

*Century Ota Showa & Co.*

Certified Public Accountants  
 Hibiya Kokusai Bldg.  
 2-2-3, Uchisaiwai-cho  
 Chiyoda-ku, Tokyo 100-0011  
 C.P.O. Box 1196, Tokyo 100-8641

Phone: 03 3503-1100  
 Fax: 03 3503-1197

The Board of Directors  
 Oki Electric Industry Company, Limited

We have audited the consolidated balance sheets of Oki Electric Industry Company, Limited and its consolidated subsidiaries as of March 31, 2001 and 2000, and the related consolidated statements of operations, shareholders' equity, and cash flows for each of the three years in the period ended March 31, 2001, all expressed in yen. Our audits were made in accordance with auditing standards, procedures and practices generally accepted and applied in Japan and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated financial statements, expressed in yen, present fairly the consolidated financial position of Oki Electric Industry Company, Limited and its consolidated subsidiaries at March 31, 2001 and 2000, and the consolidated results of their operations and their cash flows for each of the three years in the period ended March 31, 2001 in conformity with accounting principles and practices generally accepted in Japan applied on a consistent basis.

As described in Note 1, Oki Electric Industry Company, Limited and its consolidated subsidiaries have adopted new accounting standards for employees' retirement benefits, financial instruments and foreign currency transactions in the preparation of their consolidated financial statements for the year ended March 31, 2001.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2001 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 2.

June 28, 2001

*Century Ota Showa & Co.*

*See Note 1 which explains the basis of preparing the consolidated financial statements of Oki Electric Industry Company, Limited under Japanese accounting principles and practices.*