

Consolidated Financial Results for the Three-Month Period Ended May 31, 2004 YORK-BENIMARU CO., LTD.

July 06, 2004

-- Securities Code No. 8188 -- URL <http://www.yorkbeni.co.jp>
 -- The Company's shares are listed on the First Section of the Tokyo Stock Exchange.
 -- Address: 18-2, Asahi 2-chome, Koriyama, Fukushima, 963-8543, Japan

1. Matters Concerning the Preparation of the Quarterly Financial Results

Adoption of Simplified Accounting Method : Applied
 Changes in Accounting Method : None
 Changes in the Scope of Consolidation : None
 (There are no applicable investments that are accounted for using the equity method.)

2. Business Results for the Current First Quarter (from March 1, 2004 to May 31, 2004)

(1) Results of Operations (millions of yen, except per share amounts)

	Revenues from Operations [Net sales]		Operating Income		Ordinary Income	
First Quarter Ended May 31, 2004	71,697	1.5%	3,620	23.9%	3,624	23.2%
	[69,923	1.4%]				
First Quarter Ended May 31, 2003	70,661		2,922		2,942	
	[68,935					
Prior Fiscal Year	284,058	4.9%	13,284	11.6%	13,367	11.3%
	[277,092	4.8%]				
	Net Income		Net Income per Share		Diluted Net Income per Share	
First Quarter Ended May 31, 2004	2,026	22.8%	40.19	(yen)		(yen)
First Quarter Ended May 31, 2003	1,650		32.73	(yen)		(yen)
Prior Fiscal Year	7,405	7.3%	145.41	(yen)		(yen)

(Notes)

- 1) All amounts less than one million yen have been disregarded.
- 2) Percentages above represent increase/decrease over prior fiscal year.
- 3) Prior First Quarter information was not required in prior year. Prior First Quarter information was prepared as well as Current First Quarter data for comparative purposes, except those had immaterial effects.

(2) Financial Position (millions of yen, except per share amounts)

	Total Assets	Shareholders' Equity	Ratio of Shareholders' Equity to Total Assets	Shareholders' Equity per Share
May 31, 2004	137,126	112,396	82.0%	2,228.89 (yen)
February 29, 2004	135,340	111,201	82.2%	2,203.75 (yen)

(3) Cash Flows (millions of yen)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period (Year)
First Quarter Ended May 31, 2004	2,835	(5,614)	(803)	33,501
Prior Fiscal Year	15,340	(15,980)	(1,642)	37,083

3. Business Outlook for the Fiscal Year Ending February 28, 2005 (From March 1, 2004 to February 28, 2005)

(millions of yen)

	Revenues from Operations [Net Sales]		Operating Income		Ordinary Income		Net Income	
Semi-Annual Period	146,000	2.0%	7,200	14.6%	7,250	14.7%	4,060	15.0%
	[142,500	2.1%]						
Entire Year	292,400	2.9%	13,900	4.6%	14,000	4.7%	7,780	5.1%
	[285,300	3.0%]						

(Reference) Expected net income per share for the year ending February 28, 2005: 154.28 yen
 Percentages above represent increase/decrease over prior fiscal year.

Forward-Looking Statements

This document contains certain statements based on York-Benimaru's current plans, estimates and strategies; all statements that are not of historical fact are forward-looking statements. These statements represent the judgements and hypotheses of the Company's management based currently available information. It is possible that the Company's future performance will differ significantly from the contents of these forward-looking statements. Accordingly, there is no assurance that the forward-looking statements in this document will prove to be accurate.

CONDENSED CONSOLIDATED BALANCE SHEETS

(millions of yen)

	May 31, 2004		February 29, 2004	
	Amount	%	Amount	%
ASSETS				
Current Assets	56,345	41.1	57,261	42.3
Cash and bank deposits	33,504		37,086	
Accounts receivable	509		395	
Inventories	6,435		6,331	
Deferred income taxes	1,706		1,416	
Deposits held by financial service company	8,000		8,000	
Other current assets	6,189		4,031	
Non-current Assets	80,780	58.9	78,078	57.7
Property and equipment	55,735	40.6	52,441	38.7
Buildings and structures	29,225		29,847	
Machinery	1,027		1,031	
Furniture and equipment	1,665		1,584	
Land	19,121		18,872	
Construction in progress	4,695		1,106	
Intangible assets	2,024	1.5	1,992	1.5
Investments and other assets	23,020	16.8	23,644	17.5
Investments in securities	2,829		2,626	
Deferred income taxes	1,195		1,238	
Long-term leasehold deposits	15,772		15,951	
Other	3,525		4,131	
Allowance for doubtful accounts	(303)		(303)	
TOTAL ASSETS	137,126	100.0	135,340	100.0

(millions of yen)

	May 31, 2004		February 29, 2004	
	Amount	%	Amount	%
LIABILITIES				
Current Liabilities	23,236	16.9	22,640	16.7
Accounts payable	13,045		12,009	
Income taxes payable	1,878		3,353	
Allowance for bonuses to employees	2,342		1,213	
Other	5,969		6,062	
Non-current Liabilities	1,493	1.1	1,497	1.1
Accrued pension and severance costs	249		288	
Allowance for retirement benefits to directors and corporate auditors	562		544	
Other	682		664	
TOTAL LIABILITIES	24,729	18.0	24,138	17.8
MINORITY INTERESTS		-		-
SHAREHOLDERS' EQUITY				
Common stock	9,927	7.2	9,927	7.4
Capital surplus	12,839	9.4	12,839	9.5
Retained earnings	88,788	64.8	87,716	64.8
Net unrealized gains on available-for-sale securities	1,355	1.0	1,232	0.9
Treasury stock	(515)	(0.4)	(513)	(0.4)
TOTAL SHAREHOLDERS' EQUITY	112,396	82.0	111,201	82.2
TOTAL LIABILITIES, MINORITY INTERESTS AND SHAREHOLDERS' EQUITY	137,126	100.0	135,340	100.0

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(millions of yen)

	First Quarter Ended May 31, 2004		Prior Fiscal Year	
	Amount	%	Amount	%
Operating income and expenses				
Revenues from operations	[71,697]		[284,058]	
Net sales	69,923	100.0	277,092	100.0
Cost of sales	50,030	71.6	198,627	71.7
Gross profit	19,892	28.4	78,465	28.3
Revenues from other operations	1,774	2.6	6,966	2.5
Operating gross profit	21,666	31.0	85,431	30.8
Selling, general and administrative expenses	18,046	25.8	72,146	26.0
Operating income	3,620	5.2	13,284	4.8
Non-operating income and expenses				
Non-operating income	39	0.1	152	0.0
Non-operating expenses	35	0.1	69	0.0
Ordinary income	3,624	5.2	13,367	4.8
Special gains and losses				
Special gains	0	0.0	10	0.0
Special losses	25	0.1	288	0.1
Income before income taxes	3,599	5.1	13,089	4.7
Income taxes - current	1,901	2.7	5,918	2.1
Income taxes - deferred	(329)	(0.5)	(234)	(0.1)
Net income for the period (year)	2,026	2.9	7,405	2.7

**CONSOLIDATED STATEMENTS OF CAPITAL SURPLUS
AND RETAINED EARNINGS**

(millions of yen)

	First Quarter Ended May 31, 2004	Prior Fiscal Year
CAPITAL SURPLUS		
Balance of capital surplus at beginning of year	12,839	12,839
Increase in capital surplus	0	-
Gain on sales of treasury stock	0	-
Balance of capital surplus at end of period (year)	12,839	12,839
RETAINED EARNINGS		
Balance of retained earnings at beginning of year	87,716	82,018
Increase in retained earnings	2,026	7,405
Net income for the period (year)	2,026	7,405
Decrease in retained earnings	954	1,707
Cash dividends	882	1,638
Bonuses to directors and corporate auditors	71	68
Other	-	0
Balance of retained earnings at end of period (year)	88,788	87,716

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(millions of yen)

	First Quarter Ended May 31, 2004	Prior Fiscal Year
Cash flows from operating activities:		
Income before income taxes	3,599	13,089
Depreciation and amortization	1,182	5,313
Increase in allowance for bonus to employees	1,128	87
Loss on disposal of property and equipment	21	142
Increase in accounts receivable	(113)	(132)
Increase in inventories	(103)	(53)
Increase in accounts payable	1,035	993
Other, net	(564)	808
Sub-total	6,186	20,249
Income taxes paid	(3,377)	(4,980)
Other	27	71
Net cash provided by operating activities	2,835	15,340
Cash flows from investing activities:		
Increase in deposits held by financial service company	-	(8,000)
Acquisition of property and equipment	(4,030)	(6,141)
Acquisition of intangible assets	(205)	(518)
Increase in loans receivable	(1,132)	(186)
Payment of leasehold deposits	(10)	(1,658)
Refund of leasehold deposits	200	725
Other, net	(435)	(201)
Net cash used in investing activities	(5,614)	(15,980)
Cash flows from financing activities:		
Cash dividends paid	(802)	(1,639)
Other, net	(1)	(3)
Net cash used in financing activities	(803)	(1,642)
Effect of exchange rate changes on cash and cash equivalents	-	-
Decrease in cash and cash equivalents	(3,582)	(2,281)
Cash and cash equivalents at beginning of year	37,083	39,365
Cash and cash equivalents at end of period (year)	33,501	37,083