

## Highlights of Consolidated Financial Results for the First Three Months of the Fiscal Year Ending March 2014

Both net sales and income increased year on year. The first quarter of the first year of the medium-term business plan saw a good start.

|                         |                          |                 |
|-------------------------|--------------------------|-----------------|
| <b>Net sales</b>        | <b>253.0 billion yen</b> | <b>4.1% Up</b>  |
| <b>Operating income</b> | <b>4.7 billion yen</b>   | <b>2.3% Up</b>  |
| <b>Ordinary income</b>  | <b>5.1 billion yen</b>   | <b>24.7% Up</b> |
| <b>Net income</b>       | <b>3.1 billion yen</b>   | <b>28.5% Up</b> |

| Income Statement                           |              |              |              |            |           |          |
|--|--------------|--------------|--------------|------------|-----------|----------|
| (Unit: 100 million yen)                    | Q1 of FY2012 | Q1 of FY2013 | Year-on-year |            | FY2014    |          |
|  |              |              | Change       | Change (%) | Forecasts | Progress |
| Net sales                                  | 2,430        | <b>2,530</b> | 100          | 4.1%       | 10,500    | 24.1%    |
| Gross trading profit                       | 195          | <b>207</b>   | 12           | 6.3%       | -         | -        |
| SG&A expenses                              | 149          | <b>160</b>   | 11           | 7.6%       | -         | -        |
| Operating income                           | 46           | <b>47</b>    | 1            | 2.3%       | 190       | 24.8%    |
| Dividends received                         | 2            | <b>3</b>     | 1            | -          | -         | -        |
| Interest                                   | -8           | <b>-7</b>    | 1            | -          | -         | -        |
| Equity in earnings of affiliated companies | 0            | <b>0</b>     | 1            | -          | -         | -        |
| Foreign exchange gains/losses              | 1            | <b>9</b>     | 9            | -          | -         | -        |
| Others                                     | 0            | <b>-1</b>    | -1           | -          | -         | -        |
| Non-operating income/expenses              | -5           | <b>4</b>     | 9            | -          | -         | -        |
| Ordinary income                            | 41           | <b>51</b>    | 10           | 24.7%      | 170       | 30.3%    |
| Extraordinary gains                        | 2            | <b>1</b>     | -2           | -          | -         | -        |
| Extraordinary losses                       | -4           | <b>-3</b>    | 1            | -          | -         | -        |
| Income (loss) before income taxes          | 40           | <b>49</b>    | 9            | 23.2%      | -         | -        |
| Income taxes and minority interests        | 16           | <b>18</b>    | 2            | -          | -         | -        |
| Net income                                 | 24           | <b>31</b>    | 7            | 28.5%      | 60        | 51.7%    |

[Net sales]  
An increase in net sales, primarily reflecting a rise in net sales for the Electronics & Devices segment

[Operating income]  
A slight increase in operating income, with a decline in operating income for the Electronics & Devices and Foods & Grain segments more than offset by a rise in operating income in the Steel, Materials & Plant and Motor Vehicles & Aerospace segments

[Ordinary income]  
A rise in ordinary income, given an increase in non-operating income mainly due to a rise in foreign exchange gains

[Net income]  
A climb in net income with the increase in ordinary income

| Assets, Liabilities and Net Assets     |                  |                  |                        |            |
|--|------------------|------------------|------------------------|------------|
| (Unit: 100 million yen)                | 3/2013           | 6/2013           | Comparison with 3/2013 |            |
|  |                  |                  | Change                 | Change (%) |
| Total assets                           | <b>3,992</b>     | <b>4,018</b>     | 26                     | 0.7%       |
| Gross interest-bearing debt            | <b>1,469</b>     | <b>1,459</b>     | -10                    | -0.7%      |
| Net interest-bearing debt              | <b>864</b>       | <b>874</b>       | 10                     | 1.1%       |
| Equity capital                         | <b>795</b>       | <b>826</b>       | 31                     | 3.9%       |
| Other accumulated comprehensive income | <b>-250</b>      | <b>-226</b>      | 24                     | -          |
| Minority interests                     | <b>214</b>       | <b>218</b>       | 4                      | 1.8%       |
| Total net assets                       | <b>759</b>       | <b>818</b>       | 59                     | 7.7%       |
| Shareholders' equity (Note 1)          | <b>545</b>       | <b>600</b>       | 55                     | 10.1%      |
| Equity ratio (Note 2)                  | <b>13.7%</b>     | <b>14.9%</b>     | 1.2 pt improved        | -          |
| Net debt-equity ratio (Note 3)         | <b>1.6 times</b> | <b>1.5 times</b> | 0.1 pt improved        | -          |

[Interest-bearing debt]  
Gross interest-bearing debt declined 1.0 billion yen. Net interest-bearing debt rose 1.0 billion yen due to a decrease in cash and bank deposits.

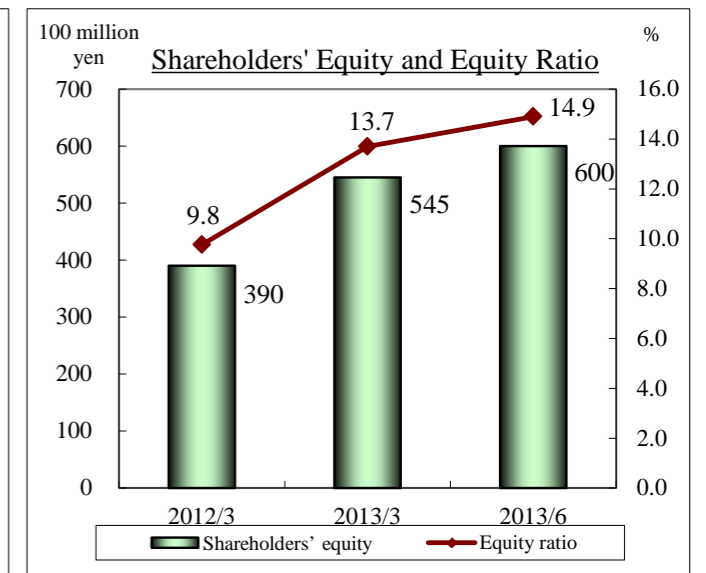
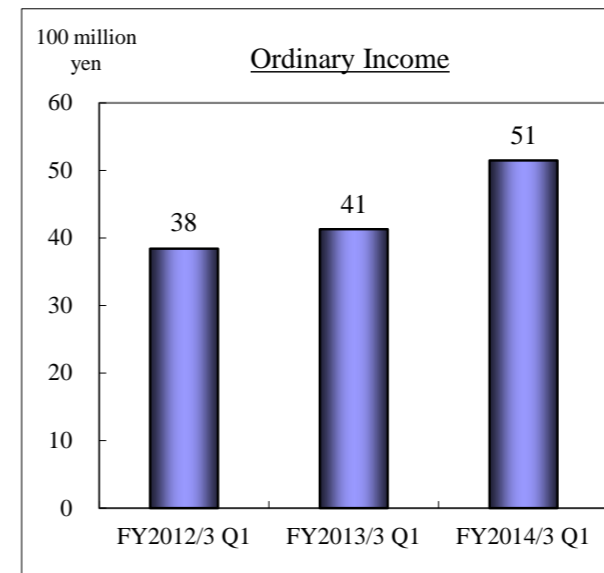
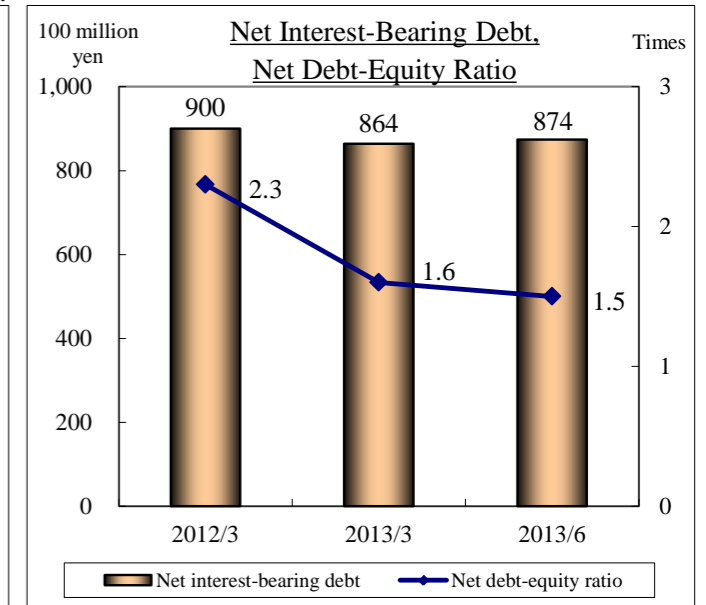
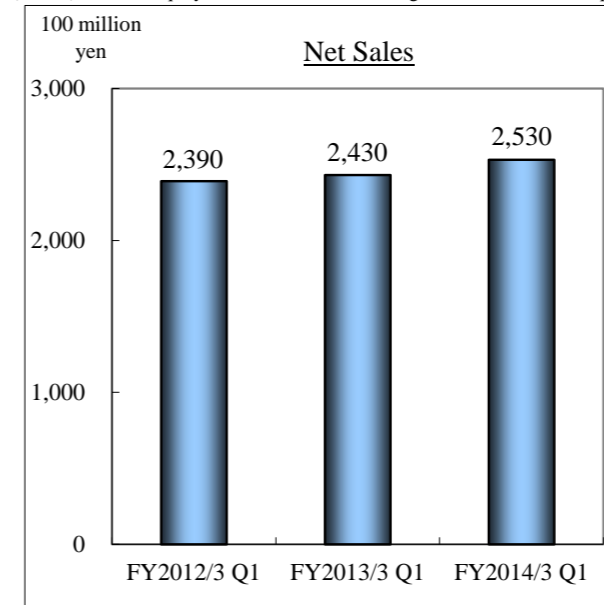
[Net assets]  
Net assets increased 5.9 billion yen, reflecting an increase in retained earnings attributable to the posting of net income, etc. Shareholders' equity, which is net assets minus minority interests, rose 5.5 billion yen.

As a result, the equity ratio increased to 14.9%, and net DER improved to 1.5.

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

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

(Note 3) Net debt-equity ratio = Net interest-bearing debt / Shareholders' equity



| Segment information           |                                |              |        |                  |              |        |
|-------------------------------|--------------------------------|--------------|--------|------------------|--------------|--------|
| (Unit: 100 million yen)       | Net sales (net external sales) |              |        | Operating income |              |        |
|                               | Q1 of FY2012                   | Q1 of FY2013 | Change | Q1 of FY2012     | Q1 of FY2013 | Change |
| Electronics & Devices         | 524                            | <b>621</b>   | 98     | 16               | <b>12</b>    | -4     |
| Foods & Grain                 | 715                            | <b>728</b>   | 13     | 11               | <b>8</b>     | -3     |
| Steel, Materials & Plant      | 1,040                          | <b>1,026</b> | -14    | 12               | <b>16</b>    | 4      |
| Motor Vehicles & Aerospace    | 120                            | <b>135</b>   | 15     | 5                | <b>9</b>     | 4      |
| Total for reportable segments | 2,399                          | <b>2,510</b> | 111    | 44               | <b>45</b>    | 1      |
| Other (including adjustment)  | 31                             | <b>20</b>    | -11    | 2                | <b>2</b>     | 0      |
| Grand total                   | 2,430                          | <b>2,530</b> | 100    | 46               | <b>47</b>    | 1      |

[Electronics & Devices] **A rise in net sales and a decrease in income**  
The ICT solutions business and the mobile solutions business held steady given favorable conditions in the smartphone market. The electronic components and materials business, which deals in electronic components for mobile phones among other products, performed well, with transactions for the Chinese market particularly strong. The semiconductor manufacturing equipment business was weak due to the tardiness of the recovery in corporate capital expenditures.

[Foods & Grain] **A rise in net sales and a decline in income**  
The foods business and the meat products business took time to pass the effect of a weaker yen on to sales prices and performed badly. Meanwhile, the foodstuff business was steady thanks to stable purchases and an increase in transaction volumes.

[Steel, Materials & Plant] **A decline in net sales and an increase in income**  
In the iron and steel business, transactions of specialty steel for automobiles for Europe and the United States and the oilfield tubing business in North America were solid. In the energy business, sales of heavy oil were strong. The chemicals business, imports of bulk pharmaceuticals in particular, performed well. In the plant business, transactions of machine tools and industrial machinery were weak.

[Motor Vehicles & Aerospace] **An increase in net sales and income**  
The motor vehicles business for Asia was weak overall, while transactions involving motor cycle parts for Europe and the United States and domestic transactions of aircraft parts were steady.

\* 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.