

FOR IMMEDIATE RELEASE

## **Toyota Tsusho Corporation Reports Earnings for the Six Months Ended September 30, 2009**

Nagoya, Japan; October 30, 2009—Toyota Tsusho Corporation (TSE: 8015) reported net sales of 2,279.694 billion yen and net income of 9.646 billion yen, or 27.54 yen per share, for the six months ended September 30, 2009.

### **Consolidated Results of Operations**

In the fiscal second quarter (ended September 30, 2009), the global economy emerged from the nadir of recession by virtue of fiscal and monetary policy measures implemented throughout much of the world. The Chinese economy in particular embarked on recovery driven chiefly by domestic demand. The US and Europe, however, remained beset by an adverse economic environment. Overall, global economic recovery has been sluggish. The Japanese economy also has started to recover, buoyed by a rebound in exports and production in response to domestic and overseas economic stimulus, but with employment and capital spending still under strong downward pressure, the recovery has been barely palpable.

Amid such an environment, the Toyota Tsusho Group saw its consolidated net sales fall 736.7 billion yen (37.6%) year on year to 1,224.5 billion yen in the fiscal second quarter. As a result of the sales decline, consolidated operating income fell to 12.696 billion yen, down 26.929 billion yen (68.0%) from 39.625 billion yen in the year-earlier quarter. Consolidated ordinary income was down 29.913 billion yen (66.6% %) to 15.007 billion yen from 44.92 billion yen in the year-earlier quarter. Consolidated net income after taxes was 6.978 billion yen, a 19.65 billion yen (73.8%) decrease from 26.628 billion yen in the year-earlier quarter.

### **Segment Information**

#### **Metals**

Net sales in the Metals segment totaled 380.6 billion yen, down 253.8 billion yen (40.0%) year on year, largely as a result of automakers' production cutbacks. In the steel products business, sales slowly recovered as demand picked up following automakers' inventory destocking early in the fiscal year. The nonferrous metals business continued to endeavor to acquire resources throughout the world, particularly rare earth elements. It is preparing to develop a mine in Vietnam in partnership with a state-owned company. In the steel raw materials business, signs of recovery steadily emerged as prices turned upward after a protracted downturn dating back to last autumn.

#### **Machinery & Electronics**

Net sales in the Machinery & Electronics segment totaled 275.2 billion yen, down 117.6 billion yen (29.9%) year on year. The sales decline was largely attributable to decreased capital spending and production cutbacks in the auto industry. The machinery business formed a specialist team to make further inroads in the hybrid and electric vehicle market, a future growth market. The information and electronics business achieved solid growth in sales of electronic parts for hybrid vehicles. The automotive parts business benefited from recovery in parts sales, mainly in China.

#### **Automotive**

Net sales in the Automotive segment totaled 142.6 billion yen, down 119.4 billion yen (45.6%) year on year. Despite efforts to qualitatively improve service and customer engagement at existing dealerships and progress in expanding the dealer network and facilities, auto sales remain depressed in emerging markets and resource-rich countries such as Russia and Africa.

## Energy & Chemicals

Net sales in the Energy & Chemicals segment totaled 256.8 billion yen, down 200 billion yen (43.8%) year on year, largely as a result of lower market prices. In the chemical and synthetic resin business, the Group acquired an equity stake in a young company involved in development and production of large lithium ion batteries and gained a foothold in other businesses (e.g., solar power) that will play a key role in the proliferation of renewable energy. In the energy and plant business, the Group joined together with Chubu Electric Power Co., Ltd., to acquire an interest in the Goreway Power Plant Project, a gas-fired power plant in Canada, as one step toward strengthening its overseas power generation business, which has promising prospects as a long-term source of stable earnings.

## Produce & Foodstuffs

Net sales in the Produce & Foodstuffs segment totaled 78.3 billion yen, down 17.3 billion yen (18.0%) year on year in the wake of declines in market prices. The feed grain business pursued cultivation of overseas markets. It entered into new contracts to export soybeans from soybean producing countries to China and to import soy meal from China. The foodstuffs business commenced construction of a second vegetable growing facility in Japan in response to consumer demand for safe domestically grown vegetables.

## Consumer Products, Services & Materials

Net sales in the Consumer Products, Services & Materials segment totaled 67.8 billion yen, down 17.9 billion yen (20.9%) year on year, largely due to continued adverse conditions in the real estate business. In the textile business, JFT Holdings Limited, the Group's first overseas apparel retailing venture, opened a flagship store in Hong Kong. In the automotive materials business, sales of interior materials for luxury cars continued to languish.

For information on the Group's consolidated operating results for the fiscal first quarter, refer to our first-quarter earnings release dated July 31, 2009.

## Consolidated Financial Condition

At September 30, 2009, consolidated assets totaled 2,070.4 billion yen, a decrease of 59.6 billion yen from March 31, 2009. The decrease was chiefly attributable to a 91.4 billion yen drawdown in cash and deposits and 58.3 billion yen reduction in inventories, partially offset by a 64.1 billion yen increase in trade receivables and 34.8 billion yen increase in investment securities holdings. Consolidated net assets grew 30.7 billion yen from March 31, 2009, to 617.6 billion yen at September 30, largely by virtue of a 13.5 billion yen increase in net unrealized gains on available-for-sale securities and retained earnings accretion of 6.1 billion yen, mainly from quarterly net income.

## Outlook for Fiscal Year Ending March 31, 2010

In response to changes in economic conditions, the Group has revised exchange rate and other assumptions underlying its consolidated earnings forecast issued on April 28, 2009, for the fiscal year ending March 31, 2010. The Group also partially revised its forecast in light of its operating performance in the fiscal first half and the future outlook. The Group now projects consolidated net sales of 5,000 billion yen, unchanged from its initial forecast; consolidated operating income of 51 billion yen, a 6 billion yen (10.5%) downward revision from its initial forecast; consolidated ordinary income of 54 billion yen, unchanged from its initial forecast; and consolidated net income of 23 billion yen, a 2 billion yen (8.0%) downward revision from its initial forecast.

#### 4. Other Information

- (1) Changes affecting the status of material subsidiaries (scope of consolidation) during the period  
Not applicable
- (2) Use of simplified accounting and/or accounting procedures specific to preparation of quarterly consolidated financial statements

##### *Simplified accounting*

Six months ended September 30, 2009 (April 1, 2009 to September 30, 2009)	
Bad debt estimation method for general claims	The Company estimated the value of uncollectible general claims based on the preceding fiscal year's actual credit loss rate, because it determined that the credit loss rate at the end of September 2009 had not changed substantially relative to the rate calculated at the preceding fiscal year-end.
Calculation of income taxes, deferred tax assets, and deferred tax liabilities	To assess deferred assets' collectability, the Company used the tax planning and earnings forecasts that it used in the preceding fiscal year, because it determined that the operating environment and status of temporary differences had not changed substantially since the preceding fiscal year-end.

##### *Accounting procedures specific to preparation of quarterly consolidated financial statements*

Six months ended September 30, 2009 (April 1, 2009 to September 30, 2009)	
Calculation of tax liabilities	The Company calculates tax expense by rationally estimating its effective tax rate after application of deferred-tax accounting to pretax net income for the fiscal year, which includes the six months ended September 30, 2009, and multiplying quarterly pretax net income by said estimated effective tax rate. Income taxes expenses are reported inclusive of income tax adjustments.

- (3) Changes in accounting principles, procedures, or presentation methods applicable to preparation of quarterly consolidated financial statements

Six months ended September 30, 2009 (April 1, 2009 to September 30, 2009)	
Changes related to accounting standards	<p><i>Change in method of translating material foreign assets or liabilities into Japanese yen</i></p> <p>Effective the three months ended June 30, 2009, the Company changed the method by which it translates foreign subsidiaries' revenues and expenses into Japanese yen. The Company previously used the spot rate prevailing on the account closing date, but switched to using the average exchange rate during each respective accounting period.</p> <p>In light of the significance of foreign subsidiaries' impact on consolidated results, the Company switched to the new method to ensure that consolidated financial statements better reflect</p>

	<p>income/loss accrued in each accounting period by smoothing out the impact of short-term exchange fluctuations on income/losses.</p> <p>Due to this change, compared with what they would have been under the previous accounting method, net sales for the six months ended September 30, 2009 were 9,540 million yen higher; operating income, 166 million yen higher; ordinary income, 210 million yen higher; and income before income taxes and minority interests, 207 million yen higher.</p> <p>The impact on each business segment is stated in the relevant sections of this document.</p>
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**(1) Consolidated Balance Sheets**

	As of September 30, 2009	As of March 31, 2009
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	151,120	242,537
Trade notes and accounts receivable	754,727	690,646
Inventories	368,082	426,391
Other current assets	104,467	109,693
Less: allowance for doubtful receivables	(8,801)	(9,141)
<b>Total current assets</b>	<b>1,369,595</b>	<b>1,460,128</b>
<b>Fixed assets:</b>		
Property and equipment:	238,754	224,733
Intangible assets		
Goodwill	95,299	103,423
Other	17,123	15,056
<b>Total intangible assets</b>	<b>112,422</b>	<b>118,479</b>
Investments and other assets		
Investment securities	268,160	233,388
Other	101,676	113,335
Less: allowance for doubtful receivables	(20,135)	(19,975)
<b>Total investments and other assets</b>	<b>349,701</b>	<b>326,747</b>
<b>Total fixed assets</b>	<b>700,879</b>	<b>669,961</b>
<b>Total assets</b>	<b>2,070,474</b>	<b>2,130,089</b>

	As of September 30, 2009	As of March 31, 2009
Millions of yen		
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Trade notes and accounts payable	548,434	492,678
Short-term debt	236,508	331,064
Income taxes payable	7,420	12,943
Allowances	412	696
Other current liabilities	165,250	207,706
<b>Total current liabilities</b>	<b>958,025</b>	<b>1,045,088</b>
<b>Long-term liabilities:</b>		
Bonds payable, less current portion	95,000	95,000
Long-term debt	347,780	350,008
Allowances	20,632	20,277
Other long-term liabilities	31,339	32,718
<b>Total long-term liabilities</b>	<b>494,752</b>	<b>498,004</b>
<b>Total liabilities</b>	<b>1,452,777</b>	<b>1,543,092</b>
<b>Net assets</b>		
<b>Shareholders' equity:</b>		
Common stock	64,936	64,936
Capital surplus	154,367	154,367
Retained earnings	371,250	365,130
Treasury stock	(7,141)	(6,749)
<b>Total shareholders' equity</b>	<b>583,412</b>	<b>577,685</b>
<b>Valuation and translation adjustments:</b>		
Net unrealized gains on available-for-sales securities, net of taxes	15,652	2,147
Deferred gain (loss) on futures hedge	4,051	(2,300)
Foreign currency translation adjustments	(44,185)	(46,613)
<b>Total valuation and translation adjustments</b>	<b>(24,481)</b>	<b>(46,766)</b>
<b>Stock warrants</b>	<b>1,238</b>	<b>1,089</b>
<b>Minority interests</b>	<b>57,526</b>	<b>54,988</b>
<b>Total net assets</b>	<b>617,696</b>	<b>586,996</b>
<b>Total liabilities and net assets</b>	<b>2,070,474</b>	<b>2,130,089</b>

## (2) Consolidated Statements of Income

	Millions of yen	
	Six months ended September 30, 2008	Six months ended September 30, 2009
<b>Net sales</b>	3,889,427	2,279,694
Cost of sales	3,689,176	2,147,859
<b>Gross profit</b>	200,251	131,835
<b>Selling, general and administrative expenses</b>	124,507	111,690
<b>Operating income</b>	75,744	20,145
<b>Other income:</b>		
Interest income	2,555	1,573
Dividend income	9,371	6,868
Equity in the earnings of unconsolidated subsidiaries and affiliates	6,489	2,519
Other income	6,826	4,421
Total other income	25,243	15,384
<b>Other expenses:</b>		
Interest expense	9,169	7,172
Other expenses	5,117	3,900
Total other expenses	14,286	11,073
<b>Ordinary income</b>	86,701	24,455
<b>Extraordinary income:</b>		
Gain on sale of property and intangible assets	818	150
Gain on operating of securities	213	117
Gain on reversal of allowance for doubtful receivables	2,399	-
Gain on change in equity interest	-	1,229
Gain on reversal of stock warrants	-	79
Total extraordinary income	3,431	1,577
<b>Extraordinary losses:</b>		
Loss on disposal of property and intangible assets	1,166	408
Impairment of property and intangible assets	595	31
Loss on sale of securities	8	276
Loss on valuation of securities	1,140	295
Loss on disposal of affiliates	28	102
Provision for loss on withdrawal from businesses	471	85
Other losses	61	13
Total extraordinary losses	3,472	1,213
<b>Income before income taxes and minority interests</b>	86,660	24,819
<b>Income tax expenses</b>	35,103	12,420
<b>Minority interests in earnings of consolidated subsidiaries and affiliates</b>	6,064	2,752
<b>Net income</b>	45,492	9,646

	Three months ended September 30, 2008	Millions of yen Three months ended September 30, 2009
<b>Net sales</b>	1,961,250	1,224,506
Cost of sales	1,859,042	1,155,692
<b>Gross profit</b>	102,208	68,813
<b>Selling, general and administrative expenses</b>	62,582	56,116
<b>Operating income</b>	39,625	12,696
<b>Other income:</b>		
Interest income	1,268	774
Dividend income	4,945	2,375
Equity in the earnings of unconsolidated subsidiaries and affiliates	2,898	1,683
Other income	3,186	2,524
Total other income	12,299	7,356
<b>Other expenses:</b>		
Interest expense	4,556	3,408
Other expenses	2,448	1,637
Total other expenses	7,004	5,045
<b>Ordinary income</b>	44,920	15,007
<b>Extraordinary income:</b>		
Gain on sale of property and intangible assets	713	54
Gain on operating of securities	129	10
Gain on reversal of allowance for doubtful receivables	218	8
Gain on reversal of stock warrants	-	79
Total extraordinary income	1,062	152
<b>Extraordinary losses:</b>		
Loss on disposal of property and intangible assets	995	216
Impairment of property and intangible assets	-	31
Loss on sale of securities	3	104
Loss on valuation of securities	1,105	51
Loss on disposal of affiliates	-	102
Provision for loss on withdrawal from businesses	-	85
Other losses	47	2
Total extraordinary losses	2,151	594
<b>Income before income taxes and minority interests</b>	43,830	14,566
<b>Income tax expenses</b>	14,036	5,618
<b>Minority interests in earnings of consolidated subsidiaries and affiliates</b>	3,165	1,968
<b>Net income</b>	26,628	6,978



### (3) Notes on the going-concern assumption

Not applicable

### (4) Segment information

#### 1. Industry segments

Three months ended September 30, 2008 (July 1, 2008 to September 30, 2008)

Millions of yen

	Metals	Machinery & Electronics	Automotive	Energy & Chemicals	Produce & Foodstuffs	Consumer Products, Services & Materials	Other	Total	Elimination	Consolidation
<b>I. Net sales</b>										
Outside customers	634,487	392,856	262,080	456,834	95,601	85,759	33,629	1,961,250	-	1,961,250
Inner-segment	94	2,303	7	534	28	484	183	3,636	(3,636)	-
Total	634,582	395,159	262,087	457,369	95,629	86,244	33,813	1,964,886	(3,636)	1,961,250
Operating income	11,370	7,671	13,189	4,513	1,516	1,212	159	39,635	(9)	39,625

Three months ended September 30, 2009 (July 1, 2009 to September 30, 2009)

Millions of yen

	Metals	Machinery & Electronics	Automotive	Energy & Chemicals	Produce & Foodstuffs	Consumer Products, Services & Materials	Other	Total	Elimination	Consolidation
<b>I. Net sales</b>										
Outside customers	380,637	275,262	142,659	256,879	78,347	67,842	22,877	1,224,506	-	1,224,506
Inner-segment	113	2,805	1	385	26	1,798	2,028	7,158	(7,158)	-
Total	380,750	278,067	142,661	257,265	78,373	69,640	24,905	1,231,665	(7,158)	1,224,506
Operating income	4,701	1,668	4,690	483	278	580	292	12,695	1	12,696

## Six months ended September 30, 2008 (April 1, 2008 to September 30, 2008)

Millions of yen

	Metals	Machinery & Electronics	Automotive	Energy & Chemicals	Produce & Foodstuffs	Consumer Products, Services & Materials	Other	Total	Elimination	Consolidation
<b>I. Net sales</b>										
Outside customers	1,236,252	787,769	504,265	921,652	199,335	172,751	67,400	3,889,427	-	3,889,427
Inner-segment	222	4,700	9	1,131	62	1,082	1,360	8,568	(8,568)	-
Total	1,236,475	792,469	504,274	922,783	199,397	173,834	68,761	3,897,996	(8,568)	3,889,427
Operating income	22,831	15,069	23,904	6,468	3,567	3,275	636	75,753	(9)	75,744

## Six months ended September 30, 2009 (April 1, 2009 to September 30, 2009)

Millions of yen

	Metals	Machinery & Electronics	Automotive	Energy & Chemicals	Produce & Foodstuffs	Consumer Products, Services & Materials	Other	Total	Elimination	Consolidation
<b>I. Net sales</b>										
Outside customers	680,011	516,417	269,835	485,461	157,720	128,674	41,574	2,279,694	-	2,279,694
Inner-segment	214	5,233	4	704	54	1,938	3,717	11,867	(11,867)	-
Total	680,226	521,650	269,839	486,166	157,775	130,612	45,291	2,291,562	(11,867)	2,279,694
Operating income (loss)	5,370	2,734	7,556	256	2,897	1,385	(56)	20,144	1	20,145

## Notes: 1. Method of categorizing lines of business:

As a rule, business operations are categorized according to similarities in manufacturing processes, usage, and selling methods.

2. Effective the three months ended June 30, 2009, the Company changed the method by which it translates foreign subsidiaries' revenues and expenses into Japanese yen. The Company previously used the spot rate prevailing on the account closing date, but switched to using the average exchange rate during each respective accounting period. Due to this change, compared with what they would have been under the previous accounting method, net sales for the six months ended September 30, 2009, in the Metals Division were 2,489 million yen higher; in the Machinery & Electronics Division, 1,509 million yen higher; in the Automotive Division, 746 million yen higher; in the Energy & Chemicals Division, 2,812 million yen higher; in the Produce & Foodstuffs Division, 1,272 million yen higher; in the Consumer Products, Services & Materials Division, 328 million yen higher; and in the Other Division, 382 million yen higher. By the same comparison, operating income for the six months ended September 30, 2009, in the Metals Division was 55 million yen higher; in the Machinery & Electronics Division, 35 million yen higher; in the Automotive Division, 48 million yen higher; in the Energy & Chemicals Division, approximately 0 million yen lower; in the Produce & Foodstuffs Division, 22 million yen higher; in the Consumer Products, Services & Materials Division, 7 million yen higher; and in the Other Division, 2 million yen lower.

## 2. Geographic segments

Three months ended September 30, 2008 (July 1, 2008 to September 30, 2008)

Millions of yen

	Japan	Asia and Oceania	North America	Europe and the CIS	Other	Total	Elimination	Consolidation
<b>I. Net sales</b>								
Outside customers	1,281,843	371,908	137,587	117,861	52,049	1,961,250	-	1,961,250
Inner-segment	170,206	39,036	40,306	3,102	1,392	254,044	(254,044)	-
Total	1,452,050	410,944	177,893	120,964	53,442	2,215,295	(254,044)	1,961,250
Operating income	13,302	11,811	3,405	4,607	5,987	39,113	512	39,625

Three months ended September 30, 2009 (July 1, 2009 to September 30, 2009)

Millions of yen

	Japan	Asia and Oceania	North America	Europe and the CIS	Other	Total	Elimination	Consolidation
<b>I. Net sales</b>								
Outside customers	789,139	244,618	84,713	71,933	34,101	1,224,506	-	1,224,506
Inner-segment	114,551	13,086	23,376	1,507	554	153,077	(153,077)	-
Total	903,690	257,705	108,089	73,440	34,656	1,377,583	(153,077)	1,224,506
Operating income	1,009	5,886	1,518	1,952	2,861	13,228	(531)	12,696

Six months ended September 30, 2008 (April 1, 2008 to September 30, 2008)

Millions of yen

	Japan	Asia and Oceania	North America	Europe and the CIS	Other	Total	Elimination	Consolidation
<b>I. Net sales</b>								
Outside customers	2,562,667	695,863	292,527	237,409	100,960	3,889,427	-	3,889,427
Inner-segment	336,608	73,601	77,774	7,354	2,468	497,806	(497,806)	-
Total	2,899,275	769,464	370,302	244,764	103,428	4,387,234	(497,806)	3,889,427
Operating income	25,991	20,938	8,696	8,411	11,194	75,232	512	75,744

Six months ended September 30, 2009 (April 1, 2009 to September 30, 2009)

Millions of yen

	Japan	Asia and Oceania	North America	Europe and the CIS	Other	Total	Elimination	Consolidation
<b>I. Net sales</b>								
Outside customers	1,474,834	446,966	156,340	136,406	65,147	2,279,694	-	2,279,694
Inner-segment	200,291	23,187	50,898	2,335	970	277,683	(277,683)	-
Total	1,675,125	470,153	207,238	138,742	66,117	2,557,378	(277,683)	2,279,694
Operating income	1,865	9,119	2,540	2,196	5,018	20,741	(595)	20,145

- Notes:
1. Geographic segmentation is based on geographic proximity.
  2. Major countries or regions except Japan in each category are as follows:
    - (1) Asia and Oceania: China, Taiwan, Singapore, and Thailand
    - (2) North America: U.S.A.
    - (3) Europe and the CIS: U.K., Belgium, and Russia
    - (4) Other: Africa and Central & South America
  3. Effective the three months ended June 30, 2009, the Company changed the method by which it translates foreign subsidiaries' revenues and expenses into Japanese yen. The Company previously used the spot rate prevailing on the account closing date, but switched to using the average exchange rate during each

respective accounting period. Due to this change, compared with what they would have been under the previous accounting method, net sales for the six months ended September 30, 2009, in Asia & Oceania were 4,728 million yen higher; in North America, 5,295 million yen higher; in Europe & the CIS, 411 million yen lower; and in the Other geographic segment, 71 million yen lower. By the same comparison, operating income for the six months ended September 30, 2009, in Asia & Oceania was 58 million yen higher; in North America, 69 million yen higher; in Europe & the CIS, 34 million yen higher; and in the Other geographic segment, 4 million yen higher.

**(5) Notes on significant changes in the amount of shareholders' equity**

Dividends totaling 2,804 million yen were paid out of retained earnings during the six months ended September 30, 2009.

**Outline of Consolidated Results for the Six Months Ended September 30, 2009  
(April 1, 2009 to September 30, 2009)**

**1. Operating Results**

Billions of yen

	Consolidated			
	Six months ended September 30, 2009	Six months ended September 30, 2008	Year-on-year change	
			Amount	%
Net sales	2,279.6	3,889.4	(1,609.8)	(41)
Gross profit	131.8	200.2	(68.4)	(34)
SG & A expenses	111.6	124.5	(12.9)	-
Operating income	20.1	75.7	(55.6)	(73)
Interest income and expense	(5.5)	(6.6)	1.1	-
Dividend income	6.8	9.3	(2.5)	-
Equity in the earnings (losses) of unconsolidated subsidiaries and affiliates	2.5	6.4	(3.9)	-
Other income (losses)	0.5	1.7	(1.2)	-
Ordinary income	24.4	86.7	(62.3)	(72)
Extraordinary income (losses)	0.3	(0.0)	0.3	-
Income before income taxes and minority interests	24.8	86.6	(61.8)	(71)
Income tax expenses	12.4	35.1	(22.7)	-
Minority interests in earnings of consolidated subsidiaries and affiliates	2.7	6.0	(3.3)	-
Net income	9.6	45.4	(35.8)	(79)

\*Effective the fiscal year ending March 31, 2010, revenues and expenses of foreign subsidiaries are translated into Japanese yen at the average exchange rate for each respective accounting period.

**Major year-on-year changes**

- Net sales (decrease of 1,609.8 billion yen):
  - Decrease in volume handled mainly in the Metals and Energy & Chemicals segments due to decline in market activity and decreased automobile production
- Gross profit (decrease of 68.4 billion yen):
  - Decrease mainly in the Metals, Machinery & Electronics and Automotive segments due to decline in net sales
- SG & A expenses (decrease of 12.9 billion yen):
  - Decrease due to company-wide cost reductions
- Interest income and expense: (increase of 1.1 billion yen):
  - Improved due to lower interest rates in Japan and overseas
- Dividend income (decrease of 2.5 billion yen):
  - Decrease in dividends received by the Company and overseas subsidiaries
- Equity in the earnings of unconsolidated subsidiaries and affiliates (decrease of 3.9 billion yen):
  - Decrease mainly in unconsolidated subsidiaries and affiliates in the Energy & Chemicals segment
- Other income (losses) (decrease of 1.2 billion yen):
  - Decrease mainly due to worsening of foreign exchange losses/gains

## 2. Financial Position

Billions of yen

	Consolidated			
	As of September 30, 2009	As of March 31, 2009	Change versus March 31, 2009	
			Amount	%
Total assets	2,070.4	2,130.0	(59.6)	(3)
Current assets	1,369.5	1,460.1	(90.6)	(6)
Investment securities	268.1	233.3	34.8	15
Other fixed assets	432.7	436.5	(3.8)	(1)
Net assets	617.6	586.9	30.7	5
Net interest-bearing debt	548.3	573.9	(25.6)	(4)
Debt-equity ratio (times)	1.0	1.1	(0.1)	

### Major year-on-year changes

- Current assets (decrease of 90.6 billion yen):
  - Cash and cash equivalents: decrease of 91.4 billion yen
  - Trade notes and accounts receivable: increase of 64.1 billion yen
  - Inventories: decrease of 58.3 billion yen
- Investment securities (increase of 34.8 billion yen):
  - Increase due to purchases and market-price appreciation
- Net assets (increase of 30.7 billion yen):
  - Retained earnings: increase of 6.1 billion yen (net income for the six months ended September 30, 2009 up 9.6 billion yen, dividends paid down 2.8 billion yen, etc.)
  - Net unrealized gains on available-for-sales securities, net of taxes: increase of 13.5 billion yen
  - Deferred gain (loss) on futures hedge: increase of 6.3 billion yen
  - Foreign currency translation adjustments: increase of 2.5 billion yen

### 3. Consolidated Net Sales and Operating Income by Industry Segment

\*The first row for each segment indicates net sales, the second indicates operating income.

Amounts in billions of yen

	Six months ended September 30, 2009	Six months ended September 30, 2008	Year-on-year change	Impact of exchange rates	Year-on-year change excluding impact of exchange rates	
			Amount	Amount	Amount	%
Metals	680.0	1,236.2	(556.2)	(36.7)	(519.5)	(43)
	5.3	22.8	(17.5)	(1.3)	(16.2)	(75)
Machinery & Electronics	516.4	787.7	(271.3)	(41.0)	(230.3)	(31)
	2.7	15.0	(12.3)	(0.9)	(11.4)	(81)
Automotive	269.8	504.2	(234.4)	(38.3)	(196.1)	(42)
	7.5	23.9	(16.4)	(2.0)	(14.4)	(66)
Energy & Chemicals	485.4	921.6	(436.2)	(30.5)	(405.7)	(46)
	0.2	6.4	(6.2)	(0.3)	(5.9)	(96)
Produce & Foodstuffs	157.7	199.3	(41.6)	(9.1)	(32.5)	(17)
	2.8	3.5	(0.7)	(0.4)	(0.3)	(8)
Consumer Products, Services & Materials	128.6	172.7	(44.1)	(4.7)	(39.4)	(23)
	1.3	3.2	(1.9)	(0.1)	(1.8)	(56)
Other	41.5	67.4	(25.9)	(9.7)	(16.2)	(28)
	(0.0)	0.6	(0.6)	0.0	(0.6)	(109)
Total	2,279.6	3,889.4	(1,609.8)	(170.0)	(1,439.8)	(39)
	20.1	75.7	(55.6)	(5.0)	(50.6)	(72)

#### Major year-on-year changes

- Metals
  - Net sales: Falling market prices of non-ferrous metals and scrap and decrease in automobile production
  - Operating income: Decrease mainly in Japan and U.S.A.
- Machinery & Electronics
  - Net sales: Decrease in volume handled of machinery equipment and electronic parts, and decrease in overseas automobile production
  - Operating income: Decrease mainly in Japan
- Automotive
  - Net sales: Decrease in export volume handled
  - Operating income: Decrease in export volume handled and overseas sales
- Energy & Chemicals
  - Net sales: Decline in market prices of crude oil, etc.
  - Operating income: Decrease in volume handled of crude oil, chemical goods, and plastics, and decrease in profit of Australian coal project
- Produce & Foodstuffs
  - Net sales: Decline in market prices of feedstuffs etc.
  - Operating income: Decrease mainly in Japan and South America
- Consumer Products, Services & Materials
  - Net sales: Decrease in volume handled of interior materials, consumer materials, and textile related products
  - Operating income: Decrease mainly due to effects of the lower-of-cost-or-market method applied to real estate.

**4. Consolidated Financial Results Forecasts for Year Ending March 31, 2010  
(April 1, 2009 to March 31, 2010)**

\*The first row for each segment indicates net sales, the second indicates operating income.

Amounts in billions of yen

	Year ending March 31, 2010 (revised forecast)	Year ended March 31, 2009 (results)	Year-on-year change		For reference: Year ending March 31, 2010 (forecast issued on April 28, 2009 ) Amount
			Amount	%	
Metals	1,461.0	1,942.2	(481.2)	(25)	1,384.0
	20.2	20.4	(0.2)	(1)	17.2
Machinery & Electronics	1,107.0	1,355.0	(248.0)	(18)	1,130.0
	6.3	18.6	(12.3)	(66)	6.8
Automotive	554.0	809.5	(255.5)	(32)	615.0
	14.4	36.8	(22.4)	(61)	19.1
Energy & Chemicals	1,174.0	1,399.4	(225.4)	(16)	1,103.0
	1.7	4.5	(2.8)	(62)	0.1
Produce & Foodstuffs	336.0	366.0	(30.0)	(8)	337.0
	7.0	6.1	0.9	13	6.3
Consumer Products, Services & Materials	295.0	311.5	(16.5)	(5)	342.0
	1.9	4.4	(2.5)	(57)	8.4
Other	73.0	103.0	(30.0)	(29)	89.0
	(0.5)	(0.0)	-	-	(0.9)
Total					
Net sales	5,000.0	6,286.9	(1,286.9)	(20)	5,000.0
Operating income	51.0	91.0	(40.0)	(44)	57.0
Ordinary income	54.0	98.3	(44.3)	(45)	54.0
Net income	23.0	40.2	(17.2)	(43)	25.0

**5. Dividend per share**

	Year ending March 31, 2010	Year ended March 31, 2009
Interim	8.00 yen	18.00yen
Full year	16.00yen (projected)	26.00 yen
Payout ratio	24.3%	22.7%



## 6. Changes in major indexes

		Six months ended September 30, 2009	Six months ended September 30, 2008	Fiscal year ending March 31, 2010 (forecast)
Exchange rate (yen / US dollar)	Average during the period	95.50	-	93.00
	End of period	90.21	103.57	90.00
Interest rate	Yen TIBOR 3M average	0.6%	0.9%	0.7%
	US dollar LIBOR 3M average	0.6%	2.8%	0.7%
Hot-rolled steel (yen / ton)		86,000	105,000	86,000
Dubai oil (US dollars / bbl)		63	115	65
Australian thermal coal (US dollars / ton)		69	151	69
Corn futures (cents / bushel)		366	604	360