDATED INTERIM BALANCE SHEETS

UNIT : 1000yen

ITEM	As of September 30, 2002	As of September 30, 2003	As of March 31, 2003
(ASSETS)			
I CURRENT ASSETS	8,439,452	9,808,210	9,394,725
CASH & DEPOSITS WITH BANKS	1,318,546	646,167	969,511
NOTES & ACCOUNTS RECEIVABLE-TRADE	3,896,339	3,742,625	3,580,564
MARKETABLE SECURITIES	2,558,158	137,130	441,355
INVENTORIES	388,431	395,463	393,792
DEFERRED TAX ASSETS	230,651	197,992	209,659
SHORT-TERM LOAN RECEIVABLE	—	4,563,633	3,433,709
OTHER CURRENT ASSETS	55,066	136,251	377,714
ALLOWANCE FOR DOUBTFUL ACCOUNTS	△7,742	△11,052	△11,582
II FIXED ASSETS	5,018,252	4,333,741	4,392,698
TANGIBLE FIXED ASSETS	3,498,598	3,368,684	3,409,351
BUILDINGS & STRUCTURES	1,622,630	1,565,474	1,615,717
MACHINERY, EQUIPMENT & VEHICLES	1,255,893	1,135,155	1,186,142
LAND	539,397	539,397	539,397
CONSTRUCTION IN PROGRESS	1,838	59,922	—
OTHER TANGIBLE FIXED ASSETS	78,838	68,734	68,093
INTANGIBLE FIXED ASSETS	124,561	147,211	130,086
INVESTMENTS & OTHER ASSETS	1,395,091	817,844	853,260
INVESTMENT SECURITIES	937,932	600,115	609,600
DEFERRED TAX ASSETS	231,486	8,667	87,528
OTHER INVESTMENT & ASSETS	268,284	245,162	189,931
ALLOWANCE FOR DOUBTFUL ACCOUNTS	△42,612	△36,100	△33,800
TOTAL	13,457,704	14,141,952	13,787,423

 **SOSHIN ELECTRIC CO., LTD.**

UNIT : 1000yen

ITEM	As of September 30, 2002	As of September 30, 2003	As of March 31, 2003
(LIABILITIES)			
I CURRENT LIABILITIES	2,349,583	2,636,467	2,512,516
NOTES & ACCOUNTS PAYABLE-TRADE	1,114,299	1,254,513	1,289,598
SHORT-TERM BORROWINGS	92,544	156,226	216,391
ACCRUED EXPENSES	291,090	377,925	323,695
INCOME TAX PAYABLE	133,605	262,456	161,860
OTHER CURRENT LIABILITIES	718,042	585,345	520,970
II LONG-TERM LIABILITIES	799,849	402,352	636,436
LONG-TERM BORROWINGS	149,129	126,420	133,260
RESERVE FOR RETIREMENT BENEFITS	500,125	84,878	351,866
RESERVE FOR RETIREMENT BENEFITS FOR DIRECTORS & CORPORATE AUDITORS	108,191	129,836	117,479
DEFERRED TAX LIABILITIES	9,553	38,898	6,246
CONSOLIDATION GOODWILL	32,849	22,318	27,583
TOTAL LIABILITIES	3,149,432	3,038,819	3,148,952
(MINORITY INTERESTS)			
MINORITY INTEREST	27,297	31,158	28,817
(SHAREHOLDERS' EQUITY)			
I CAPITAL STOCK	3,806,750	3,806,750	3,806,750
II CAPITAL SURPLUS	3,788,426	3,788,426	3,788,426
III PROFIT SURPLUS	2,706,507	3,532,118	3,068,119
IV APPRAISAL OF SECURITIES	18,926	42,217	△3,095
V FOREIGN CURRENCY TRANSLATION ADJUSTMENTS	△39,489	△97,239	△50,247
VI TREASURY STOCK	△146	△299	△299
TOTAL SHAREHOLDERS' EQUITY	10,280,974	11,071,974	10,609,653
TOTAL	13,457,704	14,141,952	13,787,423

 **SOSHIN ELECTRIC CO., LTD.**

CONSOLIDATED INTERIM STATEMENTS OF INCOME

UNIT : 1000yen

ITEMS	Years Middle Ended September 30, 2002	Years Middle Ended September 30, 2003	Years Ended March 31, 2003
I NET SALES	5,990,840	6,677,661	12,248,214
II COST OF SALES	4,084,561	4,262,039	8,317,089
SALES GROSS INCOME	1,906,278	2,415,622	3,931,124
III SELLING, GENERAL & ADMINISTRATIVE EXPENSES	1,352,104	1,471,506	2,611,065
OPERATING INCOME	554,173	944,116	1,320,059
IV NON-OPERATING INCOME	43,685	39,592	92,053
V NON-OPERATING EXPENSES	10,565	45,477	22,338
ORDINARY INCOME	587,293	938,230	1,389,774
VI EXTRA-ORDINARY INCOME	45,250	—	94,636
VII EXTRA-ORDINARY EXPENSES	120,836	6,237	211,590
NET INCOME BEFORE TAXES AND OTHER ADJUSTMENTS	511,708	931,992	1,272,820
VIII INCOME TAXES EXPENSE	210,573	366,524	553,819
CURRENT	134,055	274,973	299,976
DEFERRED	76,517	91,550	253,843
IX MINORITY INTEREST IN NET INCOME	1,389	1,671	3,043
NET INCOME	299,745	563,797	715,956

 **SOSHIN ELECTRIC CO., LTD.**

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

UNIT : 1000yen

ITEMS	Years Middle Ended September 30, 2002	Years Middle Ended September 30, 2003	Years Ended March 31, 2003
I OPERATING ACTIVITIES:			
NET INCOME BEFORE TAXES AND OTHER ADJUSTMENTS	511,708	931,992	1,272,820
DEPRECIATION EXPENSES	247,259	257,941	540,845
INCREASE (DECREASE) IN INVENTORIES IN NOTES AND ACCOUNTS RECEIVABLE	540,552	△173,870	856,327
INCREASE (DECREASE) IN INVENTORIES	△15,733	△5,025	△21,094
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	1,907	△24,621	177,205
DECREASE IN RESERVE FOR RETIREMENT BENEFITS	△185,988	△266,987	△334,247
OTHERS	△227,161	456,991	△541,939
	872,544	1,176,419	1,949,918
INTEREST AND DIVIDEND INCOME	11,563	21,266	16,129
INTEREST EXPENSES	△5,515	△1,905	△5,209
INCOME AND OTHER TAXES	△152,266	△170,932	△283,007
TOTAL	726,325	1,024,847	1,677,830
II INVESTING ACTIVITIES:			
PAYMENTS FOR ACQUISITION OF TANGIBLE FIXED ASSETS	△76,866	△326,758	△375,546
PROCEEDS FROM SALES OF TANGIBLE FIXED ASSETS	13,485	1,142	15,473
INCREASE (DECREASE) IN SHORT-TERM LOAN RECEIVABLE	—	△1,129,923	△3,433,709
OTHERS	7,156	101,034	186,751
TOTAL	△56,224	△1,354,504	△3,607,030
III FINANCING ACTIVITIES:			
INCREASE (DECREASE) IN SHORT-TERM BORROWINGS	△39,180	△39,482	173,000
PAYMENTS OF LONG-TERM BORROWINGS	△27,522	△27,522	△131,724
PAYMENTS OF DIVIDENDS	△54,599	△85,797	△109,198
OTHERS	△225	△200	△378
TOTAL	△121,527	△153,002	△68,300
IV EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	△26,554	△20,560	△32,129
V INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	522,019	△503,219	△2,029,630
VI CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	3,167,978	1,138,347	3,167,978
VII CASH AND CASH EQUIVALENTS AT END OF PERIOD	3,689,998	635,128	1,138,347