



KYOWA

KYOWA HAKKO – Consolidated – 31 March 2003

---



# KYOWA HAKKO KOGYO Co., Ltd.

## Consolidated Financial Summary

For the Year Ended  
March 31, 2003

**NOTE:**

*All financial information has been prepared in accordance with generally accepted accounting principles in Japan. Amounts shown in this accounting report and in the attached material have been rounded down to omit fractions less than 1 million yen. This document is an English translation of the Japanese-language original.*



## Financial Statements (Consolidated)

For the Year Ended March 31, 2003

### Kyowa Hakko Kogyo Co., Ltd.

Listed Exchanges:	Tokyo, Osaka, Nagoya, Fukuoka and Sapporo
Head Office:	Tokyo, Japan
Stock Code:	4151
Homepage:	<a href="http://www.kyowa.co.jp">www.kyowa.co.jp</a>
President:	Dr. Tadashi Hirata
Inquiries:	Tetsuo Hanai, General Manager, Corporate Communications Department
Tel:	+81 3 3282 0960
Date of the meeting of Board of Directors concerning consolidated settlement of year-end accounts:	May 14, 2003
U.S. GAAP accounting principles:	Not adopted

## 1. Consolidated Business Results for the Year Ended March 31, 2003

### (1) Consolidated Business Results

	<i>Millions of yen – Except per share data</i>			
	Year Ended Mar. 31 2003		Year End Mar. 31, 2002	
		Change %		Change %
Net Sales .....	359,284	(5.1%)	378,667	0.8%
Operating Income .....	16,088	(21.0%)	20,356	14.9%
Recurring Income .....	11,675	(38.4%)	18,960	14.1%
Net Income .....	8,484	53.3%	5,535	(41.1%)
Net Income per Share (yen) .....	19.36		12.75	
Fully diluted Net Income per share .....	-		-	
Ratio on Equity (ROE) .....	3.9%		2.7%	
Ratio of Recurring Income to Total Assets .....	2.9%		4.4%	
Ratios of Recurring Income to Net Sales .....	3.2%		5.0%	

- (Notes) (1) Gain from investments in subsidiaries and affiliates accounted for by the equity method:  
 Fiscal year ended March 31, 2003: 2.21 billion yen  
 Fiscal year ended March 31, 2002: 1.22 billion yen
- (2) Average number of outstanding shares (consolidated) during the period:  
 Fiscal year ended March 31, 2003: 433,747,760 shares  
 Fiscal year ended March 31, 2002: 434,223,356 shares
- (3) Changes to accounting procedures: None
- (4) Percentages for net sales, operating income, recurring income and net income represent year-on-year changes.

### (2) Changes in Consolidated Financial Position

	<i>Millions of yen – Except per share data</i>	
	Year Ended Mar. 31 2003	Year End Mar. 31, 2002
Total Assets .....	368,771	430,112
Shareholders' Equity .....	219,047	211,652
Equity Ratio (%) .....	59.4	49.2
Shareholders' Equity per Share (yen) .....	505.43	487.50

- (Notes) Outstanding shares (consolidated) at the end of the period:  
 March 31, 2003: 433,213,073 shares  
 March 31, 2002: 434,161,267 shares

**(3) Consolidated Cash Flows**

	<i>Millions of yen – Except per share data</i>	
	Year Ended Mar. 31 2003	Year End Mar. 31, 2002
Net cash provided by (used in) operating activities.....	18,193	16,955
Net cash provided by (used in) investing activities.....	2,585	8,376
Net cash provided by (used in) financing activities.....	(38,748)	(16,843)
Cash and cash equivalents at end of year ....	24,588	41,908

**(4) Consolidated subsidiaries and affiliates accounted for by the equity method:**

Number of consolidated subsidiaries:	24
Number of non-consolidated subsidiaries accounted for by the equity method:	0
Number of affiliates accounted for by the equity method:	6

**(5) Changes in the scope of consolidation and companies accounted for by the equity method:**

Consolidated subsidiaries:	(Newly included)	0	(Excluded)	4
Companies accounted for by the equity method:	(Newly included)	0	(Excluded)	0

**1. Consolidated Results Forecast for the Year Ending March 31, 2004**

	<i>Millions of Yen</i>	
	Year Ending March 31, 2004	
	Interim to Sept. 30, 2003	Full term to March 31, 2004
Net Sales.....	171,000	344,000
Recurring Income.....	8,500	22,000
Net Income.....	4,500	10,000

(Note) Projected net income per share for the year ending March 31, 2004: 23.08 yen

The forecasts above are based on the information available to management on the date of their announcement. Actual results can differ materially from these projections for a wide variety of reasons. Please consult page 11 of the attached materials for further information concerning the projections.