

Summary of Financial Statements for the Fiscal Year ended March 31, 2011 [Japan GAAP]

May 16, 2011

Name of Listed Company: SENKO Co., Ltd.
Code Number: 9069

Stock listed on: the First Section of the Tokyo Stock Exchange
and Osaka Securities Exchange

URL <http://www.senko.co.jp>

Representative: Title: President Name: Yasuhisa Fukuda
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Scheduled Date of Annual Shareholders Meeting: June 29, 2011 Scheduled Date of Dividend Paid: June 30, 2011
Scheduled Date of Issue of Financial Report: June 29, 2011
Supplemental Information Materials: Yes
Scheduled Date of Information Meeting: Yes (for institutional investors)

1. Consolidated Operating Results for the Fiscal Year Ended March 2011 (From April 1, 2010 to March 31, 2011)

(1) Consolidated Operating Results

Note: Amounts less than one million yen have been rounded down.

	Operating Revenues		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2011	241,046	5.9	6,099	(0.8)	6,375	2.3	2,261	(23.2)
Fiscal year ended March 31, 2010	227,692	7.1	6,150	10.5	6,232	12.6	2,946	3.4

(Note) Comprehensive income

Fiscal year ended March 2011 2,082 million yen (-24.7%) Fiscal year ended March 2010 2,764 million yen (-%)

	Net income per share	Diluted net income per share	Return on shareholders' equity	Ratio of ordinary income to total assets	Ratio of operating income to operating revenues
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2011	18.44	16.72	4.0	3.7	2.5
Fiscal year ended March 31, 2010	26.83	24.16	5.6	3.9	2.7

(Reference) Equity in earnings (losses) of affiliates

Fiscal year ended March 31, 2011 3 million yen Fiscal year ended March 31, 2010 16 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Fiscal year ended March 31, 2011	177,284	60,604	33.3	469.14
Fiscal year ended March 31, 2010	168,131	55,123	32.0	489.99

(Reference) Shareholders' equity:

Fiscal year ended March 31, 2011 59,024 million yen Fiscal year ended March 31, 2010 53,809 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at fiscal year-end
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2011	7,408	(11,389)	3,405	14,394
Fiscal year ended March 31, 2010	6,120	(2,234)	(1,164)	14,504

2. Dividends

	Annual dividend			Total dividends paid	Payout ratio	Dividend on equity ratio
	Interim	Year-end	Annual	(Annual)	(Consolidated)	(Consolidated)
	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2010	4.00	4.00	8.00	878	29.8	1.7
Fiscal year ended March 31, 2011	5.00	5.00	10.00	1,263	54.2	2.1
Fiscal year ending March 31, 2012 (Forecast)	5.00	5.00	10.00		40.6	

3. Forecast of Consolidated Operating Results for the Year Ending March 2012 (From April 1, 2011 to March 31, 2012)

(Percentage figures represent year on year changes)

	Operating revenues		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half ending September 2011	123,000	3.8	2,500	(9.4)	2,400	(14.9)	900	(31.9)	7.15
Fiscal year ending March 2012	255,000	5.8	6,600	8.2	6,500	2.0	3,100	37.1	24.64

4. Others

(1) Changes in significant subsidiaries during the fiscal year (Changes in specified subsidiaries associated with change in scope of consolidation): None

(2) Revisions to accounting rules, procedures or presentation methods
 a. Changes involving amendments and revisions to accounting standards: Yes
 b. Changes other than those included in the above a.: None

(3) Shares outstanding (Common shares)

a. Shares outstanding at fiscal year end (including treasury stocks)

Fiscal year ended March 31, 2011 128,989,476 shares Fiscal year ended March 31, 2010 111,989,476 shares

b. Treasury stocks at fiscal year end

Fiscal year ended March 31, 2011 3,174,635 shares Fiscal year ended March 31, 2010 2,172,362 shares

c. Average number of shares

Fiscal year ended March 31, 2011 122,632,149 shares Fiscal year ended March 31, 2010 109,817,219 shares

[Reference] Overview of Non-Consolidated Operating Results

1. Non-Consolidated Operating Results for the Fiscal Year Ended March 2011 (From April 1, 2010 to March 31, 2011)

(1) Non-Consolidated Operating Results

	Operating Revenues		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2011	174,299	2.6	4,794	(6.2)	4,937	(3.9)	952	(61.1)
Fiscal year ended March 31, 2010	169,880	(3.1)	5,113	14.9	5,136	5.7	2,450	(6.1)

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended March 31, 2011	7.77	7.04
Fiscal year ended March 31, 2010	22.32	20.09

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Shareholders' equity per share
	Million yen	Million yen	%	Yen
Fiscal year ended March 31, 2011	157,964	55,547	35.1	440.64
Fiscal year ended March 31, 2010	149,455	51,601	34.5	469.16

(Reference) Shareholders' equity:

Fiscal year ended March 31, 2011 55,439 million yen Fiscal year ended March 31, 2010 51,521 million yen

(Status of implementation of auditing procedure)

The auditing procedure for the consolidated financial statements that is prescribed by the Financial Instruments and Exchange Act had not been completed when this financial report was released.

(Cautionary statement regarding forecasts of operating results and special notes)

Forward-looking statements in these materials are based on information available to management at the time, this report was prepared and assumptions that management believes are reasonable. Actual results may differ significantly from these statements for a number of reasons. Please refer to 2) Outlook for fiscal year ending March 2012 on page 4 for information concerning for forecasts.

1. Results of Operations

(1) Analysis of the results

1) Fiscal year performance

Increasing demand in emerging countries and benefits of programs by the Japanese government to stimulate domestic demand kept the Japanese economy healthy in the fiscal year that ended in March 2011. However, there was no full-scale economic recovery because of the yen's strength and much higher prices for fuel and natural resources. Along with the impact of the March 11 Great East Japan Earthquake, these factors make the economic outlook extremely uncertain.

In the logistics industry, the operating environment continued to be very challenging as cargo volume within Japan decreased for the 11th consecutive year.

The past fiscal year was the first year of the Senko Group's new three-year medium-term business plan, which is based on the slogan "Moving Global." During the year, we took many actions in Japan and overseas that included the establishment of large logistics bases and new companies in order to generate profits. In Japan, we started operations at the Fukui PD Center (Fukui prefecture) in April 2010 and at the Kanazawa PD Center (Ishikawa prefecture) in July. In September, we established the Maishima PD Center (Osaka prefecture) to strengthen and expand cargo storage and handling capabilities in the Kansai region. In March 2011, we further strengthened our Kanto region logistics services by opening the Shin-Toda PD Center (Saitama prefecture). In October 2010, we started construction of the Noda No. 1 PD Center (tentative name) and the Noda No. 2 PD Center (tentative name), both in the city of Noda in Chiba prefecture. These bases will upgrade our operations in the northern Kanto region. Overseas, joint venture Senko-Lancaster Silkroad Logistics LLP was established in May 2010 to operate a new logistics business in Kazakhstan. In China, we established Qingdao Xuexing International Logistics Co., Ltd. in July 2010 to expand Japan-China integrated fashion distribution operations. The Qingdao Apparel Logistics Center started operations in December and the Dalian No. 2 Distribution Center started operations in January.

Our operating revenues in the fiscal year benefited from aggressive measures to establish relationships with new customers and investments to build large logistics facilities. The addition of Marufuji Co., Ltd. to the Senko Group also contributed to operating revenues. The result was a 5.9% increase in consolidated operating revenues to 241,046 million yen.

Operating income decreased 0.8% to 6,099 million yen mainly because of the impact of the Great East Japan Earthquake on business activities in the Tohoku and Kanto regions. But an improvement in net non-operating income and expenses caused ordinary income to increase 2.3% to 6,375 million yen.

There was an extraordinary loss of 1,030 million yen for repairs and other expenses associated with earthquake damage at distribution centers in the Tohoku region and at other facilities. Due to this extraordinary loss, net income was down 23.2% to 2,261 million yen.

Business segment performance was as follows.

Distribution

Operating revenues increased 3.8% to 211,508 million yen because of extensive activities to capture orders from new customers and investments in large logistics facilities.

Trading and Commerce

Operating revenues increased 24.5% to 26,687 million yen because of the acquisition of Marufuji and higher sales of petroleum products.

Others

Operating revenues increased 13.9% to 2,850 million yen because of growth in the outsourced information processing business.

Reference

Starting with the fiscal year that ended on March 31, 2011, Senko changed its business segments due to adoption of "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, March 27, 2009) and "Guidance on Accounting Standard for Disclosure about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, March 31, 2008). Results of operations based on the new business segments were as follows.

(Unit: Millions of Yen)

	Year ended March 31, 2010	Year ended March 31, 2011	Change
Distribution	203,746	211,508	3.8%
Trading and Commerce	21,441	26,687	24.5%
Others	2,503	2,850	13.9%
Total	227,692	241,046	5.9%

2) Outlook for fiscal year ending March 2012

There are concerns about stagnation in manufacturing, exports, personal spending and other economic activity in Japan for the time being due to the impact of the Great East Japan Earthquake. Although an economic recovery is expected when manufacturing activity starts recovering, the outlook is still uncertain.

Providing support for the earthquake damage recovery and reconstruction activities of customers is one of the highest priorities of the Senko Group. Group companies are determined to meet the expectations of customers regarding this assistance.

The fiscal year ending in March 2012 is the second year of the Senko Group's new three-year medium-term business plan, which is based on the slogan "Moving Global." Our goals are to provide customers in Japan and overseas with high-quality services with outstanding performance in relation to cost and to develop new markets. One more goal is to increase the motivation and skills of the group's workforce along with employees' health and well-being as we fulfill our corporate citizenship responsibilities centered on compliance with laws and regulations, environmental protection and safety.

Based on this outlook for more aggressive initiatives, we forecast consolidated operating revenues of 255.0 billion yen, operating income of 6.6 billion yen, ordinary income of 6.5 billion yen and net income of 3.1 billion yen.

(2) Analysis of Financial Condition

1) Assets, liabilities and net assets

Total assets

Total assets were 177,284 million yen at the end of the fiscal year, 9,153 million yen higher than one year earlier. There was an increase of 4,467 million yen in property, plant and equipment mainly because of the construction of the Kanazawa PD Center and Fukui PD Center and the purchase of land for the Noda No. 1 PD Center (tentative name) and Noda No. 2 PD Center (tentative name). In addition, investments and other assets increased 2,526 million yen.

Liabilities

Total liabilities increased 3,671 million yen to 116,679 million yen. There were increases of 1,225 million yen in short-term loans payable and 934 million yen in long-term loans payable and an 836 million yen increase in the allowance for disaster losses because of the Great East Japan Earthquake.

Net assets

Net assets increased 5,481 million yen to 60,604 million yen. This was mainly the result of increases of 2,175 million yen in capital stock and the capital surplus because of the June public offering of stock and a 1,201 million yen increase in retained earnings. The equity ratio increased by 1.3 percentage point to 33.3%.

2) Cash flows

There was a net decrease of 110 million yen in cash and cash equivalents to 14,394 million yen at the end of the fiscal year.

Net cash provided by operating activities was 7,408 million yen. Major components are income before income taxes of 4,287 million yen, depreciation and amortization of 5,590 million yen and income taxes paid of 2,881 million yen.

Net cash used in investing activities was 11,389 million yen. Major uses of cash were payments of 9,646 million yen for the purchase of property, plant and equipment and 1,565 million yen for long-term loans receivable.

Net cash provided by financing activities was 3,405 million yen. There were proceeds of 9,100 million yen from long-term loans payable and 4,350 million yen from the issuance of common stock. Uses of cash included payments of 6,490 million yen for the repayment of long-term loans payable, 1,543 million yen for the repayment of finance leases obligations and 1,071 million yen for cash dividends paid.

3) Performance indicators associated with cash flows

Years ended March 31	2008	2009	2010	2011
Equity ratio (%)	34.6	33.5	32.0	33.3
Market capitalization equity ratio (%)	29.3	22.1	22.4	19.1
Interest-bearing debt to cash flow ratio (multiple)	7.9	9.9	9.6	8.2
Interest coverage ratio	8.1	6.1	5.3	6.2

Notes:

Equity ratio: Shareholders' equity/Total assets

Market capitalization equity ratio: Market capitalization/Total assets

Interest-bearing debt to cash flow ratio: Interest-bearing debt/Operating cash flows

Interest coverage ratio: Operating cash flows/Interest expenses

*All figures are based on the consolidated financial statements.

*Market capitalization is calculated by multiplying the fiscal year-end stock price and the number of shares issued at the end of the fiscal year (after deducting treasury stock).

*Operating cash flows are the figure shown in the consolidated statement of cash flows. Interest-bearing debt is the sum of all liabilities on the consolidated balance sheet on which interest is paid. Interest expenses are the figure shown in the consolidated statement of cash flows.

(3) Fundamental policy for distribution of earnings and dividend for previous and next fiscal year

The fundamental policy for earnings distributions is to pay a stable dividend as well as a dividend that reflects earnings in order to return more earnings to shareholders. These distributions also take into consideration the need to retain earnings in order to fund future business operations and create a stronger base of operations.

Based on results of operations in the past fiscal year and other factors, Senko plans to pay a year-end dividend of ¥5 per share. With the interim dividend of ¥5, this will result in a dividend of ¥10 per share applicable to the fiscal year that ended in March 2011. Senko plans to pay a dividend of ¥10 per share for the fiscal year ending in March 2012 as well.

(4) Business risk

No discussion of business and other risks is presented here because there have been no significant changes involving these risks since the most recent Securities Report (dated June 29, 2010), which includes a section about business and other risks.

(5) Planned and actual use of proceeds of public offering of stock at market value

Senko conducted a public offering of stock with a payment date of June 22, 2010 that generated proceeds of 3,839 million yen. There was also a private placement of stock for a secondary offering associated with an over-allotment that generated proceeds of 511 million yen. A summary of planned and actual uses of these proceeds is presented below.

1) Planned use of proceeds

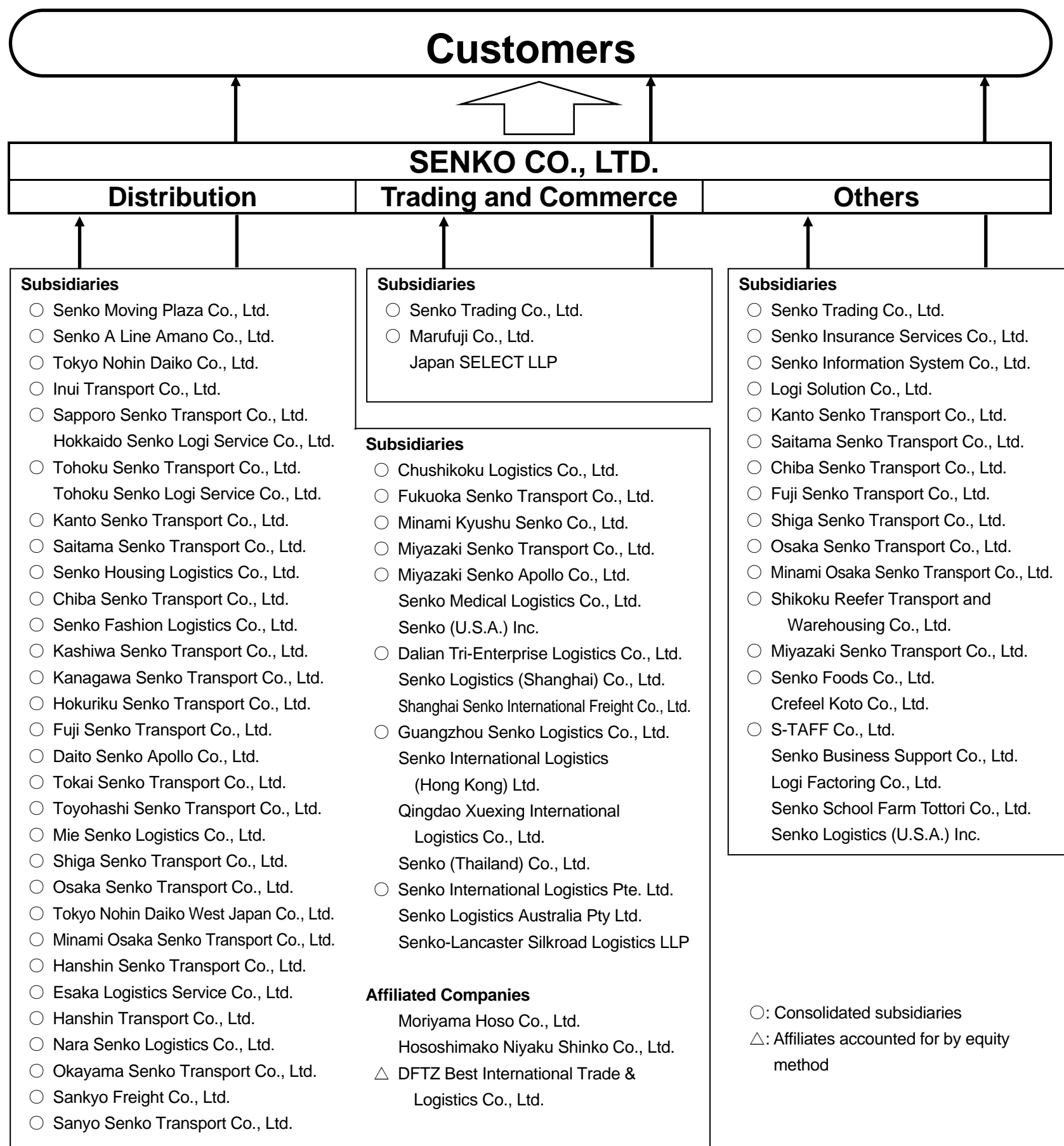
Capital expenditures for purchase of land and construction of buildings for the Noda No. 1 PD Center (tentative name) and the Noda No. 2 PD Center (tentative name)

2) Actual use of proceeds

Proceeds were used primarily as planned.

2. Corporate Group

The Senko Group includes Senko, 63 subsidiaries and three affiliated companies. To meet the increasingly diverse and exacting needs of customers, Group companies conduct a full line of logistics operations extending from the development of strategic logistics systems to the operation of these systems. There are three business segments: Distribution, which includes cargo transport by truck, cargo transport by rail, warehouse operations, the operation of distribution centers, and other activities; Trading and Commerce, which includes sales of petroleum products, trading sales and international trade; and Others, which includes outsourced data processing services, motor vehicle maintenance, insurance agency services and other activities. A diagram of these business operations is presented below.



3. Management Policies

(1) Fundamental management policy

The Senko Group is dedicated to becoming a company that earn the trust of shareholders, customers, employees and society and provide benefits to these stakeholders by using highly advanced logistics and information technologies to create and provide services of the highest quality.

To accomplish this goal, group companies seek to maximize corporate value by supplying customers with high-quality, low-cost value-added logistics services. From the standpoint of coexisting with society, the Senko Group also places priority on safety and environmental protection along with helping maintain social order. The aim is to create an energetic organization that is dedicated to growth and trust and able to fulfill its obligations as a leading member of the logistics industry.

(2) Targeted performance indicators

The new three-year medium-term business plan, which began in the fiscal year ending in March 2011, includes the following goals.

Operating revenues: ¥300 billion Operating income: ¥9 billion Operating margin: 3%
Debt/equity ratio: Under one

(3) Medium and long-term strategies

The following is a summary of the three-year medium-term business plan that covers the three-year period ending with the fiscal year that ends in March 2013.

Summary of the Senko Group Medium-term Business Plan (April 2010 to March 2013)

Corporate slogan: "Moving Global"		
1.	The Senko Group's medium-term vision The Senko Group aims to become a logistics and information organization that provides high-quality services with low costs in relation to benefits on a global scale. This goal includes measures to coexist with society and increase the commitment of group employees to achieve growth.	
2.	The Senko Group's medium-term objectives	
	(1) Create new markets by meeting the needs of customers in Japan and other countries.	
	(2) Improve efficiency across the entire Senko Group in order to supply high-quality services with low costs in relation to benefits.	
	(3) Upgrade CSR activities by placing priority on three themes: compliance, environmental protection and safety.	
	(4) Continue establishing systems and the workplace environment needed to increase enhance the motivation, skills and well-being of group employees.	
	(5) Implement financial policies that place emphasis on maintaining financial soundness.	
3.	Plan	
		(billion yen)
	Fiscal year ended March 2010	Plan for Fiscal year ending March 2011
Operating revenues	227.69	300.0
Operating income	6.15	9.0
Ordinary income	6.23	8.5
Net income	2.95	4.3

4. Consolidated financial statements

(1) Consolidated balance sheets

(Unit: Millions of Yen)

	As of March 31, 2010	As of March 31, 2011
Assets		
Current assets		
Cash and deposits	14,504	14,394
Notes and accounts receivable	30,364	31,147
Merchandise	1,237	719
Real estate for sale	24	15
Supplies	112	176
Work in process	202	104
Deferred tax assets	1,933	2,505
Other	3,110	3,798
Allowance for doubtful accounts	(44)	(29)
Total current assets	51,445	52,833
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	81,683	83,805
Accumulated depreciation	(45,013)	(46,842)
Buildings and structures (net)	36,669	36,962
Machinery, equipment and vehicles	18,542	18,326
Accumulated depreciation	(13,050)	(13,361)
Machinery, equipment and vehicles (net)	5,492	4,964
Tools, furniture and fixtures	4,256	4,475
Accumulated depreciation	(3,403)	(3,623)
Tools, furniture and fixtures (net)	852	851
Land	35,401	39,233
Lease assets	4,817	5,586
Accumulated depreciation	(1,483)	(2,235)
Lease assets (net)	3,334	3,351
Construction in progress	484	1,340
Total property, plant and equipment	82,235	86,703
Intangible assets	3,616	4,387
Investments and other assets		
Investment securities	2,776	2,984
Long-term loans receivable	2,961	4,313
Guarantee deposits	8,728	8,719
Deferred tax assets	5,007	4,969
Other	11,609	12,599
Allowance for doubtful accounts	(251)	(226)
Total investments and other assets	30,832	33,359
Total noncurrent assets	116,685	124,450
Total assets	168,131	177,284

(Unit: Millions of Yen)

	As of March 31, 2010	As of March 31, 2011
Liabilities		
Current liabilities		
Notes and operating accounts payable- trade	22,473	22,603
Short-term loans payable	15,320	16,545
Lease obligations	1,086	1,608
Income taxes payable	1,845	1,719
Provision for bonuses	3,384	2,853
Provision for directors' bonuses	84	112
Reserve for loss on disaster	-	836
Other	7,164	7,643
Total current liabilities	51,359	53,923
Noncurrent liabilities		
Bonds payable	7,000	7,000
Convertible bond-type bonds with subscription rights	4,900	4,900
Long-term loans payable	31,396	32,331
Lease obligations	3,969	4,136
Provision for retirement benefits	9,907	9,724
Provision for directors' retirement benefits	53	37
Provision for special repairs	25	39
Asset retirement obligations	-	292
Other	4,397	4,295
Total noncurrent assets	61,648	62,756
Total liabilities	113,008	116,679
Net assets		
Shareholders' equity		
Capital stock	18,345	20,521
Capital surplus	16,607	18,782
Retained earnings	19,604	20,806
Treasury stock	(772)	(1,046)
Total shareholders' equity	53,785	59,063
Accumulated other comprehensive income		
Valuation differences on available-for-sale securities	49	2
Deferred gains or losses on hedges	(22)	(9)
Foreign currency translation adjustment	(3)	(31)
Total accumulated other comprehensive income	23	(38)
Subscription rights to shares	80	107
Minority interests	1,233	1,472
Total net assets	55,123	60,604
Liabilities and net assets	168,131	177,284

(2) Consolidated statements of (comprehensive) income

(Consolidated statements of income)

(Unit: Millions of Yen)

	Fiscal year ended March 31, 2010 (April 1, 2009 – March 31, 2010)	Fiscal year ended March 31, 2011 (April 1, 2010 – March 31, 2011)
Operating revenues	227,692	241,046
Cost of sales	208,310	220,569
Gross profit	19,381	20,477
Selling, general and administrative expenses	13,230	14,377
Operating income	6,150	6,099
Non-operating income		
Interest income	213	214
Dividends income	883	870
Insurance income	231	249
Other	583	700
Total non-operating income	1,911	2,035
Non-operating expenses		
Interest expenses	1,163	1,187
Insurance expenses	267	278
Other	398	294
Total non-operating expenses	1,829	1,760
Ordinary income	6,232	6,375
Extraordinary income		
Income tax immune	-	34
Gain on sales of noncurrent assets	39	-
Total extraordinary income	39	34
Extraordinary loss		
Loss on disaster	-	976
Impairment loss	-	451
Loss on retirement of noncurrent assets	331	180
Loss on adjustment for changes of accounting standard for asset retirement obligation	-	130
Loss on sales of noncurrent assets	42	119
Special retirement expenses	47	84
Loss on cancellation of lease contracts	110	82
Loss on sales of investment securities	-	62
Loss on valuation of investments in capital	-	34
Loss on prior periods adjustment	180	-
Settlement package	62	-
Loss on valuation of investment securities	43	-
Loss on valuation of noncurrent assets	32	-
Total extraordinary loss	850	2,122
Income before income taxes	5,421	4,287
Income taxes- current	2,800	2,708
Income taxes- deferred	(187)	(561)
Total income taxes	2,613	2,146
Income before minority interests	-	2,140
Minority interest in income or loss	(138)	(120)
Net income	2,946	2,261

	Fiscal year ended March 31, 2010 (April 1, 2009 – March 31, 2010)	Fiscal year ended March 31, 2011 (April 1, 2010 – March 31, 2011)
Income before minority interests	-	2,140
Other comprehensive income		
Valuation difference on available-for-sale securities	-	(41)
Deferred gains or losses on hedges	-	19
Foreign currency translation adjustment	-	(29)
Share of other comprehensive income of associates accounted for using equity method	-	(5)
Total other comprehensive income	-	(57)
Comprehensive income	-	2,082
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	-	2,205
Comprehensive income attributable to minority interests	-	(122)

(3) Consolidated statements of changes in net assets

(Unit: Millions of Yen)

	Fiscal year ended March 31, 2010 (April 1, 2009 – March 31, 2010)	Fiscal year ended March 31, 2011 (April 1, 2010 – March 31, 2011)
Shareholders' equity		
Capital stock		
Balance at previous fiscal year end	18,345	18,345
Changes of items during the period		
Issuance of new shares	-	2,175
Total changes of items during the period	-	2,175
Balance at fiscal year end	18,345	20,521
Capital surplus		
Balance at previous fiscal year end	16,607	16,607
Changes of items during the period		
Issuance of new shares	-	2,175
Disposal of treasury stock	(0)	(0)
Change of scope of consolidation	-	0
Total changes of items during the period	(0)	2,175
Balance at fiscal year end	16,607	18,782
Retained earnings		
Balance at previous fiscal year end	17,520	19,604
Changes of items during the period		
Dividends from surplus	(878)	(1,073)
Net income	2,946	2,261
Change of scope of consolidation	16	13
Total changes of items during the period	2,084	1,201
Balance at fiscal year end	19,604	20,806
Treasury stock		
Balance at previous fiscal year end	(778)	(772)
Changes of items during the period		
Purchases of treasury stock	(4)	(276)
Disposal of treasury stock	10	1
Total changes of items during the period	5	(274)
Balance at fiscal year end	(772)	(1,046)
Total shareholders' equity		
Balance at previous fiscal year end	51,695	53,785
Changes of items during the period		
Issuance of new shares	-	4,350
Dividends from surplus	(878)	(1,073)
Net income	2,946	2,261
Purchases of treasury stock	(4)	(276)
Disposal of treasury stock	10	1
Change of scope of consolidation	16	13
Total changes of items during the period	2,090	5,277
Balance at fiscal year end	53,785	59,063

(Unit: Millions of Yen)

	Fiscal year ended March 31, 2010 (April 1, 2009 – March 31, 2010)	Fiscal year ended March 31, 2011 (April 1, 2010 – March 31, 2011)
Accumulated other comprehensive income		
Valuation differences on available-for-securities		
Balance at previous fiscal year end	(26)	49
Changes of items during the period		
Net changes of items other than shareholders' equity	75	(47)
Total changes of items during the period	75	(47)
Balance at fiscal year end	49	2
Deferred gains or losses on hedges		
Balance at previous fiscal year end	-	(22)
Changes of items during the period		
Net changes of items other than shareholders' equity	(22)	12
Total changes of items during the period	(22)	12
Balance at fiscal year end	(22)	(9)
Foreign currency translation adjustment		
Balance at previous fiscal year end	(10)	(3)
Changes of items during the period		
Net changes of items other than shareholders' equity	7	(27)
Total changes of items during the period	7	(27)
Balance at fiscal year end	(3)	(31)
Total accumulated other comprehensive income		
Balance at previous fiscal year end	(36)	23
Changes of items during the period		
Net changes of items other than shareholders' equity	60	(61)
Total changes of items during the period	60	(61)
Balance at fiscal year end	23	(38)
Subscription rights to shares		
Balance at previous fiscal year end	60	80
Changes of items during the period		
Net changes of items other than shareholders' equity	20	27
Total changes of items during the period	20	27
Balance at fiscal year end	80	107
Minority interests		
Balance at previous fiscal year end	411	1,233
Changes of items during the period		
Net changes of items other than shareholders' equity	822	238
Total changes of items during the period	822	238
Balance at fiscal year end	1,233	1,472
Total net assets		
Balance at previous fiscal year end	52,130	55,123
Changes of items during the period		
Issuance of new shares	-	4,350
Dividends from surplus	(878)	(1,073)
Net income	2,946	2,261
Purchases of treasury stock	(4)	(276)
Disposal of treasury stock	10	1
Change of scope of consolidation	16	13
Net changes of items other than shareholders' equity	902	204
Total changes of items during the period	2,992	5,481
Balance at fiscal year end	55,123	60,604

(4) Consolidated statements of cash flows

(Unit: Millions of Yen)

	Fiscal year ended March 31, 2010 (April 1, 2009 – March 31, 2010)	Fiscal year ended March 31, 2011 (April 1, 2010 – March 31, 2011)
Cash flows from operating activities		
Income before income taxes	5,421	4,287
Depreciation and amortization	4,968	5,590
Loss on disaster	-	976
Impairment loss	-	451
Loss on retirement of noncurrent assets	331	180
Loss on adjustment for changes of accounting standard for asset retirement obligation	-	130
Increase (decrease) in provision for retirement benefits	(94)	(183)
Increase (decrease) in provision for bonuses	513	(531)
Interest and dividends income	(1,096)	(1,084)
Interest expenses	1,163	1,187
Decrease (increase) in notes and accounts receivable- trade	(2,827)	(728)
Decrease (increase) in inventories	(682)	560
Increase (decrease) in notes and accounts payable- trade	2,035	774
Other	(743)	(401)
Sub-total	8,989	11,209
Interest and dividends income received	278	275
Interest expenses paid	(1,150)	(1,194)
Income taxes paid	(1,996)	(2,881)
Net cash provided by (used in) operating activities	6,120	7,408
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,455)	(9,646)
Proceeds from sales of property, plant and equipment	324	661
Purchase of investment securities	(20)	(29)
Proceeds from sales of investment securities	72	76
Purchase of stocks of subsidiaries and affiliates	(24)	(400)
Proceeds from sales of stocks of subsidiaries and affiliates	134	-
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(478)	-
Payments for investments in capital of subsidiaries and affiliates	(215)	(171)
Payments of long-term loans receivable	-	(1,565)
Other	427	(314)
Net cash provided by (used in) investing activities	(2,234)	(11,389)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(1,684)	(450)
Proceeds from long-term loans payable	4,400	9,100
Repayment of long-term loans payable	(1,527)	(6,490)
Proceeds from issuance of bonds	7,000	-
Redemption of bonds	(7,000)	-
Repayments of finance lease obligations	(1,064)	(1,543)
Proceeds from issuance of common stock	-	4,350
Purchase of treasury stock	(4)	(276)
Proceeds from sales of treasury stock	2	1
Cash dividends paid	(878)	(1,071)
Other	(407)	(215)
Net cash provided by (used in) financing activities	(1,164)	3,405
Effect of exchange rate change on cash and cash equivalents	0	(31)
Net increase (decrease) in cash and cash equivalents	2,721	(606)
Cash and cash equivalents at beginning of year	11,748	14,504
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	35	495
Cash and cash equivalents at end of year	14,504	14,394