

## Summary of Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2012 [Japan GAAP]

July 28, 2011

Name of Listed Company:	SENKO Co., Ltd.	Stock Listed on:	the First Section of the Tokyo Stock Exchange and Osaka Securities Exchange
Code Number:	9069	URL	<a href="http://www.senko.co.jp">http://www.senko.co.jp</a>
Representative:	Title: President	Name:	Yasuhisa Fukuda
Inquiries:	Title: Executive Officer, Public Relations	Name:	Noburoh Sasaki
Scheduled Date of Issue of Financial Report:	August 11, 2011	Scheduled Date of Dividend Paid:	—
Supplemental Information Materials:	None		
Scheduled Date of Quarterly Information Meeting:	None		

### 1. Consolidated Operating Results for the First Quarter Ending March 2012 (From April 1, 2011 to June 30, 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	%
First quarter ending March 31, 2012	62,658	6.4	2,032	37.3	1,961	28.5	1,037	58.4
First quarter ended March 31, 2011	58,899	13.2	1,479	8.0	1,526	7.8	654	34.2

(Note) Comprehensive income

First quarter ending March 31, 2012    1,042 million yen (58.5%)    First quarter ended March 31, 2011    658 million yen (–%)

	Net income per share	Diluted net income per share
	Yen	Yen
First quarter ending March 31, 2012	8.24	7.48
First quarter ended March 31, 2011	5.89	5.31

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
First quarter ending March 31, 2012	177,006	60,997	33.6	472.55
Fiscal year ended March 31, 2011	177,284	60,604	33.3	469.14

(Reference) Shareholders' equity:

First quarter ending March 31, 2012    59,453 million yen    Fiscal year ended March 31, 2011    59,024 million yen

### 2. Dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2011	—	5.00	—	5.00	10.00
Fiscal year ending March 31, 2012	—				
Fiscal year ending March 31, 2012 (Forecast)		5.00	—	5.00	10.00

(Note) Change in the estimation of dividend for the fiscal year in this period: No

### 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	124,000	4.6	3,400	23.2	3,300	17.0	1,350	2.1	10.73
Fiscal year ending March 2012	255,000	5.8	7,400	21.3	7,300	14.5	3,450	52.6	27.42

(Note) Change in the forecast made in this period: Yes

Forecast stated in the results of operations for the fiscal year ended on March 2011 announced on May 16, 2011 has been revised. Please refer Forecast for Fiscal Year Ending March 2012 on page 3.

#### 4. Others

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

(2) Use of of accounting methods specifically for the preparation of the quarterly consolidated financial statements: None

(3) Changes in accounting principles and estimates, and retrospective restatement

(a) Changes due to revision of accounting standards: None

(b) Changes other than in (a): None

(c) Changes in accounting estimates: None

(d) Retrospective restatement: None

(Note) Changes to be stated in the section "Changes in significant matters providing the basis for preparing consolidated financial statements"

(4) Shares outstanding (Common shares)

a. Shares outstanding (including treasury stocks)

As of June 30, 2011	128,989,476 shares	As of March 31, 2011	128,989,476 shares
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b. Treasury stock

As of June 30, 2011	3,174,790 shares	As of March 31, 2011	3,174,635 shares
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c. Average number of shares (quarterly consolidated cumulative period)

Period ended June 30, 2011	125,814,771 shares	Period ended June 30, 2010	111,133,831 shares
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\*Information concerning quarterly review procedure

- This quarterly financial report is not subject to the quarterly review procedure prescribed by the Financial Instruments and Exchange Law. The review procedure prescribed by the Financial Instruments and Exchange Law for the quarterly consolidated financial statements had not been completed when this quarterly 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. For information about the assumptions used for forecasts and precautions concerning the use of forecasts, please see "Forecast for Fiscal Year Ending March 2012" on page 3.

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## 1. Results of Operations and Financial Condition

### (1) Results of Operations

In the first quarter (April 1, 2011 to June 30, 2011), manufacturing activity in Japan started to recover following the sharp drop caused by the March earthquake as restrictions on the supply of goods began to ease. As manufacturing recovers, exports and domestic private-sector demand are expected to increase as well. However, the outlook is uncertain because of the high cost of natural resources and the yen's strength.

Assisting in the earthquake recovery and reconstruction of our customers is highest priority of the Senko Group. Furthermore, the current fiscal year is the second year of the three-year medium-term management plan based on the slogan "Moving Global." We are taking many actions to provide customers in Japan and overseas with high-quality services with outstanding performance in relation to cost and to develop new markets.

In the first quarter, operating revenues increased 6.4% from one year earlier to 62,658 million yen mainly because of growth in the retail logistics and housing logistics sectors of the distribution business and growth in the commerce and trade business. Earnings were higher as the growth in operating revenues more than offset the negative effects of price corrections and the higher cost of fuel. Operating income increased 37.3% from one year earlier to 2,032 million yen, ordinary income increased 28.5% to 1,961 million yen and net income was up 58.4% to 1,037 million yen.

First quarter business segment performance was as follows.

#### **Distribution**

Aggressive measures to capture new business and logistics services provided after the March earthquake resulted in growth in the volume of business in the retail distribution, housing distribution, food distribution and other sectors. The result was a 6.5% increase in operating revenues to 54,748 million yen.

#### **Commerce and Trade**

Sales of petroleum products increased because of higher unit selling prices and there was growth in international trade and trading sales. The result was an 8.8% increase in operating revenues to 7,302 million yen.

#### **Others**

Operating revenues decreased 22.3% to 607 million yen because of lower revenues in the outsourced information processing business.

### (2) Financial Condition

#### **Total assets**

Total assets were 177,006 million yen at the end of the first quarter, a decrease of 278 million yen from the end of the previous fiscal year. Property, plant and equipment decreased 1,057 million yen but there was an increase of 918 million yen in notes and accounts receivable.

#### **Liabilities**

Total liabilities decreased 670 million yen from the end of the previous fiscal year to 116,009 million yen. Major changes included decreases of 1,541 million yen in income taxes payable and 993 million yen in the provision for bonuses and a 1,414 million yen increase in notes and operating accounts payable-trade

#### **Net assets**

Net assets increased 392 million yen from the end of the previous fiscal year to 60,997 million yen because of a 408 million yen increase in retained earnings. The equity ratio improved 0.3 percentage point to 33.6%.

(3) Forecast for Fiscal Year Ending March 2012

When the previous forecast was announced on May 16, 2011, it was difficult to determine an outlook for performance in the fiscal year because of uncertainty about the effects of the Great East Japan Earthquake. Since production activity has been recovering after the earthquake, our first quarter performance exceeded our forecast.

Although the outlook remains uncertain because of the high cost of fuel and the yen's strength, we have made the following revisions to the first half and fiscal year forecasts based on our performance in the first quarter.

(a) Consolidated forecasts for the first half of fiscal year ending March 2012 (April 1, 2011 to September 30, 2011)

	Operating revenues	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	123,000	2,500	2,400	900	7.15
New forecast (B)	124,000	3,400	3,300	1,350	10.73
Difference (B-A)	1,000	900	900	450	—
Pct. change (%)	0.8	36.0	37.5	50.0	—
(Ref.) Previous fiscal year (First half of FY 3/2011)	118,551	2,759	2,820	1,322	11.13

(b) Consolidated forecasts for fiscal year ending March 2012 (April 1, 2011 to March 31, 2012)

	Operating revenues	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	255,000	6,600	6,500	3,100	24.64
New forecast (B)	255,000	7,400	7,300	3,450	27.42
Difference (B-A)	0	800	800	350	—
Pct. change (%)	0.0	12.1	12.3	11.3	—
(Ref.) Previous fiscal year (FY 3/2011)	241,046	6,099	6,375	2,261	18.44

## 2. Other Information

- (1) Changes in significant subsidiaries  
None
- (2) Use of accounting methods specifically for the preparation of the quarterly consolidated financial statements  
None
- (3) Changes in accounting principles and estimates, and retrospective restatements  
None

### 3. Consolidated financial statements

#### (1) Consolidated Balance Sheets

(Unit: Millions of Yen)

	As of March 31, 2011	As of June 30, 2011
<b>Assets</b>		
Current assets		
Cash and deposits	14,394	13,600
Notes and accounts receivable	31,147	32,066
Merchandise	719	769
Real estate for sale	15	10
Supplies	176	170
Work in process	104	206
Other	6,304	6,319
Allowance for doubtful accounts	(29)	(33)
<b>Total current assets</b>	<b>52,833</b>	<b>53,109</b>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures (net)	36,962	36,460
Land	39,233	39,035
Other (net)	10,508	10,150
<b>Total property, plant and equipment</b>	<b>86,703</b>	<b>85,646</b>
Intangible assets	4,387	4,526
Investments and other assets		
Guarantee deposits	8,719	8,752
Deferred tax assets	4,969	4,886
Other	19,897	20,307
Allowance for doubtful accounts	(226)	(222)
<b>Total investments and other assets</b>	<b>33,359</b>	<b>33,723</b>
<b>Total noncurrent assets</b>	<b>124,450</b>	<b>123,896</b>
<b>Total assets</b>	<b>177,284</b>	<b>177,006</b>

(Unit: Millions of Yen)

	As of March 31, 2011	As of June 30, 2011
<b>Liabilities</b>		
Current liabilities		
Notes and operating accounts payable- trade	22,603	24,017
Short-term loans payable	16,545	16,486
Income taxes payable	1,719	178
Provision for bonuses	2,853	1,860
Provision for directors' bonuses	112	36
Reserve for loss on disaster	836	547
Other	9,251	10,224
Total current liabilities	53,923	53,353
Noncurrent liabilities		
Bonds payable	7,000	7,000
Convertible bond-type bonds with subscription rights	4,900	4,900
Long-term loans payable	32,331	32,316
Provision for retirement benefits	9,724	9,756
Provision for directors' retirement benefits	37	27
Provision for special repairs	39	43
Asset retirement obligations	292	294
Other	8,431	8,318
Total noncurrent liabilities	62,756	62,656
<b>Total liabilities</b>	<b>116,679</b>	<b>116,009</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	20,521	20,521
Capital surplus	18,782	18,782
Retained earnings	20,806	21,214
Treasury stock	(1,046)	(1,046)
Total shareholders' equity	59,063	59,471
Accumulated other comprehensive income		
Valuation differences on available-for-sale securities	2	19
Deferred gains or losses on hedges	(9)	(6)
Foreign currency translation adjustment	(31)	(30)
Total accumulated other comprehensive income	(38)	(17)
Subscription rights to shares	107	107
Minority interests	1,472	1,435
<b>Total net assets</b>	<b>60,604</b>	<b>60,997</b>
<b>Liabilities and net assets</b>	<b>177,284</b>	<b>177,006</b>

(2) Consolidated Statements of (Comprehensive) Income  
(Consolidated Statements of Income)  
(For the three months ended June 30, 2010 and 2011)

(Unit: Millions of Yen)

	Three months ended June 30, 2010 (April 1, 2010 – June 30, 2010)	Three months ended June 30, 2011 (April 1, 2011 – June 30, 2011)
Operating revenues	58,899	62,658
Cost of sales	53,886	57,081
Gross profit	5,013	5,577
Selling, general and administrative expenses	3,533	3,544
Operating income	1,479	2,032
Non-operating income		
Interest income	48	44
Dividends income	235	220
Other	167	105
Total non-operating income	451	369
Non-operating expenses		
Interest expenses	293	286
Other	112	153
Total non-operating expenses	405	440
Ordinary income	1,526	1,961
Extraordinary loss		
Loss on retirement of noncurrent assets	143	46
Loss on cancellation of lease contracts	22	20
Loss on adjustment for changes of accounting standard for asset retirement obligation	130	□
Total extraordinary loss	295	66
Income before income taxes	1,230	1,895
Income taxes- current	123	137
Income taxes- deferred	440	742
Total income taxes	563	880
Income before minority interests	666	1,015
Minority interest in income or loss	11	(22)
Net income	654	1,037



(Consolidated Statements of Comprehensive Income)  
(For the three months ended June 30, 2010 and 2011)

(Unit: Millions of Yen)

	Three months ended June 30, 2010 (April 1, 2010 – June 30, 2010)	Three months ended June 30, 2011 (April 1, 2011 – June 30, 2011)
Income before minority interests	666	1,015
Other comprehensive income		
Valuation difference on available-for-sale securities	(55)	23
Deferred gains or losses on hedges	3	4
Foreign currency translation adjustment	41	0
Share of other comprehensive income of associates accounted for using equity method	1	(0)
<b>Total other comprehensive income</b>	<b>(8)</b>	<b>27</b>
Comprehensive income	658	1,042
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	627	1,058
Comprehensive income attributable to minority interests	30	(15)