

Consolidated financial report for the fiscal year ended March 31, 2001

May 10, 2001

Company name: Secom Co., Ltd.  
 Code number: 9735 Tokyo Stock Exchange ----- First Section  
 Osaka Stock Exchange ----- First Section  
 Corporate headquarters: Tokyo, Japan  
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 Date approved by  
 Board of Directors: May 10, 2001  
 Adoption for US GAAP: None

1. Summary of the consolidated financial statements for the fiscal year ended March 31, 2001  
 (April 1, 2000-March 31, 2001)

(1) Consolidated operating results (Figures rounded down to the nearest million)

	Years ended March 31	
	2000	2001
Revenue	¥410,492 million	¥454,960 million
Percent change from the previous year	16.5%	10.8%
Operating income	¥61,515 million	¥65,261 million
Percent change from the previous year	12.4%	6.1%
Ordinary income	¥68,997 million	¥66,274 million
Percent change from the previous year	29.3%	(3.9)%
Net income	¥42,817 million	¥35,540 million
Percent change from the previous year	(12.8)%	(17.0)%

Earnings per share	¥183.86	¥152.48
Diluted earnings per share	¥183.58	¥152.36
Net income/ Shareholders' equity	12.1%	9.3%
Ordinary income/ Total assets	9.9%	8.3%
Ordinary income/ Revenue	16.8%	14.6%

Note 1. Equity in net gains of affiliated companies:

For the year ended March 31, 2001: ¥1,310 million

For the year ended March 31, 2000: ¥1,130 million

Note 2. Weighted average number of common shares outstanding:

For the year ended March 31, 2001: 233,081,040 shares

For the year ended March 31, 2000: 232,883,494 shares

Weighted average number of common shares outstanding and earnings per share for the fiscal year ended March 31, 2000, are calculated based on the number of shares that would have been outstanding had the stock split that occurred on November 19, 1999, taken place at the beginning of the period.

Note 3. Change in accounting policy: None

(2) Consolidated financial conditions (Figures rounded down to the nearest million)

	March 31, 2000	March 31, 2001
Total assets	¥764,491 million	¥833,001 million
Shareholders' equity	¥372,773 million	¥389,592 million
Shareholders' equity/ Total assets	48.8%	46.8%
Shareholders' equity per share	¥1,599.40	¥1,671.36

Note 1. Number of common shares outstanding:

As of March 31, 2001: 233,099,234 shares

As of March 31, 2000: 233,070,602 shares

(3) Consolidated cash flow activities (Figures rounded down to the nearest million)

	Years ended March 31	
	2000	2001
Cash flows from operating activities	¥68,862 million	¥127,189 million
Cash flows from investing activities	¥(82,980) million	¥(111,443) million
Cash flows from financing activities	¥14,693 million	¥(5,589) million
Cash and cash equivalents at end of year	¥131,329 million	¥141,725 million

(4) Consolidated subsidiaries and affiliated companies

	Additions	Deletions	As of March 31, 2001
Number of consolidated subsidiaries	11	4	107
Number of affiliated companies	4	2	41

2. Forecasts for the consolidated financial results for the fiscal year ending March 31, 2002, (April 1, 2001 - March 31, 2002) and the six-month period ending September 30, 2001

	Year ending March 31, 2002	Six-month period ending September 30, 2001
Revenue	¥508,936 million	¥244,375 million
Ordinary income	¥69,140 million	¥33,810 million
Net income	¥37,546 million	¥17,958 million

Note: Expected earnings per share: ¥161.07

## **The SECOM Group**

The SECOM Group (the “Group”) comprises SECOM Co., Ltd. (the “Company”), 108 subsidiaries and 41 affiliates. The Group continues to advance on several business fronts: security services; medical services, including home-based medical services and remote image diagnosis support; insurance services centered on non-life insurance services; and information and communication related and other services, including cyber security, network services, software development and geographic information system (GIS) services.

The Group companies are classified into the following operating segments.

### ● **Security services segment**

Various types of security services, including the Company’s main service - on-line centralized security systems - are provided domestically by the Company and its subsidiaries and affiliates. Domestic subsidiaries include Secom Joshinetsu Co., Ltd., Secom Hokuriku Co., Ltd., Secom Yamanashi Co., Ltd., Secom Mie Co., Ltd., Secom Jastic Co., Ltd., and 20 other companies. Domestic affiliates include Japan Nuclear Security System Co., Ltd., and six other companies. The Company sells security merchandise and provide technical consultation to subsidiaries and affiliates.

Furthermore, on-line centralized security systems and static guard services are provided in overseas countries. Westec Interactive Security, Inc., and four other subsidiaries operate in the United States; Secom Plc and two other subsidiaries in the United Kingdom; and Shanghai Secom Security Co., Ltd., and five other subsidiaries in the People’s Republic of China. Subsidiaries also operate in Indonesia, Australia and Thailand. S1 Corporation in South Korea, Taiwan Secom Co., Ltd., and three other overseas affiliates operate in their respective countries.

The following three subsidiaries and affiliates, as well as 11 other companies, support the security services of the Group’s domestic companies.

- Secom Techno Service Co., Ltd., installs and maintains security equipment the Group uses to provide its services.
- Secom Industries Co., Ltd., develops and manufactures security equipment for the Group.
- Secom Equipment Sales Corporation sells a variety of security equipment. The Company purchases some security equipment from this subsidiary.
- An affiliate, Nohmi Bosai Ltd., manufactures and sells a range of fire protection equipment, some of which is purchased by the Company.

- **Medical services segment**

The Company offers remote image diagnosis support services. A domestic subsidiary, Secom Home Medical System Co., Ltd., provides home-based medical services, Mac Corporation sells medical equipment and Secom Kampo System Co., Ltd., prepares and sells traditional Chinese medicines and health food products.

- **Insurance services segment**

The domestic subsidiary, Secom General Insurance Co., Ltd. (formerly Secom Toyo General Insurance Co., Ltd.), provides non-life insurance services. Another domestic subsidiary, Secom Insurance Service Co., Ltd., is an insurance agency.

An overseas subsidiary, SIS Insurance Pte Ltd., is a re-insurance agency.

- **Information and communication related and other services segment**

The domestic subsidiary, Secom Trust.net Co., Ltd. (formerly Secomnet Co., Ltd.), provides networks, databases and cyber security services and sells computer systems.

Secom Information System Co., Ltd., manages computer systems for the Group, develops and sells computer software, and sells computer hardware.

Pasco Corporation provides surveying services via aerial photographs, and develops and sells GIS services.

Secom Lines Co., Ltd., sells education systems, including computer-aided learning systems for schools, and consigns part of the sales to the Company.

Secom Home Life Co., Ltd. (formed following a merger between Eclairer Co., Ltd., and Secom Asahi Co., Ltd., on June 1, 2000), develops and sells condominiums, mainly packaged with home security systems.

Domestic affiliates Miyagi Network Inc., in the Sendai area, and Musashino-Mitaka Cable Television Inc., in the Musashino and Mitaka area, provide cable television and communication services in their respective areas; and Japan Image Communications Co., Ltd., a domestic affiliate, provides program content for satellite broadcasting.

Overseas subsidiary P.T. Nusantara Systems International develops and sells computer software.

## **Management Policy**

### **1. Basic management policy**

SECOM's aim is to realize its vision of establishing the Social System Industry, which will offer a multitude of integrated services and systems that make life more secure, convenient and pleasant, thereby helping to create a new social infrastructure.

### **2. Basic profit distribution policy**

SECOM recognizes returning profits to shareholders as its most critical matter and distributes profits taking into account expansion of services, revenue trends, dividend payout and the amount of retained earnings. We utilize retained earnings both for investments in promising new businesses to further expand our operations, and for intensive research and development to facilitate the extension of high-quality security systems, equipment and services.

### **3. Management strategy procedures**

In this rapidly changing society, social concern over security is becoming increasingly diversified and developed as people's values change. Demands on health, medical care, insurance, cyber security and GIS are also heightening and becoming varied in the same way.

Under these circumstances, we aim to meet these diverse needs of society in a speedy and flexible manner by offering attractive services and products as part of SECOM's vision to build and expand the Social System Industry.

SECOM has introduced new security service Coco-Secom as an essential component of the Social System Industry. Coco-Secom locates the position of mobile targets, such as people and vehicles. This will broaden the concept of security held until now. We will further expand its user base as quickly as possible.

To ensure rapid adjustment to the changing environment in the 21<sup>st</sup> century, SECOM will regard speed as a crucial management factor. We will actively develop services and products and promote intensive research and development to facilitate the expansion of progressive security systems, high-quality equipment and services. We recognize the considerable untapped demand in our existing core businesses, and will focus on enhancing capabilities and improving efficiency in these areas. At the same time, we will further expand our operations by investing in promising new ventures. We will also expand innovative operations by reforming our processes and organization and building an efficient, high-quality management system and infrastructure.

## Operating results

### **1. Results and review**

In the fiscal year ended March 31, 2001, the Japanese economy showed no signs of recovery, as capital investment and personal consumption continued to be low and the Japanese stock market remained stagnant.

Under these conditions, we continued to advance toward our Social System Industry vision by enhancing existing services, strengthening our marketing and improving operating efficiency as well as developing new services and products that meet changing social needs.

In the security services segment, we introduced several new services and products, including the SESAMO NT III, an access-control system that use a contactless IC card, and SESAMO MC, an access-control system that can use any magnetic card complying with JIS-II, an industrial standards. We upgraded the PYTHAGORAS Series, SECOM's original safes, with fire-resistant features and reduced-cost models. The HANKS -J, a simplified Cash Dispenser and Automated Teller Machine (CD/ATM) booth that improves the operating efficiency of CD/ATMs and reduces costs. The HANKS II, an on-line security service system designed to suit the various operating styles of small offices of financial institutions, was improved from the original HANKS-S. Moreover, Secom launched a brand new location search security service, Coco-Secom, nationwide on April 1, 2001. Coco-Secom utilizes Global Positioning System (GPS) satellites and cellular phone base stations to form a state-of-the-art positioning system that locates the position of people and vehicles. This service guards against such problems as wandering, kidnapping, inability to locate missing persons as well as rapidly increasing vehicle and motorcycle thefts.

In the information and communication related and other services segment, Secom Trust.net capitalized on its advanced Certification Authority technologies and accumulated know-how to start Secure Data Center services. In addition, we have established the largest CATV company in Japan, Japan Cable Net Holdings Co., Ltd., providing comprehensive broadband services with Fujitsu Limited and other two well-known Japanese companies.

In the medical services segment, we acquired all outstanding shares of Mac Corporation, a leading medical instrument company based in Sapporo, Hokkaido.

In the insurance services segment, we continued to expand the market for Secom My Car Insurance, an automobile policy offered directly to the public; a discounted fire insurance

policy for SECOM security systems subscribers; Anshin L Rich, a high-return casualty insurance policy; and New Double Insurance Support, a comprehensive insurance policy that pays back the principal in full upon maturity. We also released Secom My Home Insurance, a comprehensive policy for SECOM Home Security systems subscribers.

As a result of these activities, revenue for the fiscal year ended March 31, 2001, was ¥454,960 million, a gain of 10.8% from the previous fiscal year. Ordinary income decreased 3.9%, to ¥66,274 million, and net income fell 17.0%, to ¥35,540 million.

Revenue from security services totaled ¥314,179 million, an increase of 6.4%, or ¥18,864 million, from the year ended March 31, 2000, and operating income climbed 4.4%, or ¥3,327 million, to ¥78,511 million, reflecting continuous growth of our centralized security services.

Revenue from medical services, mainly home medical services, jumped 379.8%, or ¥4,999 million, to ¥6,315 million, while operating loss was ¥1,104 million.

Revenue from insurance services increased 2.4%, or ¥960 million, to ¥40,380 million, and operating income was ¥719 million, compared with an operating loss of ¥1,851 million in the previous period.

Revenue from information and communication related and other services amounted to ¥94,085 million, an increase of 26.4%, or ¥19,644 million, and operating income for this segment totaled ¥1,609 million, an increase of 0.7%, or ¥11 million.

## 2. Cash Flows

(In millions of yen)

	For the fiscal year ended March 31		Change from the previous year
	2000	2001	
Cash flows from operating activities	¥68,862	¥127,189	¥58,327
Cash flows from investing activities	¥(82,980)	¥(111,443)	¥(28,462)
Cash flows from financing activities	¥14,693	¥(5,589)	¥(20,282)
Effect of exchange rate changes on cash and cash equivalents	¥(629)	¥238	¥868
Net increase (decrease) in cash and cash equivalents	¥(54)	¥10,395	¥10,450
Cash and cash equivalents at beginning of year	¥131,186	¥131,329	¥142
Net increase of cash and cash equivalents in transaction of consolidation	¥197	-	¥(197)
Cash and cash equivalents at end of year	¥131,329	¥141,725	¥10,395

(Cash flows from operating activities)

Net cash provided by operating activities was ¥127,189 million, reflecting income before income taxes amounting to ¥64,295 million, caused by an increase in investment deposit by policyholders, unearned premiums and other insurance liabilities.

(Cash flows from investing activities)

Net cash used in investing activities was ¥111,443 million, mainly because of payments for purchases of tangible assets amounting to ¥45,557 million, payments for investments in securities of ¥16,802 million, an increase in short-term loans receivable of ¥22,814 million, and payments for long-term loans receivable totaling ¥36,554 million.

(Cash flows from financing activities)

Net cash used in financing activities was ¥5,589 million, mainly owing to a decrease in bank loans amounting to ¥4,515 million, proceeds from long-term loans totaling ¥22,031 million, repayments of long-term loans of ¥13,295 million, and dividends paid amounting to ¥9,322 million.

### **3. Outlook**

Owing to stagnant consumption and a slowdown of private capital investment, Japan's economy faces difficult situation. In these circumstances, SECOM will actively promote its business in order to build and expand its Social System Industry, by strengthening its business operations, improving quality of service, developing increasingly advanced systems and producing efficient management resources.

With a contribution of favorable progress in security services and also with the full consolidation of Mac Corporation, which became a subsidiary, we forecast revenue of ¥508,936 million, ordinary income of ¥69,140 million, and net income of ¥37,546 million, for fiscal year ending March 31, 2002.



Consolidated Balance Sheets

(In millions of yen)

	March 31, 2000	As a percent of total assets	March 31, 2001	As a percent of total assets	Change from the previous year
<b>Assets:</b>					
<b>Current assets:</b>	418,870	54.8%	376,156	45.2%	(42,714)
Cash on hand and in banks	156,888		135,820		(21,067)
Call loan	11,000		35,690		24,690
Notes and accounts receivable, trade	45,112		45,904		791
Due from subscribers	11,713		12,137		423
Marketable securities	98,479		41,033		(57,445)
Inventories	52,400		49,860		(2,539)
Deferred income taxes	5,541		5,785		243
Other current assets	38,707		51,017		12,309
Allowance for doubtful accounts	(973)		(1,092)		(119)
<b>Fixed assets:</b>	325,541	42.5%	456,435	54.8%	130,893
<b>Tangible assets:</b>	166,085	21.7%	175,972	21.1%	9,887
Buildings and improvements	33,180		34,835		1,655
Signal equipment on subscribers' premises	51,912		56,651		4,738
Control station signal equipment	16,608		16,517		(90)
Land	45,318		48,427		3,108
Other tangible assets	19,065		19,540		475
Intangible assets	23,193	3.0%	32,225	3.9%	9,032
Investments and others:	136,262	17.8%	248,236	29.8%	111,974
Investment securities	70,170		153,553		83,382
Long-term loans receivable	34,020		59,586		25,565
Deferred income taxes	12,736		12,214		(521)
Other investments	24,972		30,449		5,477
Allowance for doubtful accounts	(5,637)		(7,567)		(1,929)
Deferred assets:	1,294	0.2%	410	0.0%	(884)
Foreign currency translation adjustments:	18,784	2.5%	0		(18,784)
<b>Total assets</b>	<b>764,491</b>	<b>100.0%</b>	<b>833,001</b>	<b>100.0%</b>	<b>68,510</b>
<b>Liabilities:</b>					
<b>Current liabilities:</b>	214,261	28.0%	202,560	24.3%	(11,700)
Notes payable and accounts payable	16,342		15,854		(487)
Bank loans	77,896		79,409		1,512
Current portion of straight bonds	-		5,000		5,000
Payables-other	35,803		19,243		(16,559)
Income taxes payable	13,647		18,263		4,616
Consumption taxes payable	2,939		3,196		257
Accrued expenses	9,899		10,563		664
Deferred revenue - service charges	26,087		27,433		1,346
Other current liabilities	31,646		23,595		(8,050)
<b>Fixed liabilities:</b>	150,014	19.6%	213,799	25.7%	63,785
Straight bonds	10,000		5,000		(5,000)
Convertible bonds	578		518		(60)
Long-term loans	4,934		10,742		5,807
Guarantee deposits received from subscribers	17,086		17,938		852
Accrued severance indemnities	2,651		-		(2,651)
Accrued pension and severance costs	-		7,181		7,181
Investment deposit by policyholders, unearned premiums and other insurance liabilities	112,831		168,648		55,817
Deferred income taxes	-		1,320		1,320
Other fixed liabilities	1,932		2,448		516
<b>Total liabilities</b>	<b>364,275</b>	<b>47.6%</b>	<b>416,360</b>	<b>50.0%</b>	<b>52,084</b>
<b>Minority shareholders' equity in subsidiaries:</b>	27,442	3.6%	27,049	3.2%	(393)
<b>Shareholders' equity:</b>					
Common stock	66,096	8.6%	66,126	7.9%	30
Additional paid-in capital	82,272	10.8%	82,302	9.9%	29
Retained earnings	224,446	29.4%	250,409	30.1%	25,962
Net unrealized gain in debt and equity securities	-	-	4,846	0.6%	4,846
Foreign currency translation adjustments	-	-	(14,089)	(1.7)%	(14,089)
	372,816	48.8%	389,595	46.8%	16,779
Common stock in treasury, at cost	(42)	(0.0)%	(3)	(0.0)%	39
<b>Total shareholders' equity</b>	<b>372,773</b>	<b>48.8%</b>	<b>389,592</b>	<b>46.8%</b>	<b>16,818</b>
<b>Total liabilities, minority shareholders' equity in subsidiaries and shareholders' equity</b>	<b>764,491</b>	<b>100.0%</b>	<b>833,001</b>	<b>100.0%</b>	<b>68,510</b>

Consolidated Statements of Income

(In millions of yen)

	For the fiscal year ended March 31, 2000		For the fiscal year ended March 31, 2001		Change from the previous year	
		As a percent of revenue		As a percent of revenue		
Revenue:	410,492	100.0%	454,960	100.0%	44,468	10.8%
Costs of revenue	245,317	59.8%	278,911	61.3%	33,593	13.7%
Gross profit	165,174	40.2%	176,049	38.7%	10,874	6.6%
Selling, general and administrative expenses	103,658	25.2%	110,787	24.4%	7,128	6.9%
Operating income	61,515	15.0%	65,261	14.3%	3,745	6.1%
Non-operating income	15,894	3.9%	11,333	2.5%	(4,560)	(28.7)%
Non-operating expenses	8,411	2.1%	10,320	2.2%	1,908	22.7%
Ordinary income	68,997	16.8%	66,274	14.6%	(2,722)	(3.9)%
Extraordinary income	6,739	1.6%	24,618	5.4%	17,878	265.3%
Extraordinary losses	4,170	1.0%	26,597	5.9%	22,426	537.7%
Income before income taxes	71,566	17.4%	64,295	14.1%	(7,271)	(10.2)%
Income taxes - current	27,395	6.7%	30,011	6.6%	2,615	9.5%
Income taxes - deferred	(1,757)	(0.4)%	(2,057)	(0.5)%	(300)	17.1%
Minority interest in consolidated subsidiaries	3,111	0.7%	801	0.2%	(2,309)	(74.2)%
Net income	42,817	10.4%	35,540	7.8%	(7,277)	(17)%
Retained earnings at beginning of the period	190,141		224,446			
Cash dividends	8,146		9,322			
Directors' bonuses	261		254			
Transfer to additional paid-in capital	104		-			
Retained earnings at end of the period	224,446		250,409			

**Consolidated Statements of Cash Flows**

(In millions of yen)

	For the fiscal year ended March 31, 2000	For the fiscal year ended March 31, 2001
Cash flows from operating activities:		
Income before income taxes	71,566	64,295
Depreciation	35,150	37,691
Amortization of goodwill	1,803	2,959
Equity in net gains of affiliated companies	(1,130)	(1,310)
Increase (decrease) in allowance for doubtful accounts	(914)	1,383
Decrease in accrued severance indemnities	(233)	-
Increase in accrued pension and severance costs	-	4,386
Interest and dividend income	(5,557)	(7,450)
Interest expenses	1,057	1,356
Exchange losses (gains)	624	(312)
Net loss on sales and disposal of tangible assets	1,586	2,924
Gain on sales of investment securities	(1,029)	(1,935)
Loss on revaluation of investment securities	1,649	1,818
Gain on sales of investment in affiliates' securities	(4,424)	(1,332)
(Increase) decrease in notes and accounts receivable, trade, and due from subscribers	(18,320)	1,047
(Increase) decrease in inventories	(26,349)	3,880
Increase (decrease) in accounts payable	27,114	(24,278)
Increase in investment deposit by policyholders, unearned premiums and other insurance liabilities	14,268	55,817
Other	(1,675)	5,689
Subtotal	95,185	146,629
Interest and dividend received	5,590	7,741
Interest paid	(1,073)	(1,419)
Income taxes paid	(30,841)	(25,762)
Net cash provided by operating activities	68,862	127,189
Cash flows from investing activities:		
Decrease in time deposits	1,618	3,975
Increase in marketable securities	(26,225)	(2,478)
Payments for purchases of tangible assets	(40,114)	(45,557)
Proceeds from sales of tangible assets	1,551	955
Payments for investments in securities	(1,737)	(16,802)
Proceeds from sales of investment in securities	2,331	5,662
Payments for investments in subsidiaries' securities	(679)	(712)
Proceeds from sales of investment in subsidiaries' securities	4,597	1,015
Increase in short-term loans receivable	(1,148)	(22,814)
Payments for long-term loans receivable	(24,825)	(36,554)
Proceeds from long-term loans receivable	14,552	12,414
Increase in other assets	(3,259)	(5,617)
Payments for acquisition of consolidated subsidiaries	(9,639)	(4,929)
Net cash used in investing activities	(82,980)	(111,443)
Cash flows from financing activities:		
Increase (decrease) in bank loans	17,160	(4,515)
Proceeds from long-term loans	2,614	22,031
Repayments of long-term loans	(2,064)	(13,295)
Proceeds from minority shareholders	5,442	5
Dividends paid	(8,146)	(9,322)
Dividends paid for minority shareholders	(389)	(529)
Decrease in treasury stock	76	39
Net cash provided by (used in) financing activities	14,693	(5,589)
Effect of exchange rate changes on cash and cash equivalents	(629)	238
Net increase (decrease) in cash and cash equivalents	(54)	10,395
Cash and cash equivalents at beginning of year	131,186	131,329
Net increase of cash and cash equivalents in transaction of consolidation	197	-
Cash and cash equivalents at end of year	131,329	141,725

## Segment information

### 1. Business segment information

(In millions of yen)

	Year ended March 31, 2000						
	Security services	Medical services	Insurance services	Information and communication related and other services	Total	Eliminations or corporate items	Consolidated
Revenue:							
Customers	295,314	1,316	39,420	74,440	410,492	-	410,492
Intersegment	3,189	140	2,249	1,819	7,399	(7,399)	-
Sub total	298,504	1,456	41,669	76,260	417,891	(7,399)	410,492
Operating costs and expenses	223,320	2,350	43,521	74,663	343,855	5,120	348,976
Operating income (loss)	75,183	(893)	(1,851)	1,597	74,035	(12,520)	61,515
Assets	357,895	2,094	137,649	147,708	645,347	119,144	764,491
Depreciation and amortization	30,826	115	101	3,976	35,019	130	35,150
Capital expenditures	36,077	132	278	5,722	42,211	1,327	43,538

	Year ended March 31, 2001						
	Security services	Medical services	Insurance services	Information and communication related and other services	Total	Eliminations or corporate items	Consolidated
Revenue:							
Customers	314,179	6,315	40,380	94,085	454,960	-	454,960
Intersegment	3,683	147	2,634	5,715	12,180	(12,180)	-
Sub total	317,863	6,462	43,014	99,800	467,141	(12,180)	454,960
Operating costs and expenses	239,351	7,566	42,295	98,191	387,406	2,292	389,698
Operating income (loss)	78,511	(1,104)	719	1,609	79,735	(14,473)	65,261
Assets	370,283	11,252	195,766	135,788	713,091	119,910	833,001
Depreciation and amortization	32,458	217	377	4,279	37,332	359	37,691
Capital expenditures	45,224	416	913	5,604	52,159	1,217	53,376

## 2. Geographic segment information

(In millions of yen)

	Year ended March 31, 2000					
	Japan	United States	Others	Total	Eliminations or corporate items	Consolidated
Revenue:						
Customers	401,532	1,131	7,828	410,492	-	410,492
Intersegment	128	0	12	140	(140)	-
Sub total	401,660	1,131	7,840	410,632	(140)	410,492
Operating costs and expenses	325,836	1,726	8,917	336,480	12,495	348,976
Operating income (loss)	75,824	(594)	(1,077)	74,152	(12,636)	61,515
Assets	587,826	1,270	23,292	612,389	152,101	764,491

	Year ended March 31, 2001					
	Japan	United States	Others	Total	Eliminations or corporate items	Consolidated
Revenue:						
Customers	446,530	906	7,523	454,960	-	454,960
Intersegment	149	0	0	149	(149)	-
Sub total	446,679	906	7,523	455,109	(149)	454,960
Operating costs and expenses	366,681	1,468	8,440	376,591	13,107	389,698
Operating income (loss)	79,997	(561)	(917)	78,518	(13,256)	65,261
Assets	659,751	1,114	21,298	682,164	150,836	833,001

## 3. Revenue from overseas

(In millions of yen)

	Year ended March 31, 2000			Year ended March 31, 2001		
	United States	Others	Total	United States	Others	Total
Revenue from overseas	1,131	8,704	9,835	906	8,342	9,249
Consolidated revenue			410,492			454,960
As a percent of consolidated revenue	0.3%	2.1%	2.4%	0.2%	1.8%	2.0%