

22. Contingent Liabilities

As addressed in Note 2 “Summary of Significant Accounting Policies”, in November 2002, the FASB issued FASB Interpretation No.45, “Guarantor’s Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others” (FIN 45). FIN 45 requires a guarantor to recognize, at the inception of a guarantee, a liability for the guarantee on the guarantor’s balance sheets. The Company and its subsidiaries adopted the recognition provisions of FIN 45 prospectively to guarantees issued after December 31, 2002.

The Company and its subsidiaries issue various guarantees

for indebtedness of subsidiaries, associated companies and customers. The maximum potential amount of future payments and the amount of substantial risk at March 31, 2003 and 2002 were summarized below.

The amount of substantial risk at March 31, 2003 and 2002 represents the actual amount of liability incurred by the guaranteed parties within the pre-determined guaranteed limit established under the guarantee contracts. The amounts that can be recovered from third parties have been excluded in determining the amount of substantial risk.

	Millions of Yen		
	2003		
	Guarantees for Monetary indebtedness	Other Guarantees	Total
Guarantees for subsidiaries:			
Maximum potential amount of future payments	¥525,967	113,902	639,869
Amount of substantial risk	359,384	74,285	433,669
Guarantees for associated companies:			
Maximum potential amount of future payments	196,074	147,469	343,543
Amount of substantial risk	116,580	10,041	126,621
Guarantees for customers:			
Maximum potential amount of future payments	200,180	6,067	206,247
Amount of substantial risk	110,834	5,350	116,184
Total:			
Maximum potential amount of future payments	¥922,221	267,438	1,189,659
Amount of substantial risk	586,798	89,676	676,474

	Millions of Yen		
	2002		
	Guarantees for Monetary indebtedness	Other Guarantees	Total
Guarantees for subsidiaries:			
Maximum potential amount of future payments	¥ 589,051	140,196	729,247
Amount of substantial risk	391,223	140,156	531,379
Guarantees for associated companies:			
Maximum potential amount of future payments	252,096	142,278	394,374
Amount of substantial risk	164,120	6,522	170,642
Guarantees for customers:			
Maximum potential amount of future payments	213,790	6,976	220,766
Amount of substantial risk	122,327	2,442	124,769
Total:			
Maximum potential amount of future payments	¥1,054,937	289,450	1,344,387
Amount of substantial risk	677,670	149,120	826,790