

## Highlights of Consolidated Financial Results for Q1 of FY2008 (Ending March 31, 2009)

- The Company made a good start in the first quarter.
- Net sales, operating income, and ordinary income increased year on year.

- Net sales:                   ¥310.2 billion, up 4.0% (¥12.0 billion)  
- Operating income:   ¥6.1 billion, up 41.6% (¥1.8 billion)  
- Ordinary income:    ¥4.5 billion, up 14.5% (¥0.6 billion)

(Unit: 100 million yen)

(On a consolidated basis)	Q1 of FY2007	Q1 of FY2008	Year-on-year		Q2 of FY2008		FY2008		Summary of Results for Q1
			Change	Change (%)	Forecast	Progress	Forecast	Progress	
Net sales	2,982	3,102	120	4.0%	6,500	47.7%	13,500	23.0%	<u>Net sales</u> Net sales increased because of a robust performance in Foods & Foodstuff, and solid results in Iron, Steel & Plant and Life Science & Energy.
Gross trading profit	217	232	15	6.9%	-	-	-	-	
SG&A expenses	174	171	-3	-1.7%	-	-	-	-	<u>Gross trading profit</u> Gross trading profit rose with the increase in net sales.
Operating income	43	61	18	41.6%	115	53.1%	245	24.9%	
Dividends received	4	3	-1	-	-	-	-	-	<u>Operating income</u> Operating income expanded on the solid performance of the grain business in Foodstuffs, the solutions business and the OEM business in IT, and the special steel trading and transportation machinery business in Iron, Steel & Plant.
Interest	-16	-12	4	-	-	-	-	-	
Gains on equity-method investments	9	-2	-11	-	-	-	-	-	<u>Ordinary income</u> Ordinary income was up, reflecting an increase in operating income and an improvement in the financial balance because of reduced gross interest-bearing debt.
Others	0	-5	-5	-	-	-	-	-	
Non-operating income/loss	-4	-16	-12	-	-	-	-	-	<u>Extraordinary gain/loss</u> Gain on the sale of investment securities declined.
Ordinary income	39	45	6	14.5%	80	56.5%	190	23.8%	
Extraordinary gain	19	1	-18	-95.9%	-	-	-	-	<u>Net income</u> Net income fell from the year-ago level because of a decline in extraordinary gain.
Extraordinary loss	-8	-6	2	-	-	-	-	-	
Income (loss) before income taxes	50	40	-10	-21.1%	-	-	-	-	
Income taxes and minority interests	-24	-29	-5	-	-	-	-	-	
Net income	26	11	-15	-57.4%	40	27.7%	100	11.1%	

(Unit: 100 million yen)

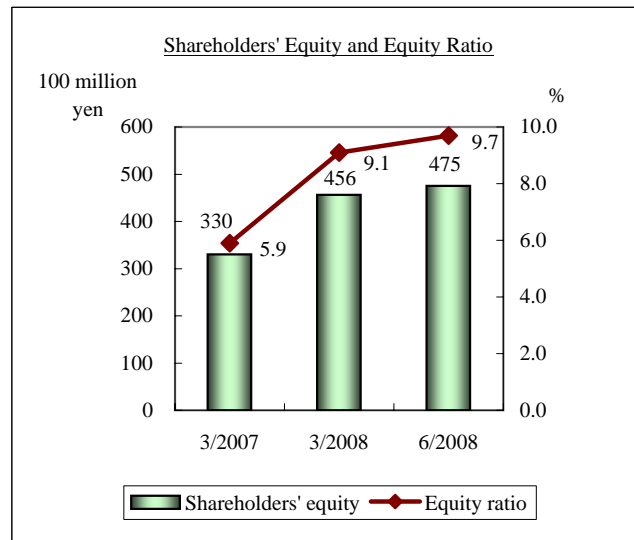
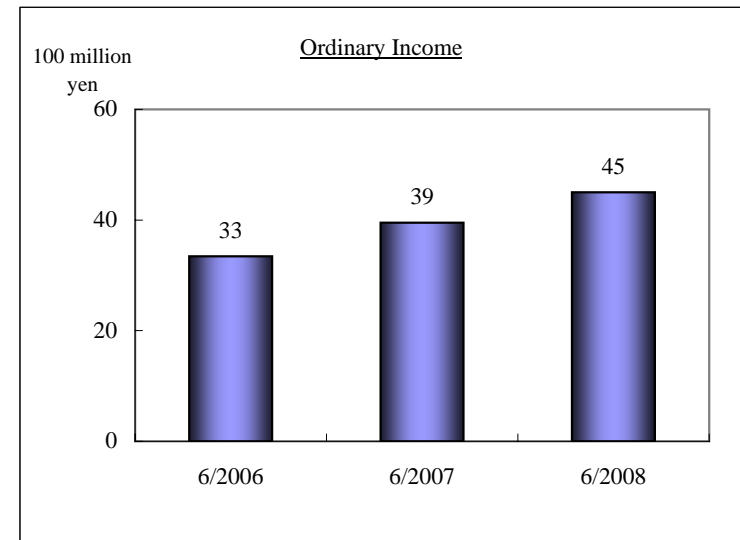
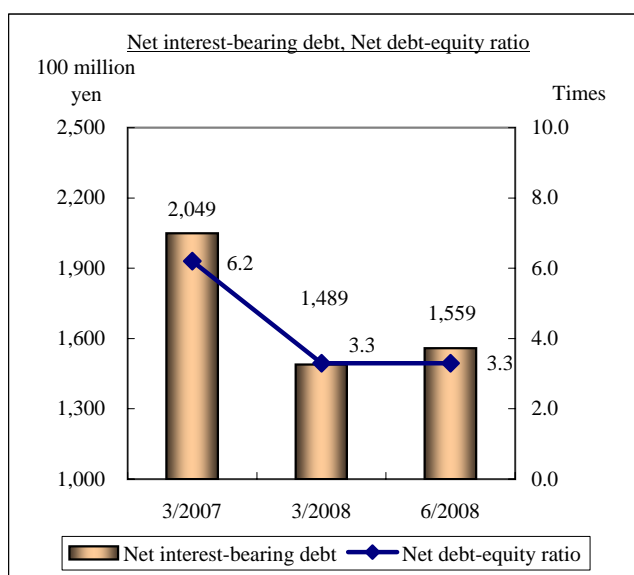
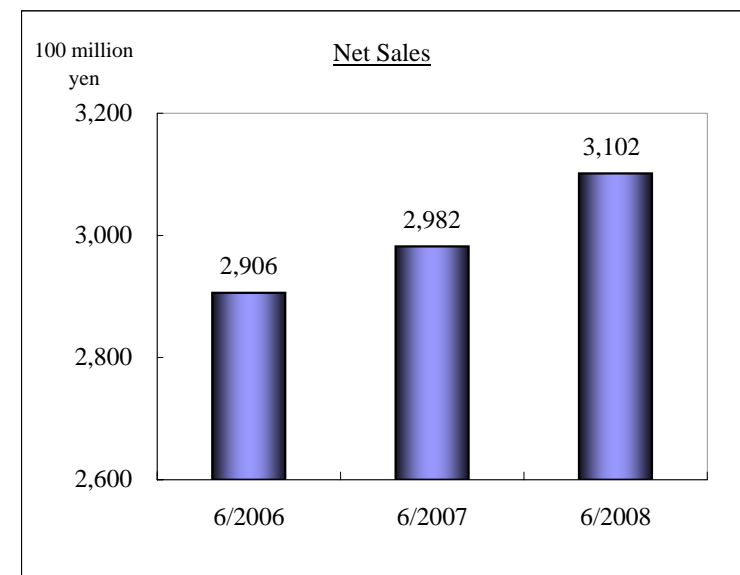
Segment information	Net sales				Operating income				Summary of Segment Results
	Q1 of FY2007	Q1 of FY2008	Change	Change (%)	Q1 of FY2007	Q1 of FY2008	Change	Change (%)	
IT	824	683	-141	-17.1%	14	15	1	7.7%	<u>IT</u> Although the solutions and OEM businesses performed well, sales in the mobile business and the electronic parts & ATE solutions business were slow. Overall, sales fell, and operating income rose.
Foods & Foodstuff	700	872	172	24.5%	10	19	9	92.8%	
Iron & Steel	384	439	55	14.4%	17	17	0	3.0%	<u>Foods &amp; Foodtuff</u> Both sales and income increased, reflecting stable purchases of business resources and large-lot contracts in the grain business, and the solid performance in the meat & livestock business.
Machinery & Plant	240	239	-1	-0.6%	-2	3	5	-	
Iron, Steel & Plant	624	678	54	8.6%	15	20	5	33.9%	<u>Iron, Steel &amp; Plant</u> Overall, both sales and income rose thanks to a solid performance in the trading of special steels, including high-performance stainless steels, in the iron and steel business and the export of auto parts in the plants segment.
Energy	670	694	24	3.5%	1	4	3	335.3%	
Life Science	71	81	10	14.2%	0	1	1	163.7%	<u>Life Science &amp; Energy</u> Both sales and income increased on a solid performance overall.
Life Science & Energy	741	775	34	4.5%	1	5	4	274.2%	
Others	93	96	3	3.6%	1	1	0	-14.9%	
Consolidated adjustment	-0	-2	-2	-	2	1	-1	-	
Total	2,982	3,102	120	4.0%	43	61	18	41.6%	

(Unit: 100 million yen)

Assets, Liabilities and Net Assets	3/2008	6/2008	Comparison with 3/2008		Summary
			Change	Change (%)	
Total assets	5,035	4,910	-125	-2.5%	<u>Total assets</u> Total assets declined with the appropriation of cash reserves for the repayment of borrowings, offsetting an increase in operating assets in association with rising material prices.
Gross interest-bearing debt	2,237	2,094	-143	-6.4%	
Net interest-bearing debt	1,489	1,559	70	4.7%	<u>Interest-bearing debt</u> Gross interest-bearing debt reduced ¥14.3 billion. Net interest-bearing debt rose ¥7 billion because of a fall in cash and deposits.
Equity capital	643	649	6	0.9%	
(Retained earnings)	96	101	5	6.1%	<u>Equity capital</u> Equity capital increased with net income. As a result, the equity ratio was 9.7%, and the net DER was 3.3 times.
Valuation and translation adjustments	-187	-175	12	-6.9%	
Minority interests	167	167	0	0.2%	
Total net assets	622	642	20	3.1%	
Shareholder's equity ratio (Note 1)	9.1%	9.7%	0.6%	—	
Net debt-equity ratio (Note 2)	3.3	3.3	0.0	—	

(Note 1) Shareholder's equity ratio = (Total net assets - Minority interests) / Total assets

(Note 2) Net D/E ratio = Net interest-bearing debt / (Total net assets - Minority interests)



\* The forecasts and forward-looking statements that are included in this document are based on information available at the time of the announcement as well as on calculations made using reasonable assumptions. Please note that actual results may differ materially depending on various factors.