

Basis for Presentation and Principals of Financial Statements

1. Valuation of Significant Assets

Investments in Subsidiaries and Other Securities that do not have readily determinable fair values are valued at cost determined by the moving average method.

2. Depreciation of Fixed Assets

(a) Tangible Fixed Assets

Depreciation of Buildings is computed by the straight-line method, and that of Equipment is computed by the declining-balance method using the following estimated useful lives.

Buildings: 3 to 38 years

Equipment: 3 to 20 years

(b) Intangible Fixed Assets

Trademark is amortized by the straight-line method over 10 years.

Development costs for internally-used software are capitalized and amortized by the straight-line method over their estimated useful lives of mainly 5 years.

3. Deferred Charges

Establishment Costs are capitalized and amortized by the straight-line method over 5 years, in accordance with the Commercial Code of Japan. For the interim period, a half of the amount to be amortized during the year is expensed.

4. Leases

Finance leases, which do not involve the transfer of ownership to the lessee at the end of lease terms, are accounted for in the same manner as operating leases.

5. Consumption Taxes and local consumption taxes paid are excluded from transaction amounts.

Supplementary Information

In prior years, treasury stock had been included in Other Current Assets. Effective the current interim period, it is treated as a deduction for and presented at the end of the total shareholders' equity in accordance with the enforcement of Article 3 of the Supplementary Provision to the Cabinet Office Ordinance as to the Revision to Part of the Cabinet Office Ordinance, etc. Concerning the Transactions as Defined in Article 161-2 of the Securities and Exchange Law and Related Guarantee Deposits. The effect of this change decreases the total assets and total shareholders' equity by ¥5 million.

Notes to Non-consolidated Balance Sheet at September 30, 2001

1. Accumulated depreciation of tangible fixed assets amounts to ¥ 466 million.
2. Investments in Subsidiaries (Bonds) and Long-term Loans to Subsidiary are subordinated to other debts in terms of their repayments.
3. Bonds are subordinated to other debts in terms of their repayments.

Notes to Non-consolidated Statements of Income for the six-months period ended September 30, 2001

1. A major component of Other Operating Expenses:

Amortization of Establishment Costs	385 million
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2. Depreciation and amortization Expenses:

Tangible Fixed Assets	169 million
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Intangible Fixed Assets	49 million
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Securities

There are no stocks of subsidiaries or affiliates, that have readily determinable fair values, for any interim period ended September 30, 2000 and 2001, and the fiscal year ended March 31, 2001.