

**Consolidated Financial Results**  
**for the Third Quarter of FY 2010**

(from September 1, 2009 to November 30, 2009)

**Izumi Co., Ltd.**

(Millions of yen)

	2009.3Q Three Months (Sep 1, 2009 – Nov 30, 2009)		2008.3Q Three Months (Sep 1, 2008 – Nov 30, 2008)	
		YOY		YOY
Revenues	114,218	-2.5%	117,143	—
Operating Income	4,451	-6.0%	4,734	—
Ordinary Income	4,130	2.7%	4,024	—
Net Income	2,119	-56.2%	4,837	—
Net Income per Share	¥ 22.25		—	

	2009.3Q Nine Months (Mar 1, 2009 – Nov 30, 2009)		2008.3Q Nine Months (Mar 1, 2008 – Nov 30, 2008)	
		YOY		YOY
Revenues	356,764	-2.0%	364,162	7.1%
Operating Income	14,271	-5.0%	15,021	-13.8%
Ordinary Income	13,530	-4.1%	14,110	-18.4%
Net Income	6,741	-29.5%	9,558	-0.9%
Net Income per Share	¥ 70.76		¥ 100.96	

	Nov 30, 2009 (End of 3Q/FY2010)	Feb 31, 2009 (End of FY2009)
Total Assets	392,850	385,159
Net Assets	121,767	116,667
Owners' Equity Ratio	29.3%	28.6%
Net Assets per Share	¥ 1,206.73	¥ 1,154.70

Dividends

	FY2009 (forecast)	FY2008
1Q	—	—
2Q	¥ 8.00	¥ 8.00
3Q	—	—
4Q	¥ 8.00	¥ 8.00
Annual	¥ 16.00	¥ 16.00

**CONSOLIDATED BALANCE SHEETS**

(Millions of yen)

	November 30,2009	February 28,2009
<b>( Assets )</b>		
<b>Current assets</b>	75,041	69,940
Cash and deposits	12,824	9,751
Notes and accounts receivable—trade	18,362	15,365
Merchandise and finished goods	25,855	25,120
Work in process	99	44
Raw materials and supplies	263	260
Other	18,656	20,381
Allowance for doubtful accounts	(1,021)	(983)
<b>Noncurrent assets</b>	317,808	315,218
<b>Property, plant and equipment</b>	274,918	271,740
Buildings and structures, net	138,527	140,589
Land	119,638	119,659
Other, net	16,752	11,491
<b>Intangible assets</b>	7,714	8,125
<b>Investments and other assets</b>	35,176	35,352
Other	35,946	36,581
Allowance for doubtful accounts	(769)	(1,228)
<b>Total assets</b>	<b>392,850</b>	<b>385,159</b>
<b>( Liabilities )</b>		
<b>Current liabilities</b>	105,833	112,818
Notes and accounts payable—trade	22,894	29,778
Short-term loans payable	34,540	22,543
Current portion of convertible bonds	—	19,075
Current portion of long-term loans payable	18,262	12,012
Income taxes payable	4,149	781
Provision for bonuses	3,055	1,540
Provision for directors' bonuses	3	10
Provision for point card certificates	1,059	953
Provision for loss on recollection of gift certificates	53	56
Provision for loss on demolition buildings	91	518
Other	21,724	25,548
<b>Noncurrent liabilities</b>	165,249	155,673
Long-term loans payable	129,057	119,024
Provision for retirement benefits	5,409	5,259
Provision for directors' retirement benefits	1,151	1,262
Provision for loss on guarantees	1,100	1,100
Provision for loss on interest repayment	777	342
Other	27,753	28,683
<b>Total liabilities</b>	<b>271,083</b>	<b>268,491</b>
<b>( Net assets )</b>		
<b>Shareholders' equity</b>	114,563	109,343
Capital stock	19,613	19,613
Capital surplus	22,419	22,377
Retained earnings	105,235	100,061
Treasury stock	(32,705)	(32,708)
<b>Valuation and translation adjustments</b>	404	665
Valuation difference on available-for-sale securities	670	791
Foreign currency translation adjustment	(266)	(126)
<b>Minority interests</b>	6,799	6,659
<b>Total net assets</b>	<b>121,767</b>	<b>116,667</b>
<b>Total liabilities and net assets</b>	<b>392,850</b>	<b>385,159</b>

**CONSOLIDATED STATEMENTS OF INCOME**

(Millions of yen)

	Three Months (September 1,2009 – November 30,2009)	Nine Months (March 1,2009 – November 30,2009)
Net sales	108,518	339,388
<b>Cost of sales</b>	<b>85,026</b>	<b>265,854</b>
Gross profit	23,491	73,534
Operating income	5,700	17,375
Operating gross profit	29,192	90,910
<b>Selling, general and administrative expenses</b>	<b>24,740</b>	<b>76,638</b>
Operating income	4,451	14,271
<b>Non-operating income</b>	<b>277</b>	<b>1,547</b>
Interest income	35	142
Purchase discounts	110	314
Other	118	1,090
<b>Non-operating expenses</b>	<b>598</b>	<b>2,287</b>
Interest expenses	563	1,683
Other	34	604
Ordinary income	4,130	13,530
<b>Extraordinary income</b>	<b>7</b>	<b>164</b>
Reversal of provision for directors' retirement benefits	–	127
Other	7	37
<b>Extraordinary loss</b>	<b>88</b>	<b>1,339</b>
Loss on retirement of property, plant and equipment	35	419
Impairment loss	–	786
Other	52	133
Income before income taxes	4,049	12,355
<b>Income taxes</b>	<b>1,747</b>	<b>5,259</b>
Income taxes-current	1,890	6,123
Income taxes-deferred	(143)	(864)
<b>Minority interests in income</b>	<b>182</b>	<b>355</b>
Net income	2,119	6,741

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Millions of yen)

Nine Months  
(March 1,2009 –  
November 30,2009)

<b>Net cash provided by (used in) operating activities</b>	
Income before income taxes	12,355
Depreciation and amortization	10,990
Impairment loss	786
Increase (decrease) in allowance for doubtful accounts	(10)
Interest and dividends income	(202)
Interest expenses	1,683
Loss (gain) on sales and valuation of investment securities	(44)
Equity in (earnings) losses of affiliates	(65)
Gain & loss on sales and retirement of property, plant and equipment	(1)
Loss on retirement of property, plant and equipment	419
Decrease (increase) in notes and accounts receivable-trade	(2,994)
Decrease (increase) in inventories	(798)
Increase (decrease) in notes and accounts payable-trade	(6,888)
Other, net	1,821
<b>Subtotal</b>	<b>17,051</b>
Interest and dividends income received	286
Interest expenses paid	(1,670)
Income taxes paid	(2,762)
<b>Net cash provided by (used in) operating activities</b>	<b>12,905</b>
<b>Net cash provided by (used in) investing activities</b>	
Purchase of property, plant and equipment	(17,538)
Proceeds from sales of property, plant and equipment	44
Purchase of intangible assets	(401)
Purchase of investment securities	(11)
Proceeds from sales of investment securities	253
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	7
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	12
Other, net	398
<b>Net cash provided by (used in) investing activities</b>	<b>(17,234)</b>
<b>Net cash provided by (used in) financing activities</b>	
Net increase (decrease) in short-term loans payable	11,996
Proceeds from long-term loans payable	26,900
Repayment of long-term loans payable	(10,616)
Redemption of convertible bonds	(19,070)
Purchase of treasury stock	(1)
Cash dividends paid	(1,524)
Cash dividends paid to minority shareholders	(20)
Other, net	(225)
<b>Net cash provided by (used in) financing activities</b>	<b>7,438</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>(36)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>3,072</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>9,751</b>
<b>Cash and cash equivalents at end of quarter</b>	<b>12,824</b>