

Highlights of Consolidated Financial Results for the Fiscal Year Ending March 2012

■ Favorable results for two consecutive fiscal years under the S-Project medium-term business plan

- ◇ Net sales **1,006.4 billion yen** **7.4% up**
- ◇ Operating income **21.4 billion yen** **18.8% up**
- ◇ Ordinary income **17.8 billion yen** **24.5% up**
- ◇ Net income declined due to an increase in income taxes – deferred

(Unit: 100 million yen)	FY2010	FY2011	Year-on-year		FY 2012	
			Change	Change (%)	Forecasts	YoY Change (%)
Net sales	9,369	10,064	695	7.4%	10,500	4.3%
Gross trading profit	769	809	40	5.2%	-	-
SG&A expenses	589	595	6	1.0%	-	-
Operating income	180	214	34	18.8%	200	-6.7%
Dividends received	12	8	-4	-	-	-
Interest	-38	-36	2	-	-	-
Gains or losses on equity-method investments	-4	3	6	-	-	-
Foreign exchange losses	-4	-6	-1	-	-	-
Others	-4	-5	-1	-	-	-
Non-operating income/loss	-38	-37	1	-	-	-
Ordinary income	143	178	35	24.5%	160	-9.9%
Extraordinary gain	11	3	-8	-	-	-
Extraordinary loss	-24	-45	-22	-	-	-
Income (loss) before income taxes	130	135	5	3.8%	-	-
Income taxes and minority interests	-39	-74	-36	-	-	-
Net income	92	61	-31	-33.4%	80	30.9%

Net sales/Gross trading profit

Net sales increased mainly in the Food & Foodstuff Division and the Environment & Materials Division, thanks to increases in volumes handled and surges in commodity prices. As a result, gross trading profit also rose.

Operating income

Operating income rose, attributable to an increase in gross trading profit and a sustained reduction in selling, general, and administrative expenses.

Ordinary income

Despite a decline in dividends received and an increase in loss posted on foreign exchange translation, ordinary income climbed with a slight improvement in non-operating income, thanks to improvements in interest paid and received and in the profit or loss on equity method investments, as well as the increase in operating income.

Net income

Extraordinary loss were posted for items that included a loss on the sale of investments in securities, a loss on the valuation of investments in securities, a loss on the sale of affiliates, and a loss at a subsidiary on the withdrawal from the employee pension funds program. The Company posted a decrease in consolidated net income, mainly due to an increase in income taxes – deferred as a result of the reversal of deferred tax assets pursuant to the tax reform in fiscal year 2011.

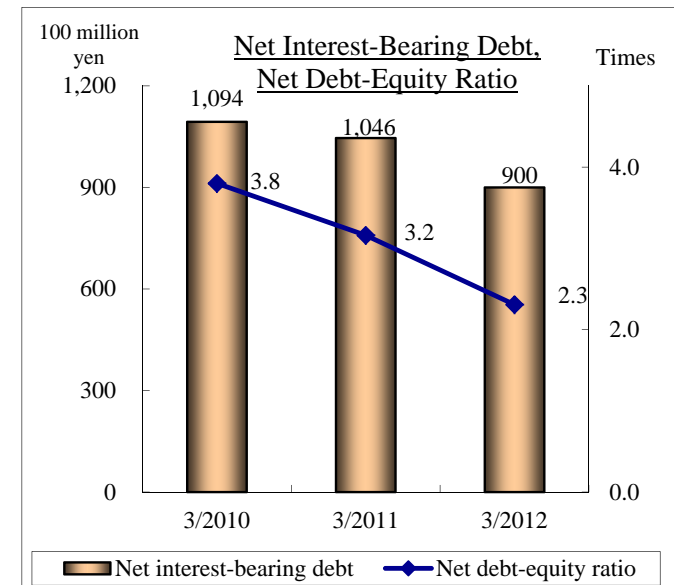
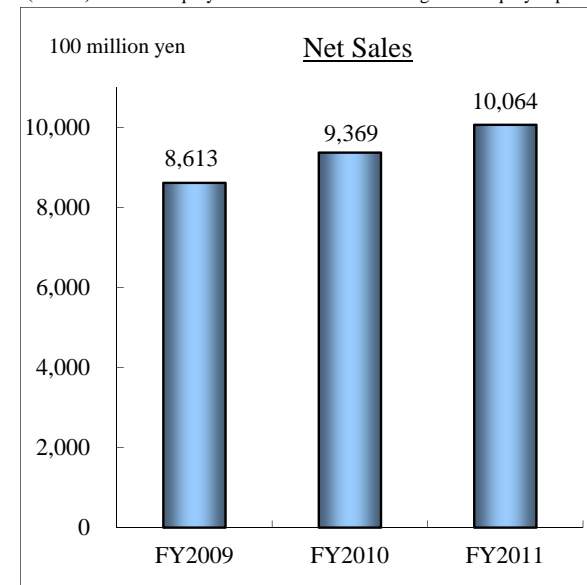
[Forecasts for the fiscal year ending March 31, 2013]
The Company expects to post positive growth in net sales and net income.

Assets, Liabilities and Net Assets				
(Unit: 100 million yen)	3/2011	12/2011	Comparison with 3/2011	
			Change	Change (%)
Total assets	3,887	3,998	111	2.9%
Gross interest-bearing debt	1,736	1,608	-128	-7.4%
Net interest-bearing debt	1,046	900	-146	-14.0%
Equity capital	637	698	61	9.6%
(Retained earnings)	89	150	61	68.3%
Other accumulated comprehensive income	-306	-308	-2	-
Minority interests	165	170	5	3.1%
Total net assets	496	560	64	12.9%
Shareholder's equity (Note 1)	331	390	59	17.8%
Shareholder's equity ratio (Note 2)	8.5%	9.8%	1.3 pt improved	-
Net debt-equity ratio (Note 3)	3.2 times	2.3 times	0.9 pt improved	-

(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



(Unit: 100 million yen)	Net sales (net external sales)			Operating income		
	FY2010	FY2011	Change	FY2010	FY2011	Change
Electronics & IT	2,539	2,531	-7	95	90	-5
Food & Foodstuffs	2,719	2,921	203	28	52	24
Iron & Steel	988	991	3	34	36	2
Machinery & Plant	673	704	31	11	14	4
Environment & Materials	2,275	2,737	462	10	20	10
Total for reportable segments	9,193	9,885		178	212	35
Other (including adjustment)	176	179	3	3	2	-1
Grand total	9,369	10,064	695	180	214	34

Electronics & IT: Both sales and income declined

The ICT solutions business and the mobile solutions business continued to perform well, reflecting the expansion of the market for mobile communication services, including smartphones and tablet type devices. However, the semiconductor business struggled with depressed demand for semiconductor parts and semiconductor manufacturing equipment.

Food & Foodstuffs: Both sales and income rose

The Foods Business, especially prepared foods and processed foods, performed well, backed by a relatively stable supply and demand environment as well as solid sales of imported meat products. The Foodstuff business contributed to overall earnings, owing to efforts to enhance vendor relationships in feedstuff sales and to expand sales channels.

Iron & Steel: Both sales and income rose

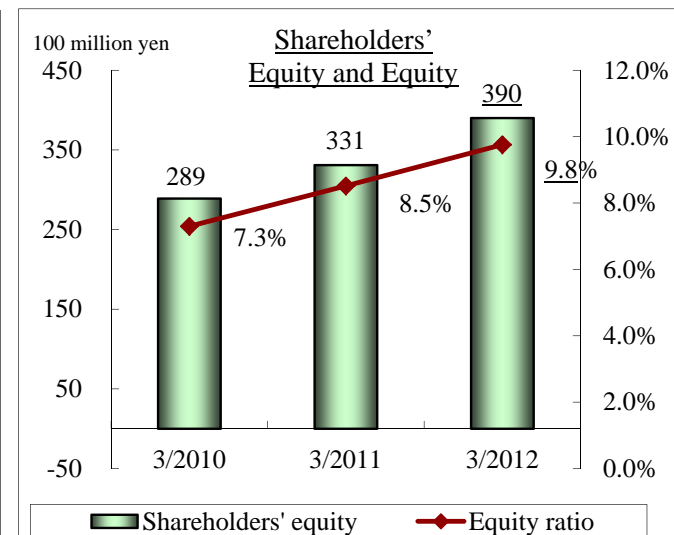
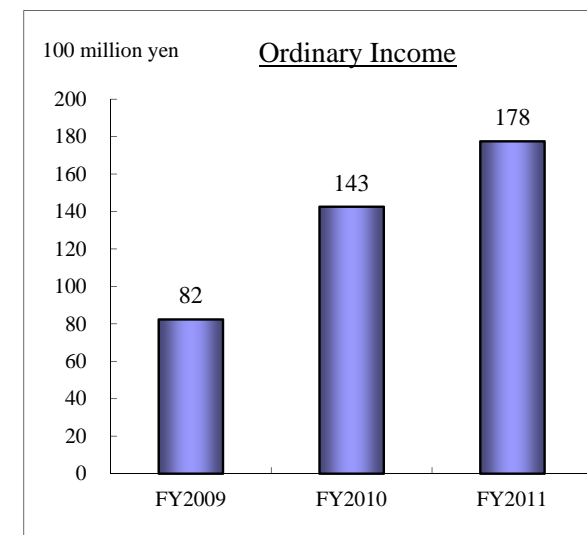
Export transactions of special steel for automobiles for Europe and the United States and special steel and stainless steel products for the United States and Asia remained solid.

Machinery & Plant: Both sales and income rose

Business linked to plants improved significantly with an increase in projects related to official development assistance. The machine tool business remained firm, supported by a recovery in domestic demand.

Environment & Materials: Both sales and income rose

Both exports of raw materials for car batteries and imports of raw materials for pharmaceuticals were firm. The energy business contributed to overall earnings, with a tail wind from increasing sales of fuel oil to electric power companies.



* 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.