# Highlights of Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 2012

Both net sales and income increased year on year.								
Net sales	493.4 billion yen	8.5%	up					
Operating income	11.5 billion yen	24.9%	up					
Ordinary income	9.5 billion yen	24.8%	up					
Net income	6.4 billion yen	58.2%	up					

The full-year forecasts have been revised upward.

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		H1 - CEV2010	H4 6 EN/A044	Year-	on-year	FY2	011	Net sales/Gross trading profit  Net sales increased, chiefly reflecting a recovery in demand and rising commodity prices in Japan and
	(Unit: 100 million yen)	H1 of FY2010	H1 of FY2011	Change	Change (%)	Forecast revised on November 4	Change (%)	abroad.
Net	sales	4,546	4,934	388	8.5%	9,800	50.3%	With the increase in net sales, gross trading profit rose.
Gros	ss trading profit	380	408	29	7.6%	-	-	Operating income
S	G&A expenses	287	293	6	2.0%	-	-	Operating income rose, attributable to an increase in gross trading profit and the curbing of increases
Ope	rating income	92	115	23	24.9%	200	57.6%	in SG&A expenses.
	Dividends received	7	5	-3	-	-	-	Ordinary income The loss on equity method investments improved,
	Interest	-18	-18	0	-	-	_	while non-operating income and expenses worsened slightly, reflecting a decline in dividends
	Gains or losses on equity- method investments	-4	-2	2	-	-	-	received and a rise in foreign exchange losses.  Overall, ordinary income rose, attributable to an
	Foreign exchange losses	0	-2	-2	-	-	_	increase in operating income.
	Others	-2	-3	-1	-	-	-	Net income There were no large amounts of extraordinary
No	n-operating income/loss	-16	-21	-4	-	-	-	items. Net income increased, reflecting rises in operating income and ordinary income.
Ordi	inary income	76	95	19	24.8%	155	61.1%	
Е	xtraordinary gain	4	1	-3	-	-	-	<reference> Initial forecasts (change)</reference>
	xtraordinary loss	-10	-4	7	-	-	-	Net sales: 950 billion yen (+30)
taxe		69	92	23	32.7%	-	-	Operating income: 17 billion yen (+3) Ordinary income: 12 billion yen (+3.5)
	ncome taxes and minority	-29	-28	1	-	-	-	Net income: 5.5 billion yen (+1.5)
Net	income	40	64	24	58.2%	70	91.3%	

Assets, Liabilities and Net Assets							
	3/2011	9/2011	Comparison	with 3/2011	Total assets d		
(Unit: 100 million yen)	3/2011	<i>)</i> //2011	Change	Change (%)	Interest-bear		
Total assets	3,887	3,876	-11	-0.3%	Gross interest as a result of		
Gross interest-bearing debt	1,736	1,684	-53	-3.0%	debt declined in cash and ba		
Net interest-bearing debt	1,046	940	-106	-10.1%			
Equity capital	637	701	64	10.0%	Total net ass Net assets ros		
(Retained earnings)	89	153	64	71.5%	increase in re		
Other accumulated comprehensive income	-306	-331	-24	-	of net income accumulated		
Minority interests	165	169	4	2.3%	negative terri		
Total net assets	496	539	43	8.7%	translation ad Equity capital		
Shareholder's equity (Note 1)	331	370	39	11.9%	interests, incr		
Shareholder's equity ratio (Note 2)	8.5%	9.6%	1.1 pt improved		As a result, the points from the		
Net debt-equity ratio (Note 3)	3.2 times	2.5 times	0.7 pt		9.6%. The ne		

otal assets declined 1.1 billion yen, to 387.6 billion nterest-bearing debt Gross interest-bearing debt decreased 5.3 billion yen s a result of debt repayment. Net interest-bearing lebt declined 10.6 billion yen, reflecting an increase a cash and bank deposits.

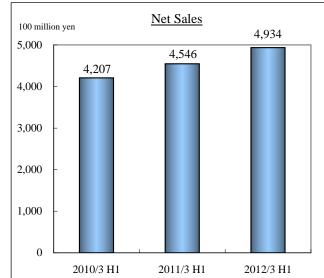
## Total net assets

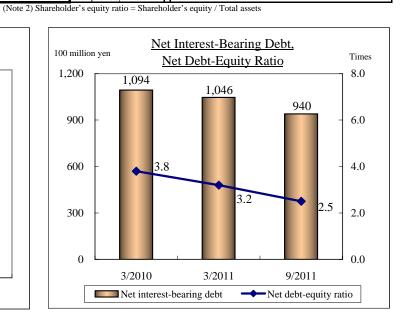
let assets rose 4.3 billion yen, attributable to an ncrease in retained earnings as a result of the posting f net income, which offset the deterioration of other ccumulated comprehensive income, which was in egative territory, caused by the worsening of ranslation adjustments due to a stronger yen. quity capital, which is net assets minus minority nterests, increased 3.9 billion yen.

As a result, the equity ratio improved 1.1 percentage oints from the end of the previous fiscal year, to .6%. The net debt-equity ratio improved to 2.5.

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

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





Segment information								
	Net sales (net external sales)			Operating income				
(Unit: 100 million yen)	H1 of FY2010	H1 of FY2011	Change	H1 of FY2010	H1 of FY2011	Change		
Electronics & IT	1,276	1,250	-26	54	50	-3		
Food & Foodstuffs	1,404	1,461	58	13	30	17		
Iron & Steel	464	513	48	15	19	3		
Machinery & Plant	305	359	54	5	4	-1		
Environment & Materials	1,013	1,261	248	4	9	5		
Total for reportable segments	4,463	4,845	382	91	112	21		
Other (including adjustment)	83	89	6	1	3	2		
Grand total	4,546	4,934	388	92	115	23		

#### Electronics & IT: Both net sales and income decreased The ICT solutions business and the mobile solutions business performed well, reflectir

the expansion of the market for mobile communication terminals, including smartphones. In contrast, the semiconductor component business was weak given the effect of the earthquake. The semiconductor equipment business was also sluggish, attributable to a decline in demand in response to strong demand in the previous fiscal

### Food & Foodstuffs: Both net sales and income increased

Sales of imported meat products were firm partly because of the effect of the earthquak and nuclear disaster. The foods business, especially prepared foods and processed foods, performed well. The foodstuff business contributed to earnings thanks to our efforts to strengthen ties with suppliers of feedstuff and expand sales channels.

#### Iron & Steel: Both net sales and income increased

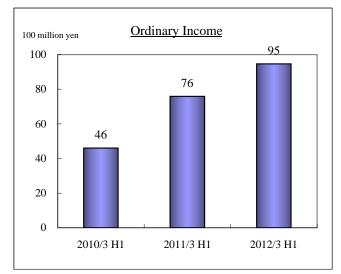
Earnings were boosted by strong exports, especially of automobile wire rods and stainless steel, to Europe and the United States.

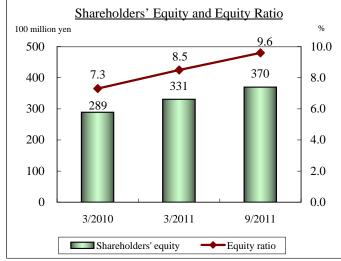
#### Machinery & Plant: Net sales increased but income declined

Supply chains for business linked to automobile parts recovered in the second quarter Business linked to plants was slightly weak, but the machine tool business was solid, reflecting recovering demand.

#### Environment & Materials: Both net sales and income increased

In the functional chemicals business, exports of raw materials for car batteries grew, and overall transactions of chemicals, including lubricant oils and raw materials for resin, were solid. The energy business was firm, backed by increasing sales of fuel oil to electric power companies after the earthquake.





- \* 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.