

Highlights of Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 2011

Both net sales and income increased year on year.

Net sales	225.9 billion yen	11.0%	up
Operating income	4.3 billion yen	80.9%	up
Ordinary income	3.7 billion yen	119.0%	up
Net income	2.2 billion yen	177.7%	up

On a consolidated basis						
(Unit: 100 million yen)	Q2 of FY2009	Q2 of FY2010	Year-on-year		FY2010	
			Change	Change (%)	Forecasts	Change (%)
Net sales	4,207	4,546	339	8.0%	8,500	53.5%
Gross trading profit	374	380	5	1.4%	-	-
SG&A expenses	310	287	-23	-7.4%	-	-
Operating income	64	92	28	44.0%	160	57.6%
Dividends received	3	7	4	-	-	-
Interest	-19	-18	1	-	-	-
Gains or losses on equity-method investments	-6	-4	2	-	-	-
Others	3	-2	-5	-	-	-
Non-operating income/loss	-18	-16	2	-	-	-
Ordinary income	46	76	30	65.6%	110	69.0%
Extraordinary gain	6	4	-2	-	-	-
Extraordinary loss	-7	-10	-3	-	-	-
Income (loss) before income taxes	45	69	25	55.5%	-	-
Income taxes and minority interests	-27	-29	-2	-	-	-
Net income	17	40	23	131.3%	50	80.8%

[Net sales/Gross trading profit]
Both net sales and gross trading profit increased, chiefly reflecting the strong performance of the Electronics and IT Division with the recovery in demand in both Japan and abroad.

[Operating income]
Operating income increased, attributable to a reduction in SG&A expenses.

[Ordinary income]
Ordinary income climbed as a result of a slight improvement in non-operating loss, because of an increase in dividends received and an improvement in losses on equity-method investments.

[Net income]
Despite extraordinary losses including a loss on valuation of investments in securities and the effect of applying the accounting standards for asset retirement obligations, net income rose substantially from a year ago, reflecting an increase in ordinary income.

Assets, Liabilities and Net Assets				
(Unit: 100 million yen)	3/2010	9/2010	Comparison with 3/2010	
			Change	Change (%)
Total assets	3,986	3,888	-98	-2.5%
Gross interest-bearing debt	1,931	1,771	-160	-8.3%
Net interest-bearing debt	1,094	1,000	-94	-8.6%
Equity capital	545	586	40	7.4%
(Retained earnings)	-3	38	40	-
Valuation and translation adjustments	-256	-298	-42	-
Minority interests	169	169	0	-0.2%
Total net assets	458	456	-2	-0.5%
Shareholder's equity (Note 1)	289	287	-2	-0.6%
Shareholder's equity ratio (Note 2)	7.3%	7.4%	+0.1pt	-
Net debt-equity ratio (Note 3)	3.8	3.5	+0.3pt	-

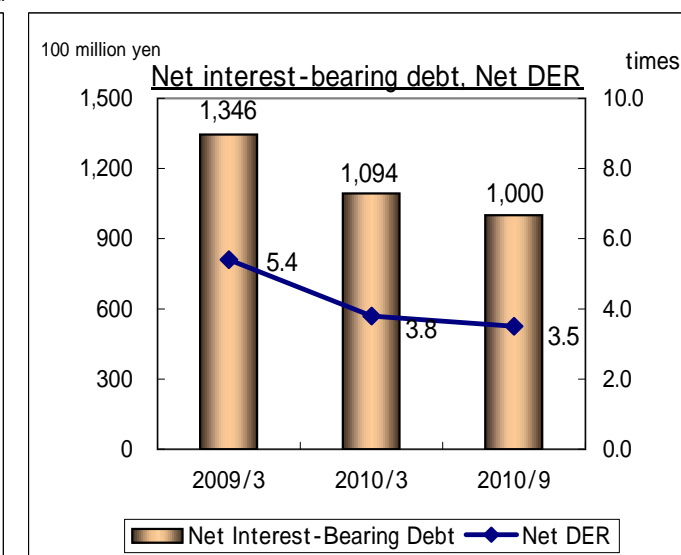
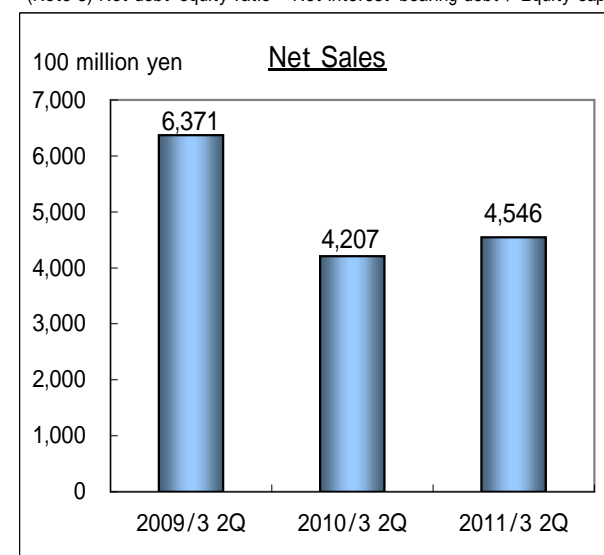
(Note 1) Shareholder's equity = Total net assets - Minority interests
(Note 2) Shareholder's equity ratio = Shareholder's equity / Total assets
(Note 3) Net debt-equity ratio = Net interest-bearing debt / Equity capital

[Total assets]
Total assets declined 9.8 billion yen primarily because of a fall in cash and bank deposits associated with the repayment of debt.

[Interest-bearing debt]
Gross interest-bearing debt fell 16.0 billion yen as a result of the repayment of debt. Net interest-bearing debt declined 9.4 billion yen, to below 100 billion yen.

[Total net assets]
Despite the worsening of valuation and translation adjustments associated with changes in exchange rates, shareholders equity rose, reflecting an increase in retained earnings attributable to the posting of net income.

As a result, the equity ratio rose to 7.4%, and the net debt-equity ratio improved to 3.5 times.



Segment information						
(Unit: 100 million yen)	Net sales (net external sales)			Operating income		
	Q2 of FY2009	Q2 of FY2010	Change	Q2 of FY2009	Q2 of FY2010	Change
Electronics & IT	1,141	1,276	135	28	54	26
Foods & Foodstuff	1,365	1,404	39	16	13	-3
Iron & Steel	432	464	32	17	15	-2
Machinery & Plant	276	305	29	-5	5	10
Environment & Materials	913	1,013	101	5	4	-1
Total for reportable segments	4,127	4,463	336	61	91	30
Other (including adjustment)	80	83	3	3	1	-2
Grand total	4,207	4,546	339	64	92	28

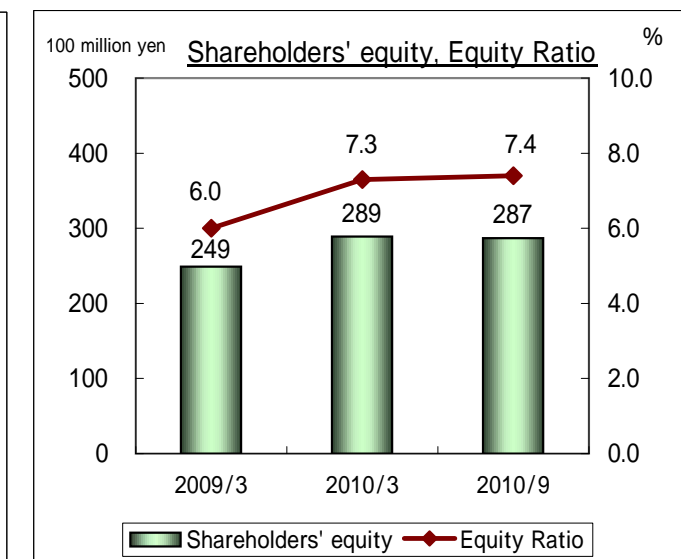
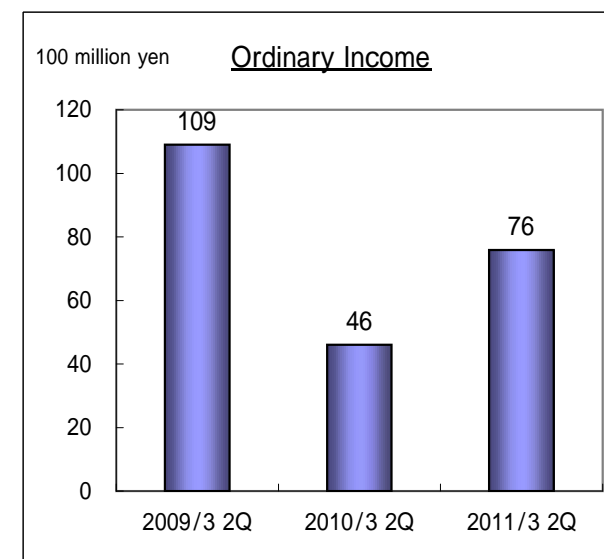
[Electronics & IT]: Both sales and income rose. With a recovery in demand for semiconductors, the semiconductor equipment business improved sharply. The mechanical device business and mobile business also performed well. Costs were reduced in the ICT business.

[Foods & Foodstuff]: Sales increased, but income dropped. With a stable supply and demand environment, the food business performed well overall. The meat and marine products business posted stable revenues. The foodstuff business struggled in terms of income, reflecting extremely high temperatures and the effect of foot-and-mouth disease in Japan, as well as falls in prices of soy products associated with deflation, despite surges in market prices overseas.

[Iron & Steel]: Sales climbed, but income declined. Exports of automobile wire rods for Europe and the United States were strong, as were shipments of special and stainless steel for the United States and Asia. In contrast, exports of steel plates for the Middle East struggled because of tougher competition from South Korea and Europe.

[Machinery & Plant]: Sales rose, and a turnaround was achieved. Business linked to automobile parts was solid, especially for China and plants for the Middle East. The order environment of the machine tool business recovered while the Company sought to cut costs in the business.

[Environment & Materials]: Sales rose, but income fell. Exports of raw materials for car batteries and imports of lubricating oil additives were solid. Sales of colostrums products were strong. Exports of drugs and medicines were also robust. The profitability of the energy business deteriorated because of weak domestic demand and changes in commodity prices.



* Business segments were reclassified and renamed from the current fiscal year and presented retroactive to the previous fiscal year.

* Results forecasts and forward-looking statements in this document assume information available to the Company as of the date of the announcement and estimates based on rational assumptions. Please note that actual results may differ materially from the forecasts presented here, depending on various factors.

* Since the figures above are rounded off to the nearest 100 million yen, the sum of each item and the total may differ.