

Summary of Nonconsolidated Financial Results
for the Year ended March 2001

Amuse Inc.

Nonconsolidated balance sheet

Thousands of yen	March 31, 2000	%	March31, 2001	%
Current assets				
Cash and deposits	1,247,090		3,562,592	
Notes receivable	461		241	
Accounts receivable - trade	836,274		750,111	
Negotiable securities	5,830		-	
Merchandise	175,762		311,674	
Finished goods	6,000		6,716	
Work in progress	590,462		265,875	
Supplies	7,889		15,551	
Advances paid	25,870		14,161	
Prepaid expenses	155,991		70,490	
Deferred tax assets	99,203		191,943	
Short-term loans	658,454		621,744	
Accounts receivable -other	172,422		98,381	
Others	522		471	
Allowance for doubtful accounts	(218,481)		(285,779)	
Total current assets	3,763,756	55.9	5,624,177	66.2
Fixed assets				
Tangible fixed assets				
Buildings	469,005		451,819	
Vehicles and delivery equipment	408		227	
Tools, appliances and fixtures	48,891		39,738	
Land	862,040		862,040	
Total tangible fixed assets	1,380,347	20.5	1,353,826	15.9
Intangible fixed assets				
Leaseholds	194,189		194,189	
Software	69,919		63,534	
Others	2,708		2,708	
Total intangible fixed assets	266,816	3.9	260,432	3.1
Investments and other assets				
Investment securities	93,272		231,179	
Shares of affiliated companies	249,428		267,174	
Equity investments	301,652		131,586	
Equity investments in affiliates	26,892		26,892	
Long-term loans	29,999		21,145	
Long-term loans to employees	17,352		20,831	
Long-term loans to affiliates	23,951		-	
Long-term delinquent receivables	99,453		70,582	
Long-term prepaid expenses	3,078		156	
Deferred tax assets	195,808		373,876	
Rental and guarantee deposits	164,229		154,039	
Memberships	109,800		88,800	
Cash value of insurance policies	82,358		109,132	
Allowance for investment losses	-		(160,000)	
Allowance for doubtful accounts	(70,526)		(74,899)	
Total investments and other assets	1,326,749	19.7	1,260,497	14.8
Total fixed assets	2,973,914	44.1	2,874,755	33.8
Total assets	6,737,670	100.0	8,498,933	100.0

Thousands of yen	March 31, 2000	%	March 31, 2001	%
Current liabilities				
Accounts payable - trade	1,061,671		1,523,729	
Short-term borrowings	1,869,602		1,641,300	
Long-term debt due within 1 year	98,032		130,720	
Accounts payable - other	70,639		92,290	
Accrued expenses payable	4,557		18,453	
Income taxes payable	63,854		787,066	
Consumption taxes payable	21,304		120,158	
Advances received	87,571		22,404	
Deposits received	159,876		143,518	
Others	3,365		3,478	
Total current liabilities	3,440,475	51.1	4,483,119	52.7
Long-term liabilities				
Long-term debt	560,040		504,320	
Allowance for employees' retirement	86,670		-	
Employees' retirement benefits	-		254,773	
Reserve for directors' special retirement allowances	420,991		458,639	
Allowance for loss on contingent liabilities	-		20,000	
Others	900		960	
Total long-term liabilities	1,068,601	15.8	1,238,692	14.6
Total liabilities	4,509,076	66.9	5,712,812	67.3
Shareholders' equity				
Common stock	165,550	2.5	165,550	2.0
Additional paid-in capital	156,165	2.3	156,165	1.8
Legal income reserve	2,212	0.0	2,377	0.0
Retained earnings				
Voluntary reserves				
Reserve for reduction entry of fixtures	227		164	
Special reserves	500,000		1,500,000	
	500,227		1,500,164	
Unappropriated retained earnings, end of fiscal period	1,404,439		943,348	
Total retained earnings	1,904,666	28.3	2,443,512	28.8
Unrealized gains or losses on other securities	-	-	9,515	0.1
Total shareholders' equity	2,228,593	33.1	2,777,121	32.7
Total liabilities and shareholders' equity	6,737,670	100.0	8,498,933	100.0

Nonconsolidated statement of income

Thousands of yen	March 31, 2000	%	March 31, 2001	%
Revenues				
Artist management	7,749,858		9,702,793	
Media-visual	909,023		1,220,178	
Contents	1,054,428		2,973,594	
	<u>9,713,310</u>	100.0	<u>13,896,565</u>	100.0
Cost of operation				
Artist management	6,585,890		8,282,518	
Media-visual	1,021,497		1,411,718	
Contents	625,074		1,181,672	
	<u>8,232,462</u>	84.8	<u>10,875,908</u>	78.3
Gross profit	1,480,847	15.2	3,020,657	21.7
Selling, general and administrative expenses	1,057,636	10.9	1,140,322	8.2
Operating income	<u>423,210</u>	4.3	<u>1,880,335</u>	13.5
Nonoperating income				
Interest income	12,926		11,841	
Dividend income	783		11,943	
Gain on cancellation of insurance policies	20,314		-	
Commissions and fees	4,917		5,097	
Others	5,274		7,780	
	<u>44,216</u>	0.5	<u>36,664</u>	0.3
Nonoperating expenses				
Interest expenses	45,544		43,341	
Others	1,821		2,265	
	<u>47,366</u>	0.5	<u>45,606</u>	0.3
Ordinary profit	420,061	4.3	1,871,392	13.5
Extraordinary income				
Gain on sale of fixed assets	-		166	
Gain on sale of investment securities	-		1,800	
	<u>-</u>	-	<u>1,966</u>	0.0

Thousands of yen	March 31, 2000	%	March 31, 2001	%
Extraordinary losses				
Loss from liquidation of investment securities	1,500		-	
Valuation loss on shares in affiliates	29,999		-	
Provision for retirement benefits arising from change in accounting standards	-		130,005	
Provision for doubtful accounts	204,910		69,710	
Valuation loss on equity investment	-		241,274	
Provision for investment losses	-		160,000	
Others	246		63,762	
	<u>236,656</u>	2.4	<u>664,753</u>	4.8
Income before taxes and other adjustments	183,405	1.9	1,208,606	8.7
Corporate taxes	183,962		945,637	
Deferred taxes	(70,971)		(277,697)	
	<u>112,990</u>	1.2	<u>667,939</u>	4.8
Net income	70,414	0.7	540,667	3.9
Retained earnings carried forward from previous term	1,109,820		402,681	
Adjustment for tax effects in prior years	224,040		-	
Disposition of allowance for removal of fixtures and appliances associated with adoption of tax-effect accounting	164		-	
Unappropriated retained earnings, end of fiscal period	<u>1,404,439</u>		<u>943,348</u>	