

Summary of Financial Results for the 1st Half of FY 1999

1. Management Policy

(1) Basic Management Policy and Management Issues

Marubeni launched a three-year master policy called VISION2000 since April 1998, to pursue our management philosophy of becoming a value-creating company which contributes to the world's economic prosperity through our competitive position as a globally networked company. The principal focus of VISION2000 is to reinforce the competitiveness of the Marubeni Group. We are accomplishing this by; (1) focusing on priority lines of businesses; (2) accelerating management decision-making and; (3) pursuing management efficiency with greater emphasis on balance sheet improvement.

Of course, globalization and megacompetition are rapidly transforming our role as a general trading house. We are facing the age of renovation, when to change financial structure and operating activities at a big margin. While we maintain the general thrust of VISION2000, it is essential to enhance our core competence as a general trading house in line with changes in our operating environment to improve medium-to long-term profitability.

We have started the Restructuring Plan by identifying four priorities listed below, starting from April this year, to achieve, within a short time of period, the streamlining of balance sheet and cost cutting, the restructuring of associated firms and the review and reform of internal systems:

Financial Restructuring

Our plans call for consolidated assets and interest-bearing debt net of cash and time deposits to be reduced from 6.5 and 4.0 trillion yen respectively as of the end of March 1999 to 5.3 and 3.0 trillion by the end of March 2001. We are also planning to cut consolidated SGA expenses for this fiscal year by 30 billion yen, compared with the last fiscal.

Business Restructuring

Restructuring of group firms will reflect market principles in evaluating the quality and extent of our investments and in selecting which businesses to concentrate on. Total number of consolidated firms is planned to be reduced to around 500 with the percentage of loss-making ones being under 20% by the end of March 2001, from 689 as of the end of March 1999.

Personnel Restructuring

The aim is to create an activated corporate culture, by reducing the total number of employees and reviewing the personnel system. Total number of people on unconsolidated basis is planned to be reduced to less than 5,000 by April 2001 from 5,855 as of April 1st 1999. We will be introducing a new personnel system, where the emphasis is placed on pay-for-performance, from April 2000.

Organizational Restructuring

We are currently studying reorganization of business groups to reinforce our competitiveness, in line with our core competence. We are also planning to downsize the corporate staff group and make it more efficient, by reviewing its functions and roles.

In addition to the above-mentioned, we have been reviewing internal systems reflecting the market principle, by introducing the internal equity allocation system, the balance sheet management system for group firms and the performance evaluation system for group firms and more detailed guidelines for withdrawing from operations in April this year.

Execution of the Restructuring Plan will make us suffer from one-time loss, which will be covered by operating profits and gains from sales of assets with appraisal profits. We, by fulfilling this Restructuring Plan, will establish earnings structure achieving consolidated ROE of 10% which is a target of VISION2000.

We are concentrating our management resources in 4 business fields listed below, based on our core competence and the growth potentiality, to establish highly profitable business base in the 21st century:

Retail & Services

With the age of networks arriving, businesses in the retail and service sectors have dramatically changed. Businesses that provide solutions in E-commerce, financial and logistics services will see the greatest concentration of our efforts. This is behind our formation of a specialist "Business Solution Department" in October this year.

Social Infrastructure & Utility Services

Services connected with the social infrastructure, such as information and communications, electric power

supplies, and waste and water treatment plants are rapidly enlarging the market size both overseas and domestically, thanks to advancement in deregulation measures. As for information and communications, we have decided to advance into the growing international data communications services. This is based on the projects we are now undertaking, such as a fiber optical undersea cable project connecting Japan with England via Asia, the one connecting Japan and the United States, and the backhaul business for these two projects. We are working with the major French corporation Vivendi on utility services for the Japanese market.

Trading of Items and Materials with high added value

Marubeni is an integrated wholesaler with its own production facilities in paper and pulp, the export of steel products, chemicals, cereals, etc. We will exploit our strengths in these areas and build the basis of greater profitability.

Development of & Trading in Natural Resources

Development of and trading in natural resources such as energy, metals and forestry are areas in which we have been very active, and will continue to be.

(2) Principles in Profits Allocation

We recognize that one of the important responsibilities for corporate entities is to continue to pay dividends to shareholders, as well as to enlarge shareholders' equity and increase ROE.

However, for this 1st half, we have decided not to pay the interim dividends, since we regard the enlargement of shareholders' equity as a first priority, in line with "the streamlining of balance sheet" of the Restructuring Plan. The year-end dividends will be decided later, reflecting the work-in-progress of the Restructuring Plan.

(3) Management System

Marubeni provides the supervisory directors of the eight operating groups with the authority they need to run daily activities. Each group also has its own administrative section appropriate to its sales activities. The system enables each group to remain independent. Administrative operations use macro controls to formulate groupwide financing plans and monitor and control the Company's risk exposure.

Below is Marubeni's management system:

Board of Directors

As of October 1st this year, the board comprised 38 directors. The board deliberates and makes decisions on matters provided by law and the Company's Articles of Incorporation on important aspects of the Company's management. To reinforce its management oversight functions, the board allows two external and three internal corporate auditors to attend board meetings. The board meets monthly and is chaired by the President and CEO, Director.

Corporate Management Committee

This committee has 14 members, including the President and CEO, Director, chief operating officers and other directors appointed by the President and CEO, Director. It meets twice a month and is chaired by the President and CEO, Director.

Investment and Credit Committee

The Investment and Credit Committee is designed to offer timely problem-solving suggestions to the Corporate Management Committee and evaluates both specific and overall investment-related issues. The committee, which meets weekly, is chaired by an Executive Vice President, Director and includes the general managers of key administrative departments.

2. Financial Results

(1) Outline of the 1st Half of FY 1999

<Outlook>

For the 1st half of this year, in the United States, the economy continued to expand, European recovered slowly, and Asian in general turned around.

In the United States, personal consumption showed high growth in line with the increase in wages and stock prices, whereas companies raised the intent to increase capital expenditure. In Germany and France, export showed a recovery, and capital expenditure increased. As the economy gradually picked up, Euro hit the bottom in July this year and then moved to the upper trend.

In countries and region of NIES and ASEAN, financial markets overcame financial crises, and currencies and stock prices went on in stability. Public expenditure increased, and export of electronic parts and computer-related equipment showed growth. Also, in South Korea, Taiwan and Singapore, as personal consumption

recovered, the business climate showed a quick recovery. In China, as personal consumption slowed and public spending seemingly declined, the economy continued to decelerate.

In Japan, as zero-interest policy and aggressive fiscal-stimulus package started to show good effects, the economy started to stop the downward trend, to show the symptom hitting the bottom. Also, the success of financial stabilization policies, such as the injection of public funds into financial institutions, helped to raise stock prices, and turn around the psychology of consumers and corporate owners. However, employment and production facilities still suffered surplus, therefore, autonomous recovery, to be led by private demands, was not realized. As for the balance of international payments, because the export continued to decline due to rising yen and decrease in the volume to Europe, whereas the import also declined, but with a small margin, the current revenue diminished.

<Consolidated Financial Results>

The summary of consolidated financial results for the 1st half of FY 1999 is as follows:

(unit: billions of yen)

	1 st half of FY 1999	1 st half of FY 1998	Change	
			Amount	%
Sales turnover	4,689	5,803	-1,115	-19.2
Operating profit	26	32	-7	-20.8
Income before taxes & Equity in earnings	6	25	-19	-75.1
Net income	3	7	-4	-53.6

Consolidated total volume of trading transactions declined 19.2% to 4,689 billion yen.

Domestic transactions declined 8.3%, because of a reduction in Textile and Metals, an increase in Machinery notwithstanding.

Export transactions declined 41.9%, due to a decrease in all groups, especially Machinery (mainly, automobiles) and Metals (mainly, Iron and Steel Products).

Import transactions decreased 15.8%, because of a decrease in all groups, save Textile, remained the same.

Offshore transactions were down 21.1%, due to a reduction in all groups, especially Machinery (mainly, Plant) and Metals (mainly, Iron and Steel Product).

Gross trading profit was down 24 billion yen, or 9.0% to 241 billion yen. This stemmed from a decrease in Machinery, Metals and Textile, though Energy & Chemicals, Construction, Forest Products & General Merchandise and Agri-Marine Products were up.

Trading transactions by group and business summary are as follows:

(unit: billions of yen)

	Sales turnover			Gross trading profit		
	1 st half FY 1999	1 st half FY 1998	Change	1 st half FY 1999	1 st half FY 1998	Change
Machinery	1,309	1,871	-562	64	88	-24
Energy & Chemicals	1,115	1,171	-56	51	49	+2
Metals	665	904	-239	28	34	-5
Agri-Marine Products	612	690	-78	36	35	+1
Construction, Forest Products & General M'dise	584	672	-88	44	40	+4
Textile	403	495	-92	18	20	-1
Total	4,689	5,803	-1,115	241	265	-24

Machinery: Sales turnover declined 30.0%, due to a decrease in export and offshore transactions in Automobile and Plant. Gross trading profit also was down 24 billion yen, or 27.0%, primarily because of a decrease in sales turnover of Electric Power Project and Plant.

Energy & Chemicals: Sales turnover declined 4.7%, because of a decrease in offshore and domestic transactions in Chemicals affected by slow market, though Energy was up thanks to rising prices of crude oil and petrochemical products. Gross trading profit was up 2 billion yen, or 4.1%, thanks to an increase in Energy, stemming from a price increase in crude oil and petrochemical products.

Metals: Sales turnover declined 26.4%, because of a decrease in export and offshore transactions in Iron and Steel Products, and in domestic transactions in Non-Ferrous and Light Metals. Gross trading profit was down 5 billion yen, or 15.2%, because of a decrease in export and offshore transactions of Iron and Steel Products, which

made a large contribution for the 1st half of FY 1998.

Agri-Marine Products: Sales turnover declined 11.3%, primarily because of a decrease in Food Materials. Gross trading profit was up 1 billion yen, or 2.0%, due to an increase in profitability of grain business.

Construction, Forest Products & General Merchandise declined 13.1%, due to a decrease in Pulp and Paper, and Construction. Gross trading profit grew 4 billion yen, or 8.7%, because of an increase in General Merchandise, and Pulp & Paper.

Textile: Sales turnover declined 18.6%, thanks to a decrease in Textile Materials and Apparel. Gross trading profit accordingly was down 1 billion yen, or 7.1%.

SGA expenses declined 18 billion yen, thanks to cost cutting, the incentive pay of 8 billion yen for the early retirement plan notwithstanding. Operating profit declined 7 billion yen to 26 billion yen.

Income before income taxes and equity in earnings was down 19 billion yen to 6 billion yen, with gains from sales of investment securities of 21 billion yen, included. This stemmed from not only losses on withdrawal from unprofitable businesses and appraisal losses on fixed assets based on the accounting for FAS #121, but also unrealized exchange losses due to rising yen. Income before equity in earnings declined 2 billion yen to 5 billion yen, with the positive effect of accounting for deferred taxes.

Net income was down 4 billion yen to 3 billion yen, primarily because of a decrease in equity in earnings by 2 billion yen.

The summary of balance sheet as of the end of September 1999 is as follows:

	(unit: billions of yen)		
	Sep.30 1999	Mar.31 1999	Change
Consolidated total asset	6,205	6,512	-307
Consolidated shareholders' equity	381	354	+27
Consolidated interest-bearing debt	4,311	4,547	-236
Consolidated interest-bearing debt net of cash & time deposits	3,706	3,966	-260

Consolidated total asset, major portion of which were loans, receivables and inventories, was down 307 billion yen to 6,205 billion yen, as a result of acceleration of withdrawal of unprofitable businesses, and liquidation and sales of enterprise investments.

Consolidated interest-bearing debt declined 236 billion yen to 4,311 billion yen, in keeping with deduction of total asset. Consolidated interest-bearing debt net of cash and time deposits decreased 260 billion yen to 3,706 billion yen.

Consolidated shareholders' equity was up 27 billion yen to 381 billion yen, as a result of an increase in unrealized gains on investment equity securities by 36 billion yen. Net Debt-to-Equity ratio improved to 9.7 times, from 11.2 times as of March 31st this year.

Gross trading profit declined 20.0% to 77 billion yen, because of a decrease in all the groups save Energy & Chemicals and Agri-Marine Products, which slightly went up. Operating profit accordingly declined 52.8% to 9 billion yen, a decrease in SGA expenses notwithstanding. Ordinary income was down 54.1% to 20 billion yen, primarily because of a decrease in dividends.

Income before income taxes was 3 billion yen, owing primarily to extraordinary losses of 17 billion yen, which mainly stemmed from 15 billion yen as the liquidation of associated firms, and 8 billion yen as provisions for doubtful accounts for associated firms. Net income on deferred-taxes accounting was 3 billion yen.

<Unconsolidated Financial Results>

The summary of unconsolidated financial results for the 1st half of FY 1999 is as follows:

(unit: billions of yen)

	1 st half of FY 1999	1 st half of FY 1998	Change	
			Amount	%
Sales turnover	4,123	5,437	-1,314	-24.2
Operating profit	9	20	-11	-52.8
Ordinary income	20	45	-24	-54.1
Net income	3	-27	+30	-

Total volume of trading transactions was down 24.2% to 4,123 billion yen.

Trading transactions by type are as follows:

Domestic transactions declined 15.1%, because of a reduction in all groups, especially Metals, Textile and Construction, Forest Products & General Merchandise.

Export transactions declined 45.7%, due to a decrease in all groups, especially Machinery (mainly, automobiles).

Import transactions decreased 17.0%, primarily because of Machinery, Metals and Energy & Chemicals.

Offshore transactions were down 26.9%, due to a reduction in all groups, especially Machinery (mainly, plant).

Gross trading profit was down 19 billion yen, or 20.0%, to 77 billion yen. This stemmed from declines in Machinery, Metals, Textile and Forest Products & General Merchandise, though Energy & Chemicals and Agri-Marine Products were up.

Trading transactions by group and business summary are as follows:

(unit: billions of yen)

	Sales turnover			Gross trading profit		
	1 st half	1 st half	Change	1 st half	1 st half	Change
	FY 1999	FY 1998		FY 1999	FY 1998	
Machinery	1,085	1,742	-658	18	33	-15
Energy & Chemicals	996	1,054	-58	12	12	+0
Agri-Marine Products	612	688	-76	10	9	+0
Construction, Forest Products & General M'dise	528	644	-116	13	13	-0
Metals	516	820	-303	15	19	-4
Textile	387	489	-103	10	10	-0
Total	4,123	5,437	-1,314	77	97	-19

Machinery: Sales turnover declined 37.7%, due to a decrease in export and offshore transactions in Automobile and Plant. Gross trading profit also was down 15 billion yen, or 45.5%, primarily because of a decrease in sales turnover of Electric Power Project and Plant.

Energy & Chemicals: Sales turnover declined 5.5%, primarily because of a decrease in offshore transactions. Gross trading profit was up 4 billion yen, or 3.3%, thanks to an increase in Energy.

Agri-Marine Products: Sales turnover declined 11.1%, primarily because of a decrease in offshore transactions of Food Materials. Gross trading profit was up 3 billion yen, or 3.0%.

Construction, Forest Products & General Merchandise declined 18.0%, due to a decrease in domestic transactions of construction materials. Gross trading profit accordingly was down 2 billion yen, or 1.3%.

Metals: Sales turnover declined 37.0%, because of a decrease in export and offshore transactions in Iron and Steel Products, and in domestic transactions in Non-Ferrous and Light Metals. Gross trading profit was down 4 billion yen, or 23.1%, because of a decrease in export of Iron and Steel Products.

Textile: Sales turnover declined 20.9%, thanks to a decrease in domestic transactions of Textile Materials and Apparel. Gross trading profit accordingly was slightly down, or 2.2%.

Operating profit declined 52.8% to 9 billion yen, a decrease in SGA expenses notwithstanding. Ordinary profit was down 54.1% to 20 billion yen, because of a decrease in dividends, though interest paid net of interest received was improved.

Income before income taxes was 3 billion yen, and net income after accounting for deferred tax was 3 billion yen. This stemmed from extraordinary losses of 17 billion yen, such as the liquidation loss of associated firms of 15 billion yen, and provisions for doubtful accounts to associated firms of 8 billion yen.

The summary of balance sheet as of the end of September 1999 is as follows:

(unit: billions of yen)

	Sep.30 1999	Mar.31 1999	Change
Total asset	3,458	3,579	-121
Shareholders' equity	414	415	-1
Interest-bearing debt	2,223	2,240	-17
Interest-bearing debt net of cash & time deposits	1,883	1,895	-12

Total asset, major portion of which were long and short-term loans and receivables, was down 121 billion yen to 3,458 billion yen.

Interest-bearing debt declined 17 billion yen to 2,223 billion yen, interest-bearing debt net of cash and time deposits decreased 12 billion yen to 1,883 billion yen.

Shareholders' equity was down 1 billion yen to 414 billion yen, because of the payment of the last fiscal year-end dividends. Net Debt-to-Equity ratio stayed 4.6 times, the same as of March 31 this year.

(2) Restructuring Cost and Gains from Sales of Assets for the 1st Half of FY 1999

<Restructuring Cost>

(unit: billions of yen)

	Breakdown	Consolidated	Unconsolidated
SGA Expenses	Provisions for doubtful account	-6	-6
	Incentive pay for early retirement	-8	
	Total	-14	-6
Other Gains & Losses (Consolidated), & Extraordinary Losses (Unconsolidated)	Losses on disposal & liquidation of group firms	-6	-23
	Losses on fixed assets	-14	-0
	Appraisal losses of investment equity securities	-1	-1
	Human resource-related		-12
	Total	-22	-36
	Grand Total	-35	-42

Consolidated restructuring cost for this 1st half amounted to 35 billion yen. This primarily stemmed from 14 billion yen, as losses on fixed assets, accounting for FAS #121 included, 14 billion yen, as incentive pay for early retirement and provisions for doubtful account and 6 billion yen, as disposal and liquidation losses on 36 associated firms.

Unconsolidated restructuring cost for this 1st half summed to 42 billion yen. This primarily stemmed from 23 billion yen, as liquidation losses to associated firms, provisions for doubtful accounts included, and 12 billion yen, as incentive pay for early retirement and human resource-related, additional contribution to the Pension Fund.

<Gains from Sales of Assets>

	Breakdown	Consolidated	Unconsolidated
Other Gains & Losses (Consolidated), Other Gains & Losses, & Extraordinary Losses (Unconsolidated)	Gains from sales of investment securities	14	15
	Recovery of appraisal losses on mark-to-market (Japanese accounting principle)		7
	Gains from sales of group firms	8	7
	Gains from sales of fixed assets	7	5
	Total	29	34

For this 1st half, gains from sales of assets on consolidated and unconsolidated basis were 29 and 34, respectively, which were allocated to the restructuring cost.

(3) Financial Forecast for FY 1999

Financial forecast for FY 1999 is not to be changed. Although one-time loss is expected, with the advancement of the Restructuring Plan, it is to be covered by gains from sales of assets with appraisal gains.

<Consolidated Financial Forecast>

(unit: billions of yen)

	Forecast FY 1999	Result FY 1998
Sales turnover	10,000	11,960
Net income	20	-118

<Unconsolidated Financial Forecast>

(unit: billions of yen)

	Forecast FY 1999	Result FY 1998
Sales turnover	9,000	10,917
Ordinary income	40	54
Net income	5	-20

3. Responses to the Year 2000 Problem

(1) Status

- a. Principles: Marubeni recognizes that responses to the Year 2000 (Y2K) Problem is one of the critical management issues, thus we determine to take every measure to avoid any trouble in our operation.
- b. Formation: In September 1998, Marubeni formed a Y2K committee, as a companywide organization, which has created 10 group response teams. The Company has also been advising and directing group firms to take countermeasures at the same level.
- c. Work-in-Progress: By the end of June 1999, Marubeni finished work on countermeasures for information systems. The Company, by then, also finished work on countermeasures it could actively take, for the products it deals with, supply-chain and facilities and equipment for its own use.

(2) Expenses for Responses (on unconsolidated basis)

Around 600 million yen to adjust information systems against the Y2K Problem, and around 100 million yen to purchase facilities and equipment and retain consultants, were already paid.

Of the total sum of around 8 billion yen to restructure information system complying with the Y2K Problem, around 6.5 billion yen has already been paid.

(3) Risk Management Plan

Although Marubeni has taken every measure to address the Y2K Problem, it is still possible that the Y2K Problem may affect the Company in a way from outside such as social infrastructures. Marubeni, to minimize bad effects if the Y2K Problem should happen, completed the companywide risk management plan at the end of June this year, and the Company has been reviewing the plan to enhance practicality of the plan. From the end of this year to the beginning of next year, members of the administration office of the Y2K committee and Information System Department for maintenance will be ready to address the Y2K Problem. Also, on January 1st 2000, major members of each group response team, and chief managers and persons in charge will make a special formation, to speedily grasp the status and take countermeasures as necessary.

Consolidated Balance Sheets

Marubeni Corporation

At September 30, 1999 and March 31, 1999

	Millions of yen		
	September 30, 1999	March 31, 1999	variance
ASSETS			
Current assets:			
Cash and cash equivalents, and time deposits	604,056	580,210	23,846
Investment securities	599,890	647,686	(47,796)
Notes and accounts receivable - trade			
Notes receivable	314,819	319,261	(4,442)
Accounts receivable	1,267,722	1,475,873	(208,151)
Due from affiliated companies	122,386	143,992	(21,606)
Allowance for doubtful accounts	(18,636)	(20,033)	1,397
Inventories	577,381	588,226	(10,845)
Advance payments to suppliers	102,424	101,026	1,398
Prepaid expenses and other current assets	152,774	139,422	13,352
Total current assets	3,722,816	3,975,663	(252,847)
Investments and long-term receivables:			
Securities and other investments	731,436	738,090	(6,654)
Notes, loans and accounts receivable - trade	703,072	753,176	(50,104)
Property leased to others, less accumulated depreciation	313,582	314,951	(1,369)
Total investments and long-term receivables	1,748,090	1,806,217	(58,127)
Property and equipment, less accumulated depreciation	554,314	566,005	(11,691)
Deferred income taxes	95,843	82,175	13,668
Other assets	83,715	81,781	1,934
Total assets	6,204,778	6,511,841	(307,063)

	Millions of yen		
	September 30, 1999	March 31, 1999	variance
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Short-term loans	1,277,724	1,557,414	(279,690)
Current portion of long-term debt	587,796	519,096	68,700
Notes and accounts payable - trade			
Notes and acceptances payable	263,353	335,485	(72,132)
Accounts payable	715,194	746,839	(31,645)
Due to affiliated companies	43,584	43,635	(51)
Advance payments received from customers	71,316	81,640	(10,324)
Income taxes	14,811	6,499	8,312
Deferred Income taxes	39,505	25,875	13,630
Accrued and other current liabilities	232,526	241,186	(8,660)
Total current liabilities	3,245,809	3,557,669	(311,860)
Long-term debt, less current portion	2,445,026	2,470,171	(25,145)
Employees' retirement benefits	89,735	90,847	(1,112)
Deferred income taxes	14,078	10,521	3,557
Minority interest in consolidated subsidiaries	29,337	28,616	721
Shareholders' equity			
Common stock	194,039	194,039	
Additional paid-in capital	216,993	216,993	
Retained earnings	7,897	9,050	(1,153)
Accumulated other comprehensive losses (Note)	(38,136)	(66,065)	27,929
Total shareholders' equity	380,793	354,017	26,776
Total liabilities and shareholders' equity	6,204,778	6,511,841	(307,063)
(Note) Accumulated other comprehensive losses			
Net unrealized gains on investment securities	51,108	15,554	35,554
Currency translation adjustments	(58,988)	(51,978)	(7,010)
Minimum pension liability adjustment	(30,256)	(29,641)	(615)

Consolidated Statements of Income

Marubeni Corporation
Six-month periods ended September 30, 1999 and 1998

	Millions of yen		
	1999	1998	variance
Total volume of trading transactions	4,688,781	5,803,339	(1,114,558)
Gross trading profit	241,322	265,318	(23,996)
Profit ratio	(5.15%)	(4.57%)	
Expenses:			
Selling, general and administrative expenses	(209,772)	(227,239)	17,467
Provision for doubtful accounts	(5,985)	(5,810)	(175)
Total	(215,757)	(233,049)	17,292
Operating profit	25,565	32,269	(6,704)
Other Income (expenses):			
Interest expense (net of interest income)	(17,279)	(18,275)	996
Dividends	2,852	3,909	(1,057)
Gain on investment securities	20,759	8,378	12,381
Gain (loss) on property and equipment	(7,795)	1,669	(9,464)
Other -net	(17,869)	(2,959)	(14,910)
Total	(19,332)	(7,278)	(12,054)
Income before income taxes and equity in losses	6,233	24,991	(18,758)
Provision for income taxes	(952)	(17,420)	16,468
Income before equity in losses	5,281	7,571	(2,290)
Equity in losses of affiliated companies - net (after income tax effects)	(1,952)	(401)	(1,551)
Net income	3,329	7,170	(3,841)

(Notes)

The accompanying consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.