

Consolidated Results for the First Quarter of Fiscal 2005, the Year Ending March 2005

Tomen Corporation

(URL: <http://www.tomen.co.jp/>)

Listed Stock Exchange : The first sections of Tokyo, Osaka, and Nagoya Stock Exchange
 Headquarters : Osaka
 Securities Code : No.8003
 Representative : Mahito Kageyama, President
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1. Items regarding Preparation for the Summary of the Quarterly Results

- (1) Use of simplified accounting procedures : None
 (2) Changes in accounting policies from the latest consolidated fiscal year : None
 (3) Change in number of consolidated subsidiaries and companies under equity method :

| | Jun.30,2004 | Jun.30,2003 | Mar.31,2004 |
|---|-------------|-------------|-------------|
| Consolidated subsidiaries | 145 | 211 | 147 |
| Unconsolidated subsidiaries under equity method | 2 | 2 | 2 |
| Affiliated companies under equity method | 64 | 86 | 65 |

(4) Figures for the first quarter of fiscal 2005 and 2004 have not been audited by independent auditors.

2. Consolidated Business Results for First Quarter [April 1, 2004 through June 30, 2004]

(1) Consolidated Results of Operations (Amounts less than 1 million yen were omitted)

| | Total Trading Transactions | | Operating Income | | Ordinary Income | |
|---|----------------------------|------|------------------|------|-----------------|-----|
| | Millions of Yen | % | Millions of Yen | % | Millions of Yen | % |
| Three-month period ended June 30, 2004 | 368,491 | -5.6 | 5,611 | -8.1 | 5,919 | 3.0 |
| Three-month period ended June 30, 2003 | 390,282 | - | 6,106 | - | 5,749 | - |
| (Ref.) Fiscal 2004 ended March 31, 2004 | 1,604,084 | | 28,179 | | 21,584 | |

| | Net Income | | EPS | EPS (After dilution) |
|---|-----------------|------|------|----------------------|
| | Millions of Yen | % | Yen | Yen |
| Three-month period ended June 30, 2004 | 2,244 | 12.4 | 2.79 | 1.48 |
| Three-month period ended June 30, 2003 | 1,996 | - | - | - |
| (Ref.) Fiscal 2004 ended March 31, 2004 | 3,753 | | 5.16 | 1.96 |

Note: 1) Percentage means the ratio of increase or decrease in each item of business results for the first quarter ended June 30, 2004, to those for the first quarter ended June 30, 2003.

2) Figures of both EPS and EPS after dilution have been disclosed from this first quarter ended June 30, 2004.

(2) Consolidated Financial Position

| | Total Assets | Stockholders' Equity | Stockholders' Equity Ratio | Stockholders' Equity per Share |
|-----------------------------|-----------------|----------------------|----------------------------|--------------------------------|
| | Millions of Yen | Millions of Yen | % | Yen |
| As of June 30, 2004 | 759,114 | 31,148 | 4.1 | -50.69 |
| As of June 30, 2003 | 955,998 | 19,701 | 2.1 | - |
| (Ref.) As of March 31, 2004 | 769,075 | 28,981 | 3.8 | -53.40 |

Note: Figure of Stockholders' equity per share has been disclosed from this first quarter ended June 30, 2004.

(Business Projection)

Business projection of consolidated results for the Fiscal 2005 (April 1, 2004 - March 31, 2005) :
Tomen Corporation estimates total trading transactions, ordinary income and net income will be
1,550 billion yen, 23.5 billion yen and 10 billion yen respectively, as announced on April 28, 2004.

Note: 1) This report contains forward-looking statements, which reflect management's current views with respect to future events and financial performance. Actual results may differ materially from those projected in the forward-looking statements due to factors such as changing economic environment, exchange rate fluctuations, and changes in competitive conditions as well as government regulations and litigation.

2) Tomen Corporation and its consolidated domestic subsidiaries maintain their accounts and records in accordance with the provisions set forth in the Japanese Commercial Code and the Securities and Exchange Law and in conformity with accounting principles and practices generally accepted in Japan.

The above statements are translated into English for the convenience of readers outside Japan.

Consolidated Results for the First Quarter of Fiscal 2005,
the Year Ending March 2005

July 28, 2004
(Billions of Yen)

(1) Summary of Consolidated Statements of Income

| | Three-month period | | Diff. | |
|-------------------------------|--------------------|------------------|-------|------|
| | Apr. - Jun. 2004 | Apr. - Jun. 2003 | | % |
| Total Trading Transactions | 368.5 | 390.3 | -21.8 | -6% |
| Gross Trading Profit | 19.2 | 25.2 | -6.0 | -24% |
| SG&A expenses | -13.6 | -19.1 | 5.5 | -29% |
| Operating income | 5.6 | 6.1 | -0.5 | -8% |
| Other income and expenses | 0.3 | -0.4 | 0.7 | - |
| Ordinary income | 5.9 | 5.7 | 0.2 | 3% |
| Extraordinary profit and loss | 0.0 | 0.8 | -0.8 | - |
| Net income | 2.2 | 2.0 | 0.2 | 12% |

* Business projection of consolidated results for the Interim Fiscal 2005(ending Sep. 2004):

- Total Trading Transactions : 700.0 billion yen
- Ordinary income : 11.5 billion yen
- Net income : 4.5 billion yen

(2) Summary of Consolidated Balance Sheets

| | Jun.30, 2004 | Mar.31, 2004 | Diff. |
|-----------------------------|--------------|--------------|-------|
| Total assets | 759.1 | 769.1 | -10.0 |
| Stockholders' Equity | 31.1 | 29.0 | 2.1 |
| Interest-bearing debt | 477.2 | 484.2 | -7.0 |
| Interest-bearing debt (Net) | 394.5 | 406.3 | -11.8 |
| DER | 15.3 | 16.7 | -1.4 |
| DER (Net) | 12.7 | 14.0 | -1.3 |

* Targets of Medium-term Management Plan (Mar. 2006):

- Interest-bearing debt : 463.0 billion yen
- Interest-bearing debt (Net) : 408.1 billion yen
- Stockholders' Equity : 45.0 billion yen

(3) Segment Information

(a) Total Trading Transactions

| | Three-month period | | Diff. | |
|----------------------|--------------------|------------------|-------|------|
| | Apr. - Jun. 2004 | Apr. - Jun. 2003 | | % |
| Chemicals | 99.7 | 109.3 | -9.6 | -9% |
| Produce & Foodstuffs | 59.2 | 56.2 | 3.0 | 5% |
| Textiles | 44.7 | 53.8 | -9.1 | -17% |
| Electronics | 70.1 | 54.4 | 15.7 | 29% |
| Machinery & Energy | 88.3 | 104.4 | -16.1 | -15% |
| Others | 8.1 | 15.0 | -6.9 | -46% |
| Elimination | -1.6 | -2.8 | 1.2 | -43% |
| Consolidated | 368.5 | 390.3 | -21.8 | -6% |

(b) Operating Income

| | Three-month period | | Diff. | |
|----------------------|--------------------|------------------|-------|-------|
| | Apr. - Jun. 2004 | Apr. - Jun. 2003 | | % |
| Chemicals | 2.1 | 3.6 | -1.5 | -42% |
| Produce & Foodstuffs | 1.9 | 2.2 | -0.3 | -14% |
| Textiles | 0.0 | 0.7 | -0.7 | -100% |
| Electronics | 2.3 | 1.7 | 0.6 | 35% |
| Machinery & Energy | 0.2 | -0.5 | 0.7 | - |
| Others | -0.2 | -0.2 | 0.0 | 0% |
| Elimination | -0.7 | -1.4 | 0.7 | -50% |
| Consolidated | 5.6 | 6.1 | -0.5 | -8% |

Tomen Corporation

CONSOLIDATED BALANCE SHEETS

July 28, 2004

Millions of Yen

| | June 30, 2004 | March 31, 2004 | Difference | | June 30, 2004 | March 31, 2004 | Difference |
|---|------------------|-------------------|---------------|--|------------------|-------------------|----------------|
| | (C) | (D) | (C)-(D) | | (C) | (D) | (C)-(D) |
| <u>Assets</u> | | | | <u>Liabilities</u> | | | |
| I. Current assets | 436,775 | 443,146 | -6,371 | I. Current liabilities | 614,618 | 629,837 | -15,219 |
| Cash and deposits | 82,703 | 77,862 | 4,841 | Notes and accounts payable-trade | 177,649 | 179,967 | -2,318 |
| Notes and accounts receivable-trade | 259,216 | 272,858 | -13,642 | Short-term loans and current portion of long-term debt | 405,735 | 414,811 | -9,076 |
| Marketable securities | 552 | 3,331 | -2,779 | Current portion of bonds | 100 | 100 | — |
| Inventories | 73,140 | 63,302 | 9,838 | Other current liabilities | 31,133 | 34,959 | -3,826 |
| Other current assets | 34,834 | 40,118 | -5,284 | | | | |
| Allowance for doubtful receivables | -13,671 | -14,327 | 656 | II. Non-current liabilities | 86,662 | 83,714 | 2,948 |
| II. Non-current assets | 322,309 | 325,882 | -3,573 | Bonds | 400 | 400 | — |
| 1 Property and equipment | 88,500 | 89,055 | -555 | Long-term debt less current portion | 70,975 | 68,880 | 2,095 |
| 2 Intangible assets | 5,269 | 4,848 | 421 | Liability for severance payments | 7,398 | 7,140 | 258 |
| 3 Investments and other assets | 228,539 | 231,978 | -3,439 | Other non-current liabilities | 7,887 | 7,292 | 595 |
| Investments in securities and investments | 119,702 | 117,931 | 1,771 | | | | |
| Other investment and other assets | 151,535 | 156,479 | -4,944 | Total liabilities | 701,281 | 713,552 | -12,271 |
| Allowance for doubtful receivables | -42,698 | -42,432 | -266 | | | | |
| III. Deferred assets | 29 | 46 | -17 | Minority interests | 26,684 | 26,540 | 144 |
| | | | | <u>Stockholders' equity</u> | | | |
| | | | | I. Preferred and Common stock | 44,199 | 44,199 | — |
| | | | | II. Capital surplus | 11,915 | 42,183 | -30,268 |
| | | | | III. Retained Earnings (Deficit) | 9,124 | -23,348 | 32,472 |
| | | | | IV. Net unrealized gains or losses on investments in securities | 797 | -244 | 1,041 |
| | | | | V. Foreign currency translation adjustments | -34,486 | -33,424 | -1,062 |
| | | | | VI. Common stock in treasury | -402 | -383 | -19 |
| | | | | Total stockholders' equity | 31,148 | 28,981 | 2,167 |
| Total assets | 759,114 | 769,075 | -9,961 | Total liabilities and stockholders' equity | 759,114 | 769,075 | -9,961 |

Tomen Corporation

July 28, 2004

CONSOLIDATED STATEMENTS OF INCOME

Millions of Yen

| | Three-month period ended June 30, 2004 (Apr. - Jun. 2004) | | Three-month period ended June 30, 2003 (Apr. - Jun. 2003) | | Difference | | (Ref.) Fiscal 2004 ended March 31, 2004 (Apr. 2003-Mar. 2004) | |
|--|---|-------------|---|-------------|-------------|--------------|---|--------|
| | (A) | % | (B) | % | (A)-(B) | % | | % |
| Total trading transactions | 368,491 | 100.00 | 390,282 | 100.00 | -21,791 | -5.58 | 1,604,084 | 100.00 |
| Cost of trading transactions | 349,314 | 94.80 | 365,057 | 93.54 | -15,743 | -4.31 | 1,508,057 | 94.01 |
| Gross trading profit | 19,176 | 5.20 | 25,224 | 6.46 | -6,048 | -23.98 | 96,026 | 5.99 |
| Selling, general and administrative expenses | 13,565 | 3.68 | 19,117 | 4.90 | -5,552 | -29.04 | 67,847 | 4.23 |
| Operating income | 5,611 | 1.52 | 6,106 | 1.56 | -495 | -8.11 | 28,179 | 1.76 |
| Other income | 3,757 | 1.02 | 5,047 | 1.29 | -1,290 | -25.56 | 15,178 | 0.95 |
| Other expenses | 3,448 | 0.93 | 5,404 | 1.38 | -1,956 | -36.20 | 21,772 | 1.36 |
| Ordinary income | 5,919 | 1.61 | 5,749 | 1.47 | 170 | 2.96 | 21,584 | 1.35 |
| Extraordinary profit | 460 | 0.12 | 3,425 | 0.88 | -2,965 | -86.57 | 22,627 | 1.41 |
| Extraordinary loss | 479 | 0.13 | 2,600 | 0.67 | -2,121 | -81.58 | 30,406 | 1.90 |
| Profit before income tax expense | 5,900 | 1.60 | 6,574 | 1.68 | -674 | -10.25 | 13,805 | 0.86 |
| Income tax expense and others | 2,698 | 0.73 | 3,570 | 0.91 | -872 | -24.43 | 6,463 | 0.41 |
| Loss from minority interests | 957 | 0.26 | 1,007 | 0.26 | -50 | -4.97 | 3,588 | 0.22 |
| Net Income | 2,244 | 0.61 | 1,996 | 0.51 | 248 | 12.42 | 3,753 | 0.23 |

Note: Amounts less than 1 million yen omitted

Tomen Corporation and its consolidated domestic subsidiaries maintain their accounts and records in accordance with the provision set forth in the Japanese Commercial Code and the Securities and Exchange Law and in conformity with accounting principles and practices generally accepted in Japan. The above statements are translated into English for the convenience of readers outside Japan.

Segment Information

Tomen Corporation
July 28, 2004

Information by Commodity

Tomen and its consolidated subsidiaries are engaged in diverse activities in a wide range of fields in Japan and overseas, including the buying and selling of various goods, the provision of financial and other services, and the planning, coordination and integration of various types of projects.

Three-month period ended June 30, 2004 [April 1, 2004 through June 30, 2004]

(Millions of Yen)

| | Chemicals | Produce & Foodstuffs | Textiles | Electronics | Machinery & Energy | Others | Total | Elimination or Unallocated | Consolidated |
|-----------------------------|-----------|----------------------|----------|-------------|--------------------|--------|---------|----------------------------|--------------|
| Total Trading Transactions: | | | | | | | | | |
| (1) Outside customers | 99,665 | 59,208 | 44,205 | 70,087 | 88,140 | 7,183 | 368,491 | - | 368,491 |
| (2) Inter-segment | 26 | 1 | 504 | 10 | 185 | 860 | 1,591 | -1,591 | - |
| Total | 99,692 | 59,210 | 44,710 | 70,098 | 88,326 | 8,043 | 370,082 | -1,591 | 368,491 |
| Operating expenses | 97,588 | 57,308 | 44,682 | 67,808 | 88,127 | 8,276 | 363,791 | -911 | 362,880 |
| Operating income or loss | 2,103 | 1,901 | 28 | 2,290 | 199 | -232 | 6,290 | -679 | 5,611 |

Three-month period ended June 30, 2003 [April 1, 2003 through June 30, 2003]

(Millions of Yen)

| | Chemicals | Produce & Foodstuffs | Textiles | Electronics | Machinery & Energy | Others | Total | Elimination or Unallocated | Consolidated |
|-----------------------------|-----------|----------------------|----------|-------------|--------------------|--------|---------|----------------------------|--------------|
| Total Trading Transactions: | | | | | | | | | |
| (1) Outside customers | 108,558 | 56,126 | 53,374 | 54,250 | 104,223 | 13,749 | 390,282 | - | 390,282 |
| (2) Inter-segment | 715 | 33 | 447 | 108 | 209 | 1,245 | 2,760 | -2,760 | - |
| Total | 109,273 | 56,160 | 53,821 | 54,359 | 104,433 | 14,994 | 393,042 | -2,760 | 390,282 |
| Operating expenses | 105,627 | 53,963 | 53,156 | 52,671 | 104,907 | 15,183 | 385,510 | -1,334 | 384,175 |
| Operating income or loss | 3,646 | 2,196 | 664 | 1,688 | -474 | -188 | 7,532 | -1,425 | 6,106 |

Fiscal 2004 ended March 31, 2004 [April 1, 2003 through March 31, 2004]

(Millions of Yen)

| | Chemicals | Produce & Foodstuffs | Textiles | Electronics | Machinery & Energy | Others | Total | Elimination or Unallocated | Consolidated |
|-----------------------------|-----------|----------------------|----------|-------------|--------------------|--------|-----------|----------------------------|--------------|
| Total Trading Transactions: | | | | | | | | | |
| (1) Outside customers | 408,243 | 217,115 | 259,885 | 232,425 | 438,677 | 47,736 | 1,604,084 | - | 1,604,084 |
| (2) Inter-segment | 123 | 11 | 1,401 | 89 | 878 | 6,707 | 9,212 | -9,212 | - |
| Total | 408,366 | 217,126 | 261,287 | 232,515 | 439,556 | 54,444 | 1,613,296 | -9,212 | 1,604,084 |
| Operating expenses | 397,987 | 207,820 | 256,614 | 224,927 | 438,862 | 54,780 | 1,580,992 | -5,087 | 1,575,905 |
| Operating income or loss | 10,379 | 9,305 | 4,672 | 7,588 | 694 | -336 | 32,303 | -4,124 | 28,179 |

Note: Major products and services

| | |
|-----------------------|--|
| Chemicals : | Petrochemical products, fine and inorganic chemicals, agrochemicals, plastics |
| Produce & Foodstuffs: | Grain, flour, general feed ingredients, meat, liquor, general food ingredients, general marine produce |
| Textiles : | Textile raw materials, textile products, apparel, interior products, bedding products |
| Electronics : | Semiconductors, electronic devices |
| Machinery & Energy : | Wind power and thermal power generation plants, plants, telecommunications equipment, media software, automobiles and automotive parts, crude oil, petroleum products |
| Others : | Buying, selling and intermediation of real estate, construction and civil engineering contracting, design supervision, coal, lumber, plywood, construction materials, data processing, logistics |