

Summary of Consolidated Financial Results For the Fiscal Year Ended March 2012 [Japan GAAP]

April 20, 2012

Name of Company:	SPK CORPORATION
Stock Code:	7466
Stock Exchange Listing:	Tokyo Stock Exchange, First Section
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Representative	
Title:	President
Name:	Tomikazu Todoroki
Contact Person	
Title:	Senior Managing Director and General Manager of Administration Division
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Date of annual shareholders meeting	June 21, 2012
Date of commencement of dividend payment:	June 1, 2012
Date of filing of securities report:	June 21, 2012
Supplementary materials for financial report:	None
Information meeting for financial report:	Yes

(Yen in millions, rounded down)

1. Financial results for the fiscal year ended March 2012 (April 1, 2011 – March 31, 2012)

(1) Result of operations (Consolidated) (Percentage figures represent year on year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 2012	32,605	14.2	1,283	24.0	1,340	19.1	751	13.7
Fiscal year ended March 2011	28,554	14.1	1,035	32.4	1,125	20.9	660	27.6

Note: Comprehensive income

Fiscal year ended March 2011: 660 million yen (–%)

Fiscal year ended March 2010: – million yen (–%)

	Net income per share	Net income per share fully diluted	Return on equity	Ratio of ordinary income to assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 2012	142.45	-	6.9	8.6	3.9
Fiscal year ended March 2011	124.74	-	6.3	7.7	3.6

Reference: Equity-method income

Fiscal year ended March 2012: – million yen

Fiscal year ended March 2011: – million yen

(2) Financial position (Consolidated)

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2012	15,990	11,036	69.0	2,111.80
As of March 31, 2011	15,045	10,604	70.5	2,002.36

Reference: Shareholders' equity

As of March 31, 2012: 11,034 million yen

As of March 31, 2011: 10,604 million yen

(3) Cash flow position (Consolidated)

	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 March 2012	156	(409)	(239)	2,525
Fiscal year ended March 2011	209	257	(303)	2,997

2. Dividends

	Annual dividend					Aggregate amount (annual)	Payout ratio (Consolidated)	Dividends/ net assets (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of FY	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 2011	-	25.00	-	26.00	51.00	270	40.9	2.6
Fiscal year ended March 2012	-	26.00	-	27.00	53.00	278	37.2	2.6
Fiscal year ending March 2013 (est.)	-	27.00	-	28.00	55.00		33.8	

3. Forecast for the fiscal year ending March 2013 (Consolidated, April 1, 2012 – March 31, 2013)

(Percentage figures represent year on year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	16,000	0.8	630	15.8	650	11.8	380	12.4	72.71
Full year	34,000	4.3	1,400	9.1	1,450	8.2	850	13.1	162.64

* Others

- (1) Changes in significant subsidiaries (Changes in specific subsidiaries accompanied by changes in the scope of consolidation): None
- (2) Changes in accounting principles and estimates, and retrospective restatement
 - (a) Changes due to revision of accounting standards: No
 - (b) Changes other than in (a): No
 - (c) Changes in accounting estimates: No
 - (d) Retrospective restatement: No
- (3) Number of shares outstanding (common stock)
 - (a) Shares outstanding (including treasury stock)

As of March 31, 2012: 5,296,900	As of March 31, 2011: 5,296,900
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 - (b) Treasury stock

As of March 31, 2012: 70,746	As of March 31, 2011: 746
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 - (C) Average number of shares

As of March 31, 2012: 5,274,616	As of March 31, 2011: 5,296,183
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Non-consolidated Financial Results (For reference)

1. Financial results for the fiscal year ended March 2012 (April 1, 2011 – March 31, 2012)

(1) Result of operations (Non-consolidated) (Percentage figures represent year on year changes)

	Net sales		Operating income		Ordinary income	
	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 2012	28,804	4.6	1,002	21.8	1,128	23.6
Fiscal year ended March 2011	27,544	14.3	822	34.3	913	20.5

	Net income		Net income per share	Net income per share fully diluted
	Million yen	%	Yen	Yen
Fiscal year ended March 2012	644	20.3	122.15	-
Fiscal year ended March 2011	535	28.7	101.12	-

(2) Financial position (Non-consolidated)

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2012	14,479	10,126	69.9	1,937.62
As of March 31, 2011	14,118	9,837	69.7	1,857.57

Reference: Shareholders' equity

As of March 31, 2012: 10,126 million yen

As of March 31, 2011:

9,837 million yen

*Status of implementation of auditing procedure

The auditing procedure for the consolidated financial statements that is prescribed by the Financial Instruments and Exchange Act had not been completed when this financial report was released.

*Cautionary statement regarding forecasts of operating results and special notes

Forward-looking statements in these materials are based on information available to management at the time, this report was prepared and assumptions that management believes are reasonable. Actual results may differ significantly from these statements for a number of reasons. Please refer to (1) Analysis of results of operations on page 5 for information concerning for forecasts.

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1. Results of Operations

(1) Analysis of results of operations

(i) Result of operations (Consolidated)

(Million yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2011	Change (%)
Net sales	32,605	28,554	114.2
Operating income	1,283	1,035	124.0
Ordinary income	1,340	1,125	119.1
Net income	751	660	113.7

(ii) Net sales (Consolidated)

(Million yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2011	Change (%)
Domestic Sales Division	17,408	17,058	102.1
International Trade Division	11,643	8,472	137.4
Machinery Equipment Division	3,553	3,023	117.5
Total	32,605	28,554	114.2

(Domestic Sales Division)

In the fiscal year under review, the Japanese economy was severely affected by the Great East Japan Earthquake; however, aided by reconstruction demand following the earthquake and resilient consumer spending reflecting monetary easing, it embarked on a gradual recovery course. There were positive signs, such as a reversal in the rapid yen appreciation and an incipient rally in the stock market. On the other hand, there also remained risk factors like soaring crude oil prices and the possibility of power shortages. Given these factors and fears of a renewed debt crisis in Europe, the outlook for the Japanese economy has stayed uncertain.

In the market for automotive replacement parts, SPK's business domain, the operating environment has remained challenging. Gasoline prices have kept rising, car owners are replacing parts less frequently, car dealers are seeking to keep the service business in-house, and there are new entrants from other industries. In response to these challenges, the SPK Group continued to focus on selling functional and replacement parts for cars as well as on developing and selling new products that are environmentally friendly. As a result, sales increased 2.1% from the previous year to 17,408 million yen.

Competition in the replacement parts market is likely to remain heated in the coming fiscal year. We will continue to concentrate on the development of core products with high added value and environmentally responsible products.

(International Trade Division)

Last fiscal year, there was a slow recovery in orders, mainly in Asia and the Americas, although record highs in the yen created a difficult operating environment. In addition, an overseas subsidiary, SPK Singapore Pte. Ltd. was added to the consolidated accounts and contributed to sales. As a result, sales increased 37.4% from the previous year to 11,643 million yen.

In the coming fiscal year, there are concerns about widening unrest in the Middle East and renewed credit problems in Europe. However, we intend to achieve further growth, chiefly in Asian markets, as operations in this division should benefit from the improved outlook for the U.S. economy, prospective weakness in the yen, and other factors.

(Machinery Equipment Division)

Sales expanded, reflecting strong recovery at manufacturers of construction machinery and industrial machinery, the primary customers in this division. With these customers continuing to raise output, our sales gained 17.5% from the previous year to 3,553 million yen.

In the coming fiscal year, production, mainly of construction machinery and industrial machinery, will probably remain buoyant. We are also planning to further improve results in this division by aggressively targeting

opportunities associated with new development projects.

(2) Financial condition

In the fiscal year under review, cash and cash equivalents (hereafter referred to as "cash") decreased 472 million yen from the beginning of the year (compared to a 163 million yen increase in the prior fiscal year) to 2,525 million yen at the end of the year (compared to 2,997 million yen at the end of the prior fiscal year). The factors affecting each type of cash flow are discussed below.

Cash flow from operating activities

Net cash provided by operating activities totaled 156 million yen (compared to 209 million yen in the previous fiscal year). Major uses of cash were a 437 million yen increase in notes and accounts receivable-trade and income taxes paid of 562 million yen. The major source of cash was income before income taxes and minority interests of 1,348 million yen.

Cash flow from investing activities

Cash flow used in investing activities totaled 409 million yen (compared to proceeds of 257 million yen in the prior year). This mainly consisted of payments of 208 million yen for the acquisition of tangible noncurrent assets, and of 2,366 million yen for time deposits; on the other hand, there were proceeds of 2,150 million yen from the withdrawal of time deposits.

Cash flow from financing activities

Cash flow used in financing activities totaled 239 million yen (compared to 303 million yen used in the prior year). This mainly consisted of 275 million yen in cash dividends paid and of 89 million used for the acquisition of treasury stock; on the other hand, there was a 181 million increase in short-term borrowings..

The SPK group's cash flow indicators are presented below.

	Fiscal year ended March 2011	Fiscal year ended March 2012
Shareholders' equity ratio (%)	70.5	69.0
Shareholders' equity ratio at market value (%)	43.0	47.7
Interest-bearing debt to cash flow ratio (%)	142.6	332.0
Interest coverage ratio (times)	67.49	31.00

Notes:

Shareholders' equity ratio is shareholders' equity divided by total assets.

Shareholders' equity ratio at market value is market capitalization divided by total assets.

Interest-bearing debt to cash flow ratio is interest-bearing debt divided by operating cash flows.

Interest coverage ratio is operating cash flows divided by interest expenses.

1. All figures are calculated based on consolidated financial data.
2. Market capitalization uses the number of shares issued less treasury stock.
3. Cash flows are operating cash flows.
4. Interest-bearing debt is the sum of all liabilities on the balance sheet on which the Group is obligated to pay interest.

(3) Basic policy concerning the distribution of profits, and dividend distributions for the year under review and the subsequent year

(i) SPK's corporate objective is to "endure with prosperity." With reverence for a corporate history that marks its 95th anniversary this year, and appreciation for our many stakeholders in mind, we practice business principles needed to achieve this corporate objective, and carry out a dividend policy based on a medium to longer term perspective.

(ii) We see "continual dividend increases" as an important management objective. The year-end dividend for the year under review (fiscal year ended March 2012) will be increased by 1 yen to 27 yen. The dividends paid for the entire year will be increased by 2 yen to 53 yen. Our record of dividend increases is presented below.

Fiscal year ended March	97	98	99	00	01	02	03	04	05	06	07	08	09	10	11
Dividend (yen)	15	16	21	26	28	30	32	34	37	40	43	47	49	51	53

(iii) In the coming fiscal year (fiscal year ending March 2013), we intend to increase the interim and year-end dividends by 1 yen each, raising the dividends paid for the full fiscal year by 2 yen to 55 yen. This will be our 15th consecutive year of dividend increases. Our basic policy for the current fiscal year and afterward is to maintain a dividend payout ratio of not more than 50%.

(4) Business risk

Our business results, share price and financial condition are subject to risks such as those discussed below. Forward-looking matters contained in this discussion represent the judgment of the SPK group as of the end of the fiscal year under review.

1. Heavy reliance on business where continued trading is uncertain

Export risk

The SPK Group's export ratio (exports as a percentage of net sales) was 29.6% in the year ended March 2011 and 35.5% in the year ended March 2012. The primary sales targets are importers in developing countries in Asia, Latin America, and the Middle East, where many people own Japanese-made vehicles. On numerous occasions in the past, the market in these regions has deteriorated and the value of local currencies has declined due to political and economic turmoil, and this has affected the business results of SPK's International Trade Division. Furthermore, the SPK Group's business results have also been affected by the global economic downturn that occurred in the wake of the Lehman shock in 2008, and there are also fears that the economies of developing countries could run out of momentum.

While the SPK Group believes that it is impossible to completely avoid the risk associated with this uncertain export climate, in principle our export transactions are denominated in yen, and where they are denominated in foreign currencies we enter into comprehensive currency forward contracts with the aim of mitigating this risk.

2. Other risks

Adverse impact from vehicle ownership trends

Because vehicle parts wear out with usage and the passage of time, the demand for the vehicle replacement parts that represent the SPK Group's core products is influenced by vehicle ownership trends.

During the 10-year period beginning in 2001, the number of vehicles owned has increased by about 3 million (source: Ministry of Land, Infrastructure, Transport, and Tourism). Nevertheless, the number of vehicle owned was peaked in 2007, if vehicle ownership continues to decline, demand for vehicle replacement parts would decline, and this could have an adverse effect on the SPK Group's business results.

In 2011, new vehicle sales in Japan decreased 15.1% to 4,212,000, a big drop caused by supply problem from suspensions of factories by Great East Japan Earthquake. In addition, negative factors affecting vehicle ownership, such as recent declining ownership among young people, are increasing.

2. The SPK Group

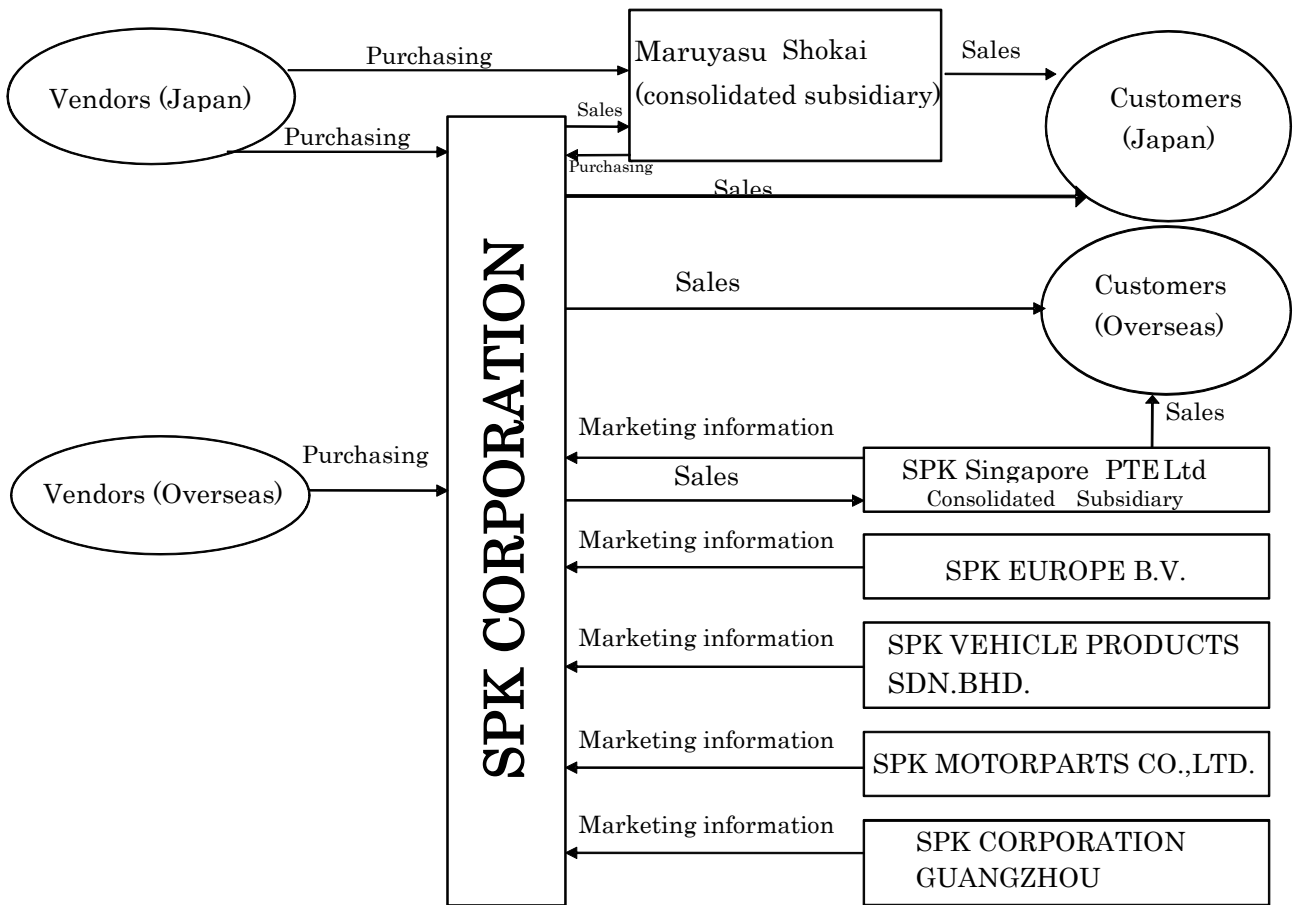
The SPK Group comprises the parent company and six subsidiaries, which are primarily engaged in the business of selling car parts and industrial equipment and vehicle parts in Japan, and in the business of exporting and importing these parts.

(1) Domestic Sales Division	This division sells parts and accessories made by Japanese autoparts and accessories makers and parts imported from Europe and the US to regional parts wholesalers and car shops throughout Japan through 16 offices located throughout Japan. Because of the nature of its business, consolidated subsidiary Maruyasu Shokai K.K. is included in this division.
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(2) International Trade Division	This division mainly sells products produced by Japanese autoparts makers to more than 80 countries throughout the world through local importers. This division has five overseas companies as subsidiaries, through which it collects marketing information. Additionally, the volume of trilateral trade through these overseas companies is steadily increasing.
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- (3) Machinery Equipment Division This division sells parts made by Japanese and foreign manufacturers to construction equipment, agricultural equipment, and forklift makers as assembly.

Our organizational chart is presented below.



3. Management Principles

(1) Basic management principles

- (i) Pursue corporate transformation and business innovation.
- (ii) Provide all employees with opportunities and a stage for growth.
- (iii) Aim for sustained and enhanced "lasting earning power."
- (iv) Seek to satisfy our business partners and contribute to society.
- (v) Focus on returning profits and disclosing information to our owners (our shareholders).

(2) Goals and performance indicators

- (i) "Lasting earning power" is a way of rewarding shareholders over the medium and longer term, and also makes it possible to continue contributing to society.
- (ii) We have established a goal of 4.5% for operating profit margin, we see as the most important management indicator.

(3) Medium- and long-term business strategy

- (i) As SPK's 100th anniversary (2017) approaches, we are embarking on the new challenges of "evolving into a new company with tradition" and "becoming a true medium-sized company."
- (ii) Based on our unshaken SPK business principles, officers and employees will share a sense of urgency as they confront difficulties with a sense of unity.
- (iii) In order to succeed in our core business, we are fully committed to fostering our human resources and delving into product development and marketing channels.

(4) Issues requiring attention

- (i) Establishing fundamental principles for corporate governance and creating management mechanisms that reflect the SPK way.
- (ii) We recognize that fostering human resources, especially the next generation of the management team, is indispensable for the lasting development of the company. By adhering to our educational principles and policies, we will encourage personal development.
- (iii) Risk diversification is an important issue with respect to achieving lasting earning power. We will seek to mitigate risk by diversifying our customer base and our product line.
- (iv) One-third of sales come from overseas markets. Since the global financial crisis caused by Lehman shock in 2008, we have been affected by geopolitical risk, country risk, and foreign exchange fluctuations. We will seek to minimize risk by diversifying our customer base, shifting to yen-denominated transactions, and using forex contracts.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousand yen)

	As of March 31, 2011	As of March 31, 2012
Assets		
Current assets		
Cash and deposits	3,585,076	3,329,419
Notes and accounts receivable-trade	6,420,485	7,282,951
Merchandise	2,457,391	2,693,659
Deferred tax assets	144,102	126,637
Short-term loans receivable to subsidiaries and affiliates	200,235	3,221
Others	715,204	927,845
Allowance for doubtful accounts	(19,620)	(28,156)
Total current assets	13,502,875	14,335,577
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	644,801	782,887
Accumulated depreciation	(551,927)	(565,227)
Buildings and structures, net	92,873	217,659
Machinery, equipment and vehicles	27,382	30,752
Accumulated depreciation	(23,206)	(25,317)
Machinery, equipment and vehicles, net	4,176	5,435
Land	619,325	667,967
Lease assets	54,603	44,269
Accumulated depreciation	(17,098)	(18,589)
Lease assets, net	37,504	25,680
Others	180,173	223,913
Accumulated depreciation	(152,716)	(177,788)
Others, net	27,457	46,125
Total property, plant and equipment	781,337	962,867
Intangible assets		
Software	14,526	7,343
Lease assets	190,542	145,040
Others	10,128	10,128
Total intangible assets	215,197	162,512
Investments and other assets		
Investment securities	288,081	282,992
Deferred tax assets	138,595	114,804
Others	122,697	166,395
Allowance for doubtful accounts	(3,355)	(34,860)
Total investments and other assets	546,018	529,332
Total noncurrent assets	1,542,553	1,654,712
Total assets	15,045,428	15,990,289

(Thousand yen)

	As of March 31, 2011	As of March 31, 2012
Liabilities		
Current liabilities		
Notes and accounts payable-trade	2,804,323	2,964,991
Short-terms loans payable	-	277,914
Income taxes payable	341,789	327,096
Others	561,035	713,256
Total current liabilities	3,707,148	4,283,259
Noncurrent liabilities		
Differed tax liabilities	-	841
Provision for retirement benefits	466,470	463,834
Long-term guarantee deposited	64,676	64,520
Long-term accounts payable-other	24,941	16,364
Others	177,393	124,897
Total noncurrent liabilities	733,482	670,458
Total liabilities	4,440,630	4,953,717
Net assets		
Shareholders' equity		
Capital stock	898,591	898,591
Capital surplus	961,044	961,044
Retained earnings	8,658,583	9,180,546
Treasury stock	(999)	(90,949)
Total shareholders' equity	10,517,219	10,949,232
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	85,562	95,720
Deferred gains or losses on hedges	2,016	1,269
Foreign currency translation adjustment	-	(9,650)
Total valuation and translation adjustments	87,579	87,339
Total net assets	10,604,798	11,036,572
Total liabilities and net assets	15,045,428	15,990,289

(2) Consolidated Statements of (Comprehensive) Income
 Consolidated statements of income

(Thousand yen)

	Fiscal year ended March 31, 2011 (Apr. 1, 2010 Mar. 31, 2011)	Fiscal year ended March 31, 2012 (Apr. 1, 2011– Mar. 31, 2012)
Net sales	28,554,794	32,605,786
Cost of sales	24,371,410	27,931,167
Gross profit	4,183,384	4,674,619
Selling, general and administrative expenses	3,148,156	3,391,125
Operating income	1,035,227	1,283,493
Non-operating income		
Interest income	5,760	3,518
Dividends income	3,215	3,912
Purchase discounts	125,484	104,927
Others	30,814	22,981
Total non-operating income	165,274	135,339
Non-operating expenses		
Interest expenses	3,104	5,051
Sales discounts	68,903	70,464
Others	2,687	2,745
Total non-operating expenses	74,694	78,261
Ordinary income	1,125,806	1,340,571
Extraordinary income		
Reversal of allowance for doubtful accounts	26,710	-
Gain on sales of investment securities	645	10,205
Gain on sales of noncurrent assets	329	150
Total extraordinary income	27,686	10,356
Extraordinary loss		
Office transfer expenses	7,357	1,113
Loss on sales and retirement of noncurrent assets	3,162	212
Loss on disaster	-	982
Others	544	425
Total extraordinary loss	11,064	2,733
Income before income taxes and minority interests	1,142,428	1,348,194
Income taxes-current	515,784	546,249
Income taxes-deferred	(34,023)	50,589
Total income taxes	481,760	596,838
Income before minority interests	660,668	751,355
Net income	660,668	751,355

Consolidated Statements of Comprehensive Income

(Thousand yen)

	Fiscal year ended March 31, 2011 (Apr. 1, 2010 Mar. 31, 2011)	Fiscal year ended March 31, 2012 (Apr. 1, 2011– Mar. 31, 2012)
Income before minority interests	660,668	751,355
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,056)	10,157
Deferred gains or losses on hedges	2,162	(746)
Foreign currency translation adjustment	-	(9,650)
Total other comprehensive income	105	(239)
Comprehensive income	660,773	751,115
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	660,773	751,115
Comprehensive income attributable to minority interests	-	-

(3) Consolidated Statements of Changes in Net Assets

(Thousand yen)

	Fiscal year ended March 31, 2011 (Apr. 1, 2010 Mar. 31, 2011)	Fiscal year ended March 31, 2012 (Apr. 1, 2011– Mar. 31, 2012)
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	898,591	898,591
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	898,591	898,591
Capital surplus		
Balance at the beginning of current period	961,044	961,044
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	961,044	961,044
Retained earnings		
Balance at the beginning of current period	8,262,726	8,658,583
Changes of items during the period		
Dividends from surplus	(264,810)	(275,400)
Net income	660,668	751,355
Change of scope of consolidation	-	46,008
Total changes of items during the period	395,857	521,963
Balance at the end of current period	8,658,583	9,180,546
Treasury stock		
Balance at the beginning of current period	(837)	(999)
Changes of items during the period		
Purchase of treasury stock	(161)	(89,950)
Total changes of items during the period	(161)	(89,950)
Balance at the end of current period	(999)	(90,949)
Total shareholders' equity		
Balance at the beginning of current period	10,121,523	10,517,219
Changes of items during the period		
Dividends from surplus	(264,810)	(275,400)
Net income	660,668	751,355
Change of scope of consolidation	-	46,008
Purchase of treasury stock	(161)	(89,950)
Total changes of items during the period	395,695	432,013
Balance at the end of current period	10,517,219	10,949,232

(Thousand yen)

	Fiscal year ended March 31, 2011 (Apr. 1, 2010 – Mar. 31, 2011)	Fiscal year ended March 31, 2012 (Apr. 1, 2011 – Mar. 31, 2012)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	87,619	85,562
Changes of items during the period		
Net changes of items other than shareholders' equity	(2,056)	10,157
Total changes of items during the period	(2,056)	10,157
Balance at the end of current period	85,562	95,720
Deferred gains or losses on hedges		
Balance at the beginning of current period	(145)	2,016
Changes of items during the period		
Net changes of items other than shareholders' equity	2,162	(746)
Total changes of items during the period	2,162	(746)
Balance at the end of current period	2,016	1,269
Foreign currency translation adjustment		
Balance at the beginning of current period	-	-
Changes of items during the period		
Net changes of items other than shareholders' equity	-	(9,650)
Total changes of items during the period	-	(9,650)
Total valuation and translation adjustments		
Balance at the beginning of current period	87,473	87,579
Changes of items during the period		
Net changes of items other than shareholders' equity	105	(239)
Total changes of items during the period	105	(239)
Balance at the end of current period	87,579	87,339
Total net assets		
Balance at the end of previous period	10,208,997	10,604,798
Changes of items during the period		
Dividends from surplus	(264,810)	(275,400)
Net income	660,668	751,355
Change of scope of consolidation	-	46,008
Purchase of treasury stock	(161)	(89,950)
Net changes of items other than shareholders' equity	105	(239)
Total changes of items during the period	395,801	431,773
Balance at the end of current period	10,604,798	11,036,572

(4) Consolidated Statements of Cash Flows

(Thousand yen)

	Fiscal year ended March 31, 2011 (Apr. 1, 2010 – Mar. 31, 2011)	Fiscal year ended March 31, 2012 (Apr. 1, 2011 – Mar. 31, 2012)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	1,142,428	1,348,194
Depreciation and amortization	76,723	100,990
Amortization of long-term prepaid expenses	1,299	1,556
Increase (decrease) in allowance for doubtful accounts	(26,710)	8,426
Increase (decrease) in provision for retirement benefits	3,506	(2,636)
Interest and dividends income	(8,975)	(7,430)
Interest expenses	3,104	5,051
Foreign exchange losses (gains)	293	435
Loss (gain) on sales of investment securities	(645)	(10,205)
Loss (gain) on sales and retirement of property, plant and equipment	2,832	61
Decrease (increase) in notes and accounts receivable-trade	(413,182)	(437,539)
Decrease (increase) in inventories	(175,615)	(130,712)
Increase (decrease) in notes and accounts payable-trade	77,027	(55,819)
Decrease (increase) in accrued consumption taxes	(10,415)	(1,398)
Increase (decrease) in consumption taxes refund receivable	8,824	(2,315)
Other, net	(60,465)	(99,708)
Sub-total	620,030	716,949
Interest and dividends income received	8,811	7,233
Interest expenses paid	(3,104)	(5,051)
Income taxes paid	(416,240)	(562,543)
Net cash provided by (used in) operating activities	209,497	156,587
Net cash provided by (used in) investment activities		
Payments into time deposits	(2,318,000)	(2,366,500)
Proceeds from withdrawal of time deposits	2,600,000	2,150,000
Proceeds from sales of investment securities	2,472	16,742
Purchase of property, plant and equipment	(26,431)	(208,710)
Proceeds from sales of property, plant and equipment	1,473	273
Payments of loans receivable	(800)	(600)
Collection of loans receivable	2,605	1,367
Other, net	(3,986)	(1,732)
Net cash provided by (used in) investment activities	257,333	(409,159)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	-	181,936
Repayments of lease obligations	(38,266)	(56,577)
Purchase of treasury stock	(161)	(89,850)
Cash dividends paid	(264,810)	(275,400)
Net cash provided by (used in) financing activities	(303,238)	(239,991)
Effect of exchange rate change on cash and cash equivalents	(293)	8,828
Net increase (decrease) in cash and cash equivalents	163,298	(483,735)
Cash and cash equivalents, beginning of period	2,834,354	2,997,652
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation		11,498
Cash and cash equivalents, end of period	2,997,652	2,525,415