

June 28, 2001

Brief Summary of Consolidated Financial Results

(For the first quarter ended May 31, 2001)

Company Name: Ryohin Keikaku Co., Ltd.
 Code Number: 7453
 Securities Traded: The Tokyo Stock Exchange, First Section
 Registered Office: 1-1, Higashi-Ikebukuro 3-chome, Toshima-ku, Tokyo
 Contact: Masao Aoki, General Manager, Accounting and Finance Division
 Telephone: 03-3989-4405

1. Results for the First Quarter (March 1, to May 31, 2001)

	(Millions of yen)			
	Three-Month Period Ended		Compared with	Year Ended
	2000	2001	Previous Period	February 28,
	May 31,		%	2001
Operating Revenue	34,239	33,779	98.7	115,554
Operating Profit	4,977	2,228	44.8	11,588
Ordinary Profit	4,903	2,150	43.8	11,669
Net Income	2,743	1,140	41.6	5,688
Total Assets	52,771	58,648	111.1	55,725
Total Shareholders' Equity	36,796	39,813	108.2	39,134

- Notes: 1. The accounting figures on the above schedule except for the year ended February 28, 2001 are unaudited.
 2. The consolidated financial statements include the accounts of Ryohin Keikaku Co., Ltd. and its all subsidiaries, which are as follows:
- | | |
|--|-------------------------------|
| Ryohin Keikaku Europe Ltd. | Ryohin Keikaku France S.A. |
| R.K Trucks Co., Ltd. | Ryohin Keikaku Hong Kong Ltd. |
| Zhuhai Free Trade Zone Ryohin Keikaku Ltd. | Ryohin Keikaku U.S.A., Ltd. |
| Muji.net Co., Ltd. | HANA-RYOHIN Co., Ltd. |
| MUJI(Hong Kong) Co., Ltd. | |
3. Fractions under million yen are truncated.

2. Brief Review of Operations (March 1, to May 31, 2001)

During the first quarter of 2001 fiscal year ending February 28, 2002, Ryohin Keikaku Co., Ltd. (the Company) and its subsidiaries (together, referred to as "the Companies") pressed ahead to expand and standardize the size of their stores continuously from the previous years.

In Japan, the Company opened five stores including "Mujirushi Ryohin Acta Nishinomiya" and enlarged the sales floor space on four existing stores. Also, the Company transferred business operation of four stores, selling fresh flowers, to a subsidiary HANA-RYOHIN Co., Ltd. As a result, the total number of stores in domestic market reached 278 as of May 31, 2001 including 108 directly managed stores and the total sales floor space was 202,079 square meters, of which 102,780 square meters belonged to the directly managed stores. Average sales floor space per store was 727 square meters and that for the directly managed stores is 952 square meters.

In addition, in Japan, three more Mujirushi Ryohin com KIOSK stores tying-up with the East Japan Kiosk Co., Ltd. have been opened and this new business concept stores have been extended to 19 stores in total.

In overseas, a new store was added in United Kingdom making it the 16th store in the country and the Companies also opened a new store in France as the ninth store located on the continent Europe including a store in Belgium. In Hong Kong where customers demand for opening stores had been high, a joint venture company Muji (Hong Kong) Company Ltd. was established and opened its first store.

The Companies have made efforts to enhance the brand image by improving the quality of the products, developing new products, narrowing down product lines and so on. The Companies also have cut back on expenses in general and reviewed procurement routes in order to improve the cost structure. In addition, excessive inventory was disposed in order to improve the financial status of the Companies.

However, the business environment of the retail sector in Japan, which the Company belongs to, has continuously been severe and consumers' desire to purchase has stayed at a low level. Moreover, unit sales price of apparel products has continued to decline sharply due to severe price competition with the low-end retail segment.

The sales of existing stores have stagnated under these circumstances, and both revenues and profits for the three-months period of 2001 fiscal year decreased from those for the same period of the previous year. Consolidated operating revenue, ordinary profit and net income during the period were ¥33,779 million (98.7% of the same period of the previous year), ¥2,150 million (43.8%) and ¥1,140 million (41.6%), respectively.

3. Forecast for the First Half of Fiscal 2001 ending August 31, 2001

Consolidated	(Millions of yen)		
	Operating Revenue	Ordinary Profit	Net Income
First half of fiscal 2001 ending August 31, 2001	59,000	3,400	1,400

The retail sector in Japanese market is supposed to be going on more competitive and thus the business environment of the Company will continue to be hard. Under such circumstances, the Company is pushing ahead the structural reforms of the business in order to maximize its corporate value in pursuit of growth and profitability.

As part of store operation strategy, the Company is going to strengthen "scrap & build" policy to correct imbalance between the market scale and its store size. In addition, the Company will make efforts to sustain appropriate level of inventories by disposing excessive inventories. For product policies, the Company will develop ingenious products so called "only one" or "number one" products, each of which has its own thoughts and ideas. This will be achieved by drastically reviewing product developments and strengthening production and procurement systems. Regarding sales promotion policies, the Company will offer the thoughts and ideas of MUJI and appeal its products with "superiority", "concepts" and "designs" as well as variation of ways of communications.

Under the current business environment, however, it will be difficult to achieve the previously announced operating revenues for the first half of fiscal year 2001. The Companies revised the forecast of operating revenue to ¥59,000 million, decreasing by ¥3,400 million from the previous announcement. The forecasted ordinary profit and net income were also revised to ¥ 3,400 million and ¥1,400 million, respectively.

4. Sales Breakdown by Major Categories

(a) Net Sales by Products

Product	Three-Month Period Ended May 31,				Compared with Previous Period %	Year Ended February 28,	
	2000		2001			2001	
	Net sales	Percentage of total (%)	Net sales	Percentage of total (%)	Net sales	Percentage of total (%)	
Apparel	11,155	32.6	10,060	29.9	90.2	41,017	35.6
Household goods	19,880	58.1	20,323	60.3	102.2	62,225	54.0
Food	2,989	8.7	2,977	8.8	99.6	10,902	9.5
Other	177	0.6	331	1.0	186.5	1,121	0.9
Total	34,203	100.0	33,693	100.0	98.5	115,266	100.0

(b) Net Sales by Type of Sale

Type of sale	Three-Month Period Ended May 31,				Compared with Previous Period %	Year Ended February 28,	
	2000		2001			2001	
	Net sales	Percentage of total (%)	Net sales	Percentage of total (%)	Net sales	Percentage of total (%)	
Japan	18,807	55.0	18,991	56.4	101.0	64,533	56.0
U.K.	679	2.0	871	2.6	128.2	3,575	3.1
France	187	0.5	355	1.1	189.7	1,063	0.9
Total of directly managed store	19,674	57.5	20,217	60.0	102.8	69,172	60.0
Seiyu	3,768	11.0	3,612	10.7	95.9	12,474	10.8
Seibu Dept Stores group	2,065	6.0	1,400	4.2	67.8	5,806	5.1
Non-Season group stores	8,677	25.4	7,406	22.0	85.4	27,205	23.6
Total of other stores	14,511	42.4	12,419	36.9	85.6	45,486	39.5
Others	17	0.1	1,057	3.1	6020.4	608	0.5
Total	34,203	100.0	33,693	100.0	98.5	115,266	100.0

(c) Net Sales of directly managed stores by Region

Region	Three-Month Period Ended May 31,						Compared with Previous Period %	Year Ended February 28,		
	2000		2001		2001					
	Number of stores	Net sales	Percentage of total (%)	Number of stores	Net sales	Percentage of total (%)	Number of stores	Net sales	Percentage of total (%)	
Hokkaido	1	262	1.4	3	554	2.7	211.1	3	1,442	2.1
Tohoku	3	590	3.0	3	415	2.1	70.4	3	1,641	2.4
Kanto	48	10,671	54.2	51	9,669	47.8	90.6	57	35,017	50.6
Kohshin-etsu	4	488	2.5	5	537	2.7	110.1	6	1,568	2.3
Hokuriku	-	-	-	2	236	1.2	-	2	458	0.6
Tohkai	11	1,591	8.1	14	1,693	8.4	106.4	15	5,841	8.4
Kinki	17	3,250	16.5	22	3,831	19.0	117.9	21	11,936	17.3
Chugoku /Kyushu	7	1,952	9.9	10	2,051	10.1	105.1	10	6,626	9.6
Total of Japan	91	18,807	95.6	110	18,991	94.0	101.0	117	64,533	93.3
U.K.	15	679	3.4	16	871	4.3	128.2	15	3,575	5.2
France	4	187	1.0	9	355	1.8	189.7	8	1,063	1.5
Total of overseas	19	866	4.4	25	1,226	6.1	141.5	23	4,638	6.7
Total	110	19,674	100.0	135	20,217	100.0	102.8	140	69,172	100.0

5. Consolidated Financial Statements (Unaudited)

(1) Consolidated Balance Sheets

(Millions of yen)

Assets	As of May 31, 2000	As of May 31, 2001	As of Feb. 28, 2001
Current Assets:			
Cash on hand and in banks	2,294	2,718	3,478
Notes and accounts receivable-trade	3,918	3,835	3,338
Marketable securities	1,332	-	-
Inventories	11,086	13,856	12,220
Deferred tax assets - current	479	253	220
Other current assets	5,314	5,154	4,020
Less: allowance for doubtful accounts	(31)	(27)	(37)
Total current assets	24,393	25,792	23,241
Fixed Assets:			
Tangible Fixed Assets:			
Buildings and structures	6,663	8,474	8,366
Machinery and vehicles	799	894	937
Tools and furniture	3,323	4,010	4,069
Land	381	246	246
Construction in progress	159	325	451
Total tangible fixed assets	11,327	13,951	14,071
Intangible Fixed Assets:			
Software	1,594	1,492	1,427
Leasehold	1,684	1,782	1,781
Other intangible fixed assets	73	65	69
Total intangible fixed assets	3,352	3,341	3,279
Investments and Advances:			
Investments in securities	338	507	311
Guarantee deposits	5,731	6,377	6,067
Fixed leasehold deposits	5,364	6,100	5,921
Deferred tax assets – non-current	941	1,257	1,257
Other investments and advances	1,103	1,321	1,477
Total investments and advances	13,478	15,563	15,035
Total fixed assets	28,159	32,856	32,386
Foreign Currency Translation Adjustments	218	-	97
Total Assets	52,771	58,648	55,725

(Millions of yen)

Liabilities	As of May 31, 2000	As of May 31, 2001	As of Feb. 28, 2001
Current Liabilities:			
Notes and accounts payable	7,123	6,768	5,742
Short-term loans payable	260	4,012	1,936
Income taxes payable	2,160	936	1,498
Accrued expenses	2,246	2,926	2,499
Accrued bonuses	396	272	269
Other current liabilities	1,970	1,907	2,701
Total current liabilities	14,156	16,823	14,648
Long-Term Liabilities:			
Accrued retirement benefits for employees	1,408	-	1,450
Reserve for retirement benefits for employees	-	1,547	-
Accrued retirement benefits for directors and corporate auditors	214	198	254
Other long-term liabilities	194	229	229
Total long-term liabilities	1,818	1,974	1,934
Total liabilities	15,975	18,798	16,583
Minority Interest in Consolidated Subsidiaries			
	-	36	7
Shareholders' Equity:			
Common stock	6,766	6,766	6,766
Additional paid-in capital	10,075	10,075	10,075
Retained earnings	19,969	22,818	22,296
Net unrealized gains(losses) on other securities	-	(4)	-
Foreign currency translation adjustments	-	156	-
subtotal	36,811	39,813	39,137
Treasury stock	(14)	-	(3)
Total Shareholders' equity	36,796	39,813	39,134
Total Liabilities, Minority Interest and Shareholders' Equity	52,771	58,648	55,725

(2) Consolidated Statements of Income

(Millions of yen)

	Three-Month Period Ended May 31,				Year Ended February 28,	
	2000	%	2001	%	2001	%
Operating Revenue:						
Net Sales	34,203		33,693		115,266	
Other Operating Revenue	35		85		288	
Total operating revenue	<u>34,239</u>	100.0	<u>33,779</u>	100.0	<u>115,554</u>	100.0
Operating Expenses:						
Cost of Sales	19,528		20,314		67,040	
Selling, General and Administrative Expenses	9,732		1,236		36,926	
Total operating expenses	<u>29,261</u>	85.5	<u>31,551</u>	93.4	<u>103,966</u>	90.0
Operating Profit	4,977	14.5	2,228	6.6	11,588	10.0
Non-operating Income	16	0.0	52	0.1	176	0.2
Non-operating Expenses	<u>90</u>	<u>0.3</u>	<u>130</u>	<u>0.4</u>	<u>94</u>	<u>0.1</u>
Ordinary Profit	4,903	14.3	2,150	6.4	11,669	10.1
Extraordinary Gains	3	0.0	9	0.0	27	0.0
Extraordinary Losses	<u>15</u>	<u>0.0</u>	<u>4</u>	<u>0.0</u>	<u>1,263</u>	<u>1.1</u>
Income before Income Taxes	4,891	14.3	2,155	6.4	10,434	9.0
Income taxes - Current	2,145	6.3	1,019	3.0	4,702	4.1
Income taxes - Deferred	-	-	-	-	49	0.0
Minority Interests in Income/ (Expense) of Consolidated Subsidiaries	<u>1</u>	<u>0.0</u>	<u>(5)</u>	<u>(0.0)</u>	<u>(6)</u>	<u>(0.0)</u>
Net Income	2,743	8.0	1,140	3.4	5,688	4.9

Note: In the three-month period ended March 31, deferred taxes are estimated by the simple method, which is allowed under Japanese accounting practice. Accordingly, deferred taxes are presented together with "Income taxes - Current."

(3) Consolidated Statements of Retained Earnings

(Millions of yen)

	Three-Month Period Ended		Year Ended
	May 31,		February 28,
	2000	2001	2001
. Balance of Consolidated retained earnings at beginning of the term	17,816	22,296	17,816
. Decrease in consolidated retained earnings	591	617	1,208
Cash dividends	561	617	1,179
Directors' and corporate auditors' bonuses	29	-	29
[Corporate auditors' bonuses]	[2]	[-]	[2]
. Net income	2,743	1,140	5,688
. Balance of Consolidated retained earnings at end of the term	19,969	22,818	22,296

Note: Bracket [] figures show amounts which are included in "Directors' and corporate auditors' bonuses".

June 28, 2001

Brief Summary of Non-Consolidated Financial Results

(For the first quarter ended May 31, 2001)

Company Name: Ryohin Keikaku Co., Ltd.
 Code Number: 7453
 Securities Traded: The Tokyo Stock Exchange, First Section
 Registered Office: 1-1, Higashi-Ikebukuro 3-chome, Toshima-ku, Tokyo
 Contact: Masao Aoki, General Manager, Accounting and Finance Division
 Telephone: 03-3989-4405

1. Results for the First Quarter (March 1, to May 31, 2001)

	(Millions of yen)			
	Three-Month Period Ended May 31,		Compared with Previous Period	Year Ended February 28,
	2000	2001	%	2001
Operating Revenue	33,522	32,285	96.3	111,068
Operating Profit	5,103	2,463	48.3	12,194
Ordinary Profit	5,055	2,411	47.7	12,369
Net Income	2,869	1,386	48.3	5,355
Total Assets	52,631	57,019	108.3	54,094
Total Shareholders' Equity	37,335	39,967	107.1	39,203

Notes: 1. The accounting figures on the above schedule except for the year ended February 28, 2001 are unaudited.
 2. Fractions under million yen are truncated.

2. Forecast for the First Half of Fiscal 2001 ending August 31, 2001

Non-Consolidated	(Millions of yen)		
	Operating Revenue	Ordinary Profit	Net Income
First half of fiscal 2001 ending August 31, 2001	56,300	4,000	2,100

3. Non-Consolidated Financial Statements (Unaudited)

(1) Non-Consolidated Balance Sheets

	(Millions of yen)		
Assets	As of May 31, 2000	As of May 31, 2001	As of Feb. 28, 2001
Current Assets:			
Cash on hand and in banks	1,750	1,845	2,766
Accounts receivable-trade	3,892	3,688	3,265
Marketable securities	1,332	-	-
Treasury stock	14	0	3
Inventories	10,519	12,701	10,967
Deferred tax assets - current	480	237	237
Other current assets	5,688	6,312	5,183
Less: allowance for doubtful accounts	(36)	(33)	(40)
Total current assets	23,643	24,752	22,383
Fixed Assets:			
Tangible Fixed Assets:			
Buildings	6,287	7,993	8,024
Structures	176	166	173
Machinery and equipment	683	807	844
Vehicles	4	3	3
Tools and furniture	2,570	2,824	2,971
Land	381	246	246
Construction in progress	159	325	414
Total tangible fixed assets	10,263	12,366	12,678
Intangible Fixed Assets:			
Software	1,593	1,462	1,391
Leasehold	1,478	1,478	1,478
Other intangible fixed assets	71	60	63
Total intangible fixed assets	3,142	3,000	2,932
Investments and Advances:			
Investments in securities	338	507	311
Investments in subsidiaries	1,173	390	211
Long-term loans to subsidiaries	1,161	1,161	1,161
Deferred tax assets – non-current	941	1,257	1,257
Guarantee deposits	5,701	6,244	5,963
Fixed leasehold deposits	5,364	6,099	5,921
Other investments and advances	907	1,243	1,279
Less: Allowance for doubtful accounts	(7)	(5)	(7)
Total investments and advances	15,581	16,899	16,100
Total fixed assets	28,988	32,266	31,711
Total Assets	52,631	57,019	54,094

(Millions of yen)

Liabilities	As of May 31, 2000	As of May 31, 2001	As of Feb. 28, 2001
Current Liabilities:			
Notes payable	1,742	1,028	496
Accounts payable	5,087	5,481	4,717
Short-term loans payable	-	3,300	1,400
Income taxes payable	2,175	903	1,468
Accrued expenses	2,087	2,477	2,176
Accrued bonuses	388	256	256
Other current liabilities	2,002	1,629	2,440
Total current liabilities	13,483	15,076	12,956
Long-Term Liabilities:			
Accrued retirement benefits for employees	1,408	-	1,450
Reserve for retirement benefits for employees	-	1,547	-
Accrued retirement benefits for directors and corporate auditors	214	198	254
Other long-term liabilities	189	229	229
Total long-term liabilities	1,812	1,974	1,934
Total liabilities	15,296	17,051	14,890
Shareholders' Equity:			
Common stock	6,766	6,766	6,766
Legal reserves:			
Additional paid-in capital	10,075	10,075	10,075
Legal reserve	307	431	369
Total legal reserves	10,383	10,507	10,445
Retained earnings:			
General reserve	16,000	20,500	16,000
Unappropriated retained earnings [Net income for the term included in unappropriated retained earnings]	4,185	2,198	5,992
Total retained earnings	20,185	22,698	21,992
Net unrealized gains(losses) on other securities	-	(4)	-
Total shareholders' equity	37,335	39,967	39,203
Total Liabilities and Shareholders' Equity	52,631	57,019	54,094

(2) Non-Consolidated Statements of Income

(Millions of yen)

	Three-Month Period Ended May 31,				Year Ended February 28,	
	2000	%	2001	%	2001	%
Operating Revenue:						
Net Sales	33,454		32,189		110,596	
Other Operating Revenue	68		96		472	
Total operating revenue	<u>33,522</u>	100.0	<u>32,285</u>	100.0	<u>111,068</u>	100.0
Operating Expenses:						
Cost of Sales	19,338		19,627		64,958	
Selling, General and Administrative Expenses	9,080		10,194		33,916	
Total operating expenses	<u>28,418</u>	84.8	<u>29,822</u>	92.4	<u>98,874</u>	89.0
Operating Profit	5,103	15.2	2,463	7.6	12,194	11.0
Non-operating Income	37	0.1	51	0.2	220	0.2
Non-operating Expenses	85	0.3	104	0.3	44	0.1
Ordinary Profit	5,055	15.1	2,411	7.5	12,369	11.1
Extraordinary Gains	3	0.0	9	0.0	27	0.0
Extraordinary Losses	15	0.0	4	0.0	2,399	2.1
Income before Income Taxes	5,042	15.0	2,416	7.5	9,997	9.0
Income taxes - Current	2,173		1,030		4,672	
Income taxes - Deferred	-		-		(29)	
Net Income	2,869	8.6	1,386	4.3	5,355	4.8
Retained earnings at beginning of the term	1,315		812		1,315	
Interim cash dividend	-		-		617	
Transfer to legal reserve	-		-		61	
Unappropriated retained earnings at end of the term	4,185		2,198		5,992	

Note: In the three-month period ended March 31, deferred taxes are estimated by the simple method, which is allowed under Japanese accounting practice. Accordingly, deferred taxes are presented together with "Income taxes - Current."