

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

Both net sales and income increased year on year.

| | | | |
|------------------|---------------|---------|----|
| Net Sales | 685.1 billion | 8.3 % | up |
| Operating Income | 12.2 billion | 51.1 % | up |
| Ordinary Income | 10.2 billion | 83.9 % | up |
| Net Income | 6.6 billion | 224.9 % | up |

We revise the full-year forecasts upward.

| On a consolidated basis | | | | | | | (Net sales/ Gross trading profit) Both net sales and gross trading profit increased, chiefly reflecting the strong performance of the Electronics & IT, Iron & Steel, and Machinery & Plant divisions with the recovery in demand both in Japan and abroad. (Operating income) Operating income increased, attributable to a reduction in SG&A expenses. (Ordinary income) Despite foreign exchange losses (included in "Other"), ordinary income climbed as a result of an improvement in non-operating income/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 the sale of investments in securities, 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. |
|-------------------------------------|--|--------------|--------------|--------------|------------|-----------|--|
| (Unit: 100 million yen) | | Q3 of FY2009 | Q3 of FY2010 | Year-on-year | | FY2010 | |
| | | | | Change | Change (%) | Forecasts | Change (%) |
| Net sales | | 6,328 | 6,851 | 523 | 8.3% | 9,200 | 74.5% |
| Gross trading profit | | 543 | 556 | 12 | 2.3% | - | - |
| SG&A expenses | | 462 | 433 | 29 | -6.3% | - | - |
| Operating income | | 81 | 122 | 41 | 51.1% | 170 | 72.0% |
| | Dividends received | 6 | 11 | 5 | - | - | - |
| | Interest | 28 | 27 | 1 | - | - | - |
| | Gains or losses on equity-method investments | 7 | 1 | 6 | - | - | - |
| | Others | 3 | 4 | 7 | - | - | - |
| Non-operating income/loss | | 26 | 21 | 5 | - | - | - |
| Ordinary income | | 55 | 102 | 46 | 83.9% | 130 | 78.4% |
| Extraordinary gain | | 11 | 7 | 4 | - | - | - |
| Extraordinary loss | | 9 | 15 | 6 | - | - | - |
| Income (loss) before income taxes | | 57 | 94 | 37 | 64.3% | - | - |
| Income taxes and minority interests | | 37 | 27 | 9 | - | - | - |
| Net income | | 20 | 66 | 46 | 224.9% | 70 | 94.9% |

(Net sales/ Gross trading profit)
Both net sales and gross trading profit increased, chiefly reflecting the strong performance of the Electronics & IT, Iron & Steel, and Machinery & Plant divisions with the recovery in demand both in Japan and abroad.

(Operating income)
Operating income increased, attributable to a reduction in SG&A expenses.

(Ordinary income)
Despite foreign exchange losses (included in "Other"), ordinary income climbed as a result of an improvement in non-operating income/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 the sale of investments in securities, 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 | 12/2010 | Comparison with 3/2010 | |
|---------------------------------------|--|--|--|--------|-------------------------|--------|---------|------------------------|-------|
| | | | | Change | Change (%) | | | | |
| Total assets | | | | | | 3,986 | 3,960 | 27 | -0.7% |
| Gross interest-bearing debt | | | | | | 1,931 | 1,743 | 188 | -9.8% |
| Net interest-bearing debt | | | | | | 1,094 | 1,067 | 26 | -2.4% |
| Equity capital | | | | | | 545 | 612 | 67 | 12.2% |
| (Retained earnings) | | | | | | 3 | 64 | 66 | - |
| Valuation and translation adjustments | | | | | | 256 | 309 | 53 | - |
| Minority interests | | | | | | 169 | 164 | 5 | -3.2% |
| Total net assets | | | | | | 458 | 466 | 8 | 1.8% |
| Shareholder's equity (Note 1) | | | | | | 289 | 303 | 13 | 4.7% |
| Equity ratio (Note 2) | | | | | | 7.3% | 7.6% | 0.3pt | - |
| Net debt-equity ratio (Note 3) | | | | | | 3.8 | 3.5 | 0.3pt | - |

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

(Note 3) Net debt-equity ratio = Net interest-bearing debt / Equity capital

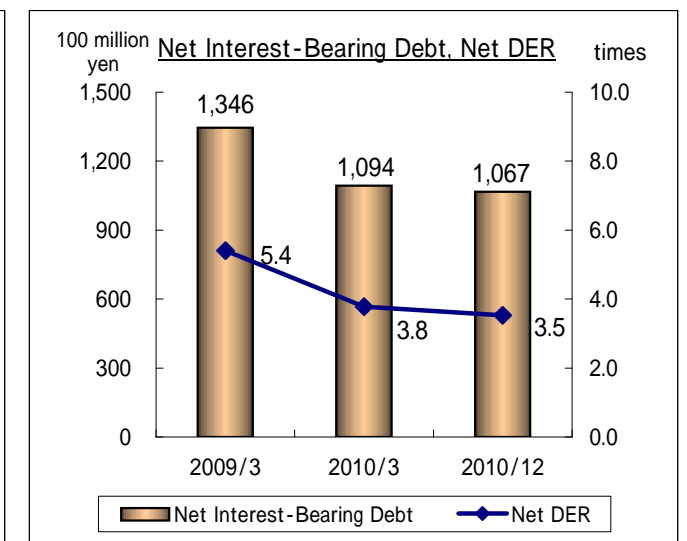
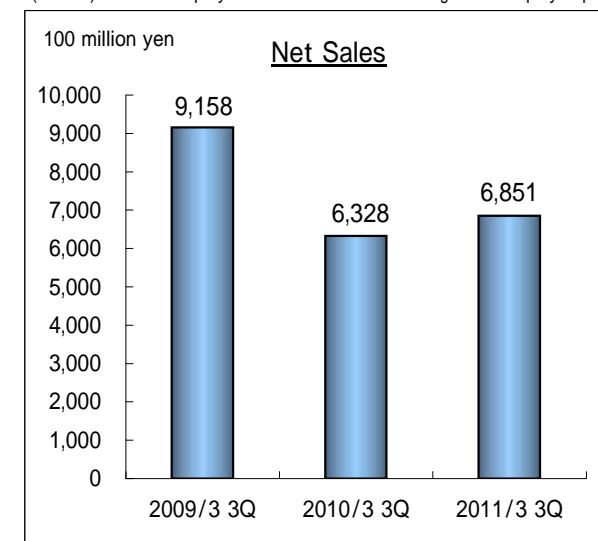
(Note 2) Equity ratio = Shareholder's equity / Total assets

(Total assets)
Total assets declined 2.7 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 18.8 billion yen as a result of the repayment of debt. Net interest-bearing debt declined 2.6 billion yen, to 106.7 billion yen.

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

As a result, the equity ratio rose to 7.6%, and the net debt-equity ratio improved to 3.5.



| Segment information | | | | | | | (Unit: 100 million yen) | Net sales (net external sales) | | | Operating income | | |
|---------------------|--|--|--|--------------|--------------|--------|-------------------------------|--------------------------------|--------------|--------|------------------|--------------|--------|
| | | | | Q3 of FY2009 | Q3 of FY2010 | Change | | Q3 of FY2009 | Q3 of FY2010 | Change | Q3 of FY2009 | Q3 of FY2010 | Change |
| | | | | | | | Electronics & IT | 1,678 | 1,839 | 161 | 34 | 67 | 32 |
| | | | | | | | Foods & Foodstuff | 2,034 | 2,072 | 38 | 28 | 17 | 10 |
| | | | | | | | Iron & Steel | 636 | 729 | 93 | 21 | 26 | 5 |
| | | | | | | | Machinery & Plant | 409 | 463 | 54 | 11 | 5 | 16 |
| | | | | | | | Environment & Materials | 1,447 | 1,617 | 170 | 6 | 6 | 0 |
| | | | | | | | Total for reportable segments | 6,204 | 6,720 | 516 | 78 | 120 | 43 |
| | | | | | | | Other (including adjustment) | 124 | 131 | 7 | 3 | 2 | 1 |
| | | | | | | | Grand total | 6,328 | 6,851 | 523 | 81 | 122 | 41 |

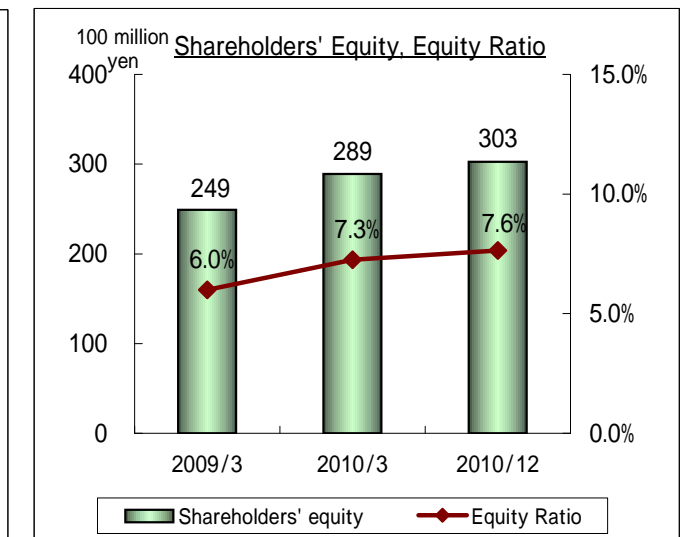
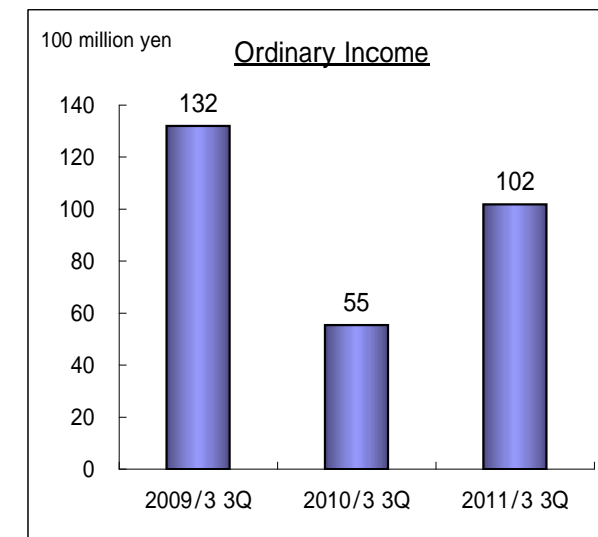
(Electronics & IT): Both sales and income rose.
With a recovery in demand for semiconductors, the semiconductor equipment business improved sharply. The mechanical device business and mobile business also performed well. Costs were reduced in the ICT business.

(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 a decline in feed production due to the effect of extremely high temperatures in Japan and other factors and falls in prices of soy products associated with deflation, despite surges in market prices overseas.

(Iron & Steel): Both sales and income climbed.
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. Exports of surface-treated steel sheets for Asia recovered.

(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 were steady. The environment for orders in the machine tool business recovered while the Company sought to cut costs.

(Environment & Materials): Sales rose, but income fell.
Exports of raw materials for car batteries and imports of raw materials for lubricating oil and resin were solid. Colostrums products were strong. Imports of pharmaceutical ingredients were also robust. The profitability of the energy business deteriorated because of weak domestic demand.



* 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.