

## Unconsolidated Statements of Operations and Retained Earnings

	Yen (millions)		Change (%)	U.S. Dollars
	FY2002	FY2001		(millions)
				FY2002
<b>Net sales</b>	<b>Y 2,695,055</b>	Y 3,034,437	-11.2	<b>\$22,458</b>
<b>Operating costs and expenses:</b>				
Cost of goods sold	<b>2,012,461</b>	2,317,041	-13.1	<b>16,770</b>
Selling, general and administrative expenses	<b>660,735</b>	772,075	-14.4	<b>5,506</b>
	<b>2,673,196</b>	3,089,117		<b>22,276</b>
<b>Operating income (loss)</b>	<b>21,858</b>	(54,680)	-	<b>182</b>
<b>Other income (expenses):</b>				
Net interest	<b>8,037</b>	(1,559)		<b>66</b>
Amortization of unrecognized obligation for retirement benefits	<b>(17,253)</b>	(11,530)		<b>(143)</b>
Loss on liquidation of subsidiaries	-	(163,156)		-
Restructuring charges	<b>(113,400)</b>	(134,259)		<b>(945)</b>
Cost of corrective measures for products*	<b>(30,600)</b>	-		<b>(255)</b>
Loss on devaluation of subsidiaries' stock	<b>(144,481)</b>	(66,969)		<b>(1,204)</b>
Loss on devaluation of marketable stock	<b>(40,742)</b>	(19,173)		<b>(339)</b>
Gain on sales of marketable securities	<b>81,412</b>	-		<b>678</b>
Gain on business transfer	<b>14,536</b>	-		<b>121</b>
Other, net	<b>(9,578)</b>	(13,781)		<b>(79)</b>
	<b>(252,069)</b>	(410,427)		<b>(2,100)</b>
<b>Loss before income taxes</b>	<b>(230,211)</b>	(465,109)	-	<b>(1,918)</b>
<b>Income taxes</b>				
Current	<b>(12,256)</b>	200	-	<b>(102)</b>
Deferred	<b>(42,900)</b>	(200,200)	-	<b>(357)</b>
	<b>(55,156)</b>	(200,000)		<b>(459)</b>
<b>Net loss</b>	<b>Y (175,054)</b>	Y (265,109)	-	<b>\$ (1,458)</b>
<b>Unappropriated retained earnings at the beginning of this year</b>	<b>7,351</b>	26,271		<b>62</b>
<b>Interim dividends</b>	-	4,956		-
<b>Unappropriated retained loss at the end of this year</b>	<b>Y (167,703)</b>	Y (243,794)		<b>\$ (1,397)</b>

Note: All yen figures throughout these statements have been converted to U.S. dollars for convenience only at a uniform rate of \$1=120 yen.

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