

## Highlights of Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 2015

Despite a slight decline in income from a year earlier, progress versus the full year's forecast remained favorable.

Net sales	534.4 billion yen	0.6%	Down
Operating income	11.1 billion yen	5.5%	Up
Ordinary income	10.6 billion yen	3.6%	Down
Net income	6.1 billion yen	3.1%	Down

The interim dividend of 2.5 yen including the commemorative dividend of 1.0 yen for the 125th anniversary of foundation was paid.

Income Statement						
(Unit: 100 million yen)	H1 of FY2014	H1 of FY2015	Year-on-year		FY2015	
			Change	Change (%)	Forecasts	Progress
Net sales	5,376	5,344	(32)	(0.6%)	11,500	46.5%
Gross trading profit	430	440	10	2.2%	-	-
SG&A expenses	325	329	4	1.2%	-	-
Operating income	105	111	6	5.5%	220	50.4%
Dividends income	6	6	0	-	-	-
Interest	(15)	(14)	1	-	-	-
Equity in earnings of affiliated companies	1	3	2	-	-	-
Foreign exchange gains/losses	14	0	(14)	-	-	-
Others	(2)	(2)	0	-	-	-
Non-operating income/expenses	4	(5)	(10)	-	-	-
Ordinary income	110	106	(4)	(3.6%)	205	51.5%
Extraordinary gains/losses	(3)	(1)	2	-	-	-
Income (loss) before income taxes and minority interests	107	105	(2)	(2.1%)	-	-
Income taxes and minority interests	44	44	(0)	-	-	-
Net income	63	61	(2)	(3.1%)	110	55.4%

[Net sales]  
The Steel, Materials & Plant segment and the Motor Vehicle and Aerospace segment were active centering on export transactions. In the Foods & Grain segment, total net sales fell 3.2 billion yen due to the influence of a fall in the market price of grains, although the meat product business remained brisk.

[Operating income]  
Operating income rose 0.6 billion yen because the Electronic & Devices segment and the Foods & Grain segment were brisk overall.

[Ordinary income]  
Ordinary income decreased 0.4 billion yen reflecting a sharp decline in foreign exchange gains.

[Net income]  
Net income fell 0.2 billion yen due to a decline in ordinary income.

Assets, Liabilities and Net Assets				
(Unit: 100 million yen)	3/2014	9/2014	Comparison with 3/2014	
			Change	Change (%)
Total assets	4,285	4,243	(41)	(1.0%)
Gross interest-bearing debt	1,419	1,322	(97)	(6.8%)
Net interest-bearing debt	680	642	(38)	(5.6%)
Equity capital	907	955	48	5.3%
Accumulated other comprehensive income	(190)	(172)	18	-
Minority interests	245	247	2	0.8%
Total net assets	962	1,030	68	7.0%
Shareholders' equity (Note 1)	717	782	66	9.2%
Equity ratio (Note 2)	16.7%	18.4%	Improved by 1.7 pt	-
Net debt-equity ratio (Note 3)	0.9 times	0.8 times	(0.1 pt)	-

(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 9.7 billion yen. Net interest-bearing debt declined 3.8 billion yen.

[Net assets]  
Net assets rose 6.8 billion yen thanks to an increase in retained earnings as a result of the posting of net income. Shareholders' equity, obtained by subtracting minority interests from net assets, increased 6.6 billion yen.

As a result, the equity ratio improved to 18.4%. Net DER remained 0.8 times.

Cash Flows			[CF from operating activities] Net cash provided stood at 6.2 billion yen mainly due to operating income.	Dividends	
(Unit: 100 million yen)	H1 of FY2014	H1 of FY2015		FY2015	
Cash flows from operating activities	116	62	[CF from investing activities] Net cash used was 2.5 billion yen, chiefly reflecting payments for acquisition of tangible fixed assets.	Interim	2.5 yen per share
Cash flows from investing activities	(40)	(25)		Year-end (forecast)	1.5 yen per share
Free cash flows	76	37	[CF from financing activities] Net cash used was 10.7 billion yen chiefly due to the repayment of debt.	Annual (forecast)	4.0 yen per share
Cash flows from financing activities	(87)	(107)		* A breakdown of interim dividends Common dividends of 1.5 yen Commemorative dividend of 1.0 yen	
Effect of exchange rate changes	8	4			
Increase (decrease) in cash and cash equivalents	(3)	(66)			

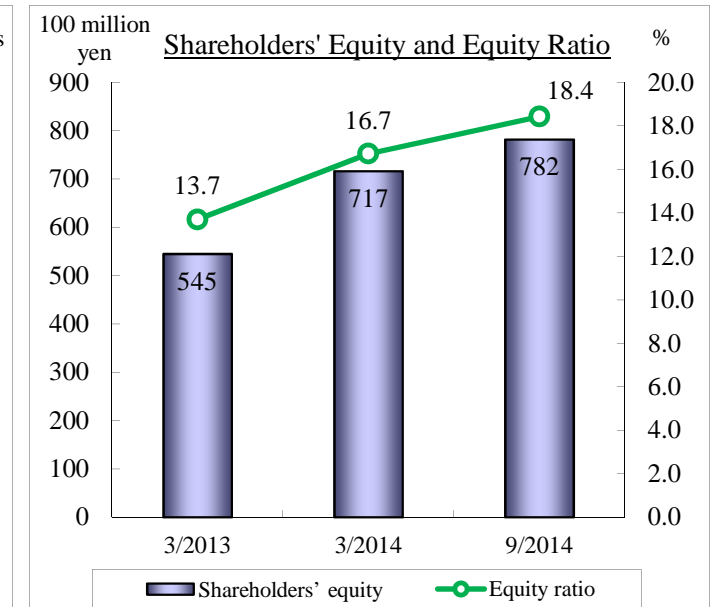
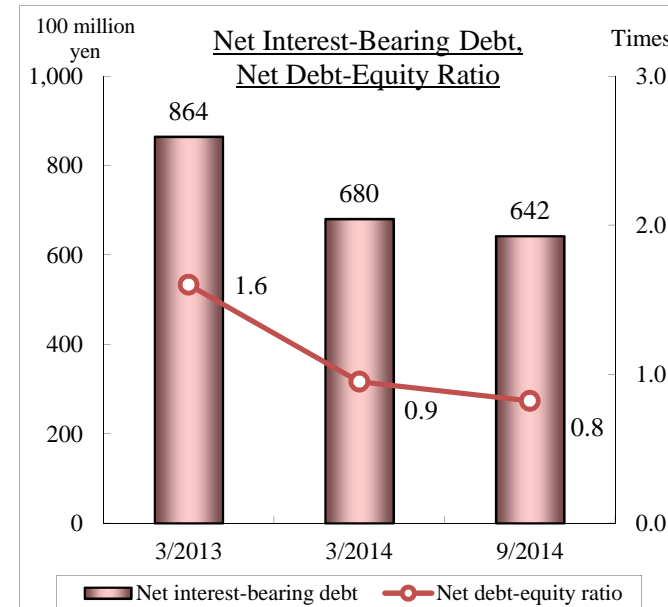
Segment information						
(Unit: 100 million yen)	Net sales (net external sales)			Operating income		
	H1 of FY2014	H1 of FY2015	Change	H1 of FY2014	H1 of FY2015	Change
Electronics & Devices	1,263	1,265	1	36	41	5
Foods & Grain	1,567	1,514	(53)	15	24	9
Steel, Materials & Plant	2,220	2,242	22	39	31	(8)
Motor Vehicles & Aerospace	290	310	20	12	14	2
Total for reportable segments	5,340	5,330	(10)	103	109	7
Other (including adjustment)	36	13	(23)	3	1	(1)
Grand total	5,376	5,344	(32)	105	111	6

[Electronics & Devices] Increased net sales and income  
The semiconductor parts and manufacturing equipment business remained brisk against the backdrop of strong demand associated with smartphones and a rise in transactions of in-car products and products for amusement. In the electronic components and materials business, exports of imaging equipment, etc. were booming. The ICT solutions business and the mobile solutions business remained steady due to the use of a sales plan meeting customers' needs.

[Foods & Grain] Decreased net sales and increased income  
The meat products business were favorable overall reflecting a rise in demand and the steady trend of the market. In the foodstuff business, the transactions of both grains and feed remained smooth.

[Steel, Materials & Plant] Increased net sales and declined income  
In the plant business, transactions of plant infrastructure in South East Asia were strong. In the iron and steel business, the oilfield tubing business, a mainstay in iron and steel, was affected by a delay in the recovery of offshore drilling, but the oilfield tube processing business enjoyed a steady rise in production volume. In the energy business, sales of petroleum products dropped due to the influence of unseasonal weather and a fall in consumption.

[Motor Vehicles & Aerospace] Increased net sales and income  
In the aerospace business, transactions of aircraft parts remained stable. In the motor vehicles and parts business, transactions involving motorcycle and motor vehicle parts for Europe, the United States, and Asia were strong.



\* The forward-looking statements, including results forecasts, included in this material are based on information that the Company has obtained and certain assumptions that the Company considers reasonable. The Company does not promise to achieve them. Actual results might differ materially from the forecasts due to a number of factors.  
\* Since the figures above are rounded off to the nearest 100 million yen, the sum of each item and the total may differ.  
\* FY2014 (the fiscal year ended March 31, 2014)  
\* FY2015 (the fiscal year ending March 31, 2015)