



KYOWA

KYOWA HAKKO – Interim – Consolidated – September 30, 2002



KYOWA HAKKO KOGYO Co., Ltd.

Consolidated Financial Summary

For the Interim Period Ended
September 30, 2002

NOTE:

All financial information has been prepared in accordance with generally accepted accounting principles in Japan. Amounts shown in this accounting report and in the attached material have been rounded down to omit fractions less than 1 million yen. This document is an English translation of the Japanese-language original.



November 13, 2002

Financial Statements (Consolidated)

For the Six Months Ended September 30, 2002

Kyowa Hakko Kogyo Co., Ltd.

Listed Exchanges:	Tokyo, Osaka, Nagoya, Fukuoka and Sapporo
Head Office:	Tokyo, Japan
Stock Code:	4151
Homepage:	www.kyowa.co.jp
President:	Dr. Tadashi Hirata
Inquiries:	Keiichi Yoshihara, General Manager, Corporate Communications Department
Tel:	+81 3 3282 0960
Date of the meeting of Board of Directors concerning consolidated settlement of year-end accounts:	November 13, 2002
U.S. GAAP accounting principles:	Not adopted

1. Consolidated Business Results for the Six Months Ended September 30, 2002 (April 1, 2002 – September 30, 2002)

(1) Consolidated Business Results

	Millions of yen – Except per share data				
	Interim period ended September 30,		FY ended March 31,		
	2002	2001	2002		
Net Sales.....	185,393	(3.0)	191,067	1.6	378,667
Operating Income.....	7,841	(27.6)	10,827	11.2	20,356
Recurring Income.....	4,814	(53.6)	10,382	1.4	18,960
Net Income.....	5,847	–	(2,579)	–	5,535
Net Income per Share (¥).....	13.47 yen		(5.94 yen)		12.75 yen
Fully Diluted Net Income Per Share (¥).....					–

- (Notes) (1) Gain from investments in subsidiaries and affiliates accounted for by the equity method:
Interim period ended Sept. 30, 2002: 8 million yen
Interim period ended Sept. 30, 2001: 76 billion yen
Fiscal year ended March 31, 2002: 1.2 billion yen
- (2) Average number of outstanding shares (consolidated) during the period:
Interim period ended Sept. 30, 2002: 434,036,553 shares
Interim period ended Sept. 30, 2001: 434,237,957 shares
Fiscal year ended March 31, 2002: 434,223,356 shares
- (3) Changes to accounting procedures: None
- (4) Percentages for net sales, operating income, recurring income and net income represent year-on-year changes.

(2) Changes in Consolidated Financial Position

	Millions of Yen – Except per share data		
	Interim period ended September 30,		FY Ended March 31,
	2002	2001	2002
Total Assets.....	392,932	432,986	430,112
Shareholders' Equity.....	217,596	205,710	211,652
Equity Ratio (%).....	55.4	47.5	49.2
Shareholders' Equity per Share (¥).....	501.47	473.72	487.50

- (Notes) Outstanding shares (consolidated) at the end of the period:
September 30, 2002: 433,920,023 shares
September 30, 2001: 434,242,725 shares



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March 31, 2002:

434,161,267 shares

(3) Consolidated Cash Flows

	Millions of Yen		
	Interim period ended September 30,		FY Ended March 31,
	2002	2001	2002
Net cash provided by (used in) operating activities.....	9,747	6,639	16,955
Net cash provided by (used in) investing activities.....	10,363	(6,313)	8,376
Net cash provided by (used in) financing activities.....	(25,419)	(7,222)	(16,843)
Cash and cash equivalents at end of year	36,073	26,126	41,908

(4) Consolidated subsidiaries and affiliates accounted for by the equity method:

Number of consolidated subsidiaries:	24
Number of non-consolidated subsidiaries accounted for by the equity method:	0
Number of affiliates accounted for by the equity method:	6

(5) Changes in the scope of consolidation and companies accounted for by the equity method:

Consolidated subsidiaries:	(Newly included)	0	(Excluded)	4
Companies accounted for by the equity method:	(Newly included)	0	(Excluded)	0

1. Consolidated Results Forecast for the Year Ending March 31, 2003

	Millions of Yen
	Year Ending March 31, 2003
Net Sales.....	356,000
Recurring Income	14,000
Net Income	11,000

(Note) Projected net income per share for the year ending March 31, 2003: 25.35 yen

The forecasts above are based on the information available to management on the date of their announcement. Actual results can differ materially from these projections for a wide variety of reasons. Please consult page 11 of the attached materials for further information concerning the projections.