

Years ended March 31	2001	2002	Yen (millions) 2003	U.S. Dollars (thousands) (Note 3) 2003
<b>Common stock (Note 12):</b>				
Balance at beginning of year	¥ 306,246	¥ 314,652	¥ 324,624	\$ 2,705,200
Exercise of warrants	7,007	—	—	—
Conversion of bonds	1,399	9,707	—	—
Increase as a result of stock exchange	—	265	—	—
Balance at end of year	¥ 314,652	¥ 324,624	¥ 324,624	\$ 2,705,200
<b>Capital surplus (Note 12):</b>				
Balance at beginning of year	¥ 495,073	¥ 505,449	¥ 519,720	\$ 4,331,000
Exercise of warrants	8,977	—	—	—
Conversion of bonds	1,399	9,707	—	—
Increase as a result of stock exchange	—	4,564	—	—
Balance at end of year	¥ 505,449	¥ 519,720	¥ 519,720	\$ 4,331,000
<b>Retained earnings (Deficit):</b>				
Balance at beginning of year	¥ 490,409	¥ 483,709	¥ 76,176	\$ 634,800
Net income (loss)	8,521	(382,542)	(122,066)	(1,017,217)
Cash dividends paid	(19,642)	(14,842)	(5,005)	(41,708)
Bonuses to directors and statutory auditors	(728)	(998)	(598)	(4,983)
Other, net	5,149	(9,151)	(9,225)	(76,875)
Balance at end of year	¥ 483,709	¥ 76,176	¥ (60,718)	\$ (505,983)
<b>Unrealized gains on securities, net of taxes:</b>				
Balance at beginning of year	¥ —	¥ 19,035	¥ 10,417	\$ 86,808
Increase (decrease)	19,035	(8,618)	(8,265)	(68,875)
Balance at end of year	¥ 19,035	¥ 10,417	¥ 2,152	\$ 17,933
<b>Revaluation surplus on land, net of taxes:</b>				
Balance at beginning of year	¥ —	¥ —	¥ 4,311	\$ 35,925
Increase (decrease)	—	4,311	(373)	(3,108)
Balance at end of year	¥ —	¥ 4,311	¥ 3,938	\$ 32,817
<b>Foreign currency translation adjustments:</b>				
Balance at beginning of year	¥(114,904)	¥(108,451)	¥ (81,323)	\$ (677,692)
Change during the period	6,453	27,128	(5,194)	(43,283)
Balance at end of year	¥(108,451)	¥ (81,323)	¥ (86,517)	\$ (720,975)
<b>Treasury stock:</b>				
Balance at beginning of year	¥ (296)	¥ (11)	¥ (169)	\$ (1,408)
(Increase) decrease	285	(158)	(640)	(5,334)
Balance at end of year	¥ (11)	¥ (169)	¥ (809)	\$ (6,742)

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