

Marubun Corporation

Head Office : 8-1 Nihonbashi Odenmachi, Chuo-ku, Tokyo, Japan

Code No. : 7537

(URL <http://www.marubun.co.jp>)

Name and Title of Representative: Kiichi Horikoshi, CEO and Representative Director

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Interim Board of Directors Meeting : November 21, 2002

Adoption of U.S.GAAP : no

November 21, 2002

Consolidated Financial Statements for the Six Months Ended September 30, 2002

I Summary of Consolidated Interim Financial Results

1. Financial Results for the Six Months Ended September 30, 2002

(1) Operating Results

	Net Sales		Operating Income		Ordinary Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Six months ended						
September 30, 2002	72,042	2.0	254	(59.8)	(132)	-
September 30, 2001	70,652	(10.6)	632	(78.1)	388	(84.4)
Year ended March 31, 2002	138,146		1,456		1,254	

	Net Income		Net Income	Diluted Net Income
	Millions of Yen	%	Per Share	Per Share
Six months ended			Yen	Yen
September 30, 2002	(157)	-	(5.68)	-
September 30, 2001	(81)	-	(2.91)	-
Year ended March 31, 2002	(415)		(14.92)	-

Notes : ① Equity in net incomes/losses of affiliates(Millions of Yen) September 30, 2002 (96) September 30,2001 (23) March 31, 2002 97

② Average number of shares outstanding

During the six months ended September 30, 2002 : 27,825,510shares

During the six months ended September 30, 2001 : 27,871,549shares

During the year ended March 31, 2002 : 27,874,358shares

③ Change in Accounting methods : none

④ Percentages for net sales, operating income, ordinary income and net income indicate changes from previous year

(2) Financial Position

	Total Assets	Shareholders' Equity	Shareholders' Equity	Shareholders' Equity
	Millions of Yen	Millions of Yen	to Total Assets	Per Share
Six months ended			%	Yen
September 30, 2002	82,794	28,258	34.1	1,021.78
September 30, 2001	91,763	29,362	32.0	1,053.30
Year ended March 31, 2002	85,011	29,047	34.2	1,041.99

Note : Number of shares outstanding

As of September 30, 2002 : 27,656,469shares

As of September 30, 2001 : 27,877,057shares

As of March 31, 2002 : 27,876,805shares

(3) Cash Flows

	Net Cash flow	Net Cash flow	Net Cash flow	Cash and Cash
	from Operating Activities	from Investing Activities	from Financing Activities	Equivalents
Six months ended				at End of Fiscal Year
September 30, 2002	294	(280)	(1,223)	Millions of Yen
September 30, 2001	7,680	(1,632)	(4,792)	4,116
Year ended March 31, 2002	17,872	(4,086)	(11,599)	4,406
				5,488

(4) Scope of consolidation, application of equity method

Number of consolidated subsidiaries : 4

Number of affiliates accounted for by equity method : 5

Number of unconsolidated subsidiaries accounted for by equity method : none

(5) Change in scope of consolidation, application of equity method

Number of consolidated companies add : none

Number of companies under equity method add : none

Number of consolidated companies removed : none

Number of companies under equity method removed : none

2. Financial Forecasts for the Fiscal Year Ending March 31, 2003

	Net Sales	Operating Income	Ordinary Income	Net Income
Year ending	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
March 31, 2003	154,900	1,470	1,100	550

Reference : Expected net income per share : 19.89yen

Note:These Financial Forecasts are based on management's assumptions and beliefs in light of the information currently available to it and therefore you should not place undue reliance on them. Marubun Corporation cautions you that a number of important factors could cause actual results to differ materially from those discussed in the forward-looking statements.

II Consolidated Balance Sheets

(Millions of Yen)

	As of September 30, 2002		As of September 30, 2001		Increase/ decrease	As of March 31, 2002	
	Amount	Compo- sition (%)	Amount	Compo- sition (%)		Amount	Compo- sition (%)
(Assets)							
Current Assets							
Cash and Bank Deposits	6,862		7,649		(787)	8,726	
Notes and Accounts Receivable, Trade	38,543		43,697		(5,154)	41,090	
Marketable Securities	–		204		(204)	60	
Inventories	17,816		20,024		(2,207)	14,453	
Deferred Tax Assets	387		333		54	312	
Other	1,617		4,058		(2,440)	2,990	
Allowance for Doubtful Accounts	(88)		(46)		(42)	(51)	
Total Current Assets	65,138	78.7	75,921	82.7	(10,782)	67,581	79.5
Long-term Assets							
Tangible Fixed Assets							
Buildings and Structures	2,509		3,665		(1,155)	3,822	
Land	2,698		4,002		(1,304)	4,003	
Other	613		1,228		(615)	1,044	
Total Tangible Fixed Assets	5,821	7.0	8,897	9.7	(3,075)	8,870	10.4
Intangible Fixed Assets							
	2,436	2.9	998	1.1	1,438	1,749	2.1
Investments and Other Assets							
Investment Securities	2,634		3,636		(1,001)	3,092	
Long-term Loans Receivable	2		9		(6)	6	
Investment in Real Estate	3,021		–		3,021	–	
Deferred Tax Assets	1,472		139		1,333	1,446	
Other	2,264		2,161		103	2,264	
Total Investments and Other Assets	9,397	11.4	5,946	6.5	3,450	6,809	8.0
Total Long-term Assets	17,655	21.3	15,842	17.3	1,813	17,429	20.5
Total Assets	82,794	100.0	91,763	100.0	(8,968)	85,011	100.0
(Liabilities)							
Current Liabilities							
Notes and Accounts Payable, Trade	22,484		20,539		1,944	21,643	
Short-term Loans Payable	23,118		32,506		(9,387)	24,942	
Accrued Income Taxes and Other Taxes	120		95		25	163	
Deferred Tax Liabilities	–		3		(3)	2	
Allowance for Employees' Bonuses	720		894		(173)	644	
Other	2,227		4,527		(2,299)	3,692	
Total Current Liabilities	48,671	58.8	58,567	63.8	(9,895)	51,088	60.1
Long-term Liabilities							
Bonds Payable	2,100		2,100		–	2,100	
Long-term Loans Payable	2,129		240		1,888	1,188	
Deferred Tax Liabilities	–		0		(0)	1	
Allowance for Employees' Retirement Benefits	546		439		106	497	
Allowance for Directors' Retirement Benefits	447		405		41	435	
Other	639		645		(5)	645	
Total Long-term Liabilities	5,862	7.1	3,832	4.2	2,030	4,867	5.7
Total Liabilities	54,534	65.9	62,400	68.0	(7,865)	55,955	65.8
Minority Interest	1	0.0	–	–	1	8	0.0
(Shareholders' Equity)							
Common Stock	6,214	7.5	6,214	6.8	–	6,214	7.3
Additional Paid-in Capital	6,351	7.7	6,351	6.9	–	6,351	7.5
Retained Earnings	16,063	19.4	16,952	18.5	(889)	16,414	19.3
Revaluation of Investment Securities	55	0.1	46	0.1	8	169	0.2
Foreign Currency Translation Adjustments	(21)	(0.0)	44	0.0	(65)	143	0.2
Treasury Stock	(404)	(0.5)	(246)	(0.3)	(157)	(246)	(0.3)
Total Shareholders' Equity	28,258	34.1	29,362	32.0	(1,104)	29,047	34.2
Total Liabilities, Minority Interest and Shareholders' Equity	82,794	100.0	91,763	100.0	(8,968)	85,011	100.0

III Consolidated Statements of Income

(Millions of Yen)

	Six months ended September 30, 2002		Six months ended September 30, 2001		Increase/ decrease	Fiscal year ended March 31, 2002	
	Amount	Ratio to Net Sales (%)	Amount	Ratio to Net Sales (%)		Amount	Ratio to Net Sales (%)
Net Sales	72,042	100.0	70,652	100.0	1,389	138,146	100.0
Cost of Sales	64,492	89.5	62,399	88.3	2,093	121,995	88.3
Gross Profit	7,549	10.5	8,253	11.7	(703)	16,150	11.7
Selling, General and Administrative Expenses	7,295	10.1	7,620	10.8	(325)	14,693	10.6
Operating Income	254	0.4	632	0.9	(378)	1,456	1.1
Non-Operating Income							
Interest Income	3		8			14	
Dividends Income	6		9			12	
Equity in Net Incomes of Affiliates	-		-			97	
Rent Revenue	37		32			65	
Insurance Commission Income	11		14			-	
Foreign Exchange Gain	-		14			273	
Other	203		22			161	
Total Non-Operating Income	263	0.4	101	0.1	162	624	0.4
Non-Operating Expenses							
Interest Expenses	209		249			481	
Loss on Disposal of Inventories	-		19			203	
Foreign Exchange Loss	228		-			-	
Equity in Net Losses of Affiliates	96		23			-	
Other	114		53			140	
Total Non-Operating Expenses	649	0.9	345	0.5	304	826	0.6
Ordinary Income	(132)	(0.2)	388	0.5	(520)	1,254	0.9
Special Gains							
Gain on Sale of Long-term Assets	0		0			5	
Gain on Sale of Investment Securities	12		0			1	
Gain on Receipt of JDSU Stocks Issued for an Incentive Plan Achieved by Epion Corp.	111		-			-	
Other	104		-			-	
Total Special Gains	229	0.3	0	0.0	228	6	0.0
Special Losses							
Loss on Sale and Disposal of Long-term Assets	16		20			353	
Loss on Revaluation of Investment Securities	135		137			2,155	
Loss on Revaluation of Investment in Golf Club	-		3			8	
Other	0		-			-	
Total Special Losses	151	0.2	161	0.2	(9)	2,517	1.8
Income before Taxes	(54)	(0.1)	226	0.3	(281)	(1,256)	(0.9)
Income, Inhabitant and Business Taxes - Current	135	0.2	99	0.1	35	323	0.2
Income, Inhabitant and Business Taxes - Deferred	(25)	(0.0)	208	0.3	(233)	(1,164)	(0.8)
Minority Interest	(7)	(0.0)	-	-	(7)	-	-
Net Income	(157)	(0.2)	(81)	(0.1)	(76)	(415)	(0.3)

IV Consolidated Statements of Cash Flows

(Millions of Yen)

	Six months ended September 30, 2002	Six months ended September 30, 2001	Increase/ decrease	Fiscal Year Ended March 31,2002
	Amount	Amount		Amount
I Cash Flows from Operating Activities				
Income before Taxes	(54)	226	(281)	(1,256)
Depreciation and Amortization	277	292	(15)	629
Increase/Decrease in Allowance for Doubtful Accounts	38	2	35	7
Increase in Allowance for Employees' Bonuses	76	57	19	(193)
Increase/Decrease in Allowance for Directors' Retirement Benefits	11	(10)	22	19
Increase in Allowance for Employees' Retirement Benefits	49	60	(11)	118
Interest and Dividends Earned	(10)	(17)	7	(26)
Interest Expenses	209	249	(40)	481
Foreign Currency Translation Gain/Loss	160	46	113	(98)
Equity in Net Losses of Affiliates	135	79	55	(39)
Gain on Sale of Long-term Assets	(0)	(0)	(0)	(5)
Gain on Sale of Investment Securities	(12)	(0)	(12)	(1)
Gain on Receipt of JDSU Stocks Issued for an Incentive Plan Achieved by Epion Corp.	(111)	-	(111)	-
Loss on Revaluation of Investment in Golf Club	-	3	(3)	8
Loss on Revaluation of Investment Securities	135	137	(2)	2,155
Loss on Sale and Disposal of Long-term Assets	16	20	(4)	353
Increase/Decrease in Accounts Receivable	2,498	11,776	(9,278)	14,419
Increase/Decrease in Inventories	(3,363)	3,503	(6,867)	9,093
Increase/Decrease in Accounts Payable	876	(7,898)	8,774	(6,780)
Bonuses Paid to Directors	(8)	(66)	57	(66)
Other	(246)	2,139	(2,386)	2,358
Sub Total	675	10,604	(9,929)	21,176
Interest and Dividends Received	10	19	(9)	28
Interest Paid	(212)	(256)	43	(494)
Income Taxes Paid	(178)	(2,688)	2,510	(2,838)
Net Cash used in Operating Activities	294	7,680	(7,385)	17,872
II Cash Flows from Investing Activities				
Payment for Time Deposits	(606)	(6)	(600)	(13)
Proceeds from Time Deposits	1,100	12	1,088	24
Proceeds from Maturities of Marketable Securities	-	-	-	200
Payment for Acquisition of Tangible Fixed Assets	(272)	(1,148)	875	(1,678)
Proceeds from Sale of Tangible Fixed Assets	1	0	1	10
Payment for Acquisition of Intangible Fixed Assets	(796)	(299)	(496)	(1,155)
Payment for Acquisition of Investment Securities	(9)	(196)	186	(1,467)
Proceeds from Sale of Investment Securities	93	0	93	16
Proceeds from Collections on Loans	3	3	0	6
Other	207	3	203	(28)
Net Cash provided by Investing Activities	(280)	(1,632)	1,352	(4,086)
III Cash Flows from Financing Activities				
Proceeds from Short-term Loans	3,258	4,183	(924)	8,705
Repayment of Short-term Loans	(4,055)	(8,464)	4,409	(20,552)
Proceeds from Long-term Loans	1,000	-	1,000	1,000
Repayment of Long-term Loans	(1,075)	(54)	(1,020)	(110)
Redemption of Straight Bonds	-	(300)	300	(300)
Proceeds from Issuance of Common Stock	-	-	-	8
Proceeds from Sale of Treasury Stock	-	51	(51)	51
Payment for Purchases of Treasury Stock	(156)	-	(156)	-
Dividends Paid	(194)	(207)	12	(401)
Other	(0)	0	(0)	(0)
Net Cash provided by Financing Activities	(1,223)	(4,792)	3,568	(11,599)
IV Effect of Exchange Rate Changes on Cash and Cash Equivalents	(161)	(40)	(120)	110
V Net Increase/Decrease in Cash and Cash Equivalents	(1,371)	1,214	(2,585)	2,296
VI Cash and Cash Equivalents at Beginning of Year	5,488	3,191	2,296	3,191
VII Cash and Cash Equivalents at End of Year	4,116	4,406	(289)	5,488

V Consolidated Segment Information

1. Segment Information by Business Type

Six Months Ended September 30, 2002

(Millions of Yen)

	Components and Materials	Electronic Systems	Total	Eliminations / Corporate	Consolidated
Net Sales					
(1) Outside Customers	50,392	21,649	72,042	-	72,042
(2) Intersegment	2	31	34	(34)	-
Total Sales	50,395	21,681	72,076	(34)	72,042
Operation Expenses	49,390	21,194	70,585	1,202	71,788
Operation Income	1,004	486	1,490	(1,236)	254

Six Months Ended September 30, 2001

(Millions of Yen)

	Components and Materials	Electronic Systems	Other	Total	Eliminations / Corporate	Consolidated
Net Sales						
(1) Outside Customers	46,544	23,939	168	70,652	-	70,652
(2) Intersegment	2	26	10	40	(40)	-
Total Sales	46,547	23,966	179	70,693	(40)	70,652
Operation Expenses	45,444	23,336	97	68,878	1,142	70,020
Operation Income	1,103	629	82	1,814	(1,182)	632

Fiscal year ended March 31, 2002

(Millions of Yen)

	Components and Materials	Electronic Systems	Other	Total	Eliminations / Corporate	Consolidated
Net Sales						
(1) Outside Customers	87,753	50,059	333	138,146	-	138,146
(2) Intersegment	7	70	19	98	(98)	-
Total Sales	87,760	50,130	353	138,244	(98)	138,146
Operation Expenses	86,227	48,048	195	134,471	2,218	136,689
Operation Income	1,533	2,081	157	3,773	(2,316)	1,456

Notes : ① Business segments are classified on the basis of organization, product type and sales structure.

② Main products of each business segment

Components and Materials : General-Use Ics, Memory Ics, Special-Use Ics, Custom Ics, LCD&QD, Computer Board, Software
Electronic Systems : Space & Defense Electronics, Scientific Equipment, Laser Equipment, Communication and Information Equipment, Visual Equipment, Medical Equipment

③ The company changed its segment classification from the interim period and, as a consequence, included net sales and cost of other business (Real estate business) in the non-operating income and expense. In accordance with this change, we deleted business segment in the interim period.

The effects on the financial statements are not material.

2. Segment Information by Country

Segment information by country is abbreviated, as consolidated net sales outside Japan are less than 10% of consolidated net sales.

3. Net Sales Outside Japan

Net sales outside Japan is abbreviated, as consolidated net sales outside Japan are less than 10% of consolidated net sales.

VI Consolidated Net Purchases, Orders and Net Sales

1. Net Purchases (Millions of Yen)

Segments	Six months ended September 30, 2002	Six months ended September 30, 2001	Increase/Decrease (Percent Change from Previous Year) (%)	Fiscal Year Ended March 31, 2002
Components and Materials	47,477	39,230	20.9	72,755
Electronic Systems	20,414	19,589	4.2	40,199
Total	67,861	58,820	15.4	112,954

2. Orders (Millions of Yen)

Segments	Six months ended September 30, 2002		Six months ended September 30, 2001		Increase/Decrease (Percent Change from Previous Year) (%)		Fiscal Year Ended March 31, 2002	
	Orders	Backlog	Orders	Backlog	Orders	Backlog	Orders	Backlog
Components and Materials	49,881	11,111	40,987	8,040	21.7	38.2	85,778	11,662
Electronic Systems	22,271	13,862	24,779	18,355	(10.1)	(24.5)	45,784	13,240
Total	72,152	24,973	65,767	26,395	9.7	(5.4)	131,563	24,862

3. Net Sales (Millions of Yen)

Segments	Six months ended September 30, 2002	Six months ended September 30, 2001	Increase/Decrease (Percent Change from Previous Year) (%)	Fiscal Year Ended March 31, 2002
Components and Materials	50,392	46,544	8.3	87,753
Electronic Systems	21,649	23,939	(9.6)	50,059
Other	–	168	–	333
Total	72,042	70,652	2.0	138,146

Notes : The company changed its segment classification from the interim period and, as a consequence, included net sales and cost of sales of other business (Real estate business) in the non-operating income and expense. In accordance with this change, we deleted other business segment in the interim period.

The effects on the financial statements are not material.

Marubun Corporation

Head Office : 8-1 Nihonbashi Odenmachi, Chuo-ku, Tokyo, Japan

Code No. : 7537

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Name and Title of Representative: Kiichi Horikoshi, CEO and Representative Director

Contact : Corporate Planning Dept. , Phone +81-3-3639-3010, Fax +81-3-5644-7693

Interim Board of Directors Meeting : November 21, 2002

Date of Interim Dividend Payment : December 10, 2002

November 21, 2002

Non-Consolidated Financial Statements for the Six Months Ended September 30, 2002

I Summary of Non-Consolidated Interim Financial Results

1. Financial Results for the Six Months Ended September 30, 2002

(1) Operating Results

	Net Sales		Operating Income		Ordinary Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Six months ended						
September 30, 2002	64,688	3.3	218	(64.0)	(34)	-
September 30, 2001	62,605	(13.2)	607	(78.5)	331	(86.4)
Year ended March 31, 2002	119,741		1,239		792	

	Net Income		Net Income Per Share
	Millions of Yen	%	Yen
Six months ended			
September 30, 2002	(18)	-	(0.67)
September 30, 2001	(90)	-	(3.23)
Year ended March 31, 2002	(1,211)		(43.45)

Notes : ① Average number of shares outstanding

During the six months ended September 30, 2002 : 27,825,510shares

During the six months ended September 30, 2001 : 27,871,549shares

During the year ended March 31, 2002 : 27,874,358shares

② Change in Accounting methods : none

③ Percentages for net sales, operating income, ordinary income and net income indicate changes from previous year

(2) Dividends

	Dividend Per Share for Year	
	Interim	Year-End
Six months ended	Yen	Yen
September 30, 2002	7.00	-
September 30, 2001	7.00	-
Year ended March 31, 2002	-	14.00

Note : Dividend per share for fiscal six months ended September 30, 2002 commemorative dividend : none extra dividend : none

(3) Financial Position

	Total Assets	Shareholders' Equity	Shareholders' Equity to Total Assets	Shareholders' Equity Per Share
	Millions of Yen	Millions of Yen	%	Yen
Six months ended				
September 30, 2002	75,426	26,018	34.5	940.79
September 30, 2001	83,277	27,694	33.3	993.44
Year ended March 31, 2002	75,359	26,493	35.2	950.37

Note : ① Number of shares outstanding As of September 30, 2002 : 27,656,469shares As of September 30, 2001 : 27,877,057shares

As of March 31, 2002 : 27,876,805shares

② Number of Treasury Stock

As of September 30, 2002 : 394,731shares

As of March 31, 2002 : 174,395shares

As of September 30, 2001 : 174,143shares

③ The company reclassified treasury stock account on the balance sheet as of September 30, 2001 in shareholder's equity section from assets section based on the change in the regulations of interim financial statements for comparison purpose. Therefore, the above financial statements for the six months ended September 30, 2001 are different from those stated in "Non-Consolidated Financial Statements for the Six Month Ended September 30, 2001".

2. Financial Forecasts for the Fiscal Year Ending March 31, 2003

	Net Sales	Operating Income	Ordinary Income	Net Income	Dividend Per Share for Year	
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Year-End	Yen
Year ending					Yen	Yen
March 31, 2003	135,880	1,250	820	450	9.00	16.00

Reference : Expected net income per share : 16.27yen

Note: These Financial Forecasts are based on management's assumptions and beliefs in light of the information currently available to it and therefore you should not place undue reliance on them. Marubun Corporation cautions you that a number of important factors could cause actual results to differ materially from those discussed in the forward-looking statements.

II Non-Consolidated Balance Sheets

(Millions of Yen)

	As of September 30, 2002		As of September 30, 2001		Increase/ decrease	As of March 31, 2002	
	Amount	Comp- satin (%)	Amount	Comp- satin (%)		Amount	Comp- satin (%)
(Assets)							
Current Assets							
Cash and Bank Deposits	5,626		6,567		(940)	7,185	
Notes Receivable, Trade	4,545		6,932		(2,386)	4,844	
Accounts Receivable, Trade	30,066		31,249		(1,183)	30,506	
Marketable Securities	-		204		(204)	60	
Inventories	17,417		19,525		(2,108)	14,083	
Advance Payment	850		3,534		(2,684)	2,168	
Deferred Tax Assets	312		277		35	261	
Other	651		453		197	763	
Allowance for Doubtful Accounts	(79)		(38)		(41)	(41)	
Total Current Assets	59,391	78.7	68,707	82.5	(9,316)	59,832	79.4
Long-term Assets							
Tangible Fixed Assets							
Buildings	1,914		3,072		(1,158)	3,237	
Land	2,300		3,603		(1,302)	3,602	
Other	598		1,165		(567)	988	
Total Fixed Assets	4,813	6.4	7,842	9.4	(3,028)	7,828	10.4
Intangible Fixed Assets	2,474	3.3	991	1.2	1,483	1,741	2.3
Investments and Other Assets	8,746	11.6 *	5,737	7.1	3,009	5,957	7.9
Total Long-term Assets	16,034	21.3 *	14,570	17.5	1,464	15,526	20.6
Total Assets	75,426	100.0	* 83,277	100.0	(7,851)	75,359	100.0
(Liabilities)							
Current Liabilities							
Notes Payable, Trade	2,072		2,299		(226)	2,202	
Accounts Payable, Trade	16,647		12,824		3,822	13,577	
Short-term Loans Payable	22,600		31,000		(8,400)	23,600	
Current Portion of Long-term Loans Payable	-		1,000		(1,000)	1,000	
Accrued Income Taxes and Other Taxes	12		11		0	34	
Accrued Business Office Taxes	12		11		0	24	
Allowance for Employees' Bonuses	535		743		(208)	539	
Other	1,903		4,201		(2,297)	3,318	
Total Current Liabilities	43,782	58.0	52,091	62.5	(8,308)	44,296	58.8
Long-term Liabilities							
Bonds Payable	2,100		2,100		-	2,100	
Long-term Loans Payable	2,000		-		2,000	1,000	
Allowance for Employees' Retirement Benefits	542		434		108	489	
Allowance for Directors' Retirement Benefits	349		317		31	342	
Other	632		639		(7)	637	
Total Long-term Liabilities	5,624	7.5	3,491	4.2	2,132	4,569	6.0
Total Liabilities	49,407	65.5	55,583	66.7	(6,176)	48,866	64.8
(Shareholders' Equity)							
Common Stock							
Common Stock	6,214	8.2	6,214	7.5	-	6,214	8.3
Additional Paid-in Capital							
Additional Paid-in Capital	6,351	8.4	6,351	7.6	-	6,351	8.4
Retained Earnings							
Appropriated for Legal Reserve	1,553		1,553		-	1,553	
Appropriations	11,882		12,354		(472)	12,354	
Unappropriated Retained Earnings	370		1,426		(1,056)	110	
Total Retained Earnings	13,805	18.3	15,335	18.4	(1,529)	14,019	18.6
Revaluation of Investment Securities	51	0.1	39	0.1	11	154	0.2
Treasury Stock							
Treasury Stock	(404)	(0.5) *	(246)	(0.3)	(157)	(246)	(0.3)
Total Shareholders' Equity	26,018	34.5 *	* 27,694	33.3	(1,675)	26,493	35.2
Total Liabilities and Shareholders' Equity	75,426	100.0	* 83,277	100.0	(7,851)	75,359	100.0

* : The company reclassified treasury stock account on the balance sheet as of September 30, 2001 in shareholder's equity section from assets section based on the change in the regulations of interim financial statements for comparison purpose. Therefore, the above financial statements for the six months ended September 30, 2001 are different from those stated in "Non-Consolidated Financial Statements for the Six Month Ended September 30, 2001".

III Non-Consolidated Statements of Income

(Millions of Yen)

	Six months ended September 30, 2002		Six months ended September 30, 2001		Increase/ decrease	Fiscal Year Ended March 31, 2002	
	Amount	Ratio to Net Sales (%)	Amount	Ratio to Net Sales (%)		Amount	Ratio to Net Sales (%)
Net Sales	64,688	100.0	62,605	100.0	2,083	119,741	100.0
Cost of Sales	58,199	90.0	55,377	88.5	2,821	105,849	88.4
Gross Profit	6,489	10.0	7,227	11.5	(738)	13,891	11.6
Selling, General and Administrative Expenses	6,270	9.7	6,620	10.6	(349)	12,651	10.6
Operating Income	218	0.4	607	0.9	(388)	1,239	1.0
Non-Operating Income	284	0.4	99	0.2	184	342	0.3
Non-Operating Expenses	537	0.8	375	0.6	162	790	0.6
Ordinary Income	(34)	(0.0)	331	0.5	(366)	792	0.7
Special Gains	223	0.3	0	0.0	223	6	0.0
Special Losses	150	0.2	209	0.3	(59)	2,700	2.3
Income before Taxes	(38)	0.1	122	0.2	(83)	(1,902)	(1.6)
Income, Inhabitant and Business Taxes – Current	18	0.0	11	0.0	7	86	0.1
Income, Inhabitant and Business Taxes – Deferred	38	0.1	201	0.3	(163)	(776)	(0.7)
Net Income	(18)	(0.0)	(90)	(0.1)	72	(1,211)	(1.0)
Retained Earnings at the Beginning of a Period	388		1,517		(1,128)	1,517	
Interim Dividend	–		–		–	195	
Interim Dividend of Legal Retained Earnings	–		–		–	–	
Unappropriated Retained Earnings	370		1,426		(1,056)	110	