

Financial Statements

From April 1, 2010 to March 31, 2011



Consolidated Balance Sheet
 JMSCO., LTD. and Consolidated Subsidiaries
 (March 31, 2011)

	Millions of yen
	2011
Assets	
Current assets	27,674
Cash and deposits	4,987
Notes and accounts receivable-trade	13,278
Merchandise and finished goods	4,484
Work in process	1,477
Raw materials and supplies	2,697
Deferred tax assets	261
Other	499
Allowance for doubtful accounts	(12)
Noncurrent assets	16,341
Property, plant and equipment	12,780
Buildings and structures, net	4,101
Machinery, equipment and vehicles, net	3,701
Tools, furniture and fixtures, net	1,669
Land	2,739
Construction in progress	568
Intangible assets	627
Investments and other assets	2,933
Investment securities	2,047
Deferred tax assets	73
Other	818
Allowance for doubtful accounts	(6)
Total assets	44,016
Liabilities	
Current liabilities	15,542
Notes and accounts payable-trade	6,919
Short-term loans payable	3,354
Current portion of long-term loans payable	1,405
Accounts payable-other	2,264
Income taxes payable	309
Provision for product warranties	7
Provision for bonuses	760
Other	521
Noncurrent liabilities	3,750
Long-term loans payable	2,485
Deferred tax liabilities	436
Provision for retirement benefits	211
Provision for directors' retirement benefits	28
Asset retirement obligations	184
Other	403
Total liabilities	19,292
Net assets	
Shareholders' equity	26,884
Capital stock	6,522
Capital surplus	9,473
Retained earnings	11,158
Treasury stock	(269)
Valuation and translation adjustments	(2,207)
Valuation difference on available-for-sale securities	9
Foreign currency translation adjustment	(2,217)
Minority interests	46
Total net assets	24,723
Total liabilities and net assets	44,016

Consolidated Statements of Income

JMSCO., LTD. and Consolidated Subsidiaries
(For the year ended March 31, 2011)

	Millions of yen
	2011
Netsales	45,587
Cost of sales	32,360
<u>Gross profit</u>	13,226
Selling, general and administrative expenses	11,519
<u>Operating income</u>	1,707
Non-operating income	389
Interest income	11
Dividend income	20
Equity earnings of affiliates	249
Rent income	13
Other	94
Non-operating expenses	263
Interest expenses	102
Foreign exchange losses	78
Commission fee	61
Other	20
<u>Ordinary income</u>	1,833
Extraordinary income	30
Gain on sales of noncurrent assets	26
Gain on sales of investment securities	4
Reversal of allowance for doubtful accounts	0
Extraordinary loss	317
Loss on sales of noncurrent assets	28
Loss on abandonment of noncurrent assets	45
Loss on disaster	23
Loss on sales of investment securities	0
Loss on valuation of investment securities	74
Loss on adjustment for changes of accounting standard for asset retirement obligations	146
<u>Income before income taxes and minority interests</u>	1,546
Income taxes-current	417
Refund of income taxes	(44)
Income taxes-deferred	(130)
<u>Income before minority interests</u>	1,304
Minority interests in income	13
<u>Net income</u>	1,291

Consolidated Statements of Comprehensive Income


JMSCO., LTD. and Consolidated Subsidiaries
(For the year ended March 31, 2011)

	Millions of yen
	2011
Income before minority interests	1,304
Other comprehensive income	(587)
Valuation difference on available-for-sale securities	(28)
Foreign currency translation adjustment	(559)
Comprehensive income	716
Comprehensive income attributable to	
Comprehensive income attributable to owners of the parent	706
Comprehensive income attributable to minority interests	10

Consolidated Statements of Cash Flows

JMSCO., LTD. and Consolidated Subsidiaries
(For the year ended March 31, 2011)

	Millions of yen
	2011
Net cash provided by (used in) operating activities	
Income before income taxes and minority interests	1,546
Depreciation and amortization	2,605
Increase (decrease) in allowance for doubtful accounts	(0)
Increase (decrease) in provision for retirement benefits	17
Increase (decrease) in provision for directors' retirement benefits	13
Interest and dividends income	(32)
Interest expenses	102
Foreign exchange losses (gains)	83
Equity in (earnings) losses of affiliates	(249)
Loss (gain) on sales of property, plant and equipment	2
Loss on abandonment of noncurrent assets	45
Loss (gain) on sales of long-term investment securities	(4)
Loss (gain) on valuation of investment securities	74
Loss on adjustment for changes of accounting standard for asset retirement obligations	146
Decrease (increase) in notes and accounts receivable-trade	(443)
Decrease (increase) in inventories	(334)
Increase (decrease) in notes and accounts payable-trade	(5)
Increase (decrease) in accrued consumption taxes	(50)
Decrease (increase) in other current assets	50
Increase (decrease) in other current liabilities	151
Other, net	139
Subtotal	3,859
Interest and dividends income received	32
Interest expenses paid	(101)
Income taxes refund	44
Income taxes paid	(553)
Net cash provided by (used in) operating activities	3,281
Net cash provided by (used in) investment activities	
Payments into time deposits	(173)
Proceeds from withdrawal of time deposits	64
Proceeds from redemption of securities	5
Purchase of property, plant and equipment	(2,045)
Proceeds from sales of property, plant and equipment	49
Purchase of intangible assets	(201)
Purchase of long-term investment securities	(32)
Proceeds from sales of long-term investment securities	6
Collection of long-term loans receivable	25
Other	28
Net cash provided by (used in) investment activities	(2,273)
Net cash provided by (used in) financing activities	
Increase in short-term loans payable	16,526
Decrease in short-term loans payable	(16,747)
Proceeds from long-term loans payable	1,650
Repayment of long-term loans payable	(1,653)
Purchase of treasury stock	(5)
Cash dividends paid	(323)
Net cash provided by (used in) financing activities	(552)
Effect of exchange rate change on cash and cash equivalents	(169)
Net increase (decrease) in cash and cash equivalents	286
Cash and cash equivalents at beginning of year	4,534
Cash and cash equivalents at end of year	4,820



 Hiroaki Okukubo
 Managing Director
 JMSCO., Ltd.

Balance Sheet

JMScO.,Ltd.(Non-consolidated)
(March 31, 2011)

	Millions of yen
	2011
Assets	
Current assets	21,060
Cash and deposits	2,337
Notes receivable-trade	4,190
Accounts receivable-trade	7,740
Merchandise and finished goods	3,710
Work in process	1,211
Raw materials and supplies	1,377
Advance payments-trade	81
Prepaid expenses	131
Deferred tax assets	167
Accounts receivable-other	57
Other	54
Allowance for doubtful accounts	(1)
Noncurrent assets	17,663
Property, plant and equipment	9,348
Buildings	2,589
Structures	98
Machinery and equipment	2,256
Vehicles	0
Tools, furniture and fixtures	1,338
Land	2,592
Construction in progress	472
Intangible assets	585
Utility model right	339
Software	197
Other	48
Investments and other assets	7,730
Investment securities	964
Stocks of subsidiaries and affiliates	3,073
Investments in capital	0
Investments in capital of subsidiaries and affiliates	3,050
Long-term loans receivable from subsidiaries and affiliates	51
Claims provable in bankruptcy, claims provable in rehabilitation and other	0
Long-term prepaid expenses	7
Leased deposits	136
Other	540
Allowance for investment loss	(89)
Allowance for doubtful accounts	(5)
Total assets	38,724

	<u>Millionsofyen</u> <u>2011</u>
Liabilities	
Currentliabilities	14,435
Notespayable-trade	4,967
Accountspayable-trade	1,862
Short-termloanspayable	3,180
Currentportionoflong-termloanspayable	1,405
Accountspayable-other	1,651
Accruedexpenses	94
Incometaxespayable	234
Accruedconsumptiontaxes	66
Advancesreceived	2
Depositsreceived	42
Provisionforbonuses	669
Notespayable-facilities	258
Noncurrentliabilities	3,010
Long-termloanspayable	2,485
Deferredtaxliabilities	19
Assetretirementobligations	184
Other	320
<u>Totalliabilities</u>	<u>17,446</u>
Netassets	
Shareholders'equity	21,268
Capitalstock	6,522
Capitalsurplus	9,473
Legalcapitalsurplus	9,473
Retainedearnings	5,541
Legalretainedearnings	721
Otherretainedearnings	4,820
Generalreserve	3,900
Retainedearningsbroughtforward	920
Treasurystock	(269)
Valuationandtranslationadjustments	9
Valuationdifferenceonavailable-for-salesecurities	9
<u>Totalnetassets</u>	<u>21,278</u>
<u>Totalliabilitiesandnetassets</u>	<u>38,724</u>

StatementsofIncome
 JMScO.,Ltd.(Non-consolidated)
 (FortheyearendedMarch31,2011)

	Millionsofyen
	2011
Operatingrevenue	
Netsales	37,760
Operatingexpenses	
Costofsales	27,278
<u>Grossprofit</u>	10,481
Selling,generalandadministrativeexpenses	9,752
<u>Operatingincome</u>	728
Non-operatingincome	451
Interestincome	1
Dividendsincome	375
Rentincome	24
Other	49
Non-operatingexpenses	172
Interestexpenses	89
Commissionfee	61
Other	21
<u>Ordinaryincome</u>	1,007
Extraordinaryincome	255
Gainonsalesofnoncurrentassets	1
Gainonsalesofinvestmentsecurities	4
Reversalofallowancefordoubtfulaccounts	1
Reversalofallowanceforinvestmentloss	249
Extraordinaryloss	306
Lossonsalesandretirementofnoncurrentassets	17
Lossonabandonmentofnoncurrentassets	44
Lossondisaster	23
Lossonsalesofinvestmentsecurities	0
Lossonvaluationofinvestmentsecurities	74
Lossonadjustmentforchangesofaccountingstandar assetretirementobligations	146
<u>Incomebeforeincometaxesandminorityinterests</u>	957
Incometaxes-current	239
Incometaxes-deferred	(109)
<u>Netincome</u>	826



 HiroakiOkukubo
 ManagingDirector
 JMScO.,Ltd.