

**Consolidated Financial Results
for the First Quarter of FY2013**

(from Mar.1,2012 to May 31,2012)

Izumi Co.,Ltd.

(Millions of yen)

	1Q / FY2012 (Mar.1,2011 – May 31,2011)		1Q / FY2013 (Mar.1,2012 – May 31,2012)	
		YOY		YOY
Revenues	123,822	2.0%	128,078	3.4%
Operating Income	5,885	20.0%	6,349	7.9%
Ordinary Income	5,688	21.9%	6,125	7.7%
Net Income	1,918	-4.6%	3,718	93.8%
Net Income per Share	¥ 20.14		¥ 46.15	

	Feb.29,2012 (End of FY2012)	May 31,2012 (End of 1QFY2013)
Total Assets	370,377	379,809
Net Assets	125,389	125,841
Owners' Equity Ratio	30.3%	29.7%

Dividends

	FY2012	FY2013(forecast)
1Q	-	-
2Q	¥ 8.00	¥ 12.00
3Q	-	-
4Q	¥ 12.00	¥ 12.00
Annual	¥ 20.00	¥ 24.00

Consolidated Quarterly Financial Statements
CONSOLIDATED BALANCE SHEETS

(Millions of yen)

	February 29,2012	May 31,2012
Assets		
Current assets		
Cash and deposits	6,260	6,385
Notes and accounts receivable-trade	20,323	22,282
Merchandise and finished goods	20,677	21,966
Work in process	17	24
Raw materials and supplies	267	272
Other	14,324	13,498
Allowance for doubtful accounts	△830	△818
Total current assets	61,040	63,611
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	139,428	137,307
Land	121,051	128,049
Other, net	8,410	10,522
Total property, plant and equipment	268,891	275,880
Intangible assets	7,059	6,861
Investments and other assets		
Other	34,172	34,232
Allowance for doubtful accounts	△786	△776
Total investments and other assets	33,385	33,456
Total noncurrent assets	309,336	316,197
Total assets	370,377	379,809
Liabilities		
Current liabilities		
Notes and accounts payable-trade	21,715	22,901
Short-term loans payable	32,025	44,065
Current portion of long-term loans payable	23,969	23,250
Income taxes payable	6,179	2,142
Provision for bonuses	1,482	2,572
Provision for directors' bonuses	62	0
Provision for point card certificates	1,584	1,659
Provision for loss on recollection of gift certificates	53	53
Other	15,851	12,240
Total current liabilities	102,924	108,886
Noncurrent liabilities		
Long-term loans payable	101,605	104,849
Provision for retirement benefits	6,070	6,093
Provision for directors' retirement benefits	962	1,155
Provision for loss on interest repayment	482	456
Asset retirement obligations	6,796	6,829
Other	26,145	25,696
Total noncurrent liabilities	142,063	145,081
Total liabilities	244,987	253,967
Net assets		
Shareholders' equity		
Capital stock	19,613	19,613
Capital surplus	22,282	22,282
Retained earnings	87,555	72,670
Treasury stock	△17,043	△1,502
Total shareholders' equity	112,407	113,063
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	214	△98
Foreign currency translation adjustment	△319	△330
Total accumulated other comprehensive income	△105	△429
Minority interests	13,087	13,207
Total net assets	125,389	125,841
Total liabilities and net assets	370,377	379,809

CONSOLIDATED STATEMENTS OF INCOME

(Millions of yen)

	1Q / FY 2012 (Mar.1,2011 – May 31,2011)	1Q / FY 2013 (Mar.1,2012 – May 31,2012)
Net sales	117,973	121,961
Cost of sales	92,387	96,099
Gross profit	25,586	25,861
Operating revenue	5,849	6,117
Operating gross profit	31,435	31,979
Selling, general and administrative expenses	25,550	25,629
Operating income	5,885	6,349
Non-operating income		
Interest income	56	38
Purchase discounts	99	96
Other	206	174
Total non-operating income	363	309
Non-operating expenses		
Interest expenses	493	479
Other	67	53
Total non-operating expenses	561	533
Ordinary income	5,688	6,125
Extraordinary income		
Gain on sales of noncurrent assets	—	21
Gain on sales of securities	2,518	—
Other	22	4
Total extraordinary income	2,540	26
Extraordinary loss		
Loss on retirement of noncurrent assets	103	70
Loss on adjustment for changes of accounting standard for asset retirement obligations	1,844	—
Other	58	12
Total extraordinary losses	2,005	83
Income before income taxes and minority interests	6,223	6,068
Income taxes—current	2,024	1,900
Income taxes—deferred	△388	311
Total income taxes	1,635	2,212
Income before minority interests	4,588	3,856
Minority interests in income	2,669	137
Net income	1,918	3,718

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Millions of yen)

	1Q / FY 2012 (Mar.1,2011 – May 31,2011)	1Q / FY 2013 (Mar.1,2012 – May 31,2012)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	6,223	6,068
Depreciation and amortization	3,304	3,231
Loss on adjustment for changes of accounting standard for asset re	1,844	—
Increase (decrease) in allowance for doubtful accounts	59	△22
Interest and dividends income	△84	△54
Interest expenses	493	479
Loss (gain) on sales of securities	△2,518	—
Equity in (earnings) losses of affiliates	△12	△12
Loss (gain) on sales of noncurrent assets	0	△21
Loss on retirement of noncurrent assets	103	70
Decrease (increase) in notes and accounts receivable-trade	△2,088	△1,959
Decrease (increase) in inventories	△898	△1,301
Increase (decrease) in notes and accounts payable-trade	1,589	1,186
Other, net	1,123	1,021
Subtotal	9,139	8,687
Interest and dividends income received	78	53
Interest expenses paid	△400	△364
Income taxes (paid) refund	△5,034	△5,845
Net cash provided by (used in) operating activities	3,783	2,530
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	△3,010	△13,224
Proceeds from sales of property, plant and equipment	0	307
Purchase of intangible assets	△143	△95
Purchase of investment securities	△0	△191
Decrease (increase) in short-term loans receivable	590	△200
Other, net	△57	△352
Net cash provided by (used in) investing activities	△2,621	△13,757
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	2,585	12,040
Proceeds from long-term loans payable	900	7,500
Repayment of long-term loans payable	△5,666	△4,975
Purchase of treasury stock	△0	△2,092
Cash dividends paid	△762	△970
Cash dividends paid to minority shareholders	△20	△20
Other, net	△129	△129
Net cash provided by (used in) financing activities	△3,093	11,352
Effect of exchange rate change on cash and cash equivalents	△0	△0
Net increase (decrease) in cash and cash equivalents	△1,931	124
Cash and cash equivalents at beginning of period	12,316	6,260
Cash and cash equivalents at end of period	10,384	6,385