Consolidated Statements of Shareholders' Equity

Common stock: Balance at beginning of year \$237,674 \$249,347 \$261,222 \$2,464,355 \$2,464,355 \$2,126 \$181 \$10,375 \$9,877 \$11,635 \$34,649 \$326,877 \$10,000 \$2,126 \$181 \$10,375 \$9,877 \$10,000 \$1,000						(Yen millions)	(th	S. Dollars nousands) (Note 3)	
Balance at beginning of year \$237,674 \$249,347 \$261,222 \$2,464,355 Exercise of warrants 9,547 11,635 34,649 326,877 Conversion of bonds 2,126 181 10,375 97,877 Increase as a result of merger - 59 - - Balance at end of year \$249,347 \$261,222 \$306,246 \$2,889,113 Capital surplus: Balance at beginning of year \$424,578 \$436,023 \$447,948 \$4,225,925 Exercise of warrants 9,576 11,744 41,133 388,047 Conversion of bonds 2,126 180 10,375 97,877 Other, net (257) 1 (4,383) (41,343 Retained earnings: Balance at end of year \$436,023 \$447,948 \$495,073 \$4,670,500 Retained earnings: Balance at beginning of year \$5,587 (13,638) \$456,240 \$4,304,155 Net income (loss) (18,508) (18,686) (19,112) (180,302 Bonuses to directors and statutory auditors <td< th=""><th>Years ended March 31</th><th></th><th>1998</th><th></th><th>1999</th><th></th><th>2000</th><th></th><th>2000</th></td<>	Years ended March 31		1998		1999		2000		2000	
Exercise of warrants	Common stock:									
Conversion of bonds 2,126 181 10,375 97,877 Increase as a result of merger - 59 - - Balance at end of year ¥249,347 ¥261,222 ¥306,246 \$2,889,113 Capital surplus: Balance at beginning of year \$424,578 ¥436,023 ¥447,948 \$4,225,925 Exercise of warrants 9,576 11,744 41,133 388,041 Conversion of bonds 2,126 180 10,375 97,877 Other, net (257) 1 (4,383) (41,349 Balance at end of year ¥436,023 ¥447,948 ¥495,073 \$4,670,500 Retained earnings: Balance at beginning of year ¥519,238 ¥499,883 ¥456,240 \$4,304,151 Net income (loss) 5,587 (13,638) 42,734 403,151 Cash dividends paid (18,508) (18,686) (19,112) (180,302 Bonuses to directors and statutory auditors (940) (925) (739) (6,972 Decrease in cumulative translation adjustments (Note 2) - (5,927) -	Balance at beginning of year	¥23	37,674	¥24	9,347	¥2	61,222	\$2,4	464,359	
Increase as a result of merger	Exercise of warrants		9,547	1	1,635		34,649	3	326,877	
¥249,347 ¥261,222 ¥306,246 \$2,889,113 Capital surplus: Balance at beginning of year \$424,578 ¥436,023 ¥447,948 \$4,225,923 Exercise of warrants 9,576 11,744 41,133 388,047 Conversion of bonds 2,126 180 10,375 97,877 Other, net (257) 1 (4,383) (41,349) Balance at end of year \$436,023 ¥447,948 ¥495,073 \$4,670,500 Retained earnings: Balance at beginning of year \$519,238 ¥499,883 ¥456,240 \$4,304,153 Net income (loss) 5,587 (13,638) 42,734 403,153 Cash dividends paid (18,508) (18,686) (19,112) (180,302) Bonuses to directors and statutory auditors (940) (925) (739) (6,972) Decrease in cumulative translation adjustments (Note 2) — (5,977) — — 6,112 57,66 Other, net (5,494) (4,467) 5,174 48,811 Balance at end of year ¥499,883 ¥456,240 <td>Conversion of bonds</td> <td></td> <td>2,126</td> <td></td> <td>181</td> <td></td> <td>10,375</td> <td></td> <td>97,877</td>	Conversion of bonds		2,126		181		10,375		97,877	
Capital surplus: Balance at beginning of year \$424,578 \$436,023 \$447,948 \$4,225,925 Exercise of warrants 9,576 11,744 41,133 388,047 Conversion of bonds 2,126 180 10,375 97,877 Other, net (257) 1 (4,383) (41,345) Balance at end of year \$436,023 \$447,948 \$495,073 \$4,670,500 Retained earnings: Balance at beginning of year \$519,238 \$499,883 \$456,240 \$4,304,15 Net income (loss) \$5,587 (13,638) 42,734 403,15 Cash dividends paid (18,508) (18,686) (19,112) (180,302) Bources to directors and statutory auditors (940) (925) (739) (6,972) Decrease in cumulative translation adjustments (Note 2) - (5,927) - - Increase as a result of newly consolidated subsidiary - - 6,112 57,66 Other, net (5,494) (4,467) 5,174 48,817 Balance at end of year \$499,883 \$456,240	Increase as a result of merger		_		59		_		_	
Balance at beginning of year \$424,578 \$436,023 \$447,948 \$4,225,925 Exercise of warrants 9,576 11,744 41,133 388,047 Conversion of bonds 2,126 180 10,375 97,877 Other, net (257) 1 (4,383) (41,345 Balance at end of year \$436,023 \$447,948 \$495,073 \$4,670,500 Retained earnings: Balance at beginning of year \$519,238 \$499,883 \$456,240 \$4,304,15 Net income (loss) 5,587 (13,638) 42,734 403,15 Cash dividends paid (18,508) (18,686) (19,112) (180,302) Bonuses to directors and statutory auditors (940) (925) (739) (6,972) Decrease in cumulative translation adjustments (Note 2) — (5,927) — — Increase as a result of newly consolidated subsidiary — — 6,112 57,666 Other, net (5,494) (4,467) 5,174 48,817 Balance at end of year \$499,883 \$456,240 \$490,409 \$4,626,500	Balance at end of year	¥24	¥249,347 ¥261,222		1,222	¥3	06,246	\$2,8	389,113	
Exercise of warrants 9,576 11,744 41,133 388,047 Conversion of bonds 2,126 180 10,375 97,877 Other, net (257) 1 (4,383) (41,349 Balance at end of year \$436,023 \$447,948 \$495,073 \$4,670,500 Retained earnings: Balance at beginning of year \$519,238 \$499,883 \$456,240 \$4,304,150 Net income (loss) 5,587 (13,638) 42,734 403,150 Cash dividends paid (18,508) (18,686) (19,112) (180,302 Bonuses to directors and statutory auditors (940) (925) (739) (6,972 Decrease in cumulative translation adjustments (Note 2) — (5,927) — — Increase as a result of newly consolidated subsidiary — — 6,112 57,66 Other, net (5,494) (4,467) 5,174 48,815 Balance at end of year \$499,883 \$456,240 \$490,409 \$4,626,500 Treasury stock: Balance at beginning of year \$63 (74) (198) </td <td>Capital surplus:</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	Capital surplus:									
Conversion of bonds 2,126 180 10,375 97,877 Other, net (257) 1 (4,383) (41,349 Balance at end of year ¥436,023 ¥447,948 ¥495,073 \$4,670,500 Retained earnings: Balance at beginning of year Y519,238 ¥499,883 ¥456,240 \$4,304,15 Net income (loss) 5,587 (13,638) 42,734 403,15 Cash dividends paid (18,508) (18,686) (19,112) (180,302 Bonuses to directors and statutory auditors (940) (925) (739) (6,972 Decrease in cumulative translation adjustments (Note 2) — (5,927) — — Increase as a result of newly consolidated subsidiary — — — 6,112 57,66 Other, net — (5,494) (4,467) 5,174 48,81 Balance at end of year ¥499,883 ¥456,240 ¥490,409 \$4,626,500 Treasury stock: Balance at beginning of year — (63 (74) (198) (1,860 (Increase) decrease — <td>Balance at beginning of year</td> <td> ¥42</td> <td colspan="2"> ¥424,578</td> <td colspan="2">¥436,023</td> <td colspan="2">¥447,948</td> <td colspan="2">\$4,225,925</td>	Balance at beginning of year	¥42	¥424,578		¥436,023		¥447,948		\$4,225,925	
Other, net (257) 1 (4,383) (41,348) Balance at end of year ¥436,023 ¥447,948 ¥495,073 \$4,670,500 Retained earnings: Balance at beginning of year \$519,238 ¥499,883 ¥456,240 \$4,304,15 Net income (loss) \$5,587 (13,638) 42,734 403,15 Cash dividends paid (18,508) (18,686) (19,112) (180,302) Bonuses to directors and statutory auditors (940) (925) (739) (6,972) Decrease in cumulative translation adjustments (Note 2) - (5,927) - - Increase as a result of newly consolidated subsidiary - - 6,112 57,666 Other, net (5,494) (4,467) 5,174 48,815 Balance at end of year ¥499,883 ¥456,240 ¥490,409 \$4,626,500 Treasury stock: Balance at beginning of year \$ (87) \$ (24) \$ (98) \$ (924) (Increase) decrease 63 (74) (198) (1,860)	Exercise of warrants		9,576	1	1,744		41,133	3	388,047	
¥436,023 ¥447,948 ¥495,073 \$4,670,500 Retained earnings: Balance at beginning of year \$519,238 \$4499,883 \$456,240 \$4,304,155 Net income (loss) 5,587 (13,638) 42,734 403,155 Cash dividends paid (18,508) (18,686) (19,112) (180,302) Bonuses to directors and statutory auditors (940) (925) (739) (6,972) Decrease in cumulative translation adjustments (Note 2) - (5,927) - - Increase as a result of newly consolidated subsidiary - - 6,112 57,666 Other, net (5,494) (4,467) 5,174 48,817 Balance at end of year \$499,883 \$456,240 \$490,409 \$4,626,500 Treasury stock: Balance at beginning of year \$487 \$487 \$487 \$488 <t< td=""><td>Conversion of bonds</td><td></td><td>2,126</td><td></td><td>180</td><td></td><td>10,375</td><td></td><td>97,877</td></t<>	Conversion of bonds		2,126		180		10,375		97,877	
Retained earnings: Balance at beginning of year \$519,238 \$499,883 \$456,240 \$4,304,155 Net income (loss) 5,587 (13,638) 42,734 403,155 Cash dividends paid (18,508) (18,686) (19,112) (180,302 Bonuses to directors and statutory auditors (940) (925) (739) (6,972 Decrease in cumulative translation adjustments (Note 2) - (5,927) - - Increase as a result of newly consolidated subsidiary - - 6,112 57,666 Other, net (5,494) (4,467) 5,174 48,815 Balance at end of year \$499,883 \$456,240 \$490,409 \$4,626,500 Treasury stock: Balance at beginning of year \$(87) \$(24) \$(98) \$(924) (Increase) decrease 63 (74) (198) (1,868)	Other, net		(257)		1		(4,383)		(41,349	
Balance at beginning of year \$519,238 \$499,883 \$456,240 \$4,304,150 Net income (loss) 5,587 (13,638) 42,734 403,150 Cash dividends paid (18,508) (18,686) (19,112) (180,302) Bonuses to directors and statutory auditors (940) (925) (739) (6,972) Decrease in cumulative translation adjustments (Note 2) - (5,927) - - Increase as a result of newly consolidated subsidiary - - 6,112 57,666 Other, net (5,494) (4,467) 5,174 48,815 Balance at end of year \$499,883 \$456,240 \$490,409 \$4,626,500 Treasury stock: Balance at beginning of year \$487) \$487 \$487 \$487 \$487 \$488 \$487 \$488	Balance at end of year	¥43	6,023	¥44	7,948	¥4	95,073	\$4,6	570,500	
Net income (loss) 5,587 (13,638) 42,734 403,152 Cash dividends paid (18,508) (18,686) (19,112) (180,302 Bonuses to directors and statutory auditors (940) (925) (739) (6,972 Decrease in cumulative translation adjustments (Note 2) — (5,927) — — Increase as a result of newly consolidated subsidiary — — 6,112 57,666 Other, net (5,494) (4,467) 5,174 48,815 Balance at end of year ¥499,883 ¥456,240 ¥490,409 \$4,626,500 Treasury stock: Balance at beginning of year ¥ (87) ¥ (24) ¥ (98) \$ (924) (Increase) decrease 63 (74) (198) (1,868)	Retained earnings:									
Cash dividends paid (18,508) (18,686) (19,112) (180,302) Bonuses to directors and statutory auditors (940) (925) (739) (6,972) Decrease in cumulative translation adjustments (Note 2) — (5,927) — — Increase as a result of newly consolidated subsidiary — — 6,112 57,667 Other, net — (5,494) (4,467) 5,174 48,811 Balance at end of year ¥499,883 ¥456,240 ¥490,409 \$4,626,500 Treasury stock: Balance at beginning of year ¥ (87) ¥ (24) ¥ (98) \$ (924) (Increase) decrease 63 (74) (198) (1,868)	Balance at beginning of year	¥51	9,238	¥49	9,883	¥4	56,240	\$4,3	304,151	
Bonuses to directors and statutory auditors (940) (925) (739) (6,972) Decrease in cumulative translation adjustments (Note 2) — (5,927) — — — (6,112) 57,666 Other, net — (5,494) (4,467) 5,174 48,813 Balance at end of year — (87) ¥ 499,883 ¥456,240 ¥490,409 \$4,626,500 Treasury stock: Balance at beginning of year — ¥ (87) ¥ (24) ¥ (98) \$ (924) (1,866) (1,866)	Net income (loss)		5,587		(13,638)		42,734		403,151	
Decrease in cumulative translation adjustments (Note 2) — (5,927) — ——————————————————————————————————	Cash dividends paid	(1	(18,508)		(18,686)		(19,112)		(180,302)	
Increase as a result of newly consolidated subsidiary	Bonuses to directors and statutory auditors		(940)		(925)		(739)		(6,972)	
Other, net (5,494) (4,467) 5,174 48,817 Balance at end of year ¥499,883 ¥456,240 ¥490,409 \$4,626,500 Treasury stock: Balance at beginning of year ¥ (87) ¥ (24) ¥ (98) \$ (924) (Increase) decrease 63 (74) (198) (1,868)	Decrease in cumulative translation adjustments (Note 2)				(5,927)		_		_	
Balance at end of year \$499,883 \$456,240 \$490,409 \$4,626,500 Treasury stock: Balance at beginning of year \$487 \$424 \$498 \$4924 (Increase) decrease 63 (74) (198) (1,868)	Increase as a result of newly consolidated subsidiary		_		_		6,112		57,661	
Treasury stock: Balance at beginning of year Y (87) Y (24) Y (98) \$ (924) (1,868) (Increase) decrease 63 (74) (198) (1,868)	Other, net		(5,494)		(4,467)		5,174		48,811	
Balance at beginning of year	Balance at end of year	¥49	¥499,883		¥456,240		¥490,409		\$4,626,500	
(Increase) decrease	Treasury stock:									
	Balance at beginning of year	¥	(87)	¥	(24)	¥	(98)	\$	(924	
Balance at end of year	(Increase) decrease		63		(74)		(198)		(1,868	
	Balance at end of year	¥_	(24)	¥	(98)	¥	(296)	\$	(2,792	

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.