

DR. KÖCKE & PARTNER GMBH
Wirtschaftsprüfungsgesellschaft

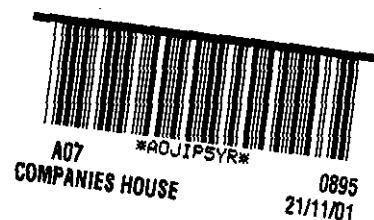
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JATCO Europe GmbH
Peine

Financial statements and management report
for the year ended December 31, 2000

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Table of Contents

Appen- dices	Title	Page
I	Balance Sheet as of December 31, 2000	
II	Profit and Loss Statement for the Business Year 2000	
III	Notes to the Financial Statements for the Business Year 2000	1-5
IV	Management Report for the Business Year 2000	1-2
V	Legal Matters and Economic Position of JATCO Europe GmbH, Peine	
VI	Breakdown of the Balance Sheet as of December 31, 2000 for the Head Office in Wolfburg and the Branch in UK	
VII	Breakdown of the Profit and Loss Statement for the Business Year 2000 for the Head Office in Wolfburg and the Branch in UK	

General Terms of Engagement as of July 1, 2000

Special Conditions as of July 1, 2000

JATCO Europe GmbH, Peine

Balance Sheet as of December 31, 2000

(all amounts expressed in Deutschmark)

Assets		31/12/2000	31/12/1999	Equity and Liabilities		31/12/2000	31/12/1999
A. Fixed Assets		DM	DM	A. Equity		DM	DM
I. Intangible assets				I. Subscribed capital		1,650,000.00	1,650,000.00
1. Software		199,525.00	259,115.00	II. Retained earnings		2,204,126.15	735,650.17
2. Advance payments made		49,827.42	0.00	III. Profit for the year		5,048,192.28	1,458,475.98
		249,352.42	259,115.00			8,902,318.43	3,854,126.15
II. Tangible assets							
Other equipment, office furniture and equipment		2,168,926.25	1,939,550.60				
III. Financial assets				B. Accruals			
Other loans		50,000.00	50,000.00	1. Tax accruals		3,396,331.57	1,639,216.00
		2,468,278.67	2,248,665.60	2. Other accruals		1,472,012.53	715,830.45
						4,868,344.10	2,355,046.45
B. Current Assets				C. Liabilities			
I. Inventories				1. Payables to banks		475,604.00	800,242.18
Merchandise		46,904,455.11	40,925,478.88	2. Trade payables		1,084,305.92	743,174.72
II. Receivables and other assets				3. Payables to affiliated enterprises		147,486,705.74	115,004,387.86
1. Trade receivables		69,050,225.46	50,929,018.25	4. Other liabilities		1,560,743.63	3,579,937.70
2. Receivables from affiliated enterprises		21,899,377.64	5,527,362.01			150,717,359.29	120,127,742.46
3. Other assets		1,910,368.27	2,150,996.19				
		92,859,971.37	58,607,375.45				
III. Cash in hand, cash in bank		24,210,022.51	26,299,263.04	D. Deferred Income		2,034,653.60	1,863,019.80
		163,774,448.99	125,832,117.37				
C. Prepaid Expenses							
		279,947.76	119,151.89				
		166,522,675.42	128,199,934.86			166,522,675.42	128,199,934.86

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JATCO Europe GmbH, Peine

Profit and Loss Statement for the Business Year 2000
(all amounts expressed in Deutschmark)

		2000	1999
		DM	DM
1.	Sales	211,740,676.93	147,766,232.26
2.	Other operating income	13,279,329.21	8,782,351.59
		225,020,006.14	156,548,583.85
3.	Cost of sales	197,732,703.03	140,900,599.36
4.	Personnel expenses		
a)	Wages and salaries	8,540,774.69	5,283,222.54
b)	Social security costs	479,455.34	484,739.59
		9,020,230.03	5,767,962.13
5.	Depreciation on intangible and tangible fixed assets	653,370.30	640,148.80
6.	Other operating expenses	8,388,704.48	5,893,218.62
7.	Operating result	9,224,998.30	3,346,654.94
8.	Other interest and similar income	31,686.88	4,655.49
9.	Interest and similar expenses	15,157.29	6,629.67
10.	Result from ordinary activities	9,241,527.89	3,344,680.76
11.	Taxes on income	4,192,079.37	1,874,037.45
12.	Other taxes	1,256.24	2,167.33
13.	Profit for the year	5,048,192.28	1,468,475.98

JATCO Europe GmbH, Peine**Notes to the Financial Statements
for the Business Year 2000****Accounting and Valuation Principles**

Valuation of fixed assets is at historical or manufacturing cost. Depreciation is computed on the straight-line method based on estimated useful lives.

Valuation of inventories is at acquisition cost or net realizable value as of balance sheet date.

Receivables and other assets are stated at face amounts less allowances for recognizable individual risks.

Accruals include all recognizable risks and contingent liabilities. Accrued amounts are based on sound management estimations.

Liabilities are stated at redemption values.

Expenses and income have been accounted for on an accrual basis.

Foreign Currency Translation Principles

Business transactions in Yen are translated at fixed rates. At year-end all balances in Yen are translated at the average rate of exchange as of balance sheet date.

Notes to Balance Sheet

Fixed Assets

	1/1/2000	Revaluation differences	Additions	Disposals	31/12/2000
	DM	DM	DM	DM	DM
MANUFACTURING COSTS					
Intangible Assets					
Software	321,195.49	0.00	4,398.00	0.00	325,593.49
Advance payments made	0.00	-144.69	49,972.11	0.00	49,827.42
	321,195.49	-144.69	54,370.11	0.00	375,420.91
Tangible Assets					
Other equipment, office furniture and equipment	2,799,893.20	-5,337.37	833,279.32	171,793.28	3,456,041.87
Financial Assets					
Other loans	50,000.00	0.00	0.00	0.00	50,000.00
	3,171,088.69	-5,482.06	887,649.43	171,793.28	3,881,462.78
ACCUMULATED DEPRECIATION					
Intangible Assets					
Software	62,080.49	0.00	63,988.00	0.00	126,068.49
Tangible Assets					
Other equipment, office furniture and equipment	860,342.60	0.00	589,382.30	162,609.28	1,287,115.62
	922,423.09	0.00	653,370.30	162,609.28	1,413,184.11
NET BOOK VALUE	2,248,665.60				2,468,278.67

Receivables and Other Assets

Receivables from affiliated enterprises comprise DM 1,692,995.19 (previous year: DM 1,028,694.77) due from the shareholder.

Other assets comprise receivables of DM 1,338,444.88 (previous year: DM 1,134,290.33) with a remaining term of more than one year.

Accruals

Other accruals mainly contain accruals for personnel expenses and outstanding invoices.

Liabilities

Unchanged to the previous year all liabilities fall due within one year.

Payables to affiliated enterprises comprise payables to the shareholder of DM 147,496,705.74 (previous year: DM 115,004,387.86).

From other liabilities DM 1,140,349.38 (previous year: DM 3,492,608.11) relate to taxes and DM 36,659.73 (previous year: DM 67,825.49) to social security.

Notes to Profit and Loss Statement**Sales**

The sales relate to domestic sales in the amount of TDM 154,425 and to exports in the amount of TDM 57,315

Other Operating Income

Other operating income mainly comprises income from research and development projects, income relating to previous years of DM 2,150,822.31, foreign exchange profits as well as income from reimbursed expenses.

Other Operating Expenses

Other operating expenses mainly comprise warehouse expenses and freight, travel expenses, rentals and incidentals, automobile expenses, reimbursed expenses as well as general administrative expenses.

Other Information**Employees**

On the average 50 employees have been employed.

Management

Masaaki Nishiji, Brussels/Belgium (since June 16, 2000)

Hiroichi Ide, Shizuoka/Japan (since July 1, 2000)

Koji Enomoto, Kanagawa/Japan

Masanori Kabayashi, Shizuoka/Japan (since July 1, 2000)

Shumpei Takasaki, Edemissen (until June 16, 2000)

Hiroshi Koseki, Yokohama/Japan (until June 30, 2000)

Hiroshi Nishi, Kawasaki/Japan (until June 30, 2000)

Other Financial Commitments

Commitments from rentals for the remaining term of the contracts amount to TDM 12,390

Group Affiliation

JATCO Europe GmbH is a subsidiary of JATCO TransTechnology Ltd., Fuji City/Japan.

Peine, May 31, 2001

JATCO Europe GmbH

sgd. Masaaki Nishiji
Geschäftsführer

sgd. Hiroichi Ide
Geschäftsführer

sgd. Koji Enomoto
Geschäftsführer

sgd. Masanori Kabayashi
Geschäftsführer

JATCO Europe GmbH, Peine

Management Report for the Business Year 2000

JATCO Europe GmbH (hereinafter called "JEG") is a wholly owned subsidiary of JATCO TransTechnology Ltd. (hereinafter called "JTT"), Fuji City/Japan.

1. Company Structure

As of 31 December 2000, we have one branch which is located in Warwick, United Kingdom, and two offices which are located in Munich respectively in Cologne.

2. Result of Fiscal Year 2000 and Foresight for the Future

Due to the introduction of a "new five-speed Automatic Transmission" in Germany, our sales in the fiscal year 2000 increased by 43.3 % compared to previous fiscal year. As a result, the profit for the year was TDM 5,048 against a profit of TDM 1,468 in the previous year.

We expect that in the fiscal year 2001 our sales will be the highest in the history of our business in Europe due to new business in the UK. Since January 2001, we have started to supply a new five-speed AT not only to existing customers but also to a new customer in the UK.

In addition, we are planning to establish a new company or a branch office in Belgium and to open a new resident office in France this summer in order to realize business expansion in Europe. We believe that the new business opportunities will overcompensate the increase of fixed costs caused by additional staff and expenses. Furthermore, the expected rapid increase of the Automatic Transmission penetration rate in the European Market would help us to reduce our risks.

339-40191208

**Legal Matters and Economic Position of
JATCO Europe GmbH, Peine**

Company name and legal form	JATCO Europe GmbH
Principal place of business	Peine. On April 19, 2000 the sole shareholder JATCO TransTechnology Ltd. decided the transfer of the principal place of business from Peine to Wolfsburg. The transfer of place of business has not been registered in the commercial register at Amtsgericht (lower district court) Wolfsburg, as yet.
Commercial registration	Amtsgericht (lower district court) Peine, registration number HR B 1863
Foundation	By articles of incorporation dated March 17, 1995
Business purpose	Production of and trade with automatic and manual driving gears for motor vehicles and parts thereof and built-in parts for motor vehicles as well as after sales service and technical consulting of Company's customers
Financial year	Calendar year
Subscribed capital	The subscribed capital amounts to DM 1,650,000; it is fully paid in.
Shareholder	Sole shareholder is JATCO TransTechnology Ltd., Fuji City/Japan.
Management and representation	In the period 2000 the following were assigned as "Geschäftsführer" (registered managers) Masaaki Nishiji, Brussels/Belgium (since June 16, 2000) Hiroichi Ide, Shizuoka/Japan (since July 1, 2000) Koji Enomoto, Kanagawa/Japan Masanori Kabayashi, Shizuoka/Japan (since July 1, 2000) Shumpei Takasaki, Edemissen (until June 16, 2000) Hiroshi Koseki, Yokohama/Japan (until June 30, 2000) Hiroshi Nishi, Kawasaki/Japan (until June 30, 2000). Messrs Masaaki Nishiji, Hiroichi Ide, Koji Enomoto and Masanori Kabayashi have sole representation rights for the Company.

Breakdown of the Balance Sheet as of December 31, 2000 for the Head Office in Wolfsburg and the Branch in U

Assets	Head Office				Eliminations	Total		Head Office				Eliminations	Total	Equity and Liabilities
	Wolfsburg	DM	UK Branch	DM				Wolfsburg	DM	UK Branch	DM			
Fixed Assets														
Intangible assets	199,525.00		49,827.42		0.00	249,352.42	Equity	1,650,000.00		0.00		0.00	1,650,000.00	
Tangible assets	1,149,856.00		1,019,070.25		0.00	2,168,926.25	Subscribed capital	1,758,598.83		445,527.32		0.00	2,204,126.15	
Financial assets	50,000.00		0.00		0.00	50,000.00	Retained earnings	4,555,903.19		482,289.09		0.00	5,048,192.28	
	1,399,381.00		1,068,897.67		0.00	2,468,278.67	Profit for the year	7,974,502.02		927,816.41		0.00	8,902,318.43	
Current Assets							Accruals							
Merchandise	46,754,073.73		150,381.38		0.00	46,904,455.11	Tax accruals	2,998,574.00		397,757.57		0.00	3,396,331.57	
Receivables and other assets	68,884,393.10		165,832.36		0.00	69,050,225.46	Other accruals	1,395,723.99		76,288.54		0.00	1,472,012.53	
Trade receivables	23,503,953.67		411,381.49		-2,315,957.52	21,599,377.64		4,394,297.99		474,046.11		0.00	4,868,344.10	
Receivables from affiliated enterprises	1,003,430.88		906,937.39		0.00	1,910,368.27	Liabilities							
Other assets	93,481,777.65		1,484,151.24		-2,315,957.52	92,659,971.37	Payables to banks							
Cash in hand, cash in bank	22,105,614.23		2,104,408.28		0.00	24,210,022.51	Trade payables	475,604.00		0.00		0.00	475,604.00	
Prepaid Expenses	162,351,465.61		3,738,940.90		-2,315,957.52	163,774,448.99	Payables to affiliated enterprises	932,634.77		151,671.15		0.00	1,084,305.92	
	46,537.73		233,410.03		0.00	279,947.76	Other liabilities	45,871,726.08		2,940,937.18		-2,315,957.52	47,496,705.74	
							Deferred income	1,394,057.03		266,586.80		0.00	1,660,743.83	
								168,674,021.88		3,359,294.93		-2,315,957.52	171,717,359.29	
	163,797,384,345,041,248.60		-2,315,957.52		166,522,675.42			1,754,562.45		280,091.15		0.00	2,034,653.60	

339-40191208

JATCO Europe GmbH, Peine

Breakdown of the Profit and Loss Statement

for the Business Year 2000 for the Head Office in Wolfburg and the Branch in UK

	Head Office Wolfburg	UK Branch	Elimination of Intercompany Charges	Total
	DM	DM	DM	DM
Sales	211,263,305.02	477,371.91	0.00	211,740,676.93
Other operating income	9,963,259.85	4,960,305.08	-1,644,235.72	13,279,329.21
	221,226,564.87	5,437,676.99	-1,644,235.72	225,020,006.14
Cost of sales	197,249,638.95	483,064.08	0.00	197,732,703.03
Personnel expenses				
Wages and salaries	6,685,788.75	1,854,985.94	0.00	8,540,774.69
Social security costs	258,976.95	220,478.39	0.00	479,455.34
	6,944,765.70	2,075,464.33	0.00	9,020,230.03
Depreciation on intangible and tangible fixed assets	454,812.38	198,557.92	0.00	653,370.30
Other operating expenses	8,036,736.34	1,996,203.86	-1,644,235.72	8,388,704.48
Operating result	8,540,611.50	684,386.80	0.00	9,224,998.30
Other interest and similar income	25,410.32	6,276.56	0.00	31,686.88
Interest and similar expenses	15,157.29	0.00	0.00	15,157.29
Result from ordinary activities	8,550,864.53	690,663.36	0.00	9,241,527.89
Taxes on income	3,983,705.10	208,374.27	0.00	4,192,079.37
Other taxes	1,256.24	0.00	0.00	1,256.24
Profit for the year	4,565,903.19	482,289.09	0.00	5,048,192.28

General Engagement Terms

for
Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften
[German Public Auditors and Public Audit Firms]
as of July 1, 2000

This is an English translation of the German text, which is the sole authoritative version

1. Scope

(1) These engagement terms are applicable to contracts between Wirtschaftsprüfer [German Public Auditors] or Wirtschaftsprüfungsgesellschaften [German Public Audit Firms] (hereinafter collectively referred to as the "Wirtschaftsprüfer") and their clients for audits, consulting and other engagements to the extent that something else has not been expressly agreed to in writing or is not compulsory due to legal requirements.

(2) If, in an individual case, as an exception contractual relations have also been established between the Wirtschaftsprüfer and persons other than the client, the provisions of No. 9 below also apply to such third parties.

2. Scope and performance of the engagement

(1) Subject of the Wirtschaftsprüfer's engagement is the performance of agreed services – not a particular economic result. The engagement is performed in accordance with the Grundsätze ordnungsmäßiger Berufsausübung [Standards of Proper Professional Conduct]. The Wirtschaftsprüfer is entitled to use qualified persons to conduct the engagement.

(2) The application of foreign law requires – except for financial attestation engagements – an express written agreement.

(3) The engagement does not extend – to the extent it is not directed thereto – to an examination of the issue of whether the requirements of tax law or special regulations, such as, for example, laws on price controls, laws limiting competition and Bewirtschaftungsrecht [laws controlling certain aspects of specific business operations] were observed; the same applies to the determination as to whether subsidies, allowances or other benefits may be claimed. The performance of an engagement encompasses auditing procedures aimed at the detection of the defalcation of books and records and other irregularities only if during the conduct of audits grounds therefor arise or if this has been expressly agreed to in writing.

(4) If the legal position changes subsequent to the issuance of the final professional statement, the Wirtschaftsprüfer is not obliged to inform the client of changes or any consequences resulting therefrom.

3. The client's duty to inform

(1) The client must ensure that the Wirtschaftsprüfer – even without his special request – is provided, on a timely basis, with all supporting documents and records required for and is informed of all events and circumstances which may be significant to the performance of the engagement. This also applies to those supporting documents and records, events and circumstances which first become known during the Wirtschaftsprüfer's work.

(2) Upon the Wirtschaftsprüfer's request, the client must confirm in a written statement drafted by the Wirtschaftsprüfer that the supporting documents and records and the information and explanations provided are complete.

4. Ensuring independence

The client guarantees to refrain from everything which may endanger the independence of the Wirtschaftsprüfer's staff. This particularly applies to offers of employment and offers to undertake engagements on one's own account.

5. Reporting and verbal information

If the Wirtschaftsprüfer is required to present the results of his work in writing, only that written presentation is authoritative. For audit engagements the long-form report should be submitted in writing to the extent that nothing else has been agreed to. Verbal statements and information provided by the Wirtschaftsprüfer's staff beyond the engagement agreed to are never binding.

6. Protection of the Wirtschaftsprüfer's intellectual property

The client guarantees that expert opinions, organizational charts, drafts, sketches, schedules and calculations – especially quantity and cost computations – prepared by the Wirtschaftsprüfer within the scope of the engagement will be used only for his own purposes.

7. Transmission of the Wirtschaftsprüfer's professional statement

(1) The transmission of a Wirtschaftsprüfer's professional statements (long-form reports, expert opinions and the like) to a third party requires the Wirtschaftsprüfer's written consent to the extent that the permission to transmit to a certain third party does not result from the engagement terms.

The Wirtschaftsprüfer is liable (within the limits of No. 9) towards third parties only if the prerequisites of the first sentence are given.

(2) The use of the Wirtschaftsprüfer's professional statements for promotional purposes is not permitted; an infringement entitles the Wirtschaftsprüfer to immediately cancel all engagements not yet conducted for the client.

8. Correction of deficiencies

(1) The client is entitled to have the Wirtschaftsprüfer correct any deficiencies. The client may demand a reduction in fees or the cancellation of the contract only for the failure of a subsequent correction; if the engagement was awarded by a businessman within the scope of his commercial business, a government-owned legal person under public law or a special government-owned fund under public law, the client may demand the cancellation of the contract only if the services rendered are of no interest to him due to the failure of the subsequent correction. No. 9 applies to the extent that claims for damages exist beyond this.

(2) The client must assert his claim for the correction of deficiencies in writing without delay. Claims pursuant to the first sentence of the first paragraph expire six months after the Wirtschaftsprüfer has rendered the professional service.

(3) Obvious deficiencies, such as, for example, typing and arithmetical errors and formelle Mängel [deficiencies associated with technicalities] contained in a Wirtschaftsprüfer's professional statements (long-form report, expert opinion and the like) may be corrected – and also be applicable versus third parties – by the Wirtschaftsprüfer at any time. Errors which may call into question the conclusions contained in the Wirtschaftsprüfer's professional statements entitle the Wirtschaftsprüfer to withdraw – also versus third parties – such statements. In the cases noted the Wirtschaftsprüfer should first hear the client, if possible.

9. Liability

(1) The liability limitation of § ["Article"] 323 (2) ["paragraph 2"] HGB ["Handelsgesetzbuch": German Commercial Code] applies to statutory audits required by law.

(2) Liability for negligence; An individual case of damages

If neither No. 1 is applicable nor a regulation exists in an individual case, pursuant to § 54a (1) no. 2 WPO ["Wirtschaftsprüferordnung": Law regulating the Profession of Wirtschaftsprüfer] the liability of the Wirtschaftsprüfer for claims for compensatory damages of any kind for an individual case of damages resulting from negligence is limited to DM 8 million; this also applies if liability to a person other than the client should be established. An individual case of damages also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty without taking into account whether the damages occurred in one year or in a number of successive years. In this case multiple acts or omissions of acts based on a similar source of error or on a source of error of an equivalent nature are deemed to be a uniform breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the Wirtschaftsprüfer is limited to DM 10 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law.

(3) Preclusive deadlines

A compensatory damages claim may only be lodged within a preclusive deadline of twelve months of the rightful claimant having become aware of the damage and of the event giving rise to the claim – at the very latest, however, within 5 years subsequent to the event giving rise to the claim. The claim expires if legal action is not taken within a six month deadline subsequent to the written refusal of acceptance of the indemnity and the client was informed of this consequence. The right to assert the bar of the preclusive deadline remains unaffected. Sentences 1 to 3 also apply to legally required audits with statutory liability limits.

10. Supplementary provisions for audit engagements

- (1) A subsequent amendment or abridgement of the financial statements or management report audited by a Wirtschaftsprüfer and accompanied by an auditor's report requires the written consent of the Wirtschaftsprüfer even if these documents are not published. If the Wirtschaftsprüfer has not issued an auditor's report, a reference to the audit conducted by the Wirtschaftsprüfer in the management report or elsewhere specified for the general public is permitted only with the Wirtschaftsprüfer's written consent and using the wording authorized by him.
- (2) If the Wirtschaftsprüfer revokes the auditor's report, it may no longer be used. If the client has already made use of the auditor's report, he must announce its revocation upon the Wirtschaftsprüfer's request.
- (3) The client has a right to 5 copies of the long-form report. Additional copies will be charged for separately.

11. Supplementary provisions for assistance with tax matters

- (1) When advising on an individual tax issue as well as when furnishing continuous tax advice, the Wirtschaftsprüfer is entitled to assume that the facts provided by the client – especially numerical disclosures – are correct and complete; this also applies to bookkeeping engagements. Nevertheless, he is obliged to inform the client of any errors he has discovered.
- (2) The tax consulting engagement does not encompass procedures required to meet deadlines, unless the Wirtschaftsprüfer has explicitly accepted the engagement for this. In this event the client must provide the Wirtschaftsprüfer, on a timely basis, all supporting documents and records – especially tax assessments – material to meeting the deadlines, so that the Wirtschaftsprüfer has an appropriate time period available to work therewith.
- (3) In the absence of other written agreements, continuous tax advice encompasses the following work during the contract period:
 - a) preparation of annual tax returns for income tax, corporation tax and business tax, as well as net worth tax returns on the basis of the annual financial statements and other schedules and evidence required for tax purposes to be submitted by the client
 - b) examination of tax assessments in relation to the taxes mentioned in (a)
 - c) negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)
 - d) participation in tax audits and evaluation of the results of tax audits with respect to the taxes mentioned in (a)
 - e) participation in Einspruchs- und Beschwerdeverfahren [appeals and complaint procedures] with respect to the taxes mentioned in (a).

In the afore-mentioned work the Wirtschaftsprüfer takes material published legal decisions and administrative interpretations into account.

(4) If the Wirtschaftsprüfer receives a fixed fee for continuous tax advice, in the absence of other written agreements the work mentioned under paragraph 3 (d) and (e) will be charged separately.

(5) Services with respect to special individual issues for income tax, corporate tax, business tax, valuation procedures for property and net worth taxation, and net worth tax as well as all issues in relation to sales tax, wages tax, other taxes and dues require a special engagement. This also applies to:

- a) the treatment of nonrecurring tax matters, e. g. in the field of estate tax, capital transactions tax, real estate acquisition tax
- b) participation and representation in proceedings before tax and administrative courts and in criminal proceedings with respect to taxes, and
- c) the granting of advice and work with respect to expert opinions in connection with conversions of legal form, mergers, capital increases and reductions, financial reorganizations, admission and retirement of partners or shareholders, sale of a business, liquidations and the like.

(6) To the extent that the annual sales tax return is accepted as additional work, this does not include the review of any special accounting prerequisites nor of the issue as to whether all potential legal sales tax reductions have been claimed. No guarantee is assumed for the completeness of the supporting documents and records to validate the deduction of the input tax credit.

12. Confidentiality towards third parties and data security

- (1) Pursuant to the law the Wirtschaftsprüfer is obliged to treat all facts that he comes to know in connection with his work as confidential, irrespective of whether these concern the client himself or his business associations, unless the client releases him from this obligation.
- (2) The Wirtschaftsprüfer may only release long-form reports, expert opinions and other written statements on the results of his work to third parties with the consent of his client.
- (3) The Wirtschaftsprüfer is entitled – within the purposes stipulated by the client – to process personal data entrusted to him or allow them to be processed by third parties.

13. Default of acceptance and lack of cooperation on the part of the client

If the client defaults in accepting the services offered by the Wirtschaftsprüfer or if the client does not provide the assistance incumbent on him pursuant to No. 3 or otherwise, the Wirtschaftsprüfer is entitled to cancel the contract immediately. The Wirtschaftsprüfer's right to compensation for additional expenses as well as for damages caused by the default or the lack of assistance is not affected, even if the Wirtschaftsprüfer does not exercise his right to cancel.

14. Remuneration

- (1) In addition to his claims for fees or remuneration, the Wirtschaftsprüfer is entitled to reimbursement of his outlays: sales tax will be billed separately. He may claim appropriate advances for remuneration and reimbursement of outlays and make the rendering of his services dependent upon the complete satisfaction of his claims. Multiple clients awarding engagements are jointly and severally liable.
- (2) Any set off against the Wirtschaftsprüfer's claims for remuneration and reimbursement of outlays is permitted only for undisputed claims or claims determined to be legally valid.

15. Retention and return of supporting documentation and records

- (1) The Wirtschaftsprüfer retains, for seven years, the supporting documents and records in connection with the completion of the engagement – that had been provided to him and that he has prepared himself – as well as the correspondence with respect to the engagement.
- (2) After the settlement of his claims arising from the engagement, the Wirtschaftsprüfer, upon the request of the client, must return all supporting documents and records obtained from him or for him by reason of his work on the engagement. This does not, however, apply to correspondence exchanged between the Wirtschaftsprüfer and his client and to any documents of which the client already has the original or a copy. The Wirtschaftsprüfer may prepare and retain copies or photocopies of supporting documents and records which he returns to the client.

16. Applicable law

Only German law applies to the engagement, its conduct and any claims arising therefrom.

Special Conditions

Governing the Raising of the Limit of Liability defined
in the General Terms of Engagement for
Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften
as amended July 1, 2000

Instead of the lower liability limit for single cases defined in section 9 (2) of the enclosed General Terms of Engagement a uniform limit of DM 10 million shall apply.

Where the Client is of the opinion that the engagement involves a risk significantly in excess of DM 10 million, we are prepared to raise the limit on our liability to a reasonable amount in exchange for an adequate increase in our fees, provided that insurance cover can be obtained.

The above shall not apply where a higher or lower limit on liability for professional services is prescribed by law, e.g. for a statutory audit.

Where a loss is due to several causes, we shall be liable only if our negligence or the negligence of our staff has contributed to the loss, and only for the proportion of the loss corresponding to the extent of such contribution, subject to the agreed limit on our liability; this provision shall apply in particular to all engagements to be performed jointly with other members of the profession.

In addition to section 7 (1) of the General Terms of Engagement we point out that a limitation of our liability agreed with our client will also apply to any third party who is affected by the engagement.

Exclusive place of jurisdiction for any action or other legal proceedings arising out of or in connection with this engagement shall be the court competent for the office in charge for this engagement.

DR. KÖCKE & PARTNER GMBH
Wirtschaftsprüfungsgesellschaft

JATCO Europe GmbH
Peine

Jahresabschluß zum 31. Dezember 2000 und
Lagebericht für das Geschäftsjahr 2000

Inhaltsverzeichnis

Bilanz zum 31. Dezember 2000

Gewinn- und Verlustrechnung für das Geschäftsjahr 2000

Anhang für das Geschäftsjahr 2000

Lagebericht für das Geschäftsjahr 2000

Bestätigungsvermerk

JATCO Europe GmbH, Peine

Bilanz zum 31. Dezember 2000

Aktiva		31.12.2000	31.12.1999	Passiva		31.12.2000	31.12.1999
		DM	DM			DM	DM
A. Anlagevermögen				A. Eigenkapital			
I. Immaterielle Vermögensgegenstände				I. Gezeichnetes Kapital		1.650.000,00	1.650.000,00
1. Datenverarbeitungsprogramme		199.525,00	259.115,00	II. Gewinnvortrag		2.204.126,15	735.650,17
2. Geleistete Anzahlungen		49.827,42	0,00	III. Jahresüberschuß		5.048.192,28	1.488.475,98
		249.352,42	259.115,00			8.902.318,43	3.854.126,15
II. Sachanlagen							
Andere Anlagen, Betriebs- und Geschäftsausstattung		2.168.926,25	1.938.550,60	B. Rückstellungen			
III. Finanzanlagen				1. Steuerrückstellungen		3.396.331,57	1.639.216,00
Sonstige Ausleihungen		50.000,00	50.000,00	2. Sonstige Rückstellungen		1.472.012,53	715.830,45
		2.468.278,87	2.248.665,60			4.868.344,10	2.355.046,45
B. Umlaufvermögen				C. Verbindlichkeiten			
I. Vorräte				1. Verbindlichkeiten gegenüber Kreditinstituten		475.804,00	800.242,18
Waren		46.904.455,11	40.925.478,88	2. Verbindlichkeiten aus Lieferungen und Leistungen		1.084.305,92	743.174,72
II. Forderungen und sonstige Vermögensgegenstände				3. Verbindlichkeiten gegenüber verbundenen Unternehmen		147.496.705,74	115.004.387,86
1. Forderungen aus Lieferungen und Leistungen		59.050.225,46	50.929.018,25	4. Sonstige Verbindlichkeiten		1.660.743,63	3.579.937,70
2. Forderungen gegen verbundene Unternehmen		21.699.377,84	5.527.382,01			150.717.359,29	120.127.742,46
3. Sonstige Vermögensgegenstände		1.910.368,27	2.150.995,19	D. Rechnungsabgrenzungsposten			
		92.659.971,37	58.607.375,45				
III. Kassenbestand, Guthaben bei Kreditinstituten		24.210.022,51	26.299.263,04			2.034.653,60	1.863.019,90
		163.774.448,99	125.832.117,37				
C. Rechnungsabgrenzungsposten							
		279.947,76	119.151,89				
		166.522.675,42	128.199.934,86				
						166.522.675,42	128.199.934,86

JATCO Europe GmbH, Peine

Gewinn- und Verlustrechnung für das Geschäftsjahr 2000

		2000	1999
		DM	DM
1.	Umsatzerlöse	211.740.676,93	147.766.232,26
2.	Sonstige betriebliche Erträge	13.279.329,21	8.782.351,59
		225.020.006,14	156.548.583,85
3.	Aufwendungen für bezogene Waren	197.732.703,03	140.900.599,36
4.	Personalaufwand		
a)	Löhne und Gehälter	8.540.774,69	5.283.222,54
b)	Soziale Abgaben	479.455,34	484.739,59
		9.020.230,03	5.767.962,13
5.	Abschreibungen auf immaterielle Vermögens- gegenstände des Anlagevermögens und Sachanlagen	653.370,30	640.148,80
6.	Sonstige betriebliche Aufwendungen	8.388.704,48	5.893.218,62
7.	Betriebsergebnis	9.224.998,30	3.346.654,94
8.	Sonstige Zinsen und ähnliche Erträge	31.686,88	4.655,49
9.	Zinsen und ähnliche Aufwendungen	15.157,29	6.629,67
10.	Ergebnis der gewöhnlichen Geschäftstätigkeit	9.241.527,89	3.344.680,76
1.1	Steuern vom Einkommen und vom Ertrag	4.192.079,37	1.874.037,45
12.	Sonstige Steuern	1.256,24	2.167,33
13.	Jahresüberschuß	5.048.192,28	1.468.475,98

JATCO Europe GmbH, Peine

Anhang für das Geschäftsjahr 2000

Bilanzierungs- und Bewertungsgrundsätze

Die immateriellen Vermögensgegenstände und Sachanlagen werden zu Anschaffungs- oder Herstellungskosten bewertet. Die planmäßigen, nutzungsbedingten Abschreibungen erfolgen linear.

Die Vorräte werden zu Anschaffungskosten oder den niedrigeren Werten am Bilanzstichtag angesetzt.

Die Forderungen und die sonstigen Vermögensgegenstände werden zum Nennwert angesetzt. Erkennbare Einzelrisiken werden durch Wertberichtigungen berücksichtigt.

Die Rückstellungen berücksichtigen alle erkennbaren Risiken und ungewissen Verpflichtungen und entsprechen den Beträgen der voraussichtlichen Inanspruchnahme.

Verbindlichkeiten werden mit den Rückzahlungsbeträgen angesetzt.

Aufwendungen und Erträge werden auf das Geschäftsjahr abgegrenzt.

Grundsätze für die Währungsumrechnung

Geschäftsvorfälle in Yen werden im Laufe des Geschäftsjahres mit einem Festkurs umgerechnet. Am Geschäftsjahresende werden sämtliche Yen-Positionen zum Mittelkurs am Bilanzstichtag bewertet.

Erläuterungen zur Bilanz

Anlagevermögen

	1.1.2000	Um- wertungs- differenzen	Zugänge	Abgänge	31.12.2000
	DM	DM	DM	DM	DM
ANSCHAFFUNGS- ODER HERSTELLUNGSKOSTEN					
Vermögensgegenstände					
Datenverarbeitungs- programme	321.195,49	0,00	4.398,00	0,00	325.593,49
Geleistete Anzahlungen	0,00	-144,69	49.972,11	0,00	49.827,42
	321.195,49	-144,69	54.370,11	0,00	375.420,91
Sachanlagen					
Andere Anlagen, Betriebs- und Geschäftsausstattung	2.799.893,20	-5.337,37	833.279,32	171.793,28	3.456.041,87
Finanzanlagen					
Sonstige Anleihungen	50.000,00	0,00	0,00	0,00	50.000,00
	3.171.088,69	-5.482,06	887.649,43	171.793,28	3.881.462,78
ABSCHREIBUNGEN					
Vermögensgegenstände					
Datenverarbeitungs- programme	62.080,49	0,00	63.988,00	0,00	126.068,49
Sachanlagen					
Andere Anlagen, Betriebs- und Geschäftsausstattung	860.342,60	0,00	589.382,30	162.609,28	1.287.115,62
	922.423,09	0,00	653.370,30	162.609,28	1.413.184,11
BUCHWERTE	2.248.665,60				2.468.278,67

Forderungen und sonstige Vermögensgegenstände

Von den Forderungen gegen verbundene Unternehmen entfallen DM 1.692.995,19 (Vorjahr: DM 1.028.694,77) auf Forderungen an die Gesellschafterin.

Die sonstigen Vermögensgegenstände enthalten Forderungen mit einer Restlaufzeit von mehr als einem Jahr in Höhe von DM 1.338.444,88 (Vorjahr: DM 1.134.290,33).

Rückstellungen

Die sonstigen Rückstellungen beinhalten im wesentlichen Personalrückstellungen und Rückstellungen für ausstehende Rechnungen.

Verbindlichkeiten

Wie im Vorjahr sind sämtliche Verbindlichkeiten innerhalb eines Jahres fällig.

In den Verbindlichkeiten gegenüber verbundenen Unternehmen sind Verbindlichkeiten gegenüber der Gesellschafterin in Höhe von DM 147.496.705,74 (Vorjahr: DM 115.004.387,86) enthalten.

Von den sonstigen Verbindlichkeiten bestehen DM 1.140.349,38 (Vorjahr: DM 3.492.608,11) aus Steuern und DM 36.659,73 (Vorjahr: DM 67.825,49) im Rahmen der sozialen Sicherheit.

Erläuterungen zur Gewinn- und Verlustrechnung

Umsatzerlöse

Die Umsatzerlöse entfallen mit TDM 154.425 auf Inlands- und mit TDM 57.315 auf Auslandsumsätze.

Sonstige betriebliche Erträge

Die sonstigen betrieblichen Erträge enthalten im wesentlichen Erträge aus Forschungs- und Entwicklungsprojekten, periodenfremde Erträge von DM 2.150.822,31, Wechselkursgewinne sowie weiterbelastete Kosten.

Sonstige betriebliche Aufwendungen

Die sonstigen betrieblichen Aufwendungen enthalten im wesentlichen Lager- und Frachtkosten, Reisekosten, Raumkosten, Kfz-Kosten, Kostenbelastungen sowie allgemeine Verwaltungskosten.

Sonstige Angaben

Mitarbeiter

Im Durchschnitt waren 50 Angestellte beschäftigt.

Geschäftsführung

Masaaki Nishiji, Brüssel/Belgien (ab 16. Juni 2000)

Hiroichi Ide, Shizuoka/Japan (ab 1. Juli 2000)

Koji Enomoto, Kanagawa/Japan

Masanori Kabayashi, Shizuoka/Japan (ab 1. Juli 2000)

Shumpei Takasaki, Edemissen (bis 16. Juni 2000)

Hiroshi Koseki, Yokohama/Japan (bis 30. Juni 2000)

Hiroshi Nishi, Kawasaki/Japan (bis 30. Juni 2000)

Sonstige finanzielle Verpflichtungen

Die Verpflichtungen aus Mietverträgen betragen für die Restlaufzeit der Verträge TDM 12.390.

Konzernzugehörigkeit

JATCO Europe GmbH ist ein Tochterunternehmen der JATCO TransTechnology Ltd., Fuji City/Japan.

Peine, den 31. Mai 2001

JATCO Europe GmbH



Masaaki Nishiji
Geschäftsführer



Hiroichi Ide
Geschäftsführer



Koji Enomoto
Geschäftsführer



Masanori Kabayashi
Geschäftsführer

JATCO Europe GmbH, Peine

Lagebericht für das Geschäftsjahr 2000

JATCO Europe GmbH, im weiteren "JEG" genannt, ist eine 100 %ige Tochtergesellschaft der JATCO TransTechnology Ltd., Fuji City/Japan, im weiteren auch "JTT" genannt.

1. Gesellschaftsstruktur

Die JEG hat eine Betriebsstätte in Warwick/Großbritannien und zwei Büros in München und Köln.

2. Ergebnis des Geschäftsjahres 2000 und künftige Entwicklung

Aufgrund der Neueinführung eines "neuen - Fünf-Gang-Automatikgetriebes" in Deutschland sind die Umsatzerlöse im Geschäftsjahr 2000 um 43,3 % gegenüber dem Vorjahr gestiegen. Entsprechend beläuft sich der Jahresüberschuß des Geschäftsjahres 2000 auf TDM 5.048 im Vergleich zu TDM 1.468 im Vorjahr.

Im Geschäftsjahr 2001 erwarten wir aufgrund von Neugeschäften in Großbritannien den höchsten Umsatz in der Geschichte unseres Unternehmens in Europa. Seit Januar 2001 beliefern wir nicht nur bereits vorhandene Kunden mit unserem neuen Fünf-Gang-Automatikgetriebe, sondern auch einen neu gewonnenen Kunden in Großbritannien.

Zusätzlich planen wir, eine neue Firma oder Betriebsstätte in Belgien sowie eine Niederlassung in Frankreich im Sommer dieses Jahres zu eröffnen, um unser Geschäft zu erweitern. Obwohl die Expansion voraussichtlich zusätzliche Fixkosten durch erhöhte Personalkosten und andere Aufwendungen bedeuten, erwarten wir, daß diese Kosten durch die erwarteten zusätzlichen Umsatzerlöse überkompensiert werden. Des weiteren werden infolge der erwarteten schnellen Erschließung des europäischen Automatikgetriebemarktes unsere Risiken reduziert.

Bestätigungsvermerk des Abschlußprüfers

Wir haben den Jahresabschluß unter Einbeziehung der Buchführung und den Lagebericht der JATCO Europe GmbH, Peine, für das Geschäftsjahr vom 1. Januar bis 31. Dezember 2000 geprüft. Die Buchführung und die Aufstellung von Jahresabschluß und Lagebericht nach den deutschen handelsrechtlichen Vorschriften liegen in der Verantwortung der Geschäftsführer der Gesellschaft. Unsere Aufgabe ist es, auf der Grundlage der von uns durchgeführten Prüfung eine Beurteilung über den Jahresabschluß unter Einbeziehung der Buchführung und über den Lagebericht abzugeben.

Wir haben unsere Jahresabschlußprüfung nach § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlußprüfung vorgenommen. Danach ist die Prüfung so zu planen und durchzuführen, daß Unrichtigkeiten und Verstöße, die sich auf die Darstellung des durch den Jahresabschluß unter Beachtung der Grundsätze ordnungsmäßiger Buchführung und durch den Lagebericht vermittelten Bildes der Vermögens-, Finanz- und Ertragslage wesentlich auswirken, mit hinreichender Sicherheit erkannt werden. Bei der Festlegung der Prüfungshandlungen werden die Kenntnisse über die Geschäftstätigkeit und über das wirtschaftliche und rechtliche Umfeld der Gesellschaft sowie die Erwartungen über mögliche Fehler berücksichtigt. Im Rahmen der Prüfung werden die Wirksamkeit des rechnungslegungsbezogenen internen Kontrollsystems sowie Nachweise für die Angaben in Buchführung, Jahresabschluß und Lagebericht überwiegend auf der Basis von Stichproben beurteilt. Die Prüfung umfaßt die Beurteilung der angewandten Bilanzierungsgrundsätze und der wesentlichen Einschätzungen der Geschäftsführer sowie die Würdigung der Gesamtdarstellung des Jahresabschlusses und des Lageberichts. Wir sind der Auffassung, daß unsere Prüfung eine hinreichend sichere Grundlage für unsere Beurteilung bildet.

Unsere Prüfung hat zu keinen Einwendungen geführt.

Nach unserer Überzeugung vermittelt der Jahresabschluß unter Beachtung der Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft. Der Lagebericht gibt insgesamt eine zutreffende Vorstellung von der Lage der Gesellschaft und stellt die Risiken der künftigen Entwicklung zutreffend dar.

Düsseldorf, den 31. Mai 2001

DR. KÖCKE & PARTNER GMBH

Wirtschaftsprüfungsgesellschaft



(I. Trauer)

Wirtschaftsprüfer



(K. Schwier)

Wirtschaftsprüfer

