

Summary of Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2013 [Japan GAAP]

July 31, 2012

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 http : //www.senko.co.jp
Representative : Title : President	Name : Yasuhisa Fukuda
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Scheduled Date of Issue of Financial Report : August 9, 2012	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 2013 (From April 1, 2012 to June 30, 2012)

(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, 2013	71,758	14.5	2,215	9.0	2,285	16.5	1,286	24.0
First quarter ended March 31, 2012	62,658	6.4	2,032	37.3	1,961	28.5	1,037	58.4

(Note) Comprehensive income :

First quarter ending March 31, 2013 1,078 million yen (3.4%) First quarter ended March 31, 2012 1,042 million yen (58.5%)

	Net income per share	Diluted net income per share
	Yen	Yen
First quarter ending March 31, 2013	10.22	9.27
First quarter ended March 31, 2012	8.24	7.48

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
First quarter ending March 31, 2013	200,906	63,606	30.7	490.48
Fiscal year ended March 31, 2012	202,847	63,274	30.3	488.25

(Reference) Shareholders' equity :

First quarter ending March 31, 2013 61,714 million yen Fiscal year ended March 31, 2012 61,424 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, 2012	—	6.00	—	6.00	12.00
Fiscal year ending March 31, 2013	—				
Fiscal year ending March 31, 2013 (Forecast)		6.00	—	6.00	12.00

(Note) Change in the estimation of dividend for the fiscal year in this period : None

(Note) Dividends include a ¥1 commemorative dividend for the end of second quarter and year-end of fiscal year ended March 31, 2012

3. Forecast of Consolidated Operating Results for the Year Ending March 2013 (From April 1, 2012 to March 31, 2013)

(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 2012	144,000	13.5	4,350	14.4	4,250	16.3	2,100	27.6	16.69
Fiscal year ending March 2013	300,000	11.0	10,200	23.3	10,000	20.0	5,000	43.7	39.74

(Note) Change in the forecast made in this period : None

4. Notes

(1) Changes in significant subsidiaries during the period (Changes in specified subsidiaries associated with change in scope of consolidation) : 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 restatement

(a) Changes due to revision of accounting standards : Yes

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

(c) Changes in accounting estimates : Yes

(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, 2012	128,989,476 shares	As of March 31, 2012	128,989,476 shares
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(b) Treasury stock

As of June 30, 2012	3,165,024 shares	As of March 31, 2012	3,183,467 shares
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(c) Average number of shares (quarterly consolidated cumulative period)

Period ended June 30, 2012	125,824,669 shares	Period ended June 30, 2011	125,814,771 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 2013" on page 3.

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1. Results of Operations and Financial Condition

(1) Results of Operations

In the first quarter of the fiscal year ending in March 2013 (April 1, 2012 to June 30, 2012), the Japanese economy recovered at a moderate pace due primarily to public-works expenditures and other demand associated with earthquake recovery activities and to strong consumer spending backed by an improvement in consumer sentiment.

In the logistics industry, there was a recovery in cargo volume following the steep downturn after the Great East Japan Earthquake and an improvement in the volume of cargo handled along with a slow recovery in industrial output and private-sector capital expenditures.

The current fiscal year is the final year of the Senko Group's three-year medium-term business plan that started in April 2010 and uses the corporate slogan "Moving Global." In this final year of the plan, we are taking many actions in Japan and overseas.

In Japan, the Great East Japan Earthquake has caused companies that ship cargo to spread out their manufacturing and inventory storage operations over more locations and to increase the number of suppliers of raw materials and components. The Senko Group is making preparations to establish new logistics facilities in Hokkaido, the Kanto region, the Chubu region, the Kansai region and other areas of Japan. More facilities will enable us to meet logistics needs associated with these activities by shippers as well as to capture new customers by conducting aggressive activities to increase sales. Overseas, we are pursuing growth in many ways, such as by signing new agreements to perform logistics operations for customers in the Chinese provinces of Liaoning and Jiangsu.

First quarter consolidated operating revenues increased 14.5% from one year earlier to ¥71,758 million. Higher revenues were attributable mainly to aggressive sales activities to add new customers, the contributions from large logistics facilities that were completed in the previous fiscal year, and the contributions from Smile Corp. and Chugoku Piano Transport Co., Ltd. which became subsidiaries in the previous fiscal year. Earnings benefited from the growth in sales, the new subsidiaries and cost-cutting measures. Operating income increased 9.0% to ¥2,215 million, ordinary income increased 16.5% to ¥2,285 million, and net income increased 24.0% to ¥1,286 million.

First quarter business segment performance was as follows.

Distribution

In the housing distribution business there was an increase in cargo volume involving solar panels and in the distribution logistics business there was an increase in cargo volume for general merchandise stores because of the start of operations at large logistics facilities in the previous fiscal year. Chugoku Piano Transport Co., Ltd., which became a subsidiary in the previous fiscal year, also contributed to first quarter performance. As a result, segment operating revenues increased 2.4% from one year earlier to ¥56,085 million.

Commerce and Trade

Segment performance benefited primarily from the acquisition of Smile Corp. in the previous fiscal year and higher revenues in the trade business and petroleum marketing business. The result was a 104.7% increase in segment operating revenues from one year earlier to ¥14,951 million.

Others

Segment operating revenues increased 18.7% from one year earlier to ¥721 million mainly because of an increase in data processing sales.

(2) Financial Condition

Total assets

Total assets at the end of the first quarter were ¥200,906 million, down ¥1,941 million from the end of the previous fiscal year. The main reason was a ¥1,811 million decrease in current assets due to a decline in notes and accounts receivable.

Liabilities

Liabilities decreased ¥2,273 million from the end of the previous fiscal year to ¥137,299 million. Long-term loans payable increased ¥4,974 million but there were decreases of ¥3,388 million in notes and operating accounts payable, ¥1,553 million in short-term loans payable and ¥1,973 million in income taxes payable.

Net assets

Net assets increased ¥332 million from the end of the previous fiscal year to ¥63,606 million. Retained earnings increased ¥527 million and there were decreases of ¥151 million in valuation differences on available-for-sale securities and ¥136 million in deferred gains or losses on hedges. The equity ratio increased by 0.4 percentage points to 30.7%.

(3) Forecast for Fiscal Year Ending March 2013

There are many sources of uncertainty regarding the Japanese economy, including the debt crisis in Europe, worries about slowing economic growth in the United States, China and other countries, the yen's strength and Japan's electricity shortage. Despite these concerns, Japan's economy is expected to continue recovering slowly for the time being because of the full-scale emergence of earthquake recovery demand and healthy consumer spending.

In this environment, based on its medium-term vision, the Senko Group seeks to coexist with society and increase the commitment of employees to growth with the goal of operating as a "logistics and information organization" that provides high-quality and high cost-performance services on a global scale.

Since operating revenues and earnings thus far in the fiscal year are generally as planned, there are no revisions to the first half and fiscal year forecasts that were announced on April 26, 2012.

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 restatement

In conjunction with a revision in Japan's Corporate Income Tax Law, Senko and its consolidated subsidiaries in Japan have revised the method used for depreciation starting with the first quarter of the current fiscal year. The revised depreciation method, which is based on the amended Corporate Income Tax Law, is applied to property and equipment purchased on or after April 1, 2012. This revision had only a negligible effect on earnings.

3. Consolidated financial statements

(1) Consolidated Balance Sheets

(Unit : Millions of Yen)

	As of March 31, 2012	As of June 30, 2012
Assets		
Current assets		
Cash and deposits	13,354	12,647
Notes and accounts receivable	40,688	39,532
Merchandise	4,087	4,036
Real estate for sale	3	3
Work in process	150	248
Supplies	188	143
Other	5,834	5,914
Allowance for doubtful accounts	(53)	(83)
Total current assets	64,254	62,422
Noncurrent assets		
Property, plant and equipment		
Buildings and structures (net)	45,806	45,554
Land	39,837	39,839
Other (net)	10,495	10,329
Total property, plant and equipment	96,139	95,722
Intangible assets		
Goodwill	3,730	3,656
Other	3,505	3,734
Total intangible assets	7,235	7,391
Investments and other assets		
Guarantee deposits	8,810	8,930
Deferred tax assets	4,000	4,147
Other	22,687	22,551
Allowance for doubtful accounts	(280)	(278)
Total investments and other assets	35,217	35,349
Total noncurrent assets	138,592	138,463
Total assets	202,847	200,906

(Unit : Millions of Yen)

	As of March 31, 2012	As of June 30, 2012
Liabilities		
Current liabilities		
Notes and operating accounts payable- trade	32,297	28,909
Current portion of convertible bonds	4,900	4,900
Short-term loans payable	13,936	12,382
Income taxes payable	2,281	307
Provision for bonuses	3,125	1,955
Provision for directors' bonuses	172	39
Reserve for loss on disaster	43	33
Other	11,327	12,347
Total current liabilities	68,084	60,875
Noncurrent liabilities		
Bonds payable	12,000	12,000
Long-term loans payable	40,422	45,396
Provision for retirement benefits	9,468	9,507
Provision for directors' retirement benefits	66	57
Provision for special repairs	52	56
Asset retirement obligations	316	318
Other	9,162	9,088
Total noncurrent liabilities	71,489	76,424
Total liabilities	139,573	137,299
Net assets		
Shareholders' equity		
Capital stock	20,521	20,521
Capital surplus	18,782	18,782
Retained earnings	22,901	23,428
Treasury stock	(1,049)	(1,043)
Total shareholders' equity	61,155	61,688
Accumulated other comprehensive income		
Valuation differences on available-for-sale securities	157	5
Deferred gains or losses on hedges	156	19
Foreign currency translation adjustment	(44)	0
Total accumulated other comprehensive income	269	25
Subscription rights to shares	149	142
Minority interests	1,700	1,749
Total net assets	63,274	63,606
Liabilities and net assets	202,847	200,906

(2) Consolidated Statements of (Comprehensive) Income
(Consolidated Statements of Income)
(For the three months ended June 30, 2011 and 2012)

(Unit : Millions of Yen)

	Three months ended June 30, 2011 (April 1, 2011 – June 30, 2011)	Three months ended June 30, 2012 (April 1, 2012 – June 30, 2012)
Operating revenues	62,658	71,758
Cost of sales	57,081	64,561
Gross profit	5,577	7,196
Selling, general and administrative expenses	3,544	4,980
Operating income	2,032	2,215
Non-operating income		
Interest income	44	52
Dividends income	220	240
Other	105	136
Total non-operating income	369	429
Non-operating expenses		
Interest expenses	286	296
Other	153	63
Total non-operating expenses	440	360
Ordinary income	1,961	2,285
Extraordinary loss		
Loss on retirement of noncurrent assets	46	—
Loss on cancellation of lease contracts	20	—
Total extraordinary loss	66	—
Income before income taxes	1,895	2,285
Income taxes- current	137	271
Income taxes- deferred	742	705
Total income taxes	880	977
Income before minority interests	1,015	1,308
Minority interest in income or loss	(22)	22
Net income	1,037	1,286

(Consolidated Statements of Comprehensive Income)
(For the three months ended June 30, 2011 and 2012)

(Unit : Millions of Yen)

	Three months ended June 30, 2011 (April 1, 2011 – June 30, 2011)	Three months ended June 30, 2012 (April 1, 2012 – June 30, 2012)
Income before minority interests	1,015	1,308
Other comprehensive income		
Valuation difference on available-for-sale securities	23	(153)
Deferred gains or losses on hedges	4	(145)
Foreign currency translation adjustment	0	64
Share of other comprehensive income of associates accounted for using equity method	(0)	4
Total other comprehensive income	27	(229)
Comprehensive income	1,042	1,078
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	1,058	1,042
Comprehensive income attributable to minority interests	(15)	35