(Unwarranted translation of 'kessan tanshin', provided for reference only)

May 16, 2003

Business Performance and Financial Position

1. Business Performance

(1) Business environment during fiscal year 2002

Looking at the world economy during the fiscal year (FY) 2002, ended March 31, 2003, the U.S. and Asian economies showed a slow recovery during the first half of the year, leading to relatively steady growth in worldwide exports of goods such as motor vehicles and home electrical appliances. However, increasing trade volume during the first half of FY2002 did not lead to a recovery in the freight rate market, which caused a severe business situation for MOL. In addition, crude oil prices rose due to tensions in Palestine and Iraq, and unrest in Venezuela, so bunker prices also remained high. Throughout the year, this was a key factor in rising costs. In the second half of the year, labor disputes on the U.S. West Coast had a negative impact on the Liner Division. However, trade volume in the division showed robust growth, resulting in a recovery of freight rates in the second half. On the other hand, Bulk Carrier, Specialized Carrier, and Tanker Divisions performed below expectations due to a recessionary market during the first half of the year, but profitability recovered rapidly as freight rates rebounded during the second half. The slight appreciation of the yen compared to the previous year also negatively affected profits.

Steady income from long-term contracts for specialized carriers, tankers, and Liquefied Natural Gas (LNG) carriers supported our business performance throughout the fiscal year. But as a result of the severe business environment mentioned above, the second half of the year could not offset the difficulties we faced during the first half. Consolidated business results for FY2002 showed revenues of 910.2 billion yen, an increase of 0.7% over the same period of the previous year, with operating income of 45.3 billion yen (a decrease of 24.1% from the same period of the previous year). Ordinary income was 33.4 billion yen (a decrease of 10.6% from the same period of the previous year). Despite the fact that the value of stocks held by the company was negatively affected by the continued slump of Japan's stock markets, our net income increased, totaling 14.7 billion yen (an increase of 39.5% from the same period of the previous year).

Revenues and operating incomes by segment for the FY2002 are as follows.

<u>Overseas shipping</u>

The Liner Division saw favorable growth in trade volume on the key east-west routes, but profits during FY2002 declined significantly because freight rates did not recover until the second half of the year and fuel oil prices rose sharply. However, the trade volume on key routes remained very favorable; in fact, we did not observe the usual winter dip in revenue on Pacific Ocean routes. We also carried out a steady rate restoration on Asia-Europe routes. As a result of these factors, profits during the second half of the year recovered compared to the first half. The Liner Division continues to work on improving its services and enhancing cost competitiveness toward the scheduled rate restoration in 2003. For example, we have placed five large 6,000TEU containerships into service on Asia-Europe routes, enlarged the size of containerships on Asia-U.S. West Coast routes, strengthened our Asia-Middle East services, and so on. In the Bulk Carrier and Specialized Carrier Divisions, dry cargo freight rates remained sluggish during the first half of FY2002. However rates improved thanks to strong demand for China-bound cargo during the second half. As a whole, profits of the Bulk Carrier and specialized Carrier Divisions for the year declined from the previous year. Cargo volume in the Car Carrier Division increased thanks to increasing demand for exports, mainly for North America. But profits for FY2002 remained almost the same as the previous year, because of higher fuel prices and higher charter rates in an rising charter market. In the Tanker and LNG Carrier Divisions, the crude oil and petroleum product tanker market remained slow during the first half of the year, although it showed a strong recovery during the second half. These divisions also benefited by stable revenues of existing long-term contracts. As a result, these divisions maintained the same profitability as in the previous year. In the cruise business, in July 2002, the M/S *Nippon Maru* acquired the top rating of any Japanese cruise ship from the U.S. Public Health Service for three consecutive years. In addition, the renovation of M/S *Nippon Maru* completed in February 2003. Profits in the cruise business sector remained the same as the previous year.

As a result, overseas shipping revenue for FY2002 totaled 742.9 billion yen (a decrease of 0.2% over the previous year), with operating income of 37.4 billion yen (a decrease of 36.2% from the previous year).

<u>Ferry/domestic shipping</u>

In March, Kyushu Kyuko Ferry Co., Ltd. became an MOL subsidiary. In June, Shosen Mitsui Ferry Co., Ltd., another MOL subsidiary, started joint services on the O-arai-Tomakomai route with Higashinishon Ferry Co., Ltd. In addition, cost reduction efforts, such as abolishing unprofitable routes, contributed to a great improvement in the company's profits from the previous year. In this business sector, the number of ships on the Hanshin-Kyushu route were reduced starting in April 2002 and costs were reduced through joint services. In addition, another joint service on the Kanto-Kyushu route is scheduled after the launch of a newly built ship in September 2003.

FY2002 revenue totaled 33.4 billion yen (an increase of 2.3% from the previous year) with operating income of 0.6 billion yen (the same as the previous year).

<u>Shipping agent and harbor/terminal operations</u>

In the shipping agent business, the liner agent in Singapore was reorganized into wholly owned MOL subsidiary company to improve service quality and meet diversified customer needs. This sector's profits improved thanks to favorable growth in trade volume by the Liner Division. Harbor/terminal operations faced a severe environment such as a sluggish Japanese economy and increasingly severe competition. But rationalization measures such as cost reduction helped to improve profits compared to the previous year.

Revenue in this sector totaled 78.8 billion yen (a decrease of 0.5% from the previous year) and operating income came to 2.3 billion yen (an increase of 91.3% from the previous year).

Freight forwarding and warehousing operations

Shifting export cargo from ocean shipping during a labor dispute on the U.S. West Coast in October 2002, and favorable trends in Asia-bound exports had a positive effect on the airfreight forwarding business. Cost reduction efforts also contributed to an increase in profits from the previous year.

Revenue in this sector totaled 48.3 billion yen (an increase of 7.1% from the previous year) and operating income came to 0.0 billion yen (the same as the previous year).

Other businesses

MOL strengthened its trading business in areas such as the sale of ship parts and supplies, resulting in an increase of profits from the same period of the previous year.

The travel agent business showed an increase in profits from the previous year. MOL is also active in other businesses such as real estate, construction, and finance services. Revenue in this sector totaled 74.8 billion yen (an increase of 7.9% over the previous year) and operating income was 3.9 billion yen (an increase of 52.2% from the previous year).

(2) Outlook for FY2003

The direction of the U.S. and worldwide economies remains uncertain in FY2003, ending March 31, 2004, and the Asian economy could face a severe decline resulting from the impact of SARS. Though there are risk factors such as sluggish trade in commodities, a weaker dollar, and so on, Overseas shipping, which is MOL's main business, will still benefit from growth in cargo traffic and stabilizing freight rates. To enhance the strength of the company and reduce the impact of external factors, MOL is working to ensure groupwide growth and strengthen its management foundation by continuing to improve cost competitiveness, mainly in the Liner Division; winning lucrative contracts in the current favorable market conditions for the Bulk Carrier and Specialized Carrier Divisions; and investing management resources in the energy resource transportation business, where we forecast stable growth and profitability.

For FY2003 ending March 31, 2004, we expect to see improved profitability in the Liner Division, the Bulk Carrier and Specialized Carrier Divisions, and the Tanker Division due to a recovery in freight rates; the impact of newly built containerships and car carriers; improvements in the profitability of our ferry business due to our drastic restructuring; and a stronger revenue base in cargo handling and warehousing; as well as furthermore cost reduction. As a result of these positive factors, MOL anticipates consolidated revenue of 960 billion yen, operating income of 75 billion yen, ordinary income of 68 billion yen, and net income of 38 billion yen. MOL's non-consolidated revenue for FY2003 is projected to reach 750 billion yen, with operating income of 57 billion yen, ordinary income of 58 billion yen and net income of 30 billion yen. These projections are based on a presumed exchange rate of 115 yen /US$, and bunker prices of US$ 160/MT for the first half and US$ 140/MT for the second half.

The company plans to pay an annual dividend of 8 yen per share, assuming we achieve the profit goals outlined above.

May 16, 2003

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(million yen)

	As of March 31,2003		As of March 31,2002		Increase/ Decrease
	Amount	%	Amount	%	
(Assets)					
Current assets	289,644	27.7	251,387	23.3	38,257
Fixed assets	756,966	72.3	827,702	76.7	△70,736
(Tangible fixed assets)	(569,234)	(54.4)	(619,645)	(57.4)	(△50,411)
(Intangible fixed assets)	(8,932)	(0.8)	(8,470)	(0.8)	(462)
(Investments and other long-term assets)	(178,800)	(17.1)	(199,586)	(18.5)	(△20,786)
Total Assets	1,046,611	100.0	1,079,089	100.0	△32,478

(Note)		As of March 31, 2003	As of March 31, 2002
	Contingent Liabilities		
	Guarantee	39,983 million yen	28,598 million yen
	Co-debtors' share of joint guarantee	81,268 million yen	99,687 million yen

(million yen)

	As of March 31,2003		As of March 31,2002		Increase/ Decrease
	Amount	%	Amount	%	
(Liabilities)					
Current liabilities	423,837	40.5	375,032	34.8	48,805
Non-current liabilities	450,292	43.0	533,592	49.4	△83,300
Total Liabilities	874,130	83.5	908,624	84.2	△34,494
Minority interest	7,692	0.8	3,494	0.3	4,198
(Shareholders' Equity)					
Common stock	64,915	6.2	64,915	6.0	-
Additional paid-in capital	43,887	4.2	43,886	4.1	1
Consolidated surplus	56,468	5.4	47,817	4.4	8,651
Revaluation reserve for land	2,230	0.2	2,172	0.2	58
Revaluation of investments in marketable securities	7,035	0.7	11,423	1.1	△4,388
Translation adjustment	△8,054	△0.8	△2,608	△0.2	△5,446
Treasury stock	△1,693	△0.2	△637	△0.1	△1,056
Total Shareholders' Equity	164,789	15.7	166,970	15.5	△2,181
Total Liabilities, Minority interest, and Total Shareholders' Equity	1,046,611	100.0	1,079,089	100.0	△32,478

(2) Consolidated Statements of Income

(million yen)

	FY2002		FY2001		Increase/Decrease	
	Amount	%	Amount	%	Amount	%
Shipping and other operating revenues	910,288	100.0	903,943	100.0	6,345	0.7
Shipping and other operating expenses	787,540	86.5	761,507	84.3	26,033	3.4
Gross operating income	122,747	13.5	142,436	15.7	△19,689	△13.8
General and administrative expenses	77,391	8.5	82,663	9.1	△5,272	△6.4
Operating income	45,356	5.0	59,772	6.6	△14,416	△24.1
Non-operating income:						
Interest	1,422		1,477			
Dividends	1,418		1,894			
Equity in earnings of affiliated companies	3,387		4,426			
Others	5,490		4,781			
Total	11,718	1.3	12,580	1.4	△862	△6.9
Non-operating expenses:						
Interest	21,103		32,104			
Others	2,566		2,866			
Total	23,669	2.6	34,971	3.9	△11,302	△32.3
Ordinary income	33,404	3.7	37,381	4.1	△3,977	△10.6
Special profits:						
Profits on sale of fixed assets	4,050		4,940			
Profits on sale of investment securities	746		1,428			
Others	1,532		809			
Total	6,330	0.7	7,178	0.8	△848	△11.8
Special losses:						
Losses on sale of fixed assets	614		5,078			
Losses on sale of investment securities	2,155		6,150			
Valuation loss on investment securities	6,294		1,115			
Others	5,556		7,364			
Total	14,621	1.6	19,709	2.2	△5,088	△25.8
Income before income taxes	25,114	2.8	24,850	2.7	264	1.1
Corporate income tax, resident tax and enterprise tax	10,871	1.2	6,100	0.7	4,771	78.2
Corporate income tax adjustment	△1,434	△0.1	6,632	0.7	△8,066	△121.6
Profit/loss(△) on minority interest	967	0.1	1,572	0.1	△605	△38.5
Net Income	14,709	1.6	10,544	1.2	4,165	39.5

(3) Consolidated Statements of Surplus

(million yen)

	FY2002	FY2001	Increase/ decrease
Consolidated surplus at the beginning of the year	47,817	43,433	4,384
Increase in consolidated surplus			
Increase in retained earnings due to inclusion of consolidated subsidiaries	126	47	79
Decrease in consolidated surplus			
Dividends	6,016	6,021	△5
Directors' bonus	128	105	23
Decrease in retained earnings due to exclusion of consolidated subsidiaries	10	58	△48
Decrease in retained earnings due to inclusion of companies accounted for by the equity method	0	21	△21
Decrease in retained earnings due to exclusion of companies accounted for by the equity method	29	-	29
Net income	14,709	10,544	4,165
Consolidated surplus at the end of the year	56,468	47,817	7,651

3. Applicable Accounting Principles in Consolidated Financial Statements

I. Accounting Principles

(1) Valuation of assets

Marketable Securities

Short-term investments:	At market, cost being determined by the moving average method
Bonds or securities to be held until maturity:	At cost based on the depreciation method
Other securities: (a) Marketable	At market based on the market value on March 31, 2003 (the difference in book and market values taken care of with direct capital infusion, and securities sold value calculated mainly based on the moving average method.)
(b) Non-marketable	Mainly at cost based on the moving average method
Derivatives:	Mainly at market.
Inventories:	Mainly at cost based on the moving average method.

(2) Depreciation

Tangible fixed assets:	
Vessels:	In principle, the straight-line method
Buildings:	In principle, the straight-line method
Other tangible fixed assets:	In principle, the declining-balance method
Intangible fixed assets:	The straight-line method

(3) Accounting method for deferred assets

Amortization of bond issue expense; Bonds issue expense is charged to income as incurred.

(4) Provisions

(a) Allowance for Doubtful Receivables
Allowance for general receivables is appropriated based on past loss experience. As for some doubtful receivables, amounts for estimated losses are appropriated after examining the possibility of recovery.

(b) Provisions for Employees' Bonuses
Provisions for bonuses are provided in an amount accrued during the current period.

(c) Provisions for Employees' Retirement Benefits
The Company appropriates an amount of a provision for the period ended March 31

based on the total amount of the estimated lump-sum retirement and pension payments at the end of the fiscal year. Actuarial gains and losses are recognized in expenses proportionally divided using the straight-line method over the average of the estimated remaining service lives of mainly 10 years commencing with the following period.

(d) Provisions for Statutory Required Overhaul of Vessels
Provisions for statutory required vessel overhauls are provided based on the estimation of future expenditures for statutory required vessel overhaul.

(e) Provisions for Losses on Guarantees
The Company appropriates a provision for the estimated cost of losses on guarantees of liabilities at affiliated companies and other companies based on the financial condition of each company receiving such guarantees.

(f) Provision for Restructuring Expenses
The Company appropriates a provision for the estimated cost of restructuring businesses.

(5) Shipping Revenues and Related Expenses
Shipping revenues and the related voyage expenses are mainly recognized by the completed-voyage method.

(6) Accounting Method for Leases
Finance leases, except such lease transactions where ownership of leased assets is transferred from lessor to the lessee at the end of the lease term, are treated as standard rental transactions for accounting purposes.

(7) Accounting Method for Hedges

(a) Accounting method
Deferred hedging transactions are adopted for accounting method. However, interest rate swaps and interest rate caps that meet conditions for special treatment are accounted for separately.

(b) Hedging methods and instruments

Methods	Instruments hedged
Foreign-currency loans	Foreign-currency future transactions
Foreign-currency forward agreements	Foreign-currency future transactions
Foreign-currency swaps	Foreign-currency loans
Interest rate swaps	Loans and bonds
Commodity futures	Bunker oil

(c) Hedging policy
In accordance with the Company's internal regulations on managing market risk, each hedging instrument is clearly defined and then they are used only to manage risk associated with fluctuations in foreign exchange and interest rates.

(d) Method for evaluation of hedging validity
The validity of hedging is based upon a comparison of the accumulated movement of the hedgeable instruments' market or of cash flow with the accumulated movement of hedging methods market of cash flow. However, evaluation of hedging validity is omitted for interest rate swaps satisfying specific conditions.

Ⅱ. Evaluation for consolidated subsidiaries' assets and liabilities

In the elimination of investments in subsidiaries, the assets and liabilities of the subsidiaries, including the portion attributable to minority shareholders, are recorded based on the fair value at the time the Company acquired control of the respective subsidiaries.

Ⅲ. Amortization of the consolidation difference

Consolidation difference is amortized over 5 years, in principal. However, consolidation difference related to the former Burmah Transport Holdings Ltd., which was merged with MOL-NIC Ltd., and those related to the Bling Inc., are amortized over14 years, the period of their economic effect.

Ⅳ. Consolidated Statements of Surplus

The Company made consolidated statements of surplus for profit accounting of the consolidated companies and equity method affiliates, based on the profit accounting settled during the FY2002.

Ⅴ. Scope of Funds of Interim Statements of Cash Flows

Cash and cash equivalents listed on the FY2002 statements of cash flows include cash, highly liquid deposits and other instruments that can be converted into cash at any time, and short-term investments maturing within three months that have little risk of changes in price.

Ⅵ. Other Applicable Principles in Consolidated Financial Statements

(a) The Company adopts the "without consumption tax" accounting method, in which the Company recognizes revenue net of consumption tax.

(b) Interest expenses of the Company and consolidated subsidiaries are recognized on the actual accounting basis, in principal. However, interest expenses accrued during construction of certain assets, such as vessels and buildings, whose construction require long period of time and significant costs, are capitalized and included in the acquisition costs of the assets. For the FY2002, such capitalized interest amount to 182 million yen.

(c) Effective April 1, 2002, "Parent company stock held by subsidiaries" is included in "Treasury stock" in accordance with the application of "Accounting Standard for Treasury Stock and Reversal of Legal Reserves" (issued by Accounting Standard Board of Japan on February 21, 2002). There is no significant impact on the consolidated statements of income. Also, effective from this fiscal year, the

Company applies the revised Consolidated Financial Statement Regulations for "Stockholders' equity" on the consolidated balance sheets and the consolidated statement of stockholders' equity in accordance with the amendment of the Consolidated Financial Statement Regulations.

(d) From this fiscal year, the Company applies "Accounting Standards for Earnings per Share" (issued by Accounting Standards Board of Japan on September 25, 2002). As a result of adopting the new accounting standards, there is no significant impact on the consolidated financial statements.

Ⅶ. Others

The BGT project is operated by subsidiaries that are legally independent of the Company. The assets of the BGT project are secured by parties other than the MOL Group and the subsidiaries involved in the project have their own creditors.

(Unwarranted translation of 'kessan tanshin', provided for reference only)

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4. Segment Information

(million yen)

FY2002	Overseas shipping	Ferry/ domestic shipping	Shipping agents & harbor/ terminal operation	Cargo forwarding & warehousing	Others	Total	Elimination	Consolidated
I. Revenues								
1) Revenues from customers, unconsolidated subsidiaries and affiliated companies	736,171	29,135	41,519	47,318	56,142	910,288	-	910,288
2) Inter-segments revenues	6,800	4,319	37,334	1,061	18,677	68,193	△68,193	-
Total Revenues	742,971	33,455	78,854	48,379	74,820	978,481	△68,193	910,288
Operating expenses	705,514	32,807	76,549	48,433	70,842	934,146	△69,213	864,932
Operating income	37,457	648	2,305	△53	3,978	44,335	1,021	45,356
II.								
Assets	870,673	30,651	53,374	26,660	186,660	1,168,021	△121,409	1,046,611
Depreciation expenses	53,672	1,908	2,859	615	1,655	60,710	-	60,710
Capital expenditures	42,733	1,289	3,934	481	1,055	49,493	-	49,493

(million yen)

FY2001	Overseas shipping	Ferry/ domestic shipping	Shipping agents & harbor/ terminal operation	Cargo forwarding & warehousing	Others	Total	Elimination	Consolidated
I. Revenues								
1) Revenues from customers, unconsolidated subsidiaries and affiliated companies	737,987	29,787	41,315	44,561	50,292	903,943	-	903,943
2) Inter-segments revenues	6,796	2,926	37,970	597	19,082	67,373	△67,373	-
Total Revenues	744,783	32,714	79,285	45,158	69,374	971,317	△67,373	903,943
Operating expenses	686,110	33,716	78,080	45,495	66,760	910,163	△65,992	844,170
Operating income	58,673	△1,001	1,205	△336	2,614	61,154	△1,381	59,772
II.								
Assets	900,630	33,146	53,810	24,489	182,624	1,194,701	△115,612	1,079,089
Depreciation expenses	60,817	2,940	2,660	728	1,679	68,826	-	68,826
Capital expenditures	28,816	5,922	6,720	1,712	568	43,741	-	43,741

5. Market Value Information on Securities

1. Bonds to be held to maturity with market values

As of March 31, 2003 (million yen)

	Book value	Market Value	Difference
Market values above book values	-	-	-
Market values less than book values	39	39	-
Total	39	39	-

2. Other securities with market values

The securities are restated at the mark to market.

As of March 31, 2003 (million yen)

	At cost	Market value	Difference
Market values above cost	12,813	26,019	13,206
Market values less than cost	12,820	10,389	△2,431
Total	25,633	36,408	10,775

3. Major components of other securities not valued at market

As of March 31, 2003 (million yen)

	Book value
(1) Securities to be held to maturity	
Unlisted foreign bonds	-
Others	-
(2) Other securities	
Unlisted securities (excluding OTC-traded stocks)	13,076
Unlisted foreign bonds	4,721
Others	277

6. Non-Consolidated Financial Statements

(1) Non-Consolidated Balance Sheets

(million yen)

	As of March 31,2003		As of March 31,2002		Increase/ Decrease
	Amount	%	Amount	%	
(Assets)					
Current assets	202,568	36.2	166,045	30.6	36,523
Fixed assets	356,551	63.8	375,932	69.4	△19,381
(Tangible fixed assets)	(189,488)	(33.9)	(202,822)	(37.4)	(△13,334)
(Intangible fixed assets)	(5,087)	(0.9)	(4,604)	(0.9)	(483)
(Investments and other assets)	(161,975)	(29.0)	(168,505)	(31.1)	(△6,530)
Total Assets	559,120	100.0	541,977	100.0	17,143

(Notes)

	As of March 31, 2003	As of March 31, 2002
1. Accumulated depreciation for tangible fixed assets	216,492 million yen	204,870 million yen
2. Contingent liabilities		
Guarantee	423,369 million yen	445,162 million yen
Co-debtors' share in jointly guarantee obligations	81,409 million yen	100,183 million yen

(million yen)

	As of March 31,2003		As of March 31,2002		Increase/ Decrease
	Amount	%	Amount	%	
(Liabilities)					
Current liabilities	252,672	45.2	223,685	41.3	28,987
Non-current liabilities	149,700	26.8	160,259	29.5	△10,559
Total Liabilities	402,372	72.0	383,944	70.8	18,428
(Shareholders' Equity)					
Common stock	64,915	11.6	64,915	12.0	-
Legal surplus	52,413	9.4	52,414	9.7	-
Retained earnings	34,540	6.2	32,276	5.9	2,264
Revaluation of investments in marketable securities	6,115	1.1	9,056	1.7	△2,941
Treasury shares	△1,240	△0.2	△629	△0.1	△611
Total Shareholders' Equity	156,747	28.0	158,033	29.2	△1,286
Total Liabilities and Total Shareholders' Equity	559,120	100.0	541,977	100.0	17,143

(Unwarranted translation of 'kessan tanshin', provided for reference only)

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(2) Non-Consolidated Statements of Income

(million yen)

	FY2002		FY2001		Increase/Decrease	
	Amount	%	Amount	%	Amount	%
Shipping and other operating revenues	698,831	100.0	693,854	100.0	4,977	0.7
Shipping and other operating expenses	646,957	92.6	633,708	91.3	13,249	
Gross operating income	51,874	7.4	60,146	8.7	△8,272	△13.8
General and administrative expenses	23,265	3.3	23,939	3.5	△674	△2.8
Operating income	28,607	4.1	36,206	5.2	△7,599	△21.0
Non-operating income:						
Interest and dividends	7,849		6,495			
Others	1,992		1,349			
Total	9,841	1.4	7,844	1.1	1,997	25.5
Non-operating expenses:						
Interest	8,097		9,185			
Others	2,361		3,673			
Total	10,458	1.5	12,858	1.8	△2,400	△18.7
Ordinary income	27,990	4.0	31,192	4.5	△3,202	△10.3
Special profits:						
Profits on sale of fixed assets	292		1,193			
Others	657		812			
Total	949	0.1	2,006	0.2	△1,057	△52.7
Special losses:						
Losses on sale of fixed assets	347		1,843			
Others	14,659		17,847			
Total	15,007	2.1	19,690	2.8	△4,683	△23.8
Income before income taxes	13,932	2.0	13,508	1.9	424	3.1
Corporate income tax, resident tax, and enterprise tax	7,744	1.1	2,878	0.4	4,866	169.1
Corporate income tax adjustment	△2,160	△0.3	4,051	0.6	△6,211	-
Net Income	8,348	1.2	6,577	0.9	1,771	26.9
Retained earnings brought forward	12,521	1.8	9,949	1.5	2,572	25.9
Losses on disposal of treasury stocks	6	0.0	-	-	6	-
Unappropriated income	20,864	3.0	16,527	2.4	4,337	26.2

(Unwarranted translation of ‘kessan tanshin’, provided for reference only)

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(3) Non-Consolidated Statements of Appropriation

(million yen)

	FY2002	FY2001	Increase/decrease
Unappropriated income	20,864	16,527	4,337
Reversal of reserve for special depreciation	1,912	2,053	△140
Reversal of reserve for overseas investment loss, etc.	1	1	△0
Reversal of reserve for advanced depreciation of assets to be replaced	16	16	0
Total	22,794	18,598	4,196
To be appropriated as follows:			
Dividends	6,004 (¥5 per share)	6,016 (¥5 per share)	△12
Directors’ bonus	60	60	-
Reserve for special depreciation	232	-	232
Reserve for overseas investment loss, etc.	1	-	1
Reserve for advanced depreciation of assets to be replaced	7	-	7
Retained earnings carried forward	16,489	12,521	3,968
Total	22,794	18,598	4,196