

FOR IMMEDIATE RELEASE

Nagoya- MARUWA Co.,Ltd today announced its consolidated business results for the first quarter of fiscal 2002, the six-month period ended September 30, 2001 is as follows:-

Note : Statements of income are unaudited.

Consolidated

1. Financial highlights

(JPY million)

	Current 1st to 2nd Qt from 1st.Apr. 2001 to 30th.Sep.2001		Previous 1st to 2nd Qt from 1st.Apr. 2000 to 30th.Sep.2000		Changes	
	Amount	% per sales	Amount	% per Sales	Amount	%
Net sales	5,370	100.0%	7,996	100.0%	(2,626)	-33%
Cost of sales	4,328	80.6%	5,283	66.1%	(955)	-18%
Gross profit	1,042	19.4%	2,713	33.9%	(1,671)	-62%
SG&A expenses	1,088	20.3%	852	10.7%	236	28%
Operating income	(46)	-0.9%	1,861	23.3%	(1,907)	-102%
Other income	121	2.3%	31	0.4%	90	290%
Income before income taxes	75	1.4%	1,892	23.7%	(1,817)	-96%
Net income	24	0.4%	1,284	16.1%	(1,260)	-98%

2. Current Annual Trend - Total

(JPY million)

	1st Qt	2nd Qt	3rd Qt	4th Qt	Total
Net sales	3,276	2,094	0	0	5,370
Cost of sales	2,399	1,929	0	0	4,328
Gross profit	877	165	0	0	1,042
SG&A expenses	548	540	0	0	1,088
Operating income	329	(375)	0	0	(46)
Other income	133	(12)	0	0	121
Income before income taxes	462	(387)	0	0	75
Operating income	397	(373)	0	0	24

3. Sales breakdown

(JPY million)

	Current 1st to 2nd Qt	Previous 1st to 2nd Qt	Changes	Changes %
Circuit Ceramic Products	2,206	3,724	(1,518)	-41%
Machinery Ceramic Products	565	762	(197)	-26%
High frequency Products	536	738	(202)	-27%
Capacitor Products	2,063	2,772	(709)	-26%
Total	5,370	7,996	(2,626)	-33%

4. Current Annual Trend - Sales breakdown

(JPY million)

	1st Qt	2nd Qt	3rd Qt	4th Qt	Total	Composit.ratio
Circuit Ceramic Products	1,537	669	0	0	2,206	41.1%
Machinery Ceramic Products	318	247	0	0	565	10.5%
High frequency Products	221	315	0	0	536	10.0%

Capacitor Products	1,200	863	0	0	2,063	38.4%
Total	3,276	2,094	0	0	5,370	100.0%

5. Note

(JPY million)

<Capital expenditure>		
(Consolidated Total amount)		1,680
(Details)	Factory & Buildings	306 (Europe plant & others)
	Company hostel	76 (for MARUWA KCK)
	Machinery & equipment	1,052 (Replacement for existing production)
	Machinery & equipment	146 (for R&D)
	The others	100 (Land for company hostel, vehicles etc.)
	Total	1,680

• The UK plant will begin as a development location for telecommunication related products.

<Depreciation>	Current 1&2Qt	681
(Trend)	Previous 1&2Qt	436
	Previous 3&4Qt	658
	Previous total	1,094

<Labor cost> (in Manufact. cost)	Current 1&2Qt	1,398
(Trend)	Previous 1&2Qt	1,516
	Previous 3&4Qt	1,609
	Previous total	3,125

<SG&A expenses>	Current 1&2Qt	1,088
	Previous 1&2Qt	852
	Changes	236
(Details of changes)	R&D expenses	115
	Depreciation	33
	Transferred bonus payment reserve	62
	The others	26
	Total	236

<R&D expenses>	Current 1&2Qt	149
	Previous 1&2Qt	34
	Changes	115

<Non-operating income & expenses>		
	Interest receivable	97
	Rents receivable	54
	Other income	50
	Differences of exchange	(17)
	Other expenses	(63)
	Total	121