

the value of the yen, despite an increase in trade receivables caused by a rise in oil prices.

Chemicals, Forest Products & General Merchandise:

Trading transactions increased by ¥64.0 billion, or 3.7%, to ¥1,799.8 billion (US\$14,974 million) due to brisk sales of tire retail and housing materials in North America and Europe, as well as price increases in international chemicals markets. Accordingly, gross trading profit rose ¥6.4 billion, or 7.9%, to ¥87.1 billion (US\$724 million). Net income (loss) improved sharply by ¥10.9 billion to net income of ¥10.7 billion (US\$89 million) from net loss of ¥0.2 billion, due to a decrease in devaluation losses for investments and an increase in equity in earnings of associated companies. Identifiable assets fell by ¥8.1 billion, or 1.5%, to ¥524.6 billion (US\$4,365 million), mainly due to the collection of trade receivables.

Food:

Trading transactions rose ¥77.3 billion, or 3.2%, to ¥2,522.5 billion (US\$20,986 million) due to increases in the market prices of feed, fruits and vegetables and a growth in trading volume of retail product. Gross trading profit increased by ¥3.3 billion, or 2.6%, to ¥130.1 billion (US\$1,082 million) due to favorable results in retail product, despite stagnant sales of marine products. Net income rose ¥2.3 billion, or 23.4%, to ¥11.9 billion (US\$99 million) due to an increase in gross trading profit and an increase in equity in earnings of associated companies. Identifiable assets fell ¥10.7 billion, or 1.6%, to ¥654.4 billion (US\$5,444 million), mainly because trade receivables were collected and a decrease in the parent company's stake in some consolidated companies caused them to be accounted for by the equity-method.

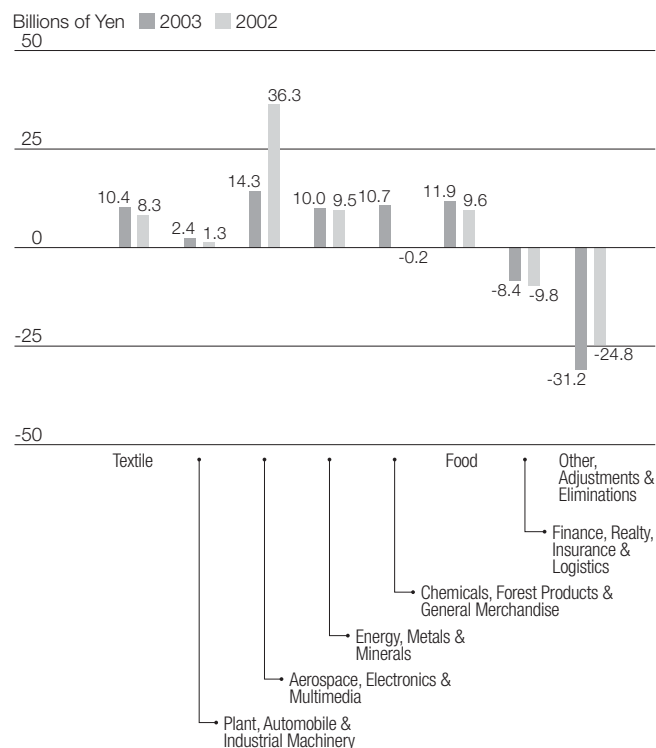
Finance, Realty, Insurance & Logistics:

Trading transactions fell ¥185.9 billion, or 40.8%, to ¥269.4 billion (US\$2,241 million). This decline was mainly due to the streamlining of inefficiencies in the house brokerage business, despite favorable results for condominium sales. The decrease in trading transactions led to a decline in gross trading profit of ¥0.5 billion, or 1.6%, to ¥33.8 billion (US\$282 million). Net loss narrowed by ¥1.4 billion from a loss of ¥9.8 billion in the previous year to a loss of ¥8.4 billion (US\$70 million) because of cost cutting and reductions in provision for doubtful accounts and loss on disposal of property. Identifiable assets fell ¥80.7 billion, or 10.4%, to ¥692.7 billion (US\$5,763 million) mainly due to accelerated reduction of construction and realty assets, and a decrease in carrying of bonds and lending in the finance sector.

Other, Adjustments & Eliminations:

Trading transactions fell ¥20.2 billion, or 8.2%, to ¥226.2 billion (US\$1,882 million) due to a decrease in transactions in Central and South America, despite an increase in transactions in Asia and the Middle East. Gross trading profit remained roughly the same as in the previous year, falling slightly by ¥0.5 billion, or 1.3%, to ¥37.5 billion (US\$312 million). Net loss for fiscal 2003 was ¥31.2 billion (US\$259 million), ¥6.3 billion worse than the year before, due to unfavorable results in North, Central and South America, and an increase in pension expenses. Identifiable assets remained roughly the same, falling slightly by ¥3.1 billion, or 0.3%, to ¥878.0 billion (US\$7,305 million).

Net Income (Loss) by Operating Segment



Identifiable Assets by Operating Segment

