

Fiscal year ending March 31, 2002

Consolidated Interim Financial Results

Interim Period ended September 30, 2001

English translation of "Kessan Tanshin"

Listed company name: Minolta Co., Ltd.
 Security code: 7753
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Stock Listings: First sections of Tokyo, Osaka, and Nagoya
 Meeting of the Board of Directors for Interim Closing Held: November 9, 2001
 Adoption of the U.S. accounting standards: No

1. Financial Results for the First Half of Fiscal 2001 (Period ended September 30, 2001)

Amounts less than ¥1 million, except per share amounts, have been omitted in the following tables.

(1) Operating Results

(in millions)

	Net sales (% change from previous year)		Operating income (% change from previous year)		Recurring income (% change from previous year)	
FY2001 1 st half	¥241,596	(8.4%)	¥(2,932)	(----%)	¥(12,145)	(----%)
FY2000 1 st half	¥222,882	(----%)	¥8,417	(----%)	¥4,053	(----%)
FY2000	¥464,289		¥9,190		¥3,246	

	Net income (% change from previous year)		Net income per share (Yen)	Net income per share: Assuming full dilution (Yen)
FY2001 1 st half	¥(22,728)	(----%)	¥(81.11)	¥----
FY2000 1 st half	¥1,536	(----%)	¥5.48	¥----
FY2000	¥(3,127)		¥(11.16)	¥----

- Notes:
- Equity in loss of unconsolidated subsidiaries and affiliates:
 - FY2001 1st half - ¥26 million
 - FY2000 1st half ¥—
 - FY2000 - ¥50 million
 - Average number of shares outstanding during the period (consolidated):
 - FY2001 1st half 280,205,992
 - FY2000 1st half 280,202,689
 - FY2000 280,203,433
 - No changes were made to accounting policies in fiscal 2001.
 - Percentages shown for net sales, operating income, recurring income, and interim net income represent the increase or decrease compared with the previous interim period.

(2) Financial Position

(in millions)

	Total assets	Total shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share (Yen)
FY2001 1 st half	¥420,948	¥44,661	10.6%	¥159.39
FY2000 1 st half	¥407,255	¥73,947	18.2%	¥263.91
FY2000	¥456,250	¥71,194	15.6%	¥254.08

Note: Number of shares issued at the end of period (consolidated):

FY2001 1 st half	280,205,656
FY2000 1 st half	280,203,117
FY2000	280,206,167

(3) Cash Flows

(in millions)

	Operating Activities	Investing Activities	Financing Activities	Cash and cash equivalents at end of period
FY2001 1 st half	¥(6,360)	¥(13,130)	¥14,370	¥22,036
FY2000 1 st half	¥1,408	¥(13,576)	¥(2,561)	¥23,868
FY2000	¥(3,163)	¥(34,473)	¥24,810	¥27,113

(4) Scope of Consolidation and Companies Accounted for by the Equity Method

Number of consolidated subsidiaries:	65
Number of non-consolidated subsidiaries accounted for by the equity method:	---
Number of affiliated companies accounted for by the equity method:	1

(5) Changes in Scope of Consolidation and Companies Accounted for by the Equity Method

Newly consolidated companies	2
Newly non-consolidated companies:	1
Companies newly accounted for by the equity method:	---
Companies no longer accounted for by the equity method:	---

2. Projected Operating Results (Year ending March 31, 2002)

(in millions)

	Net Sales	Recurring income	Net income
Fiscal year	¥500,000	¥(10,000)	¥(21,000)

Estimated net income per share for the year: Consolidated basis ¥74.94

The Minolta Group

The Minolta Group, the Company and its affiliated companies, consists of Minolta Co., Ltd. and its 90 subsidiaries and 5 affiliates. The Group is mainly engaged in business operations from development, manufacture and sales to after-sale services related to image information products and optical products.

The main products and main companies in charge for each operational category are as follows. These categories are the same as the classifications by industry in the segment information.

Main products

Operational category	Products category	Main products
Image information products	Copiers	Digital copiers Digital full color copiers Analog copiers
	Printers	Laser printers Full color laser printers
	Others	Microfilm equipment Facsimile
Optical products	Photographic equipment	Single lens reflex cameras Compact cameras Digital cameras Lenses Binoculars
		Radiometric instruments
	Optical devices and components	Optical units
	Others	Planetariums
Other		Products not included in the above

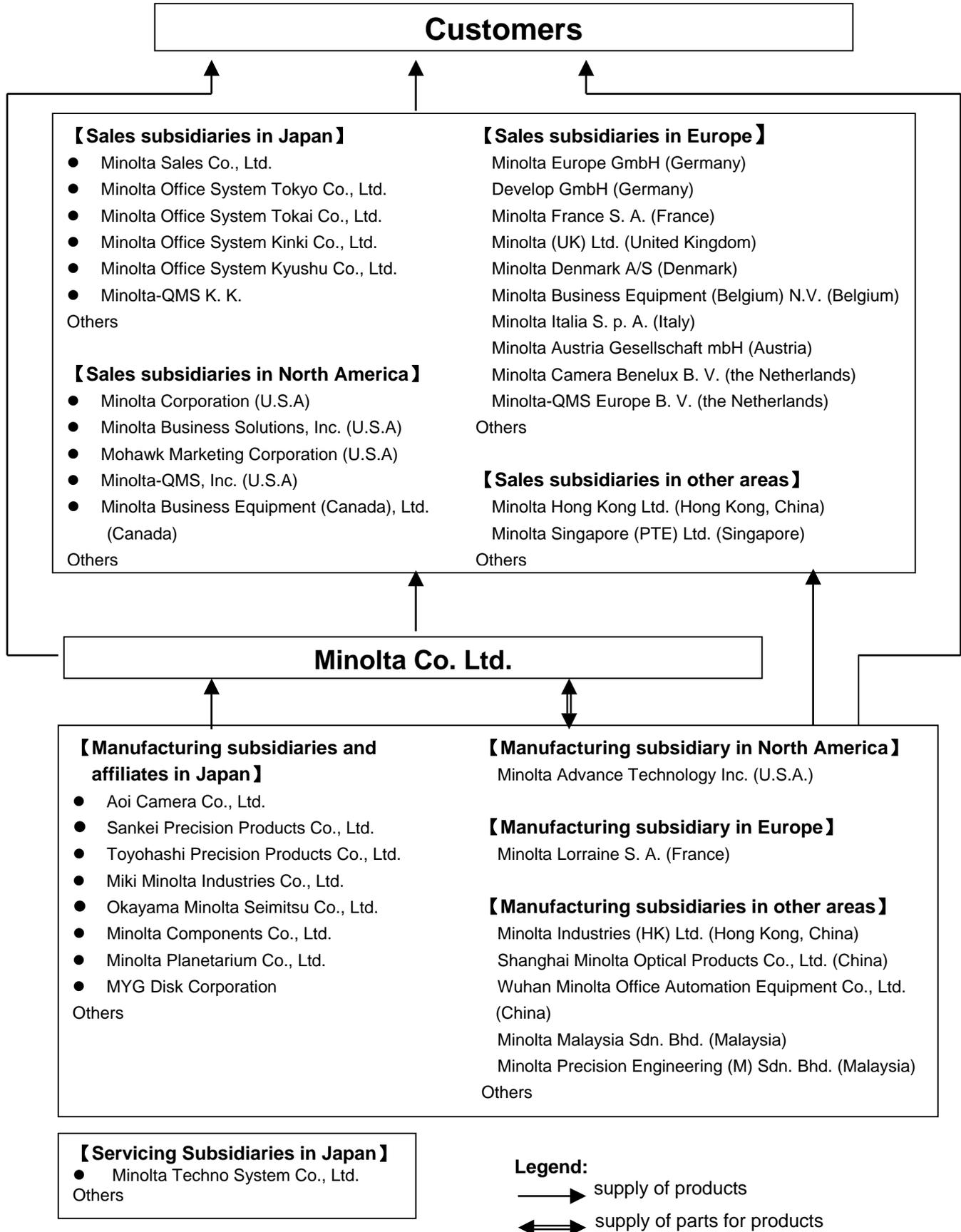
Main companies

Name of company	Location	Capital (in millions)	Main business lines	Holding ratio
Minolta Sales Co., Ltd.	Tokyo, Japan	¥1,500	Image information products Optical products	100%
Minolta Techno System Co., Ltd.	Tokyo, Japan	¥80	Image information products	100% (100%)
Minolta-QMS K. K.	Tokyo, Japan	¥80	Image information products	100% (100%)
Minolta Office System Tokyo Co., Ltd.	Tokyo, Japan	¥100	Image information products	100%
Aoi Camera Co., Ltd.	Aichi, Japan	¥20	Image information products Optical products, Others	100%
Sankei Precision Products Co., Ltd.	Aichi, Japan	¥30	Image information products	100%
Minolta Components Co., Ltd.	Aichi, Japan	¥160	Image information products Optical products, Others	100% (22.5%)
Toyohashi Precision Products Co., Ltd.	Aichi, Japan	¥80	Image information products Optical products, Others	100%
Minolta Office System Tokai Co., Ltd.	Aichi, Japan	¥30	Image information products	100% (100%)
Minolta Planetarium Co., Ltd.	Osaka, Japan	¥100	Optical products	100%
Minolta Office system Kinki Co., Ltd.	Osaka, Japan	¥100	Image information products	100% (100%)
MYG Disk Corporation	Osaka, Japan	¥450	Optical Products	100%
Miki Minolta Kogyo Co., Ltd.	Hyogo, Japan	¥10	Image information products	100%
Okayama Minolta Seimitsu Co., Ltd.	Okayama, Japan	¥40	Image information products Optical products, Others	100%
Minolta Office System Kyushu Co., Ltd.	Fukuoka, Japan	¥50	Image information products	100% (100%)

Name of company	Location	Capital	Main business lines	Holding ratio
Minolta Corporation	New Jersey, U.S.A.	USD40,000,000	Image information products Optical products, Others	100%
Minolta Business Solutions, Inc.	New Jersey, U.S.A.	USD9,151,000	Image information products	100% (100%)
Minolta Advance Technology Inc.	New York, U.S.A.	USD2,500,000	Image information products	100%
Mahawk Marketing Corporation	Virginia, U.S.A.	USD601,000	Optical products Others	100% (100%)
Minolta-QMS, Inc.	Alabama, U.S.A.	USD5	Image information products	100%
Minolta Business Equipment (Canada), Ltd.	Ontario, Canada	CAD6,250,000	Image information products	100% (100%)
Minolta Europe GmbH	Langenhagen, Germany	EUR76,610,000	Image information products Optical products	100%
Develop GmbH	Gerlingen, Germany	EUR1,540,000	Image information products	100% (100%)
Minolta Denmark A/S	Rodovre, Denmark	DKK3,000,000	Image information products	100% (100%)
Minolta Camera Benelux B.V.	Utrecht, The Netherlands	EUR681,000	Optical products	100% (100%)
Minolta-QMS Europe B.V.	Nieuwegein, The Netherlands	NLG35,000	Image information products	100%
Minolta (UK) Ltd.	Milton Keynes, U.K.	GBP1,500,000	Image information products Optical products	100% (100%)
Minolta Business Equipment (Belgium) N.V.	Zaventem, Belgium	EUR992,000	Image information products	100% (100%)
Minolta France S.A.	Carrieres sur Seine, France	EUR9,150,000	Image information products Optical products	100% (100%)
Minolta Lorraine S.A.	Eloyes, France	EUR6,100,000	Image information products	100%
Minolta Austria Gesellschaft mbH	Wein, Austria	EUR2,500,000	Image information products Optical products	100% (100%)
Minolta Italia S.p.A.	Milano, Italy	EUR4,680,000	Image information products Optical products	100% (100%)
Shanghai Minolta Optical Products Co., Ltd.	Shanghai, P.R. China	USD9,000,000	Optical products	77.5% (77.5%)
Wuhan Minolta Office Automation Equipments Co., Ltd.	Wuhan, P. R. China	USD7,000,000	Image information products	76.9% (76.9%)
Minolta Hong Kong Ltd.	Hong Kong, P.R. China	HKD1,200,000	Image information products Optical products	70%
Minolta Industries (HK) Ltd.	Hong Kong, P.R. China	HKD182,150,000	Image information products	100%
Minolta Malaysia Sdn. Bhd.	Selangor, Malaysia	MYR2,000,000	Optical products	100%
Minolta Precision Engineering (M) Sdn. Bhd.	Selangor, Malaysia	MYR10,000,000	Optical products	100%
Minolta Singapore (PTE) Ltd.	Singapore	SGD3,225,000	Image information products Optical products	100%

Note: 1. Figures of holding ratio in parentheses indicate indirect holding ratio which are included in total value of ratios.

The following chart shows situations of operational system.



Note: The above chart is as of September 30, 2001

Management Policy and Overview of Performance

1. Management Policy

Fundamental Management Policy

In November 2000, Minolta announced “The essentials of imaging” as its new corporate slogan. This expresses Minolta Group’s dedication to becoming “essential” in the field of imaging. With this new slogan, Minolta shall undertake further challenges in all business operations.

In 1999, Minolta established four principles as its fundamental medium-term management policy focusing on “customer first” thinking and activities. These are as follows:

(1) Management that is conscious of corporate governance

In April 2001, Minolta introduced a new executive officer system. The company clearly separated the strategic decision-making tasks of the Board of Directors from the strategic execution and day-to-day management activities of executive officers.

Minolta will strive to maximize shareholder value by strengthening operating activities, accelerating business processes in order to achieve objectives, and encouraging a highly transparent management style. In October 2001, we abolished internal hierarchy among the Board of Directors, such as Senior Executive Directors or Executive Directors, in accordance with this principle.

(2) Management that strengthens consolidated business operations

Minolta implemented major organizational changes in April 2001. By establishing a consolidated Group business operational structure, decisions made by the management can be rapidly implemented by the entire worldwide organization. Consequently, Minolta aims to realize significant Group synergies derived from strong strategic management.

(3) Management that strengthens its core competence in growing fields of business

Minolta aims to become a leading company in growing fields by further strengthening our core competencies, such as futuristic optical technology, image processing technology, and an extensive worldwide marketing network.

(4) Management that utilizes the latent abilities of Minolta’s human resources

Minolta has been emphasizing a performance-oriented management system, to extract the maximum capabilities of its personnel. Minolta is creating a challenging environment, with a fair and rational compensation and appraisal system. Minolta’s management is promoting a qualitative transformation of human resources, in order to respond to major changes in the company’s business environment.

We will work to accelerate management processes to meet our stakeholders’ expectations, concentrating the efforts of Minolta Group to achieve continuous growth.

Basic Dividend Policy

Minolta's basic dividend policy is determined based on the Company's profitability.

It takes into consideration our goal of maintaining a stable dividend level by achieving profit targets based on the previously mentioned fundamental management policy. It also considers the accumulation of internal reserves required for future business development while continuing to invest in developing products in fields with strong growth potential and also strengthening the company’s financial structure.

Medium-term Management Strategies and Objectives

Minolta began implementing its medium-term management strategies in April 1999.

Giving priority to the following three principles, the company's management is aggressively striving to achieve its objectives.

- (1) Strengthening business competitiveness
 - Strengthening competitiveness of digital products, increasing sales and market share
 - Strengthening development of products and creating the structure to promote development of new business
 - Improving business performance on a consolidated basis
- (2) Improving profitability
 - Maximizing cash return by establishing a supply chain management system
 - Restructuring the manufacturing structure and reducing procurement costs
 - Reducing indirect costs
- (3) Qualitative improvement of business management
 - Reviewing the function of the Board of Directors and decision-making process
 - Clarifying corporate identification
 - Actively promoting investor relations activities
 - Improving environmental performance
 - Making effective use of human resources

By achieving these objectives, we anticipate that net sales will be Yen560,000 million, recurring income will be Yen29,000 million and net income will be Yen14,000 million on a consolidated basis by the end of March 2004.

Minolta's Task

Because exports can be 80% of all sales, we recognize the importance of establishing flexible profitability and financial structures to withstand foreign exchange fluctuations. In order to overcome challenges, we will concentrate on strengthening product features and our capabilities for providing solutions, as well as strengthening the company's financial structure. At the same time, we will seek optimally efficient locations for manufacturing and procurement, providing timely products and services to customers all over the world, with "customer first" as our primary policy.

We will strive to become a futuristic corporate group in the digital field, introducing products and services that anticipate the future's rapid growth of Information Technology and digitization. In addition, we will execute business plans and activities while leveraging our core competencies, enabling Minolta to hold a top position in the color output field as a leading company in image inputting and outputting.

For environmental preservation activities, Minolta has been actively working to introduce environmentally sensitive products, and also recycle used products throughout the entire Minolta Group.

By the end of March 2003, Minolta expects to complete the structural reform which will establish a lean but solid foundation of management and management practice, accelerating reduction of Group fixed cost, procurement cost, and inventory levels.

By attaining all those tasks, we will make the greatest possible effort to boost the worldwide brand value, and corporate value, of Minolta.

2. Overview of Performance

(1) The Period under Review (The interim period ended September 30, 2001)

During the period under review, the U.S. economy's weakness became clear. Poor business conditions, caused by reduced Information Technology spending, spread to other areas of the economy. Reduction of capital spending, as well as a major cutback in inventory levels, was called for. European and Asian economies that had been relatively favorable began to also take a downward turn.

In the aftermath of the terrorist attacks of September 11th, hoped-for recovery of the U.S. economy was certainly delayed. Business confidence and consumer confidence both deteriorated. In Japan, the economy continued on the decline, with no signs of imminent recovery and with business confidence very low. Personal consumption remained weak, as consumers responded to high unemployment and falling personal income. In the corporate sector, there was significant decline in profitability among electronics and Information Technology companies, also in response to a weakening worldwide economic picture. These companies had been expected to be the "engine" for renewed economic growth. During the period under review, the yen depreciated significantly against the U.S. dollar and the Euro when compared with the same period one year ago.

Despite these economic conditions, Minolta strengthened its focus on the digital product field, concentrating on a business structure that anticipates advanced Information Technology and digitization.

In image information product operations, Minolta expanded the lineup of the DiALTA series by introducing Di251 and Di351, our mainstay products in the mid-speed digital copier market. For digital full color copiers, sales of the CF 2001 and CF1501 (both introduced last year) were promoted by emphasizing to customers the efficiency and usefulness of color. In the printer category, we reduced costs by shifting assembly of printer controllers to Minolta's manufacturing facility in China. Also, we actively worked to develop new sales channels and boost sales, mainly for the magicolor 2200 series. Despite these efforts, economic conditions and intense competition resulted in a decline of image information product sales, to Yen181,766 million, while operating income declined to Yen686 million.

In optical product operations, Minolta marketed five new DiMAGE digital still cameras. The DiMAGE 7, the most advanced camera in the series, was the world's first digital camera with 7X optical zoom and a 2/3-type CCD with a total of 5.24 million pixels. The new DiMAGE products contributed to Minolta's strengthening presence in the digital camera market. In addition, we marketed the new –Sweet II SLR (Single Lens Reflex) camera, a successor to the popular –Sweet model. Accessories included two models of interchangeable lenses, important to continued sales in the film camera market.

Sales of optical devices and components contributed to overall sales, especially sales of optical units for digital projectors and minilabs, as well as glass substrates for hard disks. In the field of radiometric instruments, we expanded the product lineup with the marketing of JAUNDICE METER JM-103, a medical instrument. We also sought to expand sales of spectrophotometers and 3D digitizers. However, affected by economic conditions and declining consumer confidence, overall sales of the optical product operations declined to Yen50,600 million, resulting in an operating loss of Yen3,860 million.

Sales of other business operations, which primarily comprise the wholesale trade of electric appliances and the manufacture and sale of parts, were Yen9,230 million. Operating income was Yen228 million.

Overall net sales for the interim period under review were Yen241,596 million. Ordinary loss amounted to Yen12,145 million, due to increased selling, general and administrative expenses, as well as severe price competition in a weakening economy. The loss was also due to inventory revaluation and disposal, necessitated by rapid change in specific product markets.

Minolta incurred losses from the revaluation of a controlling interest in a sales subsidiary, as well as revaluation of investments in securities brought about by declining securities prices. Interim net loss was Yen22,728 million. Export sales were Yen196,351 million, 81.3% of total net sales.

Cash outflows of Yen6,360 million from operating activities, primarily a decrease in accounts payable, and Yen13,130 million from investing activities, primarily for capital investments, resulted in Yen19,490 million of free cash outflow. Financing activities, primarily short-term loans, increased during the period.

As a result, cash and cash equivalents at the end of the interim period were Yen22,036 million, Yen5,077 million overall decrease from March 31, 2001.

On a non-consolidated basis, net sales declined 2.4% from the interim period of the previous year, to Yen134,782 million. Ordinary loss increased to Yen4,798 million and interim net loss also increased to Yen24,923 million.

Given the performance results of the first half, Minolta has decided to forgo interim dividends in the current fiscal year.

Note: (alpha) series SLRs marketed in Japan and China are marketed as the MAXXUM series in North America and the DYNAX series in Europe, Asia Pacific countries and other areas not mentioned above.

(2) The Current Fiscal Year (The fiscal year ending March 31, 2002)

In the second half of the current fiscal year, the U.S. economy is expected to slow. This is partly the result of the September terrorist attacks, partly due to a downturn in consumer spending, and partly due to a decline in corporate capital investment. The most optimistic forecast for European economies is a slow recovery. Japan, as evidenced in recent surveys of business confidence, will likely face export declines and production cutbacks because of the slowing U.S. economy. Among Minolta Group's businesses, we forecast a continued challenging business climate for copiers, printers, and cameras as a result of the impact of necessary inventory adjustment.

In response to challenging market conditions, Minolta will accelerate structural reform through reduction in staff, while at the same time concentrating the capabilities and resources of the Group companies on achieving growth in sales and profit. More specifically, we will emphasize color printers and color multi-function peripherals (MFPs) as strategic categories. Concurrently, we will seek improved profitability in sales of monochrome MFPs and monochrome printers. These activities will occur in parallel with Minolta's committed efforts to understand, anticipate, and shape the future of digital image input and output.

In accordance with our original estimate, we have decided to forgo year-end dividends in the current fiscal year.

Our forecasts of performance for the full fiscal year ending March 31, 2002, are as follows:

		in millions	As compared with the previous fiscal year
1. Consolidated base	Net sales	500,000	108%
	Recurring income	(10,000)	--- %
	Net income	(2,1000)	--- %
2. Non-consolidated base	Net sales	280,000	100%
	Recurring income	(3,500)	--- %
	Net income	(24,000)	--- %

In estimating these figures, we set the foreign exchange rates for the second half of fiscal year ending March 31, 2002 as ¥115 = US\$1 and ¥105 = EUR1.

* The above-mentioned forecasts are the results of estimations based on currently available information, and accordingly, contain risks and uncertainties. The actual results of business performance may sometimes differ from these forecasts due to various factors.

Consolidated Balance Sheets

(Period ended September 30, 2001)

Assets	(in millions)					
	FY2001 1st half		FY2000 1 st half		FY2000	
	Amount	% of total	Amount	% of total	Amount	% of total
Current assets:						
Cash, including time deposits	¥22,652		¥24,588		¥27,284	
Notes and accounts receivable	107,400		99,202		114,131	
Marketable securities	29		81		68	
Inventories	124,181		118,230		137,339	
Deferred tax assets	6,306		7,655		8,490	
Other current assets	11,871		10,265		10,160	
Allowance for doubtful receivables	(3,906)		(3,736)		(3,950)	
Total current assets	268,535	63.8	256,287	62.9	293,523	64.3
Fixed assets:						
Tangible fixed assets:						
Buildings and structures	27,215		27,346		28,072	
Machinery, equipment and vehicles	13,799		13,760		14,975	
Tools, furniture and fixtures	29,977		27,511		29,978	
Land	13,033		12,744		13,085	
Construction in progress	87		158		227	
	84,113	20.0	81,521	20.0	86,338	18.9
Intangible fixed assets:						
Consolidation goodwill	5,556		5,632		9,637	
Other intangible fixed assets	12,240		8,392		11,155	
	17,796	4.2	14,024	3.5	20,792	4.6
Investments and other assets:						
Investments in securities	29,286		40,613		38,629	
Long-term loans receivable	2,584		2,791		2,670	
Deferred tax assets	11,585		5,789		7,839	
Other investments	8,179		7,345		7,556	
Allowance for doubtful receivables	(1,133)		(1,116)		(1,100)	
	50,502	12.0	55,422	13.6	55,595	12.2
Total fixed assets	152,412	36.2	150,968	37.1	162,727	35.7
Total assets	¥420,948	100.0	¥407,255	100.0	¥456,250	100.0

(in millions)

Liabilities, minority interests and shareholders' equity	FY2001 1 st half		FY2000 1 st half		FY2000	
	Amount	% of total	Amount	% of total	Amount	% of total
Liabilities:						
Current liabilities:						
Notes and accounts payable	¥53,687		¥70,200		¥67,844	
Short-term loans payable	183,727		139,726		175,344	
Current portion of long-term liabilities related to straight bonds	5,000		----		----	
Accrued corporation tax	1,314		4,554		4,928	
Allowance for bonuses	5,464		5,574		5,171	
Allowance for product warranty	1,300		1,338		1,471	
Other current liabilities	32,207		30,594		39,202	
Total current liabilities	282,701	67.2	251,990	61.9	293,963	64.4
Long-term liabilities:						
Straight bonds	23,000		25,000		28,000	
Long-term loans payable	37,014		28,678		32,995	
Deferred tax liabilities	183		276		178	
Reserve for retirement and severance benefits	23,180		19,145		21,246	
Reserve for retirement and severance benefits for directors and statutory auditors	409		574		626	
Other long-term liabilities	8,094		6,567		6,828	
Total long-term liabilities	91,882	21.8	80,243	19.7	89,875	19.7
Total liabilities	374,583	89.0	332,233	81.6	383,839	84.1
Minority interests	1,703	0.4	1,074	0.2	1,217	0.3
Shareholders' equity:						
Capital stock	25,832	6.1	25,832	6.4	25,832	5.7
Capital surplus	51,198	12.2	51,198	12.6	51,198	11.2
Consolidated retained earnings	(21,527)	(5.1)	7,401	1.8	1,897	0.4
Unrealized gains (losses) on available-for-sale securities	(2,719)	(0.7)	----	----	----	----
Translation adjustment	(8,121)	(1.9)	(10,482)	(2.6)	(7,733)	(1.7)
	44,662	10.6	73,949	18.2	71,195	15.6
Treasury stock	(0)	(0.0)	(2)	(0.0)	(0)	(0.0)
Total shareholders' equity	44,661	10.6	73,947	18.2	71,194	15.6
Total liabilities, minority interests and shareholders' equity	¥420,948	100.0	¥407,255	100.0	¥456,250	100.0

Notes:

	FY2001 1 st half	FY2000 1 st half	FY2000
1. Accounted depreciation of tangible fixed assets:	¥169,936 million	¥165,786 million	¥176,233 million
2. Notes discounted:	¥1,082 million	¥647 million	¥1,073 million
3. Guarantees for indebtedness for subsidiaries and others:	¥3,635 million	¥2,925 million	¥2,864 million
[Guarantees for indebtedness for subsidiaries]:	[¥3,634 million]	[¥2,909 million]	[¥2,856 million]
[Instruments of managerial guidance and others]:	[¥1 million]	[¥16 million]	[¥7 million]
4. Number of shares of treasury stock:	2,025 shares	4,564 shares	1,514 shares

Consolidated Statements of Income and Retained Earnings

(Period ended September 30, 2001)

(in millions)

	FY2001 1 st half		FY2000 1 st half		FY2000	
	Amount	% of total	Amount	% of total	Amount	% of total
Net sales	¥241,596	100.0	¥222,882	100.0	¥464,289	100.0
Cost of sales	141,997	58.8	123,168	55.3	263,865	56.8
Gross profit	99,599	41.2	99,714	44.7	200,423	43.2
Selling, general and administrative expenses	102,531	42.4	91,296	40.9	191,233	41.2
Operating income	(2,932)	(1.2)	8,417	3.8	9,190	2.0
Non-operating revenues:						
Interest and dividend income	365		587		1,160	
Other	2,079		2,277		7,119	
	2,445	1.0	2,864	1.3	8,280	1.8
Non-operating expenses:						
Interest expenses	4,467		4,133		8,903	
Equity in loss of unconsolidated subsidiaries and affiliates	26		---		50	
Loss on inventory valuation and disposition	5,127		876		2,001	
Other	2,036		2,219		3,268	
	11,658	4.8	7,229	3.3	14,223	3.1
Recurring income	(12,145)	(5.0)	4,053	1.8	3,246	0.7
Special gains:						
Gain on sales of fixed assets	411		89		200	
Gain on sales of securities	8		653		1,003	
	420	0.2	742	0.3	1,203	0.3
Special losses:						
Loss on dispositions of fixed assets	640		331		843	
Appraisal loss on investment in securities	5,327		105		3,418	
Appraisal loss on golf course membership	---		129		134	
Appraisal loss on interest swap transactions	---		572		572	
Loss on sales of securities	29		---		---	
Amortization of consolidation goodwill	3,306		---		---	
Restructuring charges	554		---		---	
	9,857	4.1	1,139	0.5	4,970	1.1
Income before income taxes	(21,583)	(8.9)	3,656	1.6	(520)	(0.1)
Corporate, inhabitant and enterprise taxes	875		3,065		6,194	
Adjustments of corporate tax and others	405		(622)		(3,413)	
	1,281	0.5	2,442	1.1	2,780	0.6
Minority interests-loss	136	0.0	322	0.2	174	0.0
Net income	(22,728)	(9.4)	1,536	0.7	(3,127)	(0.7)

(continue)

	FY2001 1st half		FY2000 1 st half		FY2000	
	Amount	% of total	Amount	% of total	Amount	% of total
Consolidate retained earnings at the beginning of period	¥1,897		¥6,744		¥6,744	
Increment of consolidated retained earnings:						
Revision due to increase in consolidated subsidiaries	144		37		37	
Increment of consolidated retained earnings	144		37		37	
Appropriations:						
Dividends	840		840		1,681	
Bonuses for directors and statutory auditors	----		50		50	
Revision of retained earnings due to change of fiscal period for consolidated subsidiaries	----		26		26	
Decrement of consolidated retained earnings	840		917		1,757	
Consolidated retained earnings at the end of period	¥(21,527)		¥7,401		¥1,897	

Consolidate Statement of Cash Flow

(Period ended September 30, 2001)

(in millions)

	FY2001 1 st half	FY2000 1 st half	FY2000
I. Cash flow from operating activities			
1. Net income (loss) before adjustments of income taxes etc.	¥(21,583)	¥3,656	¥(520)
2. Depreciation expense	12,165	11,593	25,404
3. Amortization of consolidation goodwill	4,014	542	1,285
4. Increase of reserve for retirement and severance benefits	2,113	1,495	2,787
5. Interest and dividend income	(365)	(587)	(1,160)
6. Interest expense	4,467	4,133	8,903
7. Equity in loss of unconsolidated subsidiaries and affiliates	26	---	50
8. Loss (gain) on sales of investment securities	20	---	(1,003)
9. Appraisal loss on investment in securities	5,327	---	3,418
10. Appraisal gain on dispositions of tangible fixed assets	(411)	(89)	(200)
11. Decrease (increase) in accounts receivable	5,276	(3,393)	(10,015)
12. Decrease (increase) of inventory	11,069	(18,475)	(26,063)
13. Increase (decrease) in accounts payable	(14,120)	8,609	4,324
14. Decrease (increase) in accrued consumption tax payable	141	(154)	123
15. Other	(5,868)	(636)	1,711
Subtotal	2,274	6,695	9,046
16. Interest and dividend received	381	588	1,166
17. Interest paid	(4,515)	(4,492)	(9,090)
18. Corporation tax etc. paid	(4,500)	(1,382)	(4,286)
Cash flows from operating activities	(6,360)	1,408	(3,163)
II. Cash flows from investing activities			
1. Payment for acquisition of securities	---	(4)	(39)
2. Proceeds from sales of securities	39	---	39
3. Payment for acquisition of tangible fixed assets	(10,669)	(13,431)	(26,490)
4. Proceeds from sales of tangible fixed assets	1,938	994	2,064
5. Payment for acquisition of investment securities	(1,330)	(195)	(1,907)
6. Proceeds from sales of investment securities	583	1,955	2,729
7. Payment for additional acquisition of subsidiaries' stocks	(14)	---	(4,558)
8. Payment for advances	(40)	(470)	(455)
9. Proceeds from collections of advances	11	51	172
10. Other	(3,648)	(2,475)	(6,027)
Cash flow from investing activities	(13,130)	(13,576)	(34,473)
III. Cash flow from financing activities			
1. Proceeds from short-term loans payable, net	14,312	53	20,676
2. Proceeds from long-term loans payable	6,800	2,256	12,641
3. Payments of long-time loans payable	(6,076)	(3,834)	(9,288)
4. Proceeds from issuance of bonds	---	---	3,000
5. Dividends paid	(839)	(840)	(1,678)
6. Dividends paid for minority	(89)	(14)	(54)
7. Other	264	(182)	(485)
Cash flow form financing activities	14,370	(2,561)	24,810
IV. Translation differences on cash and cash equivalents	(210)	(288)	1,049
V. Decrease in cash and cash equivalents	(5,331)	(15,017)	(11,776)
VI. Cash and cash equivalents at beginning of year	27,113	38,496	38,496
VII. Increase in cash and cash equivalents by new consolidations	253	389	393
VIII. Cash and cash equivalents at end of period	¥22,036	¥23,868	¥27,113

2. Information by Geographic Area

FY2001 1st half (Period ended September 30, 2001)

	Japan	North America	Europe	Other areas	Total	Eliminations or corporate	(in millions) Consolidated total
Net sales:							
(1) External sales	¥81,544	¥77,271	¥68,712	¥14,068	¥241,596	¥----	¥241,596
(2) Inter-segment	74,413	473	800	45,279	120,966	(120,966)	----
Total sales	155,957	77,744	69,513	59,347	362,563	(120,966)	241,596
Operating expenses	156,389	79,887	70,332	58,464	365,074	(120,544)	244,529
Operating income (loss)	¥(431)	¥(2,143)	¥(818)	¥883	¥(2,510)	¥(422)	¥(2,932)

FY2000 1st half (Period ended September 30, 2000)

	Japan	North America	Europe	Other areas	Total	Eliminations or corporate	(in millions) Consolidated total
Net sales:							
(1) External sales	¥84,467	¥67,294	¥59,698	¥11,423	¥222,882	¥----	¥222,882
(2) Inter-segment	77,546	119	387	29,312	107,365	(107,365)	-----
Total sales	162,013	67,413	60,085	40,735	330,248	(107,365)	222,882
Operating expenses	155,809	66,925	60,809	39,627	323,171	(108,707)	214,464
Operating income (loss)	¥6,204	¥488	¥(723)	¥1,107	¥7,076	¥1,341	¥8,417

FY2000 (Year ended March 31, 2001)

	Japan	North America	Europe	Other areas	Total	Eliminations or corporate	(in millions) Consolidated total
Net sales:							
(1) External sales	¥170,064	¥142,332	¥129,018	¥22,873	¥464,289	¥----	¥464,289
(2) Inter-segment	157,523	240	715	66,045	224,525	(224,525)	----
Total sales	327,588	142,573	129,734	88,918	688,814	(224,525)	464,289
Operating expenses	318,256	142,948	131,358	87,047	679,611	(224,511)	455,099
Operating income (loss)	¥9,332	¥(375)	¥(1,624)	¥1,871	¥9,203	¥(13)	¥9,190

Notes:

- Classification of areas is made according to the geographical neighborhood.
- Details of areas in the classification excluding Japan are as follows:
 - North America the United States, Canada
 - Europe European countries including Germany, France, and England
 - Other areas All other areas excluding the above (1) and (2)

3. Overseas Sales

FY2001 1st half (Period ended September 30, 2001)

	(in millions)			
	North America	Europe	Other areas	Total
Overseas sales	¥87,943	¥78,364	¥30,043	¥196,351
Consolidated sales				241,596
Overseas sales as a percentage of consolidated net sales	36.4%	32.4%	12.5%	81.3%

FY2000 1st half (Period ended September 30, 2000)

	(in millions)			
	North America	Europe	Other areas	Total
Overseas sales	¥79,316	¥67,649	¥28,096	¥175,062
Consolidated sales				222,882
Overseas sales as a percentage of consolidated net sales	35.6%	30.3%	12.6%	78.5%

FY2000 (Years ended March 31, 2001)

	(in millions)			
	North America	Europe	Other areas	Total
Overseas sales	¥168,406	¥148,188	¥52,970	¥369,565
Consolidated sales				464,289
Overseas sales as a percentage of consolidated net sales	36.3%	31.9%	11.4%	79.6%

Notes:

1. Classification of areas is made according to the geographical neighborhood.
2. Details of areas in the classification excluding Japan are as follows:
 - (1) North America the United States, Canada
 - (2) Europe European countries including Germany, France, and England
 - (3) Other areas All other areas excluding the above (1) and (2)
3. Areas of overseas sales means destination of sales excluding Japan.