

# Consolidated Financial Statements

For the Fiscal Year Ended March 31,2003

May 21,2003

## AICHI MACHINE INDUSTRY CO.,LTD.

Code No. : 7263  
 URL : http://www.aichikikai.co.jp  
 Stock Exchange Listed : Tokyo and Nagoya Stock Exchange First Section  
 Corporate Headquarters : 2-12, Kawanami cho, Atsuta ku, Nagoya, 456-8601, Japan  
 Corporate Representative : Masato Nakagawa, President and CEO  
 Investor Relations : Shinichi Nabata, Deputy Director, Finance & Accounts Division  
 : TEL (052) 681 - 1113

Date of the meeting of the Board of Directors for approval  
 of non consolidated financial statements : May 21,2003  
 Adoption of U.S.GAAP : None

### 1.Consolidated Financial Results for the Fiscal Years Ended March 31,2003 and 2002

#### (1)Consolidated Results of Operations (million yen, except per share amount)

	Sales		Operating Income		Ordinary Income	
Year ended Mar.31,2003	138,706	19.8%	3,522	69.6%	3,199	96.6%
Year ended Mar.31,2002	115,774	(46.7)%	2,076	(68.3)%	1,627	(73.5)%

	Net Income(Loss)	Net Income (Loss) per Share	Diluted Net Income Per Share	ROE (Ratio of Net Income to Shareholders' Equity)	Ordinary Income/ Total Assets	Ordinary Income/ Net Sales
Year ended Mar.31,2003	(9,433)	(104.31)yen		(19.3)%	3.3%	2.3%
Year ended Mar.31,2002	1,098 (72.5)%	12.12yen		2.0%	1.4%	1.4%

Notes: 1. Equity in earnings(losses) of affiliates : For the fiscal year ended Mar.31,2003 : - million yen  
 For the fiscal year ended Mar.31,2002 : - million yen  
 2. Average number of shares outstanding : Year ended Mar.31,2003 : 90,631,441 shares  
 Year ended Mar.31,2002 : 90,652,374 shares  
 3. Change in accounting policy : None  
 4. Percentage above represent annual changes over the preceding year unless otherwise stated.

#### (2)Consolidated Financial Positions (million yen, except per share amount)

	Total Assets	Shareholders' Equity	Ratio of Shareholders' Equity to Total Assets	Shareholders' Equity per Share
Year ended Mar.31,2003	89,723	43,255	48.2 %	477.16 yen
Year ended Mar.31,2002	105,492	54,300	51.5 %	599.03 yen

#### (3)Consolidated Cash Flows (million yen)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at Fiscal Year End
Year ended Mar.31,2003	3,185	(8,739)	2,921	2,304
Year ended Mar.31,2002	2,452	(7,727)	(2,003)	4,936

#### (4)Number of consolidated companies and companies accounted for using the equity method

The number of consolidated subsidiaries : 9  
 The number of unconsolidated subsidiaries accounted for using the equity method : -  
 The number of affiliates accounted for using the equity method : -

#### (5)Change of reporting entities

The number of consolidated companies added : -  
 The number of consolidated companies removed : 2  
 The number of companies carried by the equity method added : -  
 The number of companies carried by the equity method removed : -

### 2. Consolidated Financial Forecasts for the Fiscal Year ending March 31,2004

(million yen, except per share amount)

	Sales	Ordinary Income	Net Income
Six Months ending Sep.30,2003	58,200	800	1,100
Year ending Mar.31,2004	119,500	1,700	1,700

(Reference) Expected Net Income per Share : 18.75yen

Management of the Company has made estimates and assumptions relating to financial forecasts based on information available as of the reporting date. Actual results could differ from those estimates.  
 Amounts are disregarded to omit fraction less than 1 million yen, through this report.