

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

Both net sales and income increased year on year and were in line with the targets in the medium-term business plan.

|                  |                   |       |    |
|------------------|-------------------|-------|----|
| Net sales        | 537.6 billion yen | 10.3% | Up |
| Operating income | 10.5 billion yen  | 6.2%  | Up |
| Ordinary income  | 11.0 billion yen  | 24.5% | Up |
| Net income       | 6.3 billion yen   | 4.5%  | Up |

The full-year forecast has been revised upward. The Company will resume paying a dividend after the first half under review.

| Income Statement                           |              |              |              |            |                                |          |
|--|--------------|--------------|--------------|------------|--------------------------------|----------|
| (Unit: 100 million yen)                    | H1 of FY2012 | H1 of FY2013 | Year-on-year |            | FY2013                         |          |
|  |              |              | Change       | Change (%) | Forecast revised on November 1 | Progress |
| Net sales                                  | 4,872        | 5,376        | 504          | 10.3%      | 11,000                         | 48.9%    |
| Gross trading profit                       | 400          | 430          | 31           | 7.6%       | -                              | -        |
| SG&A expenses                              | 301          | 325          | 24           | 8.1%       | -                              | -        |
| Operating income                           | 99           | 105          | 6            | 6.2%       | 200                            | 52.6%    |
| Dividends received                         | 5            | 6            | 1            | -          | -                              | -        |
| Interest                                   | -16          | -15          | 1            | -          | -                              | -        |
| Equity in earnings of affiliated companies | 0            | 1            | 1            | -          | -                              | -        |
| Foreign exchange gains/losses              | 2            | 14           | 12           | -          | -                              | -        |
| Others                                     | -2           | -2           | 0            | -          | -                              | -        |
| Non-operating income/expenses              | -11          | 4            | 15           | -          | -                              | -        |
| Ordinary income                            | 88           | 110          | 22           | 24.5%      | 190                            | 57.7%    |
| Extraordinary gains                        | 25           | 2            | -23          | -          | -                              | -        |
| Extraordinary losses                       | -17          | -5           | 13           | -          | -                              | -        |
| Income (loss) before income taxes          | 96           | 107          | 11           | 11.6%      | -                              | -        |
| Income taxes and minority interests        | -35          | -44          | -8           | -          | -                              | -        |
| Net income                                 | 60           | 63           | 3            | 4.5%       | 90                             | 69.9%    |

[Net sales]  
An increase in net sales, primarily reflecting rises in net sales in the Steel, Materials & Plant and Foods & Grain segments

[Operating income]  
An 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 the increase in operating income and a rise in non-operating income mainly due to a climb in foreign exchange gains

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

| Segment information           |                                |              |        |                  |              |        |
|-------------------------------|--------------------------------|--------------|--------|------------------|--------------|--------|
| (Unit: 100 million yen)       | Net sales (net external sales) |              |        | Operating income |              |        |
|                               | H1 of FY2012                   | H1 of FY2013 | Change | H1 of FY2012     | H1 of FY2013 | Change |
| Electronics & Devices         | 1,141                          | 1,263        | 122    | 48               | 36           | -12    |
| Foods & Grain                 | 1,426                          | 1,567        | 140    | 18               | 15           | -2     |
| Steel, Materials & Plant      | 2,020                          | 2,220        | 201    | 23               | 39           | 16     |
| Motor Vehicles & Aerospace    | 233                            | 290          | 57     | 9                | 12           | 3      |
| Total for reportable segments | 4,820                          | 5,340        | 520    | 97               | 103          | 6      |
| Other (including adjustment)  | 52                             | 36           | -16    | 2                | 2            | 0      |
| Grand total                   | 4,872                          | 5,376        | 504    | 99               | 105          | 6      |

[Electronics & Devices] A rise in net sales and a decrease in income  
The electronic components and materials business performed well, reflecting increasing demand both in Japan and overseas. Meanwhile, the semiconductor manufacturing equipment business was weak due to sluggish corporate capital expenditures. Operating income in the mobile business, which performed well in the previous fiscal year, declined due to the effect of intensifying competition among mobile operators.

[Foods & Grain] A rise in net sales and a decline in income  
Operating income in the foods business and the meat products business was held down as these businesses took time to pass the effect of a weaker yen on to sales prices and struggled with their performance. Meanwhile, the foodstuff business was steady thanks to stable purchases and an increase in transaction volumes.

[Steel, Materials & Plant] An increase in net sales and income  
In the iron and steel business, transactions involving specialty steel for automobiles for Europe and the United States and the oilfield tubing business in North America, which was acquired in the previous fiscal year, 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 involving 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.

| Assets, Liabilities and Net Assets     |            |            |                        |            |
|--|------------|------------|------------------------|------------|
| (Unit: 100 million yen)                | 2013/3     | 2013/9     | Comparison with 3/2013 |            |
|  |            |            | Change                 | Change (%) |
| Total assets                           | 3,992      | 3,981      | -11                    | -0.3%      |
| Gross interest-bearing debt            | 1,469      | 1,407      | -62                    | -4.2%      |
| Net interest-bearing debt              | 864        | 806        | -59                    | -6.8%      |
| Equity capital                         | 795        | 858        | 63                     | 7.9%       |
| Other accumulated comprehensive income | -250       | -219       | 31                     | -          |
| Minority interests                     | 214        | 237        | 23                     | 10.8%      |
| Total net assets                       | 759        | 876        | 117                    | 15.4%      |
| Shareholders' equity (Note 1)          | 545        | 639        | 93                     | 17.1%      |
| Equity ratio (Note 2)                  | 13.7%      | 16.0%      | 2.3 pt improved        | -          |
| Net debt-equity ratio (Note 3)         | 1.59 times | 1.26 times | 0.33 pt improved       | -          |

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

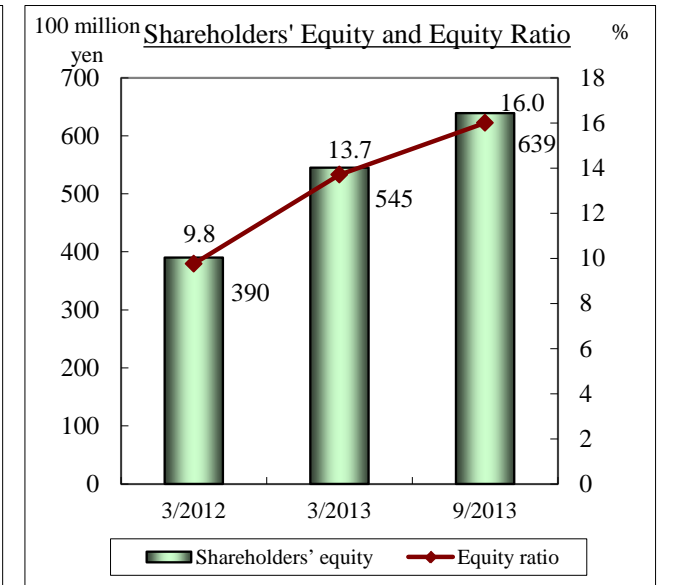
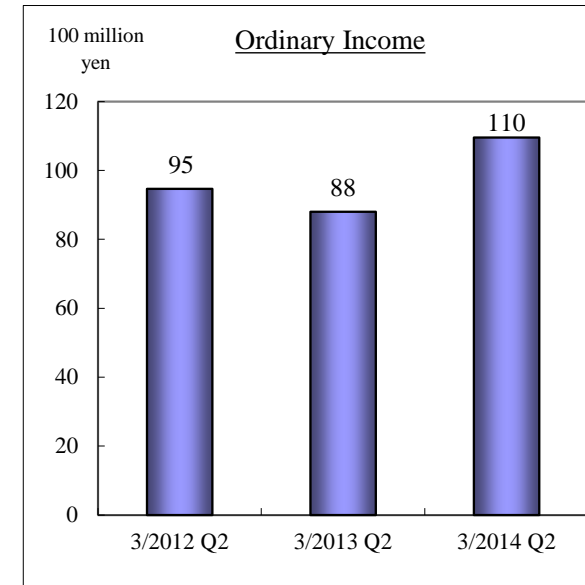
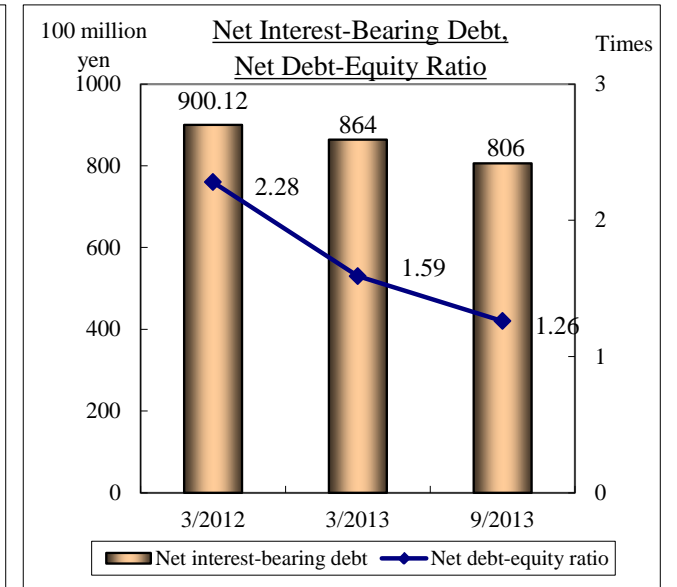
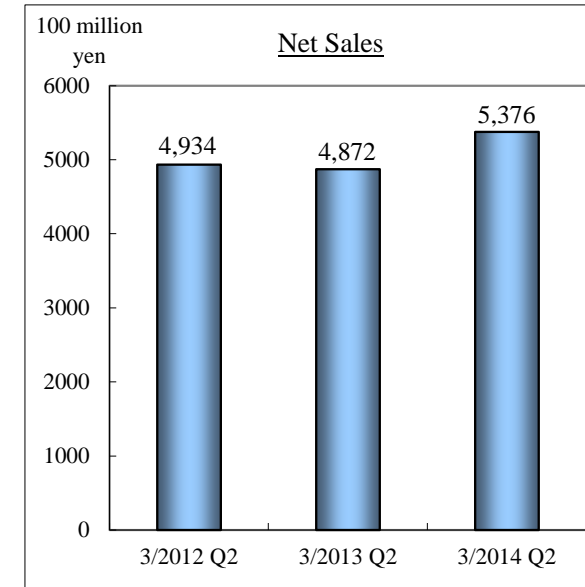
(Note 2) Equity ratio = Shareholders' equity / Total assets

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

[Interest-bearing debt]  
Gross interest-bearing debt declined 6.2 billion yen.  
Net interest-bearing debt fell 5.9 billion yen.

[Net assets]  
Net assets increased 11.7 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 9.3 billion yen.

As a result, the equity ratio increased to 16.0%, and net DER improved to 1.26.



\* 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.