

13. Net Income (loss) Per Share

The reconciliation of the numerators and denominators of the basic net income (loss) per share computations for the years ended March 31, 2005, 2004 and 2003 is as follows:

	Millions of Yen			Millions of U.S. dollars
	2005	2004	2003	2005
Numerator:				
Net income (loss) before extraordinary items	¥ 77,792	¥ (33,772)	¥ 20,078	\$ 724
Extraordinary items-				
gain on negative goodwill, less applicable income taxes	—	1,828	—	—
Net income (loss)	¥ 77,792	¥ (31,944)	¥ 20,078	\$ 724
	Number of Shares			
	2005	2004	2003	
Denominator:				
Weighted-average number of common shares outstanding	1,582,392,847	1,581,431,830	1,529,761,706	
	Yen			U.S. dollars
	2005	2004	2003	2005
Net income (loss) per common share before extraordinary items:	¥ 49.16	¥ (21.36)	¥ 13.12	\$ 0.46
Extraordinary items per common share-				
gain on negative goodwill, less applicable income taxes:	—	1.16	—	—
Net income (loss) per common share:	¥ 49.16	¥ (20.20)	¥ 13.12	\$ 0.46

Diluted net income per share for the years ended March 31, 2005, 2004 and 2003 was not presented, since the Company has simple capital structures and there were no potentially

dilutive common shares, such as convertible bonds outstanding, that could increase the number of shares outstanding.

14. Segment Information

The Company and its subsidiaries are engaged in a wide range of business activities such as worldwide trading operations in various commodities, financing for customers and suppliers, organizing and coordinating industrial projects, and investing in resource development, advanced technology, information and multimedia.

The Company and its subsidiaries have introduced a division company system and information on operating segments is prepared and presented according to this system. This system is regularly used for decisions in operations, including resource allocations, and evaluations by the management.

The operating segments of the Company and its subsidiaries are as follows:

Textile

The Textile segment is engaged in all stages from rough material, thread, textile to the final products in all fields of garments, home furnishing and industrial materials. This segment performs production and sales on a worldwide scale. In addition, the company promotes brand businesses, developments of industrial fibers and retail operations.

Machinery

The Machinery segment is engaged in diverse business activities ranging from projects in plants, bridges, railways and other infrastructures, to automobiles, ships, industrial machinery and other items.

Aerospace, Electronics & Multimedia

The Aerospace, Electronics & Multimedia segment is engaged in business activities involving networks, content and mobile multimedia. In addition, the company promotes business activities on aircrafts and related equipments, and invests in high-tech ventures.

Energy, Metals & Minerals

The Energy, Metals & Minerals segment is engaged in metal and mineral resource developments, processing of steel products and trading in iron ore, coal, pig iron and ferrous raw materials, non-ferrous and light metal and steel products in Japan and overseas. Also the company is engaged in energy resource developments and trading in crude oil, oil products, gas and nuclear fuels both domestically and abroad.

Chemicals, Forest Products & General Merchandise

The Chemicals, Forest Products & General Merchandise segment is engaged in business activities involving various consumer products such as lumber, pulp, paper, rubber, glass and cement, and on basic chemicals, fine chemicals, plastics and inorganic chemicals.

Food

The Food segment pursues efficient-oriented operations from production, distribution to retail in all areas of food from raw materials to finished products both domestically and abroad.