

Consolidated Financial Summary For the Six Months Ended September 30, 2004

November 16, 2004

Name of Listed Company: NOK Corporation

Stock Code Number: 7240

(URL <http://www.nok.co.jp>)

Representative: Masato Tsuru, President

Contact Person: Kazuhiko Nakano, General Manager, Planning Dept. TEL (03) 3434-1736

Listed exchanges: Tokyo

Location of Head Office: Tokyo

Date of Board Meeting approving financial results for the first-half of FY 2004: November 16, 2004

Adoption of U.S. Accounting Standards: Not applicable

1. Consolidated financial results for the first half of FY 2004 (April 1, 2004 to September 30, 2004)

(1) Consolidated Operating Results (Fractions are rounded down to the nearest million yen.)

	Sales		Operating Income		Ordinary Profit	
	million yen	%	million yen	%	million yen	%
1st half of FY 2004	202,610	19.2	27,073	32.7	28,652	29.8
1st half of FY 2003	169,943	18.8	20,399	123.8	22,081	117.4
FY 2003	356,595		44,476		46,105	

	Net Income		Net Income per Share	Diluted Net Income per Share
	million yen	%	yen	yen
1st half of FY 2004	19,123	46.3	110.58	—
1st half of FY 2003	13,066	135.3	77.62	—
FY 2003	26,949		158.20	—

(Note) 1. Equity in earnings of affiliated companies: ¥1,511 million in 1st half of FY 2004; ¥1,765 million in 1st half of FY 2003; ¥3,062 million in FY 2003

2. Average outstanding shares (consolidated): 172,929,054 in 1st half of FY 2004; 168,344,431 in 1st half of FY 2003; 168,755,200 in FY 2003

3. Change in accounting policies: Yes

4. Percentages shown in sales, operating income, ordinary profit and net income in tables above are percentages of change from comparable term of previous year.

(2) Consolidated Financial Position

	Total Assets	Shareholders' Equity	Equity Ratio	Shareholders' Equity per Share
	million yen	million yen	%	yen
September 30, 2004	378,801	164,744	43.5	952.67
September 30, 2003	325,950	120,291	36.9	714.58
March 31, 2004	366,678	146,774	40.0	847.29

(Note) Outstanding shares (consolidated): 172,928,838 at September 30, 2004; 168,338,471 at September 30, 2003; 172,929,266 at March 31, 2004

(3) Consolidated Cash Flow Status

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of the term
	million yen	million yen	million yen	million yen
1st half of FY 2004	22,314	(18,055)	(4,573)	28,912
1st half of FY 2003	15,727	(14,124)	(1,124)	21,547
FY 2003	45,423	(43,920)	6,292	28,545

(4) Scope of Consolidation and Equity Method

Number of consolidated subsidiaries: 79

Number of non-consolidated subsidiaries accounted for under equity method: 5

Number of affiliates accounted for under equity method: 20

(5) Change in Scope of Consolidation and Equity Method

Consolidated subsidiaries: (addition) 5, (exclusion) 1

Affiliates accounted for under equity method: (addition) 1, (exclusion) 1

2. Projection for Consolidated FY 2004 (April 1, 2004 to March 31, 2005)

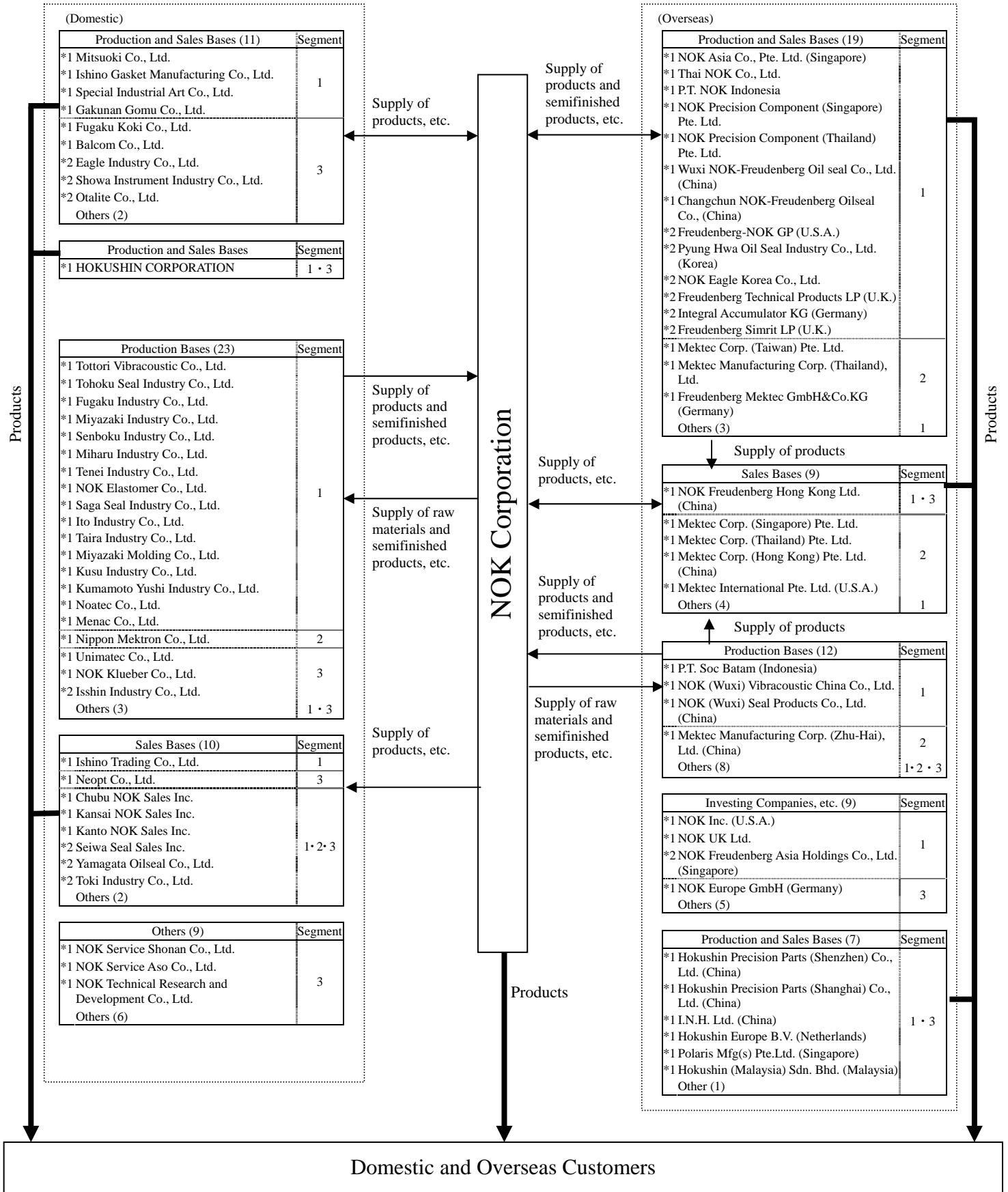
	Sales	Ordinary Profit	Net Income
	million yen	million yen	millions yen
Annual	410,000	52,000	37,500

(Reference) Forecasted net income per share (annual): 216.85 yen

* Projections shown above are calculated based on the latest data available. Actual business results may differ significantly from those projections depending on various unforeseen factors. For further information about FY 2004 projections, please see page 7 of the attached information sheets.

Group Relationship Diagram

The following diagram shows our company's group structure.



Notes: 1.

Business Segment	Indicator
Sealing products	1
Flexible boards	2
Others	3

2. *1: Consolidated subsidiary
*2: Equity method applied affiliate

Comparative Balance Sheet

		(in millions of yen)						
Item	Term	1st half of this consolidated fiscal year (As of September 30, 2004)		Previous consolidated fiscal year (As of March 31, 2004)		Increase/ decrease (from March 31, 2004)	1st half of previous consolidated fiscal year (As of September 30, 2003)	
		Amount	%	Amount	%		Amount	%
Assets								
<u>Current assets:</u>		<u>178,954</u>	47.2	<u>172,145</u>	46.9	<u>6,809</u>	<u>147,849</u>	45.4
	Cash and deposits	31,926		31,141		785	22,995	
	Notes and accounts receivable	98,033		95,812		2,221	83,616	
	Inventories	33,173		30,121		3,052	26,910	
	Deferred tax assets	8,674		6,462		2,211	6,436	
	Others	8,045		9,519		(1,474)	9,011	
	Reserve for doubtful debts	(899)		(911)		12	(1,120)	
<u>Fixed assets:</u>		<u>199,846</u>	52.8	<u>194,533</u>	53.1	<u>5,313</u>	<u>178,100</u>	54.6
<u>Tangible fixed assets:</u>		<u>116,191</u>		<u>107,041</u>		<u>9,150</u>	<u>97,714</u>	
	Buildings and structures	37,511		36,848		662	34,004	
	Machinery and equipment	44,901		41,674		3,226	36,866	
	Others	33,779		28,518		5,261	26,844	
<u>Intangible fixed assets:</u>		<u>3,251</u>		<u>4,013</u>		<u>(762)</u>	<u>909</u>	
<u>Investments and other assets:</u>		<u>80,403</u>		<u>83,477</u>		<u>(3,073)</u>	<u>79,476</u>	
	Investment securities	45,502		44,159		1,343	38,936	
	Long-term loans	9,963		10,325		(362)	10,398	
	Deferred tax assets	8,414		12,473		(4,059)	13,930	
	Others	17,231		17,001		229	16,796	
	Reserve for doubtful debts	(708)		(482)		(225)	(585)	
Total Assets		378,801	100.0	366,678	100.0	12,122	325,950	100.0

Term Item		1st half of this consolidated fiscal year (As of September 30, 2004)		Previous consolidated fiscal year (As of March 31, 2004)		Increase/ decrease (from March 31, 2004)	(in millions of yen) 1st half of previous consolidated fiscal year (As of September 30, 2003)	
		Amount	%	Amount	%		Amount	%
Liabilities								
Current liabilities:		132,094	34.9	129,764	35.4	2,330	124,574	38.2
	Accounts payable	45,007		46,381		(1,374)	35,065	
	Short-term borrowings	26,847		27,590		(743)	35,425	
	Accrued income taxes	11,737		12,052		(314)	9,005	
	Reserve for bonus payments	8,153		7,365		787	7,890	
	Employees' deposits	15,489		15,453		36	15,340	
	Reserve for reorganization of production systems	3,600		–		3,600	–	
	Others	21,259		20,919		339	21,846	
Fixed liabilities:		68,561	18.1	79,355	21.6	(10,793)	71,403	21.9
	Long-term borrowings	12,057		13,767		(1,710)	11,114	
	Reserve for retirement benefits	53,293		62,451		(9,157)	58,339	
	Reserve for retirement lump sum grant for directors	1,248		1,365		(117)	913	
	Others	1,962		1,770		191	1,036	
Total liabilities		200,656	53.0	209,119	57.0	(8,463)	195,977	60.1
Minority interests		13,401	3.5	10,784	3.0	2,616	9,681	3.0
Shareholders' equity								
	Common stock	23,335	6.2	23,335	6.4	–	15,911	4.9
	Additional paid-in capital	22,393	5.9	22,393	6.1	–	14,969	4.6
	Retained earnings	110,862	29.3	93,642	25.5	17,219	80,431	24.7
	Net unrealized gain on other securities	15,775	4.2	15,271	4.2	503	12,568	3.8
	Net loss on foreign exchange translation	(7,432)	(2.0)	(7,680)	(2.1)	248	(3,435)	(1.1)
	Treasury stock	(190)	(0.1)	(188)	(0.1)	(1)	(153)	(0.0)
Total shareholders' equity		164,744	43.5	146,774	40.0	17,969	120,291	36.9
Total liabilities, minority interests and shareholders' equity		378,801	100.0	366,678	100.0	12,122	325,950	100.0

Comparative Profit and Loss Statement

(in millions of yen)

Item	Term	1st half of this consolidated fiscal year (April 1, 2004 to September 30, 2004)		1st half of previous consolidated fiscal year (April 1, 2003 to September 30, 2003)		Increase/ decrease from previous consolidated interim fiscal year	Previous consolidated fiscal year (April 1, 2003 to March 31, 2004)	
		Amount	% of sales	Amount	% of sales		Amount	% of sales
Ordinary profit/loss								
Operating profit/loss:								
Sales		202,610	100.0	169,943	100.0	32,666	356,595	100.0
Cost of sales		148,348	73.2	125,851	74.1	22,497	263,895	74.0
Selling, general and administrative expenses		27,187	13.4	23,692	13.9	3,494	48,223	13.5
Operating income		27,073	13.4	20,399	12.0	6,674	44,476	12.5
Non-operating profit/loss:								
Non-operating profit:								
Interest and dividends received		348		382		(34)	700	
Investment gains on equity method		1,511		1,765		(254)	3,062	
Others		909		720		189	1,219	
Non-operating expenses:								
Interest paid		710		748		(37)	1,540	
Others		480		438		41	1,812	
Ordinary profit		28,652	14.1	22,081	13.0	6,570	46,105	12.9
Extraordinary profit/loss								
Extraordinary profit:								
Gain on return of the proxy portion of corporate employee pension funds to the government		10,811		-		10,811	-	
Others		108		227		(119)	1,028	
Extraordinary loss:								
Loss on disposal of fixed assets		552		270		281	764	
Devaluation loss on investment securities		141		-		141	-	
Provisions for reserve for reorganization of production systems		3,600		-		3,600	-	
Depreciation on software		863		-		863	-	
Loss on impairment		298		-		298	-	
Others		106		176		(69)	232	
Net income before income taxes		34,008	16.8	21,863	12.9	12,145	46,136	12.9
Income taxes - current		11,649		8,935		2,714	17,956	
Income taxes - deferred		1,691		(1,267)		2,959	(1,279)	
Minority interests		1,544		1,128		415	2,509	
Net income		19,123	9.4	13,066	7.7	6,056	26,949	7.6

Comparative Retained Surplus Statement

(in millions of yen)

Item \ Term	1st half of this consolidated fiscal year (April 1, 2004 to September 30, 2004)	1st half of previous consolidated fiscal year (April 1, 2003 to September 30, 2003)	Previous consolidated fiscal year (April 1, 2003 to March 31, 2004)
Additional paid-in capital			
Additional paid-in capital at beginning of term	22,393	14,968	14,968
Increase in additional paid-in capital		0	7,424
Issuance of new shares by capital increase			7,424
Gain on disposal of treasury stock		0	0
Decrease in additional paid-in capital			
Additional paid-in capital at end of term	22,393	14,969	22,393
Retained earnings			
Additional paid-in capital at beginning of term	93,642	68,568	68,568
Increase in retained earnings	19,159	13,066	26,949
Net income	19,123	13,066	26,949
Increase due to increase in number of consolidated companies	18		
Increase due to expanded scope of consolidation of equity method-applied companies	17		
Decrease in retained earnings	1,939	1,203	1,875
Dividends paid	1,383	841	1,514
Bonuses paid to directors	320	224	225
Decrease due to change in accounting standards of consolidated overseas subsidiaries	236		
Decrease due to application of tax-effect accounting standards to overseas equity method-applied companies		136	135
Consolidated retained earnings at end of term	110,862	80,431	93,462

Consolidated Cash Flow Statement

(in millions of yen)

Item	1st half of this consolidated fiscal year (April 1, 2004 to September 30, 2004)	1st half of previous consolidated fiscal year (April 1, 2003 to September 30, 2003)	Previous consolidated fiscal year (April 1, 2003 to March 31, 2004)
	Amount	Amount	Amount
[I. Cash flows from operating activities]			
Net income before income taxes	34,008	21,863	46,136
Depreciation and amortization	10,178	8,260	19,279
Increase (decrease) in reserve for doubtful debts	211	233	(323)
Increase in reserve for bonus payments	786	811	(153)
Increase in reserve for retirement benefits	(9,154)	2,064	4,250
Increase (decrease) in reserve for retirement lump sum grant for directors	(117)	(135)	(55)
Interest and dividends income	(348)	(382)	(700)
Interest expense	710	748	1,540
Gain (loss) on foreign exchange	81	(60)	1
Investment gains (losses) on equity method	(1,511)	(1,765)	(3,062)
Amortization of goodwill	227	(134)	(198)
Gain (loss) on sale of investment securities	(0)	(50)	(461)
Gain (loss) on sale of fixed assets	(11)	(157)	(441)
Loss on disposal of fixed assets	552	270	764
Depreciation on software	863	-	-
Loss on impairment	298	-	-
Devaluation loss of investment securities	141	-	-
Reserve for reorganization of production systems	3,600	-	-
Increase (decrease) in accounts receivable	(2,022)	(4,611)	(11,588)
Increase (decrease) in inventories	(2,444)	(1,040)	(2,750)
Increase (decrease) in accounts payable	(2,947)	204	9,754
Increase (decrease) in notes discounted	1,272	(236)	(728)
Others	2,158	(364)	354
Bonus paid to directors	(320)	(224)	(225)
Sub Total	36,213	25,292	61,393
Interest and dividends received	402	381	663
Interest paid	(975)	(910)	(1,533)
Income taxes paid	(13,325)	(9,035)	(15,100)
Net cash flows from operating activities	22,314	15,727	45,423
[II. Cash flows from investing activities]			
Additions to time-deposits	(1,157)	(512)	(834)
Maturity of time-deposits	716	416	543
Expenditure resulting from loans	-	(150)	(1,124)
Proceeds from collection of loans	112	137	123
Purchase of investment securities	(926)	(158)	(316)
Payments for share capital	(329)	(64)	(298)
Purchase of additional shares of consolidated subsidiaries	(8)	(9)	(13)
Proceeds from sale of investment securities	-	284	765
Proceeds from refund of share capital	239	200	125
Payments for purchase of shares of subsidiaries	-	-	(8,437)
Payments for purchase of tangible fixed assets	(16,902)	(14,621)	(35,180)
Proceeds from sale of tangible fixed assets	410	462	1,302
Payments for purchase of intangible fixed assets	(138)	(108)	(589)
Others	(73)	(0)	13
Net cash flows from investing activities	(18,055)	(14,124)	(43,920)
[III. Cash flows from financing activities]			
Proceeds from short-term borrowings	12,299	12,098	30,383
Payments for repayment of short-term borrowings	(11,616)	(8,820)	(36,154)
Proceeds from long-term borrowings	2,304	817	13,345
Payments for repayment of long-term borrowings	(5,762)	(4,216)	(14,415)
Proceeds from issuance of shares	-	-	14,848
Net of purchase and sale of treasury stock	(1)	(27)	(62)
Dividends paid by the Company	(1,383)	(841)	(1,514)
Payments of dividends to minority shareholders	(413)	(133)	(136)
Net cash flows from financing activities	(4,573)	(1,124)	6,292
IV. Adjustment on foreign currency translation of cash and cash equivalents	(70)	22	(296)
V. Net change in cash and cash equivalents	(385)	501	7,499
VI. Cash and cash equivalents at beginning of the term	28,545	20,753	20,753
VII. Increase in cash and cash equivalents due to change in the scope of consolidation	751	293	293
VIII. Cash and cash equivalents at end of the term	28,912	21,547	28,545

(Note) Breakdown of cash and cash equivalents at end of the respective terms

Item	1st half of this consolidated fiscal year (As of September 30, 2004)	1st half of previous consolidated fiscal year (As of September 30, 2003)	Previous consolidated fiscal year (As of March 31, 2004)
Cash and deposits	31,926	22,995	31,141
Time deposits of more than three months	(3,014)	(1,447)	(2,595)
Cash and cash equivalents at end of the term	28,912	21,547	28,545

Basis of Interim Consolidated Financial Statements

1. Scope of consolidation

Consolidated subsidiaries and equity method-applied companies are as follows:

- (1) Consolidated subsidiaries (79 companies)
Nippon Mektron Co., Ltd. and 78 other companies
- (2) Equity method-applied non-consolidated subsidiaries (5 companies) among all non-consolidated subsidiaries (8 companies)
Mektec Corp. Taiwan Pte. Ltd. (Jian Yi) and 4 other companies
- (3) Equity method-applied affiliates (20 companies) among all affiliates (23 companies)
Eagle Industry Co., Ltd. and 19 other companies

2. Changes in the scope of consolidation and equity method

- (1) Addition to consolidated subsidiaries: 5 companies
Wuxi NOK-Freudenberg Oil seal Co., Ltd. (China) and 4 other companies
- (2) Addition to equity method-applied affiliates: 1 company
Sigma Freudneberg NOK Pvt. Ltd. (India)
- (3) Company excluded from the scope of consolidation: 1 company
Mektec Seiwa Technology Corporation (China)

3. Interim closing dates of consolidated subsidiaries

Interim closing date of 38 consolidated overseas subsidiaries is June 30.

Significant matters that occurred between the said interim closing date and the consolidated interim closing date are subject to adjustment necessary for consolidation.

4. Accounting policies

- (1) Valuation and computation of securities

Other securities

- 1) Securities with market value: Market value as determined by the quoted price at the end of the interim consolidated fiscal year.
(The difference between the carrying value and the market value is included in equity, and cost of securities sold is computed using the moving average method.)

- 2) Securities with no market value: Stated at moving average cost.

- (2) Valuation and computation of derivative transactions:

Stated at market value.

- (3) Valuation and computation of inventories

- 1) Finished goods and goods in process: Stated at cost using retail inventory method.

- 2) Materials and supplies: Stated at cost using weighted-average cost method.

- (4) Depreciation of tangible fixed assets: Declining balance method.

- (5) Depreciation of intangible fixed assets: Principally stated by straight-line method.

- (6) Accounting policies for principal allowances

- 1) Reserve for doubtful debts: In providing mainly for bad debts, the reserve for ordinary doubtful debts is stated based on the historical rate of default. For debts where recovery is doubtful, the amount regarded as irrecoverable is stated, taking into consideration the likelihood of recovery on an individual basis.

- 2) Reserve for bonus payments: To provide for employee bonus payments, estimated bonuses are provided based on prescribed calculation methods.

- 3) Reserve for retirement benefits: The Company and its consolidated domestic subsidiaries make provisions for retirement benefits mainly based on projected retirement obligations and pension fund asset at the consolidated balance sheet date, and interim provisions are stated at the value as considered to be appropriate as of the end of the 1st half of this consolidated fiscal year.

Past service liabilities are stated as expenses in the fiscal year when such liabilities are identified, and have been recognized evenly in 10 years, a period not exceeding the expected average remaining working lives of the employees.

Actuarial losses are stated as expenses in the year following the consolidated fiscal year when such losses are identified, and have been recognized evenly in 10 years, a period not exceeding the expected average remaining working lives of the employees.

(Additional information)

Following the enactment of the Defined Benefit Pension Law, the NOK Employees' Pension Fund, in which the Company participates, received handover approval from the Minister of Health, Labor and Welfare on September 1, 2004 relating to exemption from payment obligations for past pensions.

As a result, gain on return of such proxy portion was 10,811 million yen, and was stated in extraordinary profit.

- 4) Reserve for retirement lump sum grant for directors:

To provide for the payment of retirement lump sum grant for directors, the Company and some of its consolidated domestic subsidiaries make allowances for the necessary amount based on internal rules.

- 5) Reserve for reorganization of production systems:

The Company makes provisions for expenses and losses on reorganization of the

research and development system and the domestic production system, mainly for the purpose of reinforcing corporate strength.

(7) Finance lease transactions other than those where the ownership of the leased assets are transferred to the lessee are treated according to the method used for ordinary loan transactions.

(8) Amounts shown on the financial statements are stated net of consumption tax and local consumption tax.

5. Scope of cash and cash equivalents in consolidated interim statements of cash flow

Cash and cash equivalents in consolidated interim cash flow statements include cash in hand, highly liquid deposits at banks, and short-term investments with negligible risk of fluctuation in value and maturities of three months or less.

Significant change in accounting policies

Accounting standards for impairment of fixed assets

Accounting standards for impairment of fixed assets (according to “Opinions for Accounting Standard for Impairment of Fixed Assets” (Accounting Standards Board of Japan, August 9, 2002) and “Guideline for the Application of Accounting Standards for Impairment of Fixed Assets” (Guideline for the Application of Accounting Standards No. 6, October 31, 2003)) have been allowed to apply to financial statements relating to the fiscal year ended March 31, 2004 and thereafter. The Group has applied such accounting standards and guidelines to this interim consolidated financial statement. As a result, net income before income tax for the 1st half of this consolidated fiscal year decreased by 298 million yen.

Accumulated loss of impairment was directly deducted from each fixed asset.

The Group uses accounting segments by business category as units for identification of impairment losses. However, idle properties without likelihood of future use are included in respective asset groups. Assets such as the building of the head office are classified as common assets, having no clear distinction as to specific business.

For the idle asset group whose market value has declined significantly, its book value was reduced to an amount considered as recoverable. Such loss on impairment resulted in 298 million yen (276 million yen in land and 22 million yen in telephone subscription rights), and was stated as extraordinary loss.

To calculate the amount considered as recoverable, net sales value for idle land was applied mainly based on the property tax evaluation.

[Notes to consolidated interim financial statements]

(Interim consolidated balance sheets)

(in millions of yen)

	1st half of this consolidated fiscal year (As of September 30, 2004)	1st half of previous consolidated fiscal year (As of September 30, 2003)	Previous consolidated fiscal year (As of March 31, 2004)
Accumulated depreciation of tangible fixed assets	192,215	169,428	186,820
Assets pledged as security (Buildings, etc.)	11,782	13,874	11,451
Corresponding secured liabilities	5,824	10,610	8,093
Balance of loan guarantee	15	18	16
Amount discounted on notes receivable	12,093	10,534	10,892
Notes endorsed for payment	48	1,033	329
Unsettled transferred receivables	1,448	1,892	4,264
Total number of shares in issue: common stock	173,138,537 stocks	168,538,537 stocks	173,138,537 stocks
Number of treasury stock: common stock	209,699 stocks	200,066 stocks	209,271 stocks

(Lease transactions)

1. Finance lease transactions other than those where the ownership of the leased assets are transferred to the lessee

Equivalent of acquisition cost, accumulated depreciation, and residual value of the leased assets

(in millions of yen)

	1st half of this consolidated fiscal year (As of September 30, 2004)	1st half of previous consolidated fiscal year (As of September 30, 2003)	Previous consolidated fiscal year (As of March 31, 2004)
Equivalent of acquisition cost	8,792	7,800	8,371
Equivalent of accumulated depreciation	5,127	4,247	4,551
Equivalent of residual value at end of the term	3,664	3,552	3,819

Note: The principal component of the above amounts is tools and furniture.

Equivalent of unaccrued lease fees

(in millions of yen)

	1st half of this consolidated fiscal year (As of September 30, 2004)	1st half of previous consolidated fiscal year (As of September 30, 2003)	Previous consolidated fiscal year (As of March 31, 2004)
Within one year	1,823	1,745	1,889
More than one year	1,841	1,806	1,930
Total	3,664	3,552	3,819

Note: As the percentages of equivalents of acquisition cost and residual value of unaccrued lease fees in the balance of tangible fixed assets at end of the terms are immaterial, the equivalents of acquisition cost and residual value of unaccrued lease fees are calculated including the interest payable.

Lease fees payable (equivalent of depreciation)

(in millions of yen)

	1st half of this consolidated fiscal year (As of September 30, 2004)	1st half of previous consolidated fiscal year (As of September 30, 2003)	Previous consolidated fiscal year (As of March 31, 2004)
Lease fees payable (equivalent of depreciation)	1,297	1,201	2,365

Note: Method of calculating equivalent of depreciation

Equivalent of depreciation is calculated by using the straight-line method, assuming that the lease period corresponds to the useful life of the asset and the residual value is zero.

2. Payments under operating lease transactions

Unaccrued lease fees

(in millions of yen)

	1st half of this consolidated fiscal year (As of September 30, 2004)	1st half of previous consolidated fiscal year (As of September 30, 2003)	Previous consolidated fiscal year (As of March 31, 2004)
Within one year	76	63	77
More than one year	399	445	442
Total	476	509	519

(Securities)**1. Other securities with market value**

(in millions of yen)

Type of securities	1st half of this consolidated fiscal year (As of September 30, 2004)			1st half of previous consolidated fiscal year (As of September 30, 2003)			Previous consolidated fiscal year (As of March 31, 2004)		
	Acquisition cost	Consolidated balance sheet amount	Unrealized gains	Acquisition cost	Consolidated balance sheet amount	Unrealized gains	Acquisition cost	Consolidated balance sheet amount	Unrealized gains
Stocks	6,986	33,434	26,448	5,907	26,998	21,091	7,163	32,717	25,554
Total	6,986	33,434	26,448	5,907	26,998	21,091	7,163	32,717	25,554

2. Principal securities with no market value

(in millions of yen)

Type of securities	1st half of this consolidated fiscal year (As of September 30, 2004)	1st half of previous consolidated fiscal year (As of September 30, 2003)	Previous consolidated fiscal year (As of March 31, 2004)
Other securities			
Unlisted stocks except for OTC stocks	91	98	98
Preferred subscription certificates	500	500	500

(Derivative transactions)

(in millions of yen)

Type		1st half of this consolidated fiscal year (As of September 30, 2004)			1st half of previous consolidated fiscal year (As of September 30, 2003)			Previous consolidated fiscal year (As of March 31, 2004)		
Category	Transaction	Contract amount	Market value	Valuation gain/loss	Contract amount	Market value	Valuation gain/loss	Contract amount	Market value	Valuation gain/loss
Currency	Forward foreign exchange agreements	849	863	(13)	787	760	26	563	543	19

(Segment Information)

1. Segment information by business category

1st half of this consolidated fiscal year (April 1, 2004 to September 30, 2004) (in millions of yen)

	Sealing product business	Flexible board business	Other product business	Total	Eliminations/Corporate	Consolidated
Sales						
(1) Sales to external customers	93,298	73,710	35,600	202,610	–	202,610
(2) Inter-segment sales	63	4	2,806	2,874	(2,874)	–
Total	93,362	73,714	38,407	205,484	(2,874)	202,610
Operating expenses	83,906	58,131	36,347	178,385	(2,848)	175,536
Operating profit	9,456	15,583	2,059	27,099	(25)	27,073

1st half of previous consolidated fiscal year (April 1, 2003 to September 30, 2003) (in millions of yen)

	Sealing product business	Flexible board business	Other product business	Total	Eliminations/Corporate	Consolidated
Sales						
(1) Sales to external customers	78,997	66,983	23,962	169,943	–	169,943
(2) Inter-segment sales	87	0	2,234	2,322	(2,322)	–
Total	79,085	66,983	26,196	172,265	(2,322)	169,943
Operating expenses	73,001	53,708	25,154	151,864	(2,320)	149,543
Operating profit	6,083	13,275	1,042	20,401	(1)	20,399

Previous consolidated fiscal year (April 1, 2003 to March 31, 2004) (in millions of yen)

	Sealing product business	Flexible board business	Other product business	Total	Eliminations/Corporate	Consolidated
Sales						
(1) Sales to external customers	164,491	143,370	48,732	356,595	–	356,595
(2) Inter-segment sales	114	2	4,773	4,891	(4,891)	–
Total	164,606	143,373	53,506	361,486	(4,891)	356,595
Operating expenses	149,672	116,193	51,182	317,048	(4,929)	312,119
Operating profit	14,934	27,180	2,323	44,438	37	44,476

Note:

Principal products included in each business category

Business category	Principal products
Sealing product business	Oil seals, O-rings, vibration controls, resin products and gaskets
Flexible board business	Flexible printed circuits
Other product business	Special lubricants, synthetic products, mechanical seals and products for business equipment

2. Segment information on operations by geographic area

1st half of this consolidated fiscal year (April 1, 2004 to September 30, 2004) (in millions of yen)

	Japan	Asia	Other areas	Total	Eliminations/ Corporate	Consolidated
Sales						
(1) Sales to external customers	150,228	46,257	6,124	202,610	–	202,610
(2) Inter-segment sales	13,084	5,556	233	18,874	(18,874)	–
Total	163,313	51,813	6,357	221,484	(18,874)	202,610
Operating expenses	143,770	44,616	6,434	194,821	(19,285)	175,536
Operating profit (loss)	19,542	7,197	(77)	26,662	410	27,073

1st half of previous consolidated fiscal year (April 1, 2003 to September 30, 2003) (in millions of yen)

	Japan	Asia	Other areas	Total	Eliminations/ Corporate	Consolidated
Sales						
(1) Sales to external customers	131,633	33,171	5,137	169,943	–	169,943
(2) Inter-segment sales	9,306	4,308	139	13,754	(13,754)	–
Total	140,940	37,480	5,277	183,698	(13,754)	169,943
Operating expenses	126,495	31,487	5,246	163,229	(13,685)	149,543
Operating profit	14,445	5,992	31	20,468	(69)	20,399

Previous consolidated fiscal year (April 1, 2003 to March 31, 2004) (in millions of yen)

	Japan	Asia	Other areas	Total	Eliminations/ Corporate	Consolidated
Sales						
(1) Sales to external customers	270,934	75,142	10,517	356,595	–	356,595
(2) Inter-segment sales	18,381	8,698	478	27,559	(27,559)	–
Total	289,316	83,841	10,996	384,154	(27,559)	356,595
Operating expenses	256,928	71,587	11,216	339,732	(27,613)	312,119
Operating profit	32,387	12,253	(219)	44,422	53	44,476

Notes:

- Countries and areas are classified by geographical proximity.
- Principal countries and areas belonging to each segment above (except Japan) are as follows:
 - Asia.....Singapore, Thailand, Taiwan, and China
 - Other areasUnited States and Germany

3. Overseas sales

(in millions of yen)

		Asia	Other areas	Total
1st half of this consolidated fiscal year (April 1, 2004 to September 30, 2004)	I Overseas sales	48,341	9,649	57,990
	II Consolidated sales			202,610
	III Percentage of overseas sales in consolidated sales	23.8%	4.8%	28.6%

(in millions of yen)

		Asia	Other areas	Total
1st half of previous consolidated fiscal year (April 1, 2003 to September 30, 2003)	I Overseas sales	35,166	9,652	44,818
	II Consolidated sales			169,943
	III Percentage of overseas sales in consolidated sales	20.7%	5.7%	26.4%

(in millions of yen)

		Asia	Other areas	Total
Previous consolidated fiscal year (April 1, 2003 to March 31, 2004)	I Overseas sales	78,679	19,057	97,736
	II Consolidated sales			356,595
	III Percentage of overseas sales in consolidated sales	22.1%	5.3%	27.4%

Notes:

1. Countries and areas are classified by geographical proximity.
2. Principal countries and areas belonging to each segment above (except Japan) are as follows:
 - (1) Asia.....Singapore, Thailand, Taiwan, and China
 - (2) Other areasUnited States and Germany
3. Overseas sales represent sales of the Company and its consolidated subsidiaries in countries and areas outside Japan.