Direct Translation of Japanese KESSAN TANSHIN

Fiscal 1999, ending March 31, 2000 November 10, 1999

Non-Consolidated Interim Financial Results

Listed company name: Minolta Co., Ltd.
Security code: 7753
Head Office: 3-13, Azuchi-machi 2-chome,
Chuo-ku, Osaka 541-8556, Japan
Contact: Masanori Hondo
Director
General Manager, Finance Division
Tel: (06) 6271-2251 (main switchboard)

Stock Listings: First sections of Osaka Securities Exchange,
Tokyo Stock Exchange,
and Nagoya Stock Exchange

Meeting of the Board of Directors for
Interim Closing Held on: November 10, 1999

Interim Dividend Payable on: December 10, 1999

Interim Dividend Payment System: Yes

1. Financial Results for the First Half of Fiscal 1999
(Periods ended September 30, 1999 and 1998)

(1) Operating results
Amounts less than ¥1 million, except per share amounts, have been omitted in the following tables.

(Millions of yen)

	Net sales (% change from previous period)	Operating income (% change from previous period)	Recurring income (% change from previous period)
FY99 1st half	¥146,438 (–4.0%)	¥ 6,037 (–38.1%)	¥ 3,532 (–61.0%)
FY98 1st half	¥152,522 (4.9%)	¥ 9,755 (12.8%)	¥ 9,062 (44.3%)
FY98	¥292,383	¥15,530	¥12,544

	Net income (% change from previous period)	Net income per share (Yen)	Accounting standards
FY99 1st half	¥2,312 (–34.2%)	¥ 8.25	Accounting standards for interim financial statements
FY98 1st half	¥3,514 (–13.0%)	¥12.54	
FY98	¥2,531	¥ 9.03	—

Notes: 1. Average number of shares in the term: FY99 1st half .... 280,207,681 shares
FY98 1st half .... 280,207,681 shares
FY98 .... 280,207,681 shares
2. Changes were made to accounting policies in the first half of fiscal 1999.
3 The tax-effect accounting method was adopted starting in fiscal 1998.

(2) Cash dividends

	Cash dividends per share (Yen)	Total cash dividends per share in fiscal year (Yen)
FY99 1st half	¥3.00	—
FY98 1st half	¥4.00	—
FY98	—	¥7.00

(3) Financial position

(Millions of yen)

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share (Yen)
FY99 1st half	¥273,876	¥100,120	36.6%	¥357.31
FY98 1st half	¥243,670	¥ 93,784	38.5%	¥334.70
FY98	¥245,124	¥ 98,698	40.3%	¥352.24

Notes: 1. Shares issued and outstanding: FY99 1st half .... 280,207,681 shares
FY98 1st half .... 280,207,681 shares
FY98 .... 280,207,681 shares
(Number of par value shares in one unit: 1,000)

2. Appraisal gain on marketable securities at the end of the interim period ended September 30, 1999: ¥8,112 million
3. Appraisal loss on derivative dealings at the end of the interim period ended September 30, 1999: ¥754 million

2. Projected Operating Results (Fiscal Year Ending March 31, 2000)

(Millions of yen)

	Net sales	Recurring income	Net income	Cash dividends per share (Yen)	
				Year-end	
FY99	¥290,000	¥6,000	¥3,500	¥3.00	¥6.00

Estimated net income per share for the year: ¥12.49

Management Policy and Overview of Performance

1. Management Policy

Fundamental Management Policy

Minola's fundamental mid-term management policy consists of the following four principles, aimed at achieving continued growth to satisfy the expectations of all stakeholders related to the Company.

1. Management that is conscious of corporate governance
2. Management that strengthens consolidated administration of the Group
3. Management that raises core competence in growing fields of business
4. Management that extracts the latent abilities of personnel

To achieve these targets, we are strengthening our 'customers first' activities, and also working to speed-up our management processes based on practical and effective business decisions and powerful strategic measures.

Basic Dividend Policy

Minolta's basic dividend policy is determined based on the Company's profitability, taking into consideration two important goals. We aim to maintain a stable payout of dividends by achieving profit targets based on our fundamental management policy and increasing shareholder value. At the same time, we aim to accumulate the internal reserves required for future business development and strengthening our financial structure.

Mid-term Management Strategies and Targets

We began implementing our mid-term management strategy, including the above-mentioned four principles, in April 1999. We also started to work toward becoming an excellent company that is highly competitive globally, concentrating management resources in our strongest fields and focusing core technologies on growth fields to remain competitive in the 21st century. During the mid-term plan, we will be targeting growth in net sales and profitability, greater operating efficiency, and a stronger financial structure. In the year ending March 31, 2004, the last year of the plan, we expect to achieve consolidated net sales of ¥800,000 million and consolidated net income of ¥19,000 million.

Minolta's Tasks

Our most important task is to cope actively with the global trend toward a highly information-oriented society in order to be able to take advantage of new business opportunities. Since performance targets cannot be achieved without growth, we will concentrate on enhancing our basic strengths as a manufacturer, including developing new products and technologies that more closely match market demand to increase customer satisfaction, controlling purchasing and improving production processes to strengthen cost competitiveness, and strengthening sales on a consolidated basis. Because our worldwide network is one of our core competencies, we also recognize the importance of establishing flexible profitability and financial structures to withstand foreign exchange fluctuations. In addition, we are working to protect the environment on a worldwide scale by promoting the manufacture of environment friendly products and recycling.

2. Overview of Performance

(1) The Interim Period under Review

(The six-month period ended September 30, 1999)

During the interim period under review, the Japanese economy began to show signs of gradual recovery, stimulated by effective economic measures taken by the government. However, private consumption remained stagnant due to the worsening unemployment and falling personal incomes that accompanied corporate restructuring, and private sector capital investment also lagged. The abrupt rise in the value of the yen starting in August together with a trailing off of public investment resulted in uncertain prospects for the economy at the end of the period.

In the United States, the economy continued to expand, as strong consumer spending continued unabated thanks to the beneficial effect of the growth in assets supported by the strong stock market. In Europe as well, economies were on the upswing, assisted by the weak Euro. In Asia, although still not stabilized sufficiently, economies were on the way to recovery.

Under these circumstances, Minolta endeavored to increase sales to maintain and expand a stable level of growth and to cut fixed and variable costs to offset losses due to high value of yen as compared with that in the previous period. In product development, we focused on "digitization" of products and promoted the search for and start up of activities in new business fields. In July 1999, we bought about a 54% share and acquired controlling interest in QMS, Inc., a U.S. printer manufacturer, for the purpose of expanding our printer businesses.

As a result, net sales for this interim period were ¥146,438 million, a decrease of 4.0% from the same period in the previous fiscal year. Recurring income decreased 61.0%, to ¥3,532 million and interim net income decreased 34.2%, to ¥2,312 million. Among net sales, exports decreased 5.0% from the same period in the previous fiscal year, to ¥119,253 million.

Cash dividends for the interim period will be set at ¥3.00 per share.

Operation results by segment were as follows:-

In our mainstay image information product operations, we endeavored to expand sales of digital color copiers, for which the market is rapidly expanding, marketing mainly new digital copiers that were added to our product line-up in the latter half of previous period. In the printer category, we actively promoted sales of both OEM and our own brand printers. As a result, sales volume of image information products expanded mainly in the United States and European markets. Unfortunately, because of a decrease in net exports due to the strong yen, sales decreased 1.6% from the same period in the previous fiscal year.

In our optical product operations, we actively promoted sales of cameras, especially such new products as the “VECTIS 2000” APS (Advanced Photo System) compact camera that we began marketing in June 1999, the “α-Sweet” series of SLR (Single-Lens Reflex) cameras, and the “ α-9” camera, recipient of the Camera Grand Prix ’99 prize. We also worked to expand sales by closely matching customer needs in the fields of industrial measuring instruments, which specialize in measuring color, light, and temperature, and optical systems, which feature highly functional optical components. The sales of optical product operations, however, decreased 9.5% from the first half of the previous fiscal year, mainly because of the influence of foreign exchange rates.

(2)The Current Fiscal Year (The fiscal year ending March 31, 2000)

In the second half of the current fiscal year, Japan’s economy is expected to fluctuate according to whether the supplementary budget of the government is successful in creating employment and according to movement in the yen exchange rate. Overseas, we will have to consider the influence of the tight economic management policy of the United States, and the prospects of economic recovery and growth in Europe.

The stabilization of yen rate at the present level will adversely affect Minolta because of its high export ratio, resulting in a considerable decline in profit compared with the first half of the current fiscal year. We will extend utmost efforts to increase sales volume and reduce costs to compensate for the strong yen. However, its impact is inevitable and for the fiscal year ending March 31, 2000, we forecast net sales of ¥290.0 billion, recurring income of ¥6.0 billion, and net income of ¥3.5 billion. In estimating these figures, the exchange rates used for sales and purchase amounts in foreign currencies were ¥110=US$1 and ¥118=EUR1.

The year-end dividend is scheduled to be ¥3.00 per share, and as a result, the dividend for the full year will be ¥6.00 per share.

3. State of Readiness Regarding the Year 2000 Issue

1. State of readiness

- **Working plan**

  We recognize the Year 2000 (Y2K) issue as an important management task from the viewpoint of customer service and maintenance of business continuity, and are preparing plans to cope with the issue.

- **Working system**

  We have been investigating and modifying our product and fundamental information systems since 1997. In October 1998, we set up a Year 2000 Issue Project, through which we are assessing readiness conditions, executing and promoting preventive measures, and implementing in-house educational activities for the Company and its principal affiliated companies in Japan and overseas. Progress reports are made regularly to management, and measures discussed as necessary.

- **Progress**

  Our initial survey of the Y2K readiness of our products was finished in August 1998. Since December 1998, we have been regularly posting updated lists of products, by category, that require modification for Y2K compliance on our Internet web site (since August 1998 for Japanese information). Information on Y2K readiness is also available from the web sites of our main overseas sales subsidiaries.

  We completed Y2K testing of our computer system by the end of September 1999. And our main affiliated companies in Japan and overseas had mostly finished their compliance measures as of November 10, 1999. We have also completed compliance measures for information systems related to all aspects of our business, including production facilities, procurement of parts, and others.

2. Expenditures

Expenses directly related to the Y2K issue were approximately ¥70 million for the period from fiscal 1995 to fiscal 1998, and will be approximately ¥150 million in fiscal 1999. Accordingly, total expenditures will be approximately ¥220 million. We do not expect these expenses to have a serious impact on our future business operations and performance.

3. Contingency Plan

Preparation of Y2K contingency plan to cover anticipated problems that may occur but which are out of the Company's control was completed by the end of September 1999 at the Company as well as at our affiliates in Japan and overseas. We have also decided to organize emergency system during the period from the end of 1999 to the beginning of 2000 to cope with any unanticipated Y2K problem that could arise.

Non-Consolidated Financial Statements

Non-Consolidated Balance Sheets
(September 30, 1999 and 1998)

Assets (Millions of yen)

	FY99 1st half		FY98 1st half		FY98	
	Amount	% of total assets	Amount	% of total assets	Amount	% of total assets
Current assets:						
Cash, including time deposits	¥10,421		¥ 9,753		¥ 9,835	
Notes receivable—trade	2,006		2,868		2,031	
Accounts receivable—trade	65,382		39,167		40,541	
Marketable securities	7,118		7,393		6,441	
Inventories	36,106		44,748		41,113	
Short-term loans receivable	2,744		16,293		12,525	
Deferred tax assets	2,538		—		2,121	
Other current assets	10,883		3,864		3,273	
Allowance for doubtful receivables	(375)		(453)		(405)	
Total current assets	**136,826**	**50.0**	**123,635**	**50.7**	**117,478**	**47.9**
Fixed assets:						
Tangible fixed assets:						
Buildings	15,007		14,619		14,515	
Machinery and equipment	8,469		7,235		7,039	
Tools, furniture and fixtures	13,489		15,299		12,840	
Land	9,466		9,466		9,466	
Other tangible fixed assets	1,357		1,566		3,235	
	47,790	**17.4**	**48,187**	**19.8**	**47,096**	**19.2**
Intangible fixed assets	**4,760**	**1.7**	**2,261**	**0.9**	**2,088**	**0.9**
Investments and other assets:						
Investments in securities	33,665		30,925		33,755	
Investments in subsidiaries	39,039		32,017		32,506	
Deferred tax assets	7,114		—		6,372	
Other investments	8,667		9,116		9,799	
Allowance for doubtful receivables	(487)		(474)		(473)	
Allowance for losses on investments	(3,500)		(2,000)		(3,500)	
	84,499	**30.9**	**69,585**	**28.6**	**78,461**	**32.0**
Total fixed assets	**137,050**	**50.0**	**120,034**	**49.3**	**127,646**	**52.1**
Total assets	**¥273,876**	**100.0**	**¥243,670**	**100.0**	**¥245,124**	**100.0**

Liabilities and Shareholders' Equity

(Millions of yen)

	FY99 1st half		FY98 1st half		FY98	
	Amount	% of total liabilities and shareholders' equity	Amount	% of total liabilities and shareholders' equity	Amount	% of total liabilities and shareholders' equity
Liabilities:						
Current liabilities:						
Notes payable—trade	¥13,117		¥14,931		¥12,063	
Accounts payable—trade	44,935		39,741		38,678	
Short-term loans	40,604		21,619		22,801	
Accrued enterprise tax	2,082		2,410		2,547	
Accrued corporation tax	—		788		—	
Allowance for bonuses	3,650		3,747		3,540	
Allowance for product warranty	889		906		1,076	
Other current liabilities	9,275		10,093		10,968	
Total current liabilities	**114,555**	**41.8**	**94,238**	**38.7**	**91,676**	**37.4**
Long-term liabilities:						
Bonds and notes	25,000		20,000		20,000	
Long-term loans	18,802		20,657		19,434	
Reserve for retirement and severance benefits	14,384		13,584		14,012	
Reserve for retirement and severance benefits for directors and statutory auditors	511		616		674	
Other long-term liabilities	501		789		627	
Total long-term liabilities	**59,200**	**21.6**	**55,646**	**22.8**	**54,749**	**22.3**
Total liabilities	**¥173,756**	**63.4**	**¥149,885**	**61.5**	**¥146,426**	**59.7**
Shareholders' equity:						
Capital stock	**25,832**	**9.4**	**25,832**	**10.6**	**25,832**	**10.5**
Legal reserves:						
Capital surplus	51,162	18.7	51,162	21.0	51,162	20.9
Earned surplus	2,217	0.9	2,015	0.8	2,127	0.9
	53,380	**19.6**	**53,178**	**21.8**	**53,290**	**21.8**
Retained earnings:						
Voluntary reserve	13,037		8,070		8,040	
Unappropriated retained earnings	7,870		6,703		11,535	
[Net income for the period]	[2,312]		[3,514]		[2,531]	
	20,907	**7.6**	**14,773**	**6.1**	**19,576**	**8.0**
Total shareholders' equity	**100,120**	**36.6**	**93,784**	**38.5**	**98,698**	**40.3**
Total liabilities and shareholders' equity	**¥273,876**	**100.0**	**¥243,670**	**100.0**	**¥245,124**	**100.0**

Notes:

	FY99 1st half	FY98 1st half	FY98
1. Accumulated depreciation of tangible fixed assets:	¥120,576 million	¥115,942 million	¥118,550 million
2. Export bills discounted:	¥549 million	¥13,605 million	¥9,328 million
3. Treasury stock (Amount):	¥1 million	¥4 million	¥2 million
(Number):	2,952 shares	5,322 shares	2,474 shares
4. Guarantees for indebtedness for subsidiaries and others:	¥93,987 million	¥83,223 million	¥118,695 million
Guarantees for indebtedness for subsidiaries:	[¥45,369 million]	[¥83,223 million]	[¥69,064 million]
Memoranda for management direction and others:	[¥48,618 million]	[—]	[¥49,630 million]
5. Number of new shares issued:	—	925 thousand shares	925 thousand shares
[Exercise of new share preemptive rights of bonds with such rights]:	[—]	[925 thousand shares]	[925 thousand shares]
6. Value of new shares issued:	—	¥740 million	¥740 million
[Incorporated into capital stock]	[—]	[¥371 million]	[¥371 million]

7. Regarding accrued corporation tax and accrued office tax which were indicated as “Accrued corporation tax” until the first half of fiscal 1998, the accrued corporation tax (amounting to ¥546 million) is included in “Accrued enterprise tax,” and the accrued office tax (amounting to ¥35 million) is included in “Other current liabilities,” respectively, for the first half of fiscal 1999.

Non-Consolidated Statements of Income

(Periods ended September 30, 1999 and 1998)

(Millions of yen)

	FY99 1st half		FY98 1st half		FY98	
	Amount	% of total net sales	Amount	% of total net sales	Amount	% of total net sales
Operating revenue:						
Net sales	**¥146,438**	**100.0**	**¥152,522**	**100.0**	**¥292,383**	**100.0**
Operating expenses:						
Cost of sales	112,270	76.7	115,727	75.9	222,876	76.2
Selling, general and administrative expenses	28,130	19.2	27,039	17.7	53,976	18.5
Operating income	**6,037**	**4.1**	**9,755**	**6.4**	**15,530**	**5.3**
Non-operating revenue:						
Interest and dividend income	1,309		1,117		1,423	
Foreign exchange gain	—		634		895	
Other	2,073		1,252		2,436	
	3,383	**2.3**	**3,004**	**2.0**	**4,756**	**1.6**
Non-operating expenses:						
Interest and discount expenses	589		996		1,703	
Interest on bonds	399		349		706	
Loss on inventory valuation and disposition	773		1,568		3,706	
Foreign exchange loss	2,714		—		—	
Other	1,412		782		1,624	
	5,888	**4.0**	**3,696**	**2.5**	**7,741**	**2.6**
Recurring income	**3,532**	**2.4**	**9,062**	**5.9**	**12,544**	**4.3**
Special gains:						
Recovery of allowance for doubtful accounts	43		—		—	
Gain on sales of fixed assets	6		1		19	
	49	**0.0**	**1**	**0.0**	**19**	**0.0**
Special losses:						
Loss on dispositions of fixed assets	181		452		830	
Loss on sale of investment in securities	—		1,594		2,608	
Appraisal loss on investment in securities	—		902		22	
Loss on write-off of loans to subsidiaries	—		—		1,298	
Transferred amount of allowance for investment loss	—		—		1,500	
	181	**0.1**	**2,949**	**1.9**	**6,260**	**2.1**
Income before income taxes	**3,401**	**2.3**	**6,115**	**4.0**	**6,303**	**2.2**
Corporate and inhabitants' taxes	—	—	2,600	1.7	—	—
Enterprise, inhabitant & corporation taxes	2,246	15	—		5,248	1.8
Corporation tax adjustment & others	(1,158)	(0.8)	—		(1,476)	(0.5)
Net income	**2,312**	**1.6**	**3,514**	**2.3**	**2,531**	**0.9**
Retained earnings brought forward from the preceding year	5,557		3,188		3,188	
Tax-effect adjustments for the past financial year	—		—		7,018	
Reduction of asset replacement reserve due to adoption of tax-effect accounting	—		—		29	
Interim dividends	—		—		1,120	
Earned surplus reserve	—		—		112	
Unappropriated retained earnings	**¥7,870**		**¥6,703**		**¥11,535**	

Note: The corporation tax (amounting to ¥554 million during the interim period), which was included in "Selling, general and administrative expenses" until the first half of fiscal 1998, is included in "Enterprise, inhabitant & corporation taxes" for the first half of fiscal 1999 in accordance with the revision of interim financial statement regulations.

Significant Accounting Policies for Interim Financial Statements

1. Allocation of operating expenses

(1) Reserve for retirement and severance benefits
An amount is allocated that corresponds to half of the amount that is projected to be entered into this allowance for the fiscal year.

(2) Reserve for retirement and severance benefits for directors and statutory auditors
An amount is allocated that corresponds to half of the amount that is projected to be entered into this allowance for the fiscal year.

(3) Depreciation
Depreciation of the value of fixed assets at the interim balance-sheet date is allocated through a period allocation of the depreciation amount projected to be allocated at fiscal year-end.

2. Basis of accounting for corporation tax, residents' tax, and enterprise tax

An amount is recorded that corresponds to estimated tax amount for an estimated taxable income calculated for the interim period which is considered to be a single fiscal period.

3. Method of valuation of inventories

Inventories of finished and semifinished products and of goods in process are stated at cost determined by the period average method, while inventories of raw materials and supplies are stated at cost based on the most recent procurement cost.

4. Method of depreciation of tangible fixed assets

Tangible fixed assets are depreciated by the declining-balance method in accordance with the standards stipulated in the corporation tax law. However, as for the buildings (excluding attached fixtures to buildings) acquired after April 1, 1998, the straight-line method is used.

5. Accounting for lease transactions

Finance lease transactions, other than those where the ownership of the leased property is regarded as being transferred to the lessee, are accounted for as normal rental transactions.

6. Application of interperiod allocation of income tax (Tax-effect accounting method)

Commencing from the end of last fiscal period, we applied interperiod allocation of income tax, to make the corresponding relations between profits and costs for taxes in the accounts more proper. By applying this, as compared with the case of not applying tax-effect accounting method, net income increased ¥1,158 million in this interim period.

7. Accounting method for Company-use software

Based on the interim measures set out in "Practical Guidelines for Accounting for R&D Expenses and Software" (Accounting Methods Committee Report No. 12, Japanese Institute of Certified Public Accountants), the Company is continuing to apply accounting methods for Company-use software used in the past. However, with regard to disclosure of software as covered in the above mentioned report, beginning with the interim period under review, amounts formerly included in other investments under investments and other assets on the balance sheet have been shifted to intangible fixed assets.

8. Treatment method for Japanese consumption tax

The Company adopted a separate treatment method for Japanese consumption tax; this tax is excluded from all items in the non-consolidated statements of income.

Changes of accounting policies

Formerly, the appraisal method of marketable securities was made at cost determined by the periodic average method, but from this interim period it is made at cost determined by the moving average method to determine profits and losses on transactions early.

Cash dividends per share	FY99 1st half	FY98 1st half	FY98
Ordinary stocks	¥3.00	¥4.00	¥7.00
(including commemorative dividends)	—	¥1.00	¥1.00

Notes to Lease Transactions

1. Finance lease transactions, other than those where the ownership of the leased property is regarded as being transferred to the lessee:

(1) Amounts corresponding to the acquisition cost, the accumulated depreciation, and the remaining value at the end of this interim period of leased property:

(Millions of yen)

	FY99 1st half	FY98 1st half	FY98
Acquisition cost	¥6,100	¥8,019	¥8,112
Accumulated depreciation	¥3,615	¥4,265	¥4,800
Remaining value at the end of this interim period	¥2,485	¥3,753	¥3,312

*The above amounts are mainly for tools, appliances, and furnishings.

(2) Amounts corresponding to the remaining lease commitments at the end of this interim period.

(Millions of yen)

	FY99 1st half	FY98 1st half	FY98
One year or less	¥1,166	¥1,592	¥1,518
Over one year	¥1,368	¥2,246	¥1,879
Lease commitments	¥2,534	¥3,839	¥3,398

(3) Lease payments, amounts corresponding to depreciation, and amounts corresponding to interest expense:

(Millions of yen)

	FY99 1st half	FY98 1st half	FY98
Lease payments	¥770	¥903	¥1,790
Amounts corresponding to depreciation	¥725	¥840	¥1,669
Amounts corresponding to interest expense	¥29	¥50	¥94

(4) Method of calculating amounts corresponding to depreciation and to interest expense:
The calculation of amounts corresponding to depreciation is based on the fixed amortization method. The difference between the total amount of the lease payments and the acquisition cost of the leased property is considered to be the amount corresponding to total interest expense. The allocation of the interest expense to specific accounting periods is based on the interest method.

2. Balance of unexpired operating lease amounts:

(Millions of yen)

	FY99 1st half	FY98 1st half	FY98
One year or less	¥350	¥482	¥350
Over one year	¥2,100	¥2,794	¥2,275
Total	¥2,450	¥3,276	¥2,625

Sales by Product Group

(Periods ended September 30, 1999 and 1998)

(Millions of yen)

	FY99 1st half		FY98 1st half		FY98	
Classifications	Amount	Composition of sales (%)	Amount	Composition of sales (%)	Amount	Composition of sales (%)
Image Information Products:						
Export	**¥90,497**	**86.4**	¥93,012	87.3	¥180,326	86.4
Domestic	**14,271**	**13.6**	13,488	12.7	28,383	13.6
Subtotal	**104,769**	**(71.5)**	106,501	(69.8)	208,709	(71.4)
Optical Products:						
Export	**28,755**	**69.0**	32,496	70.6	57,696	69.0
Domestic	**12,913**	**31.0**	13,524	29.4	25,976	31.0
Subtotal	**41,668**	**(28.5)**	46,021	(30.2)	83,673	(28.6)
Total	**¥146,438**	**(100.0)**	¥152,522	(100.0)	¥292,383	(100.0)
Export Total	**¥119,253**	**81.4**	¥125,509	82.3	¥238,023	81.4

Market Values and Others of Securities Held (September 30, 1999 and 1998)

(Millions of yen)

	FY99 1st half			FY98 1st half			FY98		
Categories	Carrying values	Market values	Unrealized gains or losses	Carrying values	Market values	Unrealized gains or losses	Carrying values	Market values	Unrealized gains or losses
(1) Current assets:									
Stocks	¥6,920	¥9,766	¥2,846	¥7,148	¥6,072	¥(1,076)	¥6,243	¥6,539	¥296
Bonds	160	161	1	210	206	(3)	160	158	(1)
Other	—	—	—	—	—	—	—	—	—
Subtotal	¥7,080	¥9,928	¥2,847	¥7,358	¥6,278	¥(1,080)	¥6,403	¥6,698	¥295
(2) Fixed assets:									
Stocks	¥33,051	¥38,315	¥5,264	¥30,310	¥16,815	¥(13,494)	¥33,051	¥29,499	¥(3,551)
Bonds	—	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	—
Subtotal	¥33,051	¥38,315	¥5,264	¥30,310	¥16,815	¥(13,494)	¥33,051	¥29,499	¥(3,551)
Total	¥40,131	¥48,244	¥8,112	¥37,669	¥23,094	¥(14,574)	¥39,454	¥36,197	¥(3,256)

Notes: 1. Calculation of market values:
- Listed securities: Principally, closing price on the Tokyo Stock Exchange at September 30, 1999 and 1998 and March 31, 1999.
- Securities traded over the counter: Trading prices published by the Japan Securities Dealers Association.
- Securities investment in trust: Net asset value.

2. Treasury stock is included in current assets. Appraisal gain and/or loss on treasury stock are as stated below.

(Millions of yen)

Categories	FY99 1st half	FY98 1st half	FY98
Categorized in current assets	0	0	0

3. The carrying values of securities on the balance sheet not shown in the above table are as follows:

(Millions of yen)

Categories	Items	FY99 1st half	FY98 1st half	FY98
Categorized in current assets	Discount financial bonds	¥39	¥39	¥39
Categorized in fixed assets	Nonlisted securities (excluding securities traded OTC)	¥29,179	¥22,157	¥22,736

Contract amounts etc., market value, and appraisal gains or losses of derivative dealings

Currency related

(Millions of Yen)

Classification	Category	FY99 1st half: Contract amounts	FY99 1st half: (Over one year)	FY99 1st half: Market values	FY99 1st half: Appraisal gains or losses	FY98 1st half: Contract amounts	FY98 1st half: (Over one year)	FY98 1st half: Market values	FY98 1st half: Appraisal gains or losses	FY98: Contract amounts	FY98: (Over one year)	FY98: Market values	FY98: Appraisal gains or losses
Contracts outside market	Forward exchange contracts												
	Selling												
	U.S. dollars	—	—	—	—	17,872	—	17,711	160	2,475	—	2,493	(18)
	Euros	—	—	—	—	—	—	—	—	13,901		13,629	271
	Deutsche marks	—	—	—	—	27,192	—	29,104	(1,911)	—	—	—	—
	Other Currencies	—	—	—	—	606	—	577	28	156	—	158	(2)
	Buying												
	U.S. dollars	1,678	—	1,592	(85)	12,441	—	12,951	510	8,334	—	8,740	406
	Currency swaps												
	Received in Yen and Paid in French Francs	—	—	—	—	103	—	(1)	(1)	100	—	15	15
	Total	1,678	—	1,592	(85)	58,215	—	60,343	(1,212)	24,967	—	25,037	673

Notes: 1. Calculation method of market values:
Forward exchange contracts....... The forward exchange rate is used.
Currency swaps........................... The market values are calculated on the basis of prices etc. offered by the contracted .... banking facilities.
2. Foreign currency-denominated receivables and liabilities covered by forward exchange contracts are shown as yen amounts on the non-consolidated balance sheets. Accordingly, they are not shown in the above table.
3. Amounts in parenthesis indicate the expense for options recorded in the interim balance sheet.

Interest related

(Millions of yen)

Classification	Category	FY99 1st half (ended on September 30, 1999): Contract (amounts etc.	(Over one year)	Market values	Appraisal gains or losses	FY98 1st half (ended on September 30, 1998): Contract (amounts etc.	(Over one year)	Market values	Appraisal gains or losses	FY98 (ended on March 31, 1999): Contract (amounts etc.	(Over one year)	Market values	Appraisal gains or losses
Contracts outside market	Interest swaps Receive floating rate; pay fixed rate	10,000	10,000	(669)	(669)	10,000	10,000	(904)	(904)	10,000	10,000	(701)	(701)
	Total	10,000	10,000	(669)	(669)	10,000	10,000	(904)	(904)	10,000	10,000	(701)	(701)

Notes:
1. Calculation method of market values: The market values are calculated on the basis of prices etc. offered by the contracted banking facilities.
2. The amount of notional principal of the above interest swap contracts does not by itself indicate the volume of market risks related to derivative dealings.