

Highlights of Consolidated Financial Results for the First Half of FY2008 (Ending March 31, 2009)

- The results for the first half were favorable.
- Net sales and operating income rose year on year.
 - Net sales: ¥637.1 billion, up 3.8% (¥23.5 billion)
 - Operating income: ¥13.2 billion, up 5.5% (¥0.7 billion)
 - Ordinary income: ¥10.9 billion, virtually unchanged

(Unit: 100 million yen)

	H1 of FY2007	H1 of FY2008	Year-on-year		FY2008		Summary of Results for H1
			Change	Change (%)	Forecast	Progress	
Net sales	6,136	6,371	235	3.8%	13,500	47.2%	<u>Net sales</u> Net sales increased on the back of continually high market prices, especially in the foodstuffs and energy businesses.
Gross trading profit	459	477	17	3.8%	-	-	
SG&A expenses	334	345	11	3.2%	-	-	<u>Gross trading profit</u> Gross trading profit rose with the increase in net sales.
Operating income	125	132	7	5.5%	245	54.0%	
Dividends received	7	5	-2	-	-	-	<u>Operating income</u> Operating income rose on the strong performance of the Foods & Foodstuff Division and the Life Science & Energy Division.
Interest	-29	-23	6	-	-	-	
Gains on equity-method investments	9	-4	-13	-	-	-	<u>Ordinary income</u> Ordinary income moved sideways with an improvement in interest income, due to a rise in operating income and a decrease in interest-bearing debt, offset by factors such as a fall in equity in earnings of affiliated companies.
Others	-3	-1	2	-	-	-	
Non-operating income/loss	-16	-23	-8	-	-	-	<u>Extraordinary gain/loss</u> An extraordinary gain of 800 million yen was recorded, including gains on the sale of investments in securities. An extraordinary loss of 3.3 billion yen was posted, including an addition to the allowance for doubtful accounts for credits of special business and a loss on the revaluation of inventories in association with the application of the cost or market method.
Ordinary income	110	109	-1	-0.7%	190	57.3%	
Extraordinary gain	24	8	-15	-64.1%	-	-	<u>Net income</u> Net income declined year on year, partly due to a fall in extraordinary gains. It almost achieved the forecast of 4.0 billion yen that was announced at the beginning of the fiscal year.
Extraordinary loss	-30	-33	-2	-	-	-	
Income (loss) before income taxes	103	85	-18	-17.7%	-	-	
Income taxes and minority interests	-48	-48	0	-	-	-	
Net income	55	37	-18	-33.4%	100	36.9%	

(Unit: 100 million yen)

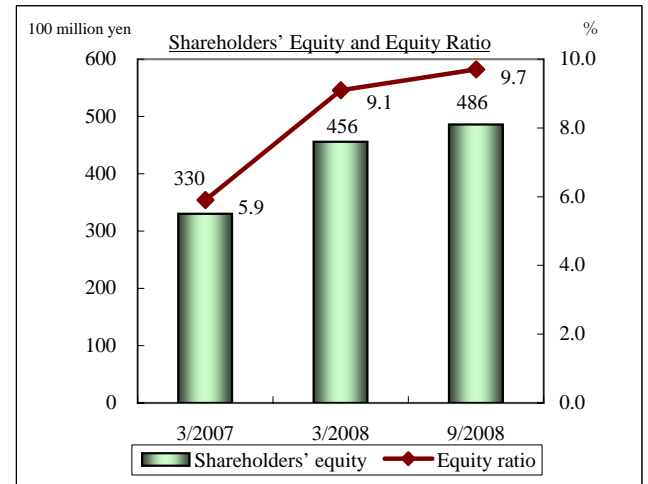
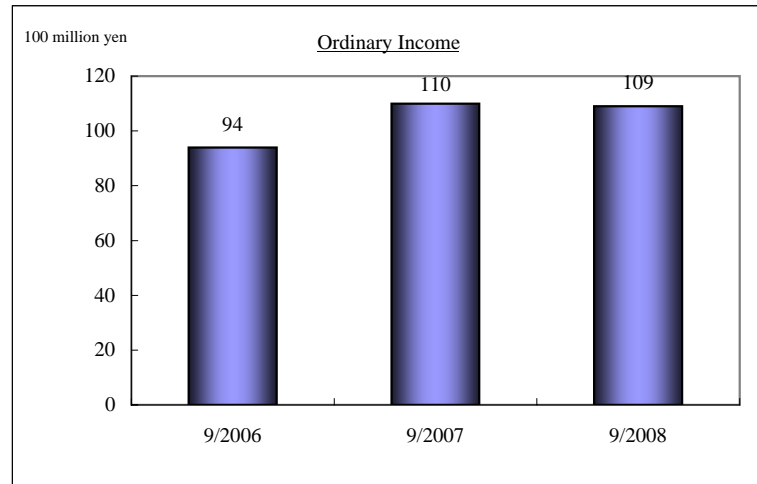
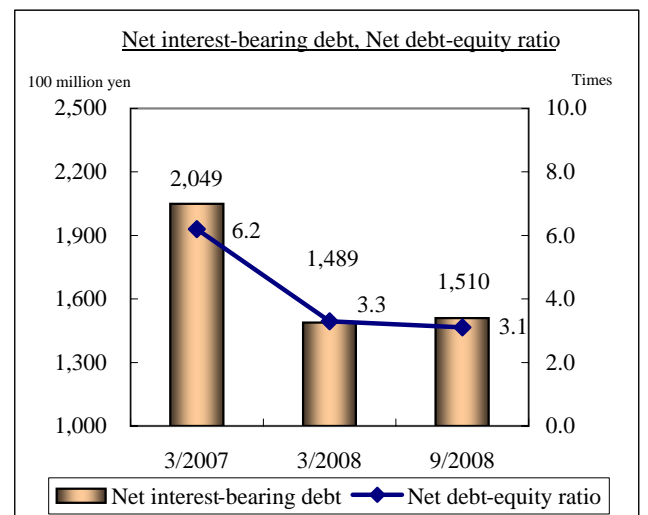
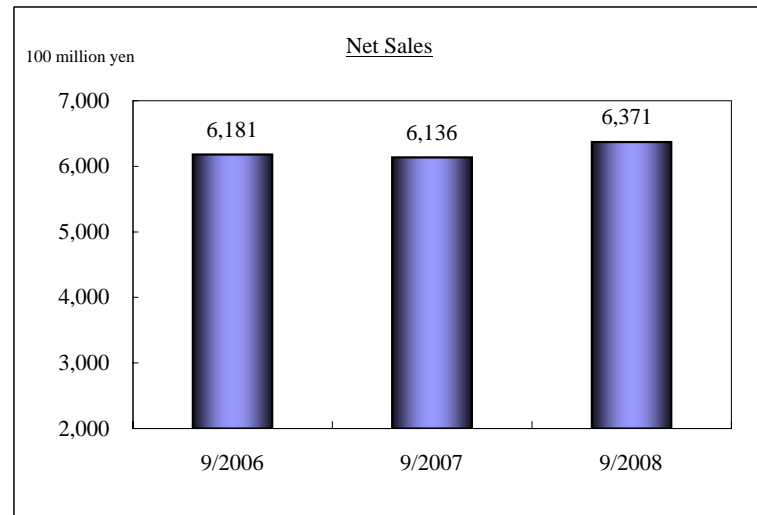
Segment information	Net sales				Operating income				Summary of Segment Results
	H1 of FY2007	H1 of FY2008	Year-on-year Change	Year-on-year Change (%)	H1 of FY2007	H1 of FY2008	Year-on-year Change	Year-on-year Change (%)	
IT	1,824	1,463	-361	-19.8%	47	41	-6	-12.0%	<u>IT</u> Although the solutions business was relatively solid, the transaction value fell in the mobile business and the electronic parts business. Overall, both sales and operating income declined.
Foods & Foodstuff	1,387	1,684	297	21.4%	21	29	8	38.9%	
Iron & Steel	726	816	90	12.3%	32	35	2	7.3%	<u>Foods & Foodstuff</u> Both sales and income increased as production areas were secured and a stable supply of non-genetically engineered soybeans was achieved, and the effect of large barley contracts became evident in the grain business.
Plant	536	509	-27	-5.0%	11	10	-1	-12.8%	
Iron, Steel & Plant	1,262	1,325	63	5.0%	43	44	1	2.2%	<u>Iron, Steel & Plant</u> In the iron and steel business, exports of steel plates and transactions related to steel plates after the surface treatment process were strong. In the industrial plants business, transactions related to machine tools slowed. Overall, both sales and income rose.
Energy	1,328	1,546	219	16.5%	6	13	7	109.7%	
Life Science	151	168	17	11.2%	2	4	2	92.3%	<u>Life Science & Energy</u> Both sales and income increased, reflecting solid performance overall.
Life Science & Energy	1,479	1,715	236	15.9%	8	16	8	105.7%	
Others	185	186	1	0.7%	3	-2	-5	-150.1%	
Adjustment & elimination	-1	-2	-1	-	3	4	1	-	
Total	6,136	6,371	235	3.8%	125	132	7	5.5%	

(Unit: 100 million yen)

Assets, Liabilities and Net Assets		3/2008	9/2008	Comparison with 3/2008		Summary
				Change	Change (%)	
Total assets		5,035	4,999	-35	-0.7%	<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	2,143	-94	-4.2%	
Net interest-bearing debt		1,489	1,510	21	1.4%	<u>Interest-bearing debt</u> Gross interest-bearing debt reduced ¥9.4 billion. Net interest-bearing debt rose ¥2.1 billion because of a fall in cash and deposits.
	Equity capital	643	675	31	4.9%	
	(Retained earnings)	96	127	32	33.0%	<u>Equity capital</u> Equity capital increased with net income. As a result, the equity ratio was 9.7%, and the net DER 3.1 times.
	Valuation and translation adjustments	-187	-188	-1	-0.5%	
	Minority interests	167	176	9	5.6%	
Total net assets		622	662	40	6.4%	
Shareholder's equity ratio (Note 1)		9.1%	9.7%	0.6%	-	
Net debt-equity ratio (Note 2)		3.3 times	3.1 times	-0.2 times	-	

(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