

Consolidated Statements of Operations (Unaudited)

Nine months ended December 31

	Yen (millions)		Change (%)	U.S. Dollars
	2003	2002		(millions)
Net sales	Y 3,210,136	Y 3,168,000	+1.3	\$30,001
Operating costs and expenses:				
Cost of goods sold	2,358,088	2,308,826	+2.1	22,038
Selling, general and administrative expenses	859,852	895,594	-4.0	8,036
	3,217,940	3,204,420		
Operating loss	(7,804)	(36,420)	-	(73)
Other income (expenses):				
Net interest*	(11,579)	(16,213)		(108)
Equity in earnings of affiliated companies, net	(2,459)	(776)		(23)
Amortization of unrecognized obligation for retirement benefits	(43,313)	(32,788)		(405)
Casualty loss**	(4,700)	-		(44)
Restructuring charges***	(7,409)	(150,000)		(69)
Cost of corrective measures for products****	-	(25,000)		-
Valuation loss on marketable securities	-	(14,731)		-
Gain on sales of marketable securities*****	125,455	29,362		1,172
Other, net	(27,618)	(8,520)		(258)
	28,377	(218,666)		265
Income (Loss) before income taxes and minority interests	20,573	(255,086)	-	192
Income taxes	67,476	(78,440)	-	631
Minority interests	(4,007)	4,295	-	(37)
Net loss	Y (50,910)	Y (172,351)	-	\$ (476)

Note: All yen figures have been converted to U.S. dollars for convenience only at a uniform rate of \$1=107 yen.

* Net interest consists of interest income, dividend income and interest charges.

** Casualty loss refers to repair expenses incurred to cover damages to property as a result of the earthquake that occurred off the coast of Miyagi prefecture, Japan, on May 26, 2003.

*** Restructuring charges refers to the the reduction and repositioning of workforce, disposal of assets, etc. in consolidated subsidiaries.

**** Cost of corrective measures for products refers to certain small form factor hard disk drives.

***** Gain on sales of marketable securities in FY2003 refers to a 118,389 million yen gain on sales of affiliates' stock and 7,066 million yen gain on sales of available-for-sale securities.