

JFTC News

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Japan Foreign Trade Council, Inc.

World Trade Center Bldg. 6th Floor,
4-1, Hamamatsu-cho 2-chome,
Minato-ku, Tokyo 105-6106, Japan
Tel. (03) 3435-5960 Fax. (03) 3435-5979
URL. <http://www.jftc.or.jp/>

Address by Mikio Sasaki at the Reception to Mark the Inauguration of the New JFTC Chairman

May 31, 2004

Japan Foreign Trade Council, Inc.

Ladies and gentlemen:

I would like to thank all of you for taking time from your busy schedules today to attend this reception.

After being recommended as chairman of the Japan Foreign Trade Council (JFTC) by Kenji Miyahara and many others at the general assembly of JFTC members held earlier, I have accepted the chairmanship of this organization which boasts a proud history of almost sixty years. I am greatly honored by this appointment.

As the incoming chairman, I am delighted to say a few words at this gathering. First, I would like to express my great respect and appreciation to my predecessor, Kenji Miyahara, for the outstanding contribution he has made to the advancement of the JFTC and the improvement of its status in society. Under the motto "JFTC for an Affluent World," former Chairman Miyahara has pursued both economic and spiritual affluence. To achieve economic affluence, he actively has made policy recommendations to the government for the prompt conclusion of FTAs (Free Trade Agreements) and EPAs (Economic Partnership Agreements) and the promotion of negotiations at the World Trade Organization. At the same time, he also has sought spiritual affluence through the many social contribution projects which he promoted as chairman of Action for a Better International Community, an organization established by the JFTC. I am heartened to know that Mr. Miyahara will continue to



provide advice on the activities and operation of the JFTC as Honorary Chairman.

The world is now in the midst of great change, including rapidly advancing economic globalization and technological innovation. Particularly in an age such as this, Japan and the international community have ever-higher expectations of Shoshas that have contact with a wide range of industries and corporations throughout the world and conduct business through their global-scale networks.

I have captured society's expectations on the role of Shoshas in the phrase "Global Frontier" and designated this motto as the vision of the JFTC. I have done this because I see the mission of the JFTC as contributing to the revitalization of the Japanese economy and the sound development of the world economy by exploring new business frontiers, creating new demand, and developing future market needs on a global scale.

To promote understanding of the JFTC's vision and activities, I intend to enhance PR activities and positively engage in policy recommendations and lobbying to advance the common issues of the JFTC, including the systemic adjustments in government needed to respond to economic globalization.

Now, I would like to take this opportunity to introduce the people who are serving as vice chairmen of the JFTC and will manage the organization with me. They are

- Hidetoshi Nishimura, president and co-CEO of Nissho Iwai-Nichimen Holdings Corporation;
- Shoei Utsuda, president and CEO of Mitsui & Co., Ltd.;
- Nobuo Katsumata, president and CEO of Marubeni Corporation;
- Motoyuki Oka, president and CEO of Sumitomo Corporation;
- and Eizo Kobayashi, incoming president and CEO of ITOCHU Corporation.

I ask for your support of our executive team as we lead the JFTC into the future.

In closing, I would like to ask once again for your continued assistance and cooperation.

Thank you.

Reversion of Prospects for Japan's Trade Balance and Current Account in 2004

I. Prospects for Japan's Exports and Imports by Item (Custom-cleared basis)

1. Exports

Japan Foreign Trade Council, Inc. (JFTC) anticipates that growth will be continued for exports of visual apparatus (thin-screen TVs, digital cameras, and DVD recorders, among others), parts of audio & visual apparatus, and semiconductors and other electronic products. Underpinning such increases are the increase of consumer spending, which has resulted from the briskness of the global economy and upcoming events, such as this year's Olympic Games in Athens. In addition, the expansion of infrastructure projects and

other capital investment in other countries and regions of Asia will increase exports from Japan of power generating machinery, metal working machinery, and electrical measuring & controlling instruments such as semiconductor inspection and testing devices.

Exports of chemicals will continue to expand steadily in terms of both volume and value, chiefly those to other countries and regions of Asia.

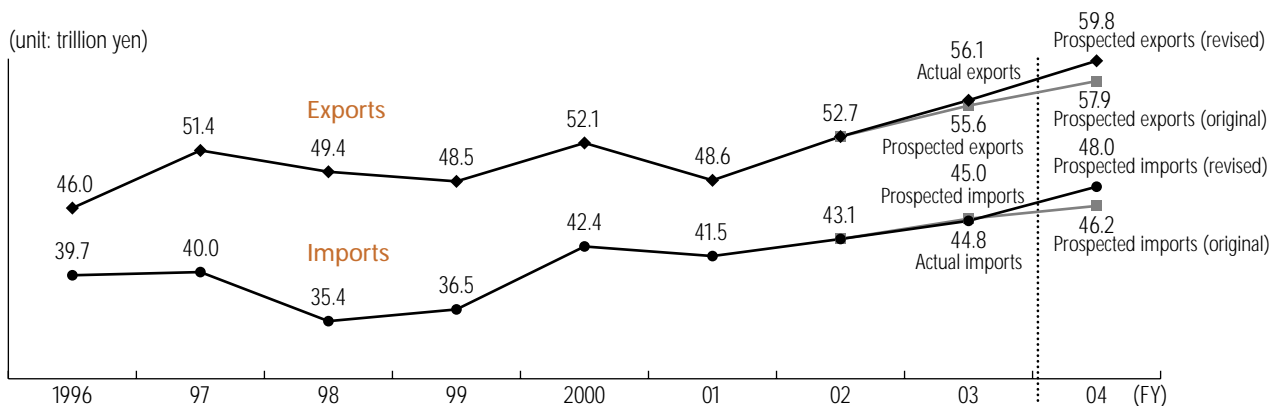
Exports of transport equipment such as automobile will go up as well. Japanese automakers will meet overseas demand by enhancing their local production; increases in exports of automobiles from Japan will, therefore, be limited.

Exports of precision instruments are also projected to gain; increases will be notable for those of scientific and optical equipment, such as high-performance copiers and semiconductor fabrication equipment.

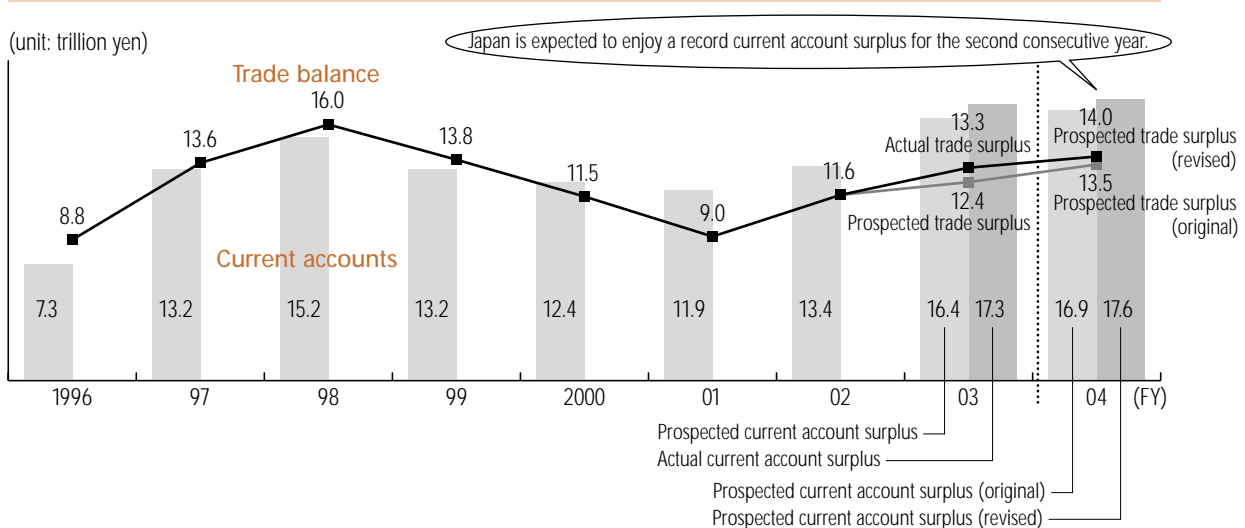
As a whole, strong global economy will accelerate Japan's exports of consumer durable goods to Europe and industrial supplies and capital equipment to other countries and regions of Asia.

Although some are concerned that the U.S. will raise its

Prospects for Exports and Imports (Customs-Cleared Basis)



Prospects for Current Accounts



interest rates and that China will tighten its monetary policies, it is not believed that such moves will have major impacts on Japan's exports for fiscal 2004.

2. Imports

Due to the progress of international specialization, imports to Japan of semiconductors and other electronic products and office machinery are seen rising by JFTC.

Imports of mineral fuels will fall in terms of quantity as some nuclear power stations in Japan have restarted operations, but mineral fuel prices will remain stuck at high levels owing to the expansion of demand in China and the tense situation in the Middle East, raising the total value of import as a whole.

In respect to raw materials, the prices of iron ore and non-ferrous metal ore will stay at high levels as well.

As for the metals and metal products sector, prices will fluctuate for steel, aluminum, and copper but nevertheless remain expansive; the value of the commodities imported to Japan will go up.

The values of mineral fuels and raw materials to be imported to Japan will grow as their prices are anticipated to go up.

As a whole, imports of final goods will, on a value basis, account for 62.1% of total imports, a decline of 0.2% from a year earlier.

[Balance of Payment Basis]

| Item | FY2003 Results | | Revised Prospects for FY2004 | | Original Prospects for FY2004 | |
|--------------------|---------------------|-------------|------------------------------|-------------|-------------------------------|-------------|
| | hundred million yen | growth rate | hundred million yen | growth rate | hundred million yen | growth rate |
| Goods and Services | 95,707 | (50.5%) | 97,350 | (1.7%) | 93,720 | 8.9% |
| Trade Balance | 132,779 | (14.6%) | 139,900 | (5.4%) | 135,120 | 9.1% |
| Exports | 533,654 | (6.5%) | 569,100 | (6.6%) | 549,810 | 4.2% |
| Imports | 400,876 | (4.1%) | 429,200 | (7.1%) | 414,690 | 2.7% |
| Services | ▲ 37,072 | (▲29.1%) | ▲ 42,550 | (14.8%) | ▲ 41,400 | 9.5% |
| Income | 84,904 | (5.9%) | 88,450 | (4.2%) | 85,000 | ▲ 2.3% |
| Current Transfers | ▲ 7,943 | (▲20.1%) | ▲ 9,450 | (19.0%) | ▲ 9,900 | 13.8% |
| Current Account | 172,667 | (29.0%) | 176,350 | (2.1%) | 168,820 | 2.7% |

(Reference)
announced on Dec. 3, 2004

[Customs-Cleared Basis]

| Item | FY2003 Results | | Revised Prospects for FY2004 | | Original Prospects for FY2004 | |
|--------------------------|---------------------|----------------|------------------------------|----------------|-------------------------------|----------------|
| | hundred million yen | growth rate | hundred million yen | growth rate | hundred million yen | growth rate |
| Trade Balance | 112,279 | (16.2%) | 117,890 | (5.0%) | 116,280 | (10.1%) |
| Exports | 560,609 | (6.3%) | 597,870 | (6.6%) | 578,730 | (4.1%) |
| Quantum Index Unit Value | | 6.3% 0.0% | | 7.1% ▲ 0.5% | | 4.1% 0.0% |
| Imports | 448,330 | (4.1%) | 479,980 | (7.1%) | 462,450 | (2.7%) |
| Quantum Index Unit Value | | 7.4% ▲ 3.0% | | 6.6% 0.5% | | 4.1% ▲ 1.4% |

[Assumptions]

| Item | FY2003 Results | Revised Prospects for FY2004 | Original Prospects for FY2004 |
|--|----------------|------------------------------|-------------------------------|
| Global Trade (CY) | 5.2 % | 6.5 % | 5.0 % |
| Global Economy (real growth rate / CY) | 3.9 % | 4.5 % | 4.1 % |
| U.S. Economy (real growth rate / CY) | 3.1 % | 4.4 % | 3.5 % |
| EU Economy (real growth rate / CY) | 0.8 % | 1.7 % | 1.7 % |
| Asian Economy (real growth rate / CY) | 7.2 % | 6.6 % | 6.3 % |
| Japanese Economy (nominal growth rate) [based on the 1995 results] (real growth rate) | 0.7 % 3.2 % | 1.2 % 3.1 % | ▲ 0.1 % 2.0 % |
| Yen Exchange Rate (against U.S. dollar) | 113.03 yen | 110.00 yen | 110.00 yen |
| At-Arrival Crude Oil Price (dollar/barrel) | 29.5 dollars | 33.0 dollars | 27.0 dollars |

- (Note) 1. The performances of the global trade and economy for fiscal 2003 are based on the World Economic Outlook April 2004 published by IMF. The results and prospects for Asia have been summed up by JFTC, based upon those "Asia", which has been defined by the IMF, consisting of a total of 29 nations and regions, which include 25 developing countries/regions and NIEs.
2. The growth rates in the original prospects were calculated in comparison with the prospects for fiscal 2003 announced on Dec. 3, 2003.

II. Prospects for Japan's Current Account

JFTC believes that Japan will enjoy a trade surplus in goods; ¥13.99 trillion for fiscal 2004, an improvement of 5.4% from the previous fiscal year.

The deficit on service trade will expand by 14.8%, as the number of Japanese tourist traveling overseas will increase as fears over SARS subside, and ocean freights are rising.

Concerning income, surplus will expand 4.2% thanks to the briskness of the global economy and higher interest rates.

As a result, Japan will see its highest record in current account surplus of ¥17.635 billion, an increase of 2.1%, or ¥368 billion.

III. Prospects for Economic Circumstances

1. Global Economy

JFTC expects that the global economy will register an actual growth rate of 4.5% for fiscal 2004, with the U.S. and China leading the rest of the world.

The U.S. economy will continue to recover rapidly due to the constant expansion of capital investment and the favorable fluctuation of personal spending, which is anticipated to be realized by the improvement of employment. JFTC prospects the U.S. economy will report an actual growth rate of 4.4%.

The EU economy, which is already on a recovery track resulting from favorable overseas demand, will witness the tendency continue to achieve an actual growth rate of 1.7%. A slowdown in the German economy, which will account for a quarter of the entire EU economy, will,

1. Exports

(hundred million yen)

| Commodity | FY2003 | | FY2004 | | | |
|---|---------|---------|--------------------------------------|--------|-------------------|-------|
| | Results | | Original Prospects (Dec. 3, 2003) | | Revised Prospects | |
| Grand Total | 560,609 | 6.3% | 578,730 | 4.1% | ↑ 597,870 | 6.6% |
| Foodstuff | 2,703 | 3.2% | 2,430 | 0.1% | ↑ 2,830 | 4.7% |
| Textiles | 9,001 | ▲ 2.1% | 9,226 | 2.0% | ↑ 9,135 | 1.5% |
| Chemicals | 46,450 | 8.2% | 46,140 | 2.5% | ↑ 49,264 | 6.1% |
| Non-metallic Manufactures | 6,154 | 8.9% | 6,122 | 3.1% | ↑ 7,089 | 15.2% |
| Metals | 35,019 | 6.8% | 32,529 | 0.0% | ↑ 35,892 | 2.5% |
| Iron & Steel Products | 21,432 | 8.0% | 20,168 | ▲ 1.2% | ↑ 22,065 | 3.0% |
| Machinery other than electric | 113,319 | 5.8% | 117,549 | 4.5% | ↑ 120,118 | 6.0% |
| Office Machinery | 26,105 | ▲ 10.5% | 25,739 | ▲ 2.0% | ↑ 26,366 | 1.0% |
| Electrical Machinery | 133,489 | 10.0% | 142,500 | 6.7% | ↑ 148,707 | 11.4% |
| Thermionic, etc., valves, tube, transistors, etc. | 41,832 | 6.6% | 48,000 | 10.8% | ↑ 47,354 | 13.2% |
| Telecommunications apparatus | 6,234 | 6.5% | 6,887 | 6.3% | ↑ 6,700 | 7.5% |
| Transport Equipment | 134,038 | 2.3% | 140,038 | 2.8% | ↑ 136,853 | 2.1% |
| Motor Vehicles | 89,224 | 0.6% | 92,376 | 2.5% | ↑ 91,276 | 2.3% |
| Parts of Motor Vehicles | 23,455 | 8.4% | 25,996 | 11.0% | ↑ 24,041 | 2.5% |
| Vessels | 11,490 | 4.5% | 11,100 | ▲ 8.6% | ➡ 11,508 | 0.2% |
| Precision Instruments | 22,679 | 11.5% | 24,700 | 9.4% | ↑ 25,853 | 14.0% |
| Scient. & Op. Equ. | 21,511 | 12.5% | 23,564 | 10.0% | ↑ 24,522 | 14.0% |
| Others | 57,758 | 6.5% | 57,496 | 2.7% | ↑ 62,130 | 7.6% |

* Values are rounded up/off to the nearest hundred million yen; year-on-year comparisons are based on figures rounded to the nearest millions.

* (↑) indicates an improvement from a year earlier; (↓), a decrease; (➡), a leveling off (an improvement or a decrease of less than 1%).

(Reference)

| | | | | | | |
|-----------------------|---------|------|---------|------|-----------|------|
| Machinery & Equipment | 403,525 | 6.2% | 424,787 | 4.9% | ↑ 431,531 | 6.9% |
|-----------------------|---------|------|---------|------|-----------|------|

* Machinery & Equipment = Machinery Other Than Electric + Electrical Machinery + Transport Equipment + Precision Instruments

nevertheless, become a negative factor.

The Asian economy will accomplish an actual growth rate of 6.6%. Controlling overheating investment, China will maintain economic growth at high levels as personal consumption is expanding steadily. Other countries and regions of Asia will also realize economic recoveries because of the favorableness of domestic demand and exports.

2. Japanese Economy

Against the background of the briskness of the global economy, Japan will, JFTC prospects, continue to witness its economy improve lead by significant exports and capital investment. Major recoveries in employment and income will be unlikely, however, preventing personal consumption from recovering on a full-fledged basis.

The Japanese economy will grow 3.1% on an actual scale and 1.2% on a nominal scale (on a yearly basis).

Japan will continue to suffer from deflation, but deflation pressure will be eased.

3. Foreign Currency Exchange Rates and Crude Oil Prices

The Japanese yen/U.S. dollar exchange rate will see a mild appreciation of the former in fiscal 2004 as Japan is believed to achieve record surplus in Current Account, despite moves toward the enlargement of gaps in interest rates between Japan and the U.S., a yen weakening factor.

JFTC anticipates that crude oil prices at the time of arrival in Japan will remain high at \$33 per barrel. Behind this estimate are very high demand in China, the worsening of the situation in the Middle East, and price strategies of the OPEC.

2. Imports

(hundred million yen)

| Commodity | FY2003 | | FY2004 | | | |
|--|---------|--------|--------------------------------------|---------|-------------------|---------|
| | Results | | Original Prospects (Dec. 3, 2003) | | Revised Prospects | |
| Grand Total | 448,330 | 4.1% | 462,450 | 2.7% | ↑ 479,980 | 7.1% |
| Foodstuff | 51,392 | ▲ 1.4% | 53,000 | 1.4% | ↑ 52,000 | 1.2% |
| Meat | 9,823 | 4.0% | 9,700 | ▲ 0.8% | ↓ 9,000 | ▲ 8.4% |
| Fish & Shellfish | 14,903 | ▲ 9.1% | 16,000 | 4.9% | ↑ 15,500 | 4.0% |
| Others | 26,666 | 1.5% | 27,300 | 0.3% | ↑ 27,500 | 3.1% |
| Raw Materials | 26,865 | 4.1% | 27,796 | 3.0% | ↑ 29,711 | 10.6% |
| Iron Ore, Non-Ferrous Metal Ore | 9,052 | 8.7% | 9,508 | 8.6% | ↑ 11,828 | 30.7% |
| Others | 17,813 | 2.0% | 18,288 | 0.3% | → 17,883 | 0.4% |
| Mineral Fuels | 90,752 | 1.4% | 81,244 | ▲ 8.0% | ↑ 100,015 | 10.2% |
| Coal | 7,566 | ▲ 2.1% | 8,800 | 16.7% | ↑ 13,100 | 73.1% |
| Petroleum, Crude and partly refined | 51,320 | ▲ 0.4% | 44,942 | ▲ 9.7% | ↑ 54,514 | 6.2% |
| Petroleum Products | 9,855 | 7.0% | 8,600 | ▲ 6.6% | ↑ 10,446 | 6.0% |
| L.P.G, L.N.G | 21,452 | 3.2% | 18,936 | ▲ 11.5% | → 21,455 | 0.0% |
| Chemicals | 35,331 | 6.7% | 35,800 | 2.1% | ↑ 35,996 | 1.9% |
| Textile | 28,384 | 3.3% | 28,900 | 3.2% | ↑ 28,900 | 1.8% |
| Non-metallic Mineral Manufactures | 5,580 | 1.2% | 5,828 | 7.7% | ↑ 5,891 | 5.6% |
| Metals | 20,019 | 13.8% | 20,419 | 3.2% | ↑ 22,501 | 12.4% |
| Machinery & Equipments | 144,265 | 7.6% | 161,364 | 9.4% | ↑ 154,880 | 7.4% |
| Office Machinery | 28,110 | 7.8% | 36,000 | 16.7% | ↑ 30,000 | 6.7% |
| Thermionic, etc., valves, tubes, photocells, transistors, etc. | 21,069 | 9.7% | 26,498 | 19.0% | ↑ 24,019 | 14.0% |
| Motor Vehicles | 8,896 | 12.4% | 8,052 | 0.0% | ↓ 8,452 | ▲ 5.0% |
| Aircrafts | 5,040 | 11.3% | 4,100 | ▲ 15.0% | ↓ 4,000 | ▲ 20.6% |
| Others | 81,150 | 6.3% | 86,714 | 6.4% | ↑ 88,409 | 8.9% |
| Other (including Gold) | 45,742 | 0.5% | 48,100 | 2.5% | ↑ 50,087 | 9.5% |

* Values are rounded up/off to the nearest hundred million yen; year-on-year comparisons are based on figures rounded to the nearest millions.

* (↑) indicates an improvement from a year earlier; (↓), a decrease; (→), a leveling off (an improvement or a decrease of less than 1%).

(Reference)

| | | | | | | |
|----------|---------|------|---------|------|-----------|------|
| Products | 279,320 | 6.1% | 300,411 | 6.3% | ↑ 298,255 | 6.8% |
|----------|---------|------|---------|------|-----------|------|

* Products = Chemicals + Textile + Non-Metallic Manufactures + Metals + Machinery & Equipment + Others

Financial Results of Shoshas for the Year Ended March 31, 2004

Financial Results of Shoshas I for the Year Ended March 31, 2004 (Millions of Yen, Percentage changes from the previous year)

| Non-Consolidated Financial Results | ITOCHU CORPORATION | | MARUBENI CORPORATION | | MITSUBISHI CORPORATION | | MITSUI & CO., LTD. | | NISSHO IWAI-NICHIMEN HOLDINGS CORPORATION | | SUMITOMO CORPORATION | |
|---|-----------------------|----------|-------------------------|----------|---------------------------|----------|-----------------------|----------|--|---|-------------------------|----------|
| Trading Transactions | 6,136,985 | (▲12.6%) | 5,877,283 | (▲14.6%) | 8,990,665 | (▲ 3.7%) | 9,936,896 | (5.5%) | 2,897 | — | 6,266,349 | (▲ 6.3%) |
| Gross Trading Profit | 117,550 | (▲ 3.5%) | 114,582 | (▲ 2.1%) | 187,277 | (▲ 0.0%) | 215,555 | (0.9%) | 2,897 | — | 171,192 | (0.3%) |
| Gross Trading Profit Ratio | 1.92% | — | 1.95% | — | 2.08% | — | 2.17% | — | 100.00% | — | 2.73% | — |
| Selling, General and Administrative Expenses | 144,607 | (20.6%) | 95,746 | (▲ 4.6%) | 191,322 | (▲ 4.6%) | 194,638 | (5.7%) | 2,249 | — | 163,734 | (3.7%) |
| Operating Income | ▲ 27,057 | — | 18,836 | (12.8%) | ▲ 4,044 | (▲69.3%) | 20,916 | (▲28.9%) | 647 | — | 7,457 | (▲41.7%) |
| Financial Balance | 36,113 | (▲19.7%) | 12,498 | (▲ 4.9%) | 68,828 | (18.9%) | 43,965 | (▲27.3%) | 15 | — | 22,333 | (50.3%) |
| Ordinary Profit | 6,887 | (▲79.3%) | 23,617 | (▲21.9%) | 61,793 | (123.0%) | 60,175 | (▲25.5%) | 164 | — | 27,408 | (▲ 0.1%) |
| Income Taxes | ▲ 20,882 | — | 13,700 | — | 2,262 | (▲74.1%) | 2,538 | — | 81 | — | 5,200 | (173.7%) |
| Net Income | ▲100,691 | — | 12,307 | (17.9%) | 32,957 | (70.6%) | 11,753 | (24.0%) | 83 | — | 20,927 | — |
| Cash Dividends | 0.0 yen | — | 3.0 yen | — | 12.0 yen | — | 8.0 yen | — | 0.0 yen | — | 8.0 yen | — |

| Consolidated Financial Results | ITOCHU CORPORATION | | MARUBENI CORPORATION | | MITSUBISHI CORPORATION | | MITSUI & CO., LTD. | | NISSHO IWAI-NICHIMEN HOLDINGS CORPORATION | | SUMITOMO CORPORATION | |
|---|-----------------------|----------|-------------------------|----------|---------------------------|----------|-----------------------|----------|--|---|-------------------------|----------|
| Total Assets | 4,487,282 | (0.0%) | 4,254,194 | (▲ 1.6%) | 8,390,475 | (3.6%) | 6,716,028 | (2.7%) | 3,077,022 | — | 5,012,465 | (3.2%) |
| Liabilities | 4,064,416 | (0.1%) | 4,022,405 | (▲ 1.0%) | 7,166,844 | (0.1%) | 5,752,750 | (1.3%) | 2,748,778 | — | 4,281,617 | (1.0%) |
| Shareholders' Equity | 202,241 | (0.0%) | 231,789 | (19.5%) | 126,617 | (0.0%) | 192,487 | (0.0%) | 150,606 | — | 169,439 | (0.0%) |
| Total Shareholders' Equity | 422,866 | (▲ 0.8%) | 392,982 | (51.1%) | 1,223,631 | (30.6%) | 963,278 | (11.7%) | 316,234 | — | 730,848 | (18.1%) |
| Trading Transactions | 9,516,967 | (▲ 9.0%) | 7,905,640 | (▲10.1%) | 15,177,010 | (13.9%) | 12,281,517 | (7.0%) | 5,861,737 | — | 9,197,882 | (▲ 0.3%) |
| Gross Trading Profit | 555,895 | (▲ 1.8%) | 409,461 | (▲ 3.6%) | 769,381 | (7.1%) | 609,921 | (7.3%) | 249,022 | — | 501,332 | (1.0%) |
| Gross Trading Profit Ratio | 5.84% | — | 5.18% | — | 5.07% | — | 4.97% | — | 4.25% | — | 5.45% | — |
| Selling, General and Administrative Expenses | 466,055 | (3.9%) | 330,032 | (▲ 4.5%) | 631,422 | (6.1%) | 479,151 | (5.0%) | 189,074 | — | 422,363 | (3.9%) |
| Operating Income | 79,216 | (▲21.3%) | 78,624 | (7.2%) | 130,523 | (29.7%) | 120,582 | (22.2%) | 59,948 | — | 70,950 | (▲20.5%) |
| Financial Balance | ▲ 14,215 | (▲30.9%) | ▲ 16,276 | (▲ 2.6%) | 17,574 | (23.2%) | 17,558 | (30.0%) | ▲ 26,560 | — | 560 | (52.6%) |
| Net Income | ▲ 31,944 | — | 34,565 | (14.0%) | 115,370 | (85.3%) | 68,387 | (119.6%) | ▲ 33,609 | — | 66,621 | (132.9%) |

Financial Results of Shoshas II for the Year Ended March 31, 2004 (Millions of Yen, Percentage changes from the previous year)

| Non-Consolidated Financial Results | HITACHI HIGH-TECHNOLOGIES CORPORATION | | INABATA & CO., LTD. | | NAGASE & CO., LTD. | | TOMEN CORPORATION | | TOYOTA TSUSHO CORPORATION | |
|---|---|----------|------------------------|----------|-----------------------|----------|----------------------|-----------|------------------------------|-----------|
| | Trading Transactions | 597,906 | (7.2%) | 254,558 | (15.5%) | 433,817 | (3.8%) | 1,095,043 | (▲29.3%) | 2,344,796 |
| Gross Trading Profit | 67,242 | (11.0%) | 12,021 | (13.1%) | 29,079 | (▲ 3.6%) | 34,446 | (5.1%) | 61,673 | (7.9%) |
| Gross Trading Profit Ratio | 11.25% | — | 4.72% | — | 6.70% | — | 3.15% | — | 2.63% | — |
| Selling, General and Administrative Expenses | 58,762 | (5.5%) | 9,550 | (4.1%) | 24,862 | (▲ 7.9%) | 21,778 | (▲12.9%) | 53,369 | (10.5%) |
| Operating Income | 8,480 | (72.5%) | 2,470 | (69.4%) | 4,217 | (32.9%) | 12,667 | (63.5%) | 14,546 | (▲ 0.5%) |
| Financial Balance | 1,085 | (▲36.1%) | 1,151 | (▲46.6%) | 20 | (▲10.3%) | ▲ 1,600 | — | 5,655 | (152.7%) |
| Ordinary Profit | 9,565 | (44.6%) | 3,648 | (4.1%) | 7,663 | (14.9%) | 8,262 | (73.1%) | 20,672 | (12.1%) |
| Income Taxes | 3,654 | (18.9%) | 1,395 | — | 2,542 | (176.7%) | 794 | (▲92.9%) | 5,608 | (▲ 3.8%) |
| Net Income | 5,911 | (66.8%) | 1,024 | — | 5,373 | (377.1%) | 1,130 | — | 10,554 | (27.8%) |
| Cash Dividends | 15.0 yen | — | 6.0 yen | — | 9.0 yen | — | 0.0 yen | — | 8.0 yen | — |

| Consolidated Financial Results | HITACHI HIGH-TECHNOLOGIES CORPORATION | | INABATA & CO., LTD. | | NAGASE & CO., LTD. | | TOMEN CORPORATION | | TOYOTA TSUSHO CORPORATION | |
|---|---|----------|------------------------|----------|-----------------------|----------|----------------------|----------|------------------------------|-----------|
| | Total Assets | 462,875 | (18.8%) | 193,748 | (6.1%) | 310,793 | (9.1%) | 769,075 | (▲20.9%) | 1,032,602 |
| Liabilities | 302,394 | (28.9%) | 143,438 | (4.9%) | 154,583 | (7.5%) | 740,092 | (▲22.7%) | 843,816 | (5.4%) |
| Shareholders' Equity | 7,938 | (0.0%) | 5,792 | (0.0%) | 9,699 | (0.0%) | 44,199 | (▲35.2%) | 26,748 | (0.0%) |
| Total Shareholders' Equity | 160,480 | (3.4%) | 50,309 | (9.7%) | 156,210 | (10.8%) | 28,981 | (109.1%) | 188,785 | (18.4%) |
| Trading Transactions | 831,050 | (6.8%) | 331,780 | (14.8%) | 533,301 | (5.9%) | 1,604,084 | (▲23.0%) | 2,787,793 | (8.2%) |
| Gross Trading Profit | 100,864 | (7.0%) | 22,210 | (12.4%) | 53,494 | (3.1%) | 96,026 | (▲15.1%) | 129,205 | (13.1%) |
| Gross Trading Profit Ratio | 12.14% | — | 6.69% | — | 10.03% | — | 5.99% | — | 4.63% | — |
| Selling, General and Administrative Expenses | 87,066 | (5.7%) | 17,987 | (4.8%) | 43,250 | (▲ 0.5%) | 67,847 | (▲22.4%) | 109,407 | (9.1%) |
| Operating Income | 13,798 | (16.5%) | 4,223 | (62.4%) | 10,244 | (21.5%) | 28,179 | (9.8%) | 37,020 | (19.2%) |
| Financial Balance | ▲ 125 | — | ▲ 351 | (▲14.4%) | 9 | (▲17.0%) | ▲ 8,108 | (▲42.8%) | ▲ 450 | (▲81.0%) |
| Net Income | 7,162 | (20.8%) | 3,451 | (891.7%) | 7,010 | (67.4%) | 3,753 | — | 20,663 | (9.7%) |

**What is
"SHOSHA"?**

SHOSHA is consistently changing to meet the requirements of each era. Its function, activities and vision are explained in detail in English at <http://www.jftc.or.jp/shosha/english/index.html>

JFTC MONTHLY REPORT ON-LINE — Titles

JFTC publishes monthly reports covering wide variety of topics for the members and subscribers.

The following contents are available from the website (<http://www.jftc.or.jp/>) though written in Japanese.

From May 2004 issue

1. Foreword – “Organization” and “Individual” in enterprise competitiveness
... Norio Katsumata, President & CEO, Marubeni Corporation
2. Round-table talk “New Frontier Business of Shosha”
3. Strategic development of human resources with business negotiation skills ... Akio Ikemori, Director, Human Resources Development Policy Office, Economic and Industrial Policy Bureau, the Ministry of Economy, Trade and Industry (METI)
4. Shosha challenging to new business areas – After case study for 10 projects
... Hideko Kono, Lecturer, Tokyo Fuji University.
5. International Letter – Minor Sports in South Africa ... Toshimitsu Imai, Johannesburg Office, Toyota Tsusho Africa Pty. Ltd.

From June 2004 issue

1. Interview – Mikio Sasaki, the new chairman of JFTC
2. Round-table talk “Toward International Trade Facilitation”
3. Toward Realization of more expeditious and simplified international trade & ocean port related procedures
... Hiroshi Tachibana, Senior Managing Director, Nippon Keidanren
4. Reinforcement of USA border security through ACE and its impact on Japanese enterprises
... Satoshi Ishiyama, General Manager, Corporate Planning Div., NTT Communications Corporation
5. Prospects for Japan’s Trade Balance and Current Account in 2004
6. International Letter – Old tales of Vietnam, a hopeful stock in Asia
... Atsushi Mise, Chief representative of Vietnam, Sumitomo Corporation

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