Brief Summary of Consolidated Financial Results (September 27, 2001)

(For the 6 months ended August 31, 2001)

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	03-3989-4405

Board of Directors' Meeting for Settlement of Accounts September 27, 2001

1. Results for Semi-Annual (March 1, 2001 to August 31, 2001) (Millions of yen)

(1) Operating results

	Operating Revenue (% increase)	Operating Profit (% increase)	Ordinary Profit (% increase)
Semi-annual 2001	58,678 (1.3)	2,595 (-65.5)	2,679 (-64.0)
Semi-annual 2000	57,925 (8.3)	7,523 (11.5)	7,445 (9.3)
Fiscal 2000	115,554	11,588	11,669

	Net Income (Loss) (% increase)	Net Income (Loss) per Share (Yen)	Net Income per Share after Dilution (Yen)
Semi-annual 2001	(3,818) (-207.7)	(135.98)	-
Semi-annual 2000	3,546 (31.1)	126.31	-
Fiscal 2000	5,688	202.60	-

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

Semi-annual 2001 – 28,077,722 shares, Semi-annual 2000 – 28,077,180 shares, Fiscal 2000 – 28,077,964 shares

3. There are no accounting changes in this period.

4. Percentage increase is based on comparison with those of previous semi-annual.

(2) Financial position

	Total Assets	Total Shareholders' Equity	Shareholders' Equity Ratio (%)	Shareholders' Equity per Share (Yen)
Semi-annual 2001	52,319	34,716	66.4	1,236.44
Semi-annual 2000	52,027	37,604	72.3	1,339.33
Fiscal 2000	55,725	39,134	70.2	1,393.83

Note: The number of shares outstanding at the end of each period

Semi-annual 2001 – 28,077,904 shares, Semi-annual 2000 – 28,077,111 shares, Fiscal 2000 – 28,076,684 shares

(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 period
Semi-annual 2001	2,276	(3,447)	374	2,705
Semi-annual 2000	1,339	(3,821)	(587)	3,669
Fiscal 2000	5,634	(9,326)	363	3,478

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

Consolidated subsidiaries	9 companies
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

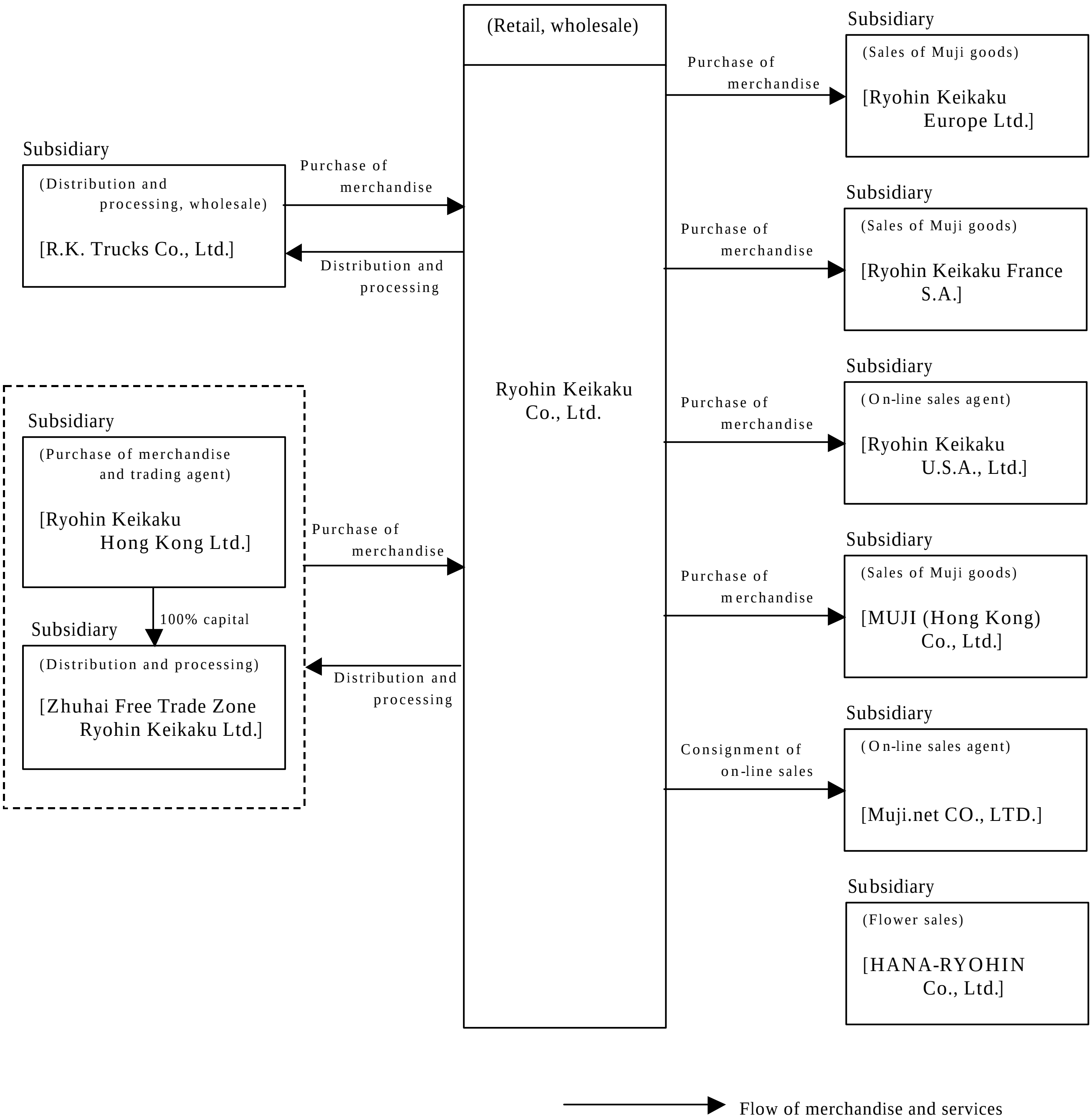
Consolidated	(new)	1 company
	(eliminated)	none
Equity method	(new)	none
	(eliminated)	none

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

	Operating Revenue	Ordinary Profit	Net Income (Loss)
Full year	118,700	7,100	(500)

Reference: Estimated net loss per share for the full year is ¥(17.81)

Group Companies



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

Ryohin Keikaku Co., Ltd. and its subsidiaries (collectively the "Group") has been operating under the solid policy of "offering high quality merchandise with reasonable prices" since its establishment. Eliminating wasteful aspects of conventional products in line with this policy, we create "value-for-money" products that appeal for current consumer, consisting of apparel and accessories, household goods, and food products. At the same time, we are developing a network of specialty stores that carry such originally developed products exclusively. All of these stores share the coordinated concept in the store design, display and atmosphere. Through the specialty stores with these products, we present our customers a distinctive lifestyle in a comprehensive manner.

We place a high priority to ever increasing corporate value, in other words, shareholders' value, further broadening our capability as a manufacturer and retailer to enhance global competitiveness.

2. Dividend Policy

Returning profit to shareholders is one of the most important concerns for us. We, therefore, recognize increasing earnings per share as one of the obligations to our shareholders. We believe that cash dividends, in principal, should be determined based on the level of profits.

We actively reinvest internal funds in our highly profitable business, for the purpose of increasing earnings on shareholder's equity.

3. The Mid-Term Business Strategy

Due to the prolonged recession, the retail industry, including us, has been facing a difficult business environment. Despite the unfavorable surroundings, we will continue our effort to expand and enhance our retail business by implementing the following strategies:

(a) Streamlining and Standardizing our Stores

We will deploy our retail stores with adequate capacity for the particular market, which will be realized through the so-called "scrap and build" approach. And thus we will standardize our retail stores including several large-scale ones in excess of 3,300 square meters of sales floor space, so that the presentation of distinctive and unique lifestyle to our customers can be promoted moreover.

(b) Further Enhancement of Brand Image

We pursue to establish and develop our excellent brand to respond to constantly changing customers' demography or consumption pattern and to gain stronger support from our customers.

(c) Entry into New Business Field

For the sake of expanding our business domain and exploring further value and appeal of "MUJI" brand, we will aggressively seek new lines of business.

4. Major Issues to be challenged

In order to keep offering distinctive MUJI lifestyle, the Group recognizes that it should first and foremost strengthen its capabilities for developing new products, and continuously realizes its policy of quality at a correspondent price.

For more stable business foundations and more sound financial standing, we focus on renovation of procurement process of products, overall review for cost and expenditure reduction, and revitalization of human resources in the Group.

Through these measures, the Group directs to achieve further growth both of revenues and profits.

5. Targets for Management

The Group centers on shareholders' interests, for the sake of which, its corporate value should be maximized with further growth and profitability. As far as non-consolidated bases are concerned, Ryohin Keikaku Co., Ltd. (the "Company") directs to achieve ROE 21%, ROA 15.5% and EPS ¥410 by the fiscal year ending February 28, 2005.

Operating Review

Overview of operation results

During the first half of fiscal 2001, ended August 31, 2001, the Group continued to develop and expand its operation in the domestic market. The Company opened five stores, including "Mujirushi Ryohin Acta Nishinomiya", enlarged the sales floor space of six existing stores and closed four stores to achieve more efficient and standardized store operation.

The Company also transferred business operation of four stores to HANA-RYOHIN Co. Ltd., its subsidiary selling fresh flowers. As a result, as of August 31, 2001, the total number of its stores in the domestic market accounts for 274, including 105 stores directly managed and the total sales floor space is 198,512 square meters, of which 99,451 square meters belong to the directly managed stores. Average sales floor space per store becomes 724 square meters and that for the directly managed store is 947 square meters.
The Group also opened five new stores of " Mujirushi Ryohin com KIOSK", operated under a business tie-up with East Japan Kiosk Co., Ltd., and made 21 stores in total.

In the overseas market, the 16th store was opened in the United Kingdom, and the Group also opened a new store in France as the ninth store located in continental Europe including a store in Belgium. In Hong Kong where customers had been keenly waited for stores opened, a joint venture company MUJI (Hong Kong) Co., Ltd. was established and opened its first store.

The Group made efforts to enhance its brand image by improving the quality of products, developing new products, narrowing down product lines, reviewing price setting and so on. To improve profitability, we focused on overall cost saving and changing existing purchase channels.

The Company recorded extraordinary losses under the 6 month-period ended August 31, 2001, including loss on disposal of inventories amounting to ¥3,853 million and provision for allowance for business loss of related companies amounting to ¥1,745 million. The former treatment aimed to establish a strong and solid revenue structure and the latter was to improve our financial structure furthermore.

Despite our efforts, the business environment of the retail sector in Japan, which the Company belongs to, remained to be challenging where unit prices have been declining and stagnant consumption has not been picking up.

The sales of existing stores have been slow under these circumstances, and both revenues and profits during the 6 month-period under review decreased from those for the same period of the previous year. Consolidated operating revenue, and ordinary profit during the period were ¥58,678 million (1.3% increase from the same period of the previous year) and ¥2,679 million (64.0% decrease) respectively. After recording extraordinary losses described above, the net loss during the period was ¥3,818 million.

Financial Position

As profit from operating activities and a part of short-term borrowings were funneled into investments, the balance of cash and cash equivalent at the end of the 6 month-period was ¥2,705 million, a decrease of ¥772 million from the end of the same period of the previous year.

Cash flows from operating activities:
The loss before taxes during the period was ¥3,359 million. Taking account of ¥1,415 million of depreciation, ¥1,745 million of provision for allowance for business loss of related companies, ¥2,907 million decrease in inventories and others, the net cash ¥2,276 million was provided by operating activities during the 6 month-period under review.

Cash flows from investing activities:
During the period, ¥3,447 million of net cash was expended for investing activities, as the Group invested ¥2,176 million in the tangible fixed assets including store furniture and equipment, ¥754 million in leasehold deposit, ¥644 million in IT related system and software.

Cash flows from financing activities:
Financing activities generated ¥374 million during the period, adding short-term borrowings by ¥983 million.

Full Year Forecast ending February 28, 2002

It is anticipated the business environment surrounding the retail industry will continue to be oppressive, as sluggish consumer spending will not recovered anytime soon due to anxiety about further slowdown of the Japanese economy, and downward trend of stock market.

Under such unfavorable business environments, the Group will promote the reform of its business structure in order to achieve further growth and profitability, and to maximize the corporate value.

The Company will broaden its main target of customer segments from the kids of baby-boomers (currently around twenties) to those who are conscious of their lifestyle. With those customers in mind, the Company will set up appropriate prices reflecting current deflationary economy.

For merchandizing, the Company will develop decidedly unique and originative products ("only one" or "number one" products), streamlining its producing or procurement process, each of which shares the fundamental MUJI philosophy accompanied with sophistication and simplicity.

For store operation, the Company will continuously realize its "scrap and build" strategy to redress the imbalance between store size and the particular market where its stores are playing in.

The Group anticipates that its operating revenue, ordinary income, and net loss for the fiscal year ending February 28, 2002 will result in ¥118.7 billion, ¥7.1 billion and ¥500 million respectively.

Consolidated Financial Statements

Consolidated Balance Sheets

Ryohin Keikaku Co., Ltd. and subsidiaries
As of August 31,2000 and 2001, and February 28, 2001

(Millions of yen)

	Aug. 31, 2001	Aug. 31, 2000	Feb.28, 2001
Assets			
Current Assets:			
Cash on hand and in banks	**2,705**	3,669	3,478
Notes and accounts receivable - trade	**3,520**	3,841	3,338
Inventories	**9,369**	11,645	12,220
Deferred tax assets - current	**166**	461	220
Other current assets	**4,579**	4,120	4,020
Less: Allowance for doubtful accounts	(**37**)	(33)	(37)
Total current assets	**20,304**	23,704	23,241
Fixed Assets:			
Tangible fixed assets:			
Buildings and structures	**8,018**	6,612	8,366
Machinery and vehicles	**870**	761	937
Tools and furniture	**3,740**	3,471	4,069
Land	**246**	381	246
Construction in progress	**160**	358	451
Total tangible fixed assets	**13,037**	11,585	14,071
Intangible fixed assets:			
Leasehold	**1,766**	1,759	1,781
Software	**1,759**	981	1,427
Other intangible fixed assets	**60**	71	69
Total intangible fixed assets	**3,587**	2,813	3,279
Investments and advances:			
Investments in securities	**539**	320	311
Deferred tax assets - non-current	**1,139**	1,052	1,257
Guarantee deposits	**6,377**	5,742	6,067
Fixed leasehold deposits	**6,095**	5,380	5,921
Other investments and advances	**1,344**	1,259	1,477
Less: Allowance for doubtful accounts	**(106)**	-	-
Total investments and advances	**15,389**	13,755	15,035
Total fixed assets	**32,015**	28,153	32,386
Foreign currency translation adjustments	**-**	169	97
Total Assets	**52,319**	52,027	55,725

(Millions of yen)

	Aug. 31, 2001	Aug. 31, 2000	Feb.28, 2001
Liabilities			
Current Liabilities:			
Notes and accounts payable	**6,366**	5,675	5,742
Short-term loans payable	**2,945**	348	1,936
Income taxes payable	**95**	3,083	1,498
Accrued expenses	**2,978**	1,643	2,499
Accrued bonuses	**13**	218	269
Allowance for business loss of related companies	**1,745**	-	-
Other current liabilities	**929**	1,533	2,700
Total current liabilities	**15,073**	12,504	14,648
Long-term Liabilities:			
Deferred tax liabilities - non-current	**12**	-	-
Accrued retirement benefits for employees	**1,921**	1,492	1,450
Accrued retirement benefits for directors and corporate auditors	**212**	228	254
Other long-term liabilities	**231**	189	229
Total long-term Liabilities	**2,377**	1,909	1,934
Total Liabilities	**17,450**	14,413	16,583
Minority Interests in Consolidated Subsidiaries	**152**	9	7
Shareholders' Equity:			
Common stock	**6,766**	6,766	6,766
Additional paid-in capital	**10,075**	10,075	10,075
Retained earnings	**17,860**	20,771	22,296
Net unrealized gain on other securities	**16**	-	-
Foreign currency translation adjustments	**(1)**	-	-
Sub-total	**34,716**	37,613	39,137
Treasury stock	**(0)**	(9)	(3)
Total shareholders' equity	**34,716**	37,604	39,134
Total Liabilities, Minority Interests and Shareholders' Equity	**52,319**	52,027	55,725

Consolidated Statements of Income
Ryohin Keikaku Co., Ltd. and subsidiaries
For the 6-month period ended August 31, 2000 and 2001, and for the year ended February 28, 2001

(Millions of yen)

	Six-Month Period Ended August 31				Changes from Previous Period	Year Ended February 28	
	2001	**%**	2000	%	%	2001	%
Operating Revenue							
Net sales	**58,494**		57,777			115,266	
Other operating revenue	**184**		147			288	
Total operating revenue	**58,678**	**100.0**	57,925	100.0	101.3	115,554	100.0
Operating Expenses:							
Cost of sales	**35,374**	**60.3**	33,102	57.1	106.9	67,040	58.1
Selling, general and administrative expenses	**20,707**	**35.3**	17,299	29.9	119.7	36,926	32.0
Total operating expenses	**56,082**	**95.6**	50,401	87.0	111.3	103,966	90.0
Operating Profit	**2,595**	**4.4**	7,523	13.0	34.5	11,588	10.0
Non-operating Income	**232**	**0.4**	28	0.0	828.0	176	0.2
Non-operating Expenses	**149**	**0.3**	105	0.1	141.3	94	0.1
Ordinary Profit	**2,679**	**4.5**	7,445	12.9	36.0	11,669	10.1
Extraordinary Gains	**282**	**0.5**	14	0.0	1,923.0	27	0.0
Extraordinary Losses	**6,320**	**10.8**	941	1.6	671.4	1,263	1.1
Income (Loss) before income taxes	**(3,359)**	**(5.8)**	6,519	11.3	-	10,434	9.0
Income taxes - current	**273**	**0.4**	3,031	5.2	9.0	4,702	4.1
Income taxes - deferred	**171**		(58)			49	
Minority interests in net income (loss) of consolidated subsidiaries	**14**		0			(6)	
Net Income (Loss)	**(3,818)**	**(6.5)**	3,546	6.1	-	5,688	4.9

Consolidated Statements of Retained Earnings

Ryohin Keikaku Co., Ltd. and subsidiaries

For the 6-month period ended August 31, 2000 and 2001, and for the year ended February 28, 2001

(Millions of yen)

	Six-month period ended August 31		Year ended February 28
	2001	2000	2001
Ⅰ Balance of consolidated retained earnings at beginning of year(period)	**22,296**	17,816	17,816
Retained earnings	**22,296**	17,816	17,816
Ⅱ Decrease in consolidated retained earnings	**617**	591	1,208
Cash dividends	**617**	561	1,179
Directors' and corporate auditors' bonuses	**-**	29	29
[Corporate auditors' bonuses]	-	[2]	[2]
Ⅲ Net income(loss)	**(3,818)**	3,546	5,688
Ⅳ Balance of consolidated retained earnings at end of year(period)	**17,860**	20,771	22,296

Consolidated Statements of Cash Flows

Ryohin Keikaku Co., Ltd. and subsidiaries

For the 6-month period ended August 31, 2000 and 2001, and for the year ended February 28, 2001

(Millions of yen)

	Six-month period ended August 31		Year ended February 28
	2001	2000	2001
Cash flows from operating activities:			
Income (Loss) before income taxes	**(3,359)**	6,519	10,434
Depreciation	**1,415**	1,039	2,526
Amortization of computer software	**273**	138	409
Increase (decrease) in allowance for doubtful accounts	**105**	(2)	1
Increase in allowance for business loss of related companies	**1,745**	-	-
Increase in accrued retirement benefits	**215**	37	22
Interest and dividend income	**(14)**	(19)	(21)
Interest expenses	**27**	4	29
Foreign exchange loss	**1**	41	9
Loss on disposal of fixed assets	**141**	905	986
Loss on disposal of long-term prepaid expenses	**2**	-	-
Valuation loss on marketable securities and investment in securities	**-**	23	56
Write-down of golf-memberships	**82**	-	-
Decrease (increase) in notes and accounts receivable	**(87)**	(199)	(7)
Decrease (increase) in inventories	**2,907**	(831)	(1,342)
Increase (decrease) in notes and accounts payable	**556**	(496)	(64)
Increase in other assets	**(661)**	(834)	(467)
Increase (decrease) in other liabilities	**617**	(962)	352
Payment of directors' and corporate auditors' bonuses	**-**	(29)	(29)
Sub-total	**3,969**	5,335	12,896
Interest and dividend income received	**14**	19	21
Interest expense paid	**(27)**	(4)	(29)
Income taxes paid	**(1,680)**	(4,010)	(7,252)
Net cash provided by operating activities	**2,276**	1,339	5,634
Cash flows from investing activities:			
Payments for acquisition of tangible fixed assets	**(2,176)**	(2,908)	(6,768)
Proceeds from sale of tangible fixed assets	**-**	220	342
Payment of fixed leasehold deposits	**(754)**	(766)	(2,180)
Collection of fixed leasehold deposits	**35**	-	241
Payments for acquisition of computer software	**(644)**	(366)	(960)
Income in deposit received for guarantee	**2**	-	-
Redemption from insurance funds	**290**	-	-
Acquisition of investment in securities	**(199)**	-	-
Net cash used in investing activities	**(3,447)**	(3,821)	(9,326)
Cash flows from financing activities:			
Proceeds from short-term loans payable	**983**	-	1,537
Repayment for short-term loans payable	**-**	(30)	-
Proceeds from issuance of common stock	**-**	10	-
Disposal (acquisition) of treasury stock	**3**	(5)	(7)
Dividends paid	**(611)**	(561)	(1,167)
Net cash provided by (used in) financing activities	**374**	(587)	(363)
Effect of exchange rate changes on cash and cash equivalents	**23**	(41)	25
Net decrease in cash and cash equivalents	**(772)**	(3,111)	(3,302)
Cash and cash equivalents at beginning of year (period)	**3,478**	6,780	6,780
Cash and cash equivalents at end of year (period)	**2,705**	3,669	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.	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.	

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 interim book-closing dates, which differ from that of the Company. In preparing the consolidated financial statements, the financial statements for the most recent interim book-closing of each subsidiary have been used. Important transactions that occurred between their interim book-closing dates and the consolidation date have been included in the consolidation figures as necessary.

6 months ended for June 30, 2001	Ryohin Keikaku Hong Kong Ltd.
	Zhuhai Free Trade Zone Ryohin Keikaku Ltd.
	MUJI (Hong Kong) Co., Ltd.
6 months ended for July 31, 2001	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

(1) Inventories

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

(2) Marketable securities and Investment in securities

Other securities

- Other securities with market quotations:

Stated at fair value as determined by the market value on August 31, 2001. (Net unrealized gains or losses on 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.)

- Other securities without market quotations:

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

(3) Derivatives

Stated at fair value

(b) Depreciation methods for assets

(1) Tangible fixed assets

The Company and domestic consolidated subsidiaries computes depreciation of tangible fixed assets mainly by the declining balance method. Foreign consolidated 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.

(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).

(c) Recording basis of main allowances and accrual

(1) 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 except that unrecognized actuarial differences are amortized on a straight-line basis over a certain period from the next year in which they arise.

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.

(2) Accrued retirement benefits for directors and corporate auditors
Accrued retirement benefits for directors and corporate auditors is provided in an amount required to pay at the end of each term, based upon internal regulations

(3) 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. .

(4) Accrued bonuses
Accrued bonuses for employees is provided for payments of bonuses to employees in the following accounting period in an amount deemed necessary.

[Additional information]
As a result of change of calculation basis period in 2001, "Selling, general and administrative expenses" has decreased by ¥211 million compared with that of previous year and then "Operating profit" and "Ordinary profit" have increased and "Net loss" has decreased by the same amount.

(5) Allowance for business loss of related companies
Allowance for business loss of related companies is provided for the estimated future loss amount with regard to oversea business operated by related companies.

(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. The Scope of Assets Represented in the Consolidated Statement of Cash Flows
Cash and cash equivalents in the Consolidated Statement of Cash Flows are included petty cash, deposits which are readily convertible to known amount of cash, and short-term financial instruments with original maturities of three months or less.

[Additional Information]
1.Retirement Benefit Accounting
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, "Loss before income taxes" has increased by ¥449 million compared with that of to the previous method. Also, the effect to "Operating profit" and "Ordinary profit" were immaterial.

2.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" has increased by ¥217 million and "Loss before income taxes" has decreased by ¥135 million compared with those of to the previous method.

3.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.
As a result, "Ordinary profit" has decreased by ¥30 million and "Loss before income taxes" has increased by the same amount compared with those of to the previous method.

Also, in 2001, according to the revised Japanese accounting standards for preparation of semi-annual 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 August 31, 2001 was ¥ 1million (Debit balance)) and included in "Minority interests in consolidated subsidiaries"(the balance at August 31, 2001 was ¥5 million (Credit balance) , respectively, considering individual occurrence reason.

Additional Notes to the Consolidated Financial Statements

1. Consolidated Balance Sheets

(Millions of yen)

	Semi-Annual 2001	Semi-Annual 2000	Fiscal 2000
Accumulated depreciation on tangible fixed assets	**8,288**	5,625	7,102

2. Consolidated Statements of Income

(Millions of yen)

	Semi-Annual 2001	Semi-Annual 2000	Fiscal 2000
Contents of extraordinary losses:			
Loss on disposal of inventories	**3,853**	-	-
Provision for allowance for business loss of related companies	**1,744**	-	-
Amortization of net transition amount of retirement benefits for employees	**449**	-	-

3. Consolidated Statement of Cash Flows

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

(Millions of yen)

	Semi-Annual 2001	Semi-Annual 2000	Fiscal 2000
Cash on hand and in banks	**2,705**	3,669	3,478
Cash equivalents	-	-	-
Cash and cash equivalents	**2,705**	3,669	3,478

Segment Information

1. By Business (Millions of yen)

	Semi-annual 2001				
	Muji brand sales	**Other business**	**Total**	**Unallocated & eliminations**	**Consolidated**
Outside customers	**58,338**	**339**	**58,678**	**-**	**58,678**
Intersegment	**1**	**-**	**1**	**(1)**	**-**
Operating revenue	**38,339**	**339**	**58,679**	**(1)**	**58,678**
Operating expenses	**55,681**	**402**	**56,083**	**(1)**	**56,082**
Operating profit (loss)	**2,658**	**(62)**	**2,595**	**-**	**2,595**

	Semi-annual 2000				
	Muji brand sales	Other business	Total	Unallocated & eliminations	Consolidated
Outside customers	57,689	235	57,925	-	57,925
Intersegment	-	-	-	-	-
Operating revenue	57,689	235	57,925	-	57,925
Operating expenses	50,053	348	50,401	-	50,401
Operating profit (loss)	7,636	(113)	7,523	-	7,523

	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

Notes:
1. Business divisions are determined according to business development considerations within the Group
2. Muji brand sales consist of retail and wholesale sales of Mujirusi Ryohin merchandise while other business consists of operation of campsites and retail sales of flowers.

2. By Region (Millions of yen)

Semi-annual 2001	Japan	Europe	Other regions	Total	Unallocated &eliminations	Consolidated
Outside customers	**56,025**	**2,463**	**189**	**58,678**	**-**	**58,678**
Intersegment	**76**	**-**	**20**	**96**	**(96)**	**-**
Operating revenue	**56,101**	**2,463**	**209**	**58,774**	**(96)**	**58,678**
Operating expenses	**52,967**	**3,001**	**272**	**56,241**	**(159)**	**56,082**
Operating profit (loss)	**3,133**	**(538)**	**(62)**	**2,532**	**62**	**2,595**

Semi-annual 2000	Japan	Europe	Other regions	Total	Unallocated & eliminations	Consolidated
Outside customers	56,068	1,856	-	57,925	-	57,925
Intersegment	197	-	110	307	(307)	-
Operating revenue	56,266	1,856	110	58,233	(307)	57,925
Operating expenses	48,559	2,117	71	50,747	(346)	50,401
Operating profit (loss)	7,706	(261)	39	7,485	38	7,523

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)	11,587

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. Overseas Operating Revenues

Overseas operating revenues for semi-annual 2001, semi-annual 2000 and fiscal 2000 have been eliminated from the segment information as intersegment transfers.

Leases

(a) Financial 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)

	Semi-Annual 2001	Semi-Annual 2000	Fiscal 2000
Amount equivalent to purchase price	**24**	41	40
Amount equivalent to accumulated depreciation	**11**	18	24
Semi-annual (Fiscal year) ending balance	**13**	23	15

Note: Since the balance of remaining lease payments accounts for only a small proportion of the semi- annual (fiscal year) ending 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)

	Semi-Annual 2001	Semi-Annual 2000	Fiscal 2000
One year or less	**10**	10	9
Over one year	**2**	12	6
Total	**13**	23	15

Note: Since the balance of remaining lease payments accounts for only a small proportion of the semi- annual (fiscal year) ending balance of tangible fixed assets, the amount equivalent to purchase price 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)

	Semi-Annual 2001	Semi-Annual 2000	Fiscal 2000
Lease payments (amount equivalent to depreciation expenses)	**5**	5	10

(4) Method of calculating amount equivalent to depreciation expenses

Depreciation is calculated using the straight-line method (zero remainder) over the estimated useful life of the asset.

(b) Remaining Payments on Operating Leases

(Millions of yen)

	Semi-Annual 2001	Semi-Annual 2000	Fiscal 2000
One year or less	**18**	2	2
Over one year	**17**	2	4
Total	**36**	5	6

Marketable Securities and other Securities Investments

Marketable securities and other securities investments include debt and equity securities for which the aggregate fair value, gross unrealized gains and losses and cost are as follows:

(Millions of yen)

	Semi-Annual 2001		
	Acquisition cost	**Book Value**	**Valuation Gain**
Other securities for which market quotations are available			
Equity securities	**161**	**188**	**26**
Debt securities	**9**	**11**	**1**
Others	**-**	**-**	**-**
Total	**171**	**200**	**28**
Other securities for which market quotations are unavailable			
Equity securities	**-**	**339**	**-**
Total	**-**	**339**	**-**

Market Value of Securities

(Millions of yen)

	Semi-Annual 2000			Fiscal 2000		
	Book Value	Market Value	Valuation gain (loss)	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	186	192	5	161	165	4
Debt securities	-	-	-	-	-	-
Others	-	-	-	-	-	-
Sub total	186	192	5	161	165	4
Total	186	192	5	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

(Millions of yen)	Semi-Annual 2000	Fiscal 2000
Items classified as current assets		
Money management fund	-	-
Money market fund (US$)	-	-
Mid-term government bond fund	-	-
Items classified as fixed assets		
Unlisted equity securities	123	139
Certificates of closed-end Investment trust	9	9

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

Currency Transactions

(Millions of yen)

		Semi-Annual 2001		
Classification	**Type**	**Contracted amount (More than 1 year)**	**Market Value**	**Valuation gain (loss)**
Transactions outside of market	**Forward exchange contracts Buying US dollars**	**1,025 (-)**	**1,242**	**217**
Total		**1,025 (-)**	**1,242**	**217**

(Millions of yen)

		Semi-Annual 2000		
Classification	Type	Contracted amount (More than 1 year)	Market Value	Valuation gain (loss)
Transactions outside of market	Forward exchange contracts Buying US dollars	3,697 (1,172)	3,798	101
Total		3,697 (1,172)	3,798	101

(Millions of yen)

		Fiscal 2000		
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 estimated on ruling quotations in the foreign exchange market in Tokyo.
2. Foreign currency denominated obligations and debt that have been hedged with forward exchange contracts and are ion the included consolidated balance sheets at yen-equivalent values are not disclosed in the above table.

Breakdown by Major Categories

(a) Net sales by products (Millions of yen)

	Semi-annual 2001		Semi-annual 2000		Fiscal 2000	
Product	**Net sales**	**Percentage of total (%)**	Net sales	Percentage of total (%)	Net sales	Percentage of total (%)
Apparel	**18,253**	**31.2**	19,935	34.5	41,017	35.6
Household goods	**33,988**	**58.1**	32,221	55.8	62,225	54.0
Food	**5,593**	**9.6**	5,241	9.1	10,902	9.5
Others	**658**	**1.1**	378	0.6	1,121	0.9
Total	**58,494**	**100.0**	57,777	100.0	115,266	100.0

(b) Net sales by Type of sale (Millions of yen)

	Semi-annual 2001		Semi-annual 2000		Fiscal 2000	
Type of sale	**Net sales**	**Percentage of total (%)**	Net sales	Percentage of total (%)	Net sales	Percentage of total (%)
Japan	**33,570**	**57.4**	31,849	55.1	64,533	56.0
U.K.	**1,716**	**2.9**	1,399	2.4	3,575	3.1
France	**718**	**1.2**	377	0.7	1,063	0.9
Hong Kong	**185**	**0.3**	-	-	-	-
Total of directly managed store	**36,190**	**61.8**	33,627	58.2	69,172	60.0
Seiyu	**5,895**	**10.1**	6,368	11.0	12,474	10.8
Seibu Dept. Stores group	**2,326**	**4.0**	3,312	5.7	5,806	5.1
Other than Saison group stores	**12,853**	**22.0**	14,424	25.0	27,205	23.6
Total of other stores	**21,075**	**36.1**	24,106	41.7	45,486	39.5
Others	**1,228**	**2.1**	43	0.1	608	0.5
Total	**58,494**	**100.0**	57,777	100.0	115,266	100.0

(c) Net sales of directly managed stores by Region (Millions of yen)

	Semi-annual 2001			Semi-annual 2000			Fiscal 2000		
Region	**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	**3**	**940**	**2.6**	1	429	1.3	3	1,442	2.1
Tohoku	**3**	**696**	**1.9**	3	930	2.8	3	1,641	2.4
Kanto	**56**	**17,273**	**47.7**	48	17,909	53.2	57	35,017	50.6
Kohshin-etsu	**5**	**964**	**2.7**	4	768	2.3	6	1,568	2.3
Hokuriku	**2**	**414**	**1.1**	-	-	-	2	458	0.6
Tohkai	**14**	**3,038**	**8.4**	13	2,893	8.6	15	5,841	8.4
Kinki	**24**	**6,757**	**18.7**	18	5,574	16.6	21	11,936	17.3
Chugoku /Kyushu	**11**	**3,484**	**9.6**	8	3,343	9.9	10	6,626	9.6
Total of Japan	**118**	**33,570**	**92.8**	95	31,849	94.7	117	64,533	93.3
U.K.	**16**	**1,716**	**4.7**	15	1,399	4.2	15	3,575	5.2
France	**9**	**718**	**2.0**	4	377	1.1	8	1,063	1.5
Hong Kong	**1**	**185**	**0.5**	-	-	-	-	-	-
Total of overseas	**26**	**2,620**	**7.2**	19	1,777	5.3	23	4,638	6.7
Total	**144**	**36,190**	**100.0**	114	33,627	100.0	140	69,172	100.0

Brief Summary of Non-Consolidated Financial Results (September 27, 2001)

(For the 6 months ended August 31, 2001)

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	03-3989-4405

Board of Directors' Meeting for Settlement of Accounts September 27, 2001

1. Results for Semi-Annual (March 1, 2001 to August 31, 2001) (Millions of yens)

(1) Operating results

	Operating Revenue (% increase)	Operating Profit (% increase)	Ordinary Profit (% increase)
Semi-annual 2001	55,642 (-1.1)	3,133 (-59.8)	3,341 (-57.1)
Semi-annual 2000	56,274 (6.5)	7,801 (14.6)	7,781 (12.7)
Fiscal 2000	111,068	12,194	12,369

	Net Income (Loss) (% increase)	Net Income (Loss) per Share (Yen)
Semi-annual 2001	(3,208) (-183.0)	(114.27)
Semi-annual 2000	3,867 (37.4)	137.74
Fiscal 2000	5,355	190.75

Note: 1.The average number of shares issued during the each period

Semi-annual 2001 – 28,078,000 shares, Semi-annual 2000 – 28,078,000 shares, Fiscal 2000 – 28,078,000 shares

2 There are no accounting changes in this period.

3. Percentage increase is based on comparison with those of previous semi-annual.

(2) Dividends (Yen)

	Dividends per Share for the period	
	Interim-Dividends	Fiscal Year
Semi-annual 2001	22.00	-
Semi-annual 2000	22.00	-
Fiscal 2000	-	44.00

(3) Financial position

	Total assets	Total Shareholders' Equity	Shareholders' Equity Ratio (%)	Shareholders' Equity per Share (Yen)
Semi-annual 2001	49,360	35,393	71.7	1,260.55
Semi-annual 2000	51,371	38,332	74.6	1,365.23
Fiscal 2000	54,094	39,203	72.5	1,396.24

Note: The number of shares issued at the end of each period

Semi-annual 2001 – 28,078,000 shares, Semi-annual 2000 – 28,078,000 shares, Fiscal 2000 – 28,078,000 shares

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

	Operating Revenue	Ordinary Profit	Net Income	Dividends per share (Yen) For Year end	For the Fiscal Year
Full year	111,400	8,000	400	22.00	44.00

Reference: Estimated earnings per share for the full year is ¥14.25

Non-Consolidated Financial Statements

Non-Consolidated Balance Sheets

Ryohin Keikaku Co., Ltd.
As of August 31,2000 and 2001, and February 28, 2001

(Millions of yen)

	Aug. 31, 2001	Aug. 31, 2000	Feb.28, 2001
Current Assets:			
Cash on hand and in banks	**1,758**	2,822	2,766
Accounts receivable-trade	**3,315**	3,764	3,265
Marketable securities	**-**	9	-
Inventories	**8,384**	10,438	10,967
Deferred tax assets - current	**146**	443	237
Other current assets	**5,226**	4,829	5,186
Less: Allowance for doubtful accounts	**(41)**	(37)	(40)
Total current assets	**18,791**	22,271	22,383
Fixed Assets:			
Tangible fixed assets:			
Buildings	**7,629**	6,243	8,024
Tools and furniture	**2,600**	2,654	2,971
Land	**246**	381	246
Construction in progress	**160**	311	414
Other tangible fixed assets	**932**	827	1,021
Total tangible fixed assets	**11,570**	10,417	12,678
Intangible fixed assets:			
Leasehold	**1,478**	1,478	1,478
Software	**1,734**	981	1,391
Other intangible fixed assets	**57**	68	63
Total intangible fixed assets	**3,270**	2,528	2,932
Investments and advances:			
Investment in securities	**539**	320	311
Deferred tax assets - non-current	**1,139**	1,052	1,257
Guarantee deposits	**6,244**	5,699	5,963
Fixed leasehold deposits	**6,094**	5,380	5,921
Other investments and advances	**3,456**	3,706	2,653
Less: Allowance for doubtful accounts	**(1,747)**	(7)	(7)
Total investments and advances	**15,727**	16,152	16,100
Total fixed assets	**30,568**	29,099	31,711
Total Assets	**49,360**	51,371	54,094

(Millions of yen)

	Aug. 31, 2001	Aug. 31, 2000	Feb.28, 2001
Current Liabilities:			
Notes payable	**428**	486	496
Accounts payable-trade	**5,616**	4,400	4,717
Short-term loan payable0	**2,300**	-	1,400
Income taxes payable	**63**	3,069	1,468
Accrued expenses	**2,353**	1,522	2,176
Accrued bonuses	**-**	209	256
Other current liabilities	**826**	1,439	2,440
Total current liabilities	**11,589**	11,128	12,956
Long-term Liabilities:			
Deferred tax liabilities - non-current	**12**	-	-
Accrued retirement benefits for employees	**1,921**	1,492	1,450
Accrued retirement benefits for directors and corporate auditors	**212**	228	254
Other long-term Liabilities	**231**	189	229
Total long-term Liabilities	**2,377**	1,909	1,934
Total Liabilities	**13,966**	13,038	14,890
Shareholders' Equity:			
Common stock	**6,766**	6,766	6,766
Additional paid-in capital	**10,075**	10,075	10,075
Legal reserve	**431**	307	369
Retained earnings:			
General reserve	**20,500**	16,000	16,000
Unappropriated retained earnings	**(2,396)**	5,183	5,992
Total retained earnings	**18,103**	21,183	21,992
Net unrealized gain on other securities	**16**	-	-
Total shareholders' equity	**35,393**	38,332	39,203
Total Liabilities and Shareholders' Equity	**49,360**	51,371	54,094

Non-Consolidated Statements of Income

Ryohin Keikaku Co., Ltd.

For the 6-month period ended August 31, 2000 and 2001, and for the year ended February 28, 2001

(Millions of yen)

	Six-Month Period Ended August 31				Changes from Previous Period	Year Ended February28	
	2001	**%**	2000	%	%	2001	%
Operating Revenue:							
Net Sales	**55,415**		56,091			110,596	
Other operating revenue	**226**		183			472	
Total operating revenue	**55,642**	**100.0**	56,274	100.0	98.9	111,068	100.0
Operating Expenses:							
Cost of Sales	**33,973**		32,455			64,958	
Selling, general and administrative expenses	**18,535**		16,017			33,916	
Total operating expenses	**52,509**	**94.4**	48,472	86.1	108.3	98,874	89.0
Operating Profit	**3,133**	**5.6**	7,801	13.9	40.2	12,194	11.0
Non-operating Income	**249**	**0.4**	61	0.0	406.5	220	0.2
Non-operating Expenses	**41**	**0.1**	82	0.1	50.4	44	0.1
Ordinary Profit	**3,341**	**5.9**	7,781	13.8	42.9	12,369	11.1
Extraordinary Gains	**263**	**0.5**	16	0.0	1578.6	27	0.0
Extraordinary Losses	**6,355**	**11.4**	941	1.6	675.1	2,399	2.2
Income (Loss) before income taxes	**(2,749)**	**-**	6,856	12.2	-	9,997	9.0
Income taxes - current	**250**		3,020			4,672	
Income taxes - deferred	**208**		(30)			(29)	
Net Income (Loss)	**(3,208)**	**-**	3,867	6.9	-	5,355	4.8
Retained earnings brought forward	**812**		1,315			1,315	
Cash dividend	-		-			617	
Transfer to legal reserve	-		-			61	
Unappropriated retained earnings at the end of the period	**(2,396)**		5,183			5,992	

Basis of Presentation of Non-Consolidated Financial Statements

1. Main Assets evaluation

(1) Inventories

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

(2) Marketable securities and investment in securities

Securities issued by subsidiaries and affiliates

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 on August 31, 2001.(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.

(3) Derivatives

Stated at fair value

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2. 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 also 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. Recording basis of main allowances and accrual

(1) 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 except that unrecognized actuarial differences are amortized on a straight-line basis over a certain period from the next year in which they arise.

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

(2) Accrued retirement benefits for directors and corporate auditors

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

(3) 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.

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4. 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.

5. Method of Accounting for Consumption Taxes

Consumption tax is excluded from the amounts of items in the Non-Consolidated Statements of Income.

[Additional Information]

1.Accrued Bonuses

Accrued bonuses for employees is provided for payments of bonuses to employees in the following accounting period in an amount deemed necessary but as a result of change of calculation basis period in 2001, no accrued bonuses were provided in this interim period. Accordingly, "Selling, general and administrative expenses" has decreased by ¥211 million compared with that of previous year and then "Operating profit" and "Ordinary profit" have increased and "Net loss" has decreased by the same amount.

2.Retirement Benefit Accounting

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, "Loss before income taxes" has increased by ¥449 million compared with that of to the 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" has increased by ¥217 million and "Loss before income taxes" has decreased by ¥135 million compared with those of to the 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.
As a result, "Ordinary profit" has decreased by ¥30 million and "Loss before income taxes" has increased by the same amount compared with those of to the previous method.

Additional Notes to the Non-Consolidated Financial Statements

1. Non-Consolidated Balance Sheets

(Millions of yen)

	Semi-Annual 2001	Semi-Annual 2000	Fiscal 2000
Accumulated depreciation	**7,465**	5,284	6,476
Guarantees of loans	**491**	510	636

2. Non-Consolidated Statements of Income

(Millions of yen)

	Semi-Annual 2001	Semi-Annual 2000	Fiscal 2000
Contents of extraordinary losses			
Loss on disposal of inventories	**3,853**	-	-
Allowance for doubtful accounts	**1,741**	-	-
Amortization of net transition amount for employee retirement benefits	**449**	-	-

Leases

(a) Financial 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)

	Semi-Annual 2001	Semi-Annual 2000	Fiscal 2000
Amount equivalent to purchase price	**5**	24	21
Amount equivalent to accumulated depreciation	**2**	12	14
Semi-annual (Fiscal year) ending balance	**2**	12	7

Note: Since the balance of remaining lease payments accounts for only a small proportion of the semi- annual (fiscal year) ending 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)

	Semi-Annual 2001	Semi-Annual 2000	Fiscal 2000
One year or less	**1**	4	2
Over one year	**1**	7	4
Total	**2**	12	7

Note: Since the balance of remaining lease payments accounts for only a small proportion of the semi-annual (fiscal year) ending balance of tangible fixed assets, the amount equivalent to purchase price 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)

	Semi-Annual 2001	Semi-Annual 2000	Fiscal 2000
Lease payments (amount equivalent to depreciation expenses)	**0**	2	4

(4) Method of calculating amount equivalent to depreciation expenses

Depreciation is calculated using the straight-line method (zero remainder) over the estimated useful life of the asset.

(b) Remaining Payments on Operating Leases

(Millions of yen)

	Semi-Annual 2001	Semi-Annual 2000	Fiscal 2000
One year or less	**3**	2	2
Over one year	**1**	2	4
Total	**4**	5	6