

November 15, 2001

Financial Statements for the Interim Period ended September 30, 2001

<u>Contents:</u>	<u>Page</u>
Summary of Consolidated Results	1
Summary of Non-Consolidated Results	2
Subsidiaries & Affiliates	3
Management Policy	4-5
Operating Results	6-7
Consolidated Statements of Operations	8-9
Consolidated Balance Sheets	10-11
Consolidated Statements of Retained Earnings	12
Consolidated Statements of Cash Flows	13
Break down of Net Sales	14
Segment Information	15-16
Securities	17
Non-Consolidated Statements of Operations	18-19
Non-Consolidated Balance Sheets	20-21

Notes:

- (1) This report contains forward-looking statements, which reflect management assumptions and beliefs based on information currently available and are subject to a number of risks and uncertainties, such as economic conditions, exchange rate fluctuations, etc. Accordingly, the company wishes to caution readers that actual results may differ materially from those projected herein, and expressly disclaims any obligation or undertaking to release any update or revision of any contained forward-looking statements.
- (2) Both consolidated and non-consolidated financial statements have been prepared in accordance with the provisions set forth in the Securities and Exchange Law of Japan and in conformity with accounting principles and practices generally accepted in Japan, which may differ in some material respects and jurisdictions other than Japan. This report is translation of the Financial Statements filed with Tokyo Stock Exchange on November 15, 2001 for conveniences of investors outside of Japan.
- (3) If the contents in this report differ from the original one written in Japanese, the latter takes preference over the former.

Summary of consolidated results for the interim period ended September 30, 2001

(*The accounting methods used in this report are not consistent with U.S. standard accounting methods)

Nichimen Corporation
(Securities Code 8004)
Listings ; First sections of
Tokyo, Osaka, Nagoya
Stock Exchange

1. Results for the interim period ended September 30, 2001 (April 1, 2001 to September 30, 2001)

1) Consolidated Operating Results (April 1, 2001 to September 30, 2001)

	Net sales		Operating income		Recurring profit	
	Millions of yen	change(%)	Millions of yen	change(%)	Millions of yen	change(%)
For the six months ended						
September 30, 2001	1,101,689	(12.9)	13,833	18.0	9,026	(11.1)
September 30, 2000	1,264,943	(15.8)	11,723	40.0	10,152	10.2
For the year ended						
March 31, 2001	2,419,340	-	23,079	-	17,402	-

	Net income		EPS	EPS(diluted)
	Millions of yen	change(%)	Yen	
For the six months ended				
September 30, 2001	5,493	327.1	13.15	-
September 30, 2000	1,286	(37.3)	3.08	-
For the year ended				
March 31, 2001	(21,142)	-	(50.62)	-

- * Equity in earnings of unconsolidated subsidiaries and affiliates for:
the interim period ended September 30, 2001 (yen) (185) million
the interim period ended September 30, 2000 245 million
the fiscal year ended March 30,2001 (896) million
- * Average number of shares for:
the interim period ended September 30, 2001 417,875,419 shares
the interim period ended September 30, 2000 417,714,141 shares
the fiscal year ended March 30,2001 417,677,927 shares
- * Changes in accounting policies during the period: Yes
- * (% for net sales, operating income, recurring profit, and net income are expressed as an increase or decrease compared with the previous interim period

2) Assets and Shareholders' equity

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
For the six months ended	Millions of yen	Millions of yen	%	Yen
September 30, 2001	1,565,921	91,735	5.9	219.44
September 30, 2000	1,644,048	104,670	6.4	250.74
For the year ended				
March 31, 2001	1,663,923	88,624	5.3	212.20

Number of shares issued at the end of:
September 2001 418,042,044 shares
September 2000 417,640,233 shares
March 2001 417,641,440 shares

3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of
For the six months ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
September 30, 2001	6,744	59,486	(77,962)	196,471
September 30, 2000	20,610	40,727	(38,569)	204,170
For the year ended				
March 31, 2001	25,880	22,453	(28,247)	204,826

4) Number of consolidated companies

Consolidated subsidiaries : 180 Non-consolidated subsidiaries accounted for by the equity method : 22
Affiliated companies accounted for by the equity method : 120

5) Changes in status of consolidated companies and companies accounted for by equity method

Newly consolidated : 11 Removed from consolidation : 3
Newly accounted for by the equity method : 8 Removed from the equity method : 8

2. Outlook for the fiscal year ending March 31, 2002(April 1, 2001 to March 31, 2002)

	Net sales	Recurring profit	Net income
For the year ending March 31, 2002	Millions of yen	Millions of yen	Millions of yen
	2,100,000	21,000	10,000

Reference: forecast of net income per share for the fiscal year ending March 31, 2002 is Yen 23.92

Summary of non-consolidated results for the interim period ended September 30, 2001

Nichimen Corporation
(Securities Code 8004)
Listings ; First sections of
Tokyo, Osaka, Nagoya
Stock Exchange

1. Results for the interim period ended September 30, 2001 (April 1, 2001 to September 30, 2001)

1) Operating Results

	Net sales		Operating income		Recurring profit	
	Millions of yen	change(%)	Millions of yen	change(%)	Millions of yen	change(%)
For the six months ended						
September 30, 2001	778,633	(15.4)	4,373	1.3	4,776	(12.0)
September 30, 2000	920,024	(22.7)	4,317	31.5	5,427	(23.6)
For the year ended						
March 31, 2001	1,753,307	-	7,200	-	8,069	-

	Net income		EPS	EPS(diluted)
	Millions of yen	change(%)	Yen	
For the six months ended				
September 30, 2001	2,051	99.3	4.91	-
September 30, 2000	1,029	(41.5)	2.45	-
For the year ended				
ending March 31, 2002	(14,857)	-	(35.29)	-

* Average number of shares for ;

the interim period ended September 30, 2001 417,875,419 shares
the interim period ended September 30, 2000 421,002,957 shares
the fiscal year ended March 31,2001 421,002,957 shares

* Changes in accounting policies during the period: Yes

* (%) for net sales, operating income, recurring profit, and net income are expressed as an increase or decrease compared with the previous interim period

2)Dividends

	Interim dividends per share	Year-end dividends per share
For the six months ended	Yen	Yen
September 30, 2001	0.00	0.00
September 30, 2000	0.00	0.00
For the year ended		
March 31, 2001	0.00	0.00

2)Assets and Shareholders' equity

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
For the six months ended	Millions of yen	Millions of yen	%	Yen
September 30, 2001	1,134,796	96,730	8.5	231.39
September 30, 2000	1,184,083	115,839	9.8	275.15
For the year ended				
March 31, 2001	1,204,976	100,907	8.4	239.68

Number of shares issued at the end of; September 2001 : 418,042,044 shares
September 2000 : 421,002,957 shares
March 2001 : 421,002,957 shares

Number of shares repurchased at the end of September 2001 2,960,913 shares

2. Outlook for the fiscal year ending March 31, 2002(April 1, 2001 to March 31, 2002)

	Net sales	Recurring profit	Net income	Dividend per share(/ year)
For the year ending March 31, 2001	Millions of yen	Millions of yen	Millions of yen	
	1,500,000	10,000	3,500	not decided

Reference: forecast of net income per share for the fiscal year ending March 31, 2002 is Yen 8.37

Management Policy

(1) Basic Management Policy

The Company's management policy is to maximize Group corporate value.

Under this policy, the Company set its management goal for the NP2002 medium-term management plan as maximizing net income by rebuilding its business portfolio. To achieve this goal, the Company is pursuing selection and concentration in its businesses. Also, the Company designated its strong areas of chemical products (chemicals and plastics) and household, consumer, and general products (textiles, foodstuffs, construction, and forest products) segments as strategic business fields and decided to enhance operating profitability by aggressively pursuing M&A and strategic alliances in these fields. Furthermore, the Company is aiming to its management goal by improving its affiliates' profitability and strengthening its risk management.

(2) Basic Policy on Profit Distribution

The Company's basic policy on profit distribution is not only to provide stable returns to its shareholders but also to enhance its competitiveness through the proper use of retained earnings. Great diligence is exercised, when determining shareholder dividends, from the perspective of maximizing its medium-to-long-term corporate value.

Although operating results for the interim period under review were relatively strong, the Company incurred a substantial net loss for the fiscal year ended March 31, 2001 due to the recording of a considerable extraordinary loss. This extraordinary loss resulted from the measures taken to further improve the Company's asset quality, including the adoption of mandatory mark-to-market accounting principles as well as the write-off of almost all unrealized losses on listed cross-holding shares. Considering the recorded substantial net loss, the Company decided to forgo the payment of dividends for previous year end and the interim period under review.

This-year-end dividends will be determined after careful and prudent consideration.

(3) Medium-to-Long-term Management Strategy

Under its current NP2002 plan, the Company takes diverse measures centered on the principal strategies of rebuilding its business portfolio and reforming management and administration systems to meet the goal of maximizing net income.

1) Rebuilding Business Portfolio

The Company is working to optimize its business portfolio by promoting business selection and concentrating on profitable business from the perspective of fund efficiency (rate of return on capital invested), expense ratio (selling, general and administrative (SG&A) expenses to gross trading profit), and market share and position. The Company is also striving to enhance operational profitability and to increase gross trading profit by concentrating resources to the strategic business fields as well as by aggressively pursuing M&A and alliances in these fields. Furthermore, the Company is reducing SG&A expenses by promoting low-cost operations, liquidating loss-making affiliates, and strengthening risk management systems. These measures are expected to maximize profit, enabling the Company to reduce the amount of losses from loss-making affiliates and of losses on the liquidation of affiliates and provisions for affiliates.

2) Reforming Management and Administration Systems

In April 2001, the Company reorganized its corporate structure by further dividing its three internal companies into eight to enhance the expertise and flexibility of each internal company.

Furthermore, to help achieve its profit objectives, the Company is adopting new performance assessment and remuneration systems that put more emphasis on performance results in order to maximize individual motivation and stimulate its employees. Already in April 2001, the Company introduced an annually fixed salary system for manager-level employees and is currently studying the adoption of a performance-linked bonus system for non-managerial employees. In addition, to unite Companywide efforts toward the successful completion of the NP 2002 plan, the Company is working to improve the mind-set of all employees by conducting intensive training sessions for section managers as well as carrying out education and training sessions for mid-level and junior staff.

(4) Initiatives for Improvements to Managerial Posts

Under its previous NC-2000 medium-term business plan, the Company incorporated the strengthening of corporate governance into its management strategies and strove to achieve highly efficient management through transparent, speedy, and accurate decision making.

In June 1999, the Company reduced the number of board members to promote speedy decision-making. In addition, the Company introduced an executive officer system to separate the company-level decision-making functions from its operating functions. These measures are expected to enable directors and executive officers to concentrate on their own tasks.

In April 2000, the Company introduced the internal company system and gave more authority to internal company presidents.

Under NP 2002 succeeding to NC-2000, the Company promotes further strengthening its corporate governance systems. In April 2001, three internal companies were subdivided to eight so as to enhance their specialized capabilities and more-speedy decision-making.

In June 2001, the Company further reduced the number of board members from eight to six and appointed one director from outside of the Company. The appointment of the outside director is expected to promote the transparency of the management as well as to bring a fresh perspective to the Board of Directors. Additionally, the Company established a Managerial Committee, a Business Investment Committee, and a Human Resources Committee in order to enable the directors to concentrate on deliberation and decision-making of important management issues and on monitoring the internal companies' operations.

(5) Issues for Focus

The Company will focus on implementing the management strategies and initiatives identified in its NP 2002 plan to maximize corporate value and to show a significant presence in the market.

To this end, the Company will thoroughly implement the strategies outlined in item three above, "Medium-to-Long-term Management Strategy," thereby maximizing net income and achieving a speedy recovery and growth of net worth. At the same time, the Company will make its balance sheet strong by reducing inefficient assets and lowering interest-bearing debt.

Operating Results

(1) Overview of the Interim Term and Consolidated Operating Results

During the first half of the fiscal year ending March 31, 2002, the U.S. economy, which had sustained the global economy for the last few years, started decelerating, triggered by the worldwide decline in IT markets. Its GDP declined 0.4% year on year for the third quarter of 2001, clearly illustrating the economic slowdown. Furthermore, consumer spending, a key element underpinning the economy, began to indicate weakening. The terrorist attacks on September 11 increased further concerns about a global recession, leading to weaker consumer confidence.

The economic slowdown of the U.S. had a significant adverse effect on both the Asian and European economies. Except for China, which was experiencing strong domestic demand, slowdown of the Asian economies became readily apparent because they are highly dependent on exports to the U.S. Similarly, the European economies also were weakened by the decline in exports to the U.S. and lackluster demand in IT industry. In European countries, the economic slowdown affected consumer spending and raised concerns about upturn of unemployment rates which had remained low in recent years, as already shown in both France and Germany.

In Japan, exports and capital expenditures weakened drastically, reflecting the economic slowdown in the U.S. and Asia. Consequently, Japan's real GDP for the second quarter dipped 0.8% year on year after the two consecutive quarters of growth. Furthermore, September unemployment rate was record-high at a rate of 5.3% as companies continued to downsize their workforce. As consumer spending remained weak, consumer prices continued to go down, illustrating a clear deflationary trend.

Considering this environment, the Company continued to promote the business policies of selection and concentration and to withdraw from inefficient and low-profit businesses. As a result, consolidated net sales for the interim period declined 12.9%, compared with the same period of the previous fiscal year to ¥1,101.6 billion.

Examined by transaction type, although a 4.1% increase was shown in import transactions contributed by the textiles segment, export transactions, domestic transactions, and offshore transactions declined 31.3%, 19.6%, and 6.0%, respectively compared with the same period of the previous fiscal year. The decrease in exports was particularly noticeable in the machinery segment, and drops in domestic transactions were reported especially by the metals and the forest products segments. In addition, domestic net sales were adversely affected by the transfer of the Company's IT subsidiaries during the previous interim period. The decline in offshore transactions was also particularly noticeable in the chemicals and energy segment.

Examined by product segment, with the exception of sales in the plastics segment increasing 3.0% due to the contribution from newly consolidated subsidiaries, sales of the other segments declined compared with the same period of the previous fiscal year. Sales of the chemicals and energy segment declined 5.8% due to such factors as the decrease in crude oil trading volume and the transfer of the Company's life science business to a joint holding company with Tomen Corp., which is consolidated by the equity method. Sales of the machinery segment declined 29.5% due to a decrease in plant exports and a scaling-down of aircraft & vessels business.

Due to the decrease in net sales, gross trading profit declined 9.4% compared with the same period of the previous fiscal year, to ¥60,087million. However, the gross trading profit margin improved from 5.24% in the interim period of the previous fiscal year to 5.45%, reflecting the

Company's efforts to withdraw from inefficient and low-profit businesses and to concentrate on profitable businesses. The Company succeeded in reducing ¥8,355 million in SG&A expenses compared with the interim period for the previous fiscal year, mainly due to a reduction in personnel costs. Thus, operating income increased 18.0% to ¥13,833 million. Although recurring profit declined 11.1% to ¥9,026 million, this was due primarily to ¥700 million increase in interest payments. The Company recorded ¥9,062 million in extraordinary profit, comprising gains from the sale of property and equipment, the sale of investment securities, and a gain on business transfer of its LP gas operations and other factors. The Company also recorded ¥4,906 million in extraordinary losses, comprising losses on the sale and retirement of property, plant and equipment, a devaluation of investment securities, losses on liquidation and provisions for affiliates, extraordinary retirement benefits, and other factors. As a result, the net extraordinary profit was ¥4,156 million. Consequently, income before income taxes and minority interests for the interim term amounted to ¥13,183 million. Net income after taxes and minority interests totaled ¥5,493 million, an increase of ¥4,207 million from the interim period of the previous fiscal year.

In cash flows for the interim term, net cash provided by operating activities amounted to ¥6,744 million. Net cash provided by investing activities was ¥59,486 million, and net cash used in financing activities totaled ¥77,962 million, primarily due to repayment of loans in effort to reduce interest-bearing debt. The balance of cash and cash equivalents as of September 30, 2001, after adjustments for conversion gain (loss) and gain resulting from changes to the scope of consolidation amounted to ¥196,471 million.

(2) Outlook of the performance for the Fiscal Year ending March 31, 2002

The U.S. economy is expected to worsen in the latter half of the fiscal year. As the effects of the terrorist attacks and anthrax incidents could diminish consumer spending, resulting in profound declines in business results for most companies, and a negative GDP real growth rate is anticipated for both the fourth quarter of 2001 and the first quarter of 2002. These factors are expected to result in negative growth for Asian economies as well, particularly those that are highly dependent on exports to the United States (Singapore, Malaysia, Taiwan, and others). The European economy, as well, is expected to experience further deceleration as it suffers from weakness in the global economy.

During the fiscal year under review, negative growth is almost certain for Japan's economy as well due to its own problems such as bad assets problem in banking sector, the protracted downturn in the IT industry, and an expected delay in recovery for the U.S. economy.

In consideration of this extremely severe business environment, the Company anticipates the following results for the fiscal year ending March 31, 2002.

(Changes are compared with the previous fiscal year.)

Net sales:	¥2,100 billion	(down ¥319.34 billion)
Recurring profit:	¥21,000 million	(up ¥3,598 million)
Net income:	¥10,000 million	(up ¥31,142 million)

The Company will also determine year-end shareholder dividends after careful consideration of all relevant factors.

Consolidated Statements of Operations
(for the six months ended September 30, 2001& 2000)

Yen/\$
124.6

	Millions of yen			Millions of \$
	Sep-01	Sep-00	increase / decrease	Sep-01
Net sales	1,101,689	1,264,943	(163,254)	8,842
Cost of sales	(1,041,602)	(1,198,610)	157,008	(8,360)
Gross trading profit	60,087	66,332	(6,245)	482
Gross trading profit margin	5.45%	5.24%		
Selling, general & administrative expenses	(46,253)	(54,608)	8,355	(371)
Operating income	13,833	11,723	2,110	111
Interest income	9,446	11,320	(1,874)	76
Dividends	631	823	(192)	5
Equity in gains of unconsolidated subsidiaries and affiliates-net	-	245	(245)	-
Other income	5,901	6,678	(777)	47
Non-operating income	15,979	19,067	(3,088)	128
Interest expenses	(14,933)	(16,260)	1,327	(120)
Interest expenses on commercial papers	(305)	(152)	(153)	(2)
Equity in losses of unconsolidated subsidiaries and affiliates-net	(185)	-	(185)	(1)
Other expenses	(5,363)	(4,225)	(1,138)	(43)
Non-operating expenses	(20,787)	(20,638)	(149)	(167)
Recurring profit	9,026	10,152	(1,126)	72
Special income/loss-net(*)	4,156	(7,000)	11,156	33
Income before income taxes	13,183	3,151	10,032	106
Income taxes; Current	(5,631)	(5,930)	299	(45)
Deferred	(1,833)	4,735	(6,568)	(15)
Minority interests in net income	(224)	(670)	446	(2)
Net Income	5,493	1,286	4,207	44

(*) refer to the next page for the breakdown of special income and loss

* Breakdown of Consolidated Special Income and Loss

	Millions of Yen	
	Sep-01	Sep-00
(Special Income)		
Gain on property & equipment	1,178	1,577
Gain on investment securities	1,465	40,313
Gain on transfer of business	6,418	-
Total Special Income	9,062	41,890
(Special Loss)		
Loss on property & equipment	(952)	(666)
Loss on investment securities	(363)	(316)
Write-down of investment securities & investments other than securities	(1,144)	(7,763)
Loss on disposal of investments in & provision for from subsidiaries & affiliates	(735)	(2,265)
Provision for doubtful accounts	-	(20,791)
Loss on disposal of accounts related to specified overseas countries	-	(4,084)
Write-down of real estate for sales	-	(5,891)
Loss on disposal of real estate for sales	-	(1,319)
Expenses for employee early retirement benefit	(1,710)	(3,628)
Write-down of interest receivables	-	(1,504)
Write-down of golf club membership	-	(658)
Total Special Loss	(4,906)	(48,891)
Special Income/Loss-net	4,156	(7,000)

*reference: the following accounts are not included in the above special items.

	Millions of Yen	
	Sep-01	Sep-00
Provision for doubtful receivables (Included in Selling, general & administrative expenses)	(91)	(603)
Gain on marketable securities-net (Included in Non-operating income & expenses)	718	1,119

Consolidated Balance Sheets
(September 30, 2001 & March 31, 2001)

Assets	Millions of yen			Yen/\$
	Sep-01	Mar-01	increase / decrease	124.6 Millions of \$ Sep-01
Current assets;				
Cash & time deposits	203,749	210,349	(6,600)	1,635
Trade notes & trade accounts receivables	425,541	460,499	(34,958)	3,415
Marketable securities	51,965	60,440	(8,475)	417
Inventories	148,607	138,481	10,126	1,193
Deferred tax assets-current	6,608	6,195	413	53
Other current assets	106,890	113,460	(6,570)	858
Allowance for doubtful receivables	(3,050)	(1,827)	(1,223)	(24)
Total current assets	940,311	987,599	(47,288)	7,547
Fixed assets;				
Tangible assets	216,969	236,456	(19,487)	1,741
Intangible assets;				
Goodwill	10,858	11,571	(713)	87
Other intangible assets	4,165	3,777	388	33
Total intangible assets	15,023	15,348	(325)	121
Investments & other fixed assets;				
Investment securities	229,339	257,765	(28,426)	1,841
Long-term loans	66,308	71,141	(4,833)	532
Deferred tax assets-non-current	36,174	34,404	1,770	290
Others	133,697	142,186	(8,489)	1,073
Allowance for doubtful receivables	(72,365)	(81,621)	9,256	(581)
Total investments & other fixed assets	393,154	423,876	(30,722)	3,155
Total fixed assets	625,148	675,680	(50,532)	5,017
Long term deferred assets	461	643	(182)	4
Total	1,565,921	1,663,923	(98,002)	12,568

Consolidated Balance Sheets
(September 30, 2001 & March 31, 2001)

Liabilities & shareholders' equity	Millions of yen			Yen/\$
	Sep-01	Mar-01	increase / decrease	124.6 Millions of \$ Sep-01
Liabilities				
Current Liabilities;				
Trade notes & trade accounts payables	229,653	257,460	(27,807)	1,843
Short-term borrowings from banks	523,090	550,383	(27,293)	4,198
Commercial paper	46,300	51,500	(5,200)	372
Bonds - current portion	33,009	22,154	10,855	265
Deferred tax liabilities-current	20	23	(3)	0
Other current liabilities	51,313	57,006	(5,693)	412
Total current liabilities	883,388	938,527	(55,139)	7,090
Long-term liabilities;				
Bonds, less current portion	120,840	147,823	(26,983)	970
Long-term borrowings from banks	436,615	453,830	(17,215)	3,504
Allowance for retirement benefits	5,469	4,575	894	44
Deferred tax liabilities - non-current	3,378	2,964	414	27
Other long-term liabilities	11,741	14,641	(2,900)	94
Total long-term liabilities	578,045	623,835	(45,790)	4,639
Total liabilities	1,461,434	1,562,362	(100,928)	11,729
Minority interest	12,751	12,936	(185)	102
Common stock	52,179	52,179	0	419
Capital Surplus	48,140	48,140	0	386
Retained earnings	13,794	8,193	5,601	111
Unrealized loss on other securities	(5,279)	-	(5,279)	(42)
Foreign currency translation adjustments	(16,157)	(18,873)	2,716	(130)
Treasury stock	(940)	(1,015)	75	(8)
Total shareholders' equity	91,735	88,624	3,111	736
Total	1,565,921	1,663,923	(98,002)	12,568

Effective from April 1, 2001, other securities will be carried at fair value with changes in unrealized gains and losses, net of the applicable income taxes, included directly in shareholders' equity in accordance with the new accounting standard for financial instruments.

(Reference) Contingent liabilities	Millions of yen			Millions of \$
	Sep-01	Mar-01	increase / decrease	Sep-01
Guarantee or indebtedness	45,575	47,686	(2,111)	366
Repurchase of notes discounted and endorsed	15,026	18,477	(3,451)	121

Consolidated Statements of Retained earnings

(for the six months ended September 30, 2001 & for the year ended March 31, 2001)

	Millions of yen		Yen/\$ 124.6
	Sep-01(6M)	Mar-01(12M)	Millions of \$ Sep-01(6M)
Consolidated balance at the beginning of year	8,193	29,505	66
Add;			
Transfer of balance to revaluation of other marketable securities	127	-	1
total	127	-	1
Deduct;			
Bonuses to directors	(21)	(38)	(0)
Unrealized losses on marketable securities	-	(74)	
Deductions in consolidated balance due to non-consolidated business	-	(56)	
total	(21)	(169)	(0)
Net income for the period	5,493	-	44
			0
Net loss for the period	-	(21,142)	
			0
Consolidated balance at the end of the period	13,794	8,193	111

Consolidated Statements of Cash Flows
(for the six months ended September 30, 2001 & 2000)

Yen/\$
124.6

	Millions of yen			Millions of \$
	Sep-01	Sep-00	increase / decrease	Sep-01
Operating activities				
Income from consolidated operations before income taxes	13,183	3,151	10,032	106
Depreciation and amortization	4,028	5,104	(1,076)	32
Write-down of investment securities	1,144	7,301	(6,157)	9
Income from transfer of business	(6,418)	-	(6,418)	(52)
Change in provision for doubtful receivables	(6,143)	16,726	(22,869)	(49)
Interest income & dividend	(10,078)	(12,143)	2,065	(81)
Interest expense	15,238	16,412	(1,174)	122
Equity in earnings of affiliated companies	185	(245)	430	1
Gain on marketable securities - net	(1,821)	(41,314)	39,493	(15)
Gain on property & equipment	(1,178)	(1,523)	345	(9)
Change in notes and account receivable-trade	46,275	777	45,498	371
Change in inventories	(10,252)	682	(10,934)	(82)
Change in notes & account payable-trade	(28,640)	29,216	(57,856)	(230)
Others-net	(8,777)	(3,534)	(5,243)	(70)
Net cash provided by operating activities	6,744	20,610	(13,866)	54
Investing Activities				
Change in time deposit	(932)	1,664	(2,596)	(7)
Change in marketable securities	13,135	19,369	(6,234)	105
Payments for purchase of property & equipment	(4,347)	(2,608)	(1,739)	(35)
Proceeds from sale of property & equipment	19,935	10,597	9,338	160
Payments for purchase of investment securities	(18,809)	(112,848)	94,039	(151)
Proceeds from sale of investment securities	33,079	111,733	(78,654)	265
Change in short-term loans -net	(2,558)	22,871	(25,429)	(21)
Increase of long-term loans	(3,796)	(31,425)	27,629	(30)
Collection of long-term loans	11,140	25,205	(14,065)	89
Others - net	12,640	(3,831)	16,471	101
Net cash provided by investing activities	59,486	40,727	18,759	477
Financing activities				
Change in short-term borrowings - net	(34,421)	(65,493)	31,072	(276)
Change in commercial paper	(5,200)	6,800	(12,000)	(42)
Proceeds from long-term borrowings	56,473	121,949	(65,476)	453
Repayment of long-term borrowings	(77,107)	(119,776)	42,669	(619)
Proceeds from issuance of bonds	-	30,504	(30,504)	0
Redemption of bonds	(16,987)	(11,513)	(5,474)	(136)
Others-net	(719)	(1,040)	321	(6)
Net cash provided by financing activities	(77,962)	(38,569)	(39,393)	(626)
Effect of Exchange rates change on cash & cash equivalents	2,958	281	2,677	24
Net increase(decrease) in cash & cash equivalents	(8,773)	23,049	(31,822)	(70)
Cash & cash equivalents at the beginning of the year	204,826	181,829	22,997	1,644
Cash & cash equivalents of newly consolidated subsidiaries	420	(708)	1,128	3
Cash & Cash equivalents at the end of the year	196,471	204,170	(7,699)	1,577

Breakdown of Consolidated Net Sales

(for the six months ended September 30, 2001 & 2000)

Net sales by type of transactions

	Millions of yen					Yen/\$
						124.6
	Sep-01	%	Sep-00	%	increase / decrease	Millions of \$ Sep-01
Export	107,250	9.7%	156,179	12.3%	(48,929)	861
Import	168,416	15.3%	161,715	12.8%	6,701	1,352
Domestic	378,875	34.4%	471,515	37.3%	(92,640)	3,041
Overseas	447,148	40.6%	475,534	37.6%	(28,386)	3,589
Total	1,101,689	100.0%	1,264,943	100.0%	(163,254)	8,842

Net Sales by business segment

	Millions of yen					Yen/\$
						124.6
	Sep-01	%	Sep-00	%	increase / decrease	Millions of \$ Sep-01
Plastics	152,444	13.9%	148,056	11.7%	4,388	1,223
Chemicals and energy	357,962	32.5%	380,201	30.0%	(22,239)	2,873
Textiles	90,336	8.2%	94,595	7.5%	(4,259)	725
Foodstuffs	154,824	14.1%	167,566	13.3%	(12,742)	1,243
Construction	49,990	4.5%	53,337	4.2%	(3,347)	401
Forest products	38,977	3.5%	42,162	3.3%	(3,185)	313
Machinery	108,237	9.8%	153,425	12.1%	(45,188)	869
Metals	129,318	11.7%	142,580	11.3%	(13,262)	1,038
Others	19,601	1.8%	83,021	6.6%	(63,420)	157
Total	1,101,689	100.0%	1,264,943	100.0%	(163,254)	8,842

Segment Information

(for the six months ended September 30, 2001)

Industry Segments

			Yen/\$	124.6
			(Yen : mil)	(\$: mil)
	Sep-01	Sep-00	increase /	Sep-01
			decrease	
(Plastics)				
Net sales	154,101	150,355	3,746	1,237
Operating income	1,334	1,285	49	11
Total assets	187,340	136,722	50,618	1,504
(Chemicals & Energy)				
Net sales	358,405	380,782	(22,377)	2,876
Operating income	1,950	3,233	(1,283)	16
Total assets	114,865	108,335	6,530	922
(Textiles)				
Net sales	90,530	94,758	(4,228)	727
Operating income	3,683	3,446	237	30
Total assets	118,047	124,456	(6,409)	947
(Foodstuffs)				
Net sales	155,193	167,679	(12,486)	1,246
Operating income	797	695	102	6
Total assets	53,521	59,472	(5,951)	430
(Construction)				
Net sales	49,990	53,337	(3,347)	401
Operating income	4,137	3,086	1,051	33
Total assets	210,845	210,320	525	1,692
(Forest products)				
Net sales	40,016	42,271	(2,255)	321
Operating income	347	828	(481)	3
Total assets	24,261	26,529	(2,268)	195
(Machinery)				
Net sales	108,274	154,175	(45,901)	869
Operating income	969	(1,623)	2,592	8
Total assets	242,497	255,306	(12,809)	1,946
(Metals)				
Net sales	130,362	144,146	(13,784)	1,046
Operating income	1,094	771	323	9
Total assets	117,669	142,680	(25,011)	944
(Others)				
Net sales	19,602	83,029	(63,427)	157
Operating income	(45)	1,008	(1,053)	(0)
Total assets	134,102	127,982	6,120	1,076
(Total)				
Net sales	1,106,473	1,270,532	(164,059)	8,880
Operating income	14,266	12,729	1,537	114
Total assets	1,203,147	1,191,802	11,345	9,656
(Elimination)				
Net sales	(4,784)	(5,589)	805	(38)
Operating income	(433)	(1,006)	573	(3)
Total assets	362,774	452,246	(89,472)	2,912
(Consolidated)				
Net sales	1,101,689	1,264,943	(163,254)	8,842
Operating income	13,833	11,723	2,110	111
Total assets	1,565,921	1,644,048	(78,127)	12,568

Segment Information

(for the six months ended September 30, 2001)

Geographic Segments

			Yen/\$ (Yen : mil)	124.6 (\$: mil)
	Sep-01	Sep-00	increase / decrease	Sep-01
(Japan)				
Net sales	993,960	1,192,753	(198,793)	7,977
Operating income	13,671	11,011	2,660	110
Total assets	1,148,164	1,082,101	66,063	9,215
(North & South America)				
Net sales	75,204	87,180	(11,976)	604
Operating income	133	355	(222)	1
Total assets	83,278	60,379	22,899	668
(Europe, Africa & Middle East)				
Net sales	22,067	34,240	(12,173)	177
Operating income	535	663	(128)	4
Total assets	35,083	48,842	(13,759)	282
(Asia)				
Net sales	65,080	78,733	(13,653)	522
Operating income	390	346	44	3
Total assets	30,319	29,532	787	243
(Oceania)				
Net sales	7,191	5,727	1,464	58
Operating income	10	(13)	23	0
Total assets	799	709	90	6
(Total)				
Net sales	1,163,502	1,398,633	(235,131)	9,338
Operating income	14,739	12,362	2,377	118
Total assets	1,297,643	1,221,563	76,080	10,414
(Elimination)				
Net sales	(61,813)	(133,690)	71,877	(496)
Operating income	(906)	(639)	(267)	(7)
Total assets	268,278	422,485	(154,207)	2,153
(Consolidated)				
Net sales	1,101,689	1,264,943	(163,254)	8,842
Operating income	13,833	11,723	2,110	111
Total assets	1,565,921	1,644,048	(78,127)	12,568

Securities

(as of September 30, 2001)

1. Debt Securities held-to-maturity with current market value

Type	Millions of Yen		
	Book Value	Market Value	Difference
Government bonds and local government bonds	3,174	3,207	33
Corporate bonds	8,443	8,444	0
Others	5,238	5,189	(48)
Total	16,856	16,841	(14)

2. Other Securities with current market value

Type	Millions of Yen		
	Cost	Book Value	Unrealized Gains/Losses
Equity Securities	66,625	59,009	(7,616)
Debt Securities			
Government bonds and local government bonds	1,764	1,732	(32)
Corporate bonds	62,100	61,331	(769)
Others	11,543	12,210	667
Total	142,034	134,283	(7,750)

3. Content and book value of securities for which current market value could not be available

Type	Millions of Yen
	Book Value
Debt Securities held-to-maturity	
Unlisted Yen Bonds	3,120
Other securities	
Equity Securities	59,179
Unlisted Foreign Bonds	4,427
Others	13,874
Total	77,481

*1) The new Accounting Standard for Financial Instruments, which became effective April 1, 2000, requires that securities be classified into three categories: trading, held-to-maturity, or other securities, according to the purpose for holding securities. The company classified its equity and debt securities to be held-to-maturity, and other securities, which are shown in investment securities, except that debt securities whose maturities will be within one year are included in short-term investment.

*2) Effective from April 1, 2001, other securities with available market value are carried at fair value with changes in unrealized gains and losses, net of the applicable income taxes, included directly in shareholders' equity in accordance with the new accounting standard referred to above. On the other hand, other securities without market value are stated at cost by the moving-average method, and debt securities to be held-to-maturity at amortized cost. Besides certain write-downs of other securities are recognized in earnings when investees have suffered substantial losses and are not expected to recover such losses in the near future.

Non-Consolidated Statements of Operations
(for the six months ended September 30, 2001& 2000)

	Millions of yen			Millions of \$
	Sep-01	Sep-00	increase / decrease	Sep-01
				Yen/\$ 124.6
Net sales	778,633	920,024	(141,391)	6,249
Cost of sales	(759,321)	(898,156)	138,835	(6,094)
Gross trading profit	19,312	21,868	(2,556)	155
Gross trading profit margin	2.48%	2.38%		
Selling, general & administrative expenses	(14,939)	(17,551)	2,612	(120)
Operating income	4,373	4,317	56	35
Interest income	3,790	4,667	(877)	30
Dividends	4,943	2,700	2,243	40
Other income	4,005	4,291	(286)	32
Non-operating income	12,738	11,659	1,079	102
Interest expenses	(7,302)	(7,655)	353	(59)
Interest expenses on commercial papers	(305)	(152)	(153)	(2)
Other expenses	(4,727)	(2,741)	(1,986)	(38)
Non-operating expenses	(12,335)	(10,549)	(1,786)	(99)
Recurring profit	4,776	5,427	(651)	38
Special income(*)	1,803	48,471	(46,668)	14
Special loss(*)	(3,103)	(52,153)	49,050	(25)
Income before income taxes	3,477	1,745	1,732	28
Income taxes; Current	(376)	(1,121)	745	(3)
Deferred	(1,049)	406	(1,455)	(8)
Net Income (loss)	2,051	1,029	1,022	16

(*) refer to the next page for the breakdown of special income and loss

* Breakdown of Non-Consolidated Special Income / loss

	Millions of Yen	
	Sep-01	Sep-00
(Special Income)		
Gain on property & equipment	756	410
Gain on investment securities	1,047	48,060
Total Special Income	1,803	48,471
(Special Loss)		
Loss on property & equipment	(22)	(594)
Write-down of investment securities & investments other than securities	(797)	(7,094)
Write-down of golf club membership	-	(332)
Loss on investment securities	(360)	(279)
Loss on disposal of investments in & provision for from subsidiaries & affiliates	(669)	(14,071)
Provision for doubtful accounts	-	(16,714)
Write-down of interest receivables	-	(1,504)
Loss on disposal of accounts related to specified overseas countries	-	(4,084)
Write-down of real estate for sales	-	(3,894)
Expenses for employee early retirement benefit	(1,253)	(3,580)
Total Special Loss	(3,103)	(52,153)
Special Loss-net	(1,299)	(3,682)

*reference: the following accounts are not included in the above special items.

	Millions of Yen	
	Sep-01	Sep-00
Provision for doubtful receivables (Included in Selling, general & administrative expenses)	(192)	(242)
Gain on marketable securities-net (Included in Non-operating income & expenses)	146	239

Non-Consolidated Balance Sheets
(September 30, 2001 & March 31, 2001)

Assets	Millions of yen			Yen/\$
	Sep-01	Mar-01	increase / decrease	124.6 Millions of \$ Sep-01
Current assets;				
Cash & time deposits	136,900	137,419	(519)	1,099
Trade notes receivables	55,355	66,418	(11,063)	444
Trade accounts receivables	203,201	226,553	(23,352)	1,631
Marketable securities	2,079	7,407	(5,328)	17
Inventories	112,425	102,979	9,446	902
Advances paid	11,470	11,582	(112)	92
Deferred tax assets-current	3,598	3,637	(39)	29
Short-term loans	81,448	67,273	14,175	654
Other current assets	22,688	33,608	(10,920)	182
Allowance for doubtful receivables	(1,600)	(1,721)	121	(13)
Total current assets	627,567	655,158	(27,591)	5,037
Fixed assets;				
Tangible assets	60,674	71,863	(11,189)	487
Intangible assets	1,090	712	378	9
Investments & other fixed assets;				
Investment securities	280,242	307,610	(27,368)	2,249
Long-term loans	93,772	99,344	(5,572)	753
Deferred tax assets-non-current	32,734	30,070	2,664	263
Others	100,050	108,929	(8,879)	803
Allowance for doubtful receivables	(61,773)	(69,306)	7,533	(496)
Total investments & other fixed assets	445,026	476,647	(31,621)	3,572
Total fixed assets	506,791	549,223	(42,432)	4,067
Long term deferred assets	437	593	(156)	4
Total	1,134,796	1,204,976	(70,180)	9,108

Non-Consolidated Balance Sheets
(September 30, 2001 & March 31, 2001)

	Millions of yen			Yen/\$
	Sep-01	Mar-01	increase / decrease	124.6 Millions of \$ Sep-01
Liabilities & shareholders' equity				
Liabilities				
Current Liabilities;				
Trade notes payables	39,092	51,723	(12,631)	314
Trade accounts payables	126,828	136,961	(10,133)	1,018
Short-term borrowings from banks	305,622	326,173	(20,551)	2,453
Commercial paper	46,300	51,500	(5,200)	372
Bonds - current portion	29,000	14,000	15,000	233
Advances received	6,036	9,035	(2,999)	48
Reserve for bonuses	642	768	(126)	5
Other current liabilities	34,321	29,979	4,342	275
Total current liabilities	587,844	620,140	(32,296)	4,718
Long-term liabilities;				
Bonds, less current portion	117,076	142,076	(25,000)	940
Long-term borrowings from banks	326,529	335,668	(9,139)	2,621
Allowance for retirement benefits	3,683	3,026	657	30
Other long-term liabilities	2,933	3,157	(224)	24
Total long-term liabilities	450,222	483,928	(33,706)	3,613
Total liabilities	1,038,066	1,104,068	(66,002)	8,331
Shareholders' equity				
Common stock	52,179	52,179	0	419
Capital Surplus	48,140	48,140	0	386
Legal Surplus	588	4,896	(4,308)	5
Retained earnings	2,051	(4,308)	6,359	16
Unrealized loss on other securities	(5,287)	-	(5,287)	(42)
Treasury stock	(940)	-	(940)	(8)
Total shareholders' equity	96,730	100,907	(4,177)	776
Total	1,134,796	1,204,976	(70,180)	9,108

(Reference) Contingent liabilities	Millions of yen			Millions of \$
	Sep-01	Mar-01	increase / decrease	Sep-01
Guarantee or indebtedness	216,742	243,403	(26,661)	1,740
Repurchase of notes discounted and endorsed	9,359	12,215	(2,856)	75