

# Non-Consolidated Financial Statement for the Six Months Ended September 30, 2002

November 22, 2002

Trade Name : Nihon Micro Coating Co., Ltd.  
 Stock Code: 5381 ( URL <http://www.mipox.co.jp> )  
 Name and Title of Representative: Nobuyoshi Watanabe, President  
 Contact: Tokio Tonami, Executive Managing Director Tel: (042)543-4711  
 Interim Board of Directors Meeting: November 22, 2002  
 Date of Interim Dividend Payment: Not started

## 1. Summary of Non-Consolidated Interim Financial Result

### 1. Financial Result for the Six Months Ended September 30, 2002

#### (1) Operating Result

Amounts to nearest Million Yen

Six months ended	Net Sales		Operating Income		Ordinary Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
September 30, 2002	2,163	( 7.4 )	46	( 71.5 )	7	( )
September 30, 2001	2,014	( 44.7 )	163	( 85.1 )	113	( 89.6 )
Year ended March 31, 2002	3,671		201		159	

Six months ended	Net Income		Net Income Per Share	
	Millions of Yen	%	Yen	
September 30, 2002	14	( )	2 . 72	
September 30, 2001	39	( 93.7 )	7 . 61	
Year ended March 31, 2002	137		26 . 16	

(Note) 1. Average number of shares outstanding  
 During the six months ended September 30, 2002 5,337,564 shares  
 During the six months ended September 30, 2001 5,199,600 shares  
 During the six months ended March 31, 2002 5,268,271 shares

2. Change in Accounting methods: None

3. Percentages for net sales, operating income, ordinary income and net income indicate change from previous year

#### (2) Dividends

Six months ended	Dividend Per share for Year (Interim)		Dividend Per share for Year (Year-End)	
	Yen		Yen	
September 30, 2002	0 . 00			
September 30, 2001	0 . 00			
Year ended March 31, 2002			15 . 00	

#### (3) Financial Position

Six months ended	Total Assets	Shareholders' Equity	Shareholders' Equity to Total Asset	Shareholders' Equity Per Share
	Millions of Yen	Millions of Yen	%	Yen
September 30, 2002	12,508	7,507	60.0	1,406 . 75
September 30, 2001	12,374	7,786	62.9	1,455 . 88
Year ended March 31, 2002	12,289	7,604	61.9	1,424 . 21

(Note) 1. Number of shares outstanding  
 As of September 30, 2002 5,336,631 shares  
 As of September 30, 2001 5,348,160 shares  
 As of March 31, 2002 5,339,171 shares  
 2. Number of Treasury Stock  
 As of September 30, 2002 11,529 shares  
 As of September 30, 2001 6,049 shares  
 As of March 31, 2002 8,989 shares

### 2. Financial Forecasts for the Fiscal Year Ending March 31, 2003

Year ending March 31, 2003	Net Sales Millions of Yen 5,140	Ordinary Income Millions of Yen 160	Net Income Millions of Yen 85	Dividend Per Share for Year	
				Year-End Yen 15 . 00	Yen 15 . 00

(Reference) Expected net income per share: 15.92 Yen

\*Above estimates were based on the available information as of the day of publication of this report, so that actual results may be different from these figures due to the various factors afterwards.

**Non-Consolidated Financial  
Statement Summary  
for the Six Months Ended  
September 30, 2002**

	Six months ended September 30, 2001  ( From April 1, 2001 To September 30, 2001 )	Six months ended September 30, 2002  ( From April 1, 2002 To September 30, 2002 )	Percentage of net income indicate changes from previous year	Year ended March 31, 2002  ( From April 1, 2001 To March 31, 2002 )
	Millions of Yen	Millions of Yen	%	Millions of yen
Net Sales	2,014	2,163	7.4	3,671
Operating Income	163	46	71.5	201
Ordinary Income	113	7		159
Net Income	39	14		137
Net Income Per Share	Millions of Yen 7.61	Millions of Yen 2.72	%	Millions of Yen 26.16

## Financial Statement for the Six Months ended September 30, 2002

### (1) Non-Consolidated Balance Sheet

(Unit: Thousand Yen)

Item	Period		Six months ended September 30, 2001 ( From April 1, 2001 to September 30, 2001 )		Six months ended September 30, 2002 ( From April 1, 2002 to September 30, 2002 )		Summary of Non-Consolidated Balance Sheet for Previous Fiscal Year ( From April 1, 2001 to March 31, 2002 )	
	Amount	%	Amount	%	Amount	%		
(Assets)		%		%		%		
Current Assets								
1 Cash and Cash Equivalents	4,313,814		3,473,267		3,525,650			
2 Notes Receivable	121,856		235,209		235,812			
3 Accounts Receivable, Trade	1,383,117		1,173,323		1,164,598			
4 Inventories	596,006		589,225		550,115			
5 Others	312,882		323,696		349,633			
6 Doubtful Notes and Accounts	4,050		1,310		3,510			
Total Current Assets	6,723,626	54.3	5,793,411	46.3	5,822,300	47.4		
Fixed Assets								
1 Tangible Fixed Assets								
(1) Buildings	1,298,760		3,253,479		2,911,859			
(2) Land	1,270,743		1,279,083		1,279,083			
(3) Construction in Progress	1,059,721				25,243			
(4) Others	572,024		621,886		657,640			
Total Tangible Fixed Assets	4,201,248	34.0	5,154,449	41.2	4,873,827	39.7		
2 Intangible Fixed Assets								
(1) Others	37,152		34,385		38,230			
Total Intangible Fixed Assets	37,152	0.3	34,385	0.3	38,230	0.3		
3 Investments and Other Assets								
(1) Investment in Affiliated Company	794,246		794,246		794,246			
(2) Others	631,408		747,711		776,806			
(3) Allowance for Doubtful Debts	13,343		15,393		15,663			
Total Investments and Other Assets	1,412,311	11.4	1,526,564	12.2	1,555,389	12.6		
Total Fixed Assets	5,650,713	45.7	6,715,399	53.7	6,467,447	52.6		
Total Assets	12,374,340	100.0	12,508,810	100.0	12,289,748	100.0		

(Unit: Thousand Yen)

Item	Period		Six months ended September 30, 2001 ( From April 1, 2001 to September 30, 2001 )		Six months ended September 30, 2002 ( From April 1, 2002 to September 30, 2002 )		Summary of Non-Consolidated Balance Sheet for Previous Fiscal Year ( From April 1, 2001 to March 31, 2002 )	
	Amount	%	Amount	%	Amount	%		
(Liabilities)		%		%		%		%
Current Liabilities								
1 Notes Payable	37,228							
2 Accounts Payable, Trade	453,850		468,214		549,822			
3 Short-term Borrowings	600,000		1,400,000		600,000			
4 Current Portion of Long-term Borrowings	489,036		589,596		589,596			
5 Income Taxes Payable	2,290		2,290		2,290			
6 Reserve for Employees' Bonuses	95,300		82,000		81,000			
7 Facilities Bills Payable	650,665		349,593		400,857			
8 Others	231,302		186,893		260,178			
Total Current Liabilities	2,559,672	20.7	3,078,587	24.6	2,483,744	20.2		
Fixed Liabilities								
1 Long-term Borrowings	1,639,904		1,496,648		1,796,546			
2 Reserve for Employees' Retirement Benefits	108,497		128,412		117,119			
3 Reserve for Directors' Retirement Benefits	279,962		297,872		288,235			
Total Fixed Liabilities	2,028,363	16.4	1,922,932	15.4	2,201,900	17.9		
Total Liabilities	4,588,036	37.1	5,001,520	40.0	4,685,645	38.1		
(Shareholders' Equity)								
Capital Stock	1,998,700	16.1			1,998,700	16.3		
Capital Surplus	2,953,700	23.9			2,953,700	24.0		
Earned Surplus Reserve	60,000	0.5			60,000	0.5		
Other Surplus								
1 Voluntary Reserve	2,300,000				2,300,000			
2 Unappropriated Profits	495,314				317,938			
Other Surplus	2,795,314	22.6			2,617,938	21.3		
Revaluation of Investment Securities	3,260	0.0			2,416	0.0		
Treasury Stock	24,670	0.2			28,653	0.2		
Total Shareholders' Equity	7,786,304	62.9			7,604,102	61.9		
Capital Stock			1,998,700	16.0				
Capital Surplus								
Capital Appropriation			2,953,700	23.6				
Total Capital Surplus			2,953,700					
Earned Surplus								
1 Earned Surplus Reserve			60,000					
2 Voluntary Reserve			2,300,000					
3 Unappropriated Profits			223,331					
Total Earned Surplus			2,583,331	20.7				
Revaluation of Investment Securities			3,475	0.0				
Treasury Stock			31,916	0.3				
Total Shareholders' Equity			7,507,290	60.0				
Total Liabilities and Shareholders' Equity	12,374,340	100.0	12,508,810	100.0	12,289,748	100.0		

## ( 2 ) Non-Consolidated Statement of Income

(Unit: Thousand Yen)

Item	Period	Six months ended September 30, 2001 ( From April 1, 2001 to September 30, 2001 )		Six months ended September 30, 2002 ( From April 1, 2002 to September 30, 2002 )		Summary of Non-Consolidated Statement of Income for Previous Fiscal Year ( From April 1, 2001 to March 31, 2002 )	
		Amount	%	Amount	%	Amount	%
Net Sales		2,014,643	100.0	2,163,509	100.0	3,671,319	100.0
Cost of Sales		1,094,344	54.3	1,355,306	62.6	2,345,545	63.9
Gross Profit		920,299	45.7	808,203	37.4	1,325,773	36.1
Selling and General Administrative Expenses		756,322	37.6	761,522	35.2	1,527,712	41.6
Operating Income (Loss ( ))		163,976	8.1	46,680	2.2	201,938	5.5
Non-Operating Income		12,442	0.6	18,653	0.9	88,827	2.4
Non-Operating Expenses		63,240	3.1	72,564	3.4	46,434	1.3
Ordinary Income (Loss ( ))		113,178	5.6	7,231	0.3	159,545	4.4
Extraordinary Gains		5,760	0.3	2,470	0.1	5,980	0.2
Extraordinary Losses		39,681	2.0	9,657	0.5	61,456	1.7
Net Income (Loss ( )) Before Tax		79,256	3.9	14,418	0.7	215,021	5.9
Income Taxes		2,437	0.1	2,399	0.1	5,835	0.2
Refunded Corporate Tax		37,263	1.8	2,298	0.1	83,037	2.3
Net Income (Loss ( ))		39,555	2.0	14,520	0.7	137,819	3.8
Retained Earnings at the Beginning of the Period		455,758		237,851		455,758	
Unappropriated Profits		495,314		223,331		317,938	