The nine months ended September 30, 2013

(1) Qualitative Information on Consolidated Results of Operations

During the nine months ended September 30, 2013, there was a continued trend of a weakening yen seen in the Japanese economy due to the factors such as the new dimension of monetary easing by the Bank of Japan introduced in April. Against this background, a trend towards recovery continued to prevail, including an upturn in corporate performance mainly by export-oriented companies with restored export competitiveness and signs of recovery in private consumption as a result of trickle-down effect of various policy measures to stimulate domestic demands aiming to overcome deflation.

Looking at the global situation, although severe economic condition in Europe continues amid fiscal austerity measures resulting from the debt crisis, the Eurozone economy as a whole has started to show signs of gradual bottoming out, spurred by German economy's recovery. Meanwhile, in the U.S., the move to reinvigorate the manufacturing industry has intensified under the expectation of the shale revolution. In such circumstances, a moderate trend of economic recovery continued such as recovery of the housing market and an increase in private consumption, and the economy is expected to continue growing steadily led by the household sector, albeit with some anxiety about a temporary slowdown in connection with the debt ceiling issue. In China and other emerging countries, the outlook remains uncertain due to concerns about a downturn in economy associated with a sluggish economic growth rate.

Under such circumstances, the Group's exports remained firm thanks to improvement of price competitiveness due to the depreciation of the yen. On the other hand, while the transient overheating of imports caused by rush demands to avoid purchase cost hikes resulting from the weaker yen rate subsided to normality, the overall import volume still remained at a high level. Consequently, the amount of trades steadily increased overall, though third-country trades have been stagnated because of economic recessions in Europe and Asia.

As a result, together with effects of the weaker yen rate which moved in the high ¥90 range to the U.S. dollar, sales for the nine months ended September 30, 2013 were ¥6,781 million (23.6% increase year on year). In terms of profits, operating income stood at ¥1,265 million (61.3% increase year on year), ordinary income was ¥1,487 million (127.1% increase year on year), and net income after income taxes and other deductions amounted to ¥886 million (123.4% increase year on year).

In addition, the exchange rate of the yen against the U.S. dollar as of the end of the nine months ended September 30, 2013 was ¥97.75, down by ¥11.17 from the end of the previous fiscal year. Consequently, the Group's U.S. dollar-based assets yielded appraisal profits, and as a result of a decrease in appraisal losses of currency option trading, total non-operating income included ¥99 million as foreign exchange gains (¥173 million in foreign exchange losses for the same period of the previous fiscal year), and ¥273 million as gain on valuation of derivatives (13.8% increase year on year).

Consolidated Income Statement for the nine months ended September 30, 2013 (millions of yen)

	3Q of FY2012	3Q of FY2013	Compared to FY2012	
Sales	5,484	6,781	1,296	+23.6%
Cost of sales	3,957	4,681	724	+18.3%
Gross profit on sales	1,527	2,099	572	+37.5%
Selling, general and administrative expenses	742	834	91	+12.4%
Operating income	784	1,265	480	+61.3%
Total non-operating income	247	426	179	+72.2%
Gain on valuation of derivatives	240	273	33	+13.8%
Other non-operating income	7	153	145	+1,998.2%
Total non-operating expenses	377	204	△173	(45.9%)
Ordinary income	655	1,487	832	+127.1%
Net income after income tax	396	886	489	+123.4%

(2) Qualitative Information on Consolidated Financial Position

Changes in Financial Position

Total assets at the end of the third quarter ended September 30, 2013 rose by ¥726 million (5.7% increase) compared to the end of the previous fiscal year to ¥13,423 million.

Total current assets increased by ¥505 million (19.4% increase) compared to the end of the previous fiscal year to ¥3,103 million. This was primarily due to an increase of ¥203 million in cash and deposits, an increase of ¥109 million in accounts receivable, and an increase of ¥191 million in other current assets.

Total non-current assets rose by ¥228 million (2.3% increase) compared to the end of the previous fiscal year to ¥10,308 million. This was primarily due to an increase of ¥160 million in buildings and structures (net) related to the establishment of the Chubu Branch Office and an increase of ¥68 million in other tangible fixed assets.

Total current liabilities increased by ¥368 million (13.2% increase) compared to the end of the previous fiscal year to ¥3,157 million. This was primarily due to an increase of ¥63 million in accounts payable, an increase of ¥127 million in short-term loans payable, an increase of ¥199 million in long-term loans payable that is slated to be returned within one year, and an increase of ¥38 million in income taxes payable, despite of a decrease of ¥80 million in other current liabilities.

Total non-current liabilities decreased by ¥460 million (6.8% decrease) compared to the end of the previous fiscal year to ¥6,285 million. This was primarily due to a decrease of ¥302 million in corporate bonds, a decrease of ¥44 million in lease

obligations, and a decrease of ¥120 million in other non-current liabilities.

Total shareholders' equity rose by ¥819 million (25.9% increase) compared to the end of the previous fiscal year to ¥3,980 million. This was primarily due to an increase of ¥755 million in retained earnings.

Consolidated Balance Sheet as of September 30, 2013 (millions of yen)

ASSET	FY2012	3Q of FY2013	Compared to FY2012	
Total current assets	2,598	3,103	505	+19.4%
Total non-current assets	10,079	10,308	228	+2.3%
Deferred assets	18	11	△6	(36.5%)
Total	**12,696**	**13,423**	**726**	**+5.7%**

LIABILITIES AND SHAREHOLDERS' EQUITY	FY2012	3Q of FY2013	Compared to FY2012	
Total current liabilities	2,789	3,157	368	+13.2%
Total non-current liabilities	6,745	6,285	△460	(6.8%)
Total liabilities	**9,535**	**9,442**	**△92**	(1.0%)
Shareholders' equity	3,215	3,970	755	+23.5%
Total accumulated other comprehensive income	-53	10	64	+120.9%
Total Shareholders' equity	**3,161**	**3,980**	**819**	**+25.9%**
Total	**12,696**	**13,423**	**726**	**+5.7%**

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