

June 24, 2004

Brief Summary of Consolidated Financial Results

(For the three months ended May 31, 2004)

Company Name Ryohin Keikaku Co., Ltd.
 Code Number 7453
 (URL: <http://www.muji.co.jp>)
 Securities Traded The Tokyo Stock Exchange, First Section
 Address Headquarters in Tokyo
 Representative Tadimitsu Matsui, President and Representative Director
 Contact Naoto Watanabe, General Manager, Accounting and Finance Unit, Administration Division
 Telephone 03-3989-4405
 Board of Directors' Meeting for Settlement of Accounts June 24, 2004

1. Basis of preparation of quarterly financial information

- (1) Difference of accounting policies between year-end closing and quarterly closing
 Income tax expense is recognized in each quarterly based on the best estimate of the weighted average annual income tax rate expected for the fiscal year.
- (2) No change relating to the scope of consolidation and the application of the equity method has been made.

2. Results for First quarter of Fiscal 2004 (March 1, 2004 to May 31, 2004) (Millions of yen)

(1) Operating results

Three-Month Period Ended May 31,	Operating Revenue (% of increase/decrease)		Operating Profit (% of increase/decrease)		Ordinary Profit (% of increase/decrease)	
2004	34,662	2.9	3,979	29.6	4,067	30.2
2003	33,669	0.9	3,071	27.0	3,124	22.6
Fiscal 2003	119,827	4.1	8,790	30.2	9,003	26.2

Three-Month Period Ended May 31,	Net Income (% of increase/decrease)		Net Income per Share (¥)	Net Income per Share after Dilution (¥)
2004	2,013	25.9	74.88	74.16
2003	1,599	(15.8)	57.64	-
Fiscal 2003	4,695	99.8	168.51	-

- Note : 1. The average number of shares outstanding during the each period. Ended May 31, 2004 – 26,892,739 shares, Ended May 31, 2003 – 27,748,849 shares, Fiscal 2003 – 27,640,958 shares
 2. Percentage of increase or decrease is based on comparison with those of the previous period.

(2) Financial position

Three-Month Period Ended May 31,	Total Assets	Total Shareholders' Equity	Shareholders' Equity Ratio (%)	Shareholders' Equity per Share (¥)
2004	53,939	40,171	74.5	1,493.77
2003	57,260	39,438	68.9	1,421.26
Fiscal 2003	54,538	38,865	71.3	1,443.79

Note.: The number of shares outstanding at the each period end. Ended May 31, 2004 – 26,892,683 shares, Ended May 31, 2003 – 27,748,822 shares, Fiscal 2003 – 26,892,755 shares

3. Forecast for Fiscal 2004 (March 1, 2004 to February 28, 2005) (Millions of yen)

We changed the Forecast for Fiscal 2004 which was announced in "Brief Summary of Consolidated Results (For the year ended February 29,2004)" (March 25, 2004) as follows:

	Operating Revenue	Ordinary Profit	Net Income
Interim Period	62,400	5,200	2,600
Fiscal Year	128,400	11,000	5,800

Reference: 1. Estimated net income per share for the full year is ¥215.67

2. Forecast for Fiscal 2004 which was announced in "Brief Summary of Consolidated Results (For the year ended February 29,2004)" (March 25, 2004) as follows:

	Operating Revenue	Ordinary Profit	Net Income
Interim Period	62,200	4,700	2,400
Fiscal Year	128,200	10,500	5,600

1. Brief Review of Operations (From March 1 to May 31, 2004)

During this quarter, Ryohin Keikaku Co., Ltd. and its subsidiaries (referred to as “the Company”) maintained its key focus on proactive enhancement of the streamlining and standardization of its store business. In Japan, the Company opened 9 stores (6 of which are directly managed stores), including “Mujirushi Ryohin Hiroshima Diamond City”, expanded the floor space at 1 store, scaled down the floor space at 3 stores, and placed a license store (LS), “Mujirushi Ryohin Okayama Lotz”, under the direct management of the Company. As of May 31, 2004, the Company had a total of 275 stores (130 of which are directly managed stores), total sales floor space of 194,570 square meters (109,885 square meters for directly managed stores), and average sales floor space per store of 707 square meters (845 square meters for directly managed stores). The number of “Mujirushi Ryohin com KIOSK” stores, a business alliance with East-Japan Kiosk Co., Ltd., remained unchanged over the end of the previous period (February 29, 2004), being 16 in total.

As to the overseas operation, the Company opened 1 new store in France during this quarter, making the total number of stores in France 5 and the total overseas stores 28 as of May 31, 2004 (2 of which are LS). All of these stores show a steady growth in their sales and revenues, which has resulted in enhancement of the profit making structure and significant contributions to the overall growth of the Ryohin Keikaku Group.

During this quarter, the economy has moved ahead steadily toward recovery, getting a boost from increasingly strengthened consumer spending as well as corporate production activities. However, all retailers are still facing an unfavorable business environment. As to the sales for this period, the Company sustained its strong performance in the apparel line since last fiscal year, and saw a clear sign of recovery in the food line. Despite some signs of recovery, the household goods line is still having a tough ride, in which its revival is considered as one of the prioritized business issues. Regarding the sales operation, while the effects from the improved gross profit per manpower under the store operational reform have become steadily significant, the Company further reinforced its efforts to improve operational frameworks with an inventive approach. In addition, as to the quality control, the number of claims has decreased with the continued aggressive efforts made by each department since last fiscal year.

With respect to its revenue, the Company’s effort to ensure low cost operations brought success for further cost cutting in selling, general and administrative expenses and thus realized an improvement in its profitability.

As a result, the Company marked increases both in sales and profit. Consolidated operating revenue for the period was 34,662 million yen (increase by 2.9% over the same period last year). And consolidated ordinary profit during the period was 4,067 million yen (increase by 30.2%), while consolidated net income for the period was 2,013 million yen (increase by 25.9%).

2. Consolidated Financial Statements (Unaudited)

(1) Consolidated Balance Sheets

(Millions of yen)

Assets	As of May 31, 2003	As of May 31, 2004	As of Feb. 29, 2004
Current Assets:			
Cash on hand and in banks	8,011	9,935	11,776
Notes and accounts receivable-trade	5,919	3,287	4,677
Inventories	10,290	8,661	7,363
Deferred tax assets- current	458	611	599
Other current assets	6,102	6,083	4,715
Less: allowance for doubtful accounts	(13)	(16)	(19)
Total current assets	30,768	28,563	29,113
Fixed Assets:			
Tangible Fixed Assets:			
Buildings and structures	6,480	7,886	7,944
Machinery, equipment and vehicles	584	593	527
Tools and furniture	2,030	1,626	1,589
Land	246	875	875
Construction in progress	1	3	46
Total tangible fixed assets	9,344	10,985	10,984
Intangible Fixed Assets:			
Leasehold	1,650	1,729	1,648
Software	1,287	955	956
Other intangible fixed assets	45	17	16
Total intangible fixed assets	2,983	2,701	2,621
Investments and Advances:			
Investments in securities	353	348	501
Long-term prepaid expenses	45	38	43
Deferred tax assets - non-current	154	176	160
Guarantee deposits	6,267	3,599	3,613
Fixed leasehold deposits	7,299	7,633	7,426
Other investments and advances	80	130	104
Less: allowance for doubtful accounts	(36)	(237)	(28)
Total investments and advances	14,163	11,688	11,819
Total fixed assets	26,491	25,375	25,425
Total Assets	57,260	53,939	54,538

(Millions of yen)

Liabilities, Minority Interests and Shareholders' Equity	As of May 31, 2003	As of May 31, 2004	As of Feb. 29, 2004
Current Liabilities:			
Notes and accounts payable	11,350	6,707	8,174
Income taxes payable	1,313	1,691	3,079
Accrued expenses	3,577	3,282	2,856
Accrued bonuses	24	25	8
Other current liabilities	745	1,124	816
Total current liabilities	17,012	12,830	14,935
Long-Term Liabilities:			
Accrued retirement benefits for directors and corporate auditors	200	396	240
Other long-term liabilities	266	210	220
Total long-term liabilities	466	607	460
Total liabilities	17,478	13,437	15,395
Minority Interests in Consolidated Subsidiaries	343	329	277
Shareholders' Equity:			
Common stock	6,766	6,766	6,766
Capital surplus	10,075	10,075	10,075
Retained earnings	23,139	26,929	25,625
Net unrealized gain (loss) on other securities	(9)	(2)	24
Foreign currency translation adjustments	134	71	41
Treasury stock	(667)	(3,668)	(3,667)
Total Shareholders' equity	39,438	40,171	38,865
Total Liabilities, Minority Interests and Shareholders' Equity	57,260	53,939	54,538

(2) Consolidated Statements of Income

(Millions of yen)

	Three-Month Period Ended				Year Ended	
	May 31,				February 29,	
	2003	%	2004	%	2004	%
Operating Revenue:						
Net sales	33,471	100.0	34,502	100.0	119,189	100.0
Cost of sales	19,087	57.0	19,227	55.7	68,590	57.5
Gross profit	14,383	43.0	15,274	44.3	50,598	42.5
Other operating revenue	197	0.6	159	0.5	638	0.5
Sub total	14,581	43.6	15,434	44.7	51,236	43.0
Selling, general and administrative expenses	11,510	34.4	11,455	33.2	42,446	35.6
Operating Profit	3,071	9.2	3,979	11.5	8,790	7.4
Non-operating income	72	0.2	100	0.3	298	0.3
Non-operating expenses	19	0.1	12	0.0	85	0.1
Ordinary Profit	3,124	9.3	4,067	11.8	9,003	7.6
Special gains	128	0.4	41	0.1	132	0.1
Special losses	382	1.1	416	1.2	979	0.8
Income before Income Taxes	2,871	8.6	3,691	10.7	8,155	6.8
Income taxes - current	1,254	3.7	1,630	4.7	3,569	3.0
Income taxes - deferred	-	-	-	-	(177)	(0.0)
Minority interests in income of consolidated subsidiaries	16	0.1	47	0.2	69	0.1
Net Income	1,599	4.8	2,013	5.8	4,695	3.9

(3) Consolidated Statements of Surplus

	(Millions of yen)		
	Three-Month Period Ended		Year Ended
	May 31,		February 29,
	2003	2004	2004
Balance of Capital Surplus			
. Balance of capital surplus at beginning of the term	10,075	10,075	10,075
. Increase in capital surplus	-	-	-
. Decrease in capital surplus	-	-	-
Balance of capital surplus at end of the term	10,075	10,075	10,075
Balance of Retained Earnings			
Retained earnings at beginning of the term	22,150	25,625	22,150
Increase in retained earnings	1,599	2,013	4,695
Net income	1,599	2,013	4,695
Decrease in retained earnings	610	710	1,220
Cash dividends	610	672	1,220
Directors' bonuses	-	37	-
[Corporate auditors' bonuses]	[-]	[2]	[-]
Balance of retained earnings at end of the term	23,139	26,929	25,625

3. Sales Breakdown by Major Categories

(a) Net Sales by Products

Product	Three-Month Period Ended May 31,				Compared with Previous Period %	Year Ended February 29,	
	2003		2004			2004	
	Net sales	Percentage of total (%)	Net sales	Percentage of total (%)	Net sales	Percentage of total (%)	
Apparel	10,967	32.7	11,939	34.6	108.9	41,687	35.0
Household goods	18,966	56.7	18,820	54.5	99.2	64,361	54.0
Food	2,742	8.2	2,813	8.2	102.6	10,156	8.5
Other	795	2.4	929	2.7	116.9	2,982	2.5
Total	33,471	100.0	34,502	100.0	103.1	119,189	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 29,	
	2003		2004			2004	
	Net sales	Percentage of total (%)	Net sales	Percentage of total (%)	Net sales	Percentage of total (%)	
Japan	21,613	64.6	22,221	64.4	102.8	76,250	64.0
U.K.	838	2.5	917	2.7	109.5	4,328	3.7
France	292	0.9	326	0.9	111.5	1,462	1.2
Hong Kong	447	1.3	701	2.0	156.7	1,809	1.5
Total of directly managed store	23,191	69.3	24,167	70.0	104.2	83,851	70.4
Seiyu	3,110	9.3	3,269	9.5	105.1	11,488	9.6
Seibu Dept Stores group	10	0.0	0	0.0	0.0	8	0.0
Non-Season group stores	6,151	18.4	5,837	16.9	94.9	20,446	17.2
Total of other stores	9,272	27.7	9,107	26.4	98.2	31,943	26.8
Other	1,007	3.0	1,227	3.6	121.8	3,393	2.8
Total	33,471	100.0	34,502	100.0	103.1	119,189	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 29,		
	2003		2004		2004					
	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	5	631	2.7	5	577	2.4	91.5	6	2,128	2.5
Tohoku	4	444	1.9	4	426	1.8	95.9	5	1,382	1.6
Kanto	61	12,283	53.0	64	12,836	53.1	104.5	64	44,061	52.5
Kohshin-etsu	5	453	1.9	5	398	1.6	87.8	5	1,551	1.9
Hokuriku	3	315	1.4	3	324	1.3	102.9	3	1,131	1.4
Tohokai	13	1,575	6.8	14	1,616	6.7	102.6	13	5,604	6.7
Kinki	24	4,110	17.7	25	4,059	16.8	98.7	24	14,200	16.9
Chugoku/Kyushu	9	1,797	7.8	12	1,982	8.2	110.3	10	6,189	7.4
Total of Japan	124	21,613	93.2	132	22,221	91.9	102.8	130	76,250	90.9
U.K.	16	838	3.6	17	917	3.8	109.5	16	4,328	5.2
France	4	292	1.3	5	326	1.4	111.5	4	1,462	1.8
Hong Kong	4	447	1.9	5	701	2.9	156.7	5	1,809	2.1
Total of overseas	24	1,578	6.8	27	1,946	8.1	123.3	25	7,600	9.1
Total	148	23,191	100.0	159	24,167	100.0	104.2	155	83,851	100.0

June 24, 2004

Brief Summary of Non-Consolidated Financial Results

(For the three months ended May 31, 2004)

Company Name Ryohin Keikaku Co., Ltd.
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 Representative Tadamitsu Matsui, President and Representative Director
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 Board of Directors' Meeting for Settlement of Accounts June 24, 2004

1. Basis of preparation of quarterly financial information

Difference of accounting policies between year-end closing and quarterly closing

Income tax expense is recognized in each quarterly based on the best estimate of the weighted average annual income tax rate expected for the fiscal year.

2. Results for First quarter of Fiscal 2004 (March 1, 2004 to May 31, 2004) (Millions of yen)

(1) Operating results

Three-Month Period Ended May 31,	Operating Revenue (% of increase/decrease)		Operating Profit (% of increase/decrease)		Ordinary Profit (% of increase/decrease)	
2004	32,166	1.8	3,847	27.8	3,949	28.0
2003	31,600	(0.5)	3,011	22.1	3,084	19.4
Fiscal 2003	110,702	3.6	8,361	24.0	8,667	22.2

Three-Month Period Ended May 31,	Net Income (% of increase/decrease)		Net Income per Share (¥)	Net Income per Share after Dilution (¥)
2004	2,002	25.1	74.46	73.74
2003	1,600	(13.9)	57.68	-
Fiscal 2003	4,537	96.5	162.81	-

Note : 1. The average number of shares outstanding during the each period. Ended May 31, 2004 – 26,892,739 shares, Ended May 31, 2003 – 27,748,849 shares, Fiscal 2003 – 27,640,958 shares

2. Percentage of increase or decrease is based on comparison with those of the previous period.

(2) Financial position

Three-Month Period Ended May 31,	Total Assets	Total Shareholders' Equity	Shareholders' Equity Ratio (%)	Shareholders' Equity per Share (¥)
2004	52,912	40,394	76.3	1,502.05
2003	56,270	39,768	70.7	1,433.16
Fiscal 2003	53,574	39,129	73.0	1,453.62

Note: 1. The number of shares outstanding at the each period end. Ended May 31, 2004 – 26,892,683 shares, Ended May 31, 2003 – 27,748,822 shares, Fiscal 2003 – 26,892,755 shares

3. Forecast for Fiscal 2004 (March 1, 2004 to February 28, 2005) (Millions of yen)

We changed the Forecast for Fiscal 2004 which was announced in "Brief Summary of Non-Consolidated Results (For the year ended February 29,2004)" (March 25, 2004) as follows:

Interim Period	Operating Revenue	Ordinary Profit	Net Income
Interim Period	57,440	5,100	2,600
Fiscal Year	116,240	10,400	5,500

Reference: 1. Estimated net income per share for the full year is ¥204.52

2. Forecast for Fiscal 2004 which was announced in "Brief Summary of Non-Consolidated Results (For the year ended February 29,2004)" (March 25, 2004) as follows:

Interim Period	Operating Revenue	Ordinary Profit	Net Income
Interim Period	57,800	4,700	2,500
Fiscal Year	116,600	10,000	5,400

Non-Consolidated Financial Statements (Unaudited)

(1) Non-Consolidated Balance Sheets

(Millions of yen)

Assets	As of May 31, 2003	As of May 31, 2004	As of Feb. 29, 2004
Current Assets:			
Cash on hand and in banks	6,667	8,377	10,207
Accounts receivable-trade	5,605	3,053	4,478
Inventories	9,229	7,596	6,279
Deferred tax assets - current	446	595	593
Other current assets	6,509	6,530	5,102
Less: allowance for doubtful accounts	(12)	(17)	(20)
Total current assets	28,447	26,136	26,641
Fixed Assets:			
Tangible Fixed Assets:			
Buildings and structures	6,285	7,720	7,777
Machinery, equipment and vehicles	540	522	468
Tools and furniture	1,513	1,198	1,177
Land	246	875	875
Construction in progress	1	3	46
Total tangible fixed assets	8,587	10,321	10,346
Intangible Fixed Assets:			
Leasehold	1,478	1,478	1,478
Software	1,279	952	953
Other intangible fixed assets	43	13	13
Total intangible fixed assets	2,801	2,444	2,445
Investments and Advances:			
Investments in securities	353	358	511
Investment in subsidiaries and affiliates	2,499	2,499	2,499
Long-term prepaid expenses	19	18	20
Deferred tax assets - non-current	154	176	160
Guarantee deposits	6,065	3,413	3,424
Fixed leasehold deposits	7,299	7,624	7,422
Claim in bankruptcy and similar debts	72	22	22
Other investments and advances	7	107	81
Less: allowance for doubtful accounts	(36)	(21)	(0)
Total investments and advances	16,433	14,009	14,141
Total fixed assets	27,823	26,775	26,933
Total Assets	56,270	52,912	53,574

(Millions of yen)

Liabilities and Shareholders' Equity	As of May 31, 2003	As of May 31, 2004	As of Feb. 29, 2004
Current Liabilities:			
Notes payable	785	860	494
Accounts payable	10,079	5,388	7,227
Income taxes payable	1,255	1,624	3,034
Accrued expenses	3,244	2,997	2,558
Other current liabilities	683	1,039	678
Total current liabilities	16,047	11,911	13,993
Long-Term Liabilities:			
Accrued retirement benefits for directors and corporate auditors	200	396	240
Other long-term liabilities	254	210	212
Total long-term liabilities	454	607	452
Total liabilities	16,501	12,518	14,445
Shareholders' Equity			
Common stock	6,766	6,766	6,766
Capital surplus: Additional paid-in capital	10,075	10,075	10,075
Retained earnings:			
Legal reserve	493	493	493
General reserve	20,700	23,700	20,700
Unappropriated retained earnings	2,410	3,029	4,737
Total retained earnings	23,604	27,223	25,930
Net unrealized gain (loss) on other securities	(9)	(2)	24
Treasury stock	(667)	(3,668)	(3,667)
Total Shareholders' Equity	39,768	40,394	39,129
Total Liabilities and Shareholders' Equity	56,270	52,912	53,574

(2) Non-Consolidated Statements of Income

(Millions of yen)

	Three-Month Period Ended May 31,				Year Ended February 29,	
	2003	%	2004	%	2004	%
Operating Revenue:						
Net sales	31,373	100.0	31,959	100.0	109,844	100.0
Cost of sales	18,232	58.1	18,137	56.8	64,624	58.8
Gross profit	13,140	41.9	13,821	43.2	45,220	41.2
Other operating revenue	227	0.7	207	0.6	857	0.8
Sub total	13,368	42.6	14,029	43.9	46,077	42.0
Selling, general and administrative expenses	10,356	33.0	10,181	31.9	37,716	34.3
Operating Profit	3,011	9.6	3,847	12.0	8,361	7.7
Non-operating income	90	0.3	113	0.4	397	0.4
Non-operating expenses	17	0.1	12	0.0	92	0.1
Ordinary Profit	3,084	9.8	3,949	12.4	8,667	8.0
Special gains	128	0.4	41	0.1	126	0.1
Special losses	381	1.2	397	1.2	945	0.9
Income before Income Taxes	2,830	9.0	3,592	11.2	7,848	7.2
Income taxes - current	1,230	3.9	1,590	4.9	3,485	3.2
Income taxes - deferred	-	-	-	-	(174)	(0)
Net Income	1,600	5.1	2,002	6.3	4,537	4.1
Retained earnings at beginning of the term	810		1,027		810	
Interim cash dividend	-		-		610	
Unappropriated Retained Earnings at End of the Term	2,410		3,029		4,737	