

April 10, 2002

Summary of business results, etc. in the third quarter ending May 2002

Listed company name: Creed Corporation
 (Ticker code: 8888)
 Head office address: 2-3-4 Akasaka, Minato-ku, Tokyo
 Contact: Vice-President & Board Director:
 Kohei Matsuki Tel: 03 (5575) 2010 (Main)

1 . Business results of the Creed Group

(1) Business results in the third quarter ending May 2002 (June 1, 2001 ~ February 28, 2002)

(Rounded off to nearest unit of a million yen)

	Cumulative total in third quarter ending May 2002	Rate of increase/dec rease from same term of previous year	Cumulative total in third quarter ending May 2001	Reference Previous term (Full term)
	A million yen	%	A million yen	A million yen
Sales	3,583	58.8	2,257	3,464
Gross profit	1,520	119.3	693	1,105
Operating profit	706	407.9	139	309
Ordinary profit	632	454.4	114	239

(Note) The figures for this quarter have not been audited by a certified public accountant or auditing corporation.

(2) Breakdown of sales by business unit

(Rounded off to nearest unit of a million yen)

	Cumulative total in third quarter ending May 2002		Rate of increase/dec rease from same term of previous year	Cumulative total in third quarter ending May 2001		Reference Previous term (Full term)	
	Amount	Breakdo wn		Amount	Breakdo wn	Amount	Breakdo wn
	A million yen	%	%	A million yen	%	A million yen	%
Investment business	2,586	72.2	49.5	1,730	76.6	2,819	81.4
Real estate solution business	328	9.2	1.5	333	14.8	384	11.1
Due diligence business	321	9.0	81.4	177	7.9	224	6.5

Asset management business	346	9.6	2,062.5	16	0.7	36	1.0
Total	3,583	100.0	58.8	2,257	100.0	3,464	100.0

(Notes) 1. The figures for this quarter have not been audited by a certified public accountant or auditing corporation.

2. The amounts stated are consolidated results this third quarter and individual business results are shown in "4. Other (4) 3rd term individual business results."

Reference: Changes in business results each quarter

(Rounded off to nearest unit of a million yen)

	First quarter ending May 2002	Second quarter ending May 2002	Third quarter ending May 2002	Reference Previous term (Full term)
	A million yen	A million yen	A million yen	A million yen
Investment business	708	1,377	501	2,819
Real estate solution business	39	142	147	384
Due diligence business	133	87	100	224
Asset management business	36	209	100	36
Sales Total	916	1,816	850	3,464
Gross profit	343	774	403	1,105
Operating profit	92	499	113	309
Ordinary profit	68	456	107	239

(3) Fluctuations in principal assets and liabilities

(Rounded off to nearest unit of a million yen)

Item	Third quarter ending May 2002	Increase/decrease	End of previous year ' s consolidated accounting year (Term ending May 2001)
(Assets)	A million yen	A million yen	A million yen
Cash and Deposits	2,555	1,888	667
Inventory	4,022	1,666	2,356
Investments in securities	134	135	269
Investments	1,032	611	420
(Liabilities)			
Short-term loans payable	1,325	199	1,125
Accrued taxes	249	157	91
CBs	600	500	100
Long-term loans payable	2,044	981	1,063
Guarantee money deposits	421	151	270

(Notes) 1. The figures for this quarter have not been audited by a certified public accountant or auditing corporation.

2. The table shows those items for which the extent of fluctuation of each item is greater than 2% of total assets.

2. Summary of Business Results of the Creed Group

During the third quarter (December 1, 2001 ~ February 28, 2002), the Japanese economy experienced mounting downward pressure amid growing uncertainty about the economic future triggered by the Sept. 11 terrorist attacks. This pressure came as a result of weaker stock prices, poor corporate results and a worsening of the employment income environment, and difficult conditions with no respite from asset deflation persisted.

At the point where the real estate industry and the finance industry meet, which represents the sphere of operations of the Creed Group, in addition to the introduction of mark-to-market accounting of financial products, depreciation accounting for fixed assets is also scheduled for introduction in future and as a result there has been an increase in the sale of real estate held by business corporations and off-balance demand. Moreover, with financial organizations speeding up the disposal of bad debts and the establishment of a listed market of real estate investment trusts, Japanese and foreign investors have become more eager to invest in income-producing real estate, creating more business opportunities for the Creed Group.

Under these conditions, the Creed Group aimed at aggressively expanding its business operations in all sectors, namely investment business, real estate solution business, due diligence business and asset management business, and to realize the synergistic benefits of this. In particular, we stepped up preparations for the end of the term ending March, when disposal of bad debts is expected to peak.

We have also pushed forward with advance investment in human resources based on the belief that it is precisely high-quality human resources that constitute a company's assets. We have also channeled our efforts into creating an office environment, raising business efficiency and improving employee motivation.

This third quarter and third quarter cumulative business results are as follows.

(1) Sales

Sales of the Creed Group this third quarter came to 850 million yen (down 27.0% from the same term of the previous year), making a third quarter cumulative total of 3,583 million yen (up 58.8% from the same term of the previous year). Business results by business area are as follows.

(1) Investment business

In investment business, we are carrying out treasury investment in income-producing real estate and real estate investment funds, etc.

During the third quarter, we recorded sales of 501 million yen (down 49.4% from the same term in the previous year), making a third quarter cumulative total of 2,586 million yen (up 49.5% from the same term of the previous year). During the quarter we sold income-producing real estate holdings and booked dividends, etc. from real estate investment funds.

(2) Real estate solution business

In the real estate solution business, we are engaged in real estate investment advisory business supported by agency services, trust real estate property management business and a corporate rehabilitation consulting business where we give advice on real estate strategy and management/financial strategy, etc. from the viewpoint of maximizing corporate value.

In the third quarter, we booked sales of 147 million yen (up 79.3% from the same term of the previous year), making a third quarter cumulative total of 328 million yen (down 1.5% from the same term of the previous year). During the quarter, orders for real estate agency transactions held firm, and although we have not been in the market long, our corporate rehabilitation consulting business is also beginning to contribute to profits.

Page 4

(3) Due diligence business

In the due diligence business, we are engaged in the evaluation of real estate and credits and the proposal of a sales strategy based on a basic policy of understanding real estate scientifically and rationally.

During the third quarter we registered sales of 100 million yen (up 23.5% from the same term of the previous year), making a third quarter cumulative total of 321 million yen (up 81.4% from the same term of the previous year). We were able to significantly expand orders from financial organizations and investors in relation to the disposal of bad debts. As a new initiative, we also succeeded in winning orders for consulting business in association with real estate sales by business corporations.

(4) Asset management business

In our asset management business, we are engaged in the administration and management of real estate investment funds with the aim of maximizing return on real estate from an investor standpoint.

During the third quarter we registered sales of 100 million yen (up 809.1% from the same term of the previous year), making a third quarter cumulative total of 346 million yen (up 2,062.5% from the same term of the previous year). With the expansion in the balance of managed assets, income from asset management fees grew considerably from the same term in the previous year.

(2) Operating expenses

(1) Cost of sales/gross profit

The cost of sales this third quarter reached 446 million yen (down 48.9% from the same term of the previous year), making a third quarter cumulative total of 2,062 million yen (up 31.9% from the same term in the previous year). The main items are purchases relating to sales in investment business and outsourcing expenses.

Gross profit in the third quarter came to 403 million yen (up 38.5% from the same term of the previous year), making a third quarter cumulative total of 1,520 million yen (up 119.3% from the same term of

the previous year). The gross profit margin on a third quarter cumulative basis stands at 42.4%.

(2) Selling, general and administrative (SGA) expenses

SGA expenses this third quarter came to 289 million yen (up 33.2% from the same term in the previous year), making a third quarter cumulative total of 814 million yen (up 46.9% from the same term of the previous year). The principal items are labor expenses, land rent and house rent and advertising expenses.

Because of advance investment in human resources, labor costs as a ratio of SGA expenses came to 59.0% on a third quarter cumulative basis. The sales-SGA cost ratio is 22.7%.

(3) Operating profit and ordinary profit

(1) Operating profit this third quarter came to 113 million yen (up 52.7% from the same term of the previous year), making a third quarter cumulative total of 706 million yen (up 407.9% from the same term of the previous year). The operating profit margin is 19.7% on a third quarter cumulative basis.

(2) Ordinary profit

Ordinary profit this third quarter came to 107 million yen (up 52.9% from the same term of the previous year), making a third quarter cumulative total of 632 million yen (up 454.4% from the same term of the previous year). The ordinary profit margin is 17.6 on a third quarter cumulative basis.

(Reference)

Consolidated full-term business result estimates

(Unit : A million yen)

	Sales	Ordinary profit	Net profit this term
Term ending May 2002	4,500	650	360

Individual full-term business result estimates

(Unit : A million yen)

	Sales	Ordinary profit	Net profit this term
Term ending May 2002	3,000	200	118

4. Other

(1) Dissolution of consolidated subsidiary company

On April 9, 2002 we dissolved our consolidated subsidiary Clef Investment Trust Co., Ltd.

(1) Profile of dissolved subsidiary

Trade name	Clef Investment Trust Co., Ltd.
Address	2-3-4 Akasaka, Minato-ku, Tokyo
Representative	Toshihiko Muneyoshi
Capital	110,500,000 yen
Shareholder composition	100% owned by Creed Corporation

(2) Circumstances leading to dissolution

On April 9, 2002 we dissolved Clef Investment Trust Co., Ltd. as it had been inoperative since its foundation and there were no plans for it to commence business operations in the future.

(3) Forecast of profit/loss

The dissolution of the subsidiary company in question will produce no gain or loss in our business results, as it was inoperative. There are no changes to the revision of full-term business estimates released on January 15, 2002.

(2) Organizational changes

We have reviewed organizational functions within the corporate group and, to raise the efficiency of the organization, on March 1, 2002 we abolished the Planning Group Administration Department and transferred its main functions to the President's Office and the Administration Department.

(3) Third quarter consolidated financial statements

Third quarter consolidated balance sheet

(Unit : A million yen)

	Third quarter ending May 2002 (as of February 28, 2002)	Third quarter ending May (as of February 28, 2001)
Cash and Deposits	2,555	1,147
Accounts receivable	136	68
Inventory	4,022	282
Other current assets	146	170
Total current assets	6,861	1,669
Total property, plant and equipment	75	67
Total intangible assets	12	6
Total investments and other assets	1,276	431
Total fixed assets	1,365	504
Total deferred charges	13	40
T o t a l a s s e t s	8,240	2,214
Accounts payable	40	35
Short-term loans payable	1,325	480
Accrued amount payable	28	34
Other	368	95
Total current liabilities	1,761	646
Total fixed liabilities	3,075	189
T o t a l l i a b i l i t i e s	4,837	835
Minority interests	0	20
Capital	1,362	564
Capital surplus reserve	1,424	626
Consolidated surplus	603	168
Difference on evaluation of other securities	12	
Total shareholders' equity	3,402	1,359
Total liabilities, minority interests and shareholders' equity	8,240	2,214

(Note) Shown rounded off to the nearest million yen unit.

Third quarter consolidated profit and loss statement

(Unit : a million yen)

	Third quarter ending May 2002 (June 1, 2001 ~ (February 28, 2002))	Third quarter ending May 2001 (June 1, 2000 ~ (February 28, 2001))
Sales	3,583	2,257
Cost of sales	2,062	1,563
Gross profit	1,520	693
SGA expenses	814	554
Operating profit	706	139
Non-operating income	13	2
Non-operating expenses	87	27

Ordinary profit	632	114
-----------------	-----	-----

(Note) Shown rounded off to the nearest million yen unit.

(4) Third quarter individual financial statements

Third quarter individual balance sheets

(Unit : a million yen)

	Third quarter ending May 2002 (As of February 28, 2002)	Third quarter ending May 2001 (As of February 28, 2001)
Cash and Deposits	2,165	977
Accounts receivable	109	68
Inventory	780	282
Other current assets	844	170
Total current assets	3,900	1,499
Total property, plant and equipment	61	67
Total intangible assets	12	6
Total investments and other assets	1,940	544
Total fixed assets	2,014	618
Total deferred charges	10	39
T o t a l a s s e t s	5,925	2,157
Accounts payable	43	35
Short-term loans payable	865	480
Accrued amount payable	25	34
Other	147	76
Total current liabilities	1,081	628
Total fixed liabilities	1,675	189
T o t a l l i a b i l i t i e s	2,757	817
Capital	1,362	564
Capital surplus reserve	1,424	626
Legal reserve of retained earnings	1	1
Other surplus	367	147
Difference on evaluation of other securities	12	
T o t a l c a p i t a l	3,168	1,339
Total liabilities and shareholders' equity	5,925	2,157

(Note) Shown rounded off to the nearest million yen unit.

Third quarter individual balance sheets

(Unit : a million yen)

	Third quarter ending May 2002 (June 1, 2001 ~ February 28, 2002)	Third quarter ending May 2001 (June 1, 2000 ~ February 28, 2001)
Sales	2,189	2,267
Cost of sales	1,136	1,572
Gross profit	1,053	694
SGA expenses	712	561
Operating profit	341	133
Non-operating income	32	1
Non-operating expenses	58	21
Ordinary profit	314	113

(Note) Shown rounded off to the nearest million yen unit.

(Note)

Current projections, forecasts, strategy, etc. stated in this document may include statements that do not coincide with actually occurring historical facts, because they are forecasts about the future.

This information is based on the judgment of management, obtained from currently available information and entails the possibility and uncertainty that the results that actually occur will not be in accordance therewith. Therefore, it is possible that because, for example, conditions different from those forecast, we will be unable to develop our business as projected and operating results will be influenced in some way. Important elements that may affect business results include, for example, the economic environment surrounding our business and related legislation.