

**Semi-annual Consolidated Earning Results
for Fiscal 2000**

November 16, 2000

1. Semi-annual Consolidated Results for Fiscal 2000 (April 1, 2000 –September 30, 2000)

Effective from the interim period under review, semi-annual results have been presented on a consolidated basis. Consequently, no comparisons have been made with the corresponding period of the previous fiscal year.

(1) Consolidated Operating Results

(¥million)

	Operating revenues	Operating income	Recurring profit
Six months ended September 30, 2000	10,116	4,352	4,303
Year ended March 31, 2000	16,971	6,927	6,520

	Net income	Net income per share	Diluted net income per share
Six months ended September 30, 2000	2,293	86.12	-
Year ended March 31, 2000	3,543	206.39	-

(2) Consolidated Financial Position

(¥million)

	Total assets	Shareholders' equity	Equity ratio	EPS
As of September 30, 2000	52,675	30,399	57.7	1,141.23
As of March 31, 2000	51,395	27,600	53.7	1,042.03

(3) Consolidated Cash Flows

(¥million)

	Operating activities	Investing activities	Financing activities	Term-end cash and cash equivalents
Six months ended September 30, 2000	3,198	<3,795>	<4,737>	11,797
Year ended March 31, 2000	6,102	<4,699>	5,838	16,729

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

Consolidated subsidiaries: 8

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: 1

Excluded: 0

Subsidiaries accounted for by the equity method

New: 0

Excluded: 0

2. Consolidated Outlook for Fiscal 2000 (April 1, 2000 – March 31, 2001)

(¥million)

	Operating revenues	Recurring profit	Net income
For the year	19,621	7,451	3,977

Reference: Projected net income per share: ¥149.31

Consolidated Financial Statements

1. Consolidated Balance Sheets

(¥million)

	As of September 30, 2000		As of March 31, 2000	
Assets				
Current assets:	12,795		17,097	
Cash and cash equivalents	7,540		5,150	
Receivables due from member Dealers at auction	404		215	
Receivables from trade and other accounts	39		53	
Inventories	611		1,753	
Other current assets:	(110)		(66)	
Allowance for doubtful accounts	21,281	40.4	24,204	47.1
Total current assets				
Fixed Assets:				
Property and equipment				
Buildings and structures	7,973		7,766	
Land	17,088		15,606	
Other property and equipment	3,094		1,592	
Total property and equipment	28,155	53.5	24,964	48.6
Intangible assets:	218		203	
Excess of cost of investments in consolidated subsidiaries over net assets required	802		829	
Other intangible assets	1,020	1.9	1,033	2.0
Total intangible assets				
Investments and other assets:				
Investments and other Assets	2,291		1,271	
Allowance for doubtful accounts	(73)		(78)	
Total investments and other assets	2,218	4.2	1,192	2.3
Total property and equipment	31,394	59.6	27,190	52.9
Total assets	52,675	100.0	51,395	100.0

	As of September 30, 2000		As of March 31, 2000	
Liabilities and Shareholders' Equity				
Current Liabilities:				
Payables due to member dealers at auctions	7,777		5,459	
Short-term borrowings	1,852		2,965	
Income taxes payable	1,863		1,308	
Bonus allowance	136		118	
Other current liabilities	2,201		2,749	
Total current liabilities	13,830	26.3	12,600	24.5
Long-term debt:				
Bonds	1,280		712	
Long-term borrowings	4,867		8,481	
Retirement benefit liability	43		-	
Guarantee deposits received from member dealers	1,986		1,813	
Total long-term debt	8,178	15.5	11,006	21.4
Total liabilities	22,008	41.8	23,607	45.9
Shareholder's Equity				
Minority interest:				
Minority interest	267	.5	186	.4
Shareholder's Equity:				
Common stock, par value ¥50 per share	6,320	12.0	6312	12.3
Additional paid-in capital	10,156	19.3	9,481	18.4
Retained earnings	13,976	26.5	11,807	23.0
Unrealized loss on available-for sale securities, net of taxes	(53)	(.1)	-	-
	30,399		27,601	
Treasure stock	-	-	(920)	(.0)
Total shareholders' equity	30,399	57.7	27,600	53.7
Total liabilities, minority interest and shareholders' equity	52,675	100.0	51,395	100.0

2 . Consolidated Statements of Income

(¥million)

	Six Months Ended September 30, 2000			Year Ended March 31, 2000		
			%			%
Operating Revenues		10,116	100.0		16,971	100.0
Costs of revenues		3,941	39.0		6,490	38.2
Gross profit		6,175	61.0		10,480	61.8
Selling, general and administrative expenses:						
Sales promotion expenses	376			710		
Provision for doubtful accounts	59			110		
Directors' bonuses	214			388		
Employee remuneration and bonuses	351			645		
Provision for bonuses	53			48		
Depreciation and amortization	120			227		
Write-off of goodwill	37			64		
Other, net	609	1,822	18.0	1,357	3,553	21.0
Operating income		4,352	43.0		6,927	40.8
Non-operating Income:						
Interest income	5			8		
Lease of real estate	15			8		
Gain on sales of marketable securities	-			42		
Cancellation of insurance contract	30			-		
Compensation received	12			-		
Other income	37	101	1.0	67	126	.7
Non-operating Expenses:						
Interest expenses	119			401		
Equity in income of affiliated companies	9			-		
Other losses	22	150	1.5	131	533	3.1
Recurring profit		4303	42.5		6,520	38.4

	Six Months Ended September 30, 2000			Year Ended March 31, 2000		
Extraordinary gains:						
Gains on sales of property and equipment	3			-		
Gains on sales of investment securities	-			1		
Reversal of allowance for doubtful accounts	5	8	.1	-	1	.0
Extraordinary losses:						
Losses on sales of property and equipment	-					
Losses on disposal of property and equipment	-			4		
Loss on upgrading of satellite terminals	-			71		
Directors' retirement benefits	82			-		
Write-off of pension fund shortfall	45			-		
Other extraordinary losses	10	138	1.3	-	76	.4
Income before income taxes and minority interest		4,174	41.3	-	6,446	38.0
Income taxes	1,856			2,714		
Deferred tax	(57)	1,798	17.8	116	2,830	16.7
Minority interest in net income of consolidated subsidiaries		81	.8		72	.4
Net income		2,293	22.7		3,543	20.9

3. Statements of Consolidated Retained Earnings

(¥million)

	Six Months Ended September 30, 2000		Year Ended March 31, 2000	
Balance at beginning of period		11,807		8,382
Appropriations				
Cash dividends	66		60	
Directores' bonuses	58	125	57	118
Net income		2,293		3,543
Balance at end of period		13,976		1,807

4. Consolidated Statement of Cash Flows

(¥million)

	Six Months Ended September 30, 2000	Year Ended March 31, 2000
Cash flows from operating activities:		
Income before income taxes	4,174	6,446
Adjustments for:		
Depreciation and amortization	868	1,789
Provision for doubtful accounts	37	64
Equity in loss of affiliated companies	9	-
Increase in allowance for doubtful accounts	35	89
Increase (decrease) in bonus allowance	17	(2)
Increase in allowance for retirement benefits	40	-
Interest and dividend income	(5)	(8)
Interest expense	119	401
Expense for issue of new shares	-	49
Gain on sales of marketable securities	-	(40)
Loss (gain) on sale and disposal of property and equipment	(2)	19
Net change in due from/to member dealers at auction	34	797
Increase in accounts receivable	(189)	-
Decrease in deposits	(537)	-
Bonuses paid to directors	(58)	(57)
Other, net	70	194
Sub-total	4,613	9,740
Interest and dividend received	5	8
Interest paid	(119)	(400)
Income taxes paid	1,301	(3,246)
Net cash provided buy operating activities	3,795	6,102

	Six Months Ended September 30, 2000	Year Ended March 31, 2000
Cash flows from investing activities		
Increase in time deposits	(609)	(66)
Payments for purchase of marketable securities	-	(1,703)
Proceeds from sale of marketable securities	-	744
Payments for purchases of property and equipment	(3,118)	(3,143)
Proceeds from sale of property and equipment	9	2
Payments for purchase of intangible assets	(85)	(80)
Payments for purchase of investment securities	(2)	(161)
Proceeds from sale of investment securities	-	16
Increase in long-term prepayments	(124)	(231)
Other, net	136	(74)
Net cash used in investing activities	(3,795)	(4,699)
Cash flows from financing activities		
Net decrease in short-term borrowings	(850)	(270)
Proceeds from long-term debt	(4,453)	1,000
Repayments of long-term debt	-	(8,283)
Proceeds from guarantee deposits received from member dealers	101	219
Repayment of guarantee deposits received from member dealers	(29)	(33)
Proceeds from bonds issued	559	394
Proceeds from shares issued	-	12,875
Proceeds from sales of treasury stock	-	39
Payments for the purchase of treasury stock	-	(42)
Dividends paid	(66)	(60)
Net cash used in provided by financing activities	(4,737)	5,838

	Six Months Ended September 30, 2000	Year Ended March 31, 2000
Increase (decrease) in cash and cash equivalents	(5,334)	7,241
Cash and cash equivalents at beginning of period	16,729	9,238
Increase in cash and cash equivalents upon increase in capital due to inclusion of additional subsidiaries	-	249
Increase in cash and cash equivalents upon inclusion of additional subsidiaries on consolidation	403	
Cash and cash equivalents at end of period	11,797	16,729