

July 28, 2011

Consolidated Financial Results (Japanese Accounting Standards) for the Three Months Ended June 30, 2011 (Q1 FY2011)

Company name: House Foods Corporation
 Stock exchange listing: Tokyo Stock Exchange, Osaka Securities Exchange
 Stock code: 2810
 URL: <http://housefoods.jp/>
 Representative: Hiroshi Urakami, President
 Contact: Yoshiyuki Osawa, General Manager, Public & Investors Relations Department
 Tel. +81-3-5211-6039

Scheduled date for filing of securities report: August 12, 2011

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, 2011 (April 1, 2011 – June 30, 2011)

(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, 2011	53,950	(0.3)	5,355	63.8	5,536	60.5	3,182	106.0
June 30, 2010	54,107	(0.4)	3,269	11.4	3,449	4.3	1,545	(7.0)

(Note) Comprehensive income: 3,845 million yen (212.4%) for the three months ended June 30, 2011
 1,231 million yen (–%) for the three months ended June 30, 2010

	Net income per share (basic)		Net income per share (diluted)	
	Yen		Yen	
Three months ended June 30, 2011	29.80		–	
June 30, 2010	14.07		–	

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Three months ended June 30, 2011	232,222	183,962	79.1	1,719.54
Year ended March 31, 2011	228,810	181,298	79.1	1,694.59

(Reference) Shareholders' equity: Three months ended June 30, 2011: 183,584 million yen
 Year ended March 31, 2011: 180,922 million yen

2. Dividends

	Dividend per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	Yen				
Year ended March 31, 2011	–	11.00	–	11.00	22.00
Year ending March 31, 2012	–				
Year ending March 31, 2012 (forecasts)		11.00	–	11.00	22.00

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

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2012 (April 1, 2011 – March 31, 2012)

(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, 2011	109,000	(0.5)	6,000	2.7	6,600	5.7	3,800	23.4	35.59
Year ending March 31, 2012	217,000	0.1	13,000	7.7	14,300	9.7	8,400	59.9	78.68

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

4. Others

- (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: | None |
| (ii) Changes in accounting policies other than (i): | None |
| (iii) Changes in accounting estimates: | None |
| (iv) Restatement: | None |
- (4) Number of shares outstanding (common stock):
- | | |
|--|--------------------|
| (i) Number of shares outstanding at end of period (including treasury stock) | |
| As of June 30, 2011: | 106,765,422 shares |
| As of March 31, 2011: | 106,765,422 shares |
| (ii) Number of treasury stock at end of period | |
| As of June 30, 2011: | 1,765 shares |
| As of March 31, 2011: | 1,278 shares |
| (iii) Average number of shares outstanding during the term | |
| Three months ended June 30, 2011: | 106,763,784 shares |
| Three months ended June 30, 2010: | 109,766,510 shares |

* Status of a quarterly review

- This financial summary does not need to undergo a quarterly review under the Financial Instruments and Exchange Act. The quarterly consolidated financial statements under the Financial Instruments and Exchange Act have not been reviewed 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. 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.

Accompanying Materials – Contents

1.	Qualitative Information on Results for the First Quarter Ended June 30, 2011	2
	(1) Qualitative Information Concerning the Consolidated Operating Results	2
	(2) Qualitative Information Concerning the Company’s Consolidated Financial Situation.....	4
	(3) Qualitative Information Concerning the Consolidated Business Performance Forecasts.....	4
2.	Matters Relating to Summary Information (Other).....	5
	(1) Changes of Important Subsidiaries during the Period.....	5
	(2) Application of Particular Accounts Procedures to the Preparation of Quarterly Consolidated Financial Statements	5
	(3) Changes in Accounting Policies and Changes or Restatement of Accounting Estimates.....	5
3.	Quarterly Consolidated Financial Statements	6
	(1) Quarterly Consolidated Balance Sheets	6
	(2) Quarterly Consolidated Statement of Income and Comprehensive Income	8
	(3) Quarterly Consolidated Statements of Cash Flows.....	10
	(4) Notes Relating to Assumptions for the Going Concern	12
	(5) Segment Information	12
	(6) Notes for Case Where Shareholders’ Equity underwent Significant Changes in Value	13
4.	Quarterly Non-Consolidated Financial Statements	14
	(1) Quarterly Balance Sheets (Non-Consolidated).....	14
	(2) Quarterly Statements of Income (Non-Consolidated).....	16

1. Qualitative Information on Results for the First Quarter Ended June 30, 2011

(1) Qualitative Information Concerning the Consolidated Operating Results

During the three-month period ended June 30, 2011, corporate activities, especially in eastern Japan, were limited by the effect of the Great East Japan Earthquake and the nuclear disaster. In these circumstances, although there were signs of a recovery in consumption trends in association with reconstruction, the Japanese economy continued to face a challenging situation.

In the uncertain market environment, the Group sought to help revitalize Japan by fulfilling its social mission as a food company, that is, “Bringing greater joy to families through our foods,” as set forth in its corporate philosophy.

Curry roux and retort pouched curry products sold relatively well as demand increased following the earthquake and remained strong, even if down slightly. Sales of beverages of our subsidiary, House Wellness Foods Corporation, rose steadily. However, sales of the *Ukon No Chikara* series were weak as people ate out less frequently. Sales in the mineral water business, which was transferred at the end of May last year, were posted in the same period of last year but were not in the first quarter under review. As a result, sales in the first quarter under review decreased 0.3% year on year, to 53,950 million yen.

Looking at income, prices of raw materials rose, but the Company continued its efforts to cut costs while mainstay products sold solidly. The Company also sought to improve earnings at its subsidiaries. The incurring of expenses was delayed by the earthquake. The Group meanwhile had higher inventories of finished goods than usual, anticipating power restrictions in the summer. As a consequence, operating income increased 63.8% year on year, to 5,355 million yen, and ordinary income increased 60.5%, to 5,536 million yen. Net income increased 106.0%, to 3,182 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	31,480	104.3	3,117	109.9
Health Food Business	12,690	99.7	1,585	464.4
International Business	3,125	106.4	267	106.9
Transport and Other Businesses	6,655	80.6	379	–
Reportable segments total	53,950	99.7	5,348	162.9

* Figures in the consolidated operating income (segment margin) column are figures before elimination of inter-segment transactions of 6 million yen.

Spice / Seasoning / Prepared Food Business

Sales of curry roux products rose sharply, reflecting strong demand for *Vermont Curry*, a key product, and a large increase in sales of *Java Curry*, resulting from promotions. Among retort pouched curry products, *Curry Ya Curry* remained popular. The Group launched *Natsu No Curry* and *Hiyashi Curry Udon No Moto*, both of which can be served without being warmed up, in June for the summer. They will be sold for a limited time only.

Of spice products, sales of the *Yofu Spice* and *Gaban Spice* series declined partly in reaction to the media coverage of certain products in the series last year. Sales of the *Neri Spice* series continued to expand with a balance between the quality and prices accepted by customers.

Among stew and hashed beef sauce products, key products *Hokkaido Stew* and *Kanjuku Tomato No Hayashi Rice Sauce* sold well, primarily reflecting increasing demand for ingredients for cook-ahead-type home-made meals.

Snack food products struggled as the launch of a variety product of *Tongari Corn* was postponed, and sales promotions at stores were not carried out as planned.

Among dessert products, the long-selling *Fruiche* sold well. Sales of *Frozen Fruiche*, which was launched in June, increased steadily as temperatures rose toward the summer.

As a result, sales in the spice / seasoning / prepared food business rose 4.3% year on year, to 31,480 million yen, and operating income increased 9.9% year on year, to 3,117 million yen.

Health Food Business

In the health food business, the Group expanded the sales areas of *Power Lunch*, a nutritional bar with sticky texture, to the Kinki area and to the west, and sales increased steadily. Sales of *Ukon No Chikara* were below the year-ago level, reflecting a mood of voluntary restraint on parties and events.

The health food business of House Wellness Foods Corporation, a subsidiary, achieved a year-on-year increase in sales through solid demand for the *C1000* series of drinks and the launch of *C1000 Vitamin Lemon Strong-up*, a variety product in the *C1000* series, at convenience stores and kiosks at stations.

As a consequence, sales in the health food business declined 0.3% year on year, to 12,690 million yen, and operating income increased 364.4%, to 1,585 million yen.

International Business (in local currencies)

Sales in the soybean business in the United States increased sharply, reflecting aggressive approaches to local and Asian markets.

In the processed food business in China, although sales of curry roux products for household use were below the target, overall sales rose, aided by the successful development of new transaction routes for commercial use curry roux products and the sales of retort pouched products that were launched in July last year.

In the curry restaurant business, sales rose from a year ago as new and pre-existing restaurants continued to be popular generally in all areas, including the United States, China, Taiwan, and South Korea.

As a consequence, yen-based sales in the international business increased 6.4% year on year, to 3,125 million yen, and operating income increased 6.9%, to 267 million yen.

Transport and Other Businesses

Sales in the transport and warehouse business of House Logistics Service Corporation, a subsidiary of the Company, were on a par with the year-ago level, thanks to the expansion of logistics operations commissioned by companies outside the Group, which offset a decrease in operations commissioned by the Company associated with the transfer of its mineral water business.

However, because sales in the mineral water business were included in this segment, sales in the segment decreased 19.4% year on year, to 6,655 million yen, and operating income was 379 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 232,222 million yen, an increase of 3,411 million yen in comparison to the end of the previous consolidated fiscal year.

Current assets declined 1,555 million yen to 98,089 million yen, primarily attributable to an increase in inventories, including merchandise and finished goods, and a decrease in cash and deposits caused in large part by the acquisition of bonds. Noncurrent assets finished at 134,132 million yen, a rise of 4,966 million yen, due chiefly to an increase in investment securities resulting from the acquisition of bonds and an estimate of the fair value of stock holdings and other securities.

Liabilities were 48,259 million yen, an increase of 747 million yen from the end of the previous fiscal year.

Current liabilities increased 784 million yen, to 38,539 million yen, mainly owing to an increase in notes and accounts payable-trade while accounts payable-other, including marketing costs, declined. Noncurrent liabilities slipped 37 million yen, to 9,720 million yen, primarily reflecting falls in lease obligations and the provision for retirement benefits, offsetting a rise in deferred tax liabilities resulting from an estimate of the fair value of stock holdings and other securities.

Net assets increased 2,664 million yen from the end of the previous fiscal year, to 183,962 million yen, because of factors such as a rise in retained earnings stemming from quarterly net income and an increase in valuation differences on 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 79.1% (compared with 79.1% at the end of the previous fiscal year). Net assets per share were 1,719.54 yen (1,694.59 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 10, 2011, for the period ending March 31, 2012.

2. Matters Relating to Summary Information (Other)

(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

Not applicable.

3. Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheets

(Million yen)

	End of previous fiscal year (As of March 31, 2011)	End of first quarter of the fiscal year under review (As of June 30, 2011)
Assets		
Current assets		
Cash and deposits	19,066	16,070
Notes and accounts receivable–trade	37,967	38,549
Short-term investment securities	28,905	28,303
Merchandise and finished goods	5,635	7,390
Work in process	950	1,058
Raw materials and supplies	2,692	2,528
Deferred tax assets	2,889	2,908
Other	1,544	1,288
Allowance for doubtful accounts	(4)	(4)
Total current assets	99,644	98,089
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	17,560	17,525
Machinery, equipment and vehicles, net	6,732	6,506
Land	24,102	24,112
Lease assets, net	4,623	4,658
Construction in progress	122	869
Other, net	721	689
Total property, plant and equipment	53,860	54,360
Intangible assets		
Goodwill	2,067	1,726
Software	2,276	2,086
Software in progress	8	9
Other	211	212
Total intangible assets	4,562	4,033
Investments and other assets		
Investment securities	60,225	65,627
Long-term loans receivable	259	259
Deferred tax assets	358	363
Long-term time deposits	3,118	3,100
Prepaid pension cost	4,535	4,173
Other	2,494	2,452
Allowance for doubtful accounts	(245)	(235)
Total investments and other assets	70,745	75,739
Total noncurrent assets	129,166	134,132
Total assets	228,810	232,222

(Million yen)

	End of previous fiscal year (As of March 31, 2011)	End of first quarter of the fiscal year under review (As of June 30, 2011)
Liabilities		
Current liabilities		
Notes and accounts payable–trade	17,828	20,948
Short-term loans payable	577	616
Lease obligations	362	612
Accounts payable–other	12,147	9,741
Income taxes payable	2,285	1,972
Provision for directors' bonuses	80	17
Other	4,476	4,633
Total current liabilities	37,755	38,539
Noncurrent liabilities		
Lease obligations	4,262	4,047
Long-term accounts payable–other	652	657
Deferred tax liabilities	2,432	2,693
Provision for retirement benefits	1,716	1,572
Asset retirement obligations	281	282
Other	416	469
Total noncurrent liabilities	9,757	9,720
Total liabilities	47,512	48,259
Net assets		
Shareholders' equity		
Capital stock	9,948	9,948
Capital surplus	23,868	23,868
Retained earnings	146,026	148,028
Treasury stock	(2)	(2)
Total shareholders' equity	179,841	181,842
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	2,836	3,400
Foreign currency translation adjustment	(1,756)	(1,658)
Total other accumulated comprehensive income	1,080	1,742
Minority interests	377	378
Total net assets	181,298	183,962
Total liabilities and net assets	228,810	232,222

(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, 2010 - June 30, 2010)	First three-month period of the fiscal year under review (April 1, 2011 - June 30, 2011)
Net sales	54,107	53,950
Cost of sales	28,900	28,395
Gross profit	25,207	25,555
Selling, general and administrative expenses		
Advertising expenses	2,490	2,269
Transportation and warehousing expenses	1,613	1,667
Sales commission	1,080	974
Promotion expenses	7,431	6,857
Salaries, allowances and bonuses	3,357	3,278
Provision for directors' bonuses	19	18
Depreciation	309	298
Amortization of goodwill	1,030	340
Rent expenses	337	352
Experiment and research expenses	920	914
Other	3,351	3,233
Total selling, general and administrative expenses	21,938	20,201
Operating income	3,269	5,355
Non-operating income		
Interest income	79	99
Dividends income	42	27
Equity in earnings of affiliates	87	118
Other	59	47
Total non-operating income	268	291
Non-operating expenses		
Interest expenses	9	8
Foreign exchange losses	72	93
Other	8	9
Total non-operating expenses	89	109
Ordinary income	3,449	5,536

(Million yen)

	First three-month period of previous fiscal year (April 1, 2010 - June 30, 2010)	First three-month period of the fiscal year under review (April 1, 2011 - June 30, 2011)
Extraordinary income		
Gain on sales of noncurrent assets	0	–
Gain on change in equity	51	–
Other	5	1
Total extraordinary income	56	1
Extraordinary loss		
Loss on sales of noncurrent assets	9	1
Loss on retirement of noncurrent assets	12	9
Loss on valuation of investment securities	0	11
Loss on valuation of membership	–	1
Loss on adjustment for changes of accounting standard for asset retirement obligations	177	–
Loss on disaster	–	150
Other	22	19
Total extraordinary loss	220	191
Income before income taxes	3,284	5,347
Income taxes	1,752	2,174
Income before minority interests	1,532	3,174
Minority interests in loss	(12)	(8)
Net income	1,545	3,182
Minority interests in loss	(12)	(8)
Income before minority interests	1,532	3,174
Other comprehensive income		
Valuation difference on available-for-sale securities	(342)	559
Foreign currency translation adjustment	48	103
Share of other comprehensive income of associates accounted for using equity method	(7)	9
Total other comprehensive income	(301)	672
Comprehensive income	1,231	3,845
(Breakdown)		
Comprehensive income attributable to owners of the parent	1,233	3,844
Comprehensive income attributable to minority interests	(2)	1

(3) Quarterly Consolidated Statements of Cash Flows

(Million yen)

	First three-month period of previous fiscal year (April 1, 2010 - June 30, 2010)	First three-month period of the fiscal year under review (April 1, 2011 - June 30, 2011)
Net cash provided by (used in) operating activities		
Income before income taxes	3,284	5,347
Depreciation and amortization	1,390	1,278
Amortization of goodwill	1,030	340
Equity in (earnings) losses of affiliates	(87)	(118)
Loss (gain) on valuation of investment securities	0	11
Loss on valuation of membership	-	1
Increase (decrease) in allowance for doubtful accounts	3	(9)
Increase (decrease) in provision for directors' bonuses	(58)	(62)
Increase (decrease) in provision for directors' retirement benefits	(26)	-
Increase (decrease) in provision for retirement benefits	(109)	(144)
Interest and dividends income	(122)	(126)
Interest expenses	9	8
Foreign exchange losses (gains)	72	48
Loss (gain) on sales of noncurrent assets	9	1
Loss on retirement of noncurrent assets	12	9
Decrease (increase) in notes and accounts receivable-trade	(1,438)	(566)
Decrease (increase) in inventories	(83)	(1,690)
Increase (decrease) in notes and accounts payable-trade	1,543	2,453
Increase (decrease) in accounts payable-bonuses	(7)	(33)
Decrease (increase) in other assets	(26)	415
Increase (decrease) in other liabilities	(1,744)	(2,131)
Subtotal	3,653	5,033
Interest and dividends income received	333	352
Interest expenses paid	(10)	(8)
Income taxes paid	(2,586)	(2,406)
Net cash provided by (used in) operating activities	1,390	2,971

(Million yen)

	First three-month period of previous fiscal year (April 1, 2010 - June 30, 2010)	First three-month period of the fiscal year under review (April 1, 2011 - June 30, 2011)
Net cash provided by (used in) investing activities		
Payments into time deposits	(626)	(8)
Proceeds from withdrawal of time deposits	–	32
Proceeds from sales of short-term investment securities	1,600	1,000
Purchase of property, plant and equipment	(853)	(810)
Proceeds from sales of property, plant and equipment	0	17
Purchase of intangible assets	(186)	(131)
Purchase of investment securities	(5,233)	(4,472)
Purchase of investments in capital of subsidiaries	(60)	–
Purchase of stocks of subsidiaries and affiliates	(59)	–
Proceeds from transfer of business	5,300	–
Net cash provided by (used in) investing activities	(118)	(4,372)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	123	192
Decrease in short-term loans payable	(123)	(167)
Repayments of lease obligations	(91)	(93)
Purchase of treasury stock	(0)	(1)
Cash dividends paid	(1,113)	(1,098)
Cash dividends paid to minority shareholders	(0)	(0)
Net cash provided by (used in) financing activities	(1,204)	(1,166)
Effect of exchange rate change on cash and cash equivalents	(51)	(8)
Net increase (decrease) in cash and cash equivalents	17	(2,574)
Cash and cash equivalents at beginning of period	44,570	46,091
Cash and cash equivalents at end of period	44,587	43,517

(4) Notes Relating to Assumptions for the Going Concern

Not applicable.

(5) Segment Information

I. First three-month period of previous consolidated fiscal year (April 1, 2010 - June 30, 2010)

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	30,179	12,734	2,936	8,258	54,107	–	54,107
Sales and transfer – inter-segment	0	–	–	3,190	3,190	–	3,190
Total	30,179	12,734	2,936	11,447	57,297	–	57,297
Segment profit	2,836	341	250	(144)	3,283	–	3,283

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

(Million yen)

Profit	Amount
Reportable segments total	3,283
Elimination of inter-segment transactions	(14)
Operating income in quarterly consolidated statements of income	3,269

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

Not applicable.

II. First three-month period of consolidated fiscal year under review (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 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	5,355

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, 2011)	End of first quarter of the fiscal year under review (As of June 30, 2011)
Assets		
Current assets		
Cash and deposits	16,946	13,801
Notes receivable-trade	51	13
Accounts receivable-trade	30,454	28,565
Short-term investment securities	28,905	28,303
Merchandise and finished goods	4,565	6,045
Work in process	844	965
Raw materials and supplies	1,875	1,683
Deferred tax assets	1,898	1,899
Other	1,841	1,984
Allowance for doubtful accounts	(4)	(4)
Total current assets	87,376	83,254
Noncurrent assets		
Property, plant and equipment		
Buildings, net	10,630	10,485
Structures, net	436	419
Machinery and equipment, net	4,054	3,764
Vehicles, net	27	24
Tools, furniture, and fixtures, net	371	350
Land	14,719	14,719
Lease assets, net	56	52
Construction in progress	30	731
Total property, plant and equipment	30,322	30,544
Intangible assets		
Leasehold right	6	6
Right of trademark	6	5
Telephone subscription right	44	44
Right of using facilities	0	0
Software	1,763	1,614
Software in progress	8	9
Total intangible assets	1,826	1,677
Investments and other assets		
Investment securities	55,734	61,009
Stocks of subsidiaries and affiliates	42,587	42,587
Investments in capital	39	39
Investments in capital of subsidiaries and affiliates	1,463	1,586
Long-term loans receivable from employees	5	4
Long-term loans receivable from subsidiaries and affiliates	2,505	2,470
Long-term prepaid expenses	37	31
Guarantee deposits	1,156	1,131
Long-term time deposits	3,018	3,000
Prepaid pension cost	4,535	4,173
Other	60	60
Allowance for doubtful accounts	(210)	(200)
Total investments and other assets	110,928	115,890
Total noncurrent assets	143,076	148,111
Total assets	230,452	231,365

(Million yen)

	End of previous fiscal year (As of March 31, 2011)	End of first quarter of the fiscal year under review (As of June 30, 2011)
Liabilities		
Current liabilities		
Notes payable-trade	1,339	2,202
Accounts payable-trade	11,363	11,852
Short-term loans payable to subsidiaries and affiliates	10,280	10,077
Lease obligations	15	15
Accounts payable-other	10,233	7,821
Accrued expenses	1,983	1,165
Income taxes payable	2,081	1,754
Deposits received	127	762
Provision for directors' bonuses	69	15
Other	596	485
Total current liabilities	38,085	36,148
Noncurrent liabilities		
Lease obligations	41	38
Long-term guarantee deposited	268	268
Long-term accounts payable-other	623	623
Deferred tax liabilities	2,427	2,689
Asset retirement obligations	51	51
Total noncurrent liabilities	3,411	3,669
Total liabilities	41,495	39,816
Net assets		
Shareholders' equity		
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	15,876	17,912
Total retained earnings	152,263	154,299
Treasury stock	(2)	(2)
Total shareholders' equity	186,025	188,061
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,932	3,488
Total valuation and translation adjustments	2,932	3,488
Total net assets	188,957	191,548
Total liabilities and net assets	230,452	231,365

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

First three-month period

(Million yen)

	First three-month period of previous fiscal year (April 1, 2010 - June 30, 2010)	First three-month period of the fiscal year under review (April 1, 2011 - June 30, 2011)	(Reference) Previous fiscal year (April 1, 2010 - March 31, 2011)
Net sales	37,763	36,888	155,136
Cost of sales	17,785	17,470	74,131
Gross profit	19,979	19,417	81,005
Selling, general and administrative expenses			
Advertising expenses	2,192	1,960	10,092
Transportation and warehousing expenses	1,251	1,178	4,608
Sales commissions	1,080	974	4,531
Promotion expenses	5,821	5,233	23,424
Directors' compensation	60	61	243
Salaries, allowances and bonuses	2,305	2,214	8,318
Provision for directors' bonuses	15	15	69
Retirement benefit expenses	420	429	1,569
Welfare expenses	437	454	1,935
Traveling and communication expenses	354	358	1,307
Depreciation	214	210	895
Rent expenses	276	290	1,125
Experiment and research expenses	776	780	3,185
Investigation expenses	191	171	842
Other	1,395	1,281	5,326
Total selling, general and administrative expenses	16,786	15,609	67,469
Operating income	3,193	3,808	13,536
Non-operating income			
Interest income	23	21	87
Interest on securities	68	91	364
Dividends income	987	1,381	1,461
Rent income	58	58	235
Other	30	47	190
Total non-operating income	1,167	1,598	2,337
Non-operating expenses			
Interest expenses	9	9	32
Rent expenses	20	21	79
Foreign exchange losses	83	92	205
Other	1	0	21
Total non-operating expenses	113	122	337
Ordinary income	4,246	5,285	15,536

(Million yen)

	First three-month period of previous fiscal year (April 1, 2010 - June 30, 2010)	First three-month period of the fiscal year under review (April 1, 2011 - June 30, 2011)	(Reference) Previous fiscal year (April 1, 2010 - March 31, 2011)
Extraordinary income			
Gain on sales of noncurrent assets	0	–	29
Reversal of allowance for doubtful accounts	–	–	1
Gain on sales of investment securities	–	0	7
Reversal of provision for loss on guarantees	–	–	92
Other	–	–	4
Total extraordinary income	0	0	134
Extraordinary loss			
Loss on sales of noncurrent assets	9	–	45
Loss on retirement of noncurrent assets	3	1	207
Loss on valuation of investment securities	0	7	1,535
Loss on valuation of stocks of subsidiaries and affiliates	–	–	50
Loss on valuation of membership	–	1	6
Impairment loss	–	–	982
Loss on adjustment for changes of accounting standard for asset retirement obligations	44	–	44
Loss on disaster	–	126	453
Other	4	12	4
Total extraordinary loss	60	147	3,327
Income before income taxes	4,186	5,138	12,344
Income taxes-current	1,573	1,928	4,236
Net income	2,613	3,211	8,107