November 12, 2004

Interim Consolidated Financial Results for FY2005

Okamura Corporation
Listing: Tokyo Stock Exchange, Osaka Securities Exchange
Code Number: 7994 (URL http://www.okamura.co.jp/)
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Representative: Kazuyoshi Hisamatsu, President and Representative Director
Contact: Kiyoshi Sato, Director and General Manager of Accounting Div. TEL:045-319-3445
Date of Board Meeting for Interim Consolidated Settlement of Accounts: November 12, 2004
Application of US Financial Accounting Standards: None

1. Consolidated Results for First Half (Apr. 1, 2004–Sep. 30, 2004) of FY2005 (Apr. 1, 2004–Mar. 31, 2005)

* Amounts less than one million yen have been rounded down.

(1) Business Results

(Millions of yen, except for per share figures)

	Net Sales		Operating Income		Ordinary Income	
First Half of FY2005	95,245	10.2%	4,365	60.1%	4,581	58.1%
First Half of FY2004	86,412	9.7%	2,727	74.7%	2,898	81.1%
FY2004	183,044	10.7%	6,711	64.0%	6,986	68.5%

	Interim Net Income		Interim Net Income per Share (Yen)	Fully Diluted Interim Net Income per Share (Yen)
First Half of FY2005	2,757	65.0%	24.59	-
First Half of FY2004	1,671	154.4%	14.90	-
FY2004	3,971	-	35.41	-

Notes:
① Gain from investment in subsidiaries and affiliates accounted for by the equity method:
First Half of FY2005: ¥41 million
First Half of FY2004: ¥4 million
FY2004: ¥75 million
② Average number of shares outstanding (consolidated):
First Half of FY2005: 112,137,660
First Half of FY2004: 112,169,571
FY2004: 112,161,378
③ Changes in accounting method: Applicable
④ The percentages alongside the net sales, operating income, ordinary income, and interim net income indicate the percentage increase or decrease from the previous first half.

(2) Financial Position

(Millions of yen, except for per share figures)

	Total Assets	Shareholders' Equity	Equity Ratio (%)	Shareholders' Equity per Share (Yen)
First Half of FY2005	160,421	60,668	37.8	541.06
First Half of FY2004	155,457	55,024	35.4	490.59
FY2004	172,824	59,264	34.3	528.46

Note: Number of shares outstanding at term end (consolidated):
First Half of FY2005: 112,130,278
First Half of FY2004: 112,160,466
FY2004: 112,146,500

(3) Cash Flows

(Millions of yen)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at Term-End
First Half of FY2005	2,873	(721)	(5,049)	20,648
First Half of FY2004	8,482	(391)	(5,072)	23,358
FY2004	12,460	(3,185)	(6,067)	23,538

(4) Number of Consolidated Subsidiaries and Subsidiaries and Affiliates Accounted for by the Equity Method

Number of consolidated subsidiaries: 11
Number of unconsolidated subsidiaries accounted for by the equity method: None
Number of affiliates accounted for by the equity method: 4

(5) Changes in Consolidation and Scope of Application for Equity Method

Newly consolidated subsidiaries: 2 (Excluded from consolidation: None)
Newly included under equity method: None (Excluded under equity method: 1)

2. Forecast for FY2005 (Apr. 1, 2004 – Mar. 31, 2005) (Millions of yen)

	Net Sales	Ordinary Income	Net Income
FY2005	198,000	10,000	5,800

Reference: Expected net income per share ¥51.72

* The above forecast has been prepared based on data as of the announcement date. Actual results may differ from the forecasted figures due to various factors such as fluctuations in exchange. See the accompanying reference P.7 regarding the forecast above.

1. Group Companies

The Okamura Group (hereinafter the “Group”) comprises Okamura Corporation (hereinafter the “Company”), eleven consolidated subsidiaries and four affiliates. The Group’s principal business is the manufacture and sale of office furniture, store displays, and material handling systems. In these business segments the Group engages in physical distribution, installation, and other services.

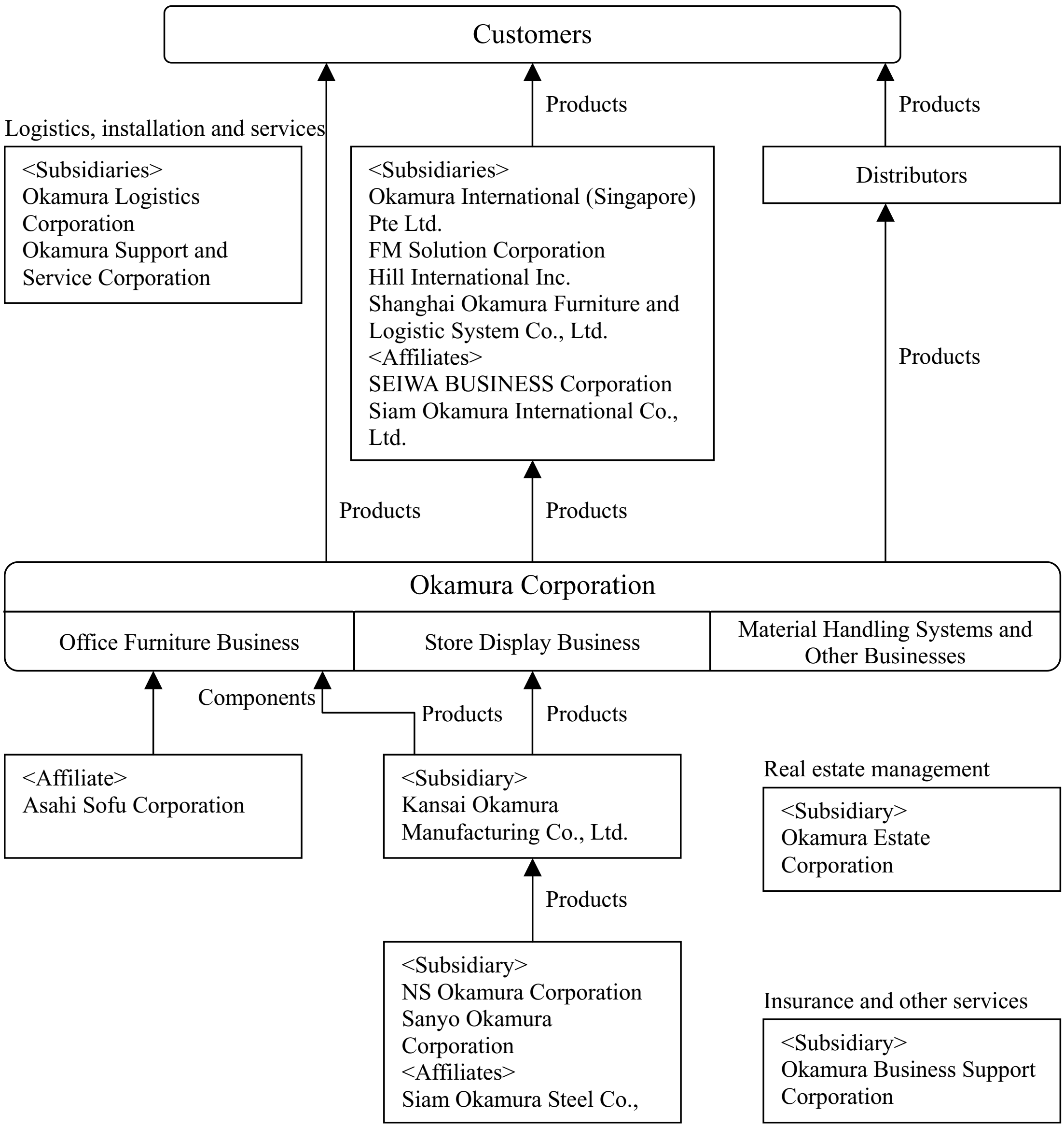
In the office furniture business segment, the Company and consolidated subsidiaries, Kansai Okamura Manufacturing Co., Ltd., NS Okamura Corporation, and Sanyo Okamura Corporation, engage in manufacturing operations.

In the office furniture, store displays, and material handling systems business segments, the Company, consolidated subsidiaries Okamura International (Singapore) Pte Ltd., FM Solution Corporation, Hill International Inc., and Shanghai Okamura Furniture and Logistic System Co., Ltd., and equity method affiliates Seiwa Business Corporation, and Siam Okamura International Co., Ltd. engage in sales through distributors.

In other related businesses, consolidated subsidiary Okamura Logistics Corporation engages in physical distribution and installation and consolidated subsidiary Okamura Support and Service Corporation engages in installation and services in connection with the Group’s office furniture, store displays, and material handling systems operations.

Consolidated subsidiaries Okamura Business Support Corporation and Okamura Estate Corporation engage in insurance and real estate management operations.

The organization chart below depicts the structure of the Group. Business segments in the chart correspond to those in the Segment Information section.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FM Solution Corporation
Hill International Inc.
Shanghai Okamura Furniture and Logistic System Co., Ltd.
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SEIWA BUSINESS Corporation
Siam Okamura International Co., Ltd.
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Products
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Okamura Corporation
Office Furniture Business
Store Display Business
Material Handling Systems and Other Businesses
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Okamura Estate Corporation
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Sanyo Okamura Corporation
<Affiliates>
Siam Okamura Steel Co.,
Insurance and other services
<Subsidiary>
Okamura Business Support Corporation

2. Management Policy

1. Basic Management Policy

Guided by its watchwords for corporate reform—information technology, globalization, and specialization—the Company engages in business activities grounded in a basic policy of building and strengthening a relationship of trust with society by constructing a stable management base, engaging in efficient, profit-oriented management, and demonstrating concern for the natural environment.

In keeping with its motto "Quality pays for itself," since its establishment the Company has continued to pursue total quality for every situation in which people gather—to work, to live, or to relax—and striven to increase customer satisfaction manifested as a sense of fulfillment and relaxation. The Company will continue to strive at all times to create and open up new markets and to develop and grow as a solutions company that seeks to create comfortable environments.

2. Basic Policy on Profit Distribution

The Company regards the appropriate return of profits to the shareholders as an important management policy.

The policy on the distribution of profits is to strive to maintain stable dividends, aiming for fair distribution of profits in keeping with business performance while taking into consideration factors such as the Company's financial position, future business development, and internal reserves.

Based on this policy, for the first half under review (the year ending March 2005), the Company will distribute a dividend of ¥3.75 per share.

3. Management Position and Company Policy on Reducing the Trading Unit

The Company recognizes that reducing the trading unit is an effective means of promoting individual investor participation and vitalizing the stock market. The Company intends to carefully consider reducing the trading unit, taking into account changes in the share price and the cost effectiveness of reducing the trading unit.

4. Target Performance Indicators

The Company places importance on return on assets (ROA), return on shareholders' equity (ROE), and ratio of operating income to sales as key indicators of business performance. The Company strives at all times to improve profitability through cost consciousness and to focus on improving investment efficiency by exercising selectivity and concentration in the allocation of management resources.

5. Medium- to Long-Term Business Strategy

On the basis of the Medium-Term Management Vision, the Company aims to further develop its mainstay office furniture and store display businesses and achieve stable growth, while making company-wide efforts to establish a more secure earnings base. To this end, as management efficiency measures, the Company aims to reduce costs and increase asset efficiency by proceeding further with the implementation of the Okamura Production System (OPS), the Company's own newly developed production method, and the Supply Chain Management System (SCM).

(1) Office Furniture

In its mainstay office furniture business, responding to an increase in demands for relocation connected to urban redevelopment projects, the Company aims to increase orders for total solutions by offering new product lines suited to the diverse workstyles of the IT era and engaging actively in business development. The Company will also strive to develop new demands by proposing solutions based on the concept of offices of the near future. Moreover, the Company will fortify marketing activities on a global scale by launching new products including "Contessa." As regards the security business, the Company seeks to reinforce its development and sales system for office security products, to complement its safe deposit box facilities for financial institutions. The Company will leverage the marketing and solutions capabilities developed in the office furniture business to engage in full-scale operations in the public facilities sector, primarily outside of major urban areas, bolstering our sales & marketing structure to better serve the building materials, educational facilities, and social services and medical institutions markets.

(2) Store Displays

In the store display business, the Company's second mainstay operation, the Company aims to increase sales and profits by focusing management resources on growth sectors in response to robust demand from large-scale stores and specialty stores. In the market for category killers, the Company will develop original fixtures tailored to store characteristics and engage in aggressive proposal-based selling targeting the drugstore, home center, and 100 yen shop retail formats, where further expansion of new store openings is expected.

(3) Material Handling Systems and Others

In the material handling systems and others segment, the Company will engage in active selling activities. In addition to pursuing synergy with other businesses, the Company will target the pharmaceutical, food products, automotive and other growth sectors, aiming to expand sales and secure stable income through development of products and proposal of solutions tailored to the specific needs of each of these markets. The Company will also aim to be active in opening up new sales, with a focus on the market in China.

(4) Promotion of Management Efficiency

The Company will further advance the development of the Okamura Production System (OPS), a new method of production aimed at reducing manufacturing costs, to its Group companies, through applications to Group companies. The secondary development of the Supply Chain Management System (SCM), aiming at efficient production by improving the accuracy of forecast for demands, has been achieving favorable results. The Company will aim to further enhance the efficiency of its inventory by increasing the products covered by this System. With respect to finance, the Company aims to establish a solid financial base through measures such as the reduction of interest-bearing debt.

(5) Protection of the Environment

The Company regards protection of the natural environment as an important management priority, and the entire Okamura Group engages in environmental protection activities. The Company will continue to pursue business activities that contribute to recycle-oriented society, notably environmentally conscious new products development.

6. Issues Facing the Company

To cope with a social milieu characterized by diversification, globalization and other sweeping social transformations that are likely to continue to occur in the coming years, the Company, by way of the Business Process Improvement Committee, flexibly and rapidly responded to the change, and implemented a series of profit improvement measures necessary to sustain and increase growth and profitability.

In future business development, the Company will aggressively invest management resources in growth business sectors on the basis of a medium-term management strategy grounded in selectivity and concentration, engage in continued restructuring across all businesses and organizations, work to increase capital efficiency, and promote management reform to establish a highly profitable corporate structure.

7. Basic Approach to Corporate Governance and Status of Corporate Governance Policy Implementation

(1) Basic Approach to Corporate Governance

At a time when society requires that corporate governance function effectively, the Company seeks to construct a good relationship with its various stakeholders.

In line with this basic policy, the Company has appointed external directors, enhanced the functions of the Board of Directors, and promoted the greater management efficiency. The Company has also appointed external auditors, and the corporate auditors rigorously audit the directors' performance of their duties.

In addition to these measures, the Company has established a Compliance Committee and periodically engages in activities to ensure compliance with the law, fairness, and ethical behavior in the conduct of business activities.

(2) Status of Corporate Governance Policy Implementation

① Status of management organizations related to corporate management decision-making, execution, supervision and other corporate governance systems

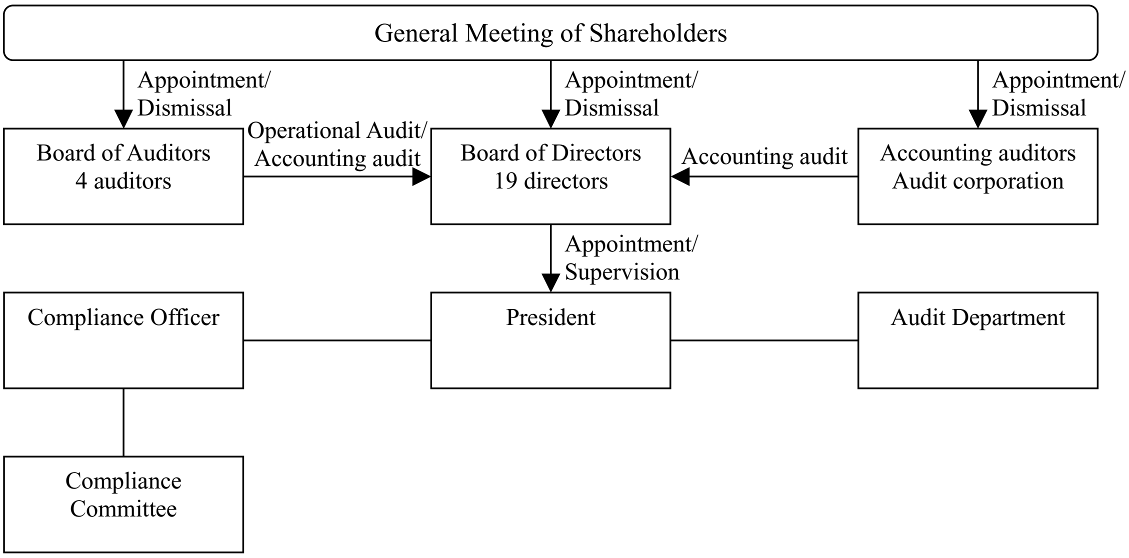
1. Categorization according to adoption of the Statutory Auditor System or the Committee System
   The Company has adopted the Statutory Auditor System.

2. Status of appointment of external directors and external auditors
   Two of the Company's nineteen directors are external directors. Two of the Company's four auditors are external auditors.

3. Description of committees (compensation committee, nomination committee, compliance committee, etc.)
   The Company has established a compliance committee.

4. Assignment of fulltime staff to external officers
   The Company does not assign fulltime staff to external officers.

5. The business execution, supervision, and internal control system is depicted below.



6. Status of attorneys, accounting auditors, and other third parties

   - The Company has entered into a legal advisor agreement with two attorneys and receives advice as necessary.
   - The Company has entered into an auditing agreement with audit corporation KPMG AZSA & Co. concerning audits under the Commercial Code and audits under the Securities and Exchange Law.

② Summary of personal relations, capital relations, trading relations, or other interests between the Company and its external directors and external auditors

- One of the Company's two external directors is a representative director of Mitsubishi Corporation.
- The Company's two external auditors are attorneys at law.
- Mitsubishi Corporation owns 8.15% of the Company's shares and engages in sales transactions with the Company.

③ Efforts to improve corporate governance during the past year

To strengthen compliance activities overall, the Company has appointed a compliance officer and in January 2004 established a compliance committee chaired by the compliance officer. The Company has established a Code of Conduct and Rules of Conduct and is working to ensure compliance with the code and rules by conducting internal training. The Company has established a Hotline System with an internal representative serving as a point of contact on compliance issues.

3. Operating Results and Financial Position

I. Operating Results

1. Overview of the First Half under Review

1) Overview of Operating Results

(Millions of yen)

	Net sales	Operating income	Ordinary income	Interim net income	Interim net income per share (yen)
First Half of FY2005	95,245	4,365	4,581	2,757	24.59
First Half of FY2004	86,412	2,727	2,898	1,671	14.90
Change (%)	10.2%	60.1%	58.1%	65.0%	65.0%
FY2004 (Previous Term)	183,044	6,711	6,986	3,971	35.41

During the first half of the fiscal year under review, supported by the continuing improvement in corporate earnings and business sentiment, the Japanese economy was on the road to recovery, as seen in the growth of capital investment and improvements in employment and personal consumption.

In the industries in which the Company operates, the mainstay office furniture market was favorable, as in the previous term, due mainly to the continued demand for chain relocation in connection with urban redevelopment projects. Demand for office furniture in local markets has also recovered. In addition, the openings of new retail stores and the demand for store renovation fueled steady growth.

In these circumstances, in response to the diverse workstyles of the era of mobile business the Company proposed solutions to increase office productivity, aggressively worked to gain sales among category killer retailers such as home centers, drugstores, and otherwise promoted new product development and proposal-based selling and worked to create and open up new markets by obtaining orders for total solutions.

As a result of these initiatives, first half net sales were ¥95,245 million (an increase of 10.2% year on year).

From the perspective of profit and loss, the Company lowered distribution costs through the reduction in production costs mainly owing to the expansion of supply chain management and increased involvement in cellular manufacturing, centralization of the existing distribution centers, and inventory reductions. As a result of improvement in inventory efficiency in response to demand trends and the strengthening of the financial base through measures such as reducing interest-bearing debts, the Company posted an operating income of ¥4,365 million (an increase of 60.1%) and an ordinary income of ¥4,581 million (an increase of 58.1%).

In extraordinary profit and loss, due to the contribution of an extraordinary gain from partial sales of the Company's stock holdings, interim net income reached ¥2,757 million (an increase of 65.0%).

2) Segment Information

(Millions of yen)

	Net sales			Operating income		
	Previous First Half	First Half under Review	Change	Previous First Half	First Half under Review	Change
Office Furniture	48,504	54,969	6,464	416	2,531	2,115
Store Display	34,142	35,339	1,197	2,311	1,715	(596)
Material Handling Systems and Others	3,765	4,935	1,170	0	118	118

① Office Furniture

In the office furniture segment, total sales and profits were favorable, since the Company strived to increase orders for total solutions by developing various new product lines suited to the diverse workstyles characteristic of the era of mobile business and active solutions-based sales to respond to demand in urban areas and demand for chain relocation, helped by the improvement in corporate income and capital investment.

Sales of the Contessa line of ergonomic mesh chairs, the first ever product line of global strategic importance from Japan's office furniture industry, have been favorable ever since its launch. The Company has been expanding sales channels in markets throughout the world, exporting to 35 countries.

New products such as the Alzata total office system and Carrozza and Feego lines of office seating met with a favorable reception in the market and contributed to the sales.

In local markets, the Company has been active in developing the fields of educational and medical facilities, which are anticipated to grow in the near future.

In the security sector, with a diverse product range that includes vault and safe deposit box facilities for financial institutions and business offices, anti-crime equipment centering on room access control systems, and waterproof panels that prevents water leakage in buildings, and utilization of the effects of synergy with office furniture products, sales in this sector developed favorably.

As a result of these developments, net sales in this segment were ¥54,969 million (an increase of 13.3% year on year), and operating income was ¥2,531 million (6-fold increase).

② Store Display

In the store display segment, in line with the basic policy of leveraging competitive advantage as the only manufacturer that offers a total solution encompassing store display fixtures and refrigerated showcases to create appealing retail environments that take into account with diversification of consumer needs, the Company focused effort on receiving more orders in connection with new store openings and renovation of existing stores in the supermarket sector as well as category killer retail formats such as home centers and drugstores. Consequently, the Company has achieved a steady growth in sales for this segment.

As a result, net sales in this segment were ¥35,339 million (an increase of 3.5% year on year), and operating income was ¥1,715 million (a decrease of 25.8%).

③ Material Handling Systems and Others

In the segment for material handling systems and other goods, the Company leveraged its synergy with other businesses to increase both sales and profits by actively engaging in sales of automated warehouse systems and storage warehouse system fixtures for physical distribution facilities for customers in the pharmaceutical, transport, and automotive industries as well as for the rapidly growing Chinese market.

As a result, net sales and operating income in this segment increased to ¥4,935 million (a year-on-year increase of 31.1%) and ¥118 million (compared to ¥0 million for the corresponding period a year ago), respectively.

2. Outlook for Fiscal 2005

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (Yen)	ROE (%)
FY2005	198,000	9,500	10,000	5,800	51.7	9.5
FY2004	183,044	6,711	6,986	3,971	35.4	7.2
Change (%)	8.2	41.5	43.1	46.0	46.1	-

The trend of recovery in personal consumption and improvements in employment has been continuing in Japan, and is expected to continue in the future due mainly to an anticipated increase in private-sector capital spending resulting from improvements in corporate profits. At the same time, signs of a slowdown, such as reductions in the extent of improvements, have also been seen in some sectors. There are also concerns that recessions in overseas markets, rises in the price of materials, and the like may occur. For these reasons, there is no room for complacency in the future.

In the mainstay office furniture business, the Company will take advantage of demand stemming from chain relocation and corporate mergers and reorganizations, aggressively engage in the solutions business at which we excel, and work to earn profits by gaining orders for total solutions which include office furniture, building materials, and products for public facilities.

The educational and medical facilities sector is also expected to continue to grow as the balance of ages in the population of Japan changes.

In the security sector, as many companies are becoming more concerned about safety, market needs are also expected to increase, centering on products such as vault and safe deposit box facilities for financial institutions and anti-crime equipment.

In the store display business, the second mainstay business segment, the Company will concentrate management resources on further developing sales in category killer retail formats that are expected to demonstrate continued growth. New store openings are still on the rise in the home center and drugstore markets, and the Company will work to capture additional business from continuing new store openings and renovation of existing stores. In this way, we will seek to increase revenue and profits from this business.

In overseas markets, the Company will work to strengthen its sales structure through the establishment of branch offices and local subsidiaries in order to increase sales of the Contessa line and to respond to robust demand in this vibrant Chinese market.

With respect to initiatives to improve earnings, the Company intends to steadily advance corporate reform by cutback in selling, general and administrative expenses, curtailing production costs by enhancing productivity, controlling distribution costs, and reducing inventory and interest-bearing debts as well as by effecting a transformation to a solid, highly profitable corporate structure by constructing a stable financial base that can flexibly cope with changes in the economic environment and engaging in focused, efficient investments of management resources.

For fiscal 2005 the Company anticipates consolidated net sales of ¥198,000 million, consolidated ordinary income of ¥10,000 million, and net income of ¥5,800 million.

II. Financial Position

1) Assets, Liabilities and Shareholders' Equity (Millions of yen)

	Previous First Half	First Half under Review	FY2004
Total assets	155,457	160,421	172,824
Shareholders' equity	55,024	60,668	59,264
Equity ratio (%)	35.4%	37.8%	34.3%
Shareholders' equity per share (Yen)	490.59	541.06	528.46

Total assets at the end of the interim term under review amounted to ¥160,421 million, a decrease of ¥12,403 million from the end of the previous fiscal year, owing to factors including a decrease of ¥6,706 million in trade receivables, of ¥4,678 million in trade payable, and of ¥4,460 million of interest-bearing debt.

Shareholders' equity at the end of the year under review was ¥60,668 million, an increase of ¥1,404 million from the previous fiscal year-end. The change is attributable to increase in retained earnings due to increase in net profit for the year, and other factors. The shareholders' equity ratio increased by 3.5 percentage points to 37.8%.

2) Cash Flows (Millions of yen)

	Previous First Half	First Half under Review	FY2004
Cash flows from operating activities	8,482	2,873	12,460
Cash flows from investing activities	(391)	(721)	(3,185)
Cash flows from financing activities	(5,072)	(5,049)	(6,067)
Increase (Decrease) in cash and cash equivalents	3,016	(2,889)	3,196
Cash and cash equivalents at interim-term (year) end	23,358	20,648	23,538
Borrowings and corporate bonds at interim-term (year) and	35,886	30,720	35,180

The net cash used in operating activities during the first half under review was ¥2,873 million, comprised mainly of interim net income before income taxes of ¥4,598 million, depreciation and amortization of ¥2,062 million, a decrease of ¥6,963 million in trade receivables, a decrease of ¥5,143 million in trade payable, and payments of corporation tax of ¥4,694 million.

The net cash used in investing activities was ¥721 million, which was mainly composed of payments of ¥1,330 million for investments in machinery and equipment and the upgrading information systems.

The net cash used in financing activities was ¥5,049 million, which was mainly composed of the redemption of corporate bonds for ¥4,000 million, a decrease of ¥460 million in borrowings, and a dividend of ¥561 million.

As a result of these developments, cash and cash equivalents at the end of the first half under review decreased by ¥2,889 million compared to the end of the previous fiscal year, to ¥20,648 million.

The balance of interest-bearing debt (borrowings and corporate bonds) at the end of the first half under review decreased by ¥4,460 million compared to the end of the previous fiscal year to ¥30,720 million.

Trends of cash flow indicators

	FY2001	FY2002	FY2003	FY2004	First Half of FY2005
Equity ratio (%)	29.7	33.6	32.8	34.3	37.8
Market value-based equity ratio (%)	35.8	39.0	31.3	47.4	48.3
Debt repayment period (years)	3.0	16.8	4.7	2.8	-
Interest coverage ratio (times)	15.9	2.9	11.0	21.5	11.0

Equity ratio: Shareholder’s equity/Total assets
Market value-based equity ratio: Market capitalization/Total assets
Debt repayment period: Interest-bearing debt/Operating cash flow
(No posting for the first half of FY2005)

Interest coverage ratio: Operating cash flow/Interest payments

1. All of the above cash flow indicators are calculated on a consolidated basis.

2. Market capitalization is calculated by multiplying the closing share price on the final trading day of the fiscal year by the total number of shares issued and outstanding as of the corresponding fiscal year-end.

3. Operating cash flow equals cash flows from operating activities stated in the Consolidated Statements of Cash Flows. Interest-bearing debt equals all liabilities on which interests are paid, as stated in the Consolidated Balance Sheets. Interest payments are equal to interests paid as stated in the Consolidated Statements of Cash Flows.

4. Interim Consolidated Financial Statements

1. Interim Consolidated Balance Sheets

(Millions of yen)

	Previous First Half (As of Sep. 30, 2003)		First Half under Review (As of Sep. 30, 2004)		FY2004 (As of Mar. 31, 2004)	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
(Assets)		(%)		(%)		(%)
I. Current assets:						
Cash and time deposits	25,160		23,507		26,458	
Trade notes and accounts receivable	41,941		47,398		54,105	
Marketable securities	222		434		222	
Inventories	11,752		11,586		11,573	
Deferred income taxes	1,075		1,159		1,767	
Other current assets	1,769		1,736		1,913	
Allowance for doubtful accounts	(290)		(321)		(291)	
Total current assets	81,632	52.5	85,500	53.3	95,750	55.4
II. Fixed assets:						
1. Tangible fixed assets:						
Buildings and structures	16,358		15,241		15,854	
Machinery, equipment and vehicles	7,927		8,573		8,547	
Land	21,542		21,495		21,543	
Construction in progress	51		227		67	
Others	2,249		2,409		2,462	
Total tangible fixed assets	48,129	30.9	47,948	29.9	48,474	28.0
2. Intangible fixed assets:	1,490	1.0	1,584	1.0	1,557	0.9
3. Investments and other assets:						
Investment securities	15,606		17,545		19,120	
Guarantee deposits	4,673		4,110		4,248	
Deferred income taxes	2,525		2,494		2,361	
Others	1,599		1,451		1,485	
Allowance for doubtful accounts	(200)		(213)		(174)	
Total investments and other assets	24,204	15.6	25,388	15.8	27,041	15.7
Total fixed assets	73,824	47.5	74,920	46.7	77,074	44.6
Total assets	155,457	100.0	160,421	100.0	172,824	100.0

(Millions of yen)

	Previous First Half (As of Sep. 30, 2003)		First Half under Review (As of Sep. 30, 2004)		FY2004 (As of Mar. 31, 2004)	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
(Liabilities)		(%)		(%)		(%)
I. Current liabilities:						
Trade notes and accounts payable	37,592		41,202		45,881	
Short-term bank loans	14,140		13,880		13,890	
Long-term debts due within one year	1,106		1,020		1,200	
Bonds redeemed within one year	4,000		5,000		9,000	
Income taxes payable	2,097		1,931		4,941	
Consumption taxes payable	479		435		607	
Allowance for bonus payable	1,716		1,930		2,510	
Others	2,229		1,914		2,529	
Total current liabilities	63,361	40.8	67,314	42.0	80,560	46.6
II. Long-term liabilities:						
Bonds	10,000		5,000		5,000	
Long-term debt	6,640		5,820		6,090	
Deferred tax liabilities	31		32		757	
Severance and employee retirement benefits	14,930		15,878		15,645	
Reserve for directors' retirement benefits	452		477		489	
Consolidated adjustment account	346		265		308	
Other liabilities	1,695		1,775		1,749	
Total long-term liabilities	34,097	21.9	29,248	18.2	30,039	17.4
Total liabilities	97,458	62.7	96,563	60.2	110,600	64.0
Minority interests	2,974	1.9	3,189	2.0	2,960	1.7
(Shareholders' equity)						
I. Common stock	18,670	12.0	18,670	11.6	18,670	10.8
II. Capital surplus	16,759	10.8	16,759	10.5	16,759	9.7
III. Retained earnings	18,566	11.9	22,782	14.2	20,586	11.9
IV. Unrealized holding gains (losses) on securities	1,293	0.9	2,782	1.7	3,551	2.1
V. Foreign currency translation adjustment	(161)	(0.1)	(201)	(0.1)	(190)	(0.1)
VI. Treasury stock, at cost	(103)	(0.1)	(125)	(0.1)	(112)	(0.1)
Total shareholders' equity	55,024	35.4	60,668	37.8	59,264	34.3
Total liabilities, minority interests and shareholders' equity	155,457	100.0	160,421	100.0	172,824	100.0

2. Interim Consolidated Statements of Income

(Millions of yen)

	Previous First Half (From Apr. 1, 2003 to Sep. 30, 2003)		First Half under Review (From Apr. 1, 2004 to Sep. 30, 2004)		FY2004 (From Apr. 1, 2003 to Mar. 31, 2004)	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
		(%)		(%)		(%)
I. Net sales	86,412	100.0	95,245	100.0	183,044	100.0
II. Cost of sales	60,436	69.9	66,269	69.6	127,023	69.4
Gross profit	25,976	30.1	28,975	30.4	56,020	30.6
III. Selling, general and administrative expenses	23,248	26.9	24,609	25.8	49,308	26.9
Operating income	2,727	3.2	4,365	4.6	6,711	3.7
IV. Other income:	603	0.7	589	0.6	1,150	0.6
Interest and dividends income	153		173		185	
Amortization of consolidated adjustment account	38		38		77	
Equity in earnings of affiliated companies	4		41		75	
Others	408		335		812	
V. Other expenses:	432	0.5	374	0.4	874	0.5
Interest expenses	283		252		550	
Others	148		122		324	
Ordinary income	2,898	3.4	4,581	4.8	6,986	3.8
VI. Extraordinary income:	558	0.6	145	0.1	828	0.5
Gain on sale of property, plant and equipment	0		-		-	
Gain on sale of investment securities	448		145		752	
Reversal of allowance for doubtful accounts	108		-		76	
VII. Extraordinary losses:	295	0.3	128	0.1	393	0.2
Loss on disposal of property, plant and equipment	49		87		141	
Loss on devaluation of investment securities	16		-		17	
Loss on sale of investment securities	210		-		217	
Impairment loss	-		18		-	
Evaluation losses of corporate memberships	18		23		16	
Others	0		-		0	
Income before income taxes for the interim term (fiscal year)	3,161	3.7	4,598	4.8	7,421	4.1
Income taxes	2,010	2.3	1,561	1.6	5,336	2.9
Adjustments on income taxes	(506)	(0.5)	279	0.3	(1,859)	(1.0)
Minority interests in earnings	(13)	(0.0)	0	0.0	(27)	(0.0)
Net income for the interim term (fiscal year)	1,671	1.9	2,757	2.9	3,971	2.2

3. Interim Consolidated Statements of Retained Earnings

(Millions of yen)

	Previous First Half (From Apr. 1, 2003 to Sep. 30, 2003)	First Half under Review (From Apr. 1, 2004 to Sep. 30, 2004)	FY2004 (From Apr. 1, 2003 to Mar. 31, 2004)
	Amount	Amount	Amount
(Capital Surplus)			
I. Capital surplus at beginning of year	16,759	16,759	16,759
II. Capital surplus at interim-term (year) end	16,759	16,759	16,759
(Retained Earnings)			
I. Retained earnings at beginning of year	17,175	20,586	17,175
II. Increase in retained earnings:	1,671	2,757	3,971
Net income	1,671	2,757	3,971
III. Decrease in retained earnings:	280	561	561
Cash dividends	280	561	561
IV. Retained earnings at interim-term (year) end	18,566	22,782	20,586

4. Interim Consolidated Statements of Cash Flows

(Millions of yen)

	Previous First Half (From Apr. 1, 2003 to Sep. 30, 2003)	First Half under Review (From Apr. 1, 2004 to Sep. 30, 2004)	FY2004 (From Apr. 1, 2003 to Mar. 31, 2004)
I. Cash flows from operating activities			
Income before income taxes for the interim term (fiscal year)	3,161	4,598	7,421
Depreciation and amortization	2,099	2,062	4,486
Loss on disposal of property, plant and equipment	49	87	141
Equity in earnings of affiliated companies	(4)	(41)	(75)
Amortization of consolidation adjustments accounts	(38)	(38)	(77)
Decrease in allowance for doubtful accounts	(380)	69	(405)
Increase in allowance for bonuses payable	(159)	(597)	635
Increase in reserve for employee retirement benefits	716	200	1,430
Increase (Decrease) in reserve for directors' retirement benefits	(28)	(12)	8
Interest and dividends income	(153)	(173)	(185)
Interest expenses	283	252	550
Loss on sale of property, plant and equipment	(0)	-	-
Loss (Gain) on sale of investment securities	(238)	(145)	(534)
Loss on devaluation of investment securities	16	-	17
Decrease in notes and accounts receivable	6,204	6,963	(5,959)
Decrease (Increase)in inventories	(67)	144	108
Increase in notes and accounts payable	(2,565)	(5,143)	5,655
Others	405	(573)	770
Sub-total	9,301	7,650	13,988
Interest and dividends received	162	177	201
Interest expenses paid	(312)	(260)	(579)
Income taxes paid	(746)	(4,694)	(1,233)
Income taxes refund	77	0	82
Net Cash provided by operating activities	8,482	2,873	12,460
II. Cash flows from investing activities			
Term deposits paid	(1,643)	(2,703)	(4,094)
Term deposits withdrawn	1,393	2,753	2,726
Payment for purchase of property, plant and equipment	(1,414)	(1,142)	(3,934)
Proceeds from sale of property, plant and equipment	3	33	2
Payment for purchase of intangible fixed assets	(175)	(188)	(480)
Payment for purchase of investment securities	(258)	(31)	(320)
Proceeds from sale of investments securities	1,429	230	2,151
Increase due to the acquisition of subsidiaries' stocks accompanied by changes in the scope of consolidation	-	41	-
Others	273	286	763
Net cash used in investing activities	(391)	(721)	(3,185)
III. Cash flows from financing activities			
Net increase (decrease) of short-term bank loans	(700)	(10)	(950)
Proceeds from long-term debt	1,000	200	1,000
Repayments of long-term debt	(1,413)	(650)	(1,869)
Redemption of bonds	(3,000)	(4,000)	(3,000)
Purchase of treasury stock	(6)	(11)	(14)
Purchase of treasury stock of consolidated subsidiaries	(648)	-	(648)
Cash dividends paid by the Company	(280)	(561)	(561)
Cash dividends paid to minority shareholders	(24)	(16)	(24)
Net cash used in financing activities	(5,072)	(5,049)	(6,067)
IV. Effect on exchange rate changes on cash and cash equivalents	(1)	6	(10)
V. Increase (Decrease) in cash and cash equivalents	3,016	(2,889)	3,196
VI. Cash and cash equivalents at beginning of year	20,341	23,538	20,341
VII. Cash and cash equivalents at interim-term (year) end	23,358	20,648	23,538

Significant Items for the Preparation of Interim Consolidated Financial Statements

1. Scope of consolidation

   Consolidated subsidiaries: All 11 subsidiaries of the Company are consolidated.

Consolidated subsidiaries	Kansai Okamura Manufacturing Co., Ltd.
	Okamura Logistics Corporation
	NS Okamura Corporation
	Sanyo Okamura Corporation
	Okamura Estate Corporation
	Okamura International (Singapore) Pte Ltd.
	Okamura Business Support Corporation
	FM Solution Corporation
	Okamura Support and Service Corporation
	HILL INTERNATIONAL INC.
	Shanghai Okamura Furniture and Logistic System Co., Ltd.

   Sanyo Okamura Corporation, which changed its corporate name from JT Okamura Corporation on October 1, 2004 and was an affiliate of the Company as of the end of the previous fiscal year, was included in the scope of consolidation in the current interim term due to the additional acquisition of its stocks by the Company. Only the interim balance sheet of the Company was consolidated since the deemed date of acquisition is the end of the current interim term. The Company founded a subsidiary named Shanghai Okamura Furniture and Logistic System Co., Ltd. and included it in the scope of consolidation in the current interim term.

2. Application of the equity method

   Affiliates subject to the equity method: All of 4 affiliates of the Company were accounted for by the equity method.

Affiliates subject to the equity method	Siam Okamura Steel Co., Ltd.
	Siam Okamura International Co., Ltd.
	Asahi Sofu Corporation
	SEIWA BUSINESS Corporation

3. Date of interim settlement of accounts for consolidated subsidiaries

   The date of interim settlement of accounts is June 30 for Okamura International (Singapore) Pte Ltd. and Shanghai Okamura Furniture and Logistic System Co., Ltd. For other consolidated subsidiaries, the date of interim settlement of consolidated accounts is the same as that of the Company. The difference between the date of interim settlement of accounts for Okamura International (Singapore) Pte Ltd. and Shanghai Okamura Furniture and Logistic System Co., Ltd. and the date of interim settlement of consolidated accounts is three months or less, so that the financial statements of the two subsidiaries at the date of interim settlement of accounts could be used for preparing consolidated financial statements with adjustments for any significant transactions made between the date of interim settlement of accounts and date of interim settlement of consolidated accounts.

4. Accounting policies

   (a) Standards and methods for valuation of significant assets

      (1) Securities

         ① Bonds held to maturity
         Amortized cost method (straight-line method)

         ② Other securities
         Securities with market value
            Market value method based on values such as the market price at the end of the interim term

(All valuation differences were accounted for as separate components of shareholders' equity, and the cost of selling was calculated on the moving average method.)

Securities without market value

Cost method based on the moving average method

(2) Derivatives

Market value method

(3) Inventories

Cost method based on the moving average method

(b) Methods of depreciation of significant depreciable assets

(1) Tangible fixed assets

Fixed percentage method, except that buildings (excluding building equipment) acquired on or after April 1, 1998 are depreciated by the straight-line method.
The duration of useful lives and residual value were determined subject to the standards prescribed in the Japanese Corporation Tax Law.

(2) Intangible fixed assets

Straight-line method.
The years of depreciation and amortization were determined subject to the standards prescribed in the Japanese Corporation Tax Law.
Software for in-house use is depreciated on the straight-line method based on an estimated period of office use (5 years).

(c) Standards for providing for significant allowances

(1) Allowance for doubtful accounts

In order to provide against loss arising from bad debts, the Company has provided for estimated uncollectable amounts.

① General receivables
Based on the method of actual bad debt rates.

② Receivables from doubtful, bankrupt, or reorganized debtors
Based on the method of valuating financial positions.

(2) Allowance for bonuses payable

To prepare for the payment of bonuses to employees, the amount expected to be payable to all employees for the interim term under review was determined based on the portion of total amount expected to be payable corresponding to the current interim term.

(3) Severance and employee retirement benefits

To prepare for payment of severance and retirement benefits to employees, the amount considered to have been accrued as of the end of the current interim term was given based on the estimated amount of liabilities for severance and retirement benefits and pension assets at term end.

Past service liabilities were accounted for as an expense by the amount prorated over a certain number of years (14 and 15 years) not exceeding the average remaining service period of employees in the year in which the liabilities are recognized.

Actuarial differences were accounted for as expenses effective the year following their accrual by the amount prorated over a certain number of years (15 years) not exceeding the average remaining service period of employees in each year of accrual.

(Supplementary Information)

Return of the employees' pension funds managed on behalf of the government

With respect to the employees' pension funds involving the Company and its major subsidiaries in Japan, in line with the enactment of the Defined Contribution Pension Law, the Company has been granted permission on August 27, 2004 by the Minister of Health, Labour and Welfare to be exempted from the future obligation of payment with respect to the portion managed by the Company on behalf of the Government.

The amount of pension funds expected to be returned (minimum actuarial liability) as of the end of the current interim term was ¥13,215 million. Assuming that this amount is returned as of the end of the current interim term, the expected income (income from return) arising from the application of Section 44, Paragraph 2 of the "Practical Guidelines concerning Accounting for Retirement Benefits (Interim Report)" (JICPA Accounting System Committee Report No.13) is ¥2,118 million.

(4) Reserve for directors' retirement benefits

To prepare for payment of retirement benefits to directors of the Company and major consolidated subsidiaries, the Company has provided for the amount considered necessary at the end of the current interim term end under the internal rules.

(d) Method of accounting for significant lease transactions
Excluding transactions where the ownership of the leasehold asset is transferred to the lessee, finance lease transactions were accounted for in accordance with the normal lease transaction method.

(e) Significant hedge accounting method

(1) Hedge accounting method for deferred hedges and the like
The Company has adopted an exceptional treatment for interest rate swap transactions since the requirements for the treatment have been met.

(2) Hedge method and transactions to be hedged

- Hedge method
  Derivatives transactions (interest rate swap transactions)
- Transactions to be hedged
  Interest on borrowings (with the risk of loss that may arise due to fluctuations in the interest rate market and will consequently change cash flows)

(3) Hedging policy

The Company will engage in derivatives transactions in order to avoid risk of interest rate fluctuations or reduce the burden of interest payment, not in those with a speculative purpose or high leverage effect.

The Company will also engage in currency derivatives transactions within the volume of contracts for assets, liabilities, or transactions in foreign currency since the purpose of derivatives transactions are to hedge transactions in foreign currency. The Company will therefore not conduct derivatives transactions for speculative purposes.

(4) Method for valuating the effectiveness of hedge transactions
The Company has adopted an exceptional treatment for interest rate swap transactions since the notional principal, conditions for receipt and payment of interest (such as the interest rate and dates of receipt and payment of interest) and contract terms are the same as those for transactions being hedged. The Company has not therefore conducted post tests to evaluate the effectiveness of interest rate transactions.

(5) Other risk control methods concerned with hedge accounting
Since the issuance of corporate bonds to be hedged, borrowing of a large amount of money, and similar acts are subject to resolutions by the board of directors, the conclusion of currency swap or interest rate swap contracts as a means of hedging such bond issuances, borrowings, and the like are to be resolved at the time of the act by the board of directors. Currency and interest derivatives transactions are conducted and managed by the Accounting Department subject to the Corporate Management Rules.

(f) Other significant items for the preparation of Interim Consolidated Financial Statements

Accounting for consumption taxes
National and local consumption taxes are accounted for using the tax exclusion method.

5. Scope of funds in interim consolidated cash flow statement

Cash and cash equivalents in the interim consolidated cash flow statement are comprised of items such as cash on hand, demand deposits, time deposits due within three months of the date of acquisition, and beneficiary certificates of trust that are due within three months of the date of acquisition, are easily converted into money, and have a small risk of price fluctuation.

Amendment of Accounting Procedures

(Accounting standards for impairment of fixed assets)

Effective this interim consolidated accounting period, the Company has adopted the Accounting Standards for Impairment of Fixed Assets (Opinion concerning Setting Accounting for Impairment of Fixed Assets) issued by the Business Accounting Deliberation Council on August 9, 2002) and the Guidance for Application of Accounting Standards for Impairment of Fixed Assets (ASB Guidance No. 6 issued on October 31, 2003) since the application of these guidelines to financial statements has been permitted for fiscal years ending on March 31, 2004 or thereafter.

As a result of this adoption, the balance of fixed assets and net income before taxes decreased by ¥18 million and ¥18 million respectively as compared with the case where the conventional method is adopted.

Impairment loss is concerned with idle land. Accumulated losses on impairment of fixed assets were directly deducted from the amount of each asset in accordance with the revised Regulation Concerning Interim Consolidated Financial Statements.

Supplementary Information

(Indication of pro forma standard taxation in the income statement concerning corporate enterprise tax)

In line with the promulgation of the Law for Partial Amendment to the Local Tax Law, etc. (law No. 9 of 2003) on March 31, 2003, and the consequent introduction of the pro forma standard taxation system, from the current interim term, the Company has started to post the portions of corporate enterprise tax according to added value and capital, amounting to ¥120 million in selling, general and administrative expenses, in accordance with the Practical Procedures for Indication of Pro Forma Taxation in Income Statement concerning Corporate Enterprise Tax (ASBJ Practice Report No. 12 dated Feb. 13, 2004).

Notes

(Interim Consolidated Balance Sheet)

(Millions of yen)

	(Previous First Half)	(First Half under Review)	(FY2004)
1. Accumulated depreciation of tangible fixed assets	75,352	79,069	75,730
2. Hypothecated assets and secured liabilities			
Amount of pledged assets (book value)			
Land	7,629	7,629	7,629
Other tangible fixed assets	10,456	8,064	8,387
Total	18,086	15,694	16,016
Liabilities relevant to the above			
Short-term loans	2,720	2,720	2,720
Long-term loans due within one year	6	-	-
Total	2,726	2,720	2,720

(Interim Consolidated Income Statement)

(Millions of yen)

	(Previous First Half)	(First Half under Review)	(FY2004)
1. Major items and amounts of selling, general and administrative expenses			
Transportation and packing expense	4,212	4,731	9,895
Salaries and allowances	6,363	6,552	13,648
Provision for allowance for bonus payable	1,112	1,255	1,639
Retirement benefits	1,328	1,063	2,662
Depreciation and amortization expense	719	671	1,484
Rent	3,084	2,989	5,906
2. R&D costs included in selling, general and administrative expenses and cost of sales	379	465	738
3. Breakdown of loss on retirement of fixed assets			
Buildings and structures	3	11	9
Machinery, equipment and vehicles	34	48	75
Others	10	26	56

(Interim Consolidated Cash Flow Statement)

Relations between the balance of cash and cash equivalents at the end of interim term (fiscal year) and the amount of the item posted in the interim consolidated balance sheet

(Millions of yen)

	(Previous First Half)	(First Half under Review)	(FY2004)
Cash and deposit accounts	25,160	23,507	26,458
Securities account	222	434	222
Total	25,383	23,941	26,681
Time deposits - over 3 months	(2,024)	(3,292)	(3,142)
Total	23,358	20,648	23,538

(Lease Transactions)
Non-ownership-transfer finance lease transactions

1. Amounts equivalent to the cost of acquisition, accumulated depreciation, and balance as of the end of the interim term (fiscal year) for lease properties (Millions of yen)

	(Previous First Half)	(First Half under Review)	(FY2004)
Amount equivalent to acquisition cost	2,701	1,812	2,389
Amount equivalent to accumulated depreciation	2,060	1,322	1,897
Amount equivalent to the balance as of the end of the interim term (fiscal year)	641	490	492

2. Amount equivalent to the balance of prepaid rent at the end of the interim term (fiscal year)

One year or less	477	353	394
More than one year	707	587	612
Total	1,184	940	1,007

3. Amounts equivalent to lease payment, accumulated depreciation and interest expense

Lease payment	297	269	572
Amount equivalent to depreciation expense	216	172	442
Amount equivalent to interest expense	29	22	55

4. Method of calculating the amounts equivalent to depreciation expense and interest
The amount equivalent to depreciation expense was computed by multiplying the depreciation expense by 9/10 (0.9) calculated on the straight-line method considering the lease period to be the durable years and residual value to be 10%.
The amount equivalent to interest was computed considering the difference between the total lease payment and the amount equivalent to the cost of acquisition to be the amount equivalent to interest. The difference was distributed to each term using the interest method.

(Securities)

1. Other securities with market value

(Millions of yen)

	Previous First Half (As of Sep. 30, 2003)			First Half under Review (As of Sep. 30, 2004)			FY2004 (As of Mar. 31, 2004)		
	Acquisition cost	Interim Consolidated Balance Sheet Amount	Difference	Acquisition cost	Interim Consolidated Balance Sheet Amount	Difference	Acquisition cost	Interim Consolidated Balance Sheet Amount	Difference
Other securities									
① Stocks	10,708	12,844	2,135	10,293	14,932	4,639	10,346	16,271	5,925
② Others	307	331	24	297	341	43	299	352	53
Total	11,015	13,176	2,160	10,591	15,274	4,682	10,645	16,623	5,978

2. Major securities not marked to market

(Millions of yen)

	Previous First Half (As of Sep. 30, 2003)	First Half under Review (As of Sep. 30, 2004)	FY2004 (As of Mar. 31, 2004)
	Interim Consolidated Balance Sheet Amount	Interim Consolidated Balance Sheet Amount	Consolidated Balance Sheet Amount
(1) Held-to-maturity bonds			
Corporate bonds	-	149	-
Total	-	149	-
(2) Stocks of subsidiaries and affiliates			
Stocks of affiliates	1,153	824	1,200
Total	1,153	824	1,200
(3) Other securities			
MMF	20	333	20
Medium-term government securities fund	202	100	202
Unlisted stocks (except OTC stocks)	276	297	296
Preferred subscription certificate	1,000	1,000	1,000
Total	1,499	1,731	1,519

(Derivatives Transactions)

Amount of contracts on derivatives transactions, market value and valuation income (loss)

(Millions of yen)

Classification	Types of transactions	Previous First Half (As of Sep. 30, 2003)			First Half under Review (As of Sep. 30, 2004)			FY2004 (As of Mar. 31, 2004)		
		Contract amount etc.	Market value	Valuation profit/loss	Contract amount etc.	Market value	Valuation profit/loss	Contract amount etc.	Market value	Valuation profit/loss
Currency	Exchange options	2,083	(82)	(82)	818	(15)	(15)	914	(37)	(37)
Total		2,083	(82)	(82)	818	(15)	(15)	914	(37)	(37)

(Notes)
1. The above transactions are collar transactions, which have the effect of limiting exchange risk by combining the long open position of call options and the short open position of put options.
2. Contract amounts and the like were posted by translating the balance of unsettled amount into foreign currency as of the end of the interim term (fiscal year) by the spot exchange rate.
3. Market values were based on the price presented by the transaction companies.
4. Items subjected to hedge accounting were excluded from the scope of disclosure.

(Segment Information)

1. Business Segment Information

Previous First Half (From Apr. 1, 2003 to Sep. 30, 2003)

(Millions of yen)

	Office Furniture	Store Displays	Material Handling Systems and Others	Total	Unallocated and Elimina-tions	Consoli-dated
I. Net sales and operating income (loss)						
Net sales						
1) Net sales to external customers	48,504	34,142	3,765	86,412	-	86,412
2) Internal sales or transfers between segments	-	-	-	-	(-)	-
Total	48,504	34,142	3,765	86,412	(-)	86,412
Operating expenses	48,088	31,830	3,765	83,685	(-)	83,685
Operating income (loss)	416	2,311	0	2,727	(-)	2,727

First Half under Review (From Apr. 1, 2004 to Sep. 30, 2004)

(Millions of yen)

	Office Furniture	Store Displays	Material Handling Systems and Others	Total	Unallocated and Elimina-tions	Consoli-dated
I. Net sales and operating income (loss)						
Net sales						
1) Net sales to external customers	54,969	35,339	4,935	95,245	-	95,245
2) Internal sales or transfers between segments	-	-	-	-	(-)	-
Total	54,969	35,339	4,935	95,245	(-)	95,245
Operating expenses	52,437	33,624	4,817	90,879	(-)	90,879
Operating income (loss)	2,531	1,715	118	4,365	(-)	4,365

FY2004 (From Apr. 1, 2003 to Mar. 31, 2004)

(Millions of yen)

	Office Furniture	Store Displays	Material Handling Systems and Others	Total	Unallocated and Elimina-tions	Consoli-dated
I. Net sales and operating income (loss)						
Net sales						
1) Net sales to external customers	108,872	66,647	7,523	183,044	-	183,044
2) Internal sales or transfers between segments	-	-	-	-	(-)	-
Total	108,872	66,647	7,523	183,044	(-)	183,044
Operating expenses	105,635	63,087	7,610	176,332	(-)	176,332
Operating income (loss)	3,237	3,560	(86)	6,711	(-)	6,711

Notes: 1. Business segmentation method

Business segmentation is based on considerations of similarities among product types (inclusive of operations) and markets.

2. Classification of main products by business segment

Business Segment	Main Products
Office Furniture	Office furniture, Cultural and educational facilities, Partition, Medical and research facilities, Security systems, SOHO-related products
Store Displays	Showcases for stores, Refrigerated showcases, Counters for stores
Material Handling Systems and Others	Racks and stackers for factories and warehouses, Automated material handling systems, Torque converters for industrial and construction equipment

2. Geographically Segmented Information (Current interim term, previous interim term, and previous term)

Because net sales for Japan exceeds 90% of aggregate net sales for all segments, geographically segmented information is omitted.

3. Overseas sales (Current interim term, previous interim term, and previous term)

Overseas sales were omitted since they accounted for less than 10% of total consolidated sales for each term.

5. Manufacturing, orders and sales

1. Results of manufacturing

(Millions of yen)

Business Segment	Previous First Half (From Apr. 1, 2003 to Sep. 30, 2003)	First Half under Review (From Apr. 1, 2004 to Sep. 30, 2004)	FY2004 (From Apr. 1, 2003 to Mar. 31, 2004)
Office Furniture	25,703	29,741	58,112
Store Displays	10,421	10,476	20,077
Material Handling Systems and Others	3,573	2,577	6,947
Total	39,698	42,795	85,136

(Notes) 1. The above figures represent selling prices.
2. Consumption taxes are excluded from the above figures.

2. Orders received

(Millions of yen)

Business Segment	Previous First Half (From Apr. 1, 2003 to Sep. 30, 2003)		First Half under Review (From Apr. 1, 2004 to Sep. 30, 2004)		FY2004 (From Apr. 1, 2003 to Mar. 31, 2004)	
	Amount of orders received	Unfilled orders	Amount of orders received	Unfilled orders	Amount of orders received	Unfilled orders
Office Furniture	46,120	3,870	52,799	5,658	110,447	7,828
Store Displays	34,528	1,743	35,044	1,759	67,344	2,054
Material Handling Systems and Others	3,810	410	5,052	668	7,710	551
Total	84,459	6,023	92,895	8,085	185,501	10,433

(Note) 1. Total orders received during the term were posted as orders received since most products are manufactured on a market production basis.
2. Consumption taxes are excluded from the above figures.

3. Sales results

(Millions of yen)

Business Segment	Previous First Half (From Apr. 1, 2003 to Sep. 30, 2003)	First Half under Review (From Apr. 1, 2004 to Sep. 30, 2004)	FY2004 (From Apr. 1, 2003 to Mar. 31, 2004)
Office Furniture	48,504	54,969	108,872
Store Displays	34,142	35,339	66,647
Material Handling Systems and Others	3,765	4,935	7,523
Total	86,412	95,245	183,044

(Note) Consumption taxes are excluded from the above figures.