

Consolidated Financial Results for the Three-Month Period Ended May 31, 2005 YORK-BENIMARU CO., LTD.

-- 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, 2005 to May 31, 2005)

(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, 2005	75,305	5.0%	3,456 (4.5%)		3,474 (4.1%)	
	[73,330	4.9%]				
First Quarter Ended May 31, 2004	71,697	1.5%	3,620 23.9%		3,624 23.2%	
	[69,923	1.4%]				
Prior Fiscal Year	292,142	2.8%	14,374 8.2%		14,164 6.0%	
	[284,787	2.8%]				
	Net Income		Net Income per Share		Diluted Net Income per Share	
First Quarter Ended May 31, 2005	1,987	(1.9%)	39.42 (yen)		(yen)	
First Quarter Ended May 31, 2004	2,026	22.8%	40.19 (yen)		(yen)	
Prior Fiscal Year	7,799	5.3%	153.13 (yen)		(yen)	

(Notes)

1) All amounts less than one million yen have been disregarded.

2) Percentages above represent increase/decrease over prior fiscal year.

(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, 2005	145,315	118,069	81.3%	2,341.52 (yen)
May 31, 2004	137,126	112,396	82.0%	2,228.89 (yen)
February 28, 2005	141,588	117,301	82.8%	2,324.73 (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, 2005	4,051	(2,942)	(874)	30,487
First Quarter Ended May 31, 2004	2,835	(5,614)	(803)	33,501
Prior Fiscal Year	12,362	(17,469)	(1,723)	30,252

3. Business Outlook for the Fiscal Year Ending February 28, 2006 (From March 1, 2005 to February 28, 2006)

(millions of yen)

	Revenues from Operations [Net Sales]		Operating Income		Ordinary Income		Net Income	
Semi-Annual Period	154,200	5.9%	7,100 3.8%		7,100 3.5%		3,700 (3.3%)	
	[150,300	5.8%]						
Entire Year	308,100	5.5%	14,700 2.3%		14,800 4.5%		8,000 2.6%	
	[300,000	5.3%]						

(Reference) Expected net income per share for the year ending February 28, 2006: 158.65 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, 2005		May 31, 2004		Increase (decrease)		February 28, 2005	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Current Assets	58,942	40.6	56,345	41.1	2,597	4.6	56,228	39.7
Cash and bank deposits	29,490		33,504		(4,013)		26,256	
Accounts receivable	595		509		86		457	
Securities	999		-		999		3,999	
Inventories	6,664		6,435		229		6,447	
Deferred income taxes	2,072		1,706		365		1,542	
Deposits held by financial service company	14,000		8,000		6,000		13,000	
Other current assets	5,118		6,189		(1,070)		4,525	
Non-current Assets	86,373	59.4	80,780	58.9	5,592	6.9	85,360	60.3
Property and equipment	61,367	42.2	55,735	40.6	5,631	10.1	60,188	42.5
Buildings and structures	29,788		29,225		562		29,374	
Machinery	954		1,027		(73)		976	
Furniture and equipment	2,034		1,665		369		1,978	
Land	24,941		19,121		5,820		24,787	
Construction in progress	3,649		4,695		(1,045)		3,071	
Intangible assets	1,446	1.0	2,024	1.5	(578)	(28.6)	1,547	1.1
Investments and other assets	23,558	16.2	23,020	16.8	538	2.3	23,623	16.7
Investments in securities	2,453		2,829		(376)		2,756	
Deferred income taxes	1,349		1,195		153		1,222	
Long-term leasehold deposits	16,906		15,772		1,134		16,831	
Other	3,455		3,525		(69)		3,419	
Allowance for doubtful accounts	(606)		(303)		(303)		(606)	
TOTAL ASSETS	145,315	100.0	137,126	100.0	8,189	6.0	141,588	100.0

(millions of yen)

	May 31, 2005		May 31, 2004		Increase (decrease)		February 28, 2005	
	Amount	%	Amount	%	Amount	%	Amount	%
LIABILITIES								
Current Liabilities	25,487	17.5	23,236	16.9	2,251	9.7	22,531	15.9
Accounts payable	13,615		13,045		570		11,901	
Income taxes payable	2,079		1,878		200		3,233	
Allowance for bonuses to employees	2,509		2,342		166		1,260	
Other	7,283		5,969		1,313		6,136	
Non-current Liabilities	1,758	1.2	1,493	1.1	264	17.7	1,755	1.3
Accrued pension and severance costs	34		249		(214)		36	
Allowance for retirement benefits to directors and corporate auditors	648		562		86		633	
Other	1,074		682		392		1,085	
TOTAL LIABILITIES	27,245	18.7	24,729	18.0	2,516	10.2	24,287	17.2
MINORITY INTERESTS		-		-		-		-
SHAREHOLDERS' EQUITY								
Common stock	9,927	6.8	9,927	7.2	-		9,927	7.0
Capital surplus	12,839	8.9	12,839	9.4	0	0.0	12,839	9.1
Retained earnings	94,681	65.2	88,788	64.8	5,892	6.6	93,729	66.2
Net unrealized gains on available-for-sale securities	1,144	0.8	1,355	1.0	(211)	(15.6)	1,327	0.9
Treasury stock	(524)	(0.4)	(515)	(0.4)	(8)	1.7	(522)	(0.4)
TOTAL SHAREHOLDERS' EQUITY	118,069	81.3	112,396	82.0	5,673	5.0	117,301	82.8
TOTAL LIABILITIES, MINORITY INTERESTS AND SHAREHOLDERS' EQUITY	145,315	100.0	137,126	100.0	8,189	6.0	141,588	100.0

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(millions of yen)

	First Quarter Ended May 31, 2005		First Quarter Ended May 31, 2004		Increase (decrease)		Prior Fiscal Year	
	Amount	%	Amount	%	Amount	%	Amount	%
Operating income and expenses								
Revenues from operations	[75,305]		[71,697]		[3,607]	5.0	[292,142]	
Net sales	73,330	100.0	69,923	100.0	3,407	4.9	284,787	100.0
Cost of sales	52,232	71.2	50,030	71.6	2,201	4.4	202,840	71.2
Gross profit	21,098	28.8	19,892	28.4	1,205	6.1	81,946	28.8
Revenues from other operations	1,974	2.7	1,774	2.6	199	11.3	7,354	2.5
Operating gross profit	23,072	31.5	21,666	31.0	1,405	6.5	89,301	31.3
Selling, general and administrative expenses	19,615	26.8	18,046	25.8	1,569	8.7	74,927	26.3
Operating income	3,456	4.7	3,620	5.2	(163)	(4.5)	14,374	5.0
Non-operating income and expenses								
Non-operating income	90	0.1	39	0.1	50	127.7	181	0.1
Non-operating expenses	71	0.1	35	0.1	35	100.4	391	0.1
Ordinary income	3,474	4.7	3,624	5.2	(149)	(4.1)	14,164	5.0
Special gains and losses								
Special gains	-	-	0	0.0	(0)	-	11	0.0
Special losses	34	0.0	25	0.1	8	35.4	326	0.1
Income before income taxes	3,440	4.7	3,599	5.1	(158)	(4.4)	13,849	4.9
Income taxes - current	1,989	2.7	1,901	2.7	87	4.6	6,222	2.2
Income taxes - deferred	(536)	(0.7)	(329)	(0.5)	(207)	62.9	(172)	(0.0)
Net income for the period (year)	1,987	2.7	2,026	2.9	(38)	(1.9)	7,799	2.7

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

(millions of yen)

	First Quarter Ended May 31, 2005	First Quarter Ended May 31, 2004	Prior Fiscal Year
CAPITAL SURPLUS			
Balance of capital surplus at beginning of year	12,839	12,839	12,839
Increase in capital surplus	-	0	0
Gain on sales of treasury stock	-	0	0
Balance of capital surplus at end of period (year)	12,839	12,839	12,839
RETAINED EARNINGS			
Balance of retained earnings at beginning of year	93,729	87,716	87,716
Increase in retained earnings	1,987	2,026	7,799
Net income for the period (year)	1,987	2,026	7,799
Decrease in retained earnings	1,035	954	1,786
Cash dividends	958	882	1,714
Bonuses to directors and corporate auditors	77	71	71
Balance of retained earnings at end of period (year)	94,681	88,788	93,729

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(millions of yen)

	First Quarter Ended May 31, 2005	First Quarter Ended May 31, 2004	Prior Fiscal Year
Cash flows from operating activities:			
Income before income taxes	3,440	3,599	13,849
Depreciation and amortization	1,194	1,182	5,226
Increase in allowance for bonus to employees	1,249	1,128	46
Loss on disposal of property and equipment	34	21	171
Increase in accounts receivable	(138)	(113)	(61)
Increase in inventories	(217)	(103)	(116)
Increase in accounts payable	1,714	1,035	(107)
Other, net	(118)	(564)	(398)
Sub-total	7,158	6,186	18,609
Income taxes paid	(3,142)	(3,377)	(6,343)
Other	35	27	96
Net cash provided by operating activities	4,051	2,835	12,362
Cash flows from investing activities:			
Increase in deposits held by financial service company	(1,000)	-	(5,000)
Acquisition of property and equipment	(1,753)	(4,030)	(11,684)
Acquisition of intangible assets	(61)	(205)	(298)
Increase in loans receivable	-	(1,132)	(991)
Payment of leasehold deposits	(91)	(10)	(1,630)
Refund of leasehold deposits	29	200	562
Other, net	(66)	(435)	1,572
Net cash used in investing activities	(2,942)	(5,614)	(17,469)
Cash flows from financing activities:			
Cash dividends paid	(873)	(802)	(1,714)
Other, net	(1)	(1)	(8)
Net cash used in financing activities	(874)	(803)	(1,723)
Effect of exchange rate changes on cash and cash equivalents	-	-	-
Decrease in cash and cash equivalents	234	(3,582)	(6,830)
Cash and cash equivalents at beginning of year	30,252	37,083	37,083
Cash and cash equivalents at end of period (year)	30,487	33,501	30,252