Consolidated Financial Results
for the Fiscal Year Ended February 28, 2011
[Japanese GAAP]

April 11, 2011

Company name: Takihyo Co., Ltd.
Code number: 9982
URL: http://www.takihyo.co.jp
Stock exchange listing: Tokyo Stock Exchange, Nagoya Stock Exchange
Representative: Kazuo Taki, CEO
Contact: Atsushi Muto, Managing Director
Phone: +81-52-587-7111
Scheduled date of Ordinary General Meeting of Shareholders: May 18, 2011
Scheduled date of commencing dividend payments: May 19, 2011
Scheduled date for filling of annual securities report: May 27, 2011
Availability of supplementary briefing material on financial results: Available
Schedule of financial results briefing session: Available

(Figures are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended February 28, 2011 (March 1, 2010 to February 28, 2011)

(1) Consolidated Results of Operations (% indicates changes from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal year ended February 28, 2011	67,199	(2.4)	395	(43.4)	1,150	(3.8)	592	3.3
Fiscal year ended February 28, 2010	68,865	(12.3)	699	(45.0)	1,196	(32.8)	573	(42.4)

(Note) Comprehensive income: Fiscal year ended February 28, 2011: ¥ – million (–%)
Fiscal year ended February 28, 2010: ¥ – million (–%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	yen	yen	%	%	%
Fiscal year ended February 28, 2011	12.34	12.27	2.1	2.5	0.6
Fiscal year ended February 28, 2010	11.71	11.67	2.0	2.7	1.0

(Reference) Equity in earnings (losses) of affiliates: Fiscal year ended February 28, 2011: ¥ – million
Fiscal year ended February 28, 2010: ¥ – million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
As of February 28, 2011	45,833	27,561	59.9	578.98
As of February 28, 2010	44,642	27,785	62.1	574.54

(Reference) Equity: As of February 28, 2011: ¥ 27,469 million
As of February 28, 2010: ¥ 27,706 million

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Fiscal year ended February 28, 2011	(1,357)	(1,885)	2,053	1,751
Fiscal year ended February 28, 2010	2,675	(3,368)	(34)	2,966

2. Dividends

	Annual Dividends					Total dividends paid (annual)	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter end	2nd quarter end	3rd quarter end	Year end	Total			
	Yen	Yen	Yen	Yen	Yen	million yen	%	%
Fiscal year ended February 28, 2010	–	4.00	–	4.00	8.00	387	68.3	1.4
Fiscal year ended February 28, 2011	–	4.00	–	4.00	8.00	382	64.8	1.4
Fiscal year ending February 29, 2012 (Forecast)	–	4.00	–	4.00	8.00		52.8	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending February 29, 2012 (March 1, 2011 to February 29, 2012)

(% indicates changes from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
First six months	30,900	1.6	200	–	560	140.7	170	16.3	3.61
Full year	68,000	1.2	950	140.2	1,550	34.7	710	19.9	15.15

4. Others

(1) Significant changes of subsidiaries during the year under review (affecting specified subsidiaries resulting in changes in scope of consolidation): No

(2) Changes in accounting principles, procedures or format

1) Changes due to the revision of accounting standards: Yes

2) Any changes other than 1) above: Yes

(Note) For details, please refer to “Changes in Important Matters that Form the Basis for Preparing Consolidated Financial Statements” on page 29.

(3) Total number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury stock):

February 28, 2011	48,000,000 shares
February 28, 2010	51,532,300 shares

2) Total number of treasury stock at the end of the period:

February 28, 2011	555,854 shares
February 28, 2010	3,308,434 shares

3) Average number of shares during the period:

Fiscal year ended February 28, 2011	47,994,164 shares
Fiscal year ended February 28, 2010	48,954,006 shares

(Note) For information on the number of shares for the basis for calculating net income per share (consolidated), please refer to “Per Share Information” on page 34.

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended February 28, 2011 (March 1, 2010 to February 28, 2011)

(1) Non-consolidated Results of Operations (% indicates changes from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal year ended February 28, 2011	62,561	(2.8)	162	(65.7)	1,099	(13.0)	613	(18.6)
Fiscal year ended February 28, 2010	64,334	(12.2)	475	(53.4)	1,263	(19.8)	753	0.7

	Net income per share	Diluted net income per share
	yen	yen
Fiscal year ended February 28, 2011	12.79	12.72
Fiscal year ended February 28, 2010	15.39	15.33

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
As of February 28, 2011	42,750	25,453	59.3	534.55
As of February 28, 2010	41,393	25,662	61.8	530.51

(Reference) Equity: As of February 28, 2011: ¥ 25,361 million
As of February 28, 2010: ¥ 25,583 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending February 29, 2012 (March 1, 2011 to February 29, 2012)

(% indicates changes from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
First six months	28,450	1.4	100	–	500	172.3	150	22.0	3.19
Full year	63,000	0.7	700	329.7	1,400	27.4	650	5.9	13.87

* Presentation regarding the implementation status of the audit process

At the time of the disclosure of these financial results, the financial statement audit process procedures based on the Japanese Financial Instruments and Exchange Act have not been completed.

* Explanation of the proper use of performance forecast and other notes

The projections above were prepared based on available information at the time of the release of this document. Actual results may be different from the projections due to various factors.
Furthermore, for the items on the forecast of the financial results above, please refer to page 5.

1. Results of Operations

(1) Analysis of Results of Operations

(Results of Operations for the current fiscal year)

Although the Japanese economy followed a moderate recovery trend thanks to external demand mainly in emerging countries and stimulus policy package, it failed to make a full-scale recovery owing to yen appreciation, prolonged deflation, and an unstable employment and income situation.

The operational environment surrounding the Company remained harsh because consumers took a more cautious stance toward spending, still holding the line on using their income for clothing. Low-priced clothing has been established as the norm and unseasonable weather conditions have led to sluggish sales, further cooling down the apparel market. Profitability was also squeezed due primarily to the changing situations at our main manufacturing sites in China, including soaring wages, tight supply and demand conditions stemming from a shortage of labor, and rising costs associated with late deliveries, along with the increasing cost of raw materials such as wool and cotton.

In light of these circumstances, the Group has been transforming the corporate organization hitherto segmented vertically by product and by distribution channel into a sales division system segmented horizontally by business activity, along with developing new markets for sales in the Korean apparel market. Also, the Group has been strengthening its ability to propose total coordination styles from tops to bottoms, expanding ODM (Original Design Manufacturing), and developing new product plans for goods targeted toward babies and kids.

Furthermore, we have been working to stabilize the manufacturing situation through the reinforcement of partnerships with cooperating manufacturing operations in China, securing of manufacturing space and early implementation of orders, and collaboration with manufacturing operations in inland China and ASEAN countries. At the same time, we have endeavored to clearly grasp rising raw material prices and eliminate sales losses through implementation of accurate model number and quantity plans.

As for logistics operations, we worked to improve their overall productivity. To this end, we enhanced the efficiency of our logistics network by consolidating our distribution bases into a new distribution center (Takihyo Operation Plaza Co., Ltd. Inuyama Center) in Inuyama, Aichi Prefecture and enhanced operational efficiency within the Center.

As a result, consolidated performance in the fiscal year ended February 28, 2011 registered 67,199 million yen consolidated net sales (2.4% decrease from the previous fiscal year), 395 million yen consolidated operating income (43.4% decrease from the previous fiscal year), 1,150 million yen consolidated ordinary income (3.8% decrease from the previous fiscal year) and 592 million yen consolidated net income (3.3% increase from the previous fiscal year).

Performance by business segment for the fiscal year ended February 28, 2011 was as follows.

1) Fibers & Textiles

We have been striving to develop new product plans and new key products with respect to Fibers & Textiles products. As a result, sales of certain merchandise such as Disney goods for ladies, suits for kids, goods for kids and babies, and swimsuits remained solid. However, this segment as a whole was adversely affected by sluggish spending on clothing, unfavorable weather conditions, and rising manufacturing costs. As a result, this segment registered 63,229 million yen net sales (2.8% decrease from the previous fiscal year), and 228 million yen operating income (59.2% decrease from the previous fiscal year).

2) Rental Business

The Company had previously booked real estate rent as non-operating income and rent expenses on real estates as non-operating expenses. However, owing to the increase in real estate rent property, the real estate rental business has been positioned as an important income base, and from the fourth quarter, the Company's real estate rent has been accounted for as net sales and rent expenses on real estates as cost of sales. Along with this change, the rental business (real estate management, lease of office automation equipment), which had been included in "Others," is separately mentioned in the business segment of "Rental Business." As a result of this change, this segment registered 115 million yen net sales (50.0% increase compared with rental business in the previous fiscal year), and 52 million yen operating income (139.4% increase compared with rental business in the previous fiscal year).

3) Others

Others segment registered 3,854 million yen net sales (3.9 % increase from the previous fiscal year), and 94 million yen operating income (2.5% increase from the previous fiscal year) due to the effect of the rising cost of raw materials, in spite of an expansion of business dealings with the manufacturing industry in the sales of materials including synthetic resins.

(Outlook for the next fiscal year and issues to be addressed)

Regarding the future outlook, although the export-related sector is showing some signs of recovery, corporate profitability remains poor, and given the impact of the recent Great East Japan Earthquake, the situation will continue to be unpredictable.

Also, the Company is in an environment marked by sluggish spending on clothing and rising manufacturing costs, as well as the effects that the Great East Japan Earthquake has had on the stores and delivery networks of some customers. As such, the operating environment is expected to remain harsh.

In such an environment, the Group will rethink its current stance of heavy dependence on the domestic market and on the occasion of the 260th anniversary of its founding, endeavor to provide world-class products to the global market with an eye to Asia, Europe, and the United States under the new companywide policy "Global Challenge ~Change and Advance~." Additionally, in the domestic market, we will enhance firm initiatives with customers and undertake initiatives in new plans and product items focused on material, function and design. At the same time, we will continue expanding into new channels, such as mail order and apparel for fashion-oriented buildings.

With respect to the manufacturing situation, we will strengthen partnerships with partner manufacturing operations and thoroughly conduct delivery management and quality management, along with initiatives to continue securing new manufacturing bases in inland China and ASEAN countries.

Meanwhile, in logistics operations, we reduced warehouse cost and freight outsourcing by consolidating operations into a new distribution center and cutting costs by improving operational efficiency. However, we will continue making efforts in the future to further enhance overall productivity of logistics.

In addition to these measures, we will pursue initiatives for reducing extraneous time and cost by streamlining operational flow and rebuilding the system environment in a bid to streamline the whole group, including subsidiaries and affiliates, to enhance efficiency and to strengthen the management foundation.

Great damage was caused to customers located in regions affected by the Great East Japan Earthquake. The Company has made great efforts in restoration and reconstruction by strengthening cooperation with customers. Although there are uncertainties, such as the power shortage, spending on clothing is showing some signs of recovery from the steep decline immediately after the earthquake, mainly in the Tokyo metropolitan area. The Company will endeavor to gather information and respond flexibly. At the same time, the Company will not only follow the trend for low-priced products but will also work to plan and develop higher-value-added products and ensure profit margins that absorb the rise in manufacturing costs.

(2) Analysis of Financial Position

Cash and cash equivalents as at the end of the current fiscal year (hereinafter referred to as “fund”) decreased 1,214 million yen (41.0%) compared with the end of the previous fiscal year, to 1,751 million yen.

(Net cash used in operating activities)

Net cash used in operating activities for the current fiscal year amounted to 1,357 million yen (an increase of 2,675 million yen for the previous fiscal year), as a result of income before income tax and minority interests standing at 990 million yen along with 188 million yen decrease in notes and accounts receivable – trade, combined with 841 million yen increase in inventories, 1,304 million yen decrease in notes and accounts payable – trade and 323 million yen of income taxes paid.

(Net cash used in investing activities)

Net cash used in investing activities for the current fiscal year decreased 1,483 million yen (44.0%) compared with the previous fiscal year, to 1,885 million yen, mainly as a result of the purchase of property, plant and equipment, despite proceeds from sales of investment securities.

(Net cash provided by financing activities)

Net cash provided by financing activities for the current fiscal year amounted to 2,053 million yen (a decrease of 34 million yen for the previous fiscal year), as a result of proceeds from loans payable, despite purchase of treasury stock, cash dividends paid and repayment of loans payable.

(Reference) Indicators relative to cash flows

	Fiscal year ended February 28, 2010	Fiscal year ended February 28, 2011
Equity ratio (%)	62.1	59.9
Equity ratio on a market value basis (%)	48.6	42.1
Interest-bearing debt/cash flow ratio (years)	2.4	—
Interest coverage ratio (multiple)	33.8	—

Equity ratio: Equity/Total assets

Equity ratio on a market value basis: Total market capitalization/Total assets

Interest-bearing debt/cash flow ratio: Interest-bearing debt/cash flows from operating activities

Interest coverage ratio: Cash flows from operating activities/Interest expenses paid

(Notes) 1. All indicators are calculated using consolidated financial results.

2. Total market capitalization is calculated by multiplying the final share price at the end of the fiscal year by the total number of issued shares at the end of the fiscal year (excluding treasury stock).

3. Cash flows from operating activities refer to net cash provided by (used in) operating activities on the Consolidated Statements of Cash Flows. Interest-bearing debt refers to all liabilities on the Consolidated Balance Sheets for which interest is paid. Interest expenses paid refer to interest expenses paid on the Consolidated Statements of Cash Flows.

4. Interest-bearing debt/cash flow ratio and interest coverage ratio for the fiscal year ended February 28, 2011 are not included due to the negative cash flows from operating activities.

(3) Principles of Appropriation of Profits and Dividend Payment for the Current Fiscal Year and the Next Fiscal Year

The Company recognizes that returning profit to shareholders is an important management issue.

Our basic policy calls for continuing active and stable dividend payment by comprehensively taking into consideration trends in performance, payout ratio, dividend yield, and internal reserves required for investment in product development that meets market needs and implementation of businesses with an eye to the future. We will also acquire treasury stock from profit.

Under this basic policy, we plan to pay a dividend of 4 yen per share at the end of the current fiscal year. Therefore, when combined with an interim dividend of 4 yen per share, the annual dividend becomes 8 yen per share for the current fiscal year. In the next fiscal year, we plan to pay an interim dividend of 4 yen per share and a year-end dividend of 4 yen per share, making the annual dividend 8 yen per share.

(4) Risks Related to Business

The following is information regarding risks associated with the Group's business activities.

Forward-looking statements contained herein are based on the Group's best judgment as of the end of the current fiscal year.

1) Risks associated with changes in consumers' taste

Closing provided by the Group are prone to influence from external factors including changes in fashion trends, impact on consumer confidence from economic conditions and pressure on sales prices due to competition. Under these circumstances, the Group is striving to develop well-marketable products by enhancing the effectiveness of the planning process through more relevant analysis and more accurate information, while reducing the manufacturing cycle. However, the Group's performance could be affected by still tougher competition or by the Group's failure to implement adequate merchandise policies to meet unexpected changes in market trends.

2) Risks associated with foreign exchange

Products manufactured overseas represent a high proportion of the Group's purchase amount, which is settled largely in USD. For the purpose of hedging exchange risk, we use forward exchange contracts on the scale not beyond actual demand based on quarterly estimations of purchase amounts. However, the Group's performance could be affected by unexpected fluctuations in the exchange rate.

3) Risks associated with places of production

The Group is highly dependent on production facilities in Asia, including China and South Korea. Thus, the Group's performance could be affected in the event of disruption in the procurement of merchandise due to developments in those countries including unexpected change in laws and regulations, unforeseen turnaround in political regime or economic policy, national or regional disturbance due to acts of terrorism, war, natural disasters and other developments, and epidemic breakout with significant impact.

4) Risks associated with customers

i) Sales dependency

The group's five largest customers account for roughly 35% of the Group's sales. Our major sales policy is to attract new distribution customers while taking care at all times to reinforce close relationships with the main existing customers. However, the Group's performance could be affected by interruptions or disturbances to the continuing business transactions with existing customers due to unforeseen developments including changes in their management policies.

ii) Creditworthiness

The Group is selling its products to a range of customers including retailers such as volume retailers, specialist/general retailers, department stores and wholesale distributors of clothing products. Although the Group is making the best efforts to ensure protection of its receivables accounts by exercising thoroughgoing credit control over these customers according to relevant internal rules, its performance could be affected by bad debt losses or decline in sales due to unforeseen business failures of customers.

5) Risks associated with weather

The Group's main products, such as ladies' clothes, are largely apparel with a high degree of seasonality. Thus the Group's performance could be affected by the disappointing sales of seasonal products far below projections due to undesirable weather such as a cold summer and mild winter.

6) Risks associated with personal data

The Group has arranged an internal security control system for the protection of personal data involving use and control thereof. However, the Group's performance could be affected in the event of external leakage of such protected data due to unexpected circumstances, resulting in deterioration of the Group's social credibility or giving rise to liability in damages.

7) Risks associated with new businesses

To enhance its corporate value, the Group engages in business investment such as development of new business models and brands, flexibly adapting to customers' situations and changes in the market, on the basis of adequate research and development activities beforehand. However, the Group's performance could be affected if business activities in line with such investments would not make progress as originally scheduled due to changes in the market environment.

8) Risks associated with quality control

The Group is enforcing quality control over its products according to rigorous quality standards established under its control system. However, the Group's performance could be affected, in the event of an accident involving its products due to unexpected circumstances originating from the Group or its suppliers, thus degrading the Group's corporate/brand image, or giving rise to liability in damages.

The Group's performance could also be affected, in the event of an interruption to business transactions with its main customers due to quality issues of the products we supply.

9) Risks associated with licensing agreements

As the Group enjoys the benefits of licensing from various companies, its performance could be affected in the event of termination or cancellation of the licensing agreements or major changes in the terms and conditions thereof.

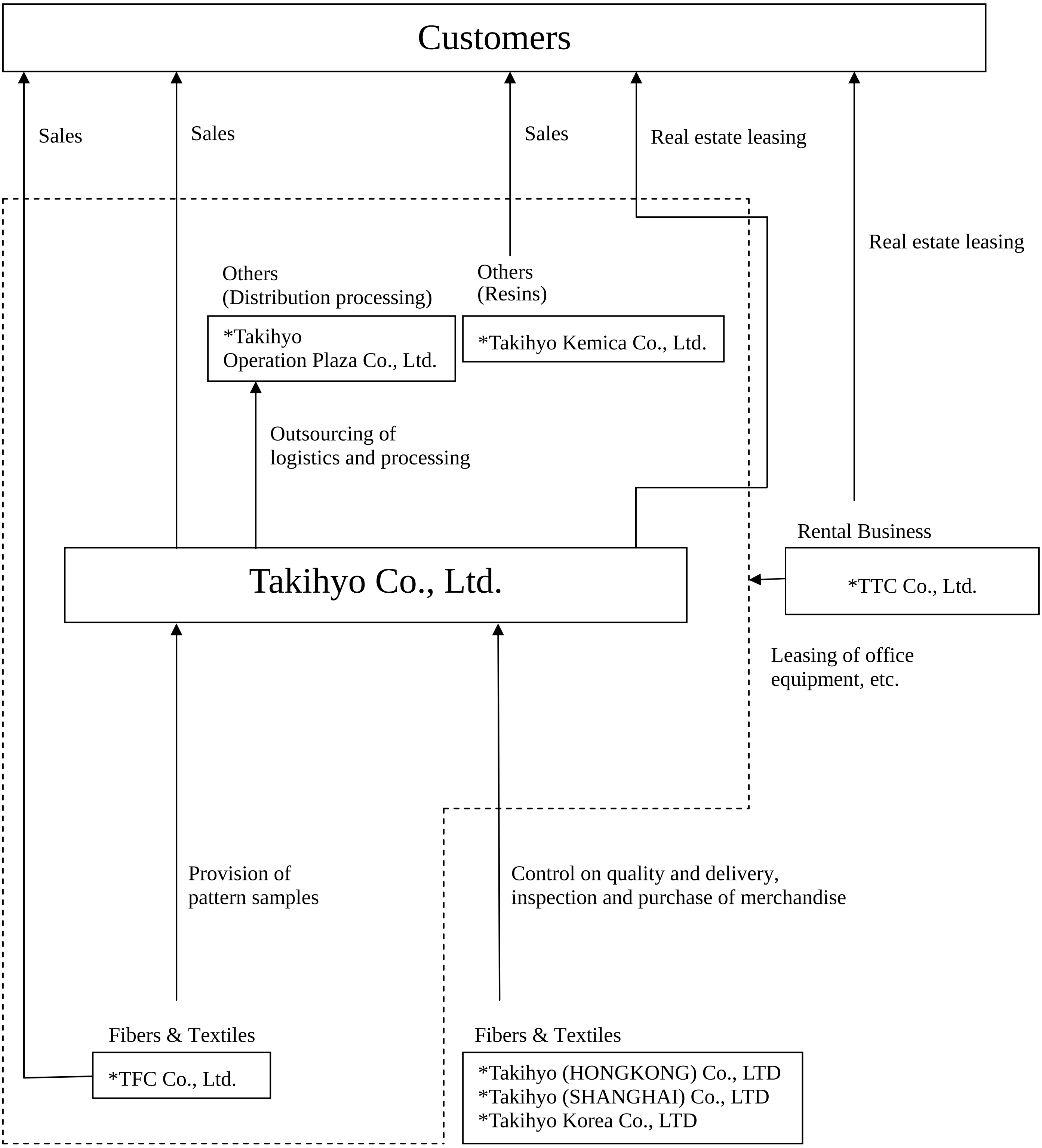
2. Consolidated Group

The Group comprises the Company and seven consolidated subsidiaries mainly engaged in manufacturing and sales of various fibers & textiles products, along with business activities including the real estate rental business, and sales of resins and chemical products.

The operational positioning of the Group in connection with each business segment is as follows.

Fibers & Textiles	The Company' main line of business is designing, manufacturing and sales of clothing primarily for ladies, kids and babies along with textile products (cloth) primarily made of wool. Each of the three overseas consolidated subsidiaries, Takihyo (Shanghai) Co., Ltd., Takihyo (Hong Kong) Co., Ltd. and Takihyo Korea Co., Ltd., primarily engages in local management of manufacturing process, delivery and quality control of the products to be shipped to the Company, as well as support work for export to the Head Office. Of the domestic consolidated subsidiaries, Takihyo Operation Plaza Co., Ltd. engages in delivery- related businesses including sorting, packing and shipping of products primarily manufactured overseas for delivery to each retail premises of customers, while TFC Apparel Co., Ltd. engages in production of pattern samples, knit shirts (cut-and-sew) and other sewing products, as well as designing and selling uniforms.
Rental Business	The Company engages in leasing and management of real estate and related activities. TTC Co., Ltd., a subsidiary of the Company, primarily provides leasing of equipment along with leasing and management of real estate to the Group companies.
Others	Takihyo Kemica Co., Ltd., a consolidated subsidiary of the Company, engages in sales of products including resins, chemical products and health food.

The following diagram illustrates how businesses within the Group are interrelated.



(Notes) 1. * indicates consolidated subsidiaries.

2. Takihyo Korea Co., Ltd. is a newly established company.

3. Management Policy

(1) Basic Management Policy of the Company

As the Company is going to celebrate its 260th anniversary (the 100th fiscal year since its incorporation) this year (2011), our basic policy is to keep providing apparel products that keenly respond to the needs and lifestyles of our customers, based on the constant management philosophies that are “Pay more attention to customers’ interest than to your own,” “Modesty generates profits,” and “Good name always comes first.”

(2) Targeted Management Benchmark

The Company is striving to enhance its corporate value, by maximizing operating income and cash flows as the two critical management benchmarks that demonstrate the strength of its core businesses.

(3) Medium-to-long-term Management Strategy

A new companywide policy called “Global Challenge ~Change and Advance~” was developed and presented on the occasion of the Company’s 260th anniversary.

As part of an implementation of this strategy, the Company transformed the corporate organization hitherto segmented vertically by product and by distribution channel into a sales division system segmented horizontally by business activity with a view to precisely adapting to changes of the times and market. Additionally, we are going to explore opportunities to provide universally marketable merchandise to the global markets i.e. Asia, Europe, and the United States, while reflecting on our current status which excessively depends on the domestic market.

(4) Issues to be Addressed of the Company

As stated in 1. Results of Operations (1) Analysis of Results of Operations (Outlook for the next fiscal year and issues to be addressed) by the Company on page 4.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of February 28, 2010	As of February 28, 2011
Assets		
Current assets		
Cash and deposits	3,006	1,781
Notes and accounts receivable-trade	16,534	16,335
Merchandise and finished goods	3,119	3,953
Work in process	30	40
Raw materials and supplies	15	11
Deferred tax assets	143	298
Other	414	465
Allowance for doubtful accounts	(23)	(33)
Total current assets	23,239	22,853
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	4,133	4,125
Accumulated depreciation	(2,169)	(2,285)
Buildings and structures, net	1,964	1,840
Machinery, equipment and vehicles	290	290
Accumulated depreciation	(237)	(247)
Machinery, equipment and vehicles, net	53	42
Equipment and fixtures	1,415	1,401
Accumulated depreciation	(353)	(346)
Equipment and fixtures, net	1,061	1,055
Land	12,105	14,076
Lease assets	2	81
Accumulated depreciation	(0)	(2)
Lease assets, net	2	78
Total property, plant and equipment	15,186	17,093
Intangible assets	89	71
Investments and other assets		
Investment securities	4,858	4,652
Investments in capital	24	23
Long-term loans receivable	70	72
Long-term guarantee deposit	700	692
Deferred tax assets	167	71
Insurance funds	112	111
Other	532	510
Allowance for doubtful accounts	(339)	(319)
Total investments and other assets	6,126	5,815
Total noncurrent assets	21,402	22,979
Total assets	44,642	45,833

(Millions of yen)

	As of February 28, 2010	As of February 28, 2011
Liabilities		
Current liabilities		
Notes and accounts payable-trade	9,521	8,210
Short-term loans payable	1,530	2,760
Current portion of long-term loans payable	400	600
Lease obligations	0	15
Accounts payable-other	2,126	1,580
Income taxes payable	209	189
Deferred tax liabilities	0	–
Provision for bonuses	126	101
Provision for sales returns	54	48
Other	359	764
Total current liabilities	14,327	14,270
Noncurrent liabilities		
Long-term loans payable	1,500	2,825
Lease obligations	1	63
Deferred tax liabilities	35	93
Long-term guarantee deposited	94	114
Provision for retirement benefits	462	467
Provision for directors' retirement benefits	236	236
Deferred tax liabilities for land revaluation	198	201
Total noncurrent liabilities	2,529	4,001
Total liabilities	16,857	18,271
Net assets		
Shareholders' equity		
Capital stock	3,622	3,622
Capital surplus	4,148	4,148
Retained earnings	22,098	20,721
Treasury stock	(1,512)	(235)
Total shareholders' equity	28,357	28,256
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(286)	(146)
Deferred gains or losses on hedges	(21)	(261)
Revaluation reserve for land	(260)	(262)
Foreign currency translation adjustment	(82)	(116)
Total valuation and translation adjustments	(651)	(787)
Subscription rights to shares	79	92
Total net assets	27,785	27,561
Total liabilities and net assets	44,642	45,833

(2) Consolidated Statements of Income

(Millions of yen)

	For the previous fiscal year ended February 28, 2010	For the current fiscal year ended February 28, 2011
Net sales	68,865	67,199
Cost of sales	54,537	53,925
Gross profit	14,327	13,274
Provision for sales returns	(17)	(6)
Gross profit-net	14,344	13,280
Selling, general and administrative expenses		
Freightage related expenses	3,928	3,765
Advertising and promotion expenses	318	314
Provision of allowance for doubtful accounts	17	–
Salaries and allowances	4,305	4,230
Bonuses	634	538
Share-based compensation expenses	37	21
Welfare expenses	915	895
Provision for bonuses	115	92
Retirement benefit expenses	521	461
Traveling and transportation expenses	610	587
Communication expenses	254	258
Rent expenses	860	610
Depreciation	142	145
Other	981	964
Total selling, general and administrative expenses	13,644	12,885
Operating income	699	395
Non-operating income		
Interest income	10	9
Dividends income	77	68
Amortization of negative goodwill	2	–
Real estate rent	102	99
Foreign exchange gains	346	526
Other	129	197
Total non-operating income	668	902
Non-operating expenses		
Interest expenses	77	71
Rent expenses on real estates	38	44
Equity loss of investment securities	28	9
Other	27	20
Total non-operating expenses	171	146
Ordinary income	1,196	1,150
Extraordinary income		
Gain on sales of investment securities	227	105
Gain on sales of noncurrent assets	0	0
Gain on adjustment for changes of accounting standard for lease transactions	10	–
Gain on allocation shares	–	14
Other	6	13
Total extraordinary income	244	134

(Millions of yen)

	For the previous fiscal year ended February 28, 2010	For the current fiscal year ended February 28, 2011
Extraordinary loss		
Loss on valuation of investment securities	9	166
Loss on redemption of investment securities	62	21
Loss on sales of noncurrent assets	0	–
Loss on retirement of noncurrent assets	13	0
Loss on retirement of long-term prepaid expenses	1	2
Impairment loss	9	4
Loss on transfer of office	224	–
Refund of subcontract proceeds	79	–
Provision of allowance for doubtful accounts	–	39
Salaries for the past fiscal years	–	30
Other	36	30
Total extraordinary loss	436	295
Income before income taxes and minority interests	1,004	990
Income taxes-current	272	304
Income taxes-deferred	220	93
Total income taxes	492	398
Minority interests in loss	(61)	–
Net income	573	592

(3) Consolidated Statements of Changes in Net Assets

(Millions of yen)

	For the previous fiscal year ended February 28, 2010	For the current fiscal year ended February 28, 2011
Shareholders' equity		
Capital stock		
Balance at the end of the previous period	3,622	3,622
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of the current period	3,622	3,622
Capital surplus		
Balance at the end of the previous period	4,148	4,148
Changes of items during the period		
Disposal of treasury stock	(0)	0
Retirement of treasury stock	0	(0)
Total changes of items during the period	–	–
Balance at the end of the current period	4,148	4,148
Retained earnings		
Balance at the end of the previous period	23,189	22,098
Effect of changes in accounting policies applied to foreign subsidiaries	0	–
Changes of items during the period		
Dividends from surplus	(394)	(385)
Net income	573	592
Retirement of treasury stock	(1,270)	(1,584)
Total changes of items during the period	(1,091)	(1,377)
Balance at the end of the current period	22,098	20,721
Treasury stock		
Balance at the end of the previous period	(1,868)	(1,512)
Changes of items during the period		
Purchase of treasury stock	(913)	(315)
Disposal of treasury stock	0	7
Retirement of treasury stock	1,270	1,584
Total changes of items during the period	356	1,276
Balance at the end of the current period	(1,512)	(235)
Total shareholders' equity		
Balance at the end of the previous period	29,091	28,357
Effect of changes in accounting policies applied to foreign subsidiaries	0	–
Changes of items during the period		
Dividends from surplus	(394)	(385)
Net income	573	592
Purchase of treasury stock	(913)	(315)
Disposal of treasury stock	0	7
Retirement of treasury stock	–	–
Total changes of items during the period	(734)	(101)
Balance at the end of the current period	28,357	28,256

(Millions of yen)

	For the previous fiscal year ended February 28, 2010	For the current fiscal year ended February 28, 2011
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of the previous period	(255)	(286)
Changes of items during the period		
Net changes of items other than shareholders' equity	(31)	140
Total changes of items during the period	(31)	140
Balance at the end of the current period	(286)	(146)
Deferred gains or losses on hedges		
Balance at the end of the previous period	4	(21)
Changes of items during the period		
Net changes of items other than shareholders' equity	(26)	(239)
Total changes of items during the period	(26)	(239)
Balance at the end of the current period	(21)	(261)
Revaluation reserve for land		
Balance at the end of the previous period	(262)	(260)
Changes of items during the period		
Net changes of items other than shareholders' equity	2	(2)
Total changes of items during the period	2	(2)
Balance at the end of the current period	(260)	(262)
Foreign currency translation adjustment		
Balance at the end of the previous period	(90)	(82)
Changes of items during the period		
Net changes of items other than shareholders' equity	7	(34)
Total changes of items during the period	7	(34)
Balance at the end of the current period	(82)	(116)
Total valuation and translation adjustments		
Balance at the end of the previous period	(603)	(651)
Changes of items during the period		
Net changes of items other than shareholders' equity	(47)	(136)
Total changes of items during the period	(47)	(136)
Balance at the end of the current period	(651)	(787)
Subscription rights to shares		
Balance at the end of the previous period	41	79
Changes of items during the period		
Net changes of items other than shareholders' equity	37	13
Total changes of items during the period	37	13
Balance at the end of the current period	79	92
Minority interests		
Balance at the end of the previous period	85	–
Changes of items during the period		
Net changes of items other than shareholders' equity	(85)	–
Total changes of items during the period	(85)	–
Balance at the end of the current period	–	–

(Millions of yen)

	For the previous fiscal year ended February 28, 2010	For the current fiscal year ended February 28, 2011
Net assets		
Balance at the end of the previous period	28,615	27,785
Effect of changes in accounting policies applied to foreign subsidiaries	0	–
Changes of items during the period		
Dividends from surplus	(394)	(385)
Net income	573	592
Purchase of treasury stock	(913)	(315)
Disposal of treasury stock	0	7
Retirement of treasury stock	–	–
Net changes of items other than shareholders' equity	(95)	(122)
Total changes of items during the period	(830)	(223)
Balance at the end of the current period	27,785	27,561

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the previous fiscal year ended February 28, 2010	For the current fiscal year ended February 28, 2011
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	1,004	990
Depreciation and amortization	252	263
Amortization of negative goodwill	(2)	–
Impairment loss	9	4
Increase (decrease) in allowance for doubtful accounts	(42)	(9)
Increase (decrease) in provision for bonuses	(8)	(23)
Increase (decrease) in provision for sales returns	(17)	(6)
Increase (decrease) in provision for retirement benefits	34	4
Interest and dividends income	(87)	(78)
Interest expenses	77	71
Loss (gain) on sales of investment securities	(214)	(91)
Loss (gain) on valuation of investment securities	8	166
Loss (gain) on redemption of investment securities	62	21
Loss (gain) on sales of property, plant and equipment	(0)	(0)
Loss on retirement of property, plant and equipment	13	0
Loss (gain) on adjustment for changes of accounting standard for lease transactions	(10)	–
Loss on transfer of office	140	–
Decrease (increase) in notes and accounts receivable-trade	2,794	188
Decrease (increase) in inventories	264	(841)
Increase (decrease) in notes and accounts payable-trade	(1,226)	(1,304)
Increase (decrease) in accrued consumption taxes	(128)	13
Decrease (increase) in other assets	134	(28)
Increase (decrease) in other liabilities	(170)	(374)
Other, net	144	27
Subtotal	3,032	(1,005)
Interest and dividends income received	87	47
Interest expenses paid	(79)	(75)
Income taxes paid	(364)	(323)
Net cash provided by (used in) operating activities	2,675	(1,357)

(Millions of yen)

	For the previous fiscal year ended February 28, 2010	For the current fiscal year ended February 28, 2011
Net cash provided by (used in) investing activities		
Payments into time deposits	(40)	(30)
Proceeds from withdrawal of time deposits	50	40
Purchase of property, plant and equipment	(4,419)	(2,225)
Proceeds from sales of property, plant and equipment	3	0
Purchase of investment securities	(122)	(134)
Proceeds from sales of investment securities	945	363
Proceeds from redemption of investment securities	254	92
Proceeds from equity of investment securities	1	2
Purchase of investments in subsidiaries	(21)	–
Payments of loans receivable	(93)	(30)
Collection of loans receivable	74	33
Collection of investments in capital	0	0
Other, net	(1)	3
Net cash provided by (used in) investing activities	(3,368)	(1,885)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(630)	1,230
Proceeds from long-term loans payable	2,000	2,000
Repayment of long-term loans payable	(100)	(475)
Cash dividends paid	(391)	(385)
Purchase of treasury stock	(913)	(315)
Other, net	0	0
Net cash provided by (used in) financing activities	(34)	2,053
Effect of exchange rate change on cash and cash equivalents	7	(26)
Net increase (decrease) in cash and cash equivalents	(720)	(1,214)
Cash and cash equivalents at beginning of period	3,686	2,966
Cash and cash equivalents at end of period	2,966	1,751

(5) Notes on Going Concern Assumption

Not applicable.

(6) Important Matters that Form the Basis for Preparing Consolidated Financial Statements

Items	For the previous fiscal year (From March 1, 2009 to February 28, 2010)	For the current fiscal year (From March 1, 2010 to February 28, 2011)
1. Scope of consolidation	(1) Number of consolidated subsidiaries: 6 companies Names of the principal consolidated subsidiaries: TFC Co., Ltd., TTC Co., Ltd., Takihyo Kemica Co., Ltd., Takihyo (HONGKONG) Co., LTD, Takihyo Operation Plaza Co., Ltd., Takihyo (SHANGHAI) Co., LTD Takihyo Operation Plaza Co., Ltd., which was included in the scope of consolidation in the previous fiscal year, has been excluded from the scope of consolidation from the current fiscal year, due to its merger with Chubu Distribution Center Co., Ltd., whose trade name was changed to Takihyo Operation Plaza Co., Ltd. (2) There are no non-consolidated subsidiaries.	(1) Number of consolidated subsidiaries: 7 companies Names of the principal consolidated subsidiaries: TFC Co., Ltd., TTC Co., Ltd., Takihyo Kemica Co., Ltd., Takihyo (HONGKONG) Co., LTD, Takihyo Operation Plaza Co., Ltd., Takihyo (SHANGHAI) Co., LTD, Takihyo Korea Co., LTD Newly incorporated Takihyo Korea Co., LTD has been included in the scope of consolidation from the current fiscal year. (2) There are no non-consolidated subsidiaries.
2. Scope of application of the equity method	There is no application of equity method due to the absence of non-consolidated subsidiaries and affiliates.	Same as on the left
3. Fiscal year, etc. of consolidated subsidiaries	Of all the consolidated subsidiaries, Takihyo (HONGKONG) Co., LTD and Takihyo (SHANGHAI) Co., LTD close accounts on December 31 of each year. Since the difference of closing dates does not exceed three months, financial statements of these two subsidiaries are consolidated as at their own closing date, while necessary adjustment is made for the purpose of consolidation in the event of significant transactions taking place between such closing date and the consolidation date. All other consolidated subsidiaries share the same closing date as the consolidation date.	Same as on the left

Items	For the previous fiscal year (From March 1, 2009 to February 28, 2010)	For the current fiscal year (From March 1, 2010 to February 28, 2011)
4. Accounting standards (1) Valuation standards and methods regarding significant assets	(a) Inventories Merchandise: Stated at cost primarily using the moving-average method (Amounts shown on the balance sheets take into account declines in book values based on reduced profitability.) Finished goods, work in process, and raw materials: Stated at cost primarily using the specific cost method (Amounts shown on the balance sheets take into account declines in book values based on reduced profitability.) Supplies: Stated at cost using the last-purchase-price method (Amounts shown on the balance sheets take into account declines in book values based on reduced profitability) (b) Securities Other securities: Securities with market quotations: Market value method based on the quoted market price at the fiscal year-end (with any unrealized gains or losses being reported directly as a component of shareholders' equity and the cost of securities sold is calculated using the moving-average method). Securities without market quotations: Cost method using the moving-average method. (c) Derivatives Stated at market	(a) Inventories Merchandise: Same as on the left Finished goods, work in process, and raw materials: Same as on the left Supplies: Same as on the left (b) Securities Other securities: Securities with market quotations: Same as on the left Securities without market quotations: Same as on the left (c) Derivatives Same as on the left

Items	For the previous fiscal year (From March 1, 2009 to February 28, 2010)	For the current fiscal year (From March 1, 2010 to February 28, 2011)
(2) Depreciation method for significant depreciable assets	(a) Property, plant and equipment (excluding lease assets) Declining-balance method Service life is determined using the same standard as set out in the Corporation Tax Law, provided however that buildings (excluding auxiliary equipment) acquired on and after April 1, 1998, are subject to the straight-line method. (Petty sum depreciable assets) Assets acquired at the cost of 100,000 yen or more but less than 200,000 yen are subject to equal depreciation over three years. (Additional information) Change in service life of property, plant and equipment As a result of our review of service life on the occasion of the corporation tax revision (under the Act on Partial Revision of the Income Tax Act, etc.: Law No. 23, April 30, 2008), service life of some of the machinery and equipment has been changed from the current fiscal year. This change has minimal impact on the Group’s profit and loss. (b) Intangible assets (excluding lease assets) Straight-line method Service life is determined using the same standard as set out in the Corporation Tax Law, provided however that software (for internal use) is subject to the straight-line method over the internally available period of five years. (c) Lease assets Lease assets concerning non-transfer ownership finance leases: Straight-line method is applied, with useful lives being lease terms and assuming that residual values would be zero. Of the financial leases other than those that are deemed to transfer the ownership of the leased property to the lessee, those with inception dates prior to the beginning of the first year applicable under the “Accounting Standard for Lease Transactions” (ASBJ Statement No.13) are subject to accounting treatment according to the method applicable to normal rental transactions. (d) Long-term prepaid expenses Straight-line method Service life is determined using the same standard as set out in the Corporation Tax Law.	(a) Property, plant and equipment (excluding lease assets) Declining-balance method Service life is determined using the same standard as set out in the Corporation Tax Law, provided however that buildings (excluding auxiliary equipment) acquired on and after April 1, 1998, are subject to the straight-line method. (Petty sum depreciable assets) Assets acquired at the cost of 100,000 yen or more but less than 200,000 yen are subject to equal depreciation over three years. (b) Intangible assets (excluding lease assets) Same as on the left (c) Lease assets Lease assets concerning non-transfer ownership finance leases: Same as on the left (d) Long-term prepaid expenses Same as on the left

Items	For the previous fiscal year (From March 1, 2009 to February 28, 2010)	For the current fiscal year (From March 1, 2010 to February 28, 2011)
(3) Accounting standards for significant allowances and provisions	(a) Allowance for doubtful accounts The Group provides for possible credit losses stemming from notes and accounts receivable-trade and loans receivable. Estimated amounts of irrecoverable debt are calculated based on historical write-off ratio for ordinary receivables, and on a consideration of feasibly recoverable amounts in individual cases of specific debts such as doubtful accounts.	(a) Allowance for doubtful accounts Same as on the left
	(b) Provision for bonuses The Group provides for payments of employee bonuses based on the portion of the estimated amount of bonus payment as attributable to the current fiscal year.	(b) Provision for bonuses Same as on the left
	(c) Provision for sales returns To provide for losses due to return of goods, Takihyo Co., Ltd. records estimated amounts of losses in consideration of the past return ratios actually experienced.	(c) Provision for sales returns Same as on the left
	(d) Provision for retirement benefits To provide for the payment of employees' retirement benefits, the Group sets aside the amount recognized to have accrued as at the end of the current fiscal year, based on the projected benefit obligations and plan assets as at the end of the fiscal year. Actuarial differences are amortized using the straight-line method over the determined number of years (10 years) not exceeding average remaining service years of the employees at the time of their accrual. Past service liabilities are charged to expenses, using the straight-line method, over the determined number of years (10 years) not exceeding average remaining service years of the employees at the time of their accrual.	(d) Provision for retirement benefits To provide for the payment of employees' retirement benefits, the Group sets aside the amount recognized to have accrued as at the end of the current fiscal year, based on the projected benefit obligations and plan assets as at the end of the fiscal year. Actuarial differences are amortized using the straight-line method over the determined number of years (10 years) not exceeding average remaining service years of the employees at the time of their accrual. Past service liabilities are charged to expenses, using the straight-line method, over the determined number of years (10 years) not exceeding average remaining service years of the employees at the time of their accrual.

Items	For the previous fiscal year (From March 1, 2009 to February 28, 2010)	For the current fiscal year (From March 1, 2010 to February 28, 2011)
	(Additional information) TFC Co., Ltd., a consolidated subsidiary, was maintaining a lump-sum retirement benefit system along with a qualified retirement pension plan, both on a defined benefit basis. However, the latter was abolished in May 2009, and incorporated into the small and medium sized enterprise retirement allowance. This changeover was carried out subject to “Guidance on Accounting for Transfer between Retirement Benefit Plans” (ASBJ Guidance No.1, January 31, 2002), without involving any financial impact.	
	(e) Provision for directors' retirement benefits Takihyo Co., Ltd. provides for the payment of retirement benefits to officers based on the aggregate amount of liabilities corresponding to each officer’s period in office up to May 23, 2007 (the 96th Ordinary General Meeting of Shareholders) in accordance with the relevant internal rules.	(e) Provision for directors' retirement benefits Same as on the left
(4) Translation of significant assets and liabilities denominated in foreign currencies into yen	Monetary claims and liabilities denominated in foreign currencies have been translated into yen at the rates of exchange in effect at the fiscal year end. Translation adjustments are treated as gains or losses. Assets and liabilities as well as revenues and expenses of overseas subsidiaries, etc. have been translated into yen using the spot exchange rates in effect as of the closing dates, and the resultant translation differences are included in foreign currency translation adjustment in net assets.	Same as on the left
(5) Significant hedge accounting	(a) Hedge accounting Deferred hedge accounting is adopted. Designation transactions are applied to foreign exchange forward contracts which conform to the requirements for designation transactions.	(a) Hedge accounting Same as on the left
	(b) Means of hedging and hedging items Means of hedging: Foreign exchange forward contracts Hedging items: Foreign currency-denominated monetary claims and liabilities	(b) Means of hedging and hedging items Same as on the left

Item	Previous fiscal year (From March 1, 2009 to February 28, 2010)	Current fiscal year (From March 1, 2010 to February 28, 2011)
(6) Other significant matters for preparing consolidated financial statements	(c) Hedging policy The Group is primarily hedging exchange risk according to the internal control rules. (d) Methods for evaluating the effectiveness of hedges Since all foreign exchange forward contracts are carried out on the basis of the actual demand for future transactions, with a very high likelihood of being exercised, process to evaluate the hedging effectiveness is spared. Accounting method for consumption taxes The tax exclusion method.	(c) Hedging policy Same as on the left (d) Methods for evaluating the effectiveness of hedges Same as on the left Accounting method for consumption taxes Same as on the left
5. Valuation of assets and liabilities of consolidated subsidiaries	Assets and liabilities of consolidated subsidiaries are stated at fair value using the full fair value method.	Same as on the left
6. Amortization of goodwill and negative goodwill	Negative goodwill is subject to one-time amortization. (Additional information) Negative goodwill has arisen as a result of additional acquisition in the current fiscal year of the shares in Chubu Distribution Center Co., Ltd., a consolidated subsidiary. This negative goodwill was duly written off by one-time amortization in the current fiscal year.	―――――
7. Scope of cash and cash equivalents in the consolidated statements of cash flows	Cash and cash equivalents as stated in the consolidated statements of cash flows consist of cash in hand, readily available deposits, and any short-term liquid investments with a maturity not exceeding three months at the time of purchase whose value is not subject to significant fluctuation risk.	Same as on the left

(7) Changes in Important Matters that Form the Basis for Preparing Consolidated Financial Statements

For the previous fiscal year (From March 1, 2009 to February 28, 2010)	For the current fiscal year (From March 1, 2010 to February 28, 2011)
(Accounting standard for evaluation of inventories) Of the inventories held for sale, merchandise was primarily subject to lower of cost or market method, using the moving-average method, while finished goods, work in process, and raw materials were primarily stated at cost using specific cost method, and supplies were primarily stated at cost using the last-purchase-price method. As a result of the implementation of the “Accounting Standard for Measurement of Inventories” (ASBJ Statement No. 9, July 5, 2006) from this current fiscal year, however, merchandise is now primarily stated at cost using the moving-average method (for balance sheets values, the book value write-down method on the basis of decreased profitability is used), while finished goods, work in process and raw materials are primarily subject to cost method using specific cost method (for balance sheet values, the book value write-down method on the basis of decreased profitability is used) and supplies are primarily subject to cost method using the recent purchase method (for balance sheet values, the book value write-down method on the basis of decreased profitability is used). This change has no impact to the Group’s profit or loss. (Practical solution on unification of accounting policies applied to foreign subsidiaries for consolidated financial statements) Beginning with the current fiscal year, the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (Practical Issues Task Force No. 18, May 17, 2006) is applied and the required consolidation adjustments are being made. This change has minimal impact on the Group’s profit or loss. (Accounting standard for lease transactions) As a result of the adoption from the current fiscal year of the “Accounting Standard for Lease Transactions” (ASBJ Statement No.13 issued on June 17, 1993 and finally revised on March 30, 2007) and the “Guidance on the Accounting Standard for Lease Transactions” (ASBJ Guidance No.16, issued on January 18, 1994 and finally revised on March 30, 2007), the Non-transfer ownership finance leases are now subject to an accounting treatment according to the method applicable to normal sale and purchase transactions, as opposed to the hitherto adopted method applicable to normal rental transactions. For the purpose of depreciating assets concerning non-transfer ownership finance leases, the Group adopts the straight-line method using lease terms as service lives of the leased properties while assuming zero residual	（Reclassification of real estate rents) Previously, real estate rents were recorded as non-operating income while corresponding rent expenses on real estates were recorded as non-operating expenses. However, as a result of a strategic repositioning of the real estate rental business as a significant source of revenue including the newly establishment of Real Estate Business Planning Section, in line with the anticipated enhancement of financial significance of the real estate rents thanks to an increase in the real estate rental transactions in the fourth quarter, real estate rents and rent expenses on real estate have started to be recorded as net sales and cost of sales, respectively as from the fourth quarter, in an effort to make our accounting classification better represent the actual profit and loss situation. As a result of this change, results of the current fiscal year gave rise to the following changes compared with the results accounted for by the hitherto applied method, namely net sales, cost of sales and gross profit for the current fiscal year increased by 37 million yen, 18 million yen, and 18 million yen, respectively, while selling, general and administrative expenses decreased by 4 million yen, and operating income increased by 22 million yen. Neither ordinary income, nor income before income taxes and minority interests is affected by these changes. Since the strategic repositioning of the real estate rental business as a significant source of revenue took place in the fourth quarter as mentioned above, conventional classification was applied to the periods up to the third quarter. Thus, results for the nine months ended November 30, 2010 gave rise to the following changes compared with the results accounted for by the hitherto applied method, namely net sales, cost of sales and gross profit and operating income decreased by 96 million yen, 61 million yen, 34 million yen, and 53 million yen, respectively, while selling, general and administrative expenses, non-operating income and non-operating expenses increased by 18 million yen, 96 million yen and 43 million yen, respectively. Neither ordinary income nor income before income taxes and minority interests is affected by these changes. Impact from these changes to the segment information is described in each relevant section hereunder. (Partial Amendments to Accounting Standard for Retirement Benefits (Part 3)) Beginning with the current fiscal year, the “Partial Amendments to Accounting Standard for Retirement

For the previous fiscal year (From March 1, 2009 to February 28, 2010)	For the current fiscal year (From March 1, 2010 to February 28, 2011)
values. Those non-transfer ownership finance leases to lessees and with inception dates prior to the beginning of the first year applicable under the above accounting standard and guidance still remain subject to an accounting treatment according to the method applicable to normal rental transactions. This change has minimal impact on the Group's profit or loss.	Benefits (Part 3)" (ASBJ Statement No. 19, July 31, 2008) is applied. This change has no impact to the Group's profit or loss.

(Changes in Presentation)

For the previous fiscal year (From March 1, 2009 to February 28, 2010)	For the current fiscal year (From March 1, 2010 to February 28, 2011)
(Consolidated balance sheets) Due to application of the "Cabinet Office Ordinance Partially Revising Regulation for Terminology, Forms and Preparation of Financial Statements" (Cabinet Office Ordinance No. 50, August 7, 2008), starting with the current fiscal year, "Inventories" as presented in the previous fiscal year are divided into and presented as "Merchandise and finished goods," "Work in process" and "Raw materials and supplies." The amount of "Merchandise and finished goods," "Work in process" and "Raw materials and supplies" included in the "Inventories" in the previous fiscal year were 3,384 million yen, 30 million yen and 14 million yen, respectively. (Consolidated statements of income) "Equity loss on investment securities" which was included in "Other" in non-operating expenses up to the previous fiscal year, has started to be presented separately from the current fiscal year, as it has exceeded 10% of the total non-operating expenses. Incidentally, "Equity loss on investment securities" included in "Other" in non-operating expenses for the previous fiscal year amounted to 8 million yen. "Loss on transfer of office" which was included in "Other" of extraordinary loss up to the previous fiscal year, has started to be presented separately from the current fiscal year, as it has exceeded 10% of the total extraordinary loss. Incidentally, "Loss on transfer of office" which was included in "Other" for the previous fiscal year amounted to 15 million yen.	――――――

(8) Notes to Consolidated Financial Statements

(Segment Information)

1 Business segment information

(Millions of yen)

	For the previous fiscal year (From March 1, 2009 to February 28, 2010)				
	Fibers & Textiles	Others	Total	Elimination or corporate	Consolidated
I Net sales and operating income (loss)					
Net sales					
(1) Net sales to outside customers	65,076	3,788	68,865	–	68,865
(2) Inter-segment sales and transfers	0	1,469	1,469	(1,469)	–
Total	65,076	5,257	70,334	(1,469)	68,865
Operating expenses	64,515	5,143	69,659	(1,494)	68,165
Operating income	560	114	674	24	699
II Assets, depreciation, impairment loss and capital expenditure					
Assets	34,598	3,399	37,998	6,644	44,642
Depreciation	142	96	239	(0)	238
Impairment loss	9	–	9	–	9
Capital expenditure	4,381	139	4,520	1	4,521

(Notes)

1. The Business segments are classified into Fibers & Textiles segment and Others segment, in consideration of the similarities of the category/nature of products as well as their sales methods.
2. Main products in each segment

   (1) Fibers & Textiles

Apparel Department	Ladies' / Men's/ Children's/ Baby clothes, Homewear, Interior fabric
Textile Department	Cloth

   (2) Others

Synthetic resin	Resins, Resin film
Industrial materials	Industrial film (Automobile, Furniture)
Logistics	Distribution of goods
Rental Business	Lease of office automation equipment, Real estate management

3. Depreciation does not include the depreciation of noncurrent assets for lease which corresponds to real estate rent registered in non-operating income, but it includes the amortization of long-term prepaid expenses. Capital expenditure includes an increase in long-term prepaid expenses.
4. The amount of corporate assets in the elimination or corporate item of assets for the previous fiscal year represents 2,475 million yen of surplus funds (investment securities) and 5,676 million yen of a part of buildings and land owned by the parent company. The amount of corporate assets in the elimination or corporate item of assets for the current fiscal year represent 2,042 million yen of surplus funds (investment securities) and 5,677 million yen of a part of buildings and land owned by the parent company.

(Millions of yen)

	For the current fiscal year (From March 1, 2010 to February 28, 2011)					
	Fibers & Textiles	Rental Business	Others	Total	Elimination or corporate	Consolidated
I Net sales and operating income (loss) Net sales						
(1) Net sales to outside customers	63,229	115	3,854	67,199	–	67,199
(2) Inter-segment sales and transfers	1	97	1,362	1,460	(1,460)	–
Total	63,231	212	5,216	68,660	(1,460)	67,199
Operating expenses	63,002	159	5,122	68,285	(1,480)	66,804
Operating income	228	52	94	375	20	395
II Assets, depreciation, impairment loss and capital expenditure						
Assets	33,593	9,562	1,550	44,706	1,126	45,833
Depreciation	146	102	2	252	(2)	249
Impairment loss	–	4	–	4	–	4
Capital expenditure	160	1,997	3	2,161	–	2,161

(Notes) 1. The Business segments are classified into Fibers & Textiles segment, Rental Business segment and Others segment, in consideration of the similarities of the category/nature of products as well as their sales methods.

2. Main products in each segment

(1) Fibers & Textiles

Apparel Department	Ladies' / Men's/ Children's/ Baby clothes, Homewear, Interior fabric
Textile Department	Cloth

(2) Rental Business — Real estate management, Lease of office automation equipment

(3) Others

Synthetic resin	Resins, Resin film
Industrial materials	Industrial film (Automobile, Furniture)
Logistics	Distribution of goods

3. Depreciation includes the amortization of long-term prepaid expenses. Capital expenditure includes an increase in long-term prepaid expenses.

4. The amount of corporate assets in the elimination or corporate item of assets represents 1,980 million yen of surplus funds (investment securities).

5. Changes in accounting treatment and business segments

As stated in "Changes in Important Matters that Form the Basis for Preparing Consolidated Financial Statements," previously, real estate rents were recorded as non-operating income while corresponding rent expenses on real estates were recorded as non-operating expenses. However, as a result of a strategic repositioning of the real estate rental business as a significant source of revenue including the newly established Real Estate Business Planning Section, in line with the anticipated enhancement of financial significance of the real estate rents thanks to an increase in real estate rental transactions in the fourth quarter, real estate rents and rent expenses on real estate have started to be recorded as net sales and cost of sales, respectively, from the fourth quarter, in an effort to make our accounting classification better represent the actual profit and loss situation.

As a result of this change, the rental business including real estate management and lease of office automation equipment previously segmented as “Others” is separately stated in the business segment of “Rental Business” effective from the fourth quarter of the current fiscal year.

Consequently, the Company recorded increases in Rental Business: 39 million yen in net sales, 19 million yen in operating expenses, 20 million yen in operating income, 8,135 million yen in assets, 4 million yen of depreciation and amortization, 4 million yen of impairment loss and 1,975 million yen of capital expenditure, compared with the amounts recorded through the previous method.

Business segment information for the previous fiscal year according to the current fiscal year’s business segments is as follows.

(Millions of yen)

	For the previous fiscal year (From March 1, 2009 to February 28, 2010)					
	Fibers & Textiles	Rental Business	Others	Total	Elimination or corporate	Consolidated
I Net sales and operating income (loss)						
Net sales						
(1) Net sales to outside customers	65,076	76	3,711	68,865	–	68,865
(2) Inter-segment sales and transfers	0	82	1,400	1,482	(1,482)	–
Total	65,076	158	5,112	70,347	(1,482)	68,865
Operating expenses	64,515	137	5,019	69,672	(1,507)	68,165
Operating income	560	21	92	674	24	699
II Assets, depreciation, impairment loss and capital expenditure						
Assets	34,598	1,668	1,756	38,022	6,619	44,642
Depreciation	142	93	2	239	(1)	238
Impairment loss	9	–	–	9	–	9
Capital expenditure	4,381	135	3	4,520	1	4,521

2 Geographical segment information

This information is omitted as both sales and assets in Japan exceed 90% of all geographical segments for the fiscal year ended February 28, 2010 and 2011.

3 Overseas sales

This information is omitted as overseas sales are less than 10% of the consolidated net sales for the fiscal year ended February 28, 2010 and 2011.

(Per Share Information)

For the previous fiscal year (From March 1, 2009 to February 28, 2010)		For the current fiscal year (From March 1, 2010 to February 28, 2011)	
Net assets per share	574.54 yen	Net assets per share	578.98 yen
Net income per share	11.71 yen	Net income per share	12.34 yen
Diluted net income per share	11.67 yen	Diluted net income per share	12.27 yen

(Notes) 1. The basis for calculation of net assets per share is as follows:

(Millions of yen)

	For the previous fiscal year (As of February 28, 2010)	For the current fiscal year (As of February 28, 2011)
Total net assets	27,785	27,561
Amount deducted from the total net assets	79	92
(Subscription rights to shares included in the above)	(79)	(92)
Amount of net assets related to common stock as of the end of the fiscal year	27,706	27,469
Number of shares of common stock used in the calculation of net assets per share as of the end of the fiscal year (Thousands shares)	48,223	47,444

2. The basis for calculation of net income per share and diluted net income per share is as follows:

(Millions of yen)

	For the previous fiscal year (From March 1, 2009 to February 28, 2010)	For the current fiscal year (From March 1, 2010 to February 28, 2011)
Net income per share		
Net income	573	592
Net income not attributable to common shareholders	–	–
Net income related to common stock	573	592
Average number of shares of common stock outstanding during the fiscal year (Thousands shares)	48,954	47,994
Diluted net income per share		
Increase in number of shares of common stock (Thousands shares)	189	250
(Subscription rights to shares included in the above) (Thousands shares)	(189)	(250)
Summary of diluted securities that were not included in the computation of net income per share since there was no effect of dilution	–	–

(Significant Subsequent Events)

For the previous fiscal year (From March 1, 2009 to February 28, 2010)	For the current fiscal year (From March 1, 2010 to February 28, 2011)
Retirement of treasury stock (1) At the meeting of Board of Directors held on March 15, 2010, it was resolved to retire treasury stock pursuant to Article 178 of the Companies Act and the Company executed the retirement on March 31, 2010 accordingly. 1) Reason for retirement The Company executed the retirement in order to reduce the number of diluted securities and to define the return of profit to our shareholders. 2) Class and the total number of shares retired Common stock 1,000,000 shares (2) At the meeting of Board of Directors held on April 9, 2010, it was resolved to retire treasury stock pursuant to Article 178 of the Companies Act. 1) Reason for retirement The Company will execute the retirement in order to reduce the number of diluted securities and to define the return of profit to our shareholders. 2) Class and the total number of shares to be retired Common stock 1,032,300 shares 3) Date of shares to be retired April 30, 2010	Purchase of treasury stock (1) At the meeting of Board of Directors held on April 11, 2011, it was resolved to purchase treasury stock pursuant to Article 165, Paragraph 2 of the Companies Act. (1) Reason for purchase The Company aims to improve capital efficiency and to enhance the return of profit to our shareholders by purchasing treasury stock. (2) Resolution at the meeting of the Board of Directors 1) Method of purchase Market purchase on the Tokyo Stock Exchange 2) Class and total number of shares to be purchased Common stock 750,000 shares (Maximum) 3) Total purchase amount 300 million yen (Maximum) 4) Period for purchase From April 12, 2011 to August 31, 2011

(Omission of Disclosed Items)

Disclosure of notes relating to the following items is omitted, as considered to be no great necessity for disclosing such items for Consolidated Financial Results: Notes to consolidated balance sheets, consolidated statements of income, consolidated statements of changes in net assets and consolidated statements of cash flows, and notes to lease transactions, transactions with relevant parties, tax effect accountings, financial instruments, investment securities, derivatives transactions, retirement benefits, real estate properties, stock options and business combinations.

5. Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

(Millions of yen)

	As of February 28, 2010	As of February 28, 2011
Assets		
Current assets		
Cash and deposits	2,269	984
Notes receivable-trade	2,277	1,771
Accounts receivable-trade	12,908	13,453
Merchandise	2,993	3,827
Advance payments-trade	79	82
Prepaid expenses	93	99
Deferred tax assets	123	264
Short-term loans receivable	26	16
Other	155	220
Allowance for doubtful accounts	(23)	(32)
Total current assets	20,904	20,687
Noncurrent assets		
Property, plant and equipment		
Buildings	2,962	2,963
Accumulated depreciation	(1,622)	(1,700)
Buildings, net	1,340	1,263
Structures	80	82
Accumulated depreciation	(51)	(59)
Structures, net	28	23
Machinery and equipment	207	207
Accumulated depreciation	(176)	(184)
Machinery and equipment, net	31	23
Vehicles	9	8
Accumulated depreciation	(3)	(4)
Vehicles, net	5	3
Equipment and fixtures	1,019	1,055
Accumulated depreciation	(150)	(153)
Equipment and fixtures, net	868	902
Land	11,448	13,419
Lease assets	2	81
Accumulated depreciation	(0)	(3)
Lease assets, net	2	78
Total property, plant and equipment	13,725	15,713
Intangible assets		
Leasehold right	10	10
Right of trademark	103	87
Software	6	7
Other	16	15
Total intangible assets	136	121

(Millions of yen)

	As of February 28, 2010	As of February 28, 2011
Investments and other assets		
Investment securities	4,071	3,836
Stocks of subsidiaries and affiliates	1,190	1,216
Investments in capital	24	23
Long-term loans receivable	32	25
Long-term loans receivable from employees	37	46
Long-term loans receivable from subsidiaries and affiliates	250	150
Long-term retaining claims	302	294
Long-term prepaid expenses	40	36
Long-term guarantee deposit	649	636
Deferred tax assets	79	–
Insurance funds	112	111
Other	160	160
Allowance for doubtful accounts	(325)	(309)
Total investments and other assets	6,627	6,227
Total noncurrent assets	20,489	22,062
Total assets	41,393	42,750
Liabilities		
Current liabilities		
Notes payable-trade	516	113
Foreign notes payable-trade	2,911	3,106
Accounts payable-trade	5,349	4,423
Short-term loans payable	1,400	2,700
Current portion of long-term loans payable	400	600
Lease obligations	0	16
Accounts payable-other	2,094	1,584
Accrued expenses	18	14
Income taxes payable	164	166
Advances received	9	5
Deposits received	228	207
Unearned revenue	14	18
Provision for bonuses	96	74
Provision for sales returns	54	48
Derivatives liabilities	37	438
Other	7	25
Total current liabilities	13,303	13,542
Noncurrent liabilities		
Long-term loans payable	1,500	2,825
Long-term loans payable to subsidiaries and affiliates	160	–
Lease obligations	1	62
Deferred tax liabilities	–	46
Long-term guarantee deposited	79	100
Provision for retirement benefits	252	282
Provision for directors' retirement benefits	236	236
Deferred tax liabilities for land revaluation	198	201
Total noncurrent liabilities	2,428	3,754
Total liabilities	15,731	17,296

(Millions of yen)

	As of February 28, 2010	As of February 28, 2011
Net assets		
Shareholders' equity		
Capital stock	3,622	3,622
Capital surplus		
Legal capital surplus	4,148	4,148
Total capital surplus	4,148	4,148
Retained earnings		
Legal retained earnings	806	806
Other retained earnings		
Reserve for advanced depreciation of noncurrent assets	1,049	1,034
General reserve	15,500	15,500
Retained earnings brought forward	2,211	870
Other retained earnings	18,760	17,404
Total retained earnings	19,566	18,210
Treasury stock	(1,512)	(235)
Total shareholders' equity	25,825	25,746
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	39	138
Deferred gains or losses on hedges	(21)	(260)
Revaluation reserve for land	(260)	(262)
Total valuation and translation adjustments	(242)	(384)
Subscription rights to shares	79	92
Total net assets	25,662	25,453
Total liabilities and net assets	41,393	42,750

(2) Non-consolidated Statements of Income

(Millions of yen)

	For the previous fiscal year ended February 28, 2010	For the current fiscal year ended February 28, 2011
Net sales		
Net sales of goods	64,334	62,521
Rent income	–	39
Total net sales	64,334	62,561
Cost of sales		
Beginning goods	3,272	2,993
Cost of purchased goods	50,076	50,592
Total	53,349	53,585
Ending goods	2,993	3,827
Cost of goods sold	50,356	49,757
Rent cost	–	19
Total cost of sales	50,356	49,777
Gross profit	13,977	12,783
Provision for sales returns	(17)	(6)
Gross profit-net	13,994	12,789
Selling, general and administrative expenses		
Freightage related expenses	5,076	4,739
Advertising and promotion expenses	320	311
Provision of allowance for doubtful accounts	20	-
Salaries and allowances	3,398	3,226
Bonuses	553	468
Share-based compensation expenses	37	21
Welfare expenses	789	752
Provision for bonuses	96	74
Retirement benefit expenses	451	396
Traveling and transportation expenses	591	561
Communication expenses	248	252
Rent expenses	700	603
Depreciation	137	140
Other	1,097	1,078
Total selling, general and administrative expenses	13,519	12,627
Operating income	475	162
Non-operating income		
Interest income	15	14
Dividends income	365	260
Real estate rent	111	105
Foreign exchange gains	347	529
Other	119	174
Total non-operating income	959	1,084

(Millions of yen)

	For the previous fiscal year ended February 28, 2010	For the current fiscal year ended February 28, 2011
Non-operating expenses		
Interest expenses	81	74
Rent expenses on real estates	38	46
Equity loss of investment securities	28	9
Other	23	18
Total non-operating expenses	170	148
Ordinary income	1,263	1,099
Extraordinary income		
Gain on sales of investment securities	227	104
Gain on sales of noncurrent assets	0	0
Reversal of allowance for doubtful accounts	3	10
Gain on allocation shares	–	14
Other	0	0
Total extraordinary income	230	130
Extraordinary loss		
Loss on valuation of investment securities	8	166
Loss on redemption of investment securities	62	21
Loss on retirement of long-term prepaid expenses	1	2
Loss on retirement of noncurrent assets	13	0
Impairment loss	9	4
Loss on transfer of office	108	–
Refund of subcontract proceeds	79	–
Provision of allowance for doubtful accounts	–	39
Salaries for the past fiscal years	–	30
Other	34	19
Total extraordinary loss	318	284
Income before income taxes	1,175	945
Income taxes-current	208	252
Income taxes-deferred	214	80
Total income taxes	422	332
Net income	753	613

(3) Non-consolidated Statements of Changes in Net Assets

(Millions of yen)

	For the previous fiscal year ended February 28, 2010	For the current fiscal year ended February 28, 2011
Shareholders' equity		
Capital stock		
Balance at the end of the previous period	3,622	3,622
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of the current period	3,622	3,622
Capital surplus		
Legal capital surplus		
Balance at the end of the previous period	4,148	4,148
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of the current period	4,148	4,148
Other capital surplus		
Balance at the end of the previous period	–	–
Changes of items during the period		
Disposal of treasury stock	(0)	0
Retirement of treasury stock	0	(0)
Total changes of items during the period	–	–
Balance at the end of the current period	–	–
Total capital surplus		
Balance at the end of the previous period	4,148	4,148
Changes of items during the period		
Disposal of treasury stock	(0)	0
Retirement of treasury stock	0	(0)
Total changes of items during the period	–	–
Balance at the end of the current period	4,148	4,148
Retained earnings		
Legal retained earnings		
Balance at the end of the previous period	806	806
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of the current period	806	806
Other retained earnings		
Reserve for advanced depreciation of noncurrent assets		
Balance at the end of the previous period	1,047	1,049
Changes of items during the period		
Provision of reserve for advanced depreciation of noncurrent assets	8	–
Reversal of reserve for advanced depreciation of noncurrent assets	(6)	(15)
Total changes of items during the period	1	(15)
Balance at the end of the current period	1,049	1,034
General reserve		
Balance at the end of the previous period	15,500	15,500
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of the current period	15,500	15,500

(Millions of yen)

	For the previous fiscal year ended February 28, 2010	For the current fiscal year ended February 28, 2011
Retained earnings brought forward		
Balance at the end of the previous period	3,124	2,211
Changes of items during the period		
Dividends from surplus	(394)	(385)
Net income	753	613
Retirement of treasury stock	(1,270)	(1,584)
Provision of reserve for advanced depreciation of noncurrent assets	(8)	–
Reversal of reserve for advanced depreciation of noncurrent assets	6	15
Total changes of items during the period	(913)	(1,340)
Balance at the end of the current period	2,211	870
Total retained earnings		
Balance at the end of the previous period	20,478	19,566
Changes of items during the period		
Dividends from surplus	(394)	(385)
Net income	753	613
Retirement of treasury stock	(1,270)	(1,584)
Provision of reserve for advanced depreciation of noncurrent assets	–	–
Reversal of reserve for advanced depreciation of noncurrent assets	–	–
Total changes of items during the period	(911)	(1,356)
Balance at the end of the current period	19,566	18,210
Treasury stock		
Balance at the end of the previous period	(1,868)	(1,512)
Changes of items during the period		
Purchase of treasury stock	(913)	(315)
Disposal of treasury stock	0	7
Retirement of treasury stock	1,270	1,584
Total changes of items during the period	356	1,276
Balance at the end of the current period	(1,512)	(235)
Total shareholders' equity		
Balance at the end of the previous period	26,380	25,825
Changes of items during the period		
Dividends from surplus	(394)	(385)
Net income	753	613
Purchase of treasury stock	(913)	(315)
Disposal of treasury stock	0	7
Retirement of treasury stock	–	–
Provision of reserve for advanced depreciation of noncurrent assets	–	–
Reversal of reserve for advanced depreciation of noncurrent assets	–	–
Total changes of items during the period	(554)	(79)
Balance at the end of the current period	25,825	25,746

(Millions of yen)

	For the previous fiscal year ended February 28, 2010	For the current fiscal year ended February 28, 2011
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of the previous period	(83)	39
Changes of items during the period		
Net changes of items other than shareholders' equity	122	99
Total changes of items during the period	122	99
Balance at the end of the current period	39	138
Deferred gains or losses on hedges		
Balance at the end of the previous period	1	(21)
Changes of items during the period		
Net changes of items other than shareholders' equity	(23)	(239)
Total changes of items during the period	(23)	(239)
Balance at the end of the current period	(21)	(260)
Revaluation reserve for land		
Balance at the end of the previous period	(262)	(260)
Changes of items during the period		
Net changes of items other than shareholders' equity	2	(2)
Total changes of items during the period	2	(2)
Balance at the end of the current period	(260)	(262)
Total valuation and translation adjustments		
Balance at the end of the previous period	(344)	(242)
Changes of items during the period		
Net changes of items other than shareholders' equity	102	(142)
Total changes of items during the period	102	(142)
Balance at the end of the current period	(242)	(384)
Subscription rights to shares		
Balance at the end of the previous period	41	79
Changes of items during the period		
Net changes of items other than shareholders' equity	37	13
Total changes of items during the period	37	13
Balance at the end of the current period	79	92
Net assets		
Balance at the end of the previous period	26,077	25,662
Changes of items during the period		
Dividends from surplus	(394)	(385)
Net income	753	613
Purchase of treasury stock	(913)	(315)
Disposal of treasury stock	0	7
Retirement of treasury stock	–	–
Provision of reserve for advanced depreciation of noncurrent assets	–	–
Reversal of reserve for advanced depreciation of noncurrent assets	–	–
Net changes of items other than shareholders' equity	139	(128)
Total changes of items during the period	(414)	(208)
Balance at the end of the current period	25,662	25,453

(4) Notes on Going Concern Assumption

Not applicable.

6. Others

(1) Change of Officers

1) Change of representatives

Not applicable.

2) Change of other officers

Not applicable.

(2) Others

Net sales by product

(Millions of yen, all fractions are rounded down to the nearest 1 million yen)

Item	The 99th fiscal year (From March 1, 2009 to February 28, 2010)		The 100th fiscal year (From March 1, 2010 to February 28, 2011)		Increase (decrease) from the previous fiscal year
	Net sales	Composition ratio	Net sales	Composition ratio	
(Apparel)		%		%	%
Ladies' clothes	37,876	58.9	35,711	57.1	(5.7)
Children's/ Baby clothes	10,141	15.8	11,228	18.0	10.7
Homewear, Interior fabric	5,375	8.3	4,571	7.3	(15.0)
Men's clothes, Others	1,920	3.0	1,518	2.4	(20.9)
Apparel total	55,314	86.0	53,030	84.8	(4.1)
(Textile)					
Cloth, Others	9,019	14.0	9,491	15.2	5.2
Total	64,334	100.0	62,521	100.0	(2.8)

Forecast on net sales by product

(Millions of yen, all fractions are rounded down to the nearest 1 million yen)

Item	The 100th fiscal year (From March 1, 2010 to February 28, 2011)		The 101st fiscal year (From March 1, 2011 to February 29, 2012)		Increase (decrease) from the previous fiscal year
	Net sales	Composition ratio	Net sales	Composition ratio	
(Apparel)		%		%	%
Ladies' clothes	35,711	57.1	35,667	56.8	(0.1)
Children's/ Baby clothes	11,228	18.0	11,091	17.6	(1.2)
Homewear, Interior fabric	4,571	7.3	4,899	7.8	7.2
Men's clothes, Others	1,518	2.4	1,442	2.3	(5.0)
Apparel total	53,030	84.8	53,099	84.5	0.1
(Textile)					
Cloth, Others	9,491	15.2	9,705	15.5	1.8
Total	62,521	100.0	62,804	100.0	0.4