

# Semi-annual Consolidated Earning Results for Fiscal 2001

November 20, 2001

## 1. Semi-annual Consolidated Results for Fiscal 2001 (April 1, 2001 –September 30, 2001)

### (1) Consolidated Operating Results

(millions of yen)

	Operating revenues	Operating income	Recurring profit
Six months ended Sep.30, 2001	12,126	5,489	5,042
Six months ended Sep.30, 2000	10,116	4,352	4,303
Year ended March 31, 2001	21,623	8,837	8,693

	Net income	Net income per share ( yen )	Diluted net income per share ( yen )
Six months ended Sep.30, 2001	2,646	99.31	97.66
Six months ended Sep.30, 2000	2,293	86.12	-
Year ended Mar.31, 2001	4,493	168.68	-

### (2) Consolidated Financial Position

(millions of yen)

	Total assets	Shareholders' equity	Equity ratio ( % )	Shareholders' equity per share (yen)
As of Sep.30, 2001	83,775	34,512	41.2	1,295. 15
As of Sep.30, 2000	52,675	30,399	57.7	1,141. 23
As of Mar.31,2001	62,315	32,266	51.8	1,211. 32

### (3) Consolidated Cash Flows

(millions of yen)

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of the period
Six months ended Sep.30, 2001	2,950	(2,487)	19,176	31,136
Six months ended Sep.30, 2000	3,198	(3,795)	(4,737)	11,797
Year ended Mar.31, 2001	8,021	(14,204)	547	11,496

### (4) Information Regarding Scope of Consolidation and Application of Equity Method

Consolidated subsidiaries: 10

Non-consolidated subsidiaries accounted for by the equity method: 0

Affiliates accounted for by the equity method: 1

### (5) Change in Scope of Consolidation and Application of Equity Method

Consolidated subsidiaries

New: 2

Excluded: 0

Subsidiaries accounted for by the equity method

New: 0

Excluded: 0

**2. Consolidated Outlook for Fiscal 2002 (April 1, 2001 – March 31, 2002)**

(millions of yen)

	Operating revenues	Recurring profit	Net income
For the year	26,000	10,300	5,200

Reference: Projected net income per share: ¥195.13

## Consolidated Financial Statements

## 1. Consolidated Balance Sheets

(millions of yen)

	As of Sep.30, 2000		As of Sep.30, 2001		As of Mar.31, 2000	
<b>Assets</b>						
<b>Current assets:</b>						
Cash and cash in banks	12,795		31,734		11,595	
Receivables due from member dealers at auction	7,540		8,181		8,183	
Trade accounts receivable	404		438		305	
Inventories	39		205		167	
Other current assets	611		940		660	
Allowance for doubtful accounts	(110)		(65)		(113)	
Total current assets	21,281	40.4	41,435	49.5	20,798	33.4
<b>Fixed Assets:</b>						
Property and equipment						
Buildings and structures	7,973		12,218		8,699	
Land	17,088		22,002		20,530	
Other property and equipment	3,094		4,922		8,883	
Total property and equipment	28,155	53.5	39,143	46.7	38,112	61.1
Intangible assets						
Excess of cost of investments in consolidated subsidiaries over the fair value of net assets	218		226		180	
Other intangible assets	802		789		807	
Total intangible assets	1,020	1.9	1,016	1.2	988	1.6
Investments and other assets:						
Investments and other assets	2,291		2,214		2,478	
Allowance for doubtful accounts	(73)		(33)		(63)	
Total investments and other assets	2,218	4.2	2,180	2.6	2,415	3.9
Total fixed assets	31,394	59.6	42,340	50.5	41,516	66.6
Total assets	52,675	100.0	83,775	100.0	62,315	100.0

(millions of yen)

	As of Sep.30, 2000		As of Sep.30,2001		As of Mar.31, 2000	
<b>Liabilities and Shareholders' Equity</b>						
<b>Current Liabilities:</b>						
Payables due to member dealers at auctions	7,777		8,459		8,367	
Bonds payable within one year	-		1,280		412	
Short-term borrowings	1,852		3,385		3,158	
Income taxes payable	1,863		2,057		2,362	
Allowance for bonus	136		143		135	
Other current liabilities	2,201		2,511		3,163	
Total current liabilities	13,830	26.3	17,838	21.3	17,600	28.2
<b>Long-term debt:</b>						
Bonds	1,280		-		868	
Convertible bond	-		20,000		-	
Long-term borrowings	4,867		8,540		9,022	
Accrued retirement benefit	43		82		56	
Guarantee deposits received from member dealers	1,986		2,197		2,076	
Total long-term debt	8,178	15.5	30,820	36.8	12,024	19.3
Total liabilities	22,008	41.8	48,659	58.1	29,624	47.5
<b>Minority interest</b>						
Minority interest	267	0.5	603	0.7	423	0.7
<b>Shareholders' Equity</b>						
<b>Common stock</b>	6,320	12.0	6,339	7.6	6,320	10.2
<b>Additional paid-in capital</b>	10,156	19.3	10,176	12.1	10,156	16.3
<b>Retained earnings</b>	13,976	26.5	18,240	21.8	15,909	25.5
<b>Unrealized loss on available-for sale securities, net of taxes</b>	(53)	(0.1)	(243)	(0.3)	(119)	(0.1)
	30,399		34,512		32,266	
<b>Treasury stock</b>	-	-	(236)	0.0	-	-
Total shareholders' equity	30,399	57.7	34,512	41.2	32,266	51.8
Total liabilities, minority interest and shareholders' equity	52,675	100.0	83,775	100.0	62,315	100.0

**2 . Consolidated Statements of Income**

(millions of yen)

	Six Months Ended Sep.30, 2000			Six Months Ended Sep.30, 2001			Year Ended Mar.31, 2000		
			%			%			%
<b>Operating Revenues</b>		10,116	100.0		12,126	100.0		21,623	100.0
<b>Costs of revenues</b>		3,941	39.0		4,305	35.5		8,257	38.2
<b>Gross profit</b>		6,175	61.0		7,821	64.5		13,365	61.8
<b>Selling, general and administrative expenses:</b>									
Sales promotion expenses	376			436			825		
Provision for doubtful accounts	59			16			97		
Remuneration for directors and statutory auditors	214			180			406		
Employee remuneration and bonuses	351			428			814		
Provision for bonuses	53			64			55		
Depreciation	120			118			255		
Amortization of excess of cost of investments in consolidated subsidiaries over the fair value of net assets	37			37			74		
Other, net	609	1,822	18.0	1,049	2,331	19.2	1,999	4,528	20.9
Operating income		4,352	43.0		5,489	45.3		8,837	40.9
<b>Non-operating Income:</b>									
Interest income	5			6			13		
Lease of real estate	15			16			28		
Cancellation of insurance contract	30			2			42		
Compensation received	12			17			36		
Other income	37	101	1.0	89	131	1.1	124	244	1.1
<b>Non-operating Expenses:</b>									
Interest expenses	119			112			231		
Fees on syndicated loans	-			-			66		
Bonds issue expenses	-			423			-		
Equity in loss of affiliated company	9			3			23		
Other expenses	22	150	1.5	38	577	4.8	66	388	1.8
Recurring profit		4,303	42.5		5,042	41.6		8,693	40.2

(millions of yen)

	Six Months Ended Sep.30, 2000			Six Months Ended Sep.30, 2001			Year Ended Mar.31, 2000		
<b>Extraordinary gains:</b>									
Gain on sales of property and equipment	3			0			3		
Reversal of allowance for doubtful accounts	5			29			26		
Other extraordinary losses	-	8	0.1	3	33	0.3	0	30	0.2
<b>Extraordinary losses:</b>									
Loss on sales of property and equipment	0			-			48		
Loss on disposal of property and equipment	-			0			201		
Directors' retirement benefits	82			205			82		
Write-off of pension fund shortfall	45			-			45		
Other extraordinary losses	10	138	1.3	-	205	1.7	44	421	2.0
Income before income taxes		4,174	41.3		4,870	40.2		8,302	38.4
Income taxes	1,856			2,051			3,732		
Deferred tax	(57)	1,798	17.8	20	2,071	17.1	(160)	3,571	16.5
Minority interest in net income of consolidated subsidiaries		81	0.8		152	1.3		237	1.1
Net income		2,293	22.7		2,646	21.8		4,493	20.8

3. Statements of Consolidated Retained Earnings

(millions of yen)

	Six Months Ended Sep.30,2000		Six Months Ended Sep.30, 2001		Year Ended Mar. 31, 2000	
<b>Balance at beginning of period</b>		11,807		15,909		11,807
<b>Appropriations</b>						
Cash dividends	66		266		332	
Bonuses to directors and statutory auditors	58	125	48	315	58	391
<b>Net income</b>		2,293		2,646		4,493
<b>Balance at end of period</b>		13,976		18,240		15,909

## 4. Consolidated Statement of Cash Flows

(millions of yen)

	Six Months Ended Sep.30,2000	Six Months Ended Sep.30,2001	Year Ended Mar.31,2000
<b>Cash flows from operating activities:</b>			
Income before income taxes	4,174	4,870	8,302
Adjustments for:			
Depreciation and amortization	868	868	1,825
Amortization of excess of cost of investments in consolidated subsidiaries over the fair value of net assets	37	37	74
Equity in loss of affiliated company	9	3	23
Increase (decrease) in allowance for doubtful accounts	35	(79)	28
Increase in allowance for bonus	17	7	15
Increase in accrued retirement benefit	40	25	54
Interest and dividend income	(5)	(6)	(13)
Interest expense	119	112	232
Convertible bond-issuing expenses	-	423	-
Loss (gain) on sale and disposal of property and equipment	(2)	(0)	246
Net change in due from/to member dealers at auction	34	93	(18)
Increase in trade accounts receivable	(189)	(21)	(90)
Increase (decrease) in deposits received	(537)	(645)	200
Bonuses paid to directors and statutory auditors	(58)	(48)	(58)
Other, net	70	(230)	93
Sub-total	4,613	5,410	10,915
Interest and dividend received	5	6	13
Interest paid	(119)	(108)	(229)
Income taxes paid	(1,301)	(2,357)	(2,678)
Net cash provided by operating activities	3,198	2,950	8,021



	Six Months Ended Sep.30,2000	Six Months Ended Sep.30,2001	Year Ended Mar.31,2000
<b>Cash flows from investing activities</b>			
Net increase in time deposits	(609)	(500)	90
Purchase of marketable securities	(3,118)	(1,786)	(14,047)
Proceeds from sale of marketable securities	9	2	10
Purchase of intangible assets	(85)	(79)	(200)
Purchase of investment securities	(2)	(132)	(149)
Increase in long-term prepaid expenses	(124)	(93)	(265)
Purchase of new consolidated subsidiaries' stock	-	(59)	-
Other, net	136	161	357
Net cash used in investing activities	(3,795)	(2,487)	(14,204)
<b>Cash flows from financing activities</b>			
Net decrease in short-term borrowings	(850)	(400)	97
Proceeds from long-term debt	-	1,200	8,500
Repayments of long-term debt	(4,453)	(1,056)	(8,439)
Proceeds from guarantee deposits received from member dealers	101	108	214
Repayment of guarantee deposits received from member dealers	(29)	(25)	(52)
Issuance of bonds	559	19,576	559
Issuance of new shares	-	39	-
Proceeds from sales of treasury stock	0	-	0
Purchases of treasury stock	-	(236)	-
Dividends paid	(66)	(266)	(332)
Net cash (used in) provided by financing activities	(4,737)	19,176	547
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(5,334)</b>	<b>19,639</b>	<b>(5,635)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>16,729</b>	<b>11,496</b>	<b>16,729</b>
<b>Increase in cash and cash equivalents upon inclusion of additional subsidiaries on consolidation</b>	<b>403</b>	<b>-</b>	<b>403</b>
<b>Cash and cash equivalents at end of period</b>	<b>11,797</b>	<b>31,136</b>	<b>11,496</b>