

Consolidated Financial Results for the First Quarter of FY2013

(from Mar.1,2013 to May 31,2013)

Izumi Co., Ltd.

(Millions of yen)

	1Q / FY2012 three Months (Mar.1,2012 – May 31,2012)		1Q / FY2013 three Months (Mar.1,2013 – May 31,2013)	
		YOY		YOY
Revenues	128,078	3.4%	134,506	5.0%
Operating Income	6,349	7.9%	7,184	13.1%
Ordinary Income	6,125	7.7%	7,000	14.3%
Net Income	3,718	93.8%	4,157	11.8%
Net Income per Share	¥ 46.15		¥ 55.71	
Notes : Comprehensive income	3,534	-19.4%	4,442	25.7%

(Millions of yen)

	Feb.28,2013 (End of FY2012)	May 31,2013 (End of 1QFY2013)
Total Assets	379,824	387,219
Net Assets	126,139	125,686
Owners' Equity Ratio	30.4%	29.7%

Dividends

	FY2012	FY2013
1Q	-	-
2Q	¥ 18.00	¥ 20.00 (forecast)
3Q	-	-
4Q	¥ 20.00	¥ 20.00 (forecast)
Annual	¥ 38.00	¥ 40.00 (forecast)

Consolidated Quarterly Financial Statements
CONSOLIDATED BALANCE SHEETS

(Millions of yen)

	February 28,2013	May 31,2013
Assets		
Current assets		
Cash and deposits	6,862	7,284
Notes and accounts receivable-trade	22,134	24,812
Merchandise and finished goods	21,384	23,133
Work in process	16	34
Raw materials and supplies	286	305
Other	14,350	14,081
Allowance for doubtful accounts	△661	△650
Total current assets	64,372	69,002
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	131,862	131,014
Land	131,876	134,332
Other, net	10,948	11,999
Total property, plant and equipment	274,687	277,346
Intangible assets		
Investments and other assets	7,012	7,008
Other	34,172	34,282
Allowance for doubtful accounts	△421	△420
Total investments and other assets	33,751	33,861
Total noncurrent assets	315,451	318,216
Total assets	379,824	387,219
Liabilities		
Current liabilities		
Notes and accounts payable-trade	21,517	24,932
Short-term loans payable	41,625	52,175
Current portion of long-term loans payable	23,579	23,630
Income taxes payable	6,541	2,210
Provision for bonuses	1,466	2,527
Provision for directors' bonuses	59	0
Provision for point card certificates	1,655	1,771
Provision for loss on recollection of gift certificates	58	57
Asset retirement obligations	740	740
Other	14,636	16,388
Total current liabilities	111,881	124,434
Noncurrent liabilities		
Long-term loans payable	101,625	97,218
Provision for retirement benefits	6,358	6,298
Provision for directors' retirement benefits	1,203	1,196
Provision for loss on interest repayment	403	383
Asset retirement obligations	6,399	6,415
Other	25,810	25,585
Total noncurrent liabilities	141,802	137,098
Total liabilities	253,684	261,532
Net assets		
Shareholders' equity		
Capital stock	19,613	19,613
Capital surplus	22,282	22,282
Retained earnings	80,942	82,768
Treasury stock	△7,770	△10,313
Total shareholders' equity	115,067	114,350
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	583	725
Foreign currency translation adjustment	△270	△261
Total accumulated other comprehensive income	312	463
Minority interests	10,759	10,872
Total net assets	126,139	125,686
Total liabilities and net assets	379,824	387,219

Consolidated Quarterly Financial Statements
CONSOLIDATED STATEMENTS OF INCOME

(Millions of yen)

	1Q / FY 2012 (Mar.1,2012 – May 31,2012)	1Q / FY 2013 (Mar.1,2013 – May 31,2013)
Net sales	121,961	128,141
Cost of sales	96,099	101,150
Gross profit	25,861	26,991
Operating revenue	6,117	6,364
Operating gross profit	31,979	33,355
Selling, general and administrative expenses	25,629	26,171
Operating income	6,349	7,184
Non-operating income		
Interest income	38	35
Purchase discounts	96	104
Other	174	202
Total non-operating income	309	343
Non-operating expenses		
Interest expenses	479	426
Other	53	99
Total non-operating expenses	533	526
Ordinary income	6,125	7,000
Extraordinary income		
Gain on sales of noncurrent assets	21	0
Other	4	—
Total extraordinary income	26	0
Extraordinary loss		
Loss on retirement of noncurrent assets	70	116
Other	12	7
Total extraordinary losses	83	123
Income before income taxes and minority interests	6,068	6,877
Income taxes-current	1,900	2,159
Income taxes-deferred	311	454
Total income taxes	2,212	2,614
Income before minority interests	3,856	4,263
Minority interests in income	137	105
Net income	3,718	4,157

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Millions of yen)

	1Q / FY 2012 (Mar.1,2012 – May 31,2012)	1Q / FY 2013 (Mar.1,2013 – May 31,2013)
Income before minority interests	3,856	4,263
Other comprehensive income		
Valuation difference on available-for-sale securities	△309	169
Foreign currency translation adjustment	△11	8
Total other comprehensive income	△321	178
Comprehensive income	3,534	4,442
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	3,394	4,308
Comprehensive income attributable to minority interests	140	133

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Millions of yen)

	1Q / FY 2012 (Mar.1,2012 – May 31,2012)	1Q / FY 2013 (Mar.1,2013 – May 31,2013)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	6,068	6,877
Depreciation and amortization	3,231	3,023
Amortization of goodwill	—	28
Increase (decrease) in allowance for doubtful accounts	△22	△12
Interest and dividends income	△54	△57
Interest expenses	479	426
Equity in (earnings) losses of affiliates	△12	△0
Loss (gain) on sales of noncurrent assets	△21	△0
Loss on retirement of noncurrent assets	70	116
Decrease (increase) in notes and accounts receivable-trade	△1,959	△2,678
Decrease (increase) in inventories	△1,301	△1,786
Increase (decrease) in notes and accounts payable-trade	1,186	3,414
Other, net	1,021	1,162
Subtotal	8,687	10,515
Interest and dividends income received	53	57
Interest expenses paid	△364	△361
Income taxes (paid) refund	△5,845	△6,602
Net cash provided by (used in) operating activities	2,530	3,608
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	△13,224	△5,080
Proceeds from sales of property, plant and equipment	307	0
Purchase of intangible assets	△95	△252
Purchase of investment securities	△191	△109
Decrease (increase) in short-term loans receivable	△200	△67
Other, net	△352	196
Net cash provided by (used in) investing activities	△13,757	△5,312
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	12,040	10,550
Proceeds from long-term loans payable	7,500	—
Repayment of long-term loans payable	△4,975	△4,356
Purchase of treasury stock	△2,092	△2,542
Cash dividends paid	△970	△1,497
Cash dividends paid to minority shareholders	△20	△20
Other, net	△129	△8
Net cash provided by (used in) financing activities	11,352	2,125
Effect of exchange rate change on cash and cash equivalents	△0	0
Net increase (decrease) in cash and cash equivalents	124	422
Cash and cash equivalents at beginning of period	6,260	6,862
Cash and cash equivalents at end of period	6,385	7,284