

**Consolidated Financial Results
for the Third Quarter of FY 2012**

(from September 1,2011 to November 30,2011)

Izumi Co.,Ltd.

(Millions of yen)

	3Q / FY2011 Three Months (Sep 1, 2010 – Nov 30, 2010)		3Q / FY2012 Three Months (Sep 1, 2011 – Nov 30, 2011)	
		YOY		YOY
Revenues	119,083	4.3%	121,146	101.7%
Operating Income	4,752	6.8%	4,986	104.9%
Ordinary Income	4,497	8.9%	4,779	106.3%
Net Income	2,409	13.7%	2,696	111.9%
Net Income per Share	¥ 25.29		¥ 31.19	

	3Q / FY2011 Six Months (Mar 1, 2010 – Nov 30, 2010)		3Q / FY2012 Six Months (Mar 1, 2011 – Nov 30, 2011)	
		YOY		YOY
Revenues	365,424	2.4%	371,609	1.7%
Operating Income	14,985	5.0%	16,821	12.3%
Ordinary Income	14,166	4.7%	16,204	14.4%
Net Income	7,225	7.2%	7,598	5.2%
Net Income per Share	¥ 75.84		¥ 82.82	

	Feb 28,2011 (End of FY2011)	Nov 30,2011 (End of 3Q/FY2012)
Total Assets	368,584	379,193
Net Assets	132,513	123,193
Owners' Equity Ratio	33.2%	29.1%
Net Assets per Share	¥ 1,286.20	¥ 1,345.16

Dividends

	FY2011	FY2012(forecast)
1Q	–	–
2Q	¥ 8.00	¥ 8.00
3Q	–	–
4Q	¥ 8.00	¥ 8.00
Annual	¥ 16.00	¥ 16.00

Consolidated Quarterly Financial Statements
CONSOLIDATED BALANCE SHEETS

(Millions of yen)

	30-Nov-2012	28-Feb-2011
Assets		
Current assets		
Cash and deposits	7,795	12,316
Notes and accounts receivable-trade	22,391	18,456
Merchandise and finished goods	22,934	20,726
Work in process	18	68
Raw materials and supplies	272	273
Other	13,871	15,642
Allowance for doubtful accounts	△963	△940
Total current assets	66,320	66,542
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	142,143	134,771
Land	120,235	119,080
Other, net	9,069	9,446
Total property, plant and equipment	271,449	263,297
Intangible assets	7,255	7,178
Investments and other assets		
Other	34,935	32,347
Allowance for doubtful accounts	△766	△781
Total investments and other assets	34,169	31,565
Total noncurrent assets	312,873	302,041
Total assets	379,193	368,584
Liabilities		
Current liabilities		
Notes and accounts payable-trade	24,717	20,773
Short-term loans payable	44,735	35,890
Current portion of long-term loans payable	23,381	22,178
Income taxes payable	2,483	5,180
Provision for bonuses	2,729	1,525
Provision for directors' bonuses	1	23
Provision for point card certificates	1,253	1,209
Provision for loss on recollection of gift certificates	54	54
Other	18,329	12,846
Total current liabilities	117,683	99,682
Noncurrent liabilities		
Long-term loans payable	97,640	102,675
Provision for retirement benefits	6,064	5,836
Provision for directors' retirement benefits	860	830
Provision for loss on interest repayment	486	565
Asset retirement obligations	6,767	—
Other	26,497	26,481
Total noncurrent liabilities	138,316	136,389
Total liabilities	256,000	236,071
Net assets		
Shareholders' equity		
Capital stock	19,613	19,613
Capital surplus	22,282	22,282
Retained earnings	84,091	96,743
Treasury stock	△15,637	△16,262
Total shareholders' equity	110,349	122,377
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	254	472
Foreign currency translation adjustment	△340	△312
Total valuation and translation adjustments	△85	159
Minority interests	12,929	9,976
Total net assets	123,193	132,513
Total liabilities and net assets	379,193	368,584

CONSOLIDATED STATEMENTS OF INCOME : Three Months

	(Millions of yen)	
	3Q / FY 2011	3Q / FY 2012
	Three Months (Sep 1,2010 – Nov 30,2010)	Three Months (Sep 1,2011 – Nov 30,2011)
Net sales	113,311	115,280
Cost of sales	89,593	90,436
Gross profit	23,717	24,843
Operating revenue	5,772	5,866
Operating gross profit	29,490	30,710
Selling, general and administrative expenses	24,737	25,723
Operating income	4,752	4,986
Non-operating income		
Interest income	34	32
Purchase discounts	108	99
Penalty income	113	102
Other	117	148
Total non-operating income	373	383
Non-operating expenses		
Interest expenses	528	474
Other	100	116
Total non-operating expenses	629	590
Ordinary income	4,497	4,779
Extraordinary income		
Other	7	94
Total extraordinary income	7	94
Extraordinary loss		
Loss on retirement of noncurrent assets	49	18
Loss on cancellation of leasehold contracts	44	—
Other	19	0
Total extraordinary losses	113	18
Income before income taxes and minority interests	4,391	4,855
Income taxes—current	1,910	2,301
Income taxes—deferred	△125	△315
Total income taxes	1,785	1,985
Income before minority interests	—	2,869
Minority interests in income	197	173
Net income	2,409	2,696

CONSOLIDATED STATEMENTS OF INCOME : Nine Months

	(Millions of yen)	
	3Q / FY 2011	3Q / FY 2012
	Nine Months (Mar 1,2010 – Nov 30,2010)	Nine Months (Mar 1,2011 – Nov 30,2011)
Net sales	348,016	353,998
Cost of sales	274,634	276,884
Gross profit	73,382	77,113
Operating revenue	17,407	17,611
Operating gross profit	90,789	94,724
Selling, general and administrative expenses	75,804	77,903
Operating income	14,985	16,821
Non-operating income		
Interest income	132	132
Purchase discounts	288	280
Other	950	652
Total non-operating income	1,371	1,066
Non-operating expenses		
Interest expenses	1,648	1,450
Other	541	232
Total non-operating expenses	2,190	1,683
Ordinary income	14,166	16,204
Extraordinary income		
Gain on sales of securities	2,546	2,518
Reversal of provision for directors' retirement benefits	103	—
Other	164	147
Total extraordinary income	2,814	2,666
Extraordinary loss		
Loss on retirement of noncurrent assets	257	484
Impairment loss	46	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	1,844
Other	151	232
Total extraordinary losses	455	2,560
Income before income taxes and minority interests	16,526	16,309
Income taxes—current	6,159	6,459
Income taxes—deferred	28	△735
Total income taxes	6,187	5,723
Income before minority interests	—	10,585
Minority interests in income	3,113	2,987
Net income	7,225	7,598

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Millions of yen)

	3Q / FY 2011 Nine Months (Mar 1,2010 – Nov 30,2010)	3Q / FY 2012 Nine Months (Mar 1,2011 – Nov 30,2011)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	16,526	16,309
Depreciation and amortization	10,823	10,169
Impairment loss	46	—
Loss on adjustment for changes of accounting standard for asset re	—	1,844
Increase (decrease) in allowance for doubtful accounts	25	6
Interest and dividends income	△314	△199
Interest expenses	1,648	1,450
Loss (gain) on valuation of investment securities	245	11
Loss (gain) on sales of securities	△2,546	△2,518
Equity in (earnings) losses of affiliates	△10	△17
Loss (gain) on sales of noncurrent assets	23	△9
Loss on retirement of noncurrent assets	257	484
Decrease (increase) in notes and accounts receivable—trade	△3,596	△3,934
Decrease (increase) in inventories	265	△2,157
Increase (decrease) in notes and accounts payable—trade	△6,604	3,944
Other, net	△4,576	△761
Subtotal	12,212	24,623
Interest and dividends income received	306	190
Interest expenses paid	△1,698	△1,374
Income taxes (paid) refund	△9,851	△8,831
Net cash provided by (used in) operating activities	968	14,608
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	△11,050	△7,751
Proceeds from sales of property, plant and equipment	242	38
Purchase of intangible assets	△443	△770
Purchase of investment securities	△3	△66
Proceeds from sales of investment securities	911	394
Decrease (increase) in short-term loans receivable	2,332	1,373
Other, net	366	7
Net cash provided by (used in) investing activities	△7,645	△6,774
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	19,530	8,845
Proceeds from long-term loans payable	600	13,000
Repayment of long-term loans payable	△15,120	△16,831
Purchase of treasury stock	△1	△15,635
Cash dividends paid	△1,524	△1,471
Cash dividends paid to minority shareholders	△20	△20
Other, net	△237	△238
Net cash provided by (used in) financing activities	3,225	△12,352
Effect of exchange rate change on cash and cash equivalents	△11	△2
Net increase (decrease) in cash and cash equivalents	△3,462	△4,521
Cash and cash equivalents at beginning of period	15,490	12,316
Cash and cash equivalents at end of period	12,028	7,795