

Tomen News Release

January 31, 2006

Consolidated Quarterly Results FY2006 For the Nine-month Period Ended December 31, 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
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Adoption of accounting principles generally accepted in the United States of America : NA

1. Items regarding Preparation for the Summary of the Quarterly Results

(1) Adoption of concise procedure in accounting methods

None

(2) Difference in accounting methods from the recognition method adopted in the latest consolidated fiscal year:

None

(3) Changes in number of consolidated subsidiaries and companies under equity method:

| | | | |
|---|------------------------|------------------------|---------------------|
| Consolidated subsidiaries | December 31, 2005: 121 | December 31, 2004: 137 | March 31, 2005: 131 |
| Unconsolidated subsidiaries under equity method | December 31, 2005: - | December 31, 2004: - | March 31, 2005: - |
| Affiliated companies under equity method | December 31, 2005: 59 | December 31, 2004: 61 | March 31, 2005: 60 |

(4) The quarterly results are not audited by independent public accountants.

2. Consolidated Business Results for the Nine-month Period [April 1, 2005 through December 31, 2005]

(1) Results of Operations

(Amount less than one million yen were omitted)

| | Total Trading Transactions | | Operating Income | | Ordinary Profit | |
|---|----------------------------|------|------------------|-------|-----------------|-------|
| | Millions of Yen | % | Millions of Yen | % | Millions of Yen | % |
| Nine-month period ended December 31, 2005 | 1,293,274 | 7.8 | 16,202 | -19.9 | 17,025 | -11.6 |
| Nine-month period ended December 31, 2004 | 1,199,945 | -0.1 | 20,224 | -7.9 | 19,262 | 17.5 |
| (Ref.) Fiscal 2005 ended March 31, 2005 | 1,577,303 | | 26,568 | | 25,020 | |

| | Net Income | | EPS | EPS(After Dilution) |
|---|-----------------|------|--------|---------------------|
| | Millions of Yen | % | Yen | Yen |
| Nine-month period ended December 31, 2005 | -28,823 | - | -35.80 | - |
| Nine-month period ended December 31, 2004 | 7,809 | 59.9 | 9.69 | 5.07 |
| (Ref.) Fiscal 2005 ended March 31, 2005 | 9,627 | | 11.92 | 6.51 |

Note: Percentage showed in total trading transactions, operating income and others indicate the difference from the same period of previous quarterly results.

(2) Consolidated Financial Position

| | Total Assets | Shareholders' Equity | Shareholders' Equity Ratio | Shareholder's Equity per Share |
|---|-----------------|----------------------|----------------------------|--------------------------------|
| | Millions of Yen | Millions of Yen | % | Yen |
| Nine-month period ended December 31, 2005 | 754,128 | 26,940 | 3.6 | -55.98 |
| Nine-month period ended December 31, 2004 | 750,715 | 39,383 | 5.2 | -40.48 |
| (Ref.) Fiscal 2005 ended March 31, 2005 | 733,794 | 41,350 | 5.6 | -38.09 |

Note: We have not disclosed previous quarterly result of shareholder's equity per share.

<Summary of Consolidated Results>

Please see the last page of this news release.

<Business Projections>

Business projection of consolidated results for the Fiscal 2006(April 1, 2005–March 31, 2006) has not changed since the announcement on October 28, 2005.

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.

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.

January 31, 2006

CONSOLIDATED STATEMENTS OF INCOME

Millions of Yen

| | The Nine-month Period of Fiscal 2006 (April 1, 2005 - December 31, 2005) | | The Nine-month Period of Fiscal 2005 (April 1, 2004 - December 31, 2004) | | Difference | | Fiscal 2005 (April 1, 2004 - March 31, 2005) | |
|---|---|--------------|---|-------------|----------------|---------------|---|-------------|
| | (A) | % | (B) | % | (A)-(B) | % | | % |
| I. Total trading transactions | 1,293,274 | 100.00 | 1,199,945 | 100.00 | 93,329 | 7.78 | 1,577,303 | 100.00 |
| II. Cost of trading transactions | 1,236,746 | 95.63 | 1,137,295 | 94.78 | 99,451 | 8.74 | 1,494,888 | 94.77 |
| Gross trading profit | 56,527 | 4.37 | 62,649 | 5.22 | -6,122 | -9.77 | 82,415 | 5.23 |
| III. Selling, general and administrative expenses | 40,325 | 3.12 | 42,424 | 3.53 | -2,099 | -4.95 | 55,846 | 3.55 |
| Operating income | 16,202 | 1.25 | 20,224 | 1.69 | -4,022 | -19.89 | 26,568 | 1.68 |
| IV. Other income | 10,793 | 0.84 | 9,682 | 0.81 | 1,111 | 11.47 | 13,390 | 0.85 |
| V. Other expenses | 9,969 | 0.77 | 10,644 | 0.89 | -675 | -6.34 | 14,938 | 0.94 |
| Ordinary profit | 17,025 | 1.32 | 19,262 | 1.61 | -2,237 | -11.61 | 25,020 | 1.59 |
| VI. Extraordinary profit | 1,169 | 0.09 | 4,422 | 0.37 | -3,253 | -73.56 | 10,698 | 0.68 |
| VII Extraordinary loss | 42,361 | 3.28 | 4,875 | 0.41 | 37,486 | 768.94 | 13,176 | 0.84 |
| Profit before income tax expense | -24,166 | -1.87 | 18,808 | 1.57 | -42,974 | - | 22,543 | 1.43 |
| Income tax expense | 4,959 | 0.38 | 8,117 | 0.68 | -3,158 | -38.91 | 9,467 | 0.60 |
| Gain from minority interests | 302 | 0.02 | -2,881 | -0.24 | 3,183 | - | -3,447 | -0.22 |
| Net Income | -28,823 | -2.23 | 7,809 | 0.65 | -36,632 | - | 9,627 | 0.61 |

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.

CONSOLIDATED BALANCE SHEETS

January 31, 2006

Millions of Yen

| | December 31, 2005 | March 31, 2005 | Difference | | December 31, 2005 | March 31, 2005 | Difference |
|---|----------------------|-------------------|----------------|--|----------------------|-------------------|----------------|
| | (A) | (B) | (A)-(B) | | (A) | (B) | (A)-(B) |
| <u>Assets</u> | | | | <u>Liabilities</u> | | | |
| I. Current assets | 480,693 | 441,635 | 39,058 | I. Current liabilities | 429,341 | 363,077 | 66,264 |
| Cash and deposits | 94,790 | 78,776 | 16,014 | Notes and accounts payable-trade | 224,881 | 184,045 | 40,836 |
| Notes and accounts receivable-trade | 295,305 | 278,917 | 16,388 | Short-term loans and current portion of long-term debt | 161,292 | 150,037 | 11,255 |
| Inventories | 63,658 | 64,371 | -713 | Reserve for Impairment Losses Resulting from Withdrawal of Business | 15,909 | - | 15,909 |
| Other current assets | 34,880 | 32,653 | 2,227 | Other current liabilities | 27,257 | 28,994 | -1,737 |
| Allowance for doubtful receivables | -7,940 | -13,083 | 5,143 | | | | |
| | | | | II. Non-current liabilities | 268,814 | 300,385 | -31,571 |
| II. Non-current assets | 273,410 | 292,135 | -18,725 | Bonds | 445 | 400 | 45 |
| 1 Property and equipment | 62,719 | 81,591 | -18,872 | Long-term debt less current portion | 253,925 | 288,329 | -34,404 |
| 2 Intangible assets | 1,917 | 2,250 | -333 | Liability for severance payments | 6,555 | 5,781 | 774 |
| 3 Investments and other assets | | | | Liability for loss of guaranteed payments | 47 | 47 | - |
| Investments in securities and other investments | 134,002 | 118,438 | 15,564 | Liability for loss of property related payments | 4,571 | 2,168 | 2,403 |
| Other non-current assets | 113,302 | 134,589 | -21,287 | Other non-current liabilities | 3,269 | 3,657 | -388 |
| Allowance for doubtful receivables | -38,530 | -44,734 | 6,204 | Total liabilities | 698,155 | 663,462 | 34,693 |
| Investments and other assets total | 208,773 | 208,293 | 480 | | | | |
| | | | | Minority interests | 29,032 | 28,980 | 52 |
| III. Deferred assets | 25 | 23 | 2 | <u>Stockholders' equity</u> | | | |
| | | | | I. Common stock | 44,199 | 44,199 | - |
| | | | | II. Capital surplus | 11,923 | 11,921 | 2 |
| | | | | III. Retained earnings (Deficit) | -12,641 | 16,389 | -29,030 |
| | | | | IV. Net unrealized gains on investments in securities | 10,127 | 2,375 | 7,752 |
| | | | | V. Foreign currency translation adjustments | -26,111 | -33,049 | 6,938 |
| | | | | VI. Treasury stock | -557 | -485 | -72 |
| | | | | Total stockholders' equity | 26,940 | 41,350 | -14,410 |
| Total assets | 754,128 | 733,794 | 20,334 | Total liabilities and stockholders' equity | 754,128 | 733,794 | 20,334 |

Segment Information

Tomen Corporation
January 31, 2006

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.

The nine-month period of fiscal year 2006 [April 1, 2005 through December 31, 2005]

(Millions of Yen)

| | Chemicals | Produce & Foodstuffs | Textiles | Electronics | Machinery & Energy | Others | Total | Elimination or Unallocated | Consolidated |
|-----------------------------|-----------|----------------------|----------|-------------|--------------------|--------|-----------|----------------------------|--------------|
| Total Trading Transactions: | | | | | | | | | |
| (1) Outside customers | 323,389 | 183,662 | 120,469 | 193,315 | 458,543 | 13,895 | 1,293,274 | - | 1,293,274 |
| (2) Inter-area | 144 | 1 | 98 | 30 | 115 | 1,621 | 2,011 | (2,011) | - |
| Total | 323,533 | 183,663 | 120,567 | 193,345 | 458,658 | 15,516 | 1,295,285 | (2,011) | 1,293,274 |
| Operating expenses | 320,832 | 176,875 | 119,217 | 187,907 | 456,418 | 15,784 | 1,277,036 | 35 | 1,277,072 |
| Operating income or loss | 2,701 | 6,788 | 1,349 | 5,437 | 2,239 | -268 | 18,249 | (2,046) | 16,202 |

Previous nine-month period of fiscal year 2005 [April 1, 2004 through December 31, 2004]

(Millions of Yen)

| | Chemicals | Produce & Foodstuffs | Textiles | Electronics | Machinery & Energy | Others | Total | Elimination or Unallocated | Consolidated |
|-----------------------------|-----------|----------------------|----------|-------------|--------------------|--------|-----------|----------------------------|--------------|
| Total Trading Transactions: | | | | | | | | | |
| (1) Outside customers | 319,778 | 181,095 | 150,597 | 211,459 | 316,649 | 20,364 | 1,199,945 | - | 1,199,945 |
| (2) Inter-area | 105 | 7 | 96 | 19 | 79 | 2,809 | 3,117 | (3,117) | - |
| Total | 319,883 | 181,102 | 150,693 | 211,478 | 316,729 | 23,174 | 1,203,062 | (3,117) | 1,199,945 |
| Operating expenses | 313,758 | 174,464 | 148,831 | 204,659 | 314,500 | 23,368 | 1,179,583 | 137 | 1,179,720 |
| Operating income or loss | 6,125 | 6,638 | 1,862 | 6,818 | 2,229 | -194 | 23,479 | (3,255) | 20,224 |

Previous fiscal year 2005 [April 1, 2004 through March 31, 2005]

(Millions of Yen)

| | Chemicals | Produce & Foodstuffs | Textiles | Electronics | Machinery & Energy | Others | Total | Elimination or Unallocated | Consolidated |
|-----------------------------|-----------|----------------------|----------|-------------|--------------------|--------|-----------|----------------------------|--------------|
| Total Trading Transactions: | | | | | | | | | |
| (1) Outside customers | 407,605 | 230,647 | 185,159 | 279,364 | 447,019 | 27,507 | 1,577,303 | - | 1,577,303 |
| (2) Inter-area | 143 | 14 | 132 | 27 | 89 | 3,281 | 3,688 | (3,688) | - |
| Total | 407,748 | 230,662 | 185,291 | 279,392 | 447,109 | 30,788 | 1,580,992 | (3,688) | 1,577,303 |
| Operating expenses | 400,119 | 221,692 | 182,882 | 270,751 | 444,546 | 30,376 | 1,550,367 | 367 | 1,550,735 |
| Operating income or loss | 7,629 | 8,969 | 2,409 | 8,641 | 2,562 | 412 | 30,624 | (4,056) | 26,568 |

Note:

Major products and services

Chemicals : Petrochemical products, fine and inorganic chemicals, agrochemicals, plastics

Produce & Foodstuffs: Grain, flour, general feed ingredients, liquor, general food ingredients, general marine produce

Textiles : Textile raw materials, textile products, apparel, interior products, bedding products

Electronics : Semiconductors, electronic devices

Machinery & Energy : Automobiles and automotive parts, crude oil, petroleum products, wind power and thermal power generation plants, plants

Others : Buying, selling and intermediation of real estate, construction and civil engineering contracting, design supervision, coal, lumber, plywood, construction materials, data processing, logistics

(Unit : bill. Yen)

1. Summary of PL

| | Dec. 31, 2005 | Dec. 31, 2004 | Difference | Difference ratio |
|--|---------------|---------------|------------|------------------|
| Total trading transactions | 1,293.3 | 1,199.9 | 93.4 | 7.8% |
| Gross trading profit | 56.5 | 62.6 | -6.1 | -9.8% |
| SG & A | -40.3 | -42.4 | 2.1 | -4.9% |
| Operating Income | 16.2 | 20.2 | -4.0 | -19.9% |
| Other expenses | 0.8 | -0.9 | 1.7 | |
| Ordinary profit | 17.0 | 19.3 | -2.3 | -11.6% |
| Extraordinary profit and loss | -41.2 | -0.5 | -40.7 | |
| Income tax / Loss from minority interest | -4.6 | -11.0 | 6.4 | |
| Net Income | -28.8 | 7.8 | -36.6 | |

2. Summary of BS

| | Dec.31, 2005 | Fiscal 2005 | Difference | | Dec.31,2005 | Fiscal 2005 | Difference |
|--------------------|--------------|-------------|------------|-------------------------|-------------|-------------|------------|
| Current Assets | 480.7 | 441.6 | 39.1 | Current Liabilities | 429.4 | 363.0 | 66.4 |
| Non-current Assets | 273.4 | 292.2 | -18.8 | Non-current Liabilities | 268.8 | 300.4 | -31.6 |
| | | | | Minority Interest | 29.0 | 29.0 | 0 |
| | | | | Stockholders' equity | 26.9 | 41.4 | -14.5 |
| Total | 754.1 | 733.8 | 20.3 | Total | 754.1 | 733.8 | 20.3 |
| Current ratio | 112.0% | 121.6% | -9.6% | | | | |

Interest-bearing debt

| | Fiscal 2004 | Difference | Fiscal 2005 | Difference | Dec.31, 2005 |
|---------------------------|-------------|------------|-------------|------------|--------------|
| Short-term loans | 414.9 | -264.8 | 150.1 | 11.2 | 161.3 |
| Long-term loans | 69.3 | 219.4 | 288.7 | -34.4 | 254.3 |
| Total | 484.2 | -45.4 | 438.8 | -23.2 | 415.6 |
| Cash | -77.9 | -0.9 | -78.8 | -16.0 | -94.8 |
| Net Interest-bearing debt | 406.3 | -46.3 | 360.0 | -39.2 | 320.8 |

Note: Long-term debt include Bonds

Stockholder's equity

| | Dec.31, 2005 | Fiscal 2005 | Difference |
|---|--------------|-------------|------------|
| Common stock | 44.2 | 44.2 | 0 |
| Capital surplus | 11.9 | 11.9 | 0 |
| Retained earnings | -12.6 | 16.4 | -29.0 |
| Net unrealized gains on investments in securities | 10.1 | 2.4 | 7.7 |
| Foreign currency translation adjustments | -26.1 | -33.0 | 6.9 |
| Treasury stock | -0.6 | -0.5 | -0.1 |
| Total | 26.9 | 41.4 | -14.5 |

3. Summary of Segment

| Operating income | | | | | | | |
|-------------------------------|-----------|----------------------|----------|-------------|--------------------|----------------------------|--------------|
| | Chemicals | Produce & Foodstuffs | Textiles | Electronics | Machinery & Energy | Elimination of Unallocated | Consolidated |
| Quarterly results Dec.31,2005 | 2.7 | 6.8 | 1.4 | 5.4 | 2.2 | -2.3 | 16.2 |
| Quarterly results Dec.31,2004 | 6.1 | 6.6 | 1.9 | 6.8 | 2.2 | -3.4 | 20.2 |
| Difference | -3.4 | 0.2 | -0.5 | -1.4 | 0 | 1.1 | -4.0 |