

Fiscal year ended March 31, 2002

Consolidated Financial Results

Period ended March 31, 2002

--- Flash Report ---

Listed company name: Minolta Co., Ltd. (<http://www.minolta.com>)
 Security code: 7753
 Head Office: 3-13, Azuchi-machi 2-chome, Chuo-ku, Osaka 541-8556, Japan
 Contact: Ko Ikeuchi, General Manager, Finance Division
 Tel: (06) 6271-2251 (main switchboard)

Stock Listings: First sections of Tokyo, Osaka, and Nagoya

Meeting of the Board of Directors Held: May 23, 2002

Adoption of the U.S. accounting standards: No

1. Financial Results (Years ended March 31, 2002 and 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	¥510,862 (10.0%)	¥3,949 (-57.0%)	¥(7,890) (---%)
FY2000	¥464,289 (-3.8%)	¥9,190 (-54.7%)	¥3,246 (-62.0%)

	Net income (% change from previous year)	Net income per share (Yen)	Net income per share: Assuming full dilution (Yen)
FY2001	¥(34,350) (---%)	¥(122.59)	¥----
FY2000	¥(3,127) (---%)	¥(11.16)	¥----

	Net income to shareholders' equity	Recurring income to total assets	Recurring income to net sales
FY2001	- 58.4%	- 1.8%	- 1.5%
FY2000	- 4.0%	0.7%	0.7%

Notes: 1. Equity in loss of unconsolidated subsidiaries and affiliates:

FY2001 - ¥74 million
 FY2000 - ¥50 million

2. Average number of shares outstanding during the period (consolidated):

FY2001 280,200,108
 FY2000 280,203,433

3. No changes were made to accounting policies in fiscal 2001.

4. Percentages shown for net sales, operating income, recurring income, and net income represent the increase or decrease compared with the previous period.

(2) Financial Position

(in millions)

	Total assets	Total shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share (Yen)
FY2001	¥427,247	¥46,502	10.9%	¥165.97
FY2000	¥456,250	¥71,194	15.6%	¥254.08

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

FY2001	280,183,136
FY2000	280,206,167

(3) Cash Flows

(in millions)

	Operating Activities	Investing Activities	Financing Activities	Cash and cash equivalents at end of period
FY2001	¥37,275	¥(22,375)	¥(4,647)	¥38,505
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:	63
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:	3
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, 2003)

(in millions)

	Net Sales	Recurring income	Net income
Interim Period	¥260,000	¥3,500	¥2,000
Fiscal year	¥530,000	¥8,000	¥6,000

Estimated net income per share for the year: Consolidated basis ¥21.41

The Minolta Group

The Minolta Group, the Company and its affiliated companies, consists of Minolta Co., Ltd. and its 89 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	Industrial instruments Optical medical instruments Photographic meters
	Optical devices and components Others	Optical units Planetariums
Other		Products not included in the above

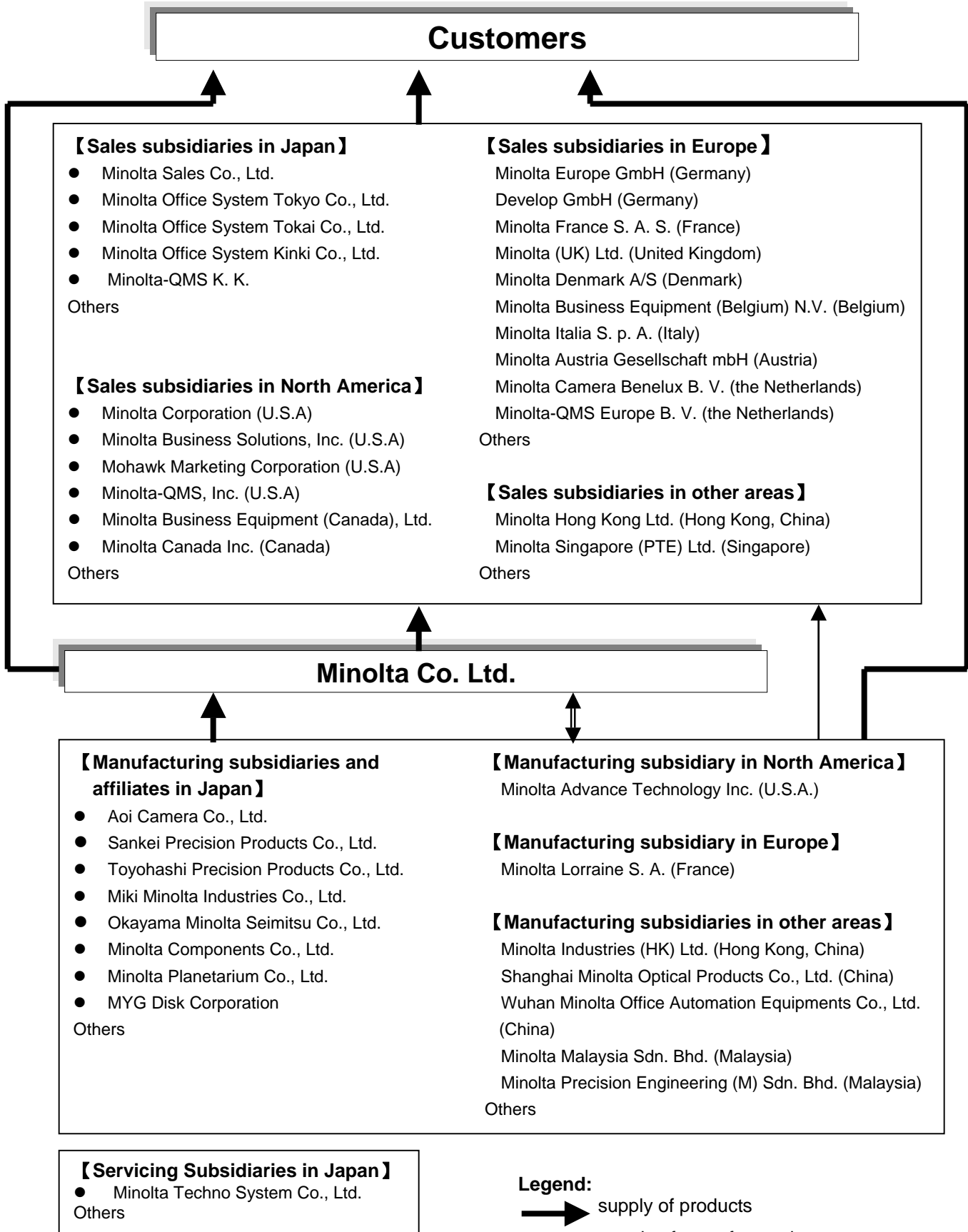
Main companies

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% (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%

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%
Mohawk 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 Canada Inc.	Ontario, Canada	CAD 1,700,000	Optical products	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	DKK29,000,000	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	EUR78,000	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.S.	Carrieres sur Seine, France	EUR11,150,000	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 March 31, 2002.

Management Policy and Overview of Performance

1. Management Policy

Fundamental Management Policy

Minolta established “The essentials of imaging” as its corporate slogan, and has made this slogan the nucleus of its business operations, through which we achieve a corporate brand that our customers find indispensable to the world of imaging. In order to pursue the concept set forth in our corporate slogan, and achieve the medium-term management plan, we introduced a new internal company system in April 2002. The internal company system further propels us toward achieving our goals, and allows us to reorganize in a manner that conforms to today's market segments, making it possible for us to enhance customer responsiveness. At the same time, we will achieve greater managerial speed by allocating a broader scope of authority to the internal company presidents and executive officers. Through this, we aim to increase the individual profitability of each internal company and further strengthen our market competitiveness.

Minolta's new corporate structure consists of three internal companies and five corporate headquarters staff organization units. We aim to increase customer satisfaction by creating closer relationships between our customers and the various functions of each internal company. The ultimate goal of the new company system is that each company will establish a firm position in its respective business. The outlines of internal companies are as follows.

Image Information Products Company

This company aims to establish a leading position in the field of color by maximum use of the efficiency created from the merger of our mainstay MFPs (Multi Functional Peripherals), printers, and image-chemical related businesses, as well as by concentrating and combining the technologies and know-how in the field of digital imaging. In addition, the company aims to strengthen its capacity in solution development and establish a strong position in the fields of digital and color.

Optical Products Company

This company aims to achieve a synergy between optical and digital technologies, areas of core competence for Minolta, as well as increase operational efficiency. By merging our optical products business (camera business) and optical systems business (optical device business), the company will further strengthen its presence in the market.

Instrument Systems Company

This company aims to contribute to further increases in profit by strengthening the existing high value-added products of the company and the company's ability to accurately respond to customers' needs.

The staff departments of the corporate headquarters are reorganized into five organizational units handling group strategies, corporate affairs, shared lateral functions, research and development, and new business development. Through this, Minolta aims to strengthen the operational strategy planning and execution capacity of the group as a whole, and provide support for the commonly shared functions of each company. Research and development, in particular, is reorganized into the fields of image information and optical technologies in order to increase responsiveness to the market needs with efficient research and development activities.

Basic Dividend Policy

Minolta's basic dividend policy is determined based on the Company's profitability. It takes into consideration our goals of resuming a dividend and 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 strengthening the company's financial structure.

Medium-term Management Strategies

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

- (1) Strengthening business competitiveness
- (2) Improving profitability
- (3) Qualitative improvement of business management

Moreover, we will strive to boost corporate value of Minolta as well as establish lean but solid management by strengthening cash flow. We will also accelerate reduction of interest-bearing debts and enhance shareholders' equity.

Minolta's Task

Because exports can be as much as 80% of all sales, we recognize the importance of establishing flexible 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 corporation 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 our business plans while leveraging core competencies, enabling Minolta to maintain a firm 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 to also recycle used products throughout the entire Minolta Group.

By the end of March 2003, Minolta expects to complete the structural change that will establish a lean but solid foundation of management. We will continue to accelerate reduction of Group fixed cost, procurement cost, and inventory levels. As a result of the change which was previously announced, as of March 2002 our set targets for this fiscal year have been achieved. We will go further with the structural change and strive to achieve the final goals of our medium-term management plan.

By successfully completing all of these tasks, we will do everything possible to boost the worldwide brand value, and corporate value, of Minolta.

2. Overview of Performance

(1) The Period under Review (The fiscal period ended March 31, 2002)

During the period under review, the U.S. economy deteriorated as a result of rapidly declining Information Technology spending, the adverse effects of the terrorist attacks in September 2001, reduced capital spending, and major reductions in inventory levels. The European economy generally took a downward turn while the Asian economy, except for China, showed signs of sluggishness.

In Japan, the economy continued to decline, with weak personal consumption as consumers responded to high unemployment and falling personal income. The corporate sector remained severely depressed due to a weakening worldwide economic picture. During the period under review, the yen depreciated 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 marketing and R&D of digital products that anticipates advanced Information Technology and digitization. At the same time, we accelerated structural changes that included the reduction of fixed costs, procurement costs, and inventory levels.

Minolta strengthened the lineup of the DiALTA series in the digital copier field and expanded sales of printers, especially color printers, by developing new sales channels. In Optical Products, we aggressively worked to expand sales by assuming full-scale operation in the digital camera market.

Image Information Products Operations

In the copier market during the period under review, the digital share of the total market continued to increase on a worldwide basis. Responding to the trend, Minolta expanded the lineup of digital copiers by introducing six new models. These included the DiALTA Di152f/Di152 and DiALTA Di183f/Di183, low-speed compact digital copiers featuring 600dpi high resolution, and DiALTA Di650 and DiALTA Di750, high-speed digital copiers featuring versatile finishing function and high-resolution using polymerized toner. Moreover, DiALTA Color CF1501 and DiALTA Color CF2001, digital full-color copiers, contributed to expanding Minolta's share in color MFPs backed by the company's good reputation in the market.

In the printer category, despite the sluggish growth of the printer market, Minolta developed new sales channels and increased its share in Europe as a result of the growing sales of the Magicolor2200, a Minolta-QMS color printer. We also expanded our OEM business, deriving maximum benefit from the business alliance. Overall sales of the Image Information products were Yen 381,906 million, an increase of 7.1% compared with the same period of the previous year, resulting in an operating income of Yen 10,816 million, up by 7.6% compared to the same period in the previous year.

Optical Products Operations

In the camera market during the period under review, digital cameras continued to show strong growth. Minolta introduced six models of digital cameras with unique features, including DiMAGE 7, a SLR-type digital camera with 7X optical zoom and a 2/3-type CCD with a total of 5.24 million pixels, and DiMAGE X, a 20mm depth flat and slim digital camera with 3X optical zoom. Thanks to the contribution of these products, the sales of digital cameras significantly improved in both units and revenue compared with the same period of the previous year. As for film cameras, we marketed the compact -Sweet II SLR (Single Lens Reflex) camera and the CAPIOS 160A and CAPIOS 140A compact cameras, which employ the world's largest AF area in a film camera

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 marketed two models of high-speed color analyzers, CA-210 and CA-100Plus, used for evaluating chromaticity and luminance of such devices as color LCDs and displays, and contributing to increased productivity and efficiency in the field of R&D. We also sought to expand sales of spectrophotometers and 3D digitizers.

Overall sales of optical product operations increased 12.8% from the previous fiscal year, to Yen 107,992 million. However, this resulted in an operating loss of Yen 7,237 million.

Other Business Operations

Sales of other business operations, which primarily comprise the wholesale trade of electric appliances and the manufacture and sale of parts, were Yen 20,962 million, an increase of 75.9% compared with the same period of the previous year. Operating income was Yen 330 million, up 34.1% compared with the same period of the previous year.

Overall net sales for the fiscal year under review were Yen 510,862 million, up 10% or Yen 46,573 million from the previous fiscal year. Ordinary loss amounted to Yen 7,890 million, mainly due to severe price competition in a weakening economy and inventory revaluation and disposal. Net loss was Yen 34,350 million, due to the revaluation of a controlling interest in a sales subsidiary, as well as payments for the Early Retirement Incentive Plan, one of the measures to accelerate our structural change. The loss was also due to revaluation of investments in securities, brought about by declining securities prices.

On a non-consolidated basis, net sales edged down 2.5% from the previous fiscal year to Yen 272,105 million. Ordinary loss was Yen 1,531 million, while net loss was Yen 33,596 million.

Given the performance results of the fiscal year, Minolta has decided to forgo a year-end dividend in the current fiscal year.

(2) Cash Flow

Despite the net loss before income taxes amounted Yen 33,569 million, cash flow from operating activities was Yen 37,275 million, mainly due to a reduction in inventory and a decrease in accounts receivable. In particular, the amount of inventory improved by Yen 45,064 million due to a production adjustment, in combination with inventory revaluation and disposal. Cash flow from investing activities was Yen 22,375 million, reflecting reduced capital expenditure in the 2nd half of the period. Consequently, free cash flow rose by Yen 14,900 million. Cash flow from financing activities was Yen 4,647 million, mainly resulting from repayment of bank loans. As a result, cash and cash equivalents at the end of the fiscal year were Yen 38,505 million, a Yen 11,391 million overall increase from the end of the previous 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. CAPIOS series compact cameras marketed in Japan and China are marketed as the Freedom series in North America and the RIVA series in Europe, Asia Pacific countries and other areas not mentioned above

(3) The Current Fiscal Year (The fiscal year ending March 31, 2003)

Regarding the outlook for the world economy, Europe and the U.S. show slight signs of recovery while an upturn in the Japanese economy is not expected soon due to continued high unemployment, restrained consumer spending, and declining profits in the corporate sector. In the markets for MFPs, printers, and cameras, which are the markets Minolta competes in, the business environment is likely to remain severe for the foreseeable future.

In response to challenging market conditions, Minolta will concentrate the capabilities and resources of the Group companies on achieving growth in sales and profit. In particular, we will continue to work to expand sales of digital products. Moreover, we will target growth in sales of the color output field by offering a total system for color document solutions that combines input/output hardware and software.

Currently, Minolta has not yet set a goal for the amount of dividends that the company will pay, however, we will put forth more effort to resume dividends.

Our forecasts of performance for the full fiscal year ending March 31, 2003, are as follows:

		in millions	As compared with the previous fiscal year
1. Consolidated base	Net sales	530,000	103.7%
	Recurring income	8,000	---- %
	Net income	6,000	---- %
2. Non-consolidated base	Net sales	290,000	106.5%
	Recurring income	5,000	---- %
	Net income	3,000	---- %

In estimating these figures, we set the foreign exchange rates for the second half of the fiscal year ending March 31, 2003 as ¥125 = US\$1 and ¥110 = 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 March 31, 2002)

Assets	March 31, 2002		March 31, 2001		Change
	Amount	% of total	Amount	% of total	
(in millions)					
Current assets:					
Cash, including time deposits	¥39,302		¥27,284		¥12,017
Notes and accounts receivable	115,945		114,131		1,814
Marketable securities	4		68		(63)
Inventories	98,127		137,339		(39,212)
Deferred tax assets	3,064		8,490		(5,425)
Other current assets	11,725		10,160		1,564
Allowance for doubtful receivables	(4,217)		(3,950)		(266)
Total current assets	263,951	61.8	293,523	64.3	(29,572)
Fixed assets:					
Tangible fixed assets:					
Buildings and structures	27,007		28,072		(1,064)
Machinery, equipment and vehicles	12,982		14,975		(1,993)
Tools, furniture and fixtures	30,564		29,978		586
Land	27,817		13,085		14,731
Construction in progress	170		227		(56)
	98,542	23.0	86,338	18.9	12,203
Intangible fixed assets:					
Consolidation goodwill	5,110		9,637		(4,526)
Other intangible fixed assets	12,231		11,155		1,075
	17,342	4.1	20,792	4.6	(3,450)
Investments and other assets:					
Investments in securities	23,236		38,629		(15,392)
Long-term loans receivable	2,598		2,670		(72)
Deferred tax assets	14,452		7,839		6,613
Other investments	8,463		7,556		907
Allowance for doubtful receivables	(1,340)		(1,100)		(8,184)
	47,411	11.1	55,595	12.2	(239)
Total fixed assets	163,295	38.2	162,727	35.7	568
Total assets	¥427,247	100.0	¥456,250	100.0	¥(29,003)

(in millions)

Liabilities, minority interests and shareholders' equity	March 31, 2002		March 31, 2001		Change
	Amount	% of total	Amount	% of total	
Liabilities:					
Current liabilities:					
Notes and accounts payable	¥52,833		¥67,844		¥(15,011)
Short-term loans payable	178,485		175,344		3,141
Current portion of long-term liabilities related to straight bonds	15,000		----		15,000
Accrued corporation tax	1,664		4,928		(3,264)
Allowance for bonuses	3,109		5,171		(2,062)
Allowance for product warranty	1,266		1,471		(205)
Other current liabilities	34,189		39,202		(5,013)
Total current liabilities	286,548	67.1	293,963	64.4	¥(7,415)
Long-term liabilities:					
Straight bonds	11,800		28,000		(16,200)
Long-term loans payable	34,737		32,995		1,742
Deferred tax liabilities	184		178		5
Deferred tax liabilities on revaluation reserve for land	6,166		----		6,166
Reserve for retirement and severance benefits	30,922		21,246		9,675
Reserve for retirement and severance benefits for directors and statutory auditors	434		626		(191)
Other long-term liabilities	8,485		6,828		1,656
Total long-term liabilities	92,731	21.7	89,875	19.7	2,855
Total liabilities	379,279	88.8	383,839	84.1	(4,559)
Minority interests	1,465	0.3	1,217	0.3	248
Shareholders' equity:					
Capital stock	25,832	6.1	25,832	5.7	----
Capital surplus	51,198	12.0	51,198	11.2	----
Revaluation reserve for land	8,516	2.0	----	----	8,516
Consolidated retained earnings	(33,149)	(7.8)	1,897	0.4	(35,046)
Unrealized gains (losses) on available-for-sale securities	(367)	(0.1)	----	----	(367)
Translation adjustment	(5,523)	(1.3)	(7,733)	(1.7)	2,209
	46,507	10.9	71,195	15.6	(24,687)
Treasury stock	(5)	(0.0)	(0)	(0.0)	(4)
Total shareholders' equity	46,502	10.9	71,194	15.6	(24,692)
Total liabilities, minority interests and shareholders' equity	¥427,247	100.0	¥456,250	100.0	(29,003)

Notes:

	March 31, 2002	March 31, 2001	Change
1. Accounted depreciation of tangible fixed assets:	¥173,715 million	¥176,233 million	¥(2,518) million
2. Notes discounted:	¥682 million	¥1,073 million	¥(390) million
3. Guarantees for indebtedness for subsidiaries and others:	¥3,060 million	¥2,864 million	¥195 million
[Guarantees for indebtedness for subsidiaries]:	[¥3,060 million]	[¥2,856 million]	[¥203 million]
[Instruments of managerial guidance and others]:	[¥ ---]	[¥7 million]	[¥(7) million]
4. Number of shares of treasury stock:	24,545 shares	1,514 shares	23,031 shares

Consolidated Statements of Income and Retained Earnings

(Period ended March 31, 2002)

	(in millions)				
	March 31, 2002		March 31, 2001		Change
	Amount	% of total	Amount	% of total	
Net sales	¥510,862	100.0	¥464,289	100.0	¥46,573
Cost of sales	300,585	58.8	263,865	56.8	36,719
Gross profit	210,277	41.2	200,423	43.2	9,853
Selling, general and administrative expenses	206,327	40.4	191,233	41.2	15,093
Operating income	3,949	0.8	9,190	2.0	(5,240)
Non-operating revenues:					
Interest and dividend income	668		1,160		(491)
Other	6,674		7,119		(445)
	7,343	1.4	8,280	1.8	(937)
Non-operating expenses:					
Interest expenses	8,301		8,903		(601)
Equity in loss of unconsolidated subsidiaries and affiliates	74		50		23
Loss on inventory valuation and disposition	8,317		2,001		6,315
Other	2,489		3,268		(778)
	19,183	3.7	14,223	3.1	4,959
Recurring income	(7,890)	(1.5)	3,246	0.7	(11,137)
Special gains:					
Gain on sales of fixed assets	1,646		200		1,446
Gain on sales of securities	25		1,003		(978)
	1,672	0.3	1,203	0.3	468
Special losses:					
Loss on dispositions of fixed assets	1,701		843		858
Loss on sales of securities	1,653		---		1,653
Appraisal loss on investment in securities	13,982		3,418		10,563
Appraisal loss on golf course membership	---		134		(134)
Appraisal loss on interest swap transactions	---		572		(572)
Amortization of consolidation goodwill	3,306		---		3,306
Restructuring charges	1,471		---		1,471
Special retirement benefits	5,236		---		5,236
	27,351	5.4	4,970	1.1	22,380
Income before income taxes	(33,569)	(6.6)	(520)	(0.1)	(33,049)
Corporate, inhabitant and enterprise taxes	1,798		6,194		(4,395)
Adjustments of corporate tax and others	(590)		(3,413)		2,823
	1,208	0.2	2,780	0.6	(1,572)
Minority interests-loss	427	0.1	174	0.0	253
Net income	(34,350)	(6.7)	(3,127)	(0.7)	(31,222)

(continue)

	March 31, 2002		March 31, 2001		Change
	Amount	% of total	Amount	% of total	
Consolidate retained earnings at the beginning of period	¥1,897		¥6,744		¥(4,847)
Increment of consolidated retained earnings:					
Revision due to increase in consolidated subsidiaries	144		37		107
Increment of consolidated retained earnings	144		37		107
Appropriations:					
Dividends	840		1,681		(840)
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		1,757		(917)
Consolidated retained earnings at the end of period	¥(33,149)		¥1,897		¥(35,046)

Consolidate Statement of Cash Flow

(Period ended March 31, 2002)

(in millions)

	Year ended March 31, 2002	Year ended March 31, 2001	Change
I. Cash flow from operating activities			
1. Net income (loss) before adjustments of income taxes etc.	¥(33,569)	¥(520)	¥(33,049)
2. Depreciation expense	26,398	25,404	993
3. Amortization of consolidation goodwill	4,467	1,285	3,181
4. Increase of reserve for retirement and severance benefits	9,348	2,787	6,560
5. Interest and dividend income	(668)	(1,160)	491
6. Interest expense	8,301	8,903	(601)
7. Equity in loss of unconsolidated subsidiaries and affiliates	74	50	23
8. Loss (gain) on sales of investment securities	1,627	(1,003)	2,631
9. Appraisal loss on investment in securities	13,982	3,418	10,564
10. Appraisal gain on dispositions of tangible fixed assets	(1,646)	(200)	(1,446)
11. Decrease (increase) in accounts receivable	3,431	(10,015)	13,447
12. Decrease (increase) of inventory	45,064	(26,063)	71,128
13. Increase (decrease) in accounts payable	(16,656)	4,324	(20,980)
14. Decrease in accrued consumption tax payable	716	123	593
15. Other	(10,484)	1,711	(12,196)
Subtotal	50,388	9,046	41,341
16. Interest and dividend received	603	1,166	(562)
17. Interest paid	(8,354)	(9,090)	736
18. Corporation tax etc. paid	(5,362)	(4,286)	(1,075)
Cash flows from operating activities	37,275	(3,163)	40,439
II. Cash flows from investing activities			
1. Payment for acquisition of securities	----	(39)	39
2. Proceeds from sales of securities	44	39	5
3. Payment for acquisition of tangible fixed assets	(20,804)	(26,490)	5,686
4. Proceeds from sales of tangible fixed assets	4,710	2,064	2,646
5. Payment for acquisition of investment securities	(2,423)	(1,907)	(515)
6. Proceeds from sales of investment securities	1,746	2,729	(983)
7. Payment for additional acquisition of subsidiaries' stocks	(234)	(4,558)	4,324
8. Payment for advances	(46)	(455)	408
9. Proceeds from collections of advances	79	172	(92)
10. Other	(5,449)	(6,027)	577
Cash flow from investing activities	(22,375)	(34,473)	12,097
III. Cash flow from financing activities			
1. Proceeds from short-term loans payable, net	3,443	20,676	(17,233)
2. Proceeds from long-term loans payable	8,925	12,641	(3,716)
3. Payments of long-time loans payable	(14,637)	(9,288)	(5,348)
4. Proceeds from issuance of bonds	----	3,000	(3,000)
5. Redemption of straight bonds	(1,200)	----	(1,200)
6. Dividends paid	(845)	(1,678)	833
7. Dividends paid for minority	(84)	(54)	(29)
8. Other	(248)	(485)	237
Cash flow form financing activities	(4,647)	24,810	(29,457)
IV. Translation differences on cash and cash equivalents	883	1,049	(165)
V. Increase (Decrease) in cash and cash equivalents	11,137	(11,776)	22,913
VI. Cash and cash equivalents at beginning of year	27,113	38,496	(11,382)
VII. Increase in cash and cash equivalents by new consolidations	253	393	(139)
VIII. Cash and cash equivalents at end of year	¥38,505	¥27,113	¥11,391

2. Information by Geographic Area

Year ended March 31, 2002

	Japan	North America	Europe	Other areas	Total	Eliminations or corporate	(in millions) Consolidated total
Net sales							
(1) External sales	¥165,695	¥166,283	¥152,037	¥26,846	¥510,862	¥ ----	¥510,862
(2) Inter-segment	153,045	3,780	1,695	98,082	256,604	(256,604)	----
Total sales	318,740	170,064	153,733	124,928	767,466	(256,604)	510,862
Operating expenses	315,556	170,944	152,798	123,316	762,615	(255,703)	506,912
Operating income (loss)	¥3,183	¥(879)	¥934	¥1,612	¥4,850	¥(900)	¥3,949
Assets	¥241,396	¥104,308	¥93,010	¥46,566	¥485,281	¥(58,034)	¥427,247

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
Assets	¥255,192	¥109,325	¥98,764	¥41,149	¥504,430	¥(48,179)	¥456,250

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)
- The assets in the estimations or companywide columns are principally excess funds under management (cash and negotiable securities) of the parent company and long-term investments (investment securities) of the parent company.

March 2002	¥55,410 million
March 2001	¥61,572 million

3. Overseas Sales

Year ended March 31, 2002

	(in millions)			
	North America	Europe	Other areas	Total
Overseas sales	¥189,108	¥171,541	¥58,968	¥419,619
Consolidated sales				¥510,862
Overseas sales as a percentage of consolidated net sales	37.0%	33.6%	11.5%	82.1%

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.