Brief Summary of Consolidated Financial Results (March 28, 2002)
(For the year ended February 28, 2002)

Company Name	Ryohin Keikaku Co., Ltd.
Code Number	7453
Securities Traded	The Tokyo Stock Exchange, First Section
Address	Headquarters in Tokyo
Contact	Masao Aoki, General Manager, Accounting and Finance Division
Telephone	03-3989-4930

Board of Directors' Meeting for Settlement of Accounts March 28, 2002

1. Results for Fiscal 2001 (March 1, 2001 to February 28, 2002) (Millions of yen)

(1) Operating results

	Operating Revenue (% of increase/decrease)		Operating Profit (% of increase/decrease)		Ordinary Profit (% of increase/decrease)	
Fiscal 2001	119,892	(3.8)	5,514	(-52.4)	5,677	(-51.3)
Fiscal 2000	115,554	(8.0)	11,588	(-13.8)	11,669	(-12.7)

	Net Income (% of increase/decrease)		Net Income per Share (¥)	Net Income per Share after Dilution (¥)	Return on Equity (%)	Ordinary Profit to Total Capital Ratio (%)	Ordinary Profit to Operating Revenue Ratio (%)
Fiscal 2001	13	(-99.8)	0.46	-	0.0	10.5	4.7
Fiscal 2000	5,688	(-3.3)	202.59	-	15.4	21.7	10.1

Note : 1. Equity in earnings of unconsolidated subsidiaries and affiliates accounted for by the equity method - N/A
2. The average number of shares outstanding during the each period. Fiscal 2001 – 28,077,782 shares, Fiscal 2000 – 28,077,964 shares
3. There are no accounting changes in this period.
4. Percentage of increase or decrease is based on comparison with those of the previous period.

(2) Financial position

	Total Assets	Total Shareholders' Equity	Shareholders' Equity Ratio (%)	Shareholders' Equity per Share (¥)
Fiscal 2001	52,284	37,974	72.6	1,352.47
Fiscal 2000	55,725	39,134	70.2	1,393.83

(3) Condition of cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
Fiscal 2001	5,595	-4,041	-1,436	3,649
Fiscal 2000	5,634	-9,326	363	3,478

(4) Scope of consolidation and application of the equity method

Consolidated subsidiaries	9 companies
Non-consolidated subsidiaries accounted for by the equity method	none
Affiliates accounted for by the equity method	none

(5) Changes in scope of consolidation and application of the equity method

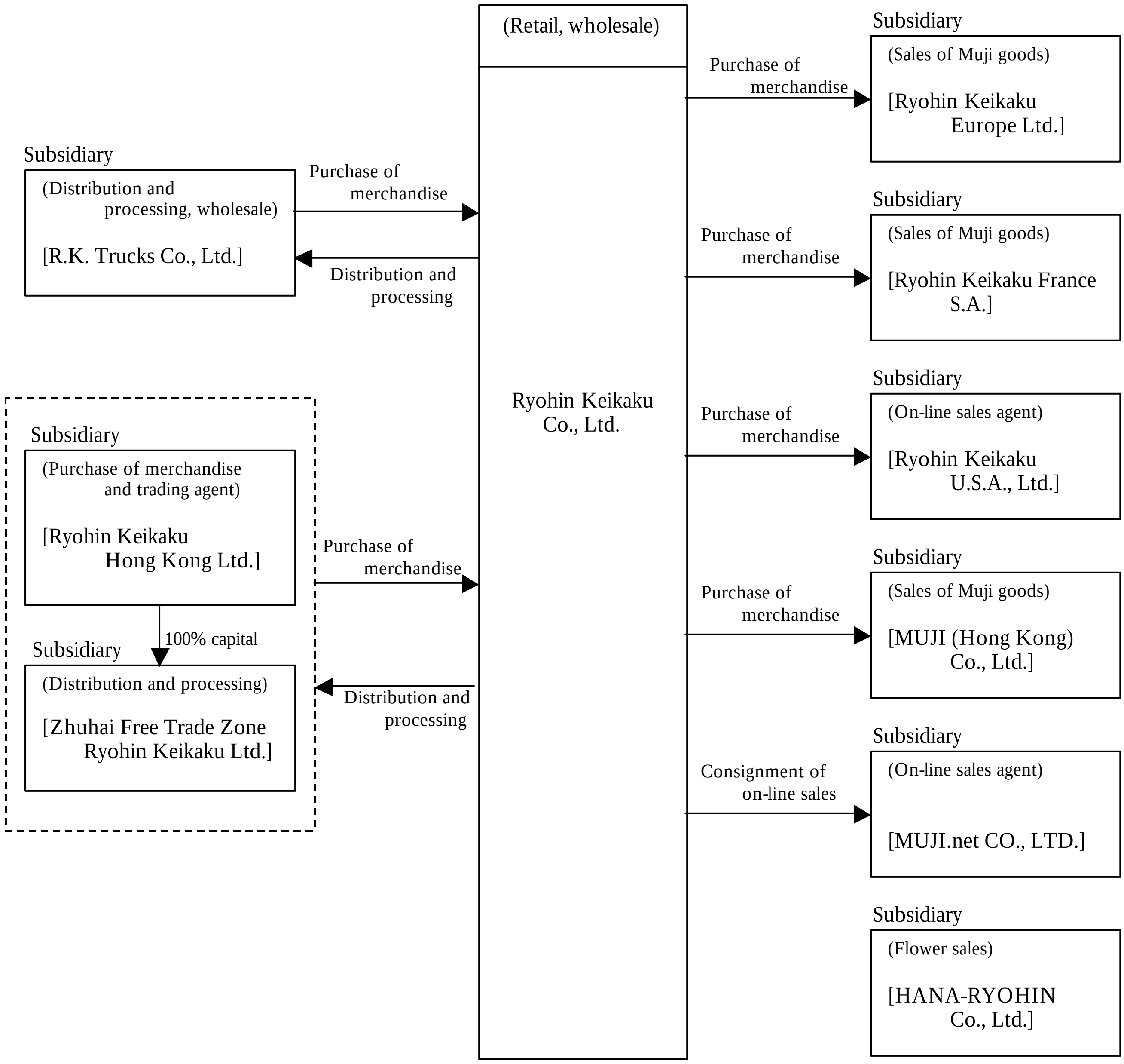
Consolidated	(new)	1 company
	(eliminated)	none
Equity method	(new)	none
	(eliminated)	none

2. Forecast for Fiscal 2002 (March 1, 2002 to February 28, 2003) (Millions of yen)

	Operating Revenue	Ordinary Profit	Net Income
Interim Period	62,000	4,100	1,000
Fiscal Year	123,000	8,100	2,500

Reference: Estimated net income per share for the full year is ¥89.04

Group Companies



→ Flow of merchandise and services

Nine companies listed above represent the consolidated companies.

Notes: MUJI (Hong Kong) Co., Ltd. was established on March 13, 2001.

Management Policy

1. Basic Management Policy

Since its establishment, Ryohin Keikaku Co., Ltd. (hereinafter referred to as the "Company") has been operating under the theme of "offering high quality merchandise with reasonable prices". By cutting out the wasteful frills of many products prevailing in today's market, we have developed sales lines; apparel and accessories, household goods, and food products, that match the current trend toward "value for money" among our customers' perception. In addition, we are developing a network of specialty stores that exclusively carry merchandise planned and developed by ourselves. By adopting a unified concept at all stores, including store infrastructure and atmosphere, we have continuously been inspiring our customers with a distinctive and comprehensive life style.

2. Dividend Policy

Returning profit to shareholders is one of the most important subjects for us. The management recognizes achieving growth in earnings per share as its duties to shareholders. Our fundamental policy on dividend is that it should be determined based on the level of profits.

We actively utilize retained internal fund to invest in our highly profitable business, aiming to increase the corporate value.

3. The Mid-Term Business Strategy

Despite the unfavorable business environment triggered by the prolonged economic downturn, which the retail industry has facing to, the Company will continuously pursue to expand its retail business in line with following managerial strategies:

1) Improvement of efficiency and standardization of stores

We will deploy our retail stores of appropriate size for the relevant market. This effort will be made through so-called "scrap and build" approach and we will aim to standardize our retail stores, putting emphasis on with 1,000 square meters of sales floor space. Through these stores, we will focus on offering the outstanding life style, which can be achieved only with MUJI products.

2) Enhancement of brand image

We aim to establish our solid brand position that attracts our customers' full support by responding properly to the changes in our customer segment and their consumption taste.

3) Approaches to new lines of business

In order to improve the awareness of our brand and expand our business field, we will explore and seize opportunities to launch new lines of business.

4. Major Issues to be challenged

As a top priority, the Company will enhance the capability of product development, and pursue to optimize the balance of quality and price to continuously propose MUJI concept life style.

Furthermore, along side with enhancement of the managerial structure and the financial position, we also consider to reform procurement process, review overall costs, and ensure profit-oriented recognition among employees as our next steps. By addressing and solving these issues, we aim to reach our ultimate goal gaining further growth and profitability.

5. Targets for Management

The Company recognizes that maximizing corporate value through increased growth and profitability serves shareholders' interests. With this in mind, we aim to achieve 15% of ROE, 10% of ROA, and ¥200 of ESP in consolidated basis by the period ending February 2005.

Operating Review

Overview of operation results

The Japanese economy has not been ready yet to emerge from the strong uncertainty and stagnation. Due to an increase of corporate collapse and rising unemployment rate, consumer spending also experienced a sharp decline, which contributed to prolong the unfavorable business environment.

Against such a backdrop, the Company put the key focus on proactive enhancement of streamlining and standardization in its store business. The Company opened 11 stores in Japan, including "flagship" large-scaled stores; "Mujirushi Ryohin Yurakucho" and "Mujirushi Ryohin Namba", expanded sales floor space on ten stores, scaled down on six stores, and closed down ten stores. As of February 28, 2002 in the domestic market, the Company had the total of 274 stores (105 directly managed stores), the total sales floor space of 204,292 square meters (104,567 square meters for directly managed stores), and average sales floor space per store of 746 square meters (996 square meters for directly managed stores).

Also, "Mujirushi Ryohin com KIOSK", a business alliance with East-Japan Kiosk Co., Ltd. operated 21 stores in total, including the five newly opened stores.

Furthermore, "Mujirushi Ryohin Net Store", our online sales channel in the domestic market, has successfully expanded a new customer base achieving the significant growth in the average monthly sales, namely an increase by 53.6 % compared with that of the previous year.

Regarding its products, in the "apparel" category, the Company adjusted the inventory level by sweeping away the carried-over items from the previous years, which had been on keen agenda to address, and also reducing total number of items on sale. On the other hand, we intensified sales growth of autumn/winter items with moderate price setting, however, sales increase of such items was not significant enough to cover the sales decline induced by the price cutdown, which resulted in sluggish sales (4.1% decrease compared with that of the previous year).

In the "household goods" category, same as in the apparel line, the Company conducted a review of procurement processes and reduced the number of suppliers. And, newly introduced items including electronics, fabrics, and storage goods played the role of engine for sales increase (6.8% increase compared with that of the previous year).

In the "foods" category, the newly introduced items, such as plastic bottled beverages, made a contribution to increase of number of customers, resulting in a sales increase (10.1% increase compared with that of the previous year).

Regarding the overseas operation, in the United Kingdom, we had 16 stores in total including one newly opened store, and, in France, the sum of stores now became four by opening one store and closing down four stores due to unprofitable operations alongside with our reconstruction initiatives. One single store in Belgium was also closed down due to its unprofitable performance. The two stores in Hong Kong opened in this fiscal year under review successfully increased in their revenue.

With respect to revenue, in order to realize low cost operation, the Company initiated overall cost reduction and a review on the merchandise procurement process, which was expected to be an effective solution to improve the bottom line. However, the speed of price decline induced by accelerated deflation in the domestic market was much faster than such initiatives, and so further dampened revenue growth.

Also, to promote its structural reform, the Company recorded ¥3,846 million of "Loss on disposal of inventories" and "Write-down of inventories" as "Extraordinary Losses" in the non-consolidated basis so that the Company was able to make further improvement on its assets position.

As a result, consolidated operating revenue for the period was ¥119,892 million (103.8% on a year-to-year basis), ordinary profit was ¥5,677 million (48.7%) and net income was ¥13 million (0.2%), respectively.

Financial Position

Net cash provided by operating activities totaled ¥5,595 million which mainly consisted of net income before income taxes of ¥312 million, depreciation of ¥3,056 million and decrease in inventories of ¥2,110 million.

Net cash used for investing activities totaled ¥4,041 million. This amount included ¥2,986 million for investment in tangible fixed assets such as store furniture and equipments, ¥636 million for guarantee deposits for store rent and ¥973 million in computer software.

Net cash used for financing activities totaled to ¥1,436 million including the repayment for short-term loans payable of ¥215 million.
As a result, cash and cash equivalents at the end of the fiscal year totaled ¥3,649 million.

Forecast of the Next Year

	Operating revenue (Millions of yen)	Ordinary profit (Millions of yen)	Net income (Millions of yen)	Net Income per share (In exact yen)
Fiscal 2002	123,000	8,100	2,500	89.04
Fiscal 2001	119,892	5,677	13	0.46
Growth rate	102.5%	142.6%	19,148.1%	—

Note: Net Income per share for Fiscal 2001 is calculated using the average number of outstanding shares.

The Company will strengthen its continued effort to propose the distinctive and unique life style created through MUJI products, aiming to gain more support from its customers and to enhance the competitiveness of MUJI brand.

This year, we also commit to promote customer satisfaction as our basic management policy and provide our custmers with variedly assorted stock with best qualities, and satisfying services.

As our "sales policy", we are targeting to reinforce store sales, revitalize the existing stores, and stimulate sales channels through standardization of store operation systems. As our "products policy", we set the followings as goals to achieve:
- development of core merchandise
- substantive sales expansion
- further improvement of manufacturing and procurement process
- renovation of organizational struture to develop new lines of merchandise and to manage stock level most efficiently

Moreover, under our "management policy", we intend to ensure pursuing business efficiency with cutting costs to achieve profit-oriented management as well as aggressively implementing managerial measure to vitalize in-house resources of the Company.

Annual cash dividend is to be paid ¥44 per share, taking the revenue position into consideration.

Consolidated Balance Sheets

Ryohin Keikaku Co., Ltd. and its subsidiaries

(Millions of yen)

	February 28, 2002	February 28, 2001	Changes from previous year
Assets			
Current Assets:			
Cash on hand and in banks	**3,649**	3,478	171
Notes and accounts receivable	**3,798**	3,338	459
Inventories	**10,246**	12,220	(1,974)
Advance payments	**130**	52	78
Prepaid expenses	**783**	649	134
Deferred tax assets – current	**402**	220	182
Other	**2,996**	3,319	(323)
Less: Allowance for doubtful accounts	**(23)**	(37)	13
Total current assets	**21,983**	23,241	(1,257)
Fixed Assets:			
Tangible Fixed Assets:			
Buildings and structures	**8,315**	8,366	(50)
Machinery and equipment	**769**	931	(161)
Tools and furniture	**2,822**	4,069	(1,247)
Land	**246**	246	-
Construction in progress	**-**	451	(451)
Other	**96**	6	89
Total tangible fixed assets	**12,250**	14,071	(1,820)
Intangible Fixed Assets:			
Leasehold	**1,626**	1,781	(155)
Trademarks	**20**	25	(5)
Software	**1,763**	1,427	335
Other	**55**	44	11
Total intangible fixed assets	**3,465**	3,279	186
Investments and Advances:			
Investments in securities	**518**	311	206
Long-term prepaid expenses	**95**	197	(102)
Deferred tax assets - non-current	**1,102**	1,257	(154)
Guarantee deposits	**6,090**	6,067	23
Fixed leasehold deposits	**7,036**	5,921	1,115
Other	**149**	1,280	(1,130)
Less: Allowance for doubtful accounts	**(408)**	-	(408)
Total investments and advances	**14,584**	15,035	(451)
Total fixed assets	**30,300**	32,386	(2,085)
Foreign currency translation adjustments	**-**	97	(97)
Total Assets	**52,284**	55,725	(3,440)

(Millions of yen)

	February 28, 2002	February 28, 2001	Changes from previous year
Liabilities			
Current Liabilities:			
Notes and accounts payable	**6,060**	5,742	318
Short-term loans payable	**1,775**	1,936	(161)
Income taxes payable	**87**	1,498	(1,410)
Consumption taxes payable	**249**	140	109
Accrued expenses	**2,050**	2,499	(448)
Accrued bonuses	**13**	269	(256)
Other	**1,363**	2,560	(1,197)
Total current liabilities	**11,601**	14,648	(3,047)
Long-Term Liabilities:			
Accrued retirement benefits for employees	**1,933**	1,450	482
Accrued retirement benefits for directors and corporate auditors	**240**	254	(14)
Other	**233**	229	3
Total long-term liabilities	**2,406**	1,934	472
Total Liabilities	**14,008**	16,583	(2,575)
Minority Interests in Consolidated Subsidiaries	**301**	7	294
Shareholders' Equity:			
Common stock	**6,766**	6,766	-
Additional paid-in capital	**10,075**	10,075	-
Retained earnings	**21,073**	22,296	(1,222)
Net unrealized gain on other securities	**4**	-	4
Foreign currency translation adjustments	**55**	-	55
Sub-total	**37,975**	39,137	(1,162)
Treasury stock	**(0)**	(3)	2
Total Shareholders' Equity	**37,974**	39,134	(1,159)
Total Liabilities, Minority Interests and Shareholder's Equity	**52,284**	55,725	(3,440)

Consolidated Statements of Income

Ryohin Keikaku Co., Ltd. and its subsidiaries

	Fiscal 2001		Fiscal 2000		Changes from previous year
	Millions of yen	**%**	Millions of yen	%	**%**
Operating Revenue:					
Net Sales	**119,188**		115,266		
Other Operating revenue	**703**		288		
Total operating revenue	**119,892**	**100.0**	115,554	100.0	103.8
Cost of sales	**71,796**		67,040		
Selling, general and administrative expenses	**42,580**		36,926		
Total operating expenses	**114,377**	**95.4**	103,966	90.0	110.0
Operating Profit	**5,514**	**4.6**	11,588	10.0	47.6
Non-Operating Income / Expense:					
Interest and dividend income	**20**		25		
Other non-operating income	**343**		151		
Total non-operating income	**363**	**0.3**	176	0.2	206.1
Interest expenses	**72**		29		
Other non-operating expenses	**127**		64		
Total non-operating expenses	**199**	**0.2**	94	0.1	211.6
Ordinary Profit	**5,677**	**4.7**	11,669	10.1	48.7
Extraordinary Gains / Losses:					
Gain on sales of investments in securities	**-**		12		
Gain on redemption of insurance funds	**263**		-		
Other extraordinary gains	**310**		14		
Total extraordinary gains	**573**	**0.5**	27	0.0	2,102.6
Loss on sales of fixed assets	**-**		23		
Loss on disposal of fixed assets	**587**		947		
Write-down of inventories	**1,400**		-		
Loss on disposal of inventories	**2,446**		-		
Write-down of investments in securities	**-**		43		
Loss on cancellation of store rental contracts	**564**		248		
Amortization of the unrecognized transition amount arising from adopting the new accounting standard for retirements benefit for employees	**449**		-		
Other extraordinary losses	**490**		-		
Total extraordinary losses	**5,939**	**5.0**	1,263	1.1	470.3
Income before income taxes	**312**	**0.2**	10,434	9.0	3.0
Income Taxes					
- Current	**283**	**0.2**	4,702	4.1	6.0
- Deferred	**(30)**	**0.0**	49	0.0	-
Minority interests in net expense of consolidated subsidiaries	**45**	**0.0**	(6)	0.0	-
Net Income	**13**	**0.0**	5,688	4.9	0.2

Consolidated Statements of Retained Earnings

Ryohin Keikaku Co., Ltd. and its subsidiaries

(Millions of yen)

	Fiscal 2001
Balance of consolidated retained earnings at beginning of year	**22,296**
Decrease in consolidated retained earnings	
Cash dividend	**1,235**
Directors' bonuses	-
Net income	**13**
Balance of consolidated retained earnings at end of year	**21,073**

(Millions of yen)

	Fiscal 2000
Balance of consolidated retained earnings at beginning of year	17,816
Decrease in consolidated retained earnings	
Cash dividend	1,179
Directors' bonuses	29
Net income	5,688
Balance of consolidated retained earnings at end of year	22,296

Note: Directors' bonuses include corporate auditors' bonuses of ¥2 million.

Consolidated Statements of Cash Flows

Ryohin Keikaku Co., Ltd. and its subsidiaries

(Millions of yen)

		Fiscal 2001	Fiscal 2000
I.	**Cash Flows from Operating Activities:**		
	Net income before income taxes	**312**	10,434
	Depreciation	**3,056**	2,526
	Amortization of computer software	**590**	409
	Increase in allowance for doubtful accounts	**394**	1
	Increase in accrued retirement benefits	**468**	22
	Interest and dividend income	**(20)**	(21)
	Interest expenses	**72**	29
	Foreign exchange loss	**0**	9
	Loss on disposal of fixed assets	**587**	986
	Write-down of long-term prepaid expenses	**247**	-
	Write-down of membership	**82**	56
	Decrease (Increase) in notes and accounts receivables	**226**	(7)
	Decrease (Increase) in inventories	**2,110**	(1,342)
	Increase (Decrease) in notes and accounts payables	**120**	(64)
	Increase in other assets	**(632)**	(467)
	Increase (Decrease) in other liabilities	**(274)**	352
	Payment of directors' bonuses	**-**	(29)
	Subtotal	**7,343**	12,896
	Interest and dividend income received	**20**	21
	Interest expenses paid	**(72)**	(29)
	Income tax paid	**(1,696)**	(7,252)
	Total	**5,595**	5,634
II.	**Cash Flows from Investing Activities:**		
	Payments for acquisition of fixed assets	**(2,986)**	(6,768)
	Proceeds from sale of fixed assets	**-**	342
	Payment of fixed leasehold deposits, guaranty deposits and leasehold	**(636)**	(2,180)
	Collection of fixed leasehold deposits and guaranty deposit	**458**	241
	Payments for acquisition of computer software	**(973)**	(960)
	Proceeds from deposit receipt for guaranty	**3**	-
	Redemption from insurance funds	**291**	-
	Acquisition of investment in securities	**(199)**	-
	Total	**(4,041)**	(9,326)
III.	**Cash Flows from Financing Activities:**		
	Increase (decrease) in short-term loans payable	**(215)**	1,537
	Proceeds from sale of treasury stocks	**2**	-
	Acquisition of treasury stocks	**-**	(7)
	Dividend paid	**(1,223)**	(1,167)
	Total	**(1,436)**	363
IV.	**Effect of exchange rate changes on Cash and Cash Equivalents**	**54**	25
V.	**Net Increase (Decrease) in Cash and Cash Equivalents**	**171**	(3,302)
VI.	**Cash and Cash Equivalents at beginning of year**	**3,478**	6,780
VII.	**Cash and Cash Equivalents at end of year**	**3,649**	3,478

Basis of presentation of Consolidated Financial Statements

1. Scope of Consolidation

The consolidated financial statements include the accounts of all of the Company's subsidiaries.

R.K. Trucks Co., Ltd.
Ryohin Keikaku Europe Ltd.
Ryohin Keikaku France S.A.
MUJI (Hong Kong) Co., Ltd.
MUJI.net CO., LTD.
Ryohin Keikaku U.S.A. Ltd.
HANA-RYOHIN Co., Ltd.
Ryohin Keikaku Hong Kong Ltd.
Zhuhai Free Trade Zone Ryohin Keikaku Ltd.

Note: MUJI (Hong Kong) Co., Ltd. is included in consolidation for the first time, having been established during the fiscal year under review.

2. Application of the Equity Method

There are no subsidiaries and / or affiliates to be applied for the equity method.

3. The following consolidated subsidiaries have fiscal year ends that differ from that of the Company. In preparing the consolidated financial statements, the financial statements for the most recent fiscal year of each subsidiary have been used. Important transactions that occurred between their fiscal year ends and the consolidation date have been included in the consolidation figures as necessary.

Fiscal year ending December 31	MUJI (Hong Kong) Co., Ltd.
	Ryohin Keikaku Hong Kong Ltd.
	Zhuhai Free Trade Zone Ryohin Keikaku Ltd.
Fiscal year ending January 31	Ryohin Keikaku Europe Ltd.
	Ryohin Keikaku France S.A.
	Ryohin Keikaku U.S.A. Ltd.

4. Summary of Significant Accounting Policies

(a) Valuation method of main assets

Inventories

Merchandise is mainly stated at cost, determined by the specific identification method, and supplies are valued at cost determined by the last purchase method.

Investments in securities

Other securities

-Securities with market quotations:

Stated at fair value as determined by the market value at the fiscal year end (Net unrealized gains or losses on these securities are reported as separate item in the shareholders' equity at a net-of-tax amount. Cost is mainly determined by the moving-average method).

-Securities without market quotations:

Stated at cost, cost being determined by the moving-average method.

Derivatives

Stated at fair value

(b) Depreciation methods for assets

Tangible fixed assets

The Company and domestic subsidiaries compute depreciation of tangible fixed assets mainly by the declining balance method. Foreign subsidiaries compute depreciation on a straight-line basis according to regulations set by the accounting standards of the countries they are located in. In Japan, however, depreciation on buildings (excluding leasehold improvements and auxiliary facilities attached to buildings) acquired on or after April 1, 1998 also is computed on the straight-line basis.

Intangible fixed assets

Amortization of intangible fixed assets except for computer software (internal use) is computed by the straight-line method. Amortization of computer software for internal use is computed by the straight-line method and related useful life is determined by the estimated period of internal use (5 years).

(c) Allowances and accrual

(1) Allowance for doubtful accounts

Allowance for doubtful accounts is provided at the aggregated of the maximum amount, which is calculated based on the prior loss experience and the estimated amount of probable individual bad debts at the accounting period end. This amount is considered sufficient to cover possible losses on collection.

(2) Accrued bonuses

Accrued bonuses for employees is provided for the payments of bonuses of employees in the following accounting period in an amount deemed necessary to be charged for this fiscal year out of the estimated amount to be paid.

(3) Accrued retirement benefits for employees

Accrued retirement benefits for employees represents the estimated present value of projected benefit obligations in excess of the fair value of plan assets. Also, the transition amount of ¥449 million arising from the adoption of a new accounting standard was fully charged to income at the time of new adoption.

(4) Accrued retirement benefits for directors and corporate auditors

Accrued retirement benefits for directors and corporate auditors is provided in an amount required to be paid at the end of each term, based upon internal regulations.

(d) Method of Accounting for Lease Transactions

Finance lease transactions, other than those which are deemed to transfer ownership of the leased assets to the lessee, are accounted for as operating lease transactions.

(e) Method of Accounting for Consumption Taxes

Consumption taxes are excluded from the amounts of items in the Consolidated Statements of Income.

5. Items Included in the Consolidated Statement of Retained Earnings

The Consolidated Statement of Retained Earnings includes appropriations of retained earnings of consolidated subsidiaries that occurred during the accounting period used for the consolidation.

6. The Scope of Assets Represented in the Consolidated Statement of Cash Flows

Cash equivalents in the Consolidated Statement of Cash Flows include all highly liquid time deposits and MMF, generally with original maturities of three months or less, and they present insignificant risk of changes in value.

[Additional Information]

1. Accrued bonuses for employees

In fiscal 2001, there were no accrued bonuses on the balance sheet of the Company due to the change of the period for the calculation of bonuses.

As a result, "Selling, general and administrative expenses" decreased by ¥211 million compared with that of previous method, "Operating profit", "Ordinary profit" and "Income before income taxes" increased by the same amount.

2. Accounting for retirement benefits

Effective March1, 2001, the Company adopted a new accounting standard for the recognition of retirement benefits for employees outlined in the Japanese Business Accounting Deliberation Council's paper "Opinion Concerning the Establishment of Accounting Standards for Retirement Benefits for Employees" issued in June 16, 1998.

As a result, "Income before income taxes" decreased by ¥449 million compared with that of previous year. Also, the effect to "Operating profit" and "Ordinary profit" were immaterial.

3. Accounting for Financial Instruments

Effective March1, 2001, the Company adopted a new accounting standard for financial instruments as outlined in the Japanese Business Accounting Deliberation Council's paper "Opinion Concerning the Establishment of Accounting Standards for Financial Instruments" issued in January 22, 1999 and changed valuation method of securities, golf-memberships, derivative transactions and provision method of accounting standard for allowance for doubtful accounts.

As a result, "Ordinary profit" decreased by ¥3 million and "Income before income taxes" decreased by ¥79 million compared with those of the previous method.

4.Accounting Standards for Foreign Currency-Denominated Transactions

Effective March1, 2001, the Company adopted a new accounting standard for foreign currency-denominated transactions as outlined in the Japanese Business Accounting Deliberation Council's paper "Opinion Concerning the Revision of Accounting Standards for Foreign Currency-Denominated Transactions" issued in October 22, 1999. The adoption of the new standard had no impact on the accompanying consolidated statement of income.

Also, in fiscal 2001, according to the revised Japanese accounting standards for preparation of consolidated financial statements, "Foreign currency translation adjustments", which was reported as a separate item in "Assets" section in the previous accounting periods, have been reported as a separate item in "Shareholder's Equity" section (the balance at February 28, 2002 was ¥55 million (Credit balance)) and included in "Minority interests in consolidated subsidiaries"(the balance at February 28, 2002 was ¥3 million (Credit balance) , respectively, considering individual occurrence reason.

Additional Notes to the Consolidated Statements

1. Figures of less than one million are rounded down.

2. Consolidated Balance Sheets

(Millions of yen)

	Fiscal 2001	Fiscal 2000
Accumulated depreciation on tangible fixed assets	**9,969**	7,102

3. Consolidated Statement of Cash Flows

Relationship between "cash and cash equivalents" and related balance sheet items.

(Millions of yen)

	Fiscal 2001	Fiscal 2000
Cash on hand and in banks	**3,649**	3,478
MMF	**-**	-
Time deposits with maturities exceeding three months	**-**	-
Cash and cash equivalents at end of year	**3,649**	3,478

4. Leases

(a) Finance leases, other than those which are deemed to transfer ownership of the leased assets to the lessee

1) Amount equivalent to purchase price and amount equivalent to accumulated depreciation

(Millions of yen)

	Fiscal 2001	Fiscal 2000
Amount equivalent to purchase price	**10**	21
Amount equivalent to accumulated depreciation	**5**	14
Amount equivalent to fiscal year-end balance	**4**	7

Note: Since the balance of remaining lease payments accounts for only a small proportion of the fiscal year-end balance of tangible fixed assets, the amount equivalent to purchase price has been calculated using the expected interest payment method.

2) Amount equivalent to balance of remaining lease payments

(Millions of yen)

	Fiscal 2001	Fiscal 2000
Within one year	**2**	2
Over one year	**2**	4
Total	**4**	7

Note: Since the balance of remaining lease payments accounts for only a small proportion of the fiscal year-end balance of tangible fixed assets, the amount equivalent to the balance of remaining lease payments has been calculated using the expected interest payment method.

3) Lease payments during the fiscal year under review and amount equivalent to depreciation expenses

(Millions of yen)

	Fiscal 2001	Fiscal 2000
Lease payments (amount equivalent to depreciation expenses)	**2**	4

4) Method of calculating amount equivalent to depreciation expenses

Depreciation is calculated using the straight-line method (zero residual value) over the term of lease contract.

(b) Remaining Payments on Operating Leases

(Millions of yen)

	Fiscal 2001	Fiscal 2000
Within one year	**1**	2
Over one year	**3**	4
Total	**4**	6

Segment Information

1. By Business

(Millions of yen)

	Fiscal 2001				
	Muji brand sales	**Other business**	**Total**	**Unallocated & eliminations**	**Consolidated**
Outside customers	**119,292**	**599**	**119,892**	**-**	**119,892**
Intersegment	**-**	**-**	**-**	**-**	**-**
Operating revenue	**119,292**	**599**	**119,892**	**-**	**119,892**
Operating expenses	**113,582**	**795**	**114,377**	**-**	**114,377**
Operating profit (loss)	**5,710**	**(195)**	**5,514**	**-**	**5,514**
Assets	**51,104**	**598**	**51,703**	**580**	**52,284**
Depreciation and Amortization	**3,019**	**37**	**3,056**	**-**	**3,056**
Capital expenditure	**2,314**	**27**	**2,342**	**-**	**2,342**

Notes: 1. Business divisions are determined according to business development considerations within the Group.
2. Muji brand sales consist of retail sales and wholesale of Mujirushi Ryohin merchandise while other businesses consist of operation of campsites and retail sales of flowers.
3. Among the overall assets of the companies, the major items in Unallocated & Eliminations are ¥56 million of memberships and ¥518 million of investments in securities.

(Millions of yen)

	Fiscal 2000				
	Muji brand sales	Other business	Total	Unallocated & eliminations	Consolidated
Outside customers	115,093	461	115,554	-	115,554
Intersegment	-	-	-	-	-
Operating revenue	115,093	461	115,554	-	115,554
Operating expenses	103,350	616	103,966	-	103,966
Operating profit (loss)	11,743	(155)	11,588	-	11,588
Assets	54,628	640	55,269	455	55,725
Depreciation and Amortization	2,487	38	2,526	-	2,526
Capital expenditure	6,606	12	6,619	-	6,619

Notes: 1. Business divisions are determined according to business development considerations within the Group.
2. Muji brand sales consist of retail sales and wholesale of Mujirushi Ryohin merchandise while other businesses consist of operation of campsites and retail sales of flowers.
3. Among the overall assets of the companies, the major items in Unallocated & Eliminations are ¥138 million of memberships and ¥311 million of investments in securities.

2. By Region

(Millions of yen)

	Fiscal 2001					
	Japan	**Europe**	**Other regions**	**Total**	**Unallocated & eliminations**	**Consolidated**
Outside customers	**113,473**	**5,606**	**813**	**119,892**	**-**	**119,892**
Intersegment	**-**	**-**	**109**	**109**	**(109)**	**-**
Operating revenue	**113,473**	**5,606**	**922**	**120,001**	**(109)**	**119,892**
Operating expenses	**106,668**	**6,991**	**891**	**114,550**	**(173)**	**114,377**
Operating profit (loss)	**6,804**	**(1,385)**	**31**	**5,450**	**64**	**5,514**
Assets	**50,580**	**3,093**	**1,191**	**54,865**	**(2,581)**	**52,284**

Notes:
1. Regional separations are determined by proximity.
2. Main countries and areas in regions other than Japan are the United Kingdom and France in Europe and Hong Kong, China, and the United States in Other regions.
3. Among the overall assets of the companies, the major items in Unallocated & Eliminations are ¥56 million of memberships and ¥518 million of investments in securities.

(Millions of yen)

	Fiscal 2000					
	Japan	Europe	Other regions	Total	Unallocated & eliminations	Consolidated
Outside customers	110,876	4,676	2	115,554	-	115,554
Intersegment	342	-	2,460	2,802	(2,802)	-
Operating revenue	111,218	4,676	2,462	118,357	(2,802)	115,554
Operating expenses	99,048	5,426	177	104,651	(684)	103,966
Operating profit (loss)	12,170	(750)	2,285	13,705	(2,117)	11,588
Assets	53,951	4,126	223	58,301	(2,576)	55,725

Notes:
1. Regional separations are determined by proximity.
2. Main countries and areas in regions other than Japan are the United Kingdom and France in Europe and Hong Kong, China, and the United States in Other regions.
3. Among the overall assets of the companies, the major items in Unallocated & Eliminations are ¥138 million of memberships and ¥311 million of investments in securities.

3. Overseas Operating Revenues

Overseas operating revenues for the fiscal year under review have been eliminated from the segment information as intersegment transfers.

Breakdown by Major Categories

Net Sales by Product

(Millions of yen)

Product	Fiscal 2001 Net sales	Fiscal 2001 Percentage of total (%)	Fiscal 2000 Net sales	Fiscal 2000 Percentage of total (%)	Changes from previous year (%)
Apparel	**39,336**	**33.0**	41,017	35.6	95.9
Household goods	**66,451**	**55.7**	62,225	54.0	106.8
Food	**12,003**	**10.1**	10,902	9.5	110.1
Other	**1,395**	**1.2**	1,121	0.9	124.4
Total	**119,188**	**100.0**	115,266	100.0	103.4

Net Sales by Type of Sale

(Millions of yen)

Type of Sale	Fiscal 2001 Net sales	Fiscal 2001 Percentage of total (%)	Fiscal 2000 Net sales	Fiscal 2000 Percentage of total (%)	Changes from previous year (%)
Japan	**67,414**	**56.6**	64,533	56.0	104.5
U.K.	**3,960**	**3.3**	3,575	3.1	110.8
France	**1,591**	**1.3**	1,063	0.9	149.7
Hong Kong	**800**	**0.7**	-	-	-
Total of directory managed stores	**73,766**	**61.9**	69,172	60.0	106.6
Seiyu	**12,385**	**10.4**	12,474	10.8	99.3
Seibu Dept. Stores group	**4,673**	**3.9**	5,806	5.1	80.5
Non-Saison group stores	**25,833**	**21.7**	27,205	23.6	95.0
Total of other stores	**42,892**	**36.0**	45,486	39.5	94.3
Others	**2,528**	**2.1**	608	0.5	547.5
Total	**119,188**	**100.0**	115,266	100.0	103.4

Net Sales by Region

(Millions of yen)

Region	Fiscal 2001 Number of stores	Fiscal 2001 Net sales	Fiscal 2001 Percentage of total (%)	Fiscal 2000 Number of stores	Fiscal 2000 Net sales	Fiscal 2000 Percentage of total (%)	Changes from previous year (%)
Hokkaido	**3**	**1,757**	**2.4**	3	1,442	2.1	121.8
Tohoku	**3**	**1,306**	**1.8**	3	1,641	2.4	79.6
Kanto	**59**	**35,658**	**48.3**	57	35,017	50.6	101.8
Kohshin-etsu	**5**	**1,764**	**2.4**	6	1,568	2.3	112.5
Hokuriku	**2**	**803**	**1.1**	2	458	0.7	175.3
Tohkai	**14**	**5,945**	**8.1**	15	5,841	8.4	101.8
Kinki	**26**	**13,429**	**18.2**	21	11,936	17.2	112.5
Chugoku/Kyushu	**13**	**6,748**	**9.1**	10	6,626	9.6	101.8
Total of Japan	**125**	**67,414**	**91.4**	117	64,533	93.3	104.5
U.K.	**17**	**3,960**	**5.4**	15	3,575	5.2	110.8
France	**9**	**1,591**	**2.1**	8	1,063	1.5	149.7
Hong Kong	**2**	**800**	**1.1**	-	-	-	-
Total other than Japan	**28**	**6,352**	**8.6**	23	4,638	6.7	137.0
Total	**153**	**73,766**	**100.0**	140	69,172	100.0	106.6

Deferred Taxes

Main components of the deferred tax assets and liabilities at February 28, 2002 and 2001 were as follows.

Fiscal 2001

(Millions of yen)

	February 28, 2002
Deferred tax assets (Current Assets)	
Tax loss carryforwards	**332**
Disallowed losses on petty-sum depreciable tangible fixed assets	**29**
Other	**40**
Sub total	**402**
Deferred tax assets (Fixed Assets)	
Amounts in excess of the tax limit of provision for accrued retirement benefits for employees	**809**
Accrued retirement benefits for directors and corporate auditors	**101**
Disallowed losses on petty-sum depreciable tangible fixed assets	**7**
Loss on disposal of fixed assets	**138**
Other	**45**
Sub total	**1,102**
Total	**1,505**

Fiscal 2000

(Millions of yen)

	February 28, 2001
Deferred tax assets (Current Assets)	
Disallowed losses on petty-sum depreciable tangible fixed assets	38
Accrued enterprise tax	159
Other	21
Sub total	220
Deferred tax assets (Fixed Assets)	
Amounts in excess of the tax limit of provision for accrued retirement benefits for employees	606
Accrued retirement benefits for directors and corporate auditors	107
Disallowed losses on petty-sum depreciable tangible fixed assets	21
Disallowed interest paid for acquisition of land	5
Valuation loss on investment in subsidiaries	274
Loss on disposal of fixed assets	236
Other	6
Sub total	1,257
Total	1,477

Securities

Fiscal 2001

(Millions of yen)

	February 28, 2002		
	Acquisition Cost	**Book Value**	**Valuation Gain**
Other securities for which market quotations are available			
Equity securities	**161**	**165**	**3**
Debt securities	**9**	**13**	**3**
Others	**-**	**-**	**-**
Total	**171**	**178**	**7**
Other securities for which market quotations are unavailable			
Equity securities	**-**	**346**	**-**
Total	**-**	**346**	**-**

Fiscal 2000

(Millions of yen)

	February 28, 2001		
	Book value	Market value	Valuation gain (loss)
Items classified as current assets			
Equity securities	-	-	-
Debt securities	-	-	-
Others	-	-	-
Sub total	-	-	-
Items classified as fixed assets			
Equity securities	161	165	4
Debt securities	-	-	-
Others	-	-	-
Sub total	161	165	4
Total	161	165	4

Notes: 1. Method of calculating market value

Listed equity and debt securities are based mainly on closing prices on the Tokyo Stock Exchange.

2. Book value of securities which are not disclosed in the above statements

Items classified as fixed assets

Unlisted equity securities	¥139 million
Certificates of closed-end investment trust	¥9 million

Contracted Amounts, Market Value and Valuation Gain (Loss) on Derivative Contracts

Currency Transactions

Fiscal 2001

(Millions of yen)

February 28, 2002				
Classification	Type	**Contracted amount (More than 1 year)**	**Market Value**	**Valuation gain (loss)**
Transactions outside of market	Forward exchange contracts Buying US Dollars	**7 (-)**	**10**	**3**
Total		**7 (-)**	**10**	**3**

Notes: 1. Market value is based on ruling quotations in the foreign exchange market in Tokyo.

Fiscal 2000

(Millions of yen)

February 28, 2001				
Classification	Type	Contracted amount (More than 1 year)	Market Value	Valuation gain (loss)
Transactions outside of market	Forward exchange contracts Buying US Dollars	2,420 (-)	2,785	364
Total		2,420 (-)	2,785	364

Notes: 1. Market value is based on ruling quotations in the foreign exchange market in Tokyo.
2. Foreign currency denominated obligations and debt, which have been hedged with forward exchange contracts and are included on the consolidated balance sheets at yen-equivalent values, are not disclosed in the above table.

Retirement Benefit

Fiscal 2001

(Millions of yen)

February 28, 2002	
1. Outline of retirement benefit plan The Company has adopted benefit retirement plans governed by the regulations of the Japanese Welfare Pension Insurance Law covering its employees who have worked more than 5 years.	
2. Projected benefit obligations	**2,817**
Fair value of plan assets	**884**
The balance of accrued retirement benefits for employees	**1,933**
3. Net pension and severance costs	**723**
Service cost	**219**
Interest cost	**63**
Expected return on plan assets	**(-)15**
Amortization of actuarial differences	**6**
Amortization of transition amount	**449**
4. Assumptions and amortization	
Discount rate	**2.50%**
Expected rate of return on plan assets	**2.50%**
Method of attributing the projected benefits to periods of employee service	**Straight-line basis**
Amortization of unrecognized prior service costs	**-**
Amortization of unrecognized actuarial differences	**1 year**
Amortization of transition amount	**1 year**

Brief Summary of Non-Consolidated Financial Results (March 28, 2002)

(For the year ended February 28, 2002)

Company Name	Ryohin Keikaku Co., Ltd.	
Code Number	7453	
Securities Traded	The Tokyo Stock Exchange, First Section	
Address	Headquarters in Tokyo	
Contact	Masao Aoki, General Manager, Accounting and Finance Division	
Telephone	03-3989-4930	
Board of Directors' Meeting for Settlement of Accounts		March 28, 2002
Ordinary General Meetings of Shareholders		May 22, 2002
The system of interim dividend		Adopted
The system of even lot		Adopted. 1 lot = 100 shares

1. Results for Fiscal 2001 (March 1, 2001 to February 28, 2002) (Millions of yen)

(1) Operating results

	Operating Revenue (% of increase/decrease)		Operating Profit (% of increase/decrease)		Ordinary Profit (% of increase/decrease)	
Fiscal 2001	112,513	(1.3)	6,807	(-44.2)	6,950	(-43.8)
Fiscal 2000	111,068	(5.4)	12,194	(-10.6)	12,369	(-9.2)

	Net Income (% of increase/decrease)		Net Income per Share (¥)	Net Income per Share after Dilution (¥)	Return on Equity (%)	Ordinary Profit to Total Capital Ratio (%)	Ordinary Profit to Operating Revenue Ratio (%)
Fiscal 2001	413	(-92.3)	14.71	-	1.1	13.3	6.2
Fiscal 2000	5,355	(-13.1)	190.75	-	14.4	23.4	11.1

Note : 1.The average number of shares outstanding during the each period. Fiscal 2001 – 28,077,782 shares, Fiscal 2000 – 28,077,964 shares .
2. There are no accounting changes in this period.
3. Percentage of increase or decrease is based on comparison with those of the previous period.

(2) Dividend

	Dividend per Share for the Fiscal Year (¥)			Total amount of Dividend (for the entire fiscal year) (Millions of yen)	Payout-Ratio (%)	Dividend to Shareholders' Equity Ratio (%)
	Total	Interim Dividend	Year-End Dividend			
Fiscal 2001	44.00	22.00	22.00	1,235	299.0	3.2
Fiscal 2000	44.00	22.00	22.00	1,235	23.1	3.2

(3) Financial Position

	Total Assets	Total Shareholders' Equity	Shareholders' Equity Ratio (%)	Shareholders' Equity per Share (¥)
Fiscal 2001	50,639	38,384	75.8	1,367.09
Fiscal 2000	54,094	39,203	72.5	1,396.30

Note: 1. The number of shares outstanding at fiscal year end . Fiscal 2001 – 28,077,738 shares, Fiscal 2000 – 28,076,684 shares .
2. The number of treasury stock at fiscal year end . Fiscal 2001 – 262 shares, Fiscal 2000 – 1,316 shares

2. Forecast for Fiscal 2002 (March 1, 2002 to February 28, 2003) (Millions of yen)

	Operating Revenue	Ordinary Profit	Net Income	Dividend per share for the Fiscal Year (¥)		
				Interim Dividend	Year-End Dividend	Total
Interim Period	57,900	3,800	1,000	22.00	-	-
Fiscal Year	114,900	8,000	2,500	-	22.00	44.00

Reference: Estimated net income per share for the fiscal year is ¥89.04.

Non-Consolidated Balance Sheets

Ryohin Keikaku Co., Ltd.

(Millions of yen)

	February 28, 2002	February 28, 2001	Changes from previous year
Assets			
Current Assets:			
Cash on hand and in banks	**1,530**	2,766	(1,235)
Notes receivable	**28**	-	28
Accounts receivable	**3,465**	3,265	200
Treasury stock	**-**	3	(3)
Merchandise	**9,433**	10,931	(1,498)
Supplies	**31**	35	(3)
Advance Payments	**180**	59	121
Prepaid expenses	**564**	515	48
Deferred tax assets - current	**390**	237	153
Short-term loans to subsidiaries	**-**	60	(60)
Accounts receivable - other	**2,574**	2,854	(280)
Advanced payments	**708**	1,439	(731)
Other current assets	**308**	253	54
Less: Allowance for doubtful accounts	**(26)**	(40)	14
Total current assets	**19,190**	22,383	(3,193)
Fixed Assets:			
Tangible Fixed Assets:			
Buildings	**7,997**	8,024	(27)
Structures	**146**	173	(27)
Machinery and equipment	**696**	844	(147)
Vehicles and transportation equipment	**2**	3	(1)
Tools and furniture	**2,240**	2,971	(731)
Land	**246**	246	-
Construction in progress	**-**	414	(414)
Total tangible fixed assets	**11,329**	12,678	(1,349)
Intangible Fixed Assets:			
Leasehold	**1,478**	1,478	-
Trademarks	**20**	25	(5)
Software	**1,738**	1,391	347
Other intangible fixed assets	**37**	37	-
Total intangible fixed assets	**3,274**	2,932	341
Investments and Advances:			
Investments in securities	**518**	311	206
Investment in subsidiaries	**1,873**	211	1,661
Long-term loans to subsidiaries	**236**	1,161	(924)
Long-term prepaid expenses	**22**	15	6
Deferred tax assets - non-current	**1,102**	1,257	(154)
Guarantee deposits	**5,958**	5,963	(5)
Fixed leasehold deposits	**7,036**	5,921	1,114
Store development in progress	**-**	835	(835)
Claim in bankruptcy and similar debts	**92**	-	92
Other investments and advances	**139**	429	(289)
Less: Allowance for doubtful accounts	**(134)**	(7)	(127)
Total investments and advances	**16,846**	16,100	746
Total fixed assets	**31,449**	31,711	(261)
Total Assets	**50,639**	54,094	(3,454)

(Millions of yen)

	February 28, 2002	February 28, 2001	Changes from previous year
Liabilities			
Current Liabilities:			
Notes payable	**672**	496	175
Accounts payable	**4,732**	4,717	14
Short-term loans payable	**1,600**	1,400	200
Accounts payable - other	**146**	583	(436)
Income taxes payable	**57**	1,468	(1,411)
Consumption taxes payable	**90**	114	(23)
Accrued expenses	**1,681**	2,176	(495)
Accrued bonuses	**-**	256	(256)
Non-operating notes payable	**573**	1,506	(932)
Other current liabilities	**293**	236	57
Total current liabilities	**9,848**	12,956	(3,107)
Long-Term Liabilities:			
Accrued retirement benefits for employees	**1,933**	1,450	482
Accrued retirement benefits for directors and corporate auditors	**240**	254	(14)
Other long-term liabilities	**233**	229	3
Total long-term liabilities	**2,406**	1,934	472
Total Liabilities	**12,255**	14,890	(2,635)
Shareholders' Equity			
Common stock	**6,766**	6,766	-
Legal reserve:			
Additional paid-in capital	**10,075**	10,075	-
Legal reserve	**493**	369	123
Total legal reserves	**10,568**	10,445	123
Retained earnings:			
General reserve	**20,500**	16,000	4,500
Unappropriated retained earnings	**546**	5,992	(5,446)
[Net income for the term included in unappropriated retained earnings]	**[413]**	[5,355]	[(4,942)]
Total retained earnings	**21,046**	21,992	(946)
Net unrealized gain on other securities	**4**	-	4
Treasury stock	**(0)**	(0)	(0)
Total Shareholders' Equity	**38,384**	39,203	(818)
Total Liabilities and Shareholders' Equity	**50,639**	54,094	(3,454)

Non-Consolidated Statements of Income

Ryohin Keikaku Co., Ltd.

	Fiscal 2001		Fiscal 2000		Changes from Previous year
	Millions of yen	**%**	Millions of yen	%	**%**
Operating Revenue:					
Net sales	**111,880**		110,596		
Other operating revenue	**633**		472		
Total operating revenue	**112,513**	**100.0**	111,068	100.0	101.3
Cost of sales	**68,429**		64,958		
Selling, general and administrative expenses	**37,276**		33,916		
Total operating expenses	**105,705**	**93.9**	98,874	89.0	106.9
Operating Profit	**6,807**	**6.0**	12,194	11.0	55.8
Non-Operating Income / Expenses					
Interest and dividend income	**34**		82		
Other non-operating income	**241**		137		
Total non-operating income	**275**	**0.2**	220	0.2	125.3
Interest expenses	**7**		5		
Other non-operating expenses	**125**		38		
Total non-operating expenses	**132**	**0.1**	44	0.1	299.7
Ordinary Profit	**6,950**	**6.1**	12,369	11.1	56.2
Extraordinary Gains / Losses:					
Gain on redemption of insurance funds	**263**		12		
Other extraordinary gains	**-**		14		
Extraordinary gains	**263**	**0.2**	27	0.0	965.3
Loss on sales of fixed assets	**-**		23		
Loss on disposal of fixed assets	**473**		945		
Write-down of inventories	**1,400**		-		
Loss on disposal of inventories	**2,446**		-		
Loss on cancellation of store rental contracts	**121**		16		
Write-down of investments in securities	**-**		43		
Write-down of investments in subsidiaries	**46**		1,369		
Loss on forgiveness of debt to subsidiary	**1,449**		-		
Amortization of the unrecognized transition amount arising from adopting the new accounting standard for retirements benefit for employees	**449**		-		
Other extraordinary losses	**174**		-		
Extraordinary losses	**6,562**	**5.8**	2,399	2.2	273.5
Income before income taxes	**651**	**0.5**	9,997	9.0	6.5
Income taxes					
- Current	**240**		4,672		5.1
- Deferred	**(1)**		(29)		-
Net Income	**413**	**0.3**	5,355	4.8	7.7
Retained earnings brought forward	**812**		1,315		61.7
Interim cash dividend	**617**		617		100.0
Legal reserve for interim cash dividend	**61**		61		100.0
Unappropriated retained earnings at end of year	**546**		5,992		9.1

Proposal for Appropriation of Retained Earnings

Ryohin Keikaku Co., Ltd.

(Millions of yen)

	Fiscal 2001	Fiscal 2000	Changes from previous year
Unappropriated retained earnings	**546**	5,992	(5,446)
Reversal of general reserve	**800**	-	800
Sub total	**1,346**	5,992	(4,646)
We propose to appropriate the foregoing as follows:			
Transfer to legal reserve	**-**	62	(62)
Cash dividend	**617**	617	-
	(¥22 per share)	(¥22 per share)	
Transfer to general reserve	**-**	4,500	(4,500)
Unappropriated retained earnings carried forward	**728**	812	(84)

Note: The Company paid an interim cash dividend of ¥617 million (¥22 per share) on November 1, 2001.

Summary of Significant Accounting Policies

1. Investment in securities and investment in subsidiaries

Securities issued by subsidiaries

Stated at cost determined by the moving-average method

Other securities

- Securities with market quotations:

  Stated at fair value as determined by the market value at the fiscal year end (Net unrealized gains or losses of these securities are reported as a separate item in the shareholders' equity at a net-of-tax amount. Cost is determined by the moving-average method.).

- Securities without market quotations:

  Stated at cost, cost being determined by the moving-average method.

2. Derivatives

Stated at fair value.

3. Inventories

Merchandise is stated at cost, determined by the specific identification method, and supplies are valued at cost, determined by the last purchase method.

4. Depreciation methods for assets

(1) Tangible fixed assets

The Company computes depreciation of tangible fixed assets by the declining balance method. However, depreciation on buildings (excluding leasehold improvements and auxiliary facilities attached to buildings) acquired on or after April 1, 1998 is computed on the straight-line basis.

(2) Intangible fixed assets

Amortization of intangible fixed assets except for computer software (internal use) is computed by the straight-line method. Amortization of computer software for internal use is computed by the straight-line method and related useful life is determined by the estimated period of internal use (5 years).

(3) Depreciable assets included in "Long-term prepaid expenses"

Depreciable assets included in "Long-term prepaid expenses" are amortized by the straight-line method.

5. Recording basis of main allowances and accrual

(1) Allowance for doubtful accounts

Allowance for doubtful accounts is provided at the aggregated of the maximum amount, which is calculated based on the prior loss experience and the estimated amount of probable individual bad debts at the accounting period end. This amount is considered sufficient to cover possible losses on collection.

(2) Accrued retirement benefits for employees

Accrued retirement benefits for employees represents the estimated present value of projected benefit obligations in excess of the fair value of plan assets.

Also, the transition amount of ¥449 million arising from the adoption of a new accounting standard was fully charged to income at the time of new adoption.

(3) Accrued retirement benefits for directors and corporate auditors

Accrued retirement benefits for directors and corporate auditors is provided in an amount required to be paid at the end of each term, based upon internal regulations.

6. Method of accounting for lease transactions

Finance lease transactions, other than those which are deemed to transfer ownership of the leased assets to the lessee, are accounted for as operating lease transactions.

7. Method of accounting for consumption taxes

Consumption taxes are excluded from the amounts of items in the accompanying non-consolidated statements of income.

[Additional Information]

1. Accrued Bonuses

In fiscal 2001, there were no accrued bonuses due to the change of the period for the calculation of bonuses.

As a result, “Selling, general and administrative expenses” decreased by ¥211 million compared with that of previous method, “Operating profit”, “Ordinary profit” and “Income before income taxes” increased by the same amount.

2. Accounting for Retirement Benefits

Effective March 1, 2001, the Company adopted a new accounting standard for the recognition of retirement benefits for employees outlined in the Japanese Business Accounting Deliberation Council’s paper “Opinion Concerning the Establishment of Accounting Standards for Retirement Benefits for Employees” issued in June 16,1998.

As a result, “Income before income taxes” decreased by ¥449 million compared with that of previous method. Also, the effect to “Operating profit” and “Ordinary profit” were immaterial.

3. Accounting for Financial Instruments

Effective March 1, 2001, the Company adopted a new accounting standard for financial instruments as outlined in the Japanese Business Accounting Deliberation Council’s paper “Opinion Concerning the Establishment of Accounting Standards for Financial Instruments” issued in January 22, 1999 and changed valuation method of securities, golf-memberships, derivative transactions and provision method of accounting standard for allowance for doubtful accounts.

As a result, “Ordinary profit” increased by ¥3 million and “Income before income taxes” decreased by ¥79 million compared with those of previous method.

4. Accounting Standards for Foreign Currency-Denominated Transactions

Effective March 1, 2001, the Company adopted a new accounting standard for foreign currency-denominated transactions as outlined in the Japanese Business Accounting Deliberation Council’s paper “Opinion Concerning the Revision of Accounting Standards for Foreign Currency-Denominated Transactions” issued in October 22, 1999.

The adoption of the new method had no impact on the accompanying non-consolidated statement of income.

Additional Notes to the Non-consolidated Financial Statements

1. Figures of less than one million are rounded down.

2. Non-consolidated Balance Sheets

(Millions of yen)

	Fiscal 2001	Fiscal 2000
Accumulated depreciation on tangible fixed assets	**8,565**	6,476
Guarantees of loans	**448**	636

3. Leases

(a) **Finance leases, other than those which are deemed to transfer ownership of the leased assets to the lessee**
Tangible fixed assets - Vehicles and transportation equipment

	Fiscal 2001	Fiscal 2000
Number of vehicles	**1**	4

Amount equivalent to purchase price and amount equivalent to accumulated depreciation

(Millions of yen)

	Fiscal 2001	Fiscal 2000
Amount equivalent to purchase price	**5**	21
Amount equivalent to accumulated depreciation	**2**	14
Amount equivalent to fiscal year-end balance	**2**	7

Note: Since the balance of remaining lease payments accounts for only a small proportion of the fiscal year-end balance of tangible fixed assets, the amount equivalent to purchase price has been calculated using the expected interest payment method.

Amount equivalent to balance of remaining lease payments

(Millions of yen)

	Fiscal 2001	Fiscal 2000
Within one year	**1**	2
Over one year	**1**	4
Total	**2**	7

Note: Since the balance of remaining lease payments accounts for only a small proportion of the fiscal year-end balance of tangible fixed assets, the amount equivalent to the balance of remaining lease payments has been calculated using the expected interest payment method.

Lease payments during the fiscal year under review and amount equivalent to depreciation expenses

(Millions of yen)

	Fiscal 2001	Fiscal 2000
Lease payments (amount equivalent to depreciation expenses)	**1**	4

Method of calculating amount equivalent to depreciation expenses

Depreciation is calculated using the straight line method (zero residual value) over the term of lease contract.

(b) **Remaining Payments on Operating Leases**
Tangible fixed assets - Vehicles and transportation equipment

	Fiscal 2001	Fiscal 2000
Number of vehicles	**2**	3

(Millions of yen)

	Fiscal 2001	Fiscal 2000
Within one year	**1**	2
Over one year	**3**	4
Total	**4**	6