

8. First-Half Consolidated Statements of Operations

(Six months ended September 30)

		Yen (millions)		Change (%)
		1st Half 2004	1st Half 2003	
Net sales	Y	2,220,059	2,141,934	+3.6
Operating costs and expenses:				
Cost of goods sold		1,632,917	1,576,454	+3.6
Selling, general and administrative expenses		553,857	583,470	-5.1
		<u>2,186,774</u>	<u>2,159,924</u>	
Operating income (loss)		33,285	(17,990)	-
Other income (expenses):				
Net interest*		(4,354)	(7,755)	
Equity in earnings of affiliated companies, net		4,524	418	
Amortization of unrecognized obligation for retirement benefits		(19,695)	(28,938)	
Gain on sales of marketable securities		2,485	34,470	
Restructuring charges**		(4,599)	(4,674)	
Casualty loss		-	(4,700)	
Other, net		(9,733)	(21,913)	
		<u>(31,372)</u>	<u>(33,092)</u>	-
Income (loss) before income taxes and minority interests		1,913	(51,082)	-
Income taxes		3,680	3,787	
Minority interests		(6,394)	(3,693)	
Net income (loss)	Y	<u>(8,161)</u>	<u>(58,562)</u>	-

Note*: Net interest consists of interest income, dividend income and interest charges.

Note**: Restructuring charges for the second quarter of the fiscal 2004 are related to expenses for workforce reductions, realignment, and disposal of assets at subsidiaries.