



Financial Announcement for Year Ended March 31, 2011 [Japan standard] (Consolidated)

May 10, 2011

Stock Exchanges Tokyo Stock Exchange and Osaka Securities Exchange

Company name TOLI Corporation

Code number 7971

URL <http://www.toli.co.jp>

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Scheduled date for Ordinary General Meeting of Shareholders June 24, 2011

Scheduled date for start of dividend payments June 27, 2011

Scheduled date for submission of financial statements June 24, 2011

Preparation of supplementary explanatory materials for the financial announcement: Yes

Holding of a briefing on the financial announcement: Yes (for securities analysts)

(Amounts of less than 1 million yen are rounded off)

1. Consolidated performance for year ended March 2011 (April 1, 2010 - March 31, 2011)

(1) Consolidated results

(% shows change from previous term)

	Net sales		Operating profit		Ordinary profit		Current term net profit	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 2011	79,614	(2.1)	919	(19.7)	867	(20.8)	274	(45.8)
Year ended March 2010	81,330	(10.9)	1,145	57.5	1,094	60.4	506	37.9

(Note) Total comprehensive income Year ended March 2011 96 million yen (-84.0%) Year ended March 2010 602 million yen (-%)

	Net income per share	Diluted net income per share	Return on equity	Return on total asset	Operating profit on sales
	yen	yen	%	%	%
Year ended March 2011	4.34	-	1.1	1.3	1.2
Year ended March 2010	8.11	-	2.1	1.7	1.4

(For reference) Investment gain or loss under equity method Year ended March 2011 (1 million yen) Year ended March 2010 (38 million yen)

(2) Consolidated assets

	Total assets	Net assets	Capital-to-asset ratio	Net asset per share
	million yen	million yen	%	yen
Year ended March 2011	64,152	24,542	37.9	390.51
Year ended March 2010	64,961	24,930	38.0	390.52

(For reference) Shareholders' equity Year ended March 2011 24,299 million yen Year ended March 2010 24,683 million yen

(3) State of consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Term-end balance of cash and cash equivalents
	million yen	million yen	million yen	million yen
Year ended March 2011	454	(872)	(1,838)	5,784
Year ended March 2010	4,556	(1,821)	(848)	8,041

2. Dividend payments

	Annual dividend					Total dividends (Total)	Dividend payout ratio (Consolidated)	Dividend ratio to net assets (Consolidated)
	End 1st quarter	End 2nd quarter	End 3rd quarter	End of year	Total			
	Yen	Yen	Yen	Yen	Yen	million yen	%	%
Year ended March 2010	-	0.00	-	5.00	5.00	316	61.6	1.3
Year ended March 2011	-	0.00	-	5.00	5.00	311	115.2	1.3
Year ended March 2012 (projection)	-	0.00	-	5.00	5.00		77.8	

3. Consolidated forecasts for year ended March 2012 (April 1, 2011 - March 31, 2012)

(% shows change from previous year and change from the 2nd quarter (cumulative) of the previous year)

	Net sales		Operating profit		Ordinary profit		Current term net profit		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
2nd quarter (cumulative)	37,500	1.9	(600)	-	(650)	-	(300)	-	(4.82)
Full term	82,000	3.0	900	(2.1)	800	(7.8)	400	46.0	6.43

4. Others

(1) Significant changes to subsidiaries during the current term (changes for a specified subsidiary entailing a change in the scope of consolidation): None

(2) Changes in accounting principles, procedures or statement methods, etc.

[1] Changes accompanying revisions to accounting standards: Yes

[2] Changes other than [1]: None

* For details, please refer to “(7) Change in the basis of presenting consolidated financial statements” on page 16.

(3) Number of outstanding shares (ordinary shares)

[1] Number of outstanding shares at end of year (including stock)

[2] Number of shares in treasury stock at end of year

[3] Average number of shares during the term

* Please refer to the “Per share data” on page 21

in regard to the number of shares that forms the basis of calculation of net income per share (consolidated).

Year ended March 2011	66,829,249 shares	Year ended March 2010	66,829,249 shares
Year ended March 2011	4,603,721 shares	Year ended March 2010	3,621,054 shares
Year ended March 2011	63,125,389 shares	Year ended March 2010	62,387,089 shares

(For reference) Outline of Company-specific business performance

1. Company-specific business performance for year ended March 2011 (April 1, 2010 - March 31, 2011)

(1) Company-specific management performance (% shows change from previous term)

	Net sales		Operating profit		Ordinary profit		Current term net profit	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 2011	48,938	(2.9)	404	(57.6)	444	(55.4)	130	(71.4)
Year ended March 2010	50,412	(9.4)	953	138.3	997	113.6	457	290.0

	Net income per share		Diluted net income per share	
	Yen		Yen	
Year ended March 2011	2.07		-	
Year ended March 2010	7.33		-	

(2) Company-specific financial state

	Total assets		Net assets		Capital-to-asset ratio		Net asset per share	
	million yen		million yen		%		yen	
Year ended March 2011	54,529		19,800		36.3		318.21	
Year ended March 2010	56,022		20,315		36.3		321.41	

(For reference) Shareholders' equity Year ended March 2011 19,800 million yen Year ended March 2010 20,315 million yen

2. Company-specific business performance projection for year ending March 2012 (April 1, 2011 - March 31, 2012)

(% shows change from previous year and change from the 2nd quarter (cumulative) of the previous year)

	Net sales		Operating profit		Ordinary profit		Current term net profit		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
2nd quarter (cumulative)	23,000	1.9	(650)	-	(650)	-	(300)	-	(4.82)
Full term	51,000	4.2	200	(50.6)	150	(66.3)	20	(84.7)	0.32

* Statement concerning the implementation of audit procedures

The audit procedures for financial statements based on the Financial Instruments and Exchange Act were not completed at the time of presentation of this financial announcement.

* Explanation of the appropriate use of performance projections and other special instructions

These performance projections were prepared based on the information available as of the time of presentation, and actual business performance figures may differ from the projections due to various factors.

For matters pertaining to these business performance projections, please refer to “1. Management performance” (1) on page 2.

○ Contents of the supplementary materials

1. Management performance	2
(1) Discussion and analysis of the management performance	2
(2) Discussion and analysis of the financial situation	3
(3) Basic policy regarding dividend payment, and dividend payments for the current term and next term	3
2. The TOLI Group	4
3. Management policy	5
(1) Basic management policy	5
(2) Operating targets	5
(3) The Company's medium-term business management strategy	5
(4) Challenges that the Company should address	6
(5) Other important matters for corporate management	6
4. Consolidated financial statements	7
(1) Consolidated Balance Sheets	7
(2) Consolidated statement of income and consolidated statement of comprehensive income	9
Consolidated Statements of Income	9
Consolidated statement of comprehensive income	11
(3) Consolidated Statement of Changes in Shareholders' Equity, etc.	12
(4) Consolidated Statements of Cash Flows	14
(5) Notes on the assumption of the company as a going concern	16
(6) Basis of presenting consolidated financial statements	16
(7) Change in the basis of presenting consolidated financial statements	16
(8) Notes on consolidated financial statements	17
(Notes on the consolidated statement of income)	17
(Notes on the consolidated statement of comprehensive income)	17
(Segment Information)	18
(Per-share data)	21
(Important post-balance sheet events)	21
(Omission of disclosure)	21
5. Company-specific financial statements	22
(1) Balance Sheets	22
(2) Statements of Income	25
(3) Statement of Changes in Shareholders' Equity, etc.	27
(4) Notes on the assumption of the company as a going concern	29
6. Others	29
(1) Transfers of directors	29
(2) Others	29

1. Management performance

(1) Discussion and analysis of the management performance

During the consolidated fiscal year under review, conditions in the Japanese economy continued to be difficult, including the rate of unemployment remaining at a high level, although corporate income tended to improve due to a rally in exports against the backdrop of economic recovery in newly developing countries. In the interior decoration industry, although the number of construction starts turned upwards and demand for interior finishing work showed signs of bottoming out, the management environment continued to be difficult as demand still remains at a low level. In addition, industry was thrown into chaos by the instability of electricity supplies and shortages of raw materials due to the impact of the Great East Japan Earthquake that occurred on March 11, 2011.

It was in such circumstances that the TOLI Group made efforts to generate demand and improve the profitability of the business based on the medium term business plan Change & Challenge 2011. As a result, sales during the consolidated fiscal year under review were 79,614 million yen (2.1% decrease YoY), ordinary income was 867 million yen (20.8% decrease YoY) and net income was 274 million yen (45.8% decrease YoY).

Business performance by segment for each business area was as follows. This information includes business between segments.

< Product business >

In the area of vinyl chloride floor materials, sales of vinyl floor sheeting for medical and welfare facilities such as SF FLOOR, which is equipped with excellent shock absorption and anti-bacterial characteristics, and HOSPILEUM, which has increased dynamic load bearing characteristics due to its unique micro-foam structure, etc., increased. In the carpet area, tiled carpet products with strong design characteristics, such as TEXTILE FLOOR, recipient of the 2010 Good Design Award, performed steadily and in the wall covering materials area, sales of REAL DECO, a wood-grain effect finishing material characterized by high quality matte texture and a real wood look, increased. However, with sales of products including non-slip vinyl flooring sheets for use in the open corridors of apartment blocks, etc., falling lower than last year, sales in product business were 49,074 million yen (3.1% decrease YoY) and segment income was 590 million yen (44.1% decrease YoY).

< Interior wholesaling and installation business >

Although sales of some interior related materials fell below sales for last year, sales of interior metal goods such as blinds and curtain rails, etc., performed steadily and decorating work sales were higher than last year helped partly by the recovery of residential construction starts since last year. As a result, sales in interior wholesaling and installation business were 53,662 million yen (2.5% decrease YoY) and segment income was 286 million yen (116.1% increase YoY).

(Outlook for the next term)

In regard to the outlook for the next term, the domestic economy tended to rally against the backdrop of the global economic recovery, but an economic downturn is anticipated due to the impact of the Great East Japan Earthquake and the future is unclear. In the interior decoration industry, although a trend towards recovery was apparent in demand for interior decoration work as the volume of construction starts bottomed out, in addition to concerns over increases in raw material costs due to the impact of the earthquake disaster and the escalation of crude oil prices, procurement anxieties remain in regard to our core raw materials of vinyl chloride resin and plasticizing agents, etc., so difficult circumstances are anticipated to continue.

In this kind of business environment, the TOLI Group will promote efforts based on the key strategies described in the medium term business plan, Change & Challenge 2011, strengthen business infrastructure, improve management efficiency and work on business activities that can contribute to the recovery and restoration of areas affected by the earthquake disaster.

Taking the above factors into consideration, we expect consolidated net sales of 82,000 million yen, consolidated operating income of 900 million yen, consolidated ordinary income of 800 million yen and consolidated net income of 400 million yen for the fiscal year ending March 31, 2012 (full term).

(2) Discussion and analysis of the financial situation

[1] State of assets, liabilities and net assets

Although there was an increase in accounts receivable, assets at the end of the term under review came to 64,152 million yen, 808 million yen less than their level at the end of the previous term due to factors such as a decrease in cash and deposit in association with the compression of cash reserves, etc.

Liabilities at the end of the term under review totaled 39,610 million yen, 420 million yen less than their level at the end of the previous term. This reflected factors such as a decline in accounts payable.

Net assets at the end of the term under review were 24,542 million yen, 388 million yen lower than their level at the end of the previous term, owing to a increase in treasury stock and an decrease in unrealized gain on securities.

[2] State of cash flows

Cash generated by operating activities in the term under review reached 454 million yen (compared with 4,556 million yen for the previous term). Income decreased in comparison to the previous term due to increases in accounts receivable and inventory assets, etc.

Cash used in investing activities was 872 million yen (compared with an investing activities outflow of 1,821 million yen during the previous term). Expenditures decreased in comparison to the previous term due to decreases in expenditure for the acquisition of tangible fixed assets and expenditure for the acquisition of intangible fixed assets, etc.

Cash used for financing activities was 1,838 million yen (compared with a cash outflow of 848 million yen for previous term). Expenditures increased in comparison to the previous term due to increases in expenditure for the repayment of long-term loans, etc.

As a result of the above, the term-end balance of cash and cash equivalents on a consolidated basis decreased 2,256 million yen to 5,784 million yen (compared with 8,041 million yen for the previous term).

Cash flow indices for the Group are shown below.

	Year ended March 2008	Year ended March 2009	Year ended March 2010	Year ended March 2011
Capital-to-asset ratio (%)	36.4	36.5	38.0	37.9
Capital-to-asset ratio on market value basis (%)	16.8	16.0	17.3	19.3
Cash flow-to-interest-bearing debt ratio (year)	4.7	3.7	2.6	23.9
Interest coverage ratio	13.0	15.2	21.9	2.2

Note: Capital-to-asset ratio: Shareholders' equity/Total assets

Capital-to-asset ratio on market value basis: Market capitalization for stock/Total assets

Cash flow-to-interest-bearing debt ratio: Interest-bearing debts/Cash flows from operating activities

Interest coverage ratio: Cash flows from operating activities/Interest payment

1. Each of the indexes above was calculated based on the financial data on a consolidated basis.
2. Market capitalization for stock was calculated as follows: Term-end closing price for shares x Term-end number of shares outstanding (after deduction for treasury stock).
3. For the Cash flows from operating activities, the data for cash flows from operating activities as stated in the Consolidated statements of cash flows was used. Interest bearing debt covers all types of debt with interest payment among the debt stated in the Consolidated balance sheet. For interest payments, the data for interest paid as shown in the Consolidated statements of cash flows was used.

(3) Basic policy regarding dividend payment, and dividend payments for the current term and next term

With respect to dividend payments, TOLI understands that returning profits to its shareholders is an important mission, and its basic policy is to continue paying dividends using a stable approach. To this end, we believe that we need to bolster and stabilize our operating foundations over the long term. The Company decides the amounts and frequency of its dividend payments by taking into consideration the overall management environment with a medium- and long-term outlook, as well as considering the Company's financial situation for each fiscal term. Decision-making bodies for the Company with respect to term-end dividends and interim dividends are the general meetings of shareholders and the Board of Directors, respectively.

For the fiscal year under review, we plan to pay a term-end dividend of 5 yen per share. In regard to the dividend for the next term, we plan to pay a similar term end dividend of 5 yen per share.

2. The TOLI Group

The TOLI Group is comprised of 21 companies: the Company, 18 subsidiaries and 2 affiliates, and conducts business in two segments, Product business including the manufacture of interior products centered on interior decoration materials and other related operations, and Interior wholesaling and installation business including the purchase and sale of interior related materials and interior decoration work, etc.

The positioning of the Company and its related companies, and relations with segments are as follows. These are the same categories as in the segment information.

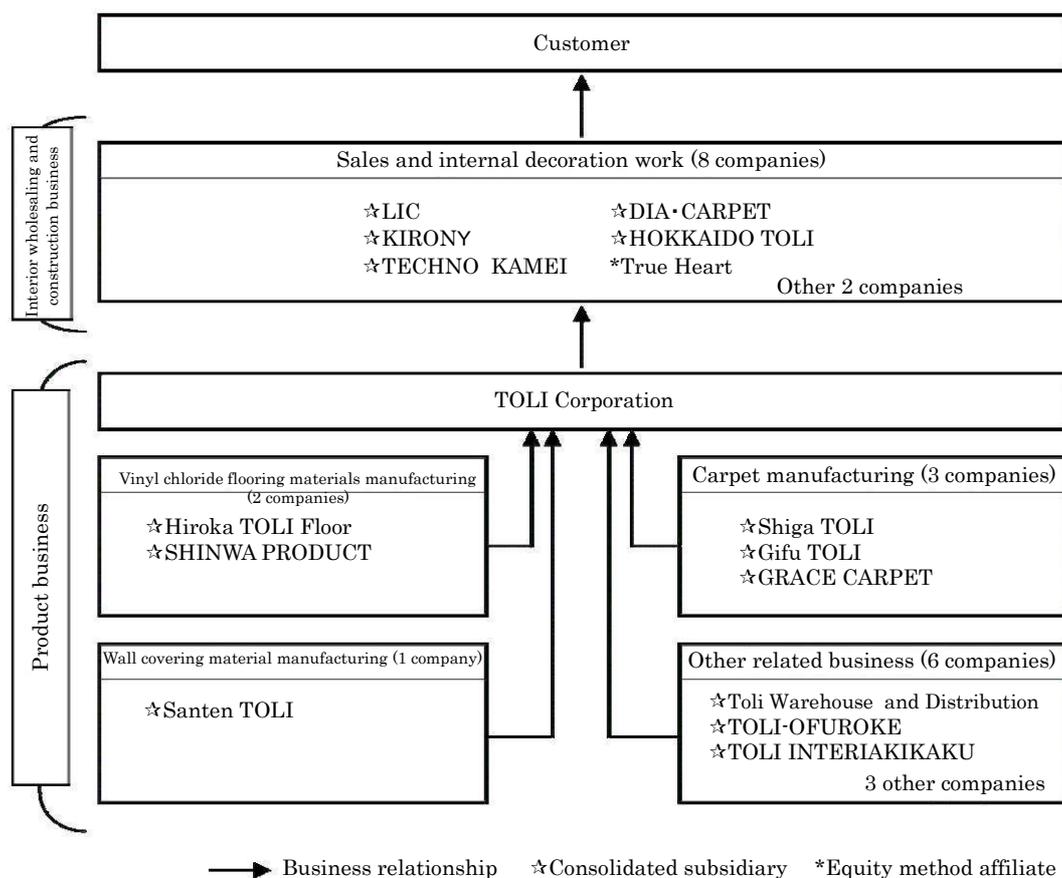
< Product business >

The Company, Hiroka TOLI Floor Co., Ltd. and SHINWA PRODUCT CO.LTD. manufacture vinyl chloride floor material products, Siga TOLI Co.Ltd., Gifu TOLI Co.Ltd. and GRACE CARPET LIMITED manufacture carpet, and Santen TOLI Co.Ltd. manufactures wall covering materials under the control of the Company's Operations Division. In addition, companies including TOLI INTERIAKIKAKU Corporation, etc., carry out curtain planning and sewing production, and TOLI-OFUROKE Corporation carries out maintenance of interior decorating materials as other related business. Toli Warehouse and Distribution Company, Limited carries out product inventory management and distribution work for the TOLI Group.

< Interior wholesaling and installation business >

Various sales companies such as LIC CO.,LTD, KIRONY Co.,Ltd., TECHNO KAMEI CORPORATION., DIA · CARPET CO.,LTD., HOKKAIDO TOLI Corporation and True Heart Co.,Ltd, etc., purchase and sell interior-related materials and carry out interior decoration work, etc.

The main roles and business relationships of each of the group companies listed above is as shown in the illustration below.



3. Management policy

(1) Basic management policy

The TOLI Group operates based on the following three management principles: “We will contribute to improving lifestyles and culture through our interior decoration business;” “Customer-first thinking is our code of conduct;” and “We seek to become the leader in the total interior business.” With “Everything is for the customer” as our action guideline, we aim to provide products and services that can bring quality to every kind of residential, commercial and other space that people encounter in their daily lives, including houses and residential buildings, office buildings, schools, medical and welfare facilities and commercial facilities. Through these activities, we seek to continually raise our corporate value. We will strictly observe all laws and ordinances, and we will always conduct ourselves as a good corporate citizen, fulfilling our responsibility toward society, for example by preserving the global environment. Our goal is to be a corporate group that society will trust, with great expectations.

(2) Operating targets

The management goal for the TOLI Group is to be a true leader in the interior decoration industry, and to earn the trust and support of our customers. To achieve this goal, we will improve operational efficiency throughout the Group, bolster our earnings foundation and increase asset efficiency in order to achieve steady profits and maximize the share price.

The Company froze the management indicators set in the medium term management plan for fiscal year 2009 to 2011, Change & Challenge 2011, because of uncertain outlook in the management environment, but the numerical indicators for fiscal year 2011, the final year of this medium term management plan were sales of 82,000 million yen, operating income of 900 million yen, ordinary income of 800 million yen and net income of 400 million yen, and the Company will strive for the strengthening of its revenue base towards further growth.

(3) The Company’s medium-term business management strategy

The TOLI Group is currently promoting the medium term business plan for fiscal 2009 to fiscal 2011, “Change & Challenge 2011.” In this plan, while continuing to promote the measures to strengthen earnings capabilities that were undertaken in GROW UP 2008, the previous plan, the Group raises the 3 themes described below as its key strategies in order to acquire growth potential steadily, with a view to the future. We will execute measures and policies aimed at the achievement of these key indicators as a Group.

I. Residential market capture and business expansion

TOLI will develop new goods and materials that fixed on the potential needs of people living in residential housing and others who supply such housing, including the home improvement market, which is expected to expand further in the future.

II. Strengthening of environmental response capabilities

TOLI will focus on environmental responsiveness, currently indispensable in the management of business, to raise growth potential and profitability through the development of goods and services and fulfill our social responsibilities as a company.

III. Challenging in new areas

In order to look to the coming 5 or 10 years and cultivate new profit mainstays leading to the next generation, TOLI will focus on research and development for tomorrow and take advantage of the Group’s technological power to take on the challenge of expanding into business areas that were not previously on its line of growth.

Furthermore, in promoting the key strategies described above, we will make thoroughgoing efforts towards the strengthening of our operating base founded on technology and to improve the efficiency of our sales organization and marketing activities. In addition, by advancing promotion technology, we will further increase the sales capabilities of the Group. We will also promote management that emphasizes cashflow and push through the establishment of the Group’s CSR structure to improve the quality of management. The TOLI Group will focus on the development and cultivation of human resources, particularly important as an operating base, aiming at the achievement of our management targets.

(4) Challenges that the Company should address

The Company Group has formulated Change & Challenge 2011, its medium term business plan and will promote efforts aimed at the achievement of key strategy targets. The TOLI Group is conscious of its social mission as the total interior manufacturer that leads the industry, and along with making efforts in detailed product development and the positive promotion of sales in order to propose comfortable lifestyles for customers, the TOLI Group will also exert itself in business activities that can contribute to the recovery and restoration of areas affected by the Great East Japan Earthquake. By steadily executing the medium term business plan, we aim to overcome the challenges that stem from uncertainties in the business environment, which include the rising costs of key materials associated with fluctuations in crude oil prices and intensifying competition. We believe that a significant challenge for us is to bolster the foundations of our business to establish more powerful and resilient structures and to accelerate the pace of growth.

We are well aware that as a manufacturer, efforts towards environmental protection and the quality of safety are among the most pressing issues we face. We have expressed our desire to be a corporate group that is friendly towards people and the earth in our TOLI ECO SPIRIT philosophy, and we will work earnestly to alleviate environmental problems from a variety of perspectives, including the development of a low-carbon society. By striving towards the research and development of products that are friendly to people and the earth and by supplying such products to people while using limited resources effectively, we will fulfill our responsibilities as a corporate citizen and make efforts so that we can continue being a corporate group that is trusted and counted on around the world.

The TOLI Group recognizes that the achievement and maintenance of adequacy in all operations including accounting is another important management issue. The TOLI Group has built and operates an evaluation and management system for internal controls to handle the internal controls reporting system, and by further developing this system we plan to streamline and clarify corporate management and strengthen governance.

(5) Other important matters for corporate management

No corresponding item exists.

4. Consolidated financial statements

(1) Consolidated Balance Sheets

(Unit: million yen)

	Previous consolidated fiscal year (March 31, 2010)	Current consolidated fiscal year (March 31, 2011)
Assets		
Current assets		
Cash and deposits	7,389	5,132
Notes and accounts receivable	22,542	24,838
Securities	714	714
Goods and products	5,596	5,946
Work-in-progress	776	808
Raw materials and stored goods	1,328	1,249
Deferred tax assets	412	490
Others	814	861
Allowance for doubtful receivables	(254)	(283)
Total current assets	39,320	39,759
Fixed assets		
Tangible fixed assets		
Buildings and structures	18,802	18,920
Cumulative depreciation	(12,768)	(13,241)
Accumulated impairment losses	-	(79)
Buildings and structures (Net amount)	6,034	5,599
Machinery and vehicles	22,156	22,196
Cumulative depreciation	(19,885)	(20,361)
Machinery and vehicles (Net amount)	2,270	1,835
Equipment	2,301	2,233
Cumulative depreciation	(2,083)	(2,074)
Accumulated impairment losses	-	(0)
Equipment (Net amount)	217	158
Land	8,685	8,672
Lease assets	187	213
Cumulative depreciation	(33)	(75)
Lease assets (net)	153	137
Construction in progress	142	102
Total tangible fixed assets	17,504	16,506
Intangible assets		
Goodwill	150	78
Software	537	470
Lease assets	200	165
Others	147	78
Total intangible assets	1,034	792
Investments and other assets		
Investment securities	3,177	3,332
Long-term loans receivable	200	174
Deferred tax assets	1,894	1,824
Others	2,244	2,092
Allowance for doubtful receivables	(414)	(331)
Total investments and other assets	7,102	7,092
Total fixed assets	25,641	24,393
Total assets	64,961	64,152

(Unit: million yen)

	Previous consolidated fiscal year (March 31, 2010)	Current consolidated fiscal year (March 31, 2011)
Liabilities		
Current liabilities		
Notes and accounts payable	20,487	20,660
Short-term borrowings	2,450	3,317
Lease liabilities	60	68
Accrued corporation taxes	113	302
Accrued expenses	1,202	1,326
Reserve for bonus payable	487	499
Reserve for disaster losses	-	13
Others	1,259	1,064
Total current liabilities	26,061	27,252
Fixed liabilities		
Long-term borrowings	7,500	5,800
Lease liabilities	169	135
Reserve for retirement allowance	4,066	4,052
Asset retirement obligations	-	89
Long-term guarantee deposits	1,676	1,683
Others	557	596
Total fixed liabilities	13,969	12,357
Total liabilities	40,030	39,610
Net assets		
Shareholders' equity		
Capital	6,855	6,855
Capital surplus	6,423	6,423
Earned surplus	11,780	11,738
Treasury stock	(853)	(1,015)
Total shareholders' equity	24,205	24,001
Accumulated other comprehensive income		
Unrealized gain (loss) on securities	478	298
Total accumulated other comprehensive income	478	298
Minority interests	246	242
Total net assets	24,930	24,542
Total liabilities and net assets	64,961	64,152

(2) Consolidated statement of income and consolidated statement of comprehensive income
(Consolidated Statements of Income)

(Unit: million yen)

	Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Current consolidated fiscal year (April 1, 2010 - March 31, 2011)
Net sales	81,330	79,614
Cost of sales	58,412	57,761
Gross profit	22,917	21,853
Selling and general administrative expenses		
Freight and packaging expenses	4,874	4,823
Advertising expenses	1,633	1,630
Sales charges	227	246
Provision for allowance for doubtful receivables	30	72
Salaries and bonuses	5,943	5,792
Provision for reserve for bonuses	339	359
Retirement allowance expenses	759	652
Transfers to reserve for severance indemnities to directors and corporate auditors	17	-
Depreciation	1,029	741
Goodwill amortization	66	71
Others	6,850	6,544
Total selling and general administrative expenses	21,772	20,933
Operating profit	1,145	919
Non-operating income		
Interest income	14	11
Dividends income	55	62
Purchase discount	70	70
Real estate rental charges	55	52
Insurance dividends	110	33
Others	98	102
Total non-operating income	405	332
Non-operating expenses		
Interest expense	208	202
Sales discounts	109	104
Loss on equity method investment	38	1
Others	99	75
Total non-operating expense	455	384
Ordinary profit	1,094	867

(Unit: million yen)

	Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Current consolidated fiscal year (April 1, 2010 - March 31, 2011)
Extraordinary income		
Gain on sale of investment securities	1	11
Adjustment for allowance for doubtful receivables	39	41
Total extraordinary income	41	52
Extraordinary loss		
Loss on disposal of fixed assets	49	56
Impairment losses	-	21
Loss on sale of investment securities	2	-
Write-down of investment securities	16	-
Write-down of memberships	3	-
Loss from closure of retirement benefit system	72	-
Losses due to disaster	-	* 103
Effect of application of Accounting Standard for Asset Retirement Obligations	-	82
Others	-	1
Total extraordinary loss	144	265
Net profit before taxes and other adjustments	991	655
Corporation tax, local inhabitants taxes, and enterprise taxes	89	263
Deferred corporation tax	394	114
Total corporation and other taxes	483	378
Net profit before minority interests	-	276
Minority interests	1	2
Current term net profit	506	274

(Consolidated statement of comprehensive income)

(Unit: million yen)

	Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Current consolidated fiscal year (April 1, 2010 - March 31, 2011)
Net profit before minority interests adjustments	-	276
Other comprehensive income		
Unrealized gain (loss) on securities	-	(180)
Total other comprehensive income	-	*2 (180)
Comprehensive income	-	*1 96
(Breakdown)		
Comprehensive income related to shareholders of the parent company	-	93
Comprehensive income related to minority shareholders	-	2

(3) Consolidated Statement of Changes in Shareholders' Equity, etc.

(Unit: million yen)

	Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Current consolidated fiscal year (April 1, 2010 - March 31, 2011)
Shareholders' equity		
Capital		
Balance at end of previous term	6,855	6,855
Change during current term		
Total change during current term	-	-
Balance at end of current term	6,855	6,855
Capital surplus		
Balance at end of previous term	6,488	6,423
Change during current term		
Disposal of treasury stock	(64)	-
Total change during current term	(64)	-
Balance at end of current term	6,423	6,423
Earned surplus		
Balance at end of previous term	11,710	11,780
Change during current term		
Distribution of surplus	(436)	(316)
Current term net profit	506	274
Total change during current term	69	(42)
Balance at end of current term	11,780	11,738
Treasury stock		
Balance at end of previous term	(1,064)	(853)
Change during current term		
Acquisition of treasury stock	(8)	(162)
Disposal of treasury stock	219	-
Total change during current term	210	(162)
Balance at end of current term	(853)	(1,015)
Total shareholders' equity		
Balance at end of previous term	23,989	24,205
Change during current term		
Distribution of surplus	(436)	(316)
Current term net profit	506	274
Acquisition of treasury stock	(8)	(162)
Disposal of treasury stock	154	-
Total change during current term	215	(204)
Balance at end of current term	24,205	24,001

(Unit: million yen)

	Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Current consolidated fiscal year (April 1, 2010 - March 31, 2011)
Accumulated other comprehensive income		
Other marketable securities valuation differences		
Balance at end of previous term	383	478
Change during current term		
Change during current term in items other than shareholders' equity (net)	94	(180)
Total change during current term	94	(180)
Balance at end of current term	478	298
Total accumulated other comprehensive income		
Balance at end of previous term	383	478
Change during current term		
Change during current term in items other than shareholders' equity (net)	94	(180)
Total change during current term	94	(180)
Balance at end of current term	478	298
Minority interests		
Balance at end of previous term	248	246
Change during current term		
Change during current term in items other than shareholders' equity (net)	(1)	(4)
Total change during current term	(1)	(4)
Balance at end of current term	246	242
Total net assets		
Balance at end of previous term	24,621	24,930
Change during current term		
Distribution of surplus	(436)	(316)
Current term net profit	506	274
Acquisition of treasury stock	(8)	(162)
Disposal of treasury stock	154	-
Change during current term in items other than shareholders' equity (net)	93	(184)
Total change during current term	309	(388)
Balance at end of current term	24,930	24,542

(4) Consolidated Statements of Cash Flows

(Unit: million yen)

	Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Current consolidated fiscal year (April 1, 2010 - March 31, 2011)
Cash flows from operating activities		
Net profit before taxes and other adjustments	991	655
Depreciation	1,907	1,561
Impairment losses	-	97
Goodwill amortization	66	71
Long-term prepaid expenses depreciation	362	512
Loss on disposal of fixed assets	49	58
Gain or loss on sale of investment securities (brackets denote a gain)	0	(11)
Gain or loss on appraisal of investment securities (brackets denote a gain)	16	-
Change in allowance for doubtful receivables (brackets denote a decrease)	(125)	(54)
Change in reserve for retirement allowance (brackets denote a decrease)	(60)	(14)
Change in reserve for severance indemnities to directors and corporate auditors (brackets denote a decrease)	(9)	-
Equity in earnings or loss of subsidiary or affiliated company (brackets denote a gain)	38	1
Interest and dividend income	(70)	(73)
Interest expense	208	202
Change in trade receivables (brackets denote an increase)	2,118	(2,276)
Change in value of inventory assets (brackets denote an increase)	865	(303)
Change in trade payables (brackets denote a decrease)	(1,567)	144
Others	99	92
Sub total	4,891	663
Interest and dividend received	70	69
Interest paid	(208)	(202)
Payment or refund of company tax, etc (brackets denote a payment)	(196)	(75)
Cash flows from operating activities	4,556	454
Cash flows from investing activities		
Payments into time deposits	(62)	(62)
Income from time deposits	12	62
Expenditure on the acquisition of securities	-	(99)
Income from the redemption of securities	-	100
Expenditure on the acquisition of tangible fixed assets	(1,037)	(451)
Income from the sale of tangible fixed assets	0	0
Expenditure on the acquisition of intangible fixed assets	(544)	(89)
Expenditure on the acquisition of investment securities	(196)	(479)
Income from the sale of investment securities	21	41
Expenditure on loans	(69)	(67)
Income from the return of loans receivable	106	104
Others	(52)	68
Cash flows from investing activities	(1,821)	(872)

(Unit: million yen)

	Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Current consolidated fiscal year (April 1, 2010 - March 31, 2011)
Cash flows from financing activities		
Net repayment in short-term borrowings (brackets denote a decrease)	10	(32)
Extension of long-term borrowings	400	1,300
Repayment of long-term borrowings	(600)	(2,100)
Expenditures due to repayment of lease liabilities	(57)	(67)
Expenditures due to repayment of accrued liabilities	(307)	(456)
Payments for acquisition of treasury stock	(8)	(162)
Income from sale of treasury stock	154	-
Dividends paid	(436)	(316)
Dividends paid to minority shareholders	(3)	(3)
Cash flows from financing activities	(848)	(1,838)
Change in cash and cash equivalents (brackets denote a decrease)	1,886	(2,256)
Cash and cash equivalents at beginning of year	6,155	8,041
Cash and cash equivalents at end of year	8,041	5,784

(5) Notes on the assumption of the company as a going concern

No corresponding item exists.

(6) Basis of presenting consolidated financial statements

Accounting policies

[1] Significant asset evaluation standard and evaluation method

Securities

Other marketable securities

Securities with a market value

Mainly the market value method based on the average of the market price, etc., during the month prior to the last day of the consolidated fiscal year (the total difference in valuation is processed based on direct entry in net assets and the cost of the sale is calculated based on the moving average method)

[2] Accounting standard for significant allowances

Reserve for disaster losses

The Company posted an estimated value at the end of the consolidated accounting period in readiness for expenditures required for the restoration, etc., of assets damaged by natural disaster.

With the exception of “(7) Change in the basis of presenting consolidated financial statements” below, disclosure is omitted, as no important change has taken place in the most recent securities report (submitted on June 25, 2010).

(7) Change in the basis of presenting consolidated financial statements

Change in accounting policies

(Application of the Accounting Standard for Asset Retirement Obligations)

The Company is applying the Accounting Standard for Asset Retirement Obligations (ASBJ Statement No. 18, March 31, 2008) and the Guidance on Accounting Standard for Asset Retirement Obligations (ASBJ Guidance No. 21, March 31, 2008) from the consolidated accounting term under review.

By doing so, operating income and ordinary income have both fallen by 3 million yen and net profit before taxes and other adjustments has fallen by 86 million yen.

(Application of the Accounting Standard for Equity Method of Accounting for Investments and the Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method)

The Company is applying the Accounting Standard for Equity Method of Accounting for Investments (ASBJ Statement No. 16, March 10, 2008) and the Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method (ASBJ PITF No. 24, March 10, 2008) from the consolidated accounting term under review and has made the corrections required in the consolidated settlement of accounts.

The impact on profit and loss due to this application is minor.

(Application of the Accounting Standard for Business Combinations)

The Company is applying the Accounting Standard for Business Combinations (ASBJ Statement No. 21, December 26, 2008), the Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, December 26, 2008) and the Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No. 10 (Revised December 26, 2008)) from the consolidated accounting term under review.

Changes in presentation methods

(Consolidated statement of profit and loss)

1. In the last consolidated accounting year, “Write-down of investment securities” was displayed separately under “Extraordinary loss”, but because this item is not significant in the consolidated accounting year under review, it has been shown included in “Others” under “Extraordinary loss.” The value of “Loss on appraisal of investment securities,” which is included in “Others” under “Extraordinary loss” in the consolidated accounting year under review is 0 million yen.
2. The Company is applying the Cabinet Office Ordinance on the Partial Correction of the Regulation for Terminology, Forms and Preparation of Financial Statements, etc. (Cabinet Office Ordinance No. 5, March 24, 2009) based on the Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, December 26, 2008) from the consolidated accounting term under review and is presenting the accounts including the account heading “Net profit before minority interests.”

(Consolidated Statements of Cash Flows)

In the last consolidated accounting year, “Gain or loss on appraisal of investment securities” was displayed separately under “Cash flows from operating activities,” but because this item is not significant in the consolidated accounting year under review, it has been shown included in “Others” under “Cash flows from operating activities.” The value of “Gain or loss on appraisal of investment securities” shown included in “Others” under “Cash flows from operating activities” in the consolidated accounting year under review is 0 million yen.

Additional information

(Accounting Standard on the Presentation of Comprehensive Income)

The “Accounting Standard for Measurement of Inventories” (ASBJ Statement No. 25, published on June 30, 2010) has been applied from the consolidated fiscal year under review. However, the values of “Accumulated other comprehensive income” and “Total accumulated other comprehensive income” for the last consolidated accounting term were presented as the values of “Unrealized gain (loss) and equity adjustment from currency translation” and “Total unrealized gain (loss) and equity adjustment from foreign currency translation.”

(8) Notes on consolidated financial statements

(Consolidated statement of profit and loss)

* Losses due to disaster

These are the losses due to the Great East Japan Earthquake and the breakdown is as follows.

Losses on valuation of inventory assets	12 million yen
Impairment losses	75 million yen
Loss on disposal of fixed assets	2 million yen
Provision of reserve for disaster losses	13 million yen

(Notes on the consolidated statement of comprehensive income)

Current consolidated fiscal year (April 1, 2010 - March 31, 2011)

* 1. Comprehensive income for the consolidated accounting year immediately preceding the consolidated accounting year under review

Comprehensive income related to shareholders of the parent company	600 million yen
Comprehensive income related to minority shareholders	1 million yen
<u>Total</u>	<u>602 million yen</u>

* 2. Other comprehensive income for the consolidated accounting year immediately preceding the consolidated accounting year under review

<u>Unrealized gain (loss) on securities</u>	<u>94 million yen</u>
<u>Total</u>	<u>94 million yen</u>

(Segment Information)

a. Business segment information

Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)

	Vinyl chloride products business (million yen)	Textile products business (million yen)	Other businesses (million yen)	Total (million yen)	Elimination or Group-wide businesses (million yen)	Consolidated (million yen)
I Net sales						
(1) Net sales to external customers	26,920	26,447	27,962	81,330	-	81,330
(2) Internal sales or transfers among segments	-	-	-	-	(-)	-
Total net sales	26,920	26,447	27,962	81,330	(-)	81,330
Operating expenses	25,481	25,142	28,053	78,676	1,507	80,184
Operating profit or operating (loss)	1,439	1,304	(90)	2,653	(1,507)	1,145
II. Assets, depreciation and capital expenditure						
Assets	18,651	19,632	12,507	50,791	14,169	64,961
Depreciation	802	494	220	1,517	455	1,973
Capital expenditures	609	348	147	1,104	72	1,177

(Note) 1 Business segments are determined based on units for sales aggregation.

2 Main products in each segment

(1) Vinyl chloride products segment: Vinyl-chloride tiles and vinyl chloride sheets

(2) Textile products business: Carpets, curtains

(3) Other businesses: Wallpaper, adhesives, blinds, etc.

3 Of operating expenses for the fiscal year under review, unallocatable operating expenses included in the segment of elimination or Group-wide businesses were 1,507 million yen. They were mainly consisted of expenses related to the General Affairs and Personnel Department, the Accounting Department, etc. of the head office of the submitting company.

4 Of assets for the fiscal year, Group-wide assets included in the elimination or Group-wide segment were 14,169 million yen. The main assets included excess funds (cash and securities), long-term investment funds (investment securities, etc.), and assets related to the administrative division of the submitting company.

b. Geographical segment information

Previous consolidated fiscal year (from April 1, 2009 to March 31, 2010)

Not applicable, since the submitting company did not have overseas branches or consolidated subsidiaries.

c. Overseas sales

Previous consolidated fiscal year (from April 1, 2009 to March 31, 2010)

Description of overseas sales is omitted because they were less than 10% of consolidated sales.

d. Segment Information

1. Outline of reporting segments

The Company's reporting segments are those of the TOLI Group's constituent units for which segregated financial information can be obtained and are subject to the Board of Directors conducting regular investigations in order to determine the allocation of management resources and evaluate performance.

The TOLI Group manufactures, purchases and sells interior products centered on interior decoration materials, and also performs interior-related decoration work, and has 2 reporting segments: "Product business" and "Interior wholesaling and installation business."

In regard to "Product business," apart from the Company, related companies under the control of the Company's Operations Division manufacture interior products such as vinyl chloride floor materials and carpets, etc., and carry out services related to that such as interior decoration material maintenance, product warehouse management and distribution, etc.

In regard to "Interior wholesaling and installation business," related companies that manage sales and marketing operations purchase and sell interior-related materials, and carry out interior decoration-related work, etc.

2. Information on sales, profit or loss, assets, liabilities and other values for each reporting segment

Previous consolidated fiscal year (from April 1, 2009 to March 31, 2010)

(Unit: million yen)

	Reporting segment			Adjustment (Note) 1	Value posted in the consolidated financial statements (Note) 2
	Product business	Interior wholesaling and installation business	Total		
Net sales					
Sales to external customers	26,606	54,723	81,330	-	81,330
Internal sales or transfers between segments	24,061	317	24,379	(24,379)	-
Total	50,668	55,041	105,709	(24,379)	81,330
Segment profit	1,056	132	1,188	(93)	1,094
Segment assets	56,658	23,366	80,024	(15,063)	64,961
Other items					
Depreciation	1,759	147	1,907	-	1,907
Goodwill amortization	53	18	72	(6)	66
Interest income	12	26	38	(24)	14
Interest expense	224	8	233	(24)	208
Investment losses on equity in affiliates	38	0	38	-	38
Value of investment in equity method affiliates	20	-	20	-	20
Total tangible fixed assets and increase in intangible fixed assets	1,082	106	1,189	(12)	1,177

(Notes) 1. Due to adjustment of segment income -93 million yen, adjustment of segment assets -15,063 million yen, and the elimination of transactions between segments.

2. Segment income has been adjusted with ordinary income in the consolidated statement of profit and loss.

Current consolidated fiscal year (from April 1, 2010 to March 31, 2011)

(Unit: million yen)

	Reporting segment			Adjustment (Note) 1	Value posted in the consolidated financial statements (Note) 2
	Product business	Interior wholesaling and installation business	Total		
Net sales					
Sales to external customers	26,355	53,259	79,614	-	79,614
Internal sales or transfers between segments	22,719	403	23,122	(23,122)	-
Total	49,074	53,662	102,737	(23,122)	79,614
Segment profit	590	286	877	(9)	867
Segment assets	54,730	23,349	78,079	(13,927)	64,152
Other items					
Depreciation	1,490	71	1,561	-	1,561
Goodwill amortization	57	19	77	(6)	71
Interest income	11	19	31	(20)	11
Interest expense	215	7	222	(20)	202
Investment losses on equity in affiliates	1	-	1	-	1
Value of investment in equity method affiliates	20	-	20	-	20
Total tangible fixed assets and Increase in intangible fixed assets	479	64	543	-	543

(Notes) 1. Due to adjustment of segment income -9 million yen, adjustment of segment assets -13,927 million yen, and the elimination of transactions between segments.

2. Segment income has been adjusted with ordinary income in the consolidated statement of profit and loss.

e. Information on the impairment losses on fixed assets for each segment

Previous consolidated fiscal year (from April 1, 2009 to March 31, 2010)

No corresponding item exists.

Current consolidated fiscal year (from April 1, 2010 to March 31, 2011)

(Unit: million yen)

	Reporting segment			Company-wide/ elimination	Total
	Product business	Interior wholesaling and installation business	Total		
Impairment losses	75	21	97	-	97

f. Information on the amortization and un-amortized balance of goodwill for each segment
Previous consolidated fiscal year (from April 1, 2009 to March 31, 2010)

(Unit: million yen)

	Reporting segment			Company-wide/ elimination	Total
	Product business	Interior wholesaling and installation business	Total		
Term-end un-amortized balance	111	56	168	(17)	150

(Note) Because the same information on the amortization of goodwill has been presented in the segment information, it has been omitted here.

Current consolidated fiscal year (from April 1, 2010 to March 31, 2011)

(Unit: million yen)

	Reporting segment			Company-wide/ elimination	Total
	Product business	Interior wholesaling and installation business	Total		
Term-end un-amortized balance	53	36	90	(11)	78

(Note) Because the same information on the amortization of goodwill has been presented in the segment information, it has been omitted here.

(Additional information)

The Company is applying the Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Statement No. 17 (Revised March 27, 2009)) and the Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Guidance No. 20, March 21, 2008) from the consolidated accounting term under review.

(Per-share data)

Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)		Current consolidated fiscal year (April 1, 2010 - March 31, 2011)	
Net assets per share	390.52 yen	Net assets per share	390.51 yen
Net income per share	8.11 yen	Net income per share	4.34 yen

(Note) 1 Diluted net income per share is omitted because there was no potential dilution.

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

	Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Current consolidated fiscal year (April 1, 2010 - March 31, 2011)
Net income per share		
Net income as stated in the Consolidated Statements of Income (million yen)	506	274
Net income pertaining to common stock (million yen)	506	274
Amount not belonging to common stockholders (million yen)	-	-
Average number of common stock shares during the period (thousands of shares)	62,387	63,125

(Important post-balance sheet events)

No corresponding item exists.

(Omission of disclosure)

Notes concerning lease transactions, related party transactions, tax effect accounting, financial products, securities, derivative transactions, retirement allowances and real estate including rental properties are not disclosed, as little need is believed to exist for disclosure in a financial announcement document.

5. Company-specific financial statements

(1) Balance Sheets

(Unit: million yen)

	Previous fiscal year (March 31, 2010)	Current fiscal year (March 31, 2011)
Assets		
Current assets		
Cash and deposits	5,918	3,663
Notes receivable	3,815	4,994
Accounts receivable	13,793	13,776
Securities	714	714
Goods and products	5,515	5,906
Work-in-progress	197	195
Raw materials and stored goods	918	787
Advance payments	9	0
Prepaid expenses	292	406
Deferred tax assets	218	255
Short-term loans	1,664	1,874
Accounts receivable	2,250	2,240
Others	44	52
Allowance for doubtful receivables	(110)	(73)
Total current assets	35,241	34,796
Fixed assets		
Tangible fixed assets		
Buildings (net)	4,541	4,235
Structures (net)	270	236
Machinery and equipment (net)	1,475	1,174
Motor vehicles and transport equipment (net)	9	8
Equipment (net)	169	122
Land	6,032	6,032
Lease assets (net)	124	94
Construction in progress	97	41
Total tangible fixed assets	12,720	11,945
Intangible assets		
Goodwill	114	53
Software	479	431
Lease assets	191	144
Others	97	35
Total intangible assets	884	665

(Unit: million yen)

	Previous fiscal year (March 31, 2010)	Current fiscal year (March 31, 2011)
Investments and other assets		
Investment securities	2,705	2,882
Shares in affiliated companies	1,373	1,364
Investments	22	19
Long-term loans to employees	150	131
Long-term loans to affiliated company	213	151
Bankruptcy rehabilitation claims, etc.	96	13
Long-term advance charges	320	301
Deferred tax assets	1,516	1,427
Others	890	861
Allowance for doubtful receivables	(114)	(31)
Total investments and other assets	7,175	7,121
Total fixed assets	20,780	19,733
Total assets	56,022	54,529
Liabilities		
Current liabilities		
Notes payable	1,708	1,794
Accounts payable	11,928	12,669
Short-term borrowings	300	300
Current portion of long-term borrowings	2,100	3,000
Lease liabilities	51	51
Arrears	860	632
Accrued expenses	1,115	1,126
Accrued corporation taxes	73	67
Advance receipts	-	3
Deposits	4,575	3,833
Advance received profit	4	2
Reserve for bonus payable	267	266
Reserve for disaster losses	-	13
Others	2	1
Total current liabilities	22,988	23,762
Fixed liabilities		
Long-term borrowings	7,500	5,800
Lease liabilities	140	89
Reserve for retirement allowance	3,046	3,008
Asset retirement obligations	-	51
Long-term guarantee deposits	1,608	1,596
Others	421	419
Total fixed liabilities	12,717	10,966
Total liabilities	35,706	34,728

(Unit: million yen)

	Previous fiscal year (March 31, 2010)	Current fiscal year (March 31, 2011)
Net assets		
Shareholders' equity		
Capital	6,855	6,855
Capital surplus		
Capital reserve	1,789	1,789
Other capital surplus	4,633	4,633
Total capital surplus	6,423	6,423
Earned surplus		
Other earned surplus		
Special reserves	5,000	5,000
Earned surplus carried forward	2,439	2,254
Total earned surplus	7,439	7,254
Treasury stock	(853)	(1,015)
Total shareholders' equity	19,864	19,517
Unrealized gain (loss) and equity adjustment from currency translation		
Unrealized gain (loss) on securities	450	283
Total unrealized gain (loss) and equity adjustment from foreign currency translation	450	283
Total net assets	20,315	19,800
Total liabilities and net assets	56,022	54,529

(2) Statements of Income

(Unit: million yen)

	Previous fiscal year (April 1, 2009 - March 31, 2010)	Current fiscal year (April 1, 2010 - March 31, 2011)
Net sales		
Product sales	13,807	14,680
Goods sales	36,604	34,257
Total sales	50,412	48,938
Cost of sales		
Product inventories at start of term	1,498	1,556
Current term product manufacturing costs	8,297	9,449
Total	9,796	11,006
Product inventories at end of term	1,556	1,592
Product transfers to other accounts	161	193
Cost variance	(78)	(422)
Product sales costs	8,000	8,797
Goods inventories at start of term	4,444	3,959
Current term goods purchased	26,363	25,801
Total	30,808	29,760
Goods inventories at end of term	3,959	4,313
Goods transfers to other accounts	515	277
Goods sales costs	26,334	25,170
Total sales costs	34,334	33,968
Gross profit	16,077	14,970
Selling and general administrative expenses		
Freight and packaging expenses	4,761	4,628
Advertising expenses	277	268
Sample costs	1,224	1,313
Sales charges	257	261
Salaries and wages	2,296	2,315
Employee bonuses	378	311
Provision for reserve for bonuses	192	191
Retirement allowance expenses	468	424
Transfers to reserve for severance indemnities to directors and corporate auditors	10	-
Rental costs	1,037	1,003
Depreciation	853	640
Goodwill amortization	60	60
Technology research costs	567	543
Others	2,736	2,603
Total selling and general administrative expenses	15,123	14,566
Operating profit	953	404

(Unit: million yen)

	Previous fiscal year (April 1, 2009 - March 31, 2010)	Current fiscal year (April 1, 2010 - March 31, 2011)
Non-operating income		
Interest income	39	35
Interest on securities	3	3
Dividends income	122	74
Real estate rental charges	146	154
Insurance dividends	27	30
Others	112	123
Total non-operating income	453	422
Non-operating expenses		
Interest expense	225	215
Sales discounts	131	126
Others	52	40
Total non-operating expense	409	381
Ordinary profit	997	444
Extraordinary income		
Gain on sale of investment securities	1	8
Adjustment for allowance for doubtful receivables	36	67
Total extraordinary income	38	75
Extraordinary loss		
Loss on disposal of fixed assets	45	21
Loss on sale of investment securities	1	-
Write-down of investment securities	16	-
Write-down of stocks of subsidiaries and affiliates	-	9
Write-down of memberships	3	-
Operating loss at affiliates	71	-
Loss from closure of retirement benefit system	66	-
Losses due to disaster	-	103
Effect of application of Accounting Standard for Asset Retirement Obligations	-	46
Total extraordinary loss	204	180
Net profit before taxes and other adjustments	831	340
Corporation tax, local inhabitants taxes, and enterprise taxes	42	42
Deferred corporation tax	331	167
Total corporation and other taxes.	373	209
Current term net profit	457	130

(3) Statement of Changes in Shareholders' Equity, etc.

(Unit: million yen)

	Previous fiscal year (April 1, 2009 - March 31, 2010)	Current fiscal year (April 1, 2010 - March 31, 2011)
Shareholders' equity		
Capital		
Balance at end of previous term	6,855	6,855
Change during current term		
Total change during current term	-	-
Balance at end of current term	6,855	6,855
Capital surplus		
Capital reserve		
Balance at end of previous term	1,789	1,789
Change during current term		
Total change during current term	-	-
Balance at end of current term	1,789	1,789
Other capital surplus		
Balance at end of previous term	4,698	4,633
Change during current term		
Disposal of treasury stock	(64)	-
Total change during current term	(64)	-
Balance at end of current term	4,633	4,633
Earned surplus		
Other earned surplus		
Special reserves		
Balance at end of previous term	6,800	5,000
Change during current term		
Reversal of special reserve	(1,800)	-
Total change during current term	(1,800)	-
Balance at end of current term	5,000	5,000
Earned surplus carried forward		
Balance at end of previous term	618	2,439
Change during current term		
Distribution of surplus	(436)	(316)
Reversal of special reserve	1,800	-
Current term net profit	457	130
Total change during current term	1,821	(185)
Balance at end of current term	2,439	2,254
Treasury stock		
Balance at end of previous term	(1,064)	(853)
Change during current term		
Acquisition of treasury stock	(8)	(162)
Disposal of treasury stock	219	-
Total change during current term	210	(162)
Balance at end of current term	(853)	(1,015)

(Unit: million yen)

	Previous fiscal year (April 1, 2009 - March 31, 2010)	Current fiscal year (April 1, 2010 - March 31, 2011)
Total shareholders' equity		
Balance at end of previous term	19,698	19,864
Change during current term		
Distribution of surplus	(436)	(316)
Current term net profit	457	130
Acquisition of treasury stock	(8)	(162)
Disposal of treasury stock	154	-
Total change during current term	166	(347)
Balance at end of current term	19,864	19,517
Unrealized gain (loss) and equity adjustment from currency translation		
Unrealized gain (loss) on securities		
Balance at end of previous term	360	450
Change during current term		
Change during current term in items other than shareholders' equity (net)	90	(167)
Total change during current term	90	(167)
Balance at end of current term	450	283
Total unrealized gain (loss) and equity adjustment from foreign currency translation		
Balance at end of previous term	360	450
Change during current term		
Change during current term in items other than shareholders' equity (net)	90	(167)
Total change during current term	90	(167)
Balance at end of current term	450	283
Total net assets		
Balance at end of previous term	20,058	20,315
Change during current term		
Distribution of surplus	(436)	(316)
Current term net profit	457	130
Acquisition of treasury stock	(8)	(162)
Disposal of treasury stock	154	-
Change during current term in items other than shareholders' equity (net)	90	(167)
Total change during current term	257	(515)
Balance at end of current term	20,315	19,800

- (4) Notes on the assumption of the company as a going concern
No corresponding item exists.

6. Others

- (1) Transfers of directors
Relevant information will be disclosed when the details of disclosure are settled.

- (2) Others
No corresponding item exists.