
Financial Results for 1st Half FY2001

(April 1, 2001 ~ September 30, 2001)

Disclaimer Regarding Forward-Looking Statements

This document contains forward-looking statements about the performance of Marubeni and its Group companies, based on management's assumptions in light of current information. The following factors may therefore influence actual results. These factors include consumer trends in Japan and in major global markets, private capital expenditures, currency fluctuations, notably against the U.S. dollar, materials prices, and political turmoil in certain countries and regions.

Marubeni Corporation

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** This document is an English translation of a statement written initially in Japanese.
The original in Japanese should be considered the primary version.*

Summary of Consolidated Financial Statements for 1st Half FY2001**(US GAAP basis)**

Company name : Marubeni Corporation

Code Number : 8002

Listed : Tokyo, Osaka, Nagoya, Fukuoka, Sapporo

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Date of Director meeting for 1st Half FY2001 Financial Results : November 15, 2001

Adoption of US GAAP? : Yes

1. Consolidated financial results for 1st Half FY2001(April 1, 2001 - September 30, 2001)

(1) Consolidated statements of income

	Total volume of trading transactions		Operating profit (loss)		Income before income taxes & equity in earnings (losses) of affiliated companies	
	(billions of yen)	(%)	(billions of yen)	(%)	(billions of yen)	(%)
1st Half FY01	4,525	0.6	-19	-	- 159	-
1st Half FY00	4,499	-4.0	29	13.0	9	41.9
FY00 year end	9,437		41		7	

	Interim Net income (loss)		Interim Net income (loss) per share		Interim Net income per share on diluted basis	
	(billions of yen)	(%)	(yen)		(yen)	
1st Half FY01	-107	-	-71.62		-	
1st Half FY00	6	84.1	4.10		3.86	
FY00 year end	15		10.06		9.40	

(Note) Equity in earnings-net

Interim for FY01 : -9 billion yen Interim for FY00 : 10 billion yen Year end for FY00 : 17 billion yen

Average number of outstanding shares for the term (consolidated basis)

Interim for FY01 : 1,494,018,434 Interim for FY00 : 1,494,017,966 Year end for FY00 : 1,494,018,855

Any changes of accounting method? No

Percentage figures for total volume of trading transactions, operating profit, income before income taxes and equity in earnings, and interim net income represents the change from the previous year

(2) Consolidated financial position information

	Total assets	Shareholders' equity	Shareholders' equity/ Total assets	Shareholders' equity per share
	(billions of yen)	(billions of yen)	(%)	(yen)
1st Half FY01	5,255	271	5.2	181.16
1st Half FY00	5,389	309	5.7	207.12
FY00 year end	5,321	342	6.4	229.11

(Note) Number of outstanding shares for the term (consolidated basis)

Interim for FY01 : 1,494,019,553 Interim for FY00 : 1,494,019,089 Year end for FY00 : 1,494,017,315

(3) Consolidated cash flow information

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financial activities	Cash and cash equivalents at end of the term
	(billions of yen)			
1st Half FY01	50	-31	33	385
1st Half FY00	126	53	-268	317
FY00 year end	179	188	-456	330

(4) Total number of consolidated subsidiaries and affiliated companies

Subsidiaries : 401 Affiliated companies accounted for by equity method : 182

(5) Increase/decrease of consolidated subsidiaries and affiliated companies

Subsidiaries (Newly included) 8 (Excluded) 19 Affiliated companies (Newly included) 6 (Excluded) 10

2. Forecast of consolidated financial results for FY2001 (April 1, 2001 - March 31, 2002)

(billions of yen)

	Total volume of trading transactions	Net income
Year End	9,000	-105

(*) Forecast of Net income (loss) per share -70.28 yen

Business Group

The major activities of our business group are sales and trades of wide range of products and commodities, making the most of our world wide business bases and information network. In addition, we offer various financing and project-organizing services to customers, and also work on diversified businesses like natural resource development and investment in high-tech industries.

We classify these businesses into 13 products divisions, domestic branches & offices, and overseas corporate subsidiaries & branches as the operating segments. From FY2001, Finance & Logistics Business Division was created and added.

Below are our products and services and some of our major group firms by operating segments.

Division	Contents of products and services	Major group firms	
IT Business	Both in domestic and overseas, operating IT related businesses, like various types of IP network infrastructure, overseas data communication plant, mobile telephone, retail and wholesale of PC hardware and software, medical and healthcare, broadcasting by BS/CS etc, and ASP/ISP	Subsidiaries	Kanto Electronics Corporation(*), Marubeni Telecom Co., Ltd., Vectant, Inc.
		Affiliated companies	Sofmap Co., Ltd.
Utility and Infrastructure	Both in domestic and overseas, developing and operating utility, water, and waste treatment, etc. as a privatization business / contracting construction, machinery setting and supplying in infrastructure projects such as railways, airports, ports, and bridges	Subsidiaries	Marubeni Power Systems Corporation, Marubeni Power Ventures, Inc.
		Affiliated companies	Tapal Energies Limited, Uni-Mar Enerji Yatirimlari A.S.
Plant and Ship	Both in domestic and overseas, handling the construction and supply of plants / participating in project investment / supply and lease of cargo ships and tankers etc. / owning and operating ships	Subsidiaries	Marubeni Tekmatex Corporation, Royal Maritime Corporation
		Affiliated companies	Kaji Technology Corporation, Pt. Chandra Asri
Transportation and Industrial Machinery	Both in domestic and overseas, export, import, and domestic sales of vehicles, construction machinery, agro-industrial machinery, production machinery, environmental and industrial machinery, aircraft, defense equipment, and space-related equipment	Subsidiaries	Marubeni Aerospace Corporation, Marubeni Auto & Construction Machinery (America),Inc
		Affiliated companies	Kubota Europe S.A., Unipres U.S.A. Inc.
Energy	Both in domestic and overseas, handling various forms of energy, including oil, gas, nuclear fuel and coal for power generation / participating in all aspects of energy distribution, ranging from such upstream areas as natural resources development to such downstream businesses as service stations	Subsidiaries	Marubeni Energy Corporation, MIECO Inc., Marubeni International Petroleum (Singapore)
		Affiliated companies	Shenzhen Sino-Benny LPG Co., Ltd.
Metals and Mineral Resources	Both in domestic and overseas, manufacturing, processing, and sales of nonferrous metals / overseas development and trading of raw materials of steel and nonferrous metals	Subsidiaries	Marubeni Metals Corporation, Marubeni Tetsugen Co., Ltd. Marubeni Aluminum Australia Pty. Ltd.
		Affiliated companies	Toyo-Memory Technology Sdn. Bhd.
Iron and Steel	Both in domestic and overseas, trading, manufacturing, processing, and sales of steel products / aggressively engaging e-commerce business as well	Subsidiaries	Marubeni Steel Trade Corporation, Marubeni Special Steel Corp., Marubeni Steel Structural Materials Inc.
		Affiliated companies	Marubeni Construction Material Lease Co., Ltd. Thai Cold Rolled Steel Sheet P.C.L.
Chemicals	Both for domestic and overseas chemical industry, trading from primary materials to products of advanced technology such as IT, bio-industry / diversified and value-creating business operation in electronics-related material, retail, natural resources development, and environment.	Subsidiaries	Marubeni Plax Corporation, Marubeni Chemix Corporation
		Affiliated companies	Shanghai Asahi Electronic Glass Co., Ltd., Dampier Salt Limited
Forest Products and General Merchandise	Both in domestic and overseas, sales of rubber products, footwear, and housing material / operating leisure facilities, manufacturing and sales of pulp and paper, and participating in afforestation	Subsidiaries	Marubeni Pulp & Paper Sales Co.,Ltd.,Koa Kogyo Co., Ltd., Marubeni Building Materials Co., Ltd.
		Affiliated companies	Marusumi Paper Co., Ltd., Daishowa-Marubeni International Ltd.
Agri-Marine Products	Both in domestic and overseas, involving in all aspects of the food business, including agri-marine products, processed foods and beverages, materials for foods and beverages, feed and fertilizer	Subsidiaries	Benirei Corporation, Pacific Grain Terminal Ltd., Cia. Iguacu de Café Solúvel
		Affiliated companies	Yamaboshiya Co., Ltd., The Maruetsu, Inc., Katakura Chikkarin Co., Ltd.
Textile	Integration from textile materials to apparel / Both in domestic and overseas, procurement and production of apparel material / Planning and proposal of apparel material and living products / Offering distribution services	Subsidiaries	Marubeni Fashion Link, Limited, Marubeni Intex Co., Ltd., Marubeni Textile Asia Ltd.
		Affiliated companies	Erawan Textile Co., Ltd.
Development and Construction	Development of condominiums in Japan, and development and lease of sports facilities and commercial buildings, while operating internationally as a general area developer	Subsidiaries	Marubeni Real Estate Co., Ltd., Marubeni Real Estate Sales Co., Ltd., Benny Estate Service
		Affiliated companies	Tipness Limited, Koshigaya Community Plaza Corporation
Finance & Logistics Business	Both in domestic and overseas, investment finance, nonbanking, and insurance businesses/ investment in logistics infrastructure, forwarding, and third party logistics improving the efficiency of distribution systems in SCM	Subsidiaries	Marubeni General Leasing Corporation, Marubeni Logistics Corporation, Marubeni International Finance p.l.c.
		Affiliated companies	Eastern Sea Laem Chabang Terminal Co.,Ltd.
Domestic branches and offices	Sales of various types of products and the related business activities	Subsidiaries	IMT Corporation
		Affiliated companies	Bansei Kouki Co.,Ltd
Overseas corporate subsidiaries and branches	Sales of various types of products and the related business activities	Overseas corporate subsidiaries	Marubeni America Corporation, Marubeni Europe P. L. C. , Marubeni Hong Kong and South China Ltd.
		Subsidiaries	Helena Chemical Company
		Affiliated companies	ATC Inc.
		Subsidiaries	Marubeni Finance Corporation, Marubeni Management Resources Corp.
Corporate and administration etc.	Financial services and group finance	Affiliated companies	Fuyo General Lease Co., Ltd.

(*Domestic listed subsidiaries: Kanto Electronics Corporation (Tokyo Stock Exchange Section 2, Name changed to Marubeni Infotec Corporation, from October 1, 2001.)

Management Policy and Financial Results for 1st Half FY2001

Marubeni Corporation

1. Management Policy

(1) Basic Management Policy and Managerial Tasks

Marubeni (the "Company") has launched a two-year management plan named 'Action 21' in April 2001, to pursue our management philosophy of becoming a value-creating company that contributes to the world's economic prosperity through our competitive position as a globally networked company. The plan sets the following as the bases of management policy; "Reallocation of management resources", "Realization of sufficient returns corresponding to risks", and "Business expansion leveraged by advanced trading house functions". However, current business environments have considerably worsened from last year-end when we prepared 'Action 21'. On the other hand, we have reached an agreement on financial restructuring plan for PT Chandra Asri, which has been the biggest pending issue for Marubeni. Therefore, keeping the basic management policy of 'Action 21', the Company has revised the management plan and framed 'Action 21 "A" PLAN', in order to make a quick response to, and to challenge the drastically changing business environments. According to the revised management plan, the Company recognized one-time losses on marketable securities, notes and accounts receivables, investments, non-current assets or others, along with the acceleration of restructuring of loss-making firms. It is aiming to respond to the assumption of further worsened economic environments, and to sweep off the possibilities of escalation of potential losses.

It resulted in considerable write-off for the 1st Half FY2001, however the Company is committed to make all the effort for the substantial improvement in earnings and for the enlargement of shareholders' equity in and after FY2002.

Execution Plan <Business activities>

The Company concentrates management resources on the 4 areas : Natural resources & Utility services, Raw materials & Finished goods, Retail & Services, and IT business. We will aim to strengthen our earning power, through reinforcing competitiveness in each field.

Also, the Company established Finance & Logistics Business Division which expands our financial, logistics and insurance functions, as well as Business Incubation Department, which cultivates new technology related business, in April of 2001.

In addition, we have established Marubeni-Itochu Steel Inc. (MISI) for the purpose of strengthening our competitiveness in the iron & steel product field. MISI started its business operations in October 2001.

Execution Plans <Management System>

For reallocation of management resources, the Company has adopted 'Balance Sheet Management System' since April 2001, which sets upper limit of net interest-bearing debt and consolidated fixed assets of each business division as well as in the whole company. Also, we have introduced a new management driver 'PATRAC' (Profit After Tax less Risk Asset Cost) to quantify returns corresponding to risks.

In addition, the Company introduced 'Executive Officer System' aiming further reinforcement of business operations.

(2) Basic Policy Regarding the Appropriation of Retained Earnings

We recognize that one of the most important responsibilities for business entities is to continue to pay dividends to shareholders, as well as to enlarge shareholders' equity and to improve ROE. However, the Company has decided to forgo the payment of the interim dividends for 1st Half FY2001, from the viewpoint of giving first priority to maintain shareholders' equity that has been damaged by the considerable write-off for the 1st Half FY2001, and predetermined not to pay the fiscal-year-end dividends for FY2001 caused by the above-mentioned one-time losses.

2. Financial Results

(1) Outline for 1st Half FY2001

<Business Environment>

U.S. economy became obviously sluggish and European economy showed a slowdown during the first half of FY2001, while Asian economies were generally powerless.

In the U.S., personal consumption was relatively stable thanks to the interest rate cut and the tax reduction. However, corporate earnings were worsened mainly due to the decreased demand for IT-related products, then the employment adjustment started on the full-scale. Besides, equipment investments were considerably decreased. While the growth of domestic demand became entirely dull in this way, the terrorist attack on September 11th occurred. The attack adversely influenced the mind of consumers and enterprises.

In Europe, personal consumption was stable, but equipment investments changed to be decreased. At the same time, exports sharply declined due to a slowdown of the global demands.

In Asia, economy of Singapore and Taiwan decelerated, because they highly relied on the exports of IT-related products. Also, in Korea and ASEAN countries, production and exports were decreased, and expansion pace became notably slow. In China, the financial stimulating measures and stable personal consumption supported the economy. However, in the middle of the year, exports found it hard to grow, and the growth ratio gradually became low.

In Russia, the economy was relatively in good mood thanks to increased personal consumption. In Central America, expansion pace became slow mainly due to a decrease in exports.

In Japan, production and exports sharply declined mainly in IT related business. Also, equipment investments changed to a cut-down. Corporate earnings reached the ceiling, and the more severe employment situation emerged with jobless rate of 5% at record-high. Furthermore, personal consumption was at a low level, as IT-related products market such as PC's or mobile telephones became matured. In this way, both corporate and domestic sectors got worse, and economic prospects became extremely uncertain. Bank of Japan attempted further monetary ease, cutting official discount rate and carrying out the quantitative alleviating measures to supply large amount of money into the market. However, it has not resulted in the recovery of real economy.

As for international balance of payments, the decrease in exports was larger than the decrease in import. As a result, current account surplus has been rapidly reduced.

<Consolidated Financial Results>

The summary of consolidated financial results for the 1st Half FY2001 is as follows:

(billions of yen)

	1 st Half FY01	1 st Half FY00	Variance	
			Amount	%
Total volume of trading transactions	4,525	4,499	26	0.6%
Gross trading profit	220	242	-22	-9.0%
Operating profit (loss)	-19	29	-48	-
Income (loss) before income taxes and equity in earnings	-159	9	-168	-
Net income (loss)	-107	6	-113	-

Total volume of trading transactions for this term increased 0.6% to 4.5 trillion yen.

Total volume of trading transactions by type are as follows:

Domestic transactions declined 8.5%, because of a reduction in Machinery, Textile, Metals and others.

Export Transactions increased 7.0%, thanks to an increase in Machinery.

Import Transactions declined 4.1%, because of an decrease in Energy, Metals, General merchandise and others.

Offshore Transactions increased 13.0% owing to an increase in Energy, although there was a decrease in Machinery.

Total volume of trading transactions, gross trading profit and business summary by operating segment are as follows:

(billions of yen)

	Total volume of trading transactions			Gross trading profit		
	1 st Half FY01	1 st Half FY00	Variance	1 st Half FY01	1 st Half FY00	Variance
IT Business	221	189	32	16.7	22.7	-6.0
Utility and Infrastructure	161	143	18	8.0	4.2	3.7
Plant and Ship	238	319	-82	4.5	8.8	-4.3
Transportation and Industrial Machinery	322	374	-53	22.6	28.1	-5.5
Energy	1,095	877	218	15.8	14.9	0.9
Metals and Mineral Resources	243	257	-15	7.9	8.0	-0.1
Iron and Steel	238	261	-23	11.8	12.2	-0.4
Chemicals	277	291	-15	14.7	15.5	-0.8
Forest Products and General Mdse	373	391	-18	19.1	21.5	-2.4
Agri-Marine Products	494	484	10	28.8	32.3	-3.5
Textile	219	244	-25	14.6	14.9	-0.4
Development and Construction	65	83	-19	11.9	13.2	-1.3
Finance and Logistics Business	22	-	22	3.2	-	3.2
Domestic Branches and Offices	172	202	-30	3.0	5.3	-2.2
Overseas Corporate Subsidiaries and Branches	620	663	-43	42.4	37.2	5.2
Corporate and Elimination etc.	-233	-279	46	-4.5	3.4	-7.8
Consolidated	4,525	4,500	26	220.4	242.1	-21.7

IT Business: Total volume of trading transactions increased 32.1 billion yen, or 17.0% due to an increase in communication system business for Asia, but gross trading profit decreased 6.0 billion yen, or 26.5%, due to a rise in cost of goods sold such as depreciation expenses.

Utility and Infrastructure: Total volume of trading transactions increased 18.0 billion yen, or 12.6%, due to an increase in railroad projects for Taiwan and Venezuela, and electric power plant for Nigeria and Vietnam. Consequently, gross trading profit increased 3.7 billion yen, or 88.3%.

Plant and Ship: Total volume of trading transactions declined 81.5 billion yen, or 25.5%, due to a decrease in industrial plant related transaction for China, and energy and chemical plant transaction for Central and South America and Africa. Consequently, gross trading profit went down 4.3 billion yen, or 48.9%.

Transportation and Industrial Machinery: Total volume of trading transactions declined 52.5 billion yen, or 14.0%, mainly due to a decrease in trade of construction machinery in North America. Consequently, gross trading profit went down 5.5 billion yen, or 19.5%.

Energy: Total volume of trading transactions increased 218.3 billion yen, or 24.9%, thanks to an increase in overseas transactions backed by the stable prices of crude oil. Gross trading profit increased 0.9 billion

yen, or 6.4%, mainly owing to an increase in overseas transactions in oil and gas field development.

Metals and Mineral Resources: Total volume of trading transactions decreased 14.5 billion yen, or 5.7%, due to a decrease in domestic transactions of raw materials, as well as nonferrous metals and electronics-related materials, an increase in aluminum notwithstanding. Gross trading profit slightly went down 0.1 billion yen, or 0.8%.

Iron and Steel: Total volume of trading transactions decreased 23.2 billion yen, or 8.9%, due to a decrease in domestic transactions mainly in steel sheets and construction materials. Gross trading profit went down 0.4 billion yen, or 2.9%.

Chemicals: Total volume of trading transactions decreased 14.8 billion yen, or 5.1%, due to a low commodity market price of organic chemicals and electronics-related materials. Gross trading profit went down 0.8 billion yen, or 5.0%, mainly due to a low commodity market price of organic chemicals, an increase in agricultural chemicals and vinyl chloride notwithstanding.

Forest Products and General Merchandise: Total volume of trading transactions declined 18.3 billion yen, or 4.7%, mainly due to low prices of paper-related products. Gross trading profit declined 2.4 billion yen, or 11.2%, mainly because of weakening of pulp price, decrease in margin spread of paper trading and falling market of log and plywood.

Agri-Marine Products: Total volume of trading transactions increased 9.9 billion yen, or 2.0%, due to an increase in domestic transactions. Gross trading profit declined 3.5 billion yen, or 10.9%, because of decline of profit caused by falling commodity price.

Textile: Total volume of trading transactions declined 24.7 billion yen, or 10.1%, mainly due to cutting off low profit transactions and slumping market in domestic and offshore transactions, an increase in import trading of apparel caused by tightening relations with national chain stores notwithstanding. Gross trading profit went down 0.4 billion yen, or 2.5%.

Development and Construction: Total volume of trading transactions declined 18.8 billion yen, or 22.6%, due to a decrease in units of sold condominiums and a decline in sales price. Gross trading profit decreased 1.3 billion yen, or 10.1%.

Finance & Logistics Business: Total volume of trading transactions was 22.1 billion yen, and gross trading profit was 3.2 billion yen.

Domestic branches and offices: Total volume of transactions declined 29.7 billion yen, or 14.7% because of a decline in domestic transactions of textile, and gross trading profit decreased 2.2 billion yen, or 42.3%.

Overseas corporate subsidiaries and branches: Total volume of transactions declined 42.8 billion yen, or 6.5%, and gross trading profit increased 5.2 billion yen, or 14.0% due to an increase in the US.

Consequently, gross trading profit decreased 21.7 billion yen, or 9.0% to 220.4 billion yen.

Operating profit went down 47.7 billion yen to -18.8 billion yen, due to an increase of allowance for doubtful accounts.

Income before income taxes and equity in earnings went down 167.7 billion yen to -158.8 billion yen, due to losses on investment securities and on fixed assets on top of a decrease in operating profit.

Income before equity in earnings decreased 94.4 billion yen, to -98.0 billion yen after the adoption of tax effect accounting.

Net income went down by 113.1 billion yen, to -107.0 billion yen, because of an decrease in equity in earnings of affiliated companies by 18.7 billion yen.

The summary of balance sheets as of the end of September 2001 is as follows:

(billions of yen)

	Sept. 30 2001	Mar. 31 2001	Variance
Consolidated total assets	5,255	5,321	-65
Consolidated shareholders' equity	271	342	-72
Consolidated interest-bearing debt	3,512	3,428	83
Consolidated interest-bearing debt net of Cash and cash equivalents, and Time deposits	3,120	3,090	30

Consolidated total assets decreased 65.4 billion yen to 5,255.2 billion yen, mainly in trade receivables, investment securities, other investments and long-term receivables, as a result of acceleration of withdrawal from low profit transactions and liquidation and disposal of group firms. Consolidated interest-bearing debt increased 83.1 billion yen to 3,511.5 billion yen due to an increase in cash and cash equivalents and changes of accounting standard. Consolidated interest-bearing debt net of Cash and cash equivalents and Time deposits increased 30.4 billion yen to 3,120.3 billion yen. Consolidated shareholders' equity decreased 71.6 billion yen to 270.7 billion yen. As a result, net debt-to-equity ratio turned adverse by 2.50 points to 11.53 times.

As for cash flow, net cash provided by operating activities was 50.0 billion yen (increase), net cash used by investing activities was -31.3 billion yen (decrease), and net cash provided in financing activities was 33.2 billion yen (increase). As a result, cash and cash equivalents at the end of the 1st half of this year increased 55.6 billion yen to 385.4 billion yen.

<Non-consolidated Financial Results>

The summary of non-consolidated financial results for the 1st Half FY01 is as follows:

(billions of yen)

	1 st Half FY01	1 st Half FY00	Variance	
			Amount	%
Total volume of trading transactions	3,571	3,801	-230	-6.0%
Gross trading profit	62	76	-14	-18.6%
Operating profit	1	12	-11	-91.6%
Income before taxes and equity in earnings	11	32	-21	-64.3%
Net income	-167	3	-170	-

Total volume of trading transactions for the 1st Half FY01 declined 6.0% to 3,571.4 billion yen.

Domestic transactions declined 9.2%, because of a decrease of General merchandise, Metals, and Textiles.

Export transactions declined 8.0%, due to a decrease mainly in Machinery.

Import transactions declined 4.5%, because of a reduction in Energy and Metals.

Offshore transactions declined 1.7%, due to a decrease mainly in Chemicals.

Total volume of trading transactions, gross trading profit and business summary by segments are as follows:

(billions of yen)

	Total volume of trading transactions			Gross trading profit		
	1 st Half FY01	1 st Half FY00	Variance	1 st Half FY01	1 st Half FY00	Variance
IT Business	146	122	24	1.7	1.2	0.4
Utility and Infrastructure	140	130	11	4.6	2.0	2.6
Plant and Ship	145	233	-88	2.7	5.9	-3.2
Transportation and Industrial Machinery	205	287	-82	3.5	5.4	-1.9
Energy	1,074	836	238	3.4	3.4	0
Metals and Mineral Resources	211	215	-4	3.1	4.3	-1.2
Iron and Steel	191	225	-34	5.9	5.9	0
Chemicals	261	398	-137	6.2	7.4	-1.1
Forest Products and General Merchandise	286	337	-51	6.8	8.6	-1.8
Agri-Marine Products	394	436	-42	6.4	8.7	-2.3
Textile	222	229	-8	8.7	8.9	-0.1
Development and Construction	48	71	-22	2.8	2.9	-0.1
Finance & Logistics Business	1	-	1	0.3	-	0.3
Domestic Branches and Offices	238	263	-25	2.8	5.0	-2.2
Overseas Branches	7	17	-10	0.3	0.6	-0.3
Corporate and Administration etc.	2	2	-1	1.8	5.1	-3.2
Total	3,571	3,801	-230	61.9	76.1	-14.1

IT Business: Total volume of trading transactions increased 24.1 billion yen, or 19.8 % due to an increase in communication system business to Asia. Gross trading profit also increased 0.4 billion yen, or 37.9% because of an increase of the transactions.

Utility and Infrastructure: Total volume of trading transactions increased 10.8 billion yen, or 8.4% due to an increase in electric power plant business for Nigeria and Vietnam and in railroad projects for Taiwan and Venezuela. Gross trading profit increased 2.6 billion yen, or 128.1% because of an increase of the transactions.

Plant and Ship: Total volume of trading transactions decreased 87.6 billion yen, or 37.6%, due to a decrease in industrial plant business for China and in energy and chemical plant business for Latin America and Africa. Gross trading profit decreased 3.2 billion yen, or 53.8% because of a decrease of the transactions.

Transportation and Industrial Machinery: Total volume of trading transactions declined 82.3 billion yen, or 28.7% because of a decrease in trading of construction machinery in North America and in offshore trading of automobiles. Gross trading profit decreased 1.9 billion yen, or 35.0% because of a decrease of this trading.

Energy: Total volume of trading transactions improved 237.5 billion yen, or 28.4%, due to an increase in trading quantity. Gross trading profit remained the same level as last year, because of an increase in dealing of crude oil and a decrease in natural resource development.

Metals and Mineral Resources: Total volume of trading transactions went down 4.1 billion yen, or 1.9%, due to a decrease mainly in iron ore and ferroalloy. Gross trading profit went down 1.2 billion yen, or 27.4 %, due to a decline in trading in these items and in margin spread of coal trade.

Iron and Steel: Total volume of trading transactions declined 34.2 billion yen, or 15.2% due to a decrease in domestic trading and offshore trading in mainly steel sheets and construction materials. Gross trading profit remained the same level as last year, due to a decline in domestic trading and offshore trading and an increase in export trading of steel pipes.

Chemicals: Total volume of trading transactions decreased 136.6 billion yen, or 34.3%, primarily due to exit from low-profit offshore trading. Gross trading profit went down 1.1 billion yen, or 15.8%, because of slumping market of organic chemicals, an increase in caustic soda, agricultural chemicals and others notwithstanding.

Forest Products and General Merchandise: Total volume of trading transactions declined 50.9 billion yen, or 15.1%, primarily because of slumping paper market. Gross trading profit went down 1.8 billion yen, or 21.2%, due to weakening of pulp price, decrease in margin spread of paper trading and falling market of log and plywood.

Agri-Marine Products: Total volume of trading transactions declined 42.0 billion yen, or 9.6%, mainly due to a decrease in grain trading. Gross trading profit decreased 2.3 billion yen, or 26.2% because of a decrease of this dealing.

Textile: Total volume of trading transactions declined 7.6 billion yen, or 3.4%, due to slumping in domestic and offshore trading and exit from low-profit trading, an increase in import because of strengthening relations with multiunit retailer. Gross trading profit slightly decreased 0.1 billion yen, or 1.4%.

Development and Construction: Total volume of trading transactions went down 22.2 billion yen, or 31.5%, due to a decrease in sale units and price of condominiums and exit from low-profit intermediate trading. Gross trading profit declined 0.1 billion yen, or 4.8%.

Finance & Logistics Business: Total volume of trading transactions was 0.8 billion yen. Gross trading profit was 0.3 billion yen.

Domestic Branches and Offices: Total volume of trading transactions decreased 25.0 billion yen, or 9.5%, mainly due to a decrease in domestic trading of textile. Gross trading profit decreased 2.2 billion yen, or 44.3%.

Overseas Branches: Total volume of trading transactions decreased 9.7 billion yen, or 58.4% primarily because of a decline in machinery and textile trading. Gross trading profit decreased 0.3 billion yen, or 47.4%.

As seen from the above, gross trading profit declined 14.1 billion yen, or 18.6%, to 61.9 billion yen.

Operating profit went down 11.0 billion yen, or 91.6%, to 1.0 billion yen, due to a decrease in gross trading profit. Ordinary income declined 20.3 billion yen, or 64.3%, to 11.3 billion yen, because of decrease in operating profit and non-operating income.

Moreover, 5.7 billion yen of extraordinary gains including 5.6 billion yen gains on sales of investment securities were recorded. On the other hand, extraordinary losses of 256.1 billion yen, such as 128.6 billion yen of provision for doubtful receivables from associated firms and others, 52.3 billion yen of evaluation losses of investment securities and investment in associated firms, 40.8 billion yen of provision for doubtful receivables related to specified countries, 32.8 billion yen of losses from revaluation of fixed assets, were added.

Consequently, loss before income tax was 239.1 billion yen, and interim net loss after tax effects resulted in 167.0 billion yen.

The summary of non-consolidated balance sheet as of the end of September 2001 is as follows:
(billions of yen)

	Sep.30, 2001	Mar.31, 2001	Variance
Total assets	2,970	3,141	-171
Shareholders' equity	262	422	-160
Interest-bearing debt	1,995	1,891	104
Interest-bearing debt net of Cash and Time deposits	1,778	1,719	58

Non-consolidated total assets went down 171.1 billion yen to 2,970.0 billion yen due to a decrease of account receivables.

Non-consolidated interest-bearing debt increased 104.4 billion yen to 1,995.4 billion yen. Non-consolidated interest-bearing debt net of Cash and Time deposits went up 58.2 billion yen to 1,777.6 billion yen.

Non-consolidated shareholders' equity decreased 160.1 billion yen to 261.5 billion yen. As a result, net debt-to-equity ratio became worse 2.72 points to 6.80 times, from 4.08 times as of March 31 of this year.

(2) Restructuring Cost and Gains from Disposal of Assets for the 1st Half FY01

<Restructuring Cost>

(billions of yen)

Breakdown	Consolidated	Non-consolidated
Liquidation and disposal losses related to associated firms	-37	-130
Losses related to investment securities and investment equity securities	-92	-53
Provision for doubtful accounts	-44	-43
Losses related to fixed assets	-27	-33
Total	-199	-258

Consolidated restructuring cost for this 1st Half amounted to 198.5 billion yen. The liquidation and disposal losses related to associated firms are included in evaluation losses on inventories, unrealized losses on fixed-assets, and equity in earnings.

Non-consolidated restructuring cost for this 1st Half summed to 258.0 billion yen. It is booked in special losses, write-offs, and provisions for doubtful accounts.

<Gains from Disposal of Assets>

(billions of yen)

Breakdown	Consolidated	Non-consolidated
Gains from sales of investment securities and investment equity securities and others	10	8
Gains from sales of fixed assets and others	2	0
Total	12	8

For this 1st half, gains from sales of assets on consolidated and non-consolidated basis were 11.8 and 8.3, respectively, which were allocated to the restructuring cost.

(3) Financial Forecast for FY01

Financial forecast for FY01 is not changed from the forecast made on November 8, 2001.

<Consolidated Financial Forecast>

(billions of yen)

	Forecast FY01	Result FY00
Total volume of trading transactions	9,000	9,437
Net income	-105	15

<Non-consolidated Financial Forecast>

(billions of yen)

	Forecast FY01	Result FY00
Total volume of trading transactions	7,200	8,154
Ordinary income	20	55
Net income	-160	4

Breakdown of Consolidated Total Volume of Trading Transactions

Marubeni Corporation

Total Volume of Trading Transaction by Type

(billions of yen)

	1st Half FY01		1st Half FY00		Variance	
		Composition		Composition		Increase/ Decrease
Domestic	1,674.4	37.0%	1,829.5	40.7%	-155.1	- 8.5%
Export	601.0	13.3%	561.8	12.5%	39.2	7.0%
Import	738.1	16.3%	769.8	17.1%	-31.7	- 4.1%
Offshore	1,511.7	33.4%	1,338.4	29.7%	173.4	13.0%
Total	4,525.2	100.0%	4,499.5	100.0%	25.7	0.6%

Total volume of trading transactions by products

(billions of yen)

	1st Half FY01		1st Half FY00		Variance	
		Composition		Composition		Increase/ Decrease
Machinery	1,022.6	22.6%	1,135.8	25.3%	-113.2	- 10.0%
Energy	1,156.7	25.6%	928.3	20.6%	228.5	24.6%
Metals	600.4	13.3%	616.2	13.7%	-15.9	- 2.6%
Chemicals	480.0	10.6%	455.8	10.1%	24.1	5.3%
Forest products and g'ndse	413.5	9.1%	441.0	9.8%	-27.5	- 6.2%
Agri-marine products	524.7	11.6%	536.4	11.9%	-11.7	- 2.2%
Textile	255.1	5.6%	295.0	6.6%	-39.9	- 13.5%
Development & construction	72.2	1.6%	90.9	2.0%	-18.7	- 20.6%
Total	4,525.2	100.0%	4,499.5	100.0%	25.7	0.6%

Consolidated Statements of Income

Marubeni Corporation

Half Years ended September 30, 2001 and 2000

	(billions of yen)			
	1st Half FY01	1st Half FY00	Variance	Increase/ Decrease
Total volume of trading transactions	4,525.2	4,499.5	25.7	0.6%
Gross trading profit	220.4	242.1	- 21.7	- 9.0%
(ratio)	(4.87%)	(5.38%)		
Expenses:				
Selling, general and administrative expenses	- 199.9	- 199.2	- 0.7	0.3%
Provision for doubtful accounts	- 39.4	- 14.0	- 25.3	180.6%
Total	- 239.3	- 213.2	- 26.0	12.2%
Operating profit (loss)	- 18.8	28.9	- 47.7	-
Other Income (expenses):				
Interest expense, net of interest income	- 15.1	- 14.5	- 0.6	3.9%
Dividends	4.4	3.0	1.4	47.3%
Gain (loss) on investment securities	- 81.8	3.8	- 85.6	-
Gain (loss) on property and equipment	- 41.7	5.2	- 46.9	-
Other -net	- 5.7	- 17.4	11.7	-
Total	- 140.0	- 20.0	- 119.9	-
Income (loss) before income taxes and equity in losses	- 158.8	8.8	- 167.7	-
Provision for income taxes	60.8	- 12.4	73.2	-
Loss before equity in earnings (losses) of affiliated companies	- 98.0	- 3.6	- 94.4	-
Equity in earnings (losses) of affiliated companies - net (after income tax effects)	- 9.0	9.7	- 18.7	-
Net income (loss)	- 107.0	6.1	- 113.1	-

*The financial statements are on US GAAP basis

Consolidated Balance Sheets

Marubeni Corporation

At September 30, 2001 and March 31, 2001

(billions of yen)			
ASSETS	Sep-01	Mar-01	Variance
Current assets:			
Cash and cash equivalents, and Time deposits	391.2	338.5	52.7
Investment securities	119.2	87.4	31.8
Notes and accounts receivable - trade			
Notes receivable	264.9	294.1	-29.2
Accounts receivable	1,123.7	1,234.0	-110.2
Due from affiliated companies	144.9	145.1	-0.2
Allowance for doubtful accounts	-34.2	-26.8	-7.4
Inventories	493.6	481.2	12.3
Advance payments to suppliers	72.0	76.1	-4.2
Deferred income taxes	30.7	27.9	2.8
Prepaid expenses and other current assets	147.1	115.3	31.8
Total current assets	2,753.1	2,772.8	-19.8
Investments and long-term receivables:			
Affiliated companies	279.7	289.6	-9.8
Securities and other investments	592.5	652.4	-59.9
Notes, loans and accounts receivable - trade	576.1	614.9	-38.9
Allowance for doubtful accounts	-126.9	-102.9	-24.0
Property leased to others, less accumulated depreciation	285.3	302.2	-16.9
Total investments and long-term receivables	1,606.7	1,756.2	-149.5
Property and equipment, less accumulated depreciation	530.6	532.7	-2.1
Prepaid pension cost	86.6	84.5	2.0
Deferred income taxes	142.3	83.9	58.4
Other assets	135.9	90.5	45.5
Total assets	5,255.2	5,320.6	-65.4

(billions of yen)			
LIABILITIES AND SHAREHOLDERS' EQUITY	Sep-01	Mar-01	variance
Current liabilities			
Short-term loans	887.4	835.7	51.7
Current portion of long-term debt	503.8	475.8	27.9
Notes and accounts payable - trade			
Notes and acceptances payable	230.6	282.2	-51.6
Accounts payable	779.4	796.8	-17.4
Due to affiliated companies	47.6	48.8	-1.3
Advance payments received from customers	42.5	46.8	-4.3
Income taxes	9.3	9.5	-0.1
Deferred Income taxes	0.8	1.7	-0.9
Accrued and other current liabilities	198.2	227.9	-29.7
Total current liabilities	2,699.6	2,725.2	-25.6
Long-term debt, less current portion	2,224.8	2,193.8	31.0
Employees' retirement benefits	13.1	14.0	-0.9
Deferred income taxes	14.2	14.8	-0.6
Minority interest in consolidated subsidiaries	32.8	30.6	2.3
Shareholders' equity			
Common stock	194.0	194.0	-
Additional paid-in capital	217.0	217.0	0.0
Retained earnings(losses)	-85.3	21.7	-107.0
Accumulated other comprehensive loss (Note)	-55.0	-90.4	35.4
Total shareholders' equity	270.7	342.3	-71.6
Total liabilities and shareholders' equity	5,255.2	5,320.6	-65.4

*This financial statement is according to US GAAP.

	Sep-01	Mar-01	(billions of yen)
Cash and cash equivalents	385.4	329.8	55.6
Accumulated other comprehensive loss			
Net unrealized gains (losses) on investment securities	9.8	-14.2	24.0
Currency translation adjustments	-64.3	-76.0	11.7
Minimum pension liability adjustment	-0.2	-0.2	0.0
Net unrealized losses on derivatives	-0.3	0	-0.3

The variances in shareholders' equity except for capital transactions are 71.6 billion yen (decrease) for this period.

Consolidated Statements of Changes in Shareholders' Equity

(billions of yen)

	1st Half FY01		1st Half FY00		Variance	
	(April 2001 - Sept. 2001)		(April 2000 - Sept. 2000)			
Common Stock:						
Balance at beginning of term	194.04		194.04		-	
Conversion of debentures	-		-		-	
Balance at end of term	194.04		194.04		-	
Additional paid-in capital:						
Balance at beginning of term	216.99		216.99		0	
Sales and purchase of treasury	0		0		0	
Conversion of debentures	-		-		-	
Balance at end of term	216.99		216.99		0	
Retained earnings (losses):						
Balance at beginning of term	21.66		6.63		15.04	
Net income (loss)	-107.00	-107.00	6.13	6.13	-113.13	-113.13
Cash dividends	-		-		-	
Balance at the end of term	-85.33		12.76		-98.09	
Accumulated other comprehensive income (losses):						
Balance at beginning of term	-90.40		-93.36		2.96	
Unrealized gains (losses) on investment securities		24.01		-24.45		48.46
Currency translation adjustments, net of reclassification		11.65		3.45		8.20
Minimum pension liability adjustment		-		-		-
Net unrealized gains (losses) on derivative		-0.30		-		-0.30
Other comprehensive income (loss), net of tax	35.36	35.36	-20.99	-20.99	56.35	56.35
Comprehensive gains (losses)		-71.64		-14.86		-56.78
Balance at end of term	-55.04		-114.35		59.31	

*The financial statements are on US GAAP basis.

Consolidated Statements of Cash Flows

Marubeni Corporation

(billions of yen)

	1st Half FY01	1st Half FY00	Variance
Operating activities			
Net Income (losses)	-107	6	-113
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	38	36	2
Provision for doubtful accounts	39	14	25
Equity in earnings (losses) of affiliated companies-net (after elimination of dividend income)	12	-8	20
Loss (gain) on investment securities	82	-4	86
Loss (gain) on property and equipment	42	-5	47
Deferred income taxes	-73	0	-73
Changes in operating assets and liabilities:			
Notes and accounts receivable	142	7	135
Inventories	3	10	-6
Advance payments to suppliers and prepaid expenses and other current assets	-4	8	-12
Prepaid pension cost	-2	-	-2
Notes, acceptances and accounts payable	-102	67	-168
Advance payments received from customers and accrued and other current liabilities	-25	-6	-19
Income taxes	1	-11	12
Other	4	12	-8
Net cash provided by operating activities	50	126	-76
Investing activities			
Proceeds from sales and redemptions of securities and other investments	80	131	-52
Purchase of securities and other investments	-95	-75	-20
Proceeds from sales of property and equipment and property leased to others	11	26	-15
Purchase of property and equipment and property leased to others	-40	-46	5
Collection of loans receivable	54	53	1
Loans made to customers	-40	-29	-11
Other	-0	-6	6
Net cash provided by (used in) investing activities	-31	53	-85
Financing activities			
Net increase (decrease) in short-term loans	27	-129	156
Proceeds from long-term debt	353	249	104
Payments of long-term debt	-348	-387	39
Sale (purchase) of treasury stock	0	0	0
Other	1	-1	2
Net cash provided by (used in) financing activities	33	-268	301
Effect of exchange rate changes on cash and cash equivalents	4	1	3
Net increase (decrease) in cash and cash equivalents	56	-88	144
Cash and cash equivalents at beginning of term	330	405	-75
Cash and cash equivalents at end of term	385	317	68

*The financial statements are on US GAAP basis.

The Basic Conditions of Consolidated Balance Sheet

Marubeni Corporation

1. Subsidiaries and affiliated companies accounted for by equity method

Number of subsidiaries and affiliated companies

	Sep-01	Mar-01	Variance
Subsidiaries	401	412	-11
Affiliated companies	182	186	-4
Total	583	598	-15

Major Group Firms

Subsidiaries

Overseas 239	Iguaçu de Café Solúvel Marubeni America Corporation Marubeni Europe p.l.c. Marubeni Hong Kong & South China Ltd.(*1) Marubeni International Finance p.l.c.
Domestic 162	Kanto Electronics Corporation(*2) Marubeni Energy Corporation Marubeni Real Estate Co., Ltd. Marubeni Pulp & Paper Sales Co., Ltd. Pacific Grain Terminal Ltd.

(*1) Name changed from Marubeni Hong Kong Ltd. since April 1, 2001

(*2) Name changed to Marubeni Infotec Corporation, from October 1, 2001

Affiliated companies

Overseas 125	Shanghai Asahi Electronic Glass Co., Ltd. Dampier Salt Limited Daishowa-Marubeni International Ltd.
Domestic 57	The Maruetsu, Inc. Sofmap Co., Ltd. Marubeni Construction Material Lease Co., Ltd Marusumi Paper Co.

Changes

Subsidiaries

Newly included 8	Marubeni Management Resources Corporation Clarity OpNext Holdings I, LLC SmartestEnergy Ltd. Others .5 companies
Excluded	19 companies

Affiliated companies

Newly included 6	Tipness Co., Ltd. ANT Minerals PTY. LTD. SHANGHAI BAIHONG TRADING Co., Ltd. Others .3 companies
Excluded	10 companies

2. Change of Accounting Principles

Effective April 1 2001, the Company adopts Statement of Financial Accounting Standards No. 133 "Accounting for Derivative Instruments and Hedging Activities" and Statement No. 138 "Accounting for Derivative Instruments and Hedging Activities (Revision of Standards No.133)".

Interim Net Income per Share

Marubeni Corporation

1st Half FY01 (April 1, 2001 - September 30, 2001)

Items	
Numerator	(billions of yen)
Interim net loss - Numerator for interim basic loss per share	-107
Effect of dilutive securities - Convertible debentures	-
Numerator for interim diluted loss per share	-107
Denominator	(thousands of shares)
Denominator for interim basic loss per share	1,494,018
Effect of dilutive securities - Convertible debentures	-
Denominator for interim diluted loss per share	1,494,018

	(yen)
Interim basic loss per share	-71.62
Interim diluted loss per share	-71.62

1st Half FY00 (April 1, 2000 - September 30, 2000)

Items	
Numerator	(billions of yen)
Interim net income - Numerator for interim basic earnings per share	6.1
Effect of dilutive securities - Convertible debentures	0.2
Numerator for interim diluted earnings per share	6.3
Denominator	(thousands of shares)
Denominator for interim basic earnings per share	1,494,018
Effect of dilutive securities - Convertible debentures	150,504
Denominator for interim diluted earnings per share	1,644,522

	(yen)
Interim basic earnings per share	4.10
Interim diluted earnings per share	3.86

* In the 1st Half FY00, the following convertible debenture had dilution effect;

4th Unsecured convertible debenture issued in September 1986

7th Unsecured convertible debenture issued in September 1988

8th Unsecured convertible debenture issued in November 1996

Segment Information

Marubeni Corporation

(1) Information of Operating Segments

The Company's operating segments by which management evaluates performance and allocates resources are classified in terms of the nature of the products and services or areas. The segments, by products and services, are managed by the divisions of the Head Office. Domestic branches and offices, and overseas corporate subsidiaries and branches operate in the respective areas and are independent operating units. Each reportable segment purchases, distributes and markets a wide variety of industrial and consumer goods including raw materials and equipment relating to a multitude of industries and, in addition, provides the related financing, insurance and other services to these operations primarily on a worldwide basis. Effective April 1, 2001, the Company changed its operating segments to 13 segments identified by product, increased from 12 adding Finance & Logistics Business Division, together with domestic branches and overseas branches / corporate subsidiaries.

The information of the operating segments for the 1st Half FY01 and FY00, is as follows.

1st Half FY2001 (April 1, 2001 - September 30, 2001)

(billions of yen)

	IT business	Utility & Infrastructure	Plant & Ship	Transportation & Industrial Machinery	Energy	Metals & Mineral Resources
Total volume of trading transactions						
Outside customers	218.4	160.8	232.3	314.4	1,094.2	219.9
Inter-segment	2.5	0.1	5.4	7.2	0.6	22.9
Total	220.9	160.9	237.7	321.6	1,094.8	242.8
Gross trading profit	16.7	8.0	4.5	22.6	15.8	7.9
Segment net income (loss)	-17.5	3.5	22.7	-5.7	4.2	-2.1
Segment assets	289.0	207.8	498.6	329.2	332.0	184.2
	Iron & Steel	Chemicals	Forest Products & General Merchandise	Agri-marine products	Textile	
Total volume of trading transactions						
Outside customers	215.3	265.8	356.7	486.2	217.1	
Inter-segment	22.8	10.7	16.0	7.8	2.0	
Total	238.2	276.5	372.7	494.0	219.1	
Gross trading profit	11.8	14.7	19.1	28.8	14.6	
Segment net income (loss)	-10.6	1.3	2.8	-7.5	1.1	
Segment assets	239.1	175.4	355.8	354.6	171.4	
	Development & Construction	Finance & Logistics Business	Domestic branches and offices	Overseas corporate subsidiaries and branches	Corporate and elimination etc.	Consolidated
Total volume of trading transactions						
Outside customers	64.1	18.2	159.4	463.9	38.4	4,525.2
Inter-segment	0.3	3.9	12.5	156.1	-270.9	-
Total	64.5	22.1	171.9	620.1	-232.5	4,525.2
Gross trading profit	11.9	3.2	3.0	42.4	-4.5	220.4
Segment net income (loss)	-23.3	-0.5	-0.9	-9.0	-20.0	-107.0
Segment assets	401.7	439.0	156.8	594.1	526.5	5,255.2

1st Half FY2000 (April 1, 2000 - September 30, 2000)

(billions of yen)

	IT business	Utility & Infrastructure	Plant & Ship	Transportation & Industrial Machinery	Energy	Metals & Mineral Resources
Total volume of trading transactions						
Outside customers	186.5	142.8	317.3	365.2	875.5	231.1
Inter-segment	2.3	0.1	1.9	8.9	1.0	26.3
Total	188.8	142.9	319.2	374.0	876.5	257.4
Gross trading profit	22.7	4.2	8.8	28.1	14.9	8.0
Segment net income (loss)	-2.8	3.8	-7.6	-1.2	4.2	1.7
Segment assets	280.0	225.1	561.0	508.2	283.7	204.5
	Iron & Steel	Chemicals	Forest Products & General Merchandise	Agri-marine products	Textile	
Total volume of trading transactions						
Outside customers	237.2	274.8	373.0	475.8	241.2	
Inter-segment	24.1	16.5	18.0	8.3	2.6	
Total	261.4	291.3	391.0	484.1	243.8	
Gross trading profit	12.2	15.5	21.5	32.3	14.9	
Segment net income (loss)	-0.7	2.7	5.4	5.9	-3.1	
Segment assets	244.0	178.3	377.1	344.3	188.5	
	Development & Construction	-	Domestic branches and offices	Overseas corporate subsidiaries and branches	Corporate and elimination etc.	Consolidated
Total volume of trading transactions						
Outside customers	83.0	-	188.7	495.8	11.4	4,499.5
Inter-segment	0.3	-	12.8	167.0	-290.0	-
Total	83.3	-	201.6	662.9	-278.6	4,499.5
Gross trading profit	13.2	-	5.3	37.2	3.4	242.1
Segment net income (loss)	-3.3	-	0.8	0.3	0.3	6.1
Segment assets	439.2	-	169.7	613.6	771.8	5,389.1

(Note 1) Figures of Finance and Logistics Business for the 1st Half FY00 is included in "Corporate and elimination etc."

(Note 2) Intersegment transactions are generally priced in accordance with the prevailing market prices. Segment P/L is based on the accounting principles generally accepted in Japan, and the difference between US and Japanese GAAP is included in "Corporate and elimination etc".

(2) Information of Geographical Segments

Below are the results of business activities for 1st Half FY2001 and FY2000.

1st Half FY2001 (April 1, 2001 - September 30, 2001)

(billions of yen)

	Japan	North America	Europe	Asia • Oceania	Other	Eliminations	Consolidated
Total volume of trading transactions							
Outside customers	2,975.5	747.8	174.4	245.6	381.8	-	4,525.2
Inter-segment	1,067.3	114.0	16.8	75.5	50.2	-1,323.8	-
Total	4,042.8	861.8	191.3	321.1	432.0	-1,323.8	4,525.2
Segment operating profit (Loss)	-31.0	-0.3	2.1	7.5	3.3	-0.5	-18.8
Segment Assets	2,611.4	494.2	257.2	195.4	125.8	-169.2	3,514.9
Other Assets							1,740.3
Total Assets							5,255.2

1st Half FY2000 (April 1, 2000 - September 30, 2000)

(billions of yen)

	Japan	North America	Europe	Asia • Oceania	Other	Eliminations	Consolidated
Total volume of trading transactions							
Outside customers	3,126.4	626.3	156.7	278.8	311.2	-	4,499.5
Inter-segment	1,100.6	123.5	19.2	71.6	38.6	-1,353.5	-
Total	4,227.0	749.8	175.9	350.4	349.8	-1,353.5	4,499.5
Segment operating profit (Loss)	10.7	5.0	2.8	6.9	2.7	0.9	28.9
Segment Assets	2,796.1	395.5	262.5	200.7	143.9	-226.4	3,572.3
Other Assets							1,816.8
Total Assets							5,389.1

(Note) 1. Countries and regions are categorized by geographical classification.

2. Major countries or areas that belong to each category:

- (1) North AmericaUSA, Canada
- (2) Europe UK, Belgium
- (3) Asia •Oceania Singapore, China
- (4) Others Latin America, Africa

3. Other assets which are not included in the segments are mainly cash and time deposits, marketable securities, and investment securities. Intersegment transactions are generally priced in accordance with the prevailing market prices.

(3) Volume of Overseas Trading Transactions

Below is the volume of overseas trading transactions and the ratio of overseas trading transactions against the total.

1st Half FY2001 (April 1, 2001 - September 30, 2001)

(billions of yen)

	North America	Europe	Asia •Oceania	Other	Total
Total volume of overseas transactions	788.3	219.2	718.9	386.3	2,112.7
Total volume of consolidated transactions					4,525.2
Ratio of overseas transactions (%)	17.4	4.8	15.9	8.6	46.7

1st Half FY2000 (April 1, 2000 - September 30, 2000)

(billions of yen)

	North America	Europe	Asia •Oceania	Other	Total
Total volume of overseas transactions	647.2	214.7	637.1	401.1	1,900.2
Total volume of consolidated transactions					4,499.5
Ratio of overseas transactions (%)	14.4	4.8	14.2	8.8	42.2

(Note) 1. Countries and regions are categorized by geographical classification.

2. Major countries or areas that belong to each category:

- (1) North AmericaUSA, Canada
- (2) Europe UK, Belgium
- (3) Asia •Oceania China, Indonesia,
- (4) Others Africa, Latin America

3. Overseas transactions sum up to the export transactions of the parent and the subsidiaries in Japan, the offshore transactions, and the transactions of the overseas subsidiaries, net of the transaction to Japan.

1) Marketable Equity Securities and Debt Securities

Available-for-sale securities (billions of yen)

	September 30, 2001				March 31, 2001			
	Cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value	Cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value
Current:								
Corporate bonds	58.7	0.2	-1.4	57.5	70.5	1.2	-0.5	71.2
Other debt securities	4.2	—	—	4.2	0.1	—	—	0.1
Total debt securities	62.9	0.2	-1.4	61.7	70.7	1.2	-0.5	71.4
Marketable equity securities	—	—	—	—	—	—	—	—
Total	62.9	0.2	-1.4	61.7	70.7	1.2	-0.5	71.4
Non-current:								
Corporate bonds	49.8	1.2	-0.7	50.2	75.1	1.4	-21.0	55.5
Other debt securities	0.0	—	—	0.0	1.3	0.2	—	1.5
Total debt securities	49.8	1.2	-0.7	50.3	76.4	1.6	-21.0	57.0
Marketable equity securities	145.4	32.3	-11.4	166.4	204.5	43.9	-44.0	204.4
Total	195.3	33.5	-12.1	216.6	280.8	45.6	-65.0	261.4

*The fair value of available-for-sale securities reflected in the balance sheets are based on quoted market prices.
The unrealized gains and losses, net of taxes are added to accumulated other comprehensive income (loss) in shareholders' equity.

Held-to-maturity securities (billions of yen)

	September 30, 2001				March 31, 2001			
	Cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value	Cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value
Current:								
Corporate bonds	57.1	0.2	-1.4	55.9	15.6	0.2	—	15.9
Other debt securities	—	—	—	—	0.0	—	—	0.0
Total	57.1	0.2	-1.4	55.9	15.7	0.2	—	15.9
Non-current:								
Corporate bonds	85.1	0.2	-2.3	83.1	132.0	0.6	-2.6	130.1
Other debt securities	—	—	—	—	0.4	—	—	0.4
Total	85.1	0.2	-2.3	83.1	132.4	0.6	-2.6	130.4

*The held-to-maturity securities are stated in the balance sheets at amortized cost, adjusted by method of depreciation.

*In addition to the securities listed above, the Company held trading securities of 0.5 billion yen and 0.4 billion yen as of September 30, 2001 and March 31, 2001, respectively. The net unrealized holding loss and gain on trading securities included in earnings for this interim consolidated accounting period and the same period of last year amounted to 36 million yen (loss) and 1,774 million yen (loss), respectively.

2) Derivative Instruments

Interest rate swaps, foreign exchange contracts, and commodity futures, forward with hedging purpose (billions of yen)

	September 30, 2001		March 31, 2001	
	Carrying amount	Fair value	Carrying amount	Fair value
Interest rate swaps	48.0	48.0	-0.4	53.2
Foreign exchange contracts	2.7	2.7	0.2	0.7
Commodity futures, forwards	-1.3	-1.3	0.3	0.5

*Above interest rate swaps include interest/currency swaps.

*Effective April 1, 2001, the Company adopts Statement of Financial Accounting Standards No.133 "Accounting for Derivative Instruments and Hedging Activities (partially amended by Statement No.138)"

SFAS 133 requires the Companies to recognize all derivatives on the balance sheet at fair value.

Derivatives that are not hedges must be adjusted to fair value through earnings. If the derivative is a hedge, depending on the nature of the hedge, changes in the fair value of derivatives are either to be offset against the change in fair value of the hedged assets, liabilities, or firm commitments through earnings or recognized in other comprehensive income until the hedged item is recognized in earnings. The ineffective portion of a derivative's change in fair value is immediately recognized in earnings.