

Tomen News Release

October 28,2005

Consolidated Financial Statements For the Six-month Period Ended September 30, 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
Contact Information: Takafumi Funayama, General Manager, Corporate Communications Office
Tel. 81-3-5288-2083
Board of Directors' Meeting: October 28, 2005
Name of the parent company (its proportion in voting shares, %): Toyota Tsusyo Corporation (20.1%)
Adoption of accounting principles generally accepted in the United States of America : NA

1. Consolidated Business Results of Fiscal 2006 Interim [April 1, 2005 through September 30, 2005]

(1) Results of Operations (Amount less than one million omitted)

	Total Trading Transactions		Operating Income		Ordinary Profit	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
September 30, 2005	825,638	6.7	11,702	-7.9	12,798	2.0
September 30, 2004	774,080	-4.8	12,709	-11.8	12,544	16.8
March 31, 2005	1,577,303		26,568		25,020	

	Net Income		EPS	EPS(After Dilution)
	Millions of Yen	%	Yen	Yen
September 30, 2005	-28,800	-	-35.77	-
September 30, 2004	4,560	-28.5	5.66	2.99
March 31, 2005	9,627		11.92	6.51

Note:

- Equity in earnings of unconsolidated subsidiaries and affiliates:
September 30, 2005 : 3,958 million yen September 30, 2004 : 1,840 million yen
March 31, 2005 : 3,758 million yen
- Average number of shares during the period (Consolidated):
September 30, 2005 : 805,273,122 shares September 30, 2004 : 805,957,610 shares
March 31, 2005 : 805,820,280 shares
- Changes in accounting policies during the period : NA
- Percentage figures under total trading transactions, operating income, ordinary profit and net income show changes from the same interim period of the previous fiscal year .

(2) Financial Position

	Total Assets	Shareholders'Equity	Shareholders' Equity Ratio	Shareholder's Equity per Share
	Millions of Yen	Millions of Yen	%	Yen
September 30, 2005	739,031	20,585	2.8	-63.86
September 30, 2004	735,853	34,191	4.6	-46.91
March 31, 2005	733,794	41,350	5.6	-38.09

Note:

Number of share issued at the end of the period (Consolidated) :

- Ordinary stock :
September 30, 2005 : 805,168,405,shares September 30, 2004 : 805,924,554 shares
March 31, 2005 : 805,361,261 shares
- Preferred stock :
September 30, 2005 : 144,000,000 shares September 30, 2004 : 144,000,000 shares
March 31, 2005 : 144,000,000 shares

(3) Cash Flows

	Cash Flow from Operating Activities	Cash Flow from Investing Activities	Cash Flow from Financing Activities	Cash and Cash Equivalents, End of period
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
September 30, 2005	23,926	5,886	-12,256	97,148
September 30, 2004	16,168	16,067	-38,910	72,744
March 31, 2005	18,208	24,438	-43,339	78,620

(4) Number of consolidated Subsidiaries and Companies under Equity Method

Consolidated subsidiaries	:	127
Unconsolidated subsidiaries under Equity Method	:	-
Affiliated companies under Equity Method	:	58

(5) Changes in Number of Consolidated Subsidiaries and Companies under Equity Method

Consolidated subsidiaries	Added	:	4
	Removed	:	8
Equity Method	Added	:	1
	Removed	:	3

2. Consolidated Business Projection of Fiscal 2006 [April 1, 2005 through March 31, 2006]

	Total Trading Transactions	Ordinary Profit	Net Income
	Millions of Yen	Millions of Yen	Millions of Yen
Fiscal year ending March 31, 2006	1,730,000	27,000	-32,000

Reference : Projected EPS for the fiscal year ending March 31, 2006 : -39.74 yen

Note:

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.

Note: 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.

Tomen Corporation

CONSOLIDATED BALANCE SHEETS

October 28, 2005

Millions of Yen

	September 30, 2005	March 31, 2005	Difference		September 30, 2005	March 31, 2005	Difference
	(A)	(B)	(A)-(B)		(A)	(B)	(A)-(B)
Assets				Liabilities			
I. Current assets	461,618	441,635	19,983	I. Current liabilities	413,441	363,077	50,364
Cash and deposits	97,362	78,776	18,586	Notes and accounts payable-trade	204,048	184,045	20,003
Notes and accounts receivable-trade	269,828	278,917	-9,089	Short-term loans and current portion of long-term debt	166,840	150,037	16,803
Inventories	69,773	64,371	5,402	Accrued income tax	2,975	3,622	-647
Short-term loan receivables	3,686	2,700	986	Deferred tax liabilities	1,521	828	693
Deferred tax assets	6,594	6,204	390	Other current liabilities	38,054	24,544	13,510
Other current assets	22,265	23,749	-1,484				
Allowance for doubtful receivables	-7,891	-13,083	5,192				
II. Non-current assets	277,393	292,135	-14,742	II. Non-current liabilities	276,891	300,385	-23,494
1 Property and equipment	62,953	81,591	-18,638	Bonds	400	400	-
2 Intangible assets	2,039	2,250	-211	Long-term debt less current portion	262,494	288,329	-25,835
3 Investments and other assets				Deferred tax liabilities	1,617	1,524	93
Investments in securities and other investments	126,277	118,438	7,839	Accrued Retirement Benefit	6,244	5,781	463
Long-term loans	38,518	41,423	-2,905	Provision for loss of guarantee	47	47	-
Long-term account receivables	49,844	52,887	-3,043	Loss provision for properties	4,571	2,168	2,403
Deferred tax assets	13,847	15,949	-2,102	Other non-current liabilities	1,514	2,133	-619
Other non-current assets	23,353	24,328	-975	Total liabilities	690,332	663,462	26,870
Allowance for doubtful receivables	-39,440	-44,734	5,294				
III. Deferred assets	19	23	-4	Minority interests	28,112	28,980	-868
				Stockholders' equity			
				I. Common stock	44,199	44,199	-
				II. Capital surplus	11,922	11,921	1
				III. Retained earnings (Deficit)	-12,564	16,389	-28,953
				IV. Net unrealized gains on investments in securities	6,086	2,375	3,711
				V. Foreign currency translation adjustments	-28,540	-33,049	4,509
				VI. Treasury stock	-518	-485	-33
				Total stockholders' equity	20,585	41,350	-20,765
Total assets	739,031	733,794	5,237	Total liabilities, minority interests and stockholders' equity	739,031	733,794	5,237

Tomen Corporation

October 28, 2005

CONSOLIDATED STATEMENTS OF INCOME

Millions of Yen

For the six-month period ended September 30	2005		2004		Difference	
	(C)	%	(D)	%	(C)-(D)	%
I. Total trading transactions	825,638	100.00	774,080	100.00	51,558	6.66
II. Cost of trading transactions	787,700	95.41	732,862	94.68	54,838	7.48
Gross trading profit	37,937	4.59	41,217	5.32	-3,280	-7.96
III. Selling, general and administrative expenses	26,234	3.17	28,508	3.68	-2,274	-7.98
Operating income	11,702	1.42	12,709	1.64	-1,007	-7.92
IV. Other income	8,543	1.03	7,083	0.92	1,460	20.61
Interest income	1,549	0.18	1,486	0.19	63	4.24
Dividend income	642	0.08	681	0.09	-39	-5.73
Equity in net income of affiliates	3,958	0.48	1,840	0.24	2,118	115.11
Others	2,393	0.29	3,074	0.40	-681	-22.15
V. Other expenses	7,447	0.90	7,248	0.94	199	2.75
Interest expenses	4,573	0.55	4,810	0.62	-237	-4.93
Others	2,874	0.35	2,438	0.32	436	17.88
Ordinary profit	12,798	1.55	12,544	1.62	254	2.02
VI. Extraordinary profit	878	0.11	3,200	0.41	-2,322	-72.56
VII Extraordinary loss	39,463	4.78	4,216	0.54	35,247	836.03
Profit (Loss) before tax and minority interests	-25,786	-3.12	11,528	1.49	-37,314	-
Income tax expense	2,833	0.35	3,270	0.42	-437	-13.36
Income tax deferred	919	0.11	1,691	0.22	-772	-45.65
Profit (Loss) from minority interests	738	0.09	-2,005	-0.26	2,743	-
Net Income (Loss)	-28,800	-3.49	4,560	0.59	-33,360	-

Note: Amounts less than 1 million yen omitted

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Segment Information

Tomen Corporation
October 28, 2005

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.

Below segments are classified at our option based on the products and the services we handle.

Interim period of fiscal 2006 [April 1, 2005 through September 30, 2005]

(Millions of Yen)

	Chemicals	Produce & Foodstuffs	Textiles	Electronics	Machinery & Energy	Others	Total	Elimination or Unallocated	Consolidated
Total Trading Transactions:									
(1) Outside customers	208,629	119,975	79,898	125,116	281,248	10,769	825,638	-	825,638
(2) Inter-area	93	0	60	18	74	1,065	1,313	(1,313)	-
Total	208,722	119,975	79,959	125,135	281,323	11,835	826,951	(1,313)	825,638
Operating expenses	206,633	115,303	78,825	121,310	279,942	12,094	814,111	(175)	813,935
Operating income or loss	2,088	4,671	1,133	3,824	1,380	-259	12,839	(1,137)	11,702

Note:

1 Major products and services

Chemicals :	Petrochemical products, fine and inorganic chemicals, agrochemicals, plastics
Produce & Foodstuffs:	Feed ingredients, wheat and wheat flour, food ingredients, liquor, marine ingredients
Textiles :	Textile raw materials, textile products, apparel, interior products, bedding products
Electronics :	Semiconductors, electronic devices
Machinery & Energy :	Automobiles and automotive parts, plants, wind power and thermal power generation, 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

2. Operating expenses include 1,150 million yen of unallocated expenses under "Elimination or Unallocated", which mainly represent expenses related to the corporate staff unit of the company.

Previous interim period of fiscal 2005 [April 1, 2004 through September 30, 2004]

(Millions of Yen)

	Chemicals	Produce & Foodstuffs	Textiles	Electronics	Machinery & Energy	Others	Total	Elimination or Unallocated	Consolidated
Total Trading Transactions:									
(1) Outside customers	200,196	119,065	99,847	142,829	198,698	13,443	774,080	-	774,080
(2) Inter-area	64	4	55	19	60	1,709	1,913	(1,913)	-
Total	200,260	119,069	99,903	142,848	198,758	15,152	775,994	(1,913)	774,080
Operating expenses	196,308	115,126	98,723	137,939	197,458	15,396	760,953	417	761,370
Operating income or loss	3,951	3,942	1,180	4,908	1,300	-243	15,040	(2,331)	12,709

Note:

1 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

2. Operating expenses include 2,345 million yen of unallocated expenses under "Elimination or Unallocated", which mainly represent expenses related to the corporate staff unit of the company.

TOMEN CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

Millions of Yen

October 28, 2005

For the six-month period ended September 30	September 30 2005	September 30 2004
I. Cash Flows from Operating Activities:		
Income(loss) before income taxes	-25,786	11,528
Depreciation and amortization	2,538	2,628
Amortization of goodwill	32	1,693
Provision for doubtful receivables	215	1,048
Interest and dividend income	-2,191	-2,167
Interest expenses	4,573	4,810
Loss on foreign exchange	459	177
Equity in earnings of affiliates	-3,958	-1,840
Gain (Loss) on disposal of property and equipment, net	67	1,226
Impairment losses on fixed assets	5,564	-
Gain (loss) on sales, devaluation of investments in securities, net	1,180	-929
Loss on merger related disposal	31,667	-
Changes in assets and liabilities:		
Receivables	2,529	7,251
Inventories	-5,666	-5,315
Payables	18,633	3,675
Decrease in short-term loan receivables	312	1,685
Other, net	-849	-2,259
Sub total	29,322	23,211
Interest and dividend received	2,339	2,289
Interest paid	-4,427	-5,286
Cash paid for special severance payments	-136	-659
Cash paid for income taxes	-3,171	-3,386
Net cash provided by operating activities	23,926	16,168
II. Cash Flows from Investing Activities:		
Change in time deposits, net	-28	596
Purchase and sale of property and equipment	-782	2,962
Change in marketable securities, net	1,019	4,524
Change in long-term loans and long-term receivables, net	3,676	6,967
Change in other investments, net	981	579
Other, net	1,019	436
Net cash provided by investing activities	5,886	16,067
III. Cash Flows from Financing Activities:		
Change in short-term debt, net	-3,579	-192,459
Change in bonds	-	-100
Repayment of long-term debt	-8,295	153,960
Proceeds from stock issuance	-	-
Other, net	-380	-311
Net cash used in financing activities	-12,256	-38,910
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	971	70
V. Net Increase (Decrease) in Cash and Cash Equivalents	18,528	-6,603
VI. Cash and Cash Equivalents at Beginning of Year	78,620	79,400
VII. Net Decrease in Cash and Cash Equivalents with Changes in Scope of Consolidation	-1	-52
VIII. Cash and Cash Equivalents at Interim End of Year	97,148	72,744

Note: Amounts less than 1 million yen omitted

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