

July 25, 2012

## Consolidated Financial Results (Japanese Accounting Standards) for the Three Months Ended June 30, 2012 (Q1 FY2012)

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 Stock exchange listing: Tokyo Stock Exchange, Osaka Securities Exchange  
 Stock code: 2810  
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Scheduled date for filing of securities report: August 10, 2012

Scheduled date of commencement of dividend payment: –

Supplementary documents for quarterly results: Yes

Quarterly results briefing: None

(Amounts of less than one million yen are rounded to the nearest million yen.)

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2012 (April 1, 2012 – June 30, 2012)

#### (1) Consolidated Results of Operations (Accumulated Total)

(Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2012	50,235	(6.9)	2,487	(53.6)	2,825	(49.0)	1,277	(59.9)
June 30, 2011	53,950	(0.3)	5,355	63.8	5,536	60.5	3,182	106.0

(Note) Comprehensive income: 832 million yen (negative 78.4%) for the three months ended June 30, 2012  
 3,845 million yen (212.4%) for the three months ended June 30, 2011

	Net income per share (basic)		Net income per share (diluted)	
	Yen		Yen	
Three months ended June 30, 2012	11.96		–	
June 30, 2011	29.80		–	

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Three months ended June 30, 2012	234,732	188,472	80.1	1,760.86
Year ended March 31, 2012	240,092	189,242	78.6	1,768.27

(Reference) Shareholders' equity: As of June 30, 2012: 187,994 million yen  
 As of March 31, 2012: 188,785 million yen

### 2. Dividends

	Dividend per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
Year ended March 31, 2012	–	13.00	–	15.00	28.00
Year ending March 31, 2013	–				
Year ending March 31, 2013 (forecasts)		15.00	–	15.00	30.00

(Note) Revisions to dividend forecasts published most recently: None

### 3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2013 (April 1, 2012 – March 31, 2013)

(Percentage figures for the fiscal year represent the changes from the previous year,  
 while percentage figures for the six months period represent the changes from the same period of the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending September 30, 2012	110,000	0.6	6,400	(19.9)	7,100	(15.2)	4,300	(10.5)	40.28
Year ending March 31, 2013	218,000	1.7	14,800	5.3	16,200	4.5	10,400	31.2	97.41

(Note) Revisions to financial forecasts published most recently: None

\* Notes

- (1) Changes of important subsidiaries during the period (changes of specific subsidiaries in accordance with changes in the scope of consolidation): None
- (2) Application of particular accounts procedures to the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies and changes or restatement of accounting estimates
- |  |      |
|--|------|
| (i) Changes in accounting policies caused by revision of accounting standards: | Yes  |
| (ii) Changes in accounting policies other than (i):                            | None |
| (iii) Changes in accounting estimates:   | Yes  |
| (iv) Restatement:  | None |
- (Note) The depreciation method changed in the first quarter under review. This falls under “cases where it is difficult to distinguish changes in accounting policies from changes in accounting estimates.” For details, please refer to “2. Matters Relating to Summary Information (Notes); (3) Changes in Accounting Policies and Changes or Restatement of Accounting Estimates” on page 4 of the accompanying materials.
- (4) Number of shares outstanding (common stock):
- |  |                    |
|--|--------------------|
| (i) Number of shares outstanding at end of period (including treasury stock) |                    |
| As of June 30, 2012:   | 106,765,422 shares |
| As of March 31, 2012:  | 106,765,422 shares |
| (ii) Number of treasury stock at end of period                               |                    |
| As of June 30, 2012:   | 3,077 shares       |
| As of March 31, 2012:  | 2,928 shares       |
| (iii) Average number of shares outstanding during the term                   |                    |
| Three months ended June 30, 2012:  | 106,762,425 shares |
| Three months ended June 30, 2011:  | 106,763,784 shares |

\* Status of a quarterly review

- This financial summary does not need to undergo a quarterly review under the Financial Instruments and Exchange Act. Procedures for a quarterly review of the consolidated financial statements are being followed at the time of the announcement of this financial summary.

\* Explanations and other special notes concerning the appropriate use of business performance forecasts

- The forward-looking statements such as result forecasts included in this document are based on the information available to the Company at the time of the announcement and on certain assumptions considered reasonable, and the Company makes no representations as to their achievability. Actual results may differ materially from the forecast depending on a range of factors.
- For other matters relating to the forecasts, please refer to “(3) Qualitative Information Concerning the Consolidated Business Performance Forecasts” on page 4 of the accompanying materials.

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## 1. Qualitative Information on Results for the First Quarter Ended June 30, 2012

### (1) Qualitative Information Concerning the Consolidated Operating Results

During the three-month period ended June 30, 2012, there were signs of a moderate recovery in overall corporate activities in Japan, backed by reconstruction demand. However, the outlook of the economy remained uncertain, given the European debt crisis, concern over a world economic slowdown, deflation in Japan, and other problems.

Responding to these circumstances, the Group is taking steps to achieve the growth strategies for each business specified in the Fourth Medium-Term Business Plan, which began to be executed in the fiscal year under review.

Looking at sales, International Business, which is ranked as a “Growing business,” expanded steadily. Meanwhile, the Spice / Seasoning / Prepared Food Business and Health Food Business, which are considered “Core businesses,” faced a challenging situation, affected by a reaction against special demand following the earthquake last year and falling prices, especially of low-priced products. In this environment, sales in the main product categories fell sharply from the same period of the previous fiscal year. As a result, sales in the first quarter under review declined 6.9% year on year, to 50,235 million yen.

Income expanded steadily in International Business, but was affected by declines in sales in the main product categories. Consequently, operating income decreased 53.6% year on year, to 2,487 million yen, and ordinary income fell 49.0%, to 2,825 million yen. Net income declined 59.9%, to 1,277 million yen.

The following is an overview of results by segment.

	Consolidated net sales		Consolidated operating income (segment margin)	
	Amount (million yen)	Year-on-year change (%)	Amount (million yen)	Year-on-year change (%)
Spice / Seasoning / Prepared Food Business	29,281	93.0	1,351	43.3
Health Food Business	10,508	82.8	594	37.5
International Business	3,356	107.4	323	120.9
Transport and Other Businesses	7,091	106.6	217	57.2
Reportable segments total	50,235	93.1	2,484	46.5

\* Figures in the consolidated operating income (segment margin) column are figures before adjustment for impact of inter-segment transactions of 3 million yen.

### **Spice / Seasoning / Prepared Food Business**

Of spice products, sales of the *Neri Spice* series were strong, and the new *Spice Blend Sugar* series contributed to sales. Sales of commercial-use products increased, reflecting the expansion of customers and strong sales of retort pouched products.

Sales of curry roux products and retort pouched curry products declined sharply from the year-ago period, reflecting a reaction to the special demand following the earthquake last year. Of snack food products, sales of *Tongari Corn* increased. However, given intensifying competition, sales in the overall category fell from the previous fiscal year. Despite the launch of new items in June exclusively for summer, sales of dessert products were weak, partly because of sluggish sales of the mainstay *Fruiche* as a result of lower temperatures compared to last year.

As a result, sales in the Spice / Seasoning / Prepared Food Business declined 7.0% year on year, to 29,281 million yen, and operating income decreased 56.7% year on year, to 1,351 million yen.

### **Health Food Business**

In the Health Food Business, sales of the *Ukon no Chikara* series, which are the Group's mainstay products in this segment, were sluggish, reflecting the condition of the market, which slowed following the earthquake and did not fully recover, partly because of changes in customers' attitudes towards alcohol, and intensifying sales competition with rival

products. Group company House Wellness Foods Corporation showed sharply decreased revenues as a result of a reaction to increased demand after the earthquake, lower temperatures than a year ago, and failure to launch new products at stores as planned.

As a consequence, sales in the Health Food Business declined 17.2% year on year, to 10,508 million yen, and operating income fell 62.5% year on year, to 594 million yen.

### **International Business**

In International Business, the Group established independent business promotion units for three areas (the United States, China, and Southeast Asia) and has been taking steps to accelerate the development of operations in each area since April this year.

Sales increased in the U.S., reflecting the success of promotions of tofu and the strong popularity of tofu-related products (*Tofu Shirataki*), which were dealt with by an increasing number of companies.

In the China area, sales were strong in the curry business, reflecting the increased recognition of Japanese-style curry as a result of continued activities to promote products for household use. Sales of commercial-use products also expanded steadily, attributable to new customers, including Japanese chain restaurants, convenience stores, and customers in industrial catering.

In the Southeast Asia area, functional beverages will be launched this summer in Thailand. Construction of a manufacturing plant commenced in Vietnam, with the aim of developing a processed food business in that country.

The curry restaurant business showed substantial growth in both sales and profits. Especially in China and Taiwan, both new restaurants and pre-existing restaurants performed well.

As a result of the above factors, sales of International Business grew 7.4% year on year, to 3,356 million yen, and operating income increased 20.9% year on year, to 323 million yen.

### **Transport and Other Businesses**

Sales at House Logistics Service Corporation, a Group company engaging in the transport and warehouse business, rose with the steady expansion in logistics operations commissioned by companies outside the Group. However, profits declined, primarily reflecting increased expenses associated with the improvement of distribution bases. Results at Delica Chef Corporation, a Group company producing prepared foods for convenience stores, increased sharply from a year ago, attributable to a rise in sales of desserts and salads.

As a consequence, sales of Transport and Other Businesses climbed 6.6% year on year, to 7,091 million yen, and operating income declined 42.8% year on year, to 217 million yen.

## **(2) Qualitative Information Concerning the Company's Consolidated Financial Situation**

The consolidated financial situation at the end of the first quarter of the fiscal year under review is as follows:

Total assets were 234,732 million yen, a decrease of 5,360 million yen in comparison to the end of the previous consolidated fiscal year.

Current assets declined 5,876 million yen to 104,289 million yen, primarily attributable to a decrease in short-term investment securities with negotiable deposits and bonds reaching maturity. The additional cash and deposits associated with the maturity were used to pay taxes and dividends. Noncurrent assets finished at 130,443 million yen, a rise of 516 million yen, due chiefly to an increase in investment securities resulting from the acquisition of bonds and other factors, which offset decreases in long-term time deposits and prepaid pension cost.

Liabilities were 46,260 million yen, a decrease of 4,590 million yen from the end of the previous fiscal year.

Current liabilities declined 4,058 million yen, to 37,050 million yen, mainly because of decreases in accounts payable-other and income taxes payable. Noncurrent liabilities slipped 532 million yen, to 9,211 million yen, primarily

reflecting a reduction in deferred tax liabilities.

Net assets decreased 770 million yen from the end of the previous fiscal year, to 188,472 million yen because of factors such as a decrease in retained earnings as a result of the payment of dividends and a decline in valuation difference for available-for-sale securities based on an estimate of the fair value of stock holdings and other securities.

As a result, the equity ratio stood at 80.1% (compared with 78.6% at the end of the previous fiscal year). Net assets per share were 1,760.86 yen (1,768.27 yen at the end of the previous fiscal year).

### (3) Qualitative Information Concerning the Consolidated Business Performance Forecasts

There has been no change to the consolidated performance forecasts announced on May 8, 2012, for the period ending March 31, 2013.

## 2. Matters Relating to Summary Information (Notes)

### (1) Changes of Important Subsidiaries during the Period

Not applicable.

### (2) Application of Particular Accounts Procedures to the Preparation of Quarterly Consolidated Financial Statements

#### Calculation of tax expenses

Following the application of tax effect accounting for the current term net income before taxes for the consolidated fiscal year, the Company has adopted a method of calculating tax expenses using a reasonable estimate of the effective tax rate and multiplying quarterly net income before taxes by this estimated effective tax rate.

“Income taxes-current” and “Income taxes-deferred” are unified in “Income taxes.”

### (3) Changes in Accounting Policies and Changes or Restatement of Accounting Estimates

Change in accounting policy that is difficult to distinguish from change in accounting estimates

Following the revision of the Corporation Tax Act, the Company and its domestic consolidated subsidiaries depreciated property, plant and equipment that were acquired on or after April 1, 2012 under the revised Corporation Tax Act.

The effect of the change on earnings in the first quarter under review was minor.

### 3. Quarterly Consolidated Financial Statements

#### (1) Quarterly Consolidated Balance Sheets

(Million yen)

	End of previous fiscal year (As of March 31, 2012)	End of first quarter of the fiscal year under review (As of June 30, 2012)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	23,475	25,702
Notes and accounts receivable–trade	38,585	38,240
Short-term investment securities	33,717	24,911
Merchandise and finished goods	6,229	7,491
Work in process	875	1,014
Raw materials and supplies	2,737	2,730
Deferred tax assets	2,946	2,962
Other	1,605	1,243
Allowance for doubtful accounts	(4)	(5)
<b>Total current assets</b>	<b>110,165</b>	<b>104,289</b>
<b>Noncurrent assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	16,886	16,727
Machinery, equipment and vehicles, net	6,987	6,665
Land	24,072	24,101
Lease assets, net	4,545	4,524
Construction in progress	254	509
Other, net	810	819
<b>Total property, plant and equipment</b>	<b>53,553</b>	<b>53,346</b>
<b>Intangible assets</b>		
Goodwill	703	362
Software	1,501	1,352
Software in progress	58	43
Other	205	210
<b>Total intangible assets</b>	<b>2,467</b>	<b>1,967</b>
<b>Investments and other assets</b>		
Investment securities	65,327	68,496
Long-term loans receivable	247	245
Deferred tax assets	170	162
Long-term time deposits	3,124	1,600
Prepaid pension cost	2,740	2,356
Other	2,546	2,519
Allowance for doubtful accounts	(247)	(248)
<b>Total investments and other assets</b>	<b>73,908</b>	<b>75,130</b>
<b>Total noncurrent assets</b>	<b>129,927</b>	<b>130,443</b>
<b>Total assets</b>	<b>240,092</b>	<b>234,732</b>

(Million yen)

	End of previous fiscal year (As of March 31, 2012)	End of first quarter of the fiscal year under review (As of June 30, 2012)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable–trade	19,602	19,708
Electronically recorded obligations–operating	–	903
Short-term loans payable	590	682
Lease obligations	394	408
Accounts payable–other	13,247	9,742
Income taxes payable	3,189	1,254
Provision for directors’ bonuses	73	17
Other	4,013	4,337
<b>Total current liabilities</b>	<b>41,108</b>	<b>37,050</b>
<b>Noncurrent liabilities</b>		
Lease obligations	4,151	4,117
Long-term accounts payable–other	655	647
Deferred tax liabilities	2,663	2,228
Provision for retirement benefits	1,557	1,505
Asset retirement obligations	284	285
Other	432	428
<b>Total noncurrent liabilities</b>	<b>9,742</b>	<b>9,211</b>
<b>Total liabilities</b>	<b>50,850</b>	<b>46,260</b>
<b>Net assets</b>		
<b>Shareholders’ equity</b>		
Capital stock	9,948	9,948
Capital surplus	23,868	23,868
Retained earnings	151,392	151,068
Treasury stock	(4)	(4)
<b>Total shareholders’ equity</b>	<b>185,205</b>	<b>184,880</b>
<b>Other accumulated comprehensive income</b>		
Valuation difference on available-for-sale securities	5,531	4,739
Foreign currency translation adjustment	(1,950)	(1,626)
<b>Total other accumulated comprehensive income</b>	<b>3,580</b>	<b>3,113</b>
<b>Minority interests</b>	<b>456</b>	<b>478</b>
<b>Total net assets</b>	<b>189,242</b>	<b>188,472</b>
<b>Total liabilities and net assets</b>	<b>240,092</b>	<b>234,732</b>



(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
(First three-month period)

(Million yen)

	First three-month period of previous fiscal year (April 1, 2011 - June 30, 2011)	First three-month period of the fiscal year under review (April 1, 2012 - June 30, 2012)
<b>Net sales</b>	53,950	50,235
<b>Cost of sales</b>	28,395	27,674
<b>Gross profit</b>	25,555	22,561
<b>Selling, general and administrative expenses</b>		
Advertising expenses	2,269	2,341
Transportation and warehousing expenses	1,667	1,512
Sales commission	974	961
Promotion expenses	6,857	6,709
Salaries, allowances and bonuses	3,278	3,341
Provision for directors' bonuses	18	17
Depreciation	298	255
Amortization of goodwill	340	340
Rent expenses	352	367
Experiment and research expenses	914	924
Other	3,233	3,306
<b>Total selling, general and administrative expenses</b>	20,201	20,074
<b>Operating income</b>	5,355	2,487
<b>Non-operating income</b>		
Interest income	99	94
Dividends income	27	40
Equity in earnings of affiliates	118	190
Other	47	106
<b>Total non-operating income</b>	291	431
<b>Non-operating expenses</b>		
Interest expenses	8	11
Foreign exchange losses	93	71
Other	9	11
<b>Total non-operating expenses</b>	109	93
<b>Ordinary income</b>	5,536	2,825

(Million yen)

	First three-month period of previous fiscal year (April 1, 2011 - June 30, 2011)	First three-month period of the fiscal year under review (April 1, 2012 - June 30, 2012)
<b>Extraordinary income</b>		
Gain on sales of noncurrent assets	–	2
Gain on sales of investment securities	–	1
Other	1	0
<b>Total extraordinary income</b>	<b>1</b>	<b>3</b>
<b>Extraordinary loss</b>		
Loss on sales of noncurrent assets	1	1
Loss on retirement of noncurrent assets	9	17
Loss on valuation of investment securities	11	95
Loss on valuation of membership	1	6
Loss on disaster	150	–
Other	19	2
<b>Total extraordinary loss</b>	<b>191</b>	<b>121</b>
<b>Income before income taxes</b>	<b>5,347</b>	<b>2,706</b>
<b>Income taxes</b>	<b>2,174</b>	<b>1,424</b>
<b>Income before minority interests</b>	<b>3,174</b>	<b>1,283</b>
<b>Minority interests in income (loss)</b>	<b>(8)</b>	<b>6</b>
<b>Net income</b>	<b>3,182</b>	<b>1,277</b>
<b>Minority interests in income (loss)</b>	<b>(8)</b>	<b>6</b>
<b>Income before minority interests</b>	<b>3,174</b>	<b>1,283</b>
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	559	(796)
Foreign currency translation adjustment	103	331
Share of other comprehensive income of associates accounted for using equity method	9	14
<b>Total other comprehensive income</b>	<b>672</b>	<b>(451)</b>
<b>Comprehensive income</b>	<b>3,845</b>	<b>832</b>
(Breakdown)		
Comprehensive income attributable to owners of the parent	3,844	810
Comprehensive income attributable to minority interests	1	21

## (3) Quarterly Consolidated Statements of Cash Flows

(Million yen)

	First three-month period of previous fiscal year (April 1, 2011 - June 30, 2011)	First three-month period of the fiscal year under review (April 1, 2012 - June 30, 2012)
<b>Net cash provided by (used in) operating activities</b>		
Income before income taxes	5,347	2,706
Depreciation and amortization	1,278	1,192
Amortization of goodwill	340	340
Equity in (earnings) losses of affiliates	(118)	(190)
Loss (gain) on valuation of investment securities	11	95
Loss on valuation of membership	1	6
Increase (decrease) in allowance for doubtful accounts	(9)	2
Increase (decrease) in provision for directors' bonuses	(62)	(56)
Increase (decrease) in provision for retirement benefits	(144)	(52)
Interest and dividends income	(126)	(134)
Interest expenses	8	11
Foreign exchange losses (gains)	48	65
Loss (gain) on sales of investment securities	-	(1)
Loss (gain) on sales of noncurrent assets	1	(1)
Loss on retirement of noncurrent assets	9	17
Decrease (increase) in notes and accounts receivable-trade	(566)	399
Decrease (increase) in inventories	(1,690)	(1,371)
Increase (decrease) in notes and accounts payable-trade	2,453	1,518
Increase (decrease) in accounts payable-bonuses	(33)	(299)
Decrease (increase) in other assets	415	525
Increase (decrease) in other liabilities	(2,131)	(2,792)
<b>Subtotal</b>	<b>5,033</b>	<b>1,980</b>
Interest and dividends income received	352	422
Interest expenses paid	(8)	(4)
Income taxes paid	(2,406)	(3,304)
<b>Net cash provided by (used in) operating activities</b>	<b>2,971</b>	<b>(906)</b>

(Million yen)

	First three-month period of previous fiscal year (April 1, 2011 - June 30, 2011)	First three-month period of the fiscal year under review (April 1, 2012 - June 30, 2012)
<b>Net cash provided by (used in) investing activities</b>		
Payments into time deposits	(8)	(1,524)
Proceeds from withdrawal of time deposits	32	1,742
Purchase of short-term investment securities	-	(1,000)
Proceeds from sales of short-term investment securities	1,000	1,000
Purchase of property, plant and equipment	(810)	(1,194)
Proceeds from sales of property, plant and equipment	17	7
Purchase of intangible assets	(131)	(78)
Purchase of investment securities	(4,472)	(4,509)
Proceeds from sales of investment securities	-	14
Purchase of stocks of subsidiaries and affiliates	-	(319)
<b>Net cash provided by (used in) investing activities</b>	<b>(4,372)</b>	<b>(5,861)</b>
<b>Net cash provided by (used in) financing activities</b>		
Increase in short-term loans payable	192	809
Decrease in short-term loans payable	(167)	(751)
Repayments of lease obligations	(93)	(100)
Purchase of treasury stock	(1)	(0)
Cash dividends paid	(1,098)	(1,603)
Cash dividends paid to minority shareholders	(0)	(0)
<b>Net cash provided by (used in) financing activities</b>	<b>(1,166)</b>	<b>(1,645)</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>(8)</b>	<b>52</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(2,574)</b>	<b>(8,360)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>46,091</b>	<b>41,190</b>
<b>Cash and cash equivalents at end of period</b>	<b>43,517</b>	<b>32,830</b>

(4) Notes Relating to Assumptions for the Going Concern

Not applicable.

(5) Segment Information

I. First three-month period of previous fiscal year (April 1, 2011 - June 30, 2011)

1. Information on net sales and profits or losses by reported segment

(Million yen)

	Reported segments					Other	Total
	Spice / Seasoning / Prepared Food Business	Health Food Business	International Business	Transport and Other Businesses	Total		
Net sales							
Sales – outside customers	31,480	12,690	3,125	6,655	53,950	–	53,950
Sales and transfer – inter-segment	–	–	–	3,066	3,066	–	3,066
Total	31,480	12,690	3,125	9,721	57,017	–	57,017
Segment profit	3,117	1,585	267	379	5,348	–	5,348

2. Difference between the sum of reportable segment profits and losses and operating income in quarterly consolidated statements of income and comprehensive income, and major factors in the difference (adjustment of difference)

(Million yen)

Profit	Amount
Reportable segments total	5,348
Elimination of inter-segment transactions	6
Operating income in quarterly consolidated statements of income and comprehensive income	5,355

3. Information on impairment loss on noncurrent assets and goodwill by reportable segment

Not applicable.

II. First three-month period of the fiscal year under review (April 1, 2012 - June 30, 2012)

1. Information on net sales and profits or losses by reported segment

(Million yen)

	Reported segments					Other	Total
	Spice / Seasoning / Prepared Food Business	Health Food Business	International Business	Transport and Other Businesses	Total		
Net sales							
Sales – outside customers	29,281	10,508	3,356	7,091	50,235	–	50,235
Sales and transfer – inter-segment	–	–	–	2,752	2,752	–	2,752
Total	29,281	10,508	3,356	9,843	52,988	–	52,988
Segment profit	1,351	594	323	217	2,484	–	2,484

2. Difference between the sum of reportable segment profits and losses and operating income in quarterly consolidated statements of income and comprehensive income, and major factors in the difference (adjustment of difference)

(Million yen)

Profit	Amount
Reportable segments total	2,484
Elimination of inter-segment transactions	3
Operating income in quarterly consolidated statements of income and comprehensive income	2,487

3. Information on impairment loss on noncurrent assets and goodwill by reportable segment

Not applicable.

(6) Notes for Case Where Shareholders' Equity underwent Significant Changes in Value

Not applicable.

#### 4. Quarterly Non-Consolidated Financial Statements

(Note) These Quarterly Financial Statements (Non-Consolidated) have been prepared voluntarily by the Company based on the Regulations for Quarterly Financial Statements.

##### (1) Quarterly Balance Sheets (Non-Consolidated)

(Million yen)

	End of previous fiscal year (As of March 31, 2012)	End of first quarter of the fiscal year under review (As of June 30, 2012)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	19,156	21,335
Notes receivable-trade	11	9
Accounts receivable-trade	30,272	28,513
Short-term investment securities	33,717	24,911
Merchandise and finished goods	5,154	5,889
Work in process	830	946
Raw materials and supplies	1,928	1,881
Deferred tax assets	1,820	1,811
Other	2,018	1,603
Allowance for doubtful accounts	(4)	(5)
<b>Total current assets</b>	<b>94,901</b>	<b>86,895</b>
<b>Noncurrent assets</b>		
<b>Property, plant and equipment</b>		
Buildings, net	10,078	9,932
Structures, net	452	434
Machinery and equipment, net	4,561	4,353
Vehicles, net	63	57
Tools, furniture, and fixtures, net	404	384
Land	14,713	14,713
Lease assets, net	64	70
Construction in progress	3	7
<b>Total property, plant and equipment</b>	<b>30,339</b>	<b>29,952</b>
<b>Intangible assets</b>		
Leasehold right	6	6
Right of trademark	4	4
Telephone subscription right	44	44
Right of using facilities	0	0
Software	1,130	973
Software in progress	2	–
<b>Total intangible assets</b>	<b>1,186</b>	<b>1,026</b>
<b>Investments and other assets</b>		
Investment securities	60,599	63,254
Stocks of subsidiaries and affiliates	43,573	43,892
Investments in capital	21	21
Investments in capital of subsidiaries and affiliates	2,955	2,955
Long-term loans receivable from employees	4	3
Long-term loans receivable from subsidiaries and affiliates	2,159	2,122
Long-term prepaid expenses	46	47
Guarantee deposits	1,163	1,149
Long-term time deposits	3,024	1,500
Prepaid pension cost	2,740	2,356
Other	45	40
Allowance for doubtful accounts	(213)	(213)
<b>Total investments and other assets</b>	<b>116,116</b>	<b>117,125</b>
<b>Total noncurrent assets</b>	<b>147,641</b>	<b>148,103</b>
<b>Total assets</b>	<b>242,542</b>	<b>234,998</b>

(Million yen)

	End of previous fiscal year (As of March 31, 2012)	End of first quarter of the fiscal year under review (As of June 30, 2012)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes payable-trade	2,400	860
Electronically recorded obligations-operating	–	903
Accounts payable-trade	11,236	10,614
Short-term loans payable to subsidiaries and affiliates	11,811	11,394
Lease obligations	18	20
Accounts payable-other	11,423	7,778
Accrued expenses	1,907	1,144
Income taxes payable	2,776	1,026
Deposits received	130	777
Provision for directors' bonuses	69	15
Other	186	424
<b>Total current liabilities</b>	<b>41,956</b>	<b>34,955</b>
<b>Noncurrent liabilities</b>		
Lease obligations	46	51
Long-term guarantee deposited	268	268
Long-term accounts payable-other	623	601
Deferred tax liabilities	2,659	2,224
Asset retirement obligations	51	51
<b>Total noncurrent liabilities</b>	<b>3,647</b>	<b>3,195</b>
<b>Total liabilities</b>	<b>45,603</b>	<b>38,150</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	9,948	9,948
Capital surplus		
Legal capital surplus	23,815	23,815
Total capital surplus	23,815	23,815
Retained earnings		
Legal retained earnings	2,487	2,487
Other retained earnings		
General reserve	133,900	133,900
Retained earnings brought forward	21,197	21,891
Total retained earnings	157,584	158,278
Treasury stock	(4)	(4)
<b>Total Shareholders' equity</b>	<b>191,344</b>	<b>192,038</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	5,595	4,810
<b>Total valuation and translation adjustments</b>	<b>5,595</b>	<b>4,810</b>
<b>Total net assets</b>	<b>196,939</b>	<b>196,848</b>
<b>Total liabilities and net assets</b>	<b>242,542</b>	<b>234,998</b>



## (2) Quarterly Statements of Income (Non-Consolidated)

First three-month period

(Million yen)

	First three-month period of previous fiscal year (April 1, 2011 - June 30, 2011)	First three-month period of the fiscal year under review (April 1, 2012 - June 30, 2012)	(Reference) Previous fiscal year (April 1, 2011 - March 31, 2012)
<b>Net sales</b>	36,888	33,744	151,803
<b>Cost of sales</b>	17,470	16,538	73,866
<b>Gross profit</b>	19,417	17,207	77,937
<b>Selling, general and administrative expenses</b>			
Advertising expenses	1,960	1,949	9,748
Transportation and warehousing expenses	1,178	991	4,372
Sales commissions	974	961	4,280
Promotion expenses	5,233	5,069	23,150
Directors' compensation	61	71	247
Salaries, allowances and bonuses	2,214	2,211	8,384
Provision for directors' bonuses	15	15	69
Retirement benefit expenses	429	380	1,711
Welfare expenses	454	453	1,950
Travel and communication expenses	358	395	1,323
Depreciation	210	177	799
Rent expenses	290	302	1,122
Experiment and research expenses	780	765	3,238
Investigation expenses	171	164	836
Other	1,281	1,324	5,014
<b>Total selling, general and administrative expenses</b>	15,609	15,228	66,241
<b>Operating income</b>	3,808	1,979	11,696
<b>Non-operating income</b>			
Interest income	21	24	86
Interest on securities	91	79	400
Dividends income	1,381	1,489	1,916
Rent income	58	54	226
Fiduciary obligation fee	-	39	-
Other	47	100	213
<b>Total non-operating income</b>	1,598	1,786	2,841
<b>Non-operating expenses</b>			
Interest expenses	9	9	35
Rent expenses	21	19	75
Fiduciary obligation expenses	-	39	-
Foreign exchange losses	92	71	39
Other	0	4	53
<b>Total non-operating expenses</b>	122	141	202
<b>Ordinary income</b>	5,285	3,623	14,334

(Million yen)

	First three-month period of previous fiscal year (April 1, 2011 - June 30, 2011)	First three-month period of the fiscal year under review (April 1, 2012 - June 30, 2012)	(Reference) Previous fiscal year (April 1, 2011 - March 31, 2012)
<b>Extraordinary income</b>			
Gain on sales of noncurrent assets	–	–	280
Reversal of allowance for doubtful accounts	–	–	1
Gain on sales of investment securities	0	1	1
<b>Total extraordinary income</b>	<b>0</b>	<b>1</b>	<b>282</b>
<b>Extraordinary loss</b>			
Loss on sales of noncurrent assets	–	–	20
Loss on retirement of noncurrent assets	1	14	242
Loss on valuation of investment securities	7	95	26
Loss on valuation of membership	1	6	31
Impairment loss	–	–	445
Loss on disaster	126	–	150
Cost of early retirement support	–	–	1,477
Other	12	–	24
<b>Total extraordinary loss</b>	<b>147</b>	<b>115</b>	<b>2,414</b>
<b>Income before income taxes</b>	<b>5,138</b>	<b>3,509</b>	<b>12,203</b>
<b>Income taxes</b>	<b>1,928</b>	<b>1,214</b>	<b>4,319</b>
<b>Net income</b>	<b>3,211</b>	<b>2,296</b>	<b>7,884</b>