

Consolidated Financial Statements 2010
(April 1, 2010 - March 31, 2011)



SENKON LOGISTICS CO.,LTD.
CONSOLIDATED BALANCE SHEET
31 March 2010 and 2011

ASSETS	Year ended March 2010	Year ended March 2011
	(As of March 31,2010)	(As of March 31,2011)
	thousands of yen	thousands of yen
Current assets		
Cash and time deposits	2,037,565	1,745,539
Notes and accounts receivable-trade	1,321,901	1,205,863
Operaring Loans	243,885	232,471
Securities	9,310	—
Marchandise	392,226	351,137
Supplies	14,972	24,664
Deferred tax assets	89,752	102,429
Other	139,353	218,536
Allowance for doubtful accounts	-58,451	-52,643
Total current assets	4,190,515	3,827,998
Fixed assets		
(Tangible fixed assets)		
Buildings and Structures	7,966,496	8,286,705
Accumulated depreciation	-5,038,853	-5,093,152
Buildings and Structures(Net)	2,927,642	3,193,552
Machinery equipment and delivery equipment	2,082,885	1,981,969
Accumulated depreciation	-1,698,701	-1,624,622
Machinery equipment and delivery equipment(Net)	384,184	357,386
Land	4,520,982	4,452,080
Construction in progress	8,085	—
Other	291,453	245,627
Accumulated depreciation	-248,331	-204,782
Other(Net)	43,121	40,845
Total tangible fixed assets	7,884,016	8,043,825
(Intangible fixed assets)	34,826	36,091
(Investments and other assets)		
Investment securities	385,693	392,117
Long-term loans receivable	191,009	156,690
Differed tax assets	500,691	482,689
Other	421,752	403,369
Allowance for doubtful accounts	-40,728	-47,457
Total Investments and other assets	1,458,418	1,387,409
Total fixed assets	9,377,261	9,467,326
Deferred assets		
Bond issuance cost	1,632	768
Total deferred assets	1,632	768
Total assets	13,569,409	13,296,093

SENKON LOGISTICS CO.,LTD.
CONSOLIDATED BALANCE SHEET
31 March 2010 and 2011

	Year ended March 2010 (As of March 31,2010)	Year ended March 2011 (As of March 31,2011)
	thousands of yen	thousands of yen
LIABILITIES		
Current liabilities		
Notes and operating accounts payable-trade	1,529,139	1,290,247
Short-term loans payable	482,700	302,700
Current portion of bonds	40,000	40,000
Current portion of Long-term loans payable	1,663,928	1,470,922
Lease obligations	1,013	6,304
Income tax payable	80,057	48,971
Consumption tax payable	61,642	43,126
Provision for bonuses	74,952	53,918
Provision for loss on disaster	—	151,464
Deferred tax liabilities	—	3,494
Other	499,273	607,640
Total current liabilities	4,432,704	4,018,789
Fixed liabilities		
Corporate bonds	40,000	—
Long-term loans	3,646,889	3,986,929
Lease obligations	3,545	19,230
Provision for retirement benefits	354,824	346,142
Provision for directors' and corporate auditors' retirement benefits	121,366	131,716
Long-term accounts payables	112,702	112,017
Asset retirement obligations	—	45,597
Deferred tax liabilities	8,546	8,546
Other	34,504	31,836
Total Long-term liabilities	4,322,377	4,682,016
Total liabilities	8,755,082	8,700,805
NET ASSETS		
Shareholders' equity		
Capital stock	1,262,736	1,262,736
Capital surplus	1,189,881	1,189,881
Retained earnings	2,629,173	2,432,630
Treasury stock	-332,331	-346,676
Total shareholders' equity	4,749,459	4,538,571
Valuation and translation adjustments		
Valuation difference on available -for-sale securities	-24,032	-36,682
Deferred gains or losses on hedges	-4,348	-311
Foreign currency translation adjustments	-1,221	-5,344
Total valuation and translation adjustments	-29,602	-42,338
Subscription rights to shares	11,967	14,517
Minority interests	82,501	84,537
Total net assets	4,814,326	4,595,287
Total liabilities and net assets	13,569,409	13,296,093

SENKON LOGISTICS CO.,LTD.
CONSOLIDATED STATEMENTS OF INCOME
31 March 2010 and 2011

	Year ended March 2010 (From April 1,2009 to March 31,2010)	Year ended March 2011 (From April 1,2010 to March 31,2011)
	thousands of yen	thousands of yen
Operating revenues	11,636,317	11,822,558
Operating cost	9,983,207	10,082,325
Gross profit	1,653,109	1,740,233
Selling,general and administrative expenses	1,346,346	1,487,737
Operating income	306,763	252,496
Non-operating income		
Interest income	4,250	3,805
Dividends income	2,829	4,539
Gains on sales of investment securities	1,174	112
Commition fee	4,347	4,057
Rent income	21,600	22,800
Insurance income	117,672	—
Other	23,255	27,579
Total non-operating income	175,129	62,895
Non-operating expenses		
Interest expenses	117,044	109,562
Commission fee	6,428	4,428
Provision of allowance for doubtful accounts	5,727	—
Other	14,534	21,053
Total non-operating expenses	143,734	135,044
Ordinary income	338,158	180,347
Extraordinary income		
Gain on sales of fixed assets	1,864	32,775
Gain on sales of investment securities	5,776	812
Reversal of allowance for doubtful accounts	931	201
Gain on reversal subscription rights to shares	2,661	—
State subsidy	3,300	14,400
Settlement received	—	7,000
Other	301	1,034
Total extraordinary income	14,836	56,223
Extraordinary loss		
Loss on sales of fixed assets	1,016	129
Loss on retirement of fixed assets	14,511	7,193
Loss on valuation of investment securities	10,000	18,035
Loss on business withdrawal	—	4,492
Loss on prior period adjustments	5,483	—
Loss on reduction of fixed assets	3,300	14,400
Loss on adjustment for change of accounting standard for asset retirement obligations	—	36,465
Loss on disaster	—	28,416
provision for loss on disaster	—	151,464
Other	2,912	2,853
Total extraordinary loss	37,224	263,451
Income or loss(—) before income taxes	315,770	-26,880
Income taxes-current	85,841	82,089
Income taxes-deferred	96,049	12,695
Total income taxes	181,891	94,785
Loss(—) before minority interests	—	-121,665
Minority interests in income	10,370	9,736
Net income or loss(—)	123,508	-131,401

SENKON LOGISTICS CO.,LTD.
CONSOLIDATED STATEMENTS OF INCOME
31 March 2010 and 2011

	Year ended March 2010 (From April 1,2009 to March 31,2010)	Year ended March 2011 (From April 1,2010 to March 31,2011)
	thousands of yen	thousands of yen
Loss(—) before minority interests	—	-121,665
Other comprehensive income		
Valuation difference on available for sale securities	—	-12,650
Deferred gains or losses on hedges	—	4,036
Foreign currency translation adjustment	—	-4,122
Total other comprehensive income	—	-12,736
Comprehensive income	—	-134,402
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	—	-144,138
Comprehensive income attributable to minority interests	—	9,736

SENKON LOGISTICS CO.,LTD.

CONSOLIDATED STATEMENTS OF CHARGES IN SHAREHOLDERS' EQUITY

31 March 2010 and 2011

	Year ended March 2010	Year ended March 2011
	(From April 1,2009 to March 31,2010)	(From April 1,2010 to March 31,2011)
	thousands of yen	thousands of yen
Shareholders' equity		
Capital stock		
Balance at end of previous year	1,262,736	1,262,736
Change of items during the period		
Total changes of items during the period	—	—
Balance at end of current year	1,262,736	1,262,736
Capital surplus		
Balance at end of previous year	1,189,881	1,189,881
Change of items during the period		
Total changes of items during the period	—	—
Balance at end of current year	1,189,881	1,189,881
Retained earnings		
Balance at end of previous year	2,572,103	2,629,173
Change of items during the period		
Dividends from surplus	-66,439	-65,141
Net income or net loss(—)	123,508	-131,401
Total changes of items during the period	57,069	-196,543
Balance at end of current year	2,629,173	2,432,630
Treasury stock		
Balance at end of previous year	-222,353	-332,331
Change of items during the period		
Purchase of treasury stock	-109,977	-14,345
Total changes of items during the period	-109,977	-14,345
Balance at end of current year	-332,331	-346,676
Total shareholders' equity		
Balance at end of previous year	4,802,367	4,749,459
Change of items during the period		
Dividends from surplus	-66,439	-65,141
Net income or net loss(—)	123,508	-131,401
Purchase of treasury stock	-109,977	-14,345
Total changes of items during the period	-52,907	-210,888
Balance at end of current year	4,749,459	4,538,571

SENKON LOGISTICS CO.,LTD.
CONSOLIDATED STATEMENTS OF CHARGES IN SHAREHOLDERS' EQUITY
31 March 2010 and 2011

	Year ended March 2010 (From April 1,2009 to March 31,2010)	Year ended March 2011 (From April 1,2010 to March 31,2011)
	thousands of yen	thousands of yen
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at end of previous year	-51,847	-24,032
Change of items during the period		
Net changes of items other than shareholders' equity	27,815	-12,650
Total changes of items during the period	27,815	-12,650
Balance at end of current year	-24,032	-36,682
Deferred gains or losses on hedges		
Balance at end of previous year	-15,914	-4,348
Change of items during the period		
Net changes of items other than shareholders' equity	11,565	4,036
Total changes of items during the period	11,565	4,036
Balance at end of current year	-4,348	-311
Foreign currency translation adjustment		
Balance at end of previous year	-1,079	-1,221
Change of items during the period		
Net changes of items other than shareholders' equity	-142	-4,122
Total changes of items during the period	-142	-4,122
Balance at end of current year	-1,221	-5,344
Total accumulated other comprehensive income		
Balance at end of previous year	-68,841	-29,602
Change of items during the period		
Net changes of items other than shareholders' equity	39,238	-12,736
Total changes of items during the period	39,238	-12,736
Balance at end of current year	-29,602	-42,338
Subscription rights to shares		
Balance at end of previous fiscal year	11,643	11,967
Change of items during the period		
Net changes of items other than shareholders' equity	324	2,549
Total changes of items during the period	324	2,549
Balance at end of current year	11,967	14,517
Minority interests		
Balance at end of previous year	72,818	82,501
Change of items during the period		
Net changes of items other than shareholders' equity	9,683	2,036
Total changes of items during the period	9,683	2,036
Balance at end of current year	82,501	84,537

SENKON LOGISTICS CO.,LTD.**CONSOLIDATED STATEMENTS OF CHARGES IN SHAREHOLDERS' EQUITY****31 March 2010 and 2011**

	Year ended March 2010 (From April 1,2009 to March 31,2010)	Year ended March 2011 (From April 1,2010 to March 31,2011)
	thousands of yen	thousands of yen
Total net assets		
Balance at end of previous year	4,817,987	4,814,326
Change of items during the period		
Dividends from surplus	-66,439	-65,141
Net income or net loss(—)	123,508	-131,401
Purchase of treasury stock	-109,977	-14,345
Net changes of items other than shareholders' equity	49,246	-8,150
Total changes of items during the period	-3,661	-219,039
Balance at end of current year	4,814,326	4,595,287

SENKON LOGISTICS CO.,LTD.
CONSOLIDATED STATEMENT OF CASH FLOWS
31 March 2010 and 2011

	Year ended March 2010 (From April 1,2009 to March 31,2010)	Year ended March 2011 (From April 1,2010 to March 31,2011)
	thousands of yen	thousands of yen
Net cash provided by operating activities:		
Income or loss(－) before income taxes and minority interests	315,770	-26,880
Depreciation and amortization	424,510	439,328
Loss on withdrawal from business	—	4,492
Increase or decrease (－) in provision for retirement benefits	5,536	-8,681
Increase or decrease (－) in provision for directors' and corporate auditors' retirement benefits	-33,390	10,349
Increase or decrease (－) in provision for bonuses	5,711	-21,034
Increase or decrease (－) in provision for doubtful accounts	33,306	922
Interest and dividend income	-7,079	-8,345
Interest expenses	117,044	109,562
Insurance income	-117,672	—
Loss or gain (－) on valuation of investment securities	10,000	18,035
Loss or gain (－) on sales of investment securities	-6,950	-812
Loss or gain (－) on sales of property, plant and equipment	2,063	-25,452
State subsidy	—	-14,400
Loss on reduction of fixed assets	—	14,400
Loss on adjustment for changes of accounting atandard for lease transactions	—	36,465
Loss on disaster	—	28,416
Provision for loss on disaster	—	151,464
Loss or gain (－) on sales of intangible assets	11,600	—
Decrease or increase (－) in notes and accounts receivable-trade	-46,137	116,037
Decrease or increase (－) in loans receivable	9,766	11,413
Decrease or increase (－) in inventories	-42,945	89,001
Increase or Decrease (－) in notes and accounts payable-trade	270,553	-238,891
Increase or Decrease (－) in accrued consumption taxes	60,908	-15,887
Other	6,178	50,943
Subtotal	1,018,770	720,447
Interest and dividends income received	7,027	8,227
Interest expenses paid	-117,489	-108,231
Proceeds from insurance income	117,672	—
Income taxes paid	-24,051	-122,271
Net cash provided by operating activities	1,001,928	498,171

SENKON LOGISTICS CO.,LTD.
CONSOLIDATED STATEMENT OF CASH FLOWS
31 March 2010 and 2011

	Year ended March 2010 (From April 1,2009 to March 31,2010)	Year ended March 2011 (From April 1,2010 to March 31,2011)
	thousands of yen	thousands of yen
Net cash provided by investing activities:		
Payment into time deposits	-74,640	-62,970
Proceeds from withdrawal of time deposits	75,600	76,320
Purchase of short-term investment securities	-9,302	—
Proceeds from sales of short-term investment securities	—	8,279
Purchase of property,plant and equipment	-109,591	-681,610
Proceeds from sales of property,plant and equipment	6,860	128,499
Purchases of intangible assets	-10,543	-7,519
Proceeds from state subsidy	—	14,400
Purchase of investment securities	-115,871	-83,708
Proceeds from sales of investment securities	166,547	40,800
Payments of loans receivable	-10,894	-30,941
Collection of loans receivable	26,687	43,838
Other	-50	—
Net cash provided by investing activities	-55,198	-554,611
Net cash provided by financing activities:		
Increase in short-term loans payable	1,140,000	1,310,000
Decrease in short-term loans payable	-1,250,000	-1,490,000
Proceeds from long-term loans payable	1,300,000	2,060,000
Repayments of long-term loans payable	-1,645,923	1,912,966
Redemption of bonds	-40,000	-40,000
Payment for installment payable-property and equipment	-49,416	-72,411
Purchase of treasury stock	-109,977	-14,345
Cash dividends paid	-66,505	-65,089
Cash dividends paid to minority shareholders	-687	-7,700
Net cash provided by financing activities	-722,510	-232,512
Effect of exchange rate change on cash and cash	-142	-4,122
Net increase(decrease)in cash and cash equivalents	224,078	-293,076
Cash and cash equivalents,beginning of period	1,705,437	1,929,515
Cash and cash equivalents at end of period	1,929,515	1,636,439