May 13, 2011

Consolidated Financial Results for the Fiscal Year Ended March 31, 2011

[Japanese GAAP]

Company name: **C. Uyemura & Co., Ltd.** Listing: Second Section of the Osaka Securities Exchange
Stock code: 4966 URL: http://www.uyemura.co.jp
Representative: Hiroya Uyemura, President
Contact: Yoshitsugu Katayama, Managing Director, and Head of Corporate Management Division
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Scheduled date of annual general meeting of shareholders: June 29, 2011
Scheduled date of filing of annual securities report: June 29, 2011
Starting date of dividend payment: June 30, 2011
Preparation of supplementary materials for financial results: Yes
Holding of financial results meeting: Yes (for institutional investors and analysts)

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for FY2011 (April 1, 2010 – March 31, 2011)

(1) Results of operations

(Percentages for sales, operating income and ordinary profit and net income represent year-over-year changes)

	Sales		Operating income		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2011	39,930	23.6	5,814	39.5	5,677	32.1	3,742	42.2
Fiscal year ended Mar. 31, 2010	32,306	(25.4)	4,167	(23.4)	4,298	(20.5)	2,631	(35.2)

Note: Comprehensive income (million yen) FY2011: 3,242 (down 7.1%) FY2010: 3,490 (n.a.)

	Net income per share (basic)	Net income per share (diluted)	ROE	Ordinary profit on total assets	Operating income to sales
	Yen	Yen	%	%	%
Fiscal year ended Mar. 31, 2011	399.47	-	12.2	12.9	14.6
Fiscal year ended Mar. 31, 2010	276.74	-	9.0	10.2	12.9

Reference: Equity in earnings of unconsolidated subsidiaries (million yen) FY2011: - FY2010: -

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2011	45,662	33,516	70.0	3,413.24
As of Mar. 31, 2010	42,612	31,158	69.2	3,146.17

Reference: Shareholders' equity (million yen) As of Mar. 31, 2011: 31,977 As of Mar. 31, 2010: 29,475

(3) Cash flows

	Net cash provided by (used in)			Cash and cash equivalents at the end of period
	operating activities	investing activities	financing activities	
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Mar. 31, 2011	4,312	(1,833)	(1,022)	13,747
Fiscal year ended Mar. 31, 2010	3,716	(1,276)	(3,012)	12,569

2. Dividends

	Dividend per share					Total dividends	Payout ratio (Consolidated)	Dividend on equity (Consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended Mar. 31, 2010	-	0.00	-	55.00	55.00	515	19.9	1.8
Fiscal year ended Mar. 31, 2011	-	0.00	-	55.00	55.00	515	13.8	1.7
Fiscal year ending Mar. 31, 2012 (forecast)	-	0.00	-	55.00	55.00		13.8	

3. Consolidated Forecast for FY2012 (April 1, 2011 – March 31, 2012)

(Percentages represent year-over-year changes)

	Sales		Operating income		Ordinary profit		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	20,160	(0.8)	2,940	(2.6)	3,010	3.0	2,040	(11.0)	217.75
Full year	39,880	(0.1)	5,900	1.5	6,020	6.0	3,730	(0.3)	398.13

4. Others

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): Yes

Newly added: 1 (Uyemura Korea Co., Ltd.) Excluded: -

(2) Changes in accounting principles, procedures and presentation methods

1) Changes caused by revision of accounting standards: Yes

2) Other changes: None

Note: Please refer to the section "Changes in Basis for Presentation of the Consolidated Financial Statements" on page 22 of the attachments for further information.

(3) Number of shares outstanding (common stock)

1) Number of shares outstanding at the end of period (including treasury stock shares)

As of Mar. 31, 2011: 9,878,040 shares As of Mar. 31, 2010: 9,878,040 shares

2) Number of treasury stock shares at the end of period

As of Mar. 31, 2011: 509,334 shares As of Mar. 31, 2010: 509,243 shares

3) Average number of shares outstanding during the period

Fiscal year ended Mar. 31, 2011: 9,368,748 shares Fiscal year ended Mar. 31, 2010: 9,508,757 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for FY2011 (April 1, 2010 – March 31, 2011)

(1) Results of operations (Percentages represent year-over-year changes)

	Sales		Operating income		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2011	25,770	21.9	2,964	34.4	3,683	34.6	2,791	55.2
Fiscal year ended Mar. 31, 2010	21,148	(17.2)	2,206	8.1	2,737	(8.0)	1,799	48.8

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Fiscal year ended Mar. 31, 2011	297.95	-
Fiscal year ended Mar. 31, 2010	189.21	-

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2011	29,776	21,966	73.8	2,344.62
As of Mar. 31, 2010	26,639	19,693	73.9	2,102.07

Reference: Shareholders' equity As of Mar. 31, 2011: 21,966 million yen As of Mar. 31, 2010: 19,693 million yen

2. Non-consolidated Forecast for FY2012 (April 1, 2011 – March 31, 2012)

(Percentages represent year-over-year changes)

	Sales		Operating income		Ordinary profit		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	12,870	(2.4)	1,590	(5.9)	1,600	3.8	950	(27.6)	101.40
Full year	25,170	(2.3)	3,210	8.3	4,100	11.3	2,450	(12.2)	261.51

***Indication of audit procedure implementation status**

This summary report is not subject to the audit procedures based on the Financial Instruments and Exchange Act. It is under the audit procedure process at the time of disclosure of this report.

***Cautionary statement with respect to forward-looking statements and other special items**

Forecasts of future performance in this report are based on assumptions judged to be valid and information currently available to the Company. Actual results are affected by various factors and may differ substantially. For discussion of the assumptions and other factors considered by the Company in preparing the above projections, please refer to page 2 of the attachments "Analysis of Business Performance."

Contents of Attachments

1. Business Performance

(1) Analysis of Business Performance

Results Overview

1. Overall results

The Japanese economy trended firm in the current fiscal year due to a modest improvement in personal consumption supported in part by the government's stimulus package, and an increase in exports to China, India and other emerging economies in Asia. However, in addition to uncertain elements such as rising oil prices caused by increasing tensions in the Middle East, the massive damage caused by the Great East Japan Earthquake that occurred on March 11, 2011 and the subsequent nuclear power plant accident and power shortages have all contributed to making the economic future of the country unpredictable.

The electronics industry in which the Uyemura Group is operating exhibited a solid performance due to the rise of the new tablet handset market, and a surge in replacement demand for high-function electronics devices centered on smartphones. Meanwhile, although there was a slight decline in PC demand as tablet handsets have emerged and rapidly spread, companies that had been holding off on replacing their PCs made a rush on replacing them, which resulted in an accelerated shift to the high-end models in the corporate PC market. However, in terms of profit, the environment surrounding the Company and the Group became harsher as the yen has rapidly strengthened since last summer, and this has substantially reduced the Group's profitability.

In this management environment, the Group has focused its management efforts on thorough cost reductions, development of high value-added products and aggressive proposal and sales activities so as to make its operations more profitable.

The Great East Japan Earthquake had a limited and minor effect on the business performance of the Group during the current fiscal year under review.

As a result, consolidated sales in the current fiscal year were 39,930 million yen (up 23.6% year-over-year), operating income 5,814 million yen (up 39.5%), ordinary profit 5,677 million yen (up 32.1%), and net income 3,742 million yen (up 42.2%).

Overview of results by segment

1) Surface finishing materials business

We saw robust demand from the electronic components industry, our main customer base, due to expanding demand in emerging economies primarily in Asia, and a surge in replacement demand for high-function electronics devices. Although sales of plating chemicals for some computer hard disks (aluminum magnetic disks) fell far short of the forecast due to the sluggish demand for PCs, sales of the mainstay plating chemicals for printed wire board (PWBs) were strong thanks to an expansion of production of digital consumer electronics such as smartphones and other higher-function mobile phones. Sales of plating chemicals, which account for a large proportion of sales, increased due to robust demand.

Furthermore, sales of industrial chemicals and non-ferrous metals also increased year-over-year due to the market recovery and subsequent increase in demand as well as a hike in LME nickel prices.

As a result, sales in the surface finishing materials business increased 24.6% year-over-year to 33,211 million yen, and operating income increased 37.4% to 5,074 million yen.

2) Surface finishing machinery business

As a sign of economic recovery has made our customers more willing to resume capital investment, we have been getting busier dealing with customer inquiries and requests for proposal particularly from those in China and other economies in Asia. While the demand situation in the domestic market remains tough, some of our major customers who recovered their performance have become more aggressive in capital investment.

As a result, sales in the surface finishing machinery business increased 19.4% year-over-year to 3,190 million yen, and operating income was 131 million yen (265 million yen loss in the previous fiscal year).

3) Plating job business

Although our consolidated subsidiary in Thailand is steadily improving its business of plastic plating as the automotive industry is back on track to recovery, the domestic environment for the plating job business remained difficult as automobile and motorcycle manufacturers have shifted offshore since the economic crisis.

As a result, sales in the plating job business increased 19.5% year-over-year to 3,020 million yen, and operating income decreased 31.0% to 212 million yen.

4) Real estate rental business

Although we strived to expand the business through construction of a new rental condominium, declines in both the occupancy ratio and the rent of the office buildings caused sales and operating income of the segment to decrease year -over-year.

As a result, sales in the real estate rental business decreased 0.7% year-over-year to 768 million yen, and operating income decreased 7.8% to 383 million yen.

Please note that internal sales and transfers generated between each segment are included in the above results for segment.

Forecast for FY2012

Regarding the forecast of the next fiscal year, the impact of the Great East Japan Earthquake on the Japanese economy remains unpredictable, and it is expected to strike a significant blow to the Japanese economy, which had begun to show signs of recovery. Further time will be required for a recovery in the domestic economy and consumer spending until the country moves toward reconstruction. The earthquake disaster disrupted supply chains, and, in some areas, supplies of certain IT related products have been interrupted. But operations are gradually resuming as supply chains are restored. Still, the negative effects of the mandatory rolling blackout planned to be implemented during this summer are unavoidable, and the economy is unlikely to get on track to recovery before autumn.

In the global economy, we forecast that major economies will see a moderate recovery as emerging economies centered on China and other parts of Asia maintain high economic growth rates in 2011. In particular, the global economy will continue to be driven by China, which is implementing its 12th 5-year plan from 2011 to 2015 with the western part of the country as the main focus of its economic development. In the field of electronics, the market for smartphones and tablet handsets will continue to expand with increasing spread of next-generation mobile phones (LTE standard) and cloud computing. In the field of power electronics, the spread of alternative energy solution products such as solar cells, hybrid cars, electric cars, electric motorcycles and eco-houses is expected to contribute to creating new markets of smart grid.

In response, Uyemura will aim for continued growth in the 21st century, we will utilize the collective strength of its group in order to promote a system that will enable us to take immediate proactive measures in response to business globalization, and we will improve our competitive position by emphasizing innovation at the factory level.

Through these measures, we forecast sales of 39,880 million yen (a decrease of 0.1% year-over-year), operating income of 5,900 million yen (an increase of 1.5%), ordinary profit of 6,020 million yen (an increase of 6.0%), and net income of 3,730 million yen (a decrease of 0.3%) for the fiscal year ending March 31, 2012.

(2) Analysis of Financial Position

Analysis of assets, liabilities, net assets and cash flows

Consolidated financial position (Thousands of yen)

At the end of	FY3/2010	FY3/2011	Differences
Total assets	42,612,930	45,662,571	3,049,640
Net assets	31,158,984	33,516,881	2,357,896
Equity ratio (%)	69.2	70.0	-
Net assets per share (yen)	3,146.17	3,413.24	267.07

(Thousands of yen)

	FY3/2010	FY3/2011	Differences
Net cash provided by operating activities	3,716,553	4,312,272	595,718
Net cash used in investing activities	(1,276,113)	(1,833,506)	(557,392)
Net cash used in financing activities	(3,012,021)	(1,022,402)	1,989,619
Effect of exchange rate changes on cash and cash equivalents	133,610	(278,666)	(412,276)
Increase (decrease) in cash and cash equivalents	(437,971)	1,177,697	1,615,668
Cash and cash equivalents at the end of period	12,569,633	13,747,330	1,177,697

1) Balance sheet position

Total assets increased 3,049 million yen from the end of the previous fiscal year to 45,662 million yen at the end of the current fiscal year. This was primarily attributable to a 1,932 million yen increase in cash and deposits with banks, and an 864 million yen increase in work in process. On the other hand, we posted a 449 million yen decrease in buildings and structures, net, and a 330 million yen decrease in machinery and vehicles, net.

Liabilities increased 691 million yen to 12,145 million yen. This was primarily attributable to a 766 million yen increase in notes and accounts payable-trade. On the other hand, we posted a 360 million yen decrease in notes payable-facilities.

Net assets increased 2,357 million yen to 33,516 million yen. This was primarily attributable to an increase in retained earnings of 3,227 million yen. On the other hand, we posted a 679 million yen decrease in foreign currency translation adjustments.

As a result, equity ratio increased by 69.2% from the end of the previous fiscal year to 70.0%

2) Cash flows

Cash and cash equivalents at the end of the current fiscal year increased 1,177 million yen from the end of the previous fiscal year to 13,747 million yen.

A summary of cash flows is as follows:

(Cash flows from operating activities)

Net cash provided by operating activities was 4,312 million yen (3,716 million yen in the previous fiscal year). Positive factors included net income before income taxes and minority interests of 5,597 million yen, and depreciation and amortization of 1,235 million yen, while negative factors included a 1,488 million yen increase in inventories, and income taxes paid of 1,500 million yen.

(Cash flows from investing activities)

Net cash used in investing activities was 1,833 million yen (1,276 million yen in the same period previous fiscal year). Positive factors included a 220 million yen proceeds from withdrawal of time deposits, while negative factors included 1,043 million yen payments into time deposits, and a 1,181 million yen payment for acquisition of fixed assets.

(Cash flows from financing activities)

Net cash used in financing activities was 1,022 million yen (3,012 million yen in the same period previous fiscal year). This was mainly due to a 348 million yen payment for acquisition of treasury stock of subsidiaries, and cash dividends paid of 515 million yen.

The following table illustrates the movements of cash flow-related indicators

Fiscal years ended	Mar. 31, 2007	Mar. 31, 2008	Mar. 31, 2009	Mar. 31, 2010	Mar. 31, 2011
Shareholders' equity ratio (%)	54.7	60.3	69.8	69.2	70.0
Shareholders' equity ratio based on market prices (%)	159.1	79.4	41.2	83.3	80.9
Cash flows to debt ratio (years)	0.8	0.4	0.2	0.3	0.3
Interest coverage ratio (x)	35.7	59.4	110.3	84.2	135.4

Notes: Shareholders' equity ratio: Shareholders' equity / Total assets

Shareholders' equity ratio based on market prices: Market capitalization / Total assets

Cash flows to debt ratio: Interest-bearing liabilities / Operating cash flow

Interest coverage ratio: Operating cash flow / Interest payments

1. These indices are calculated on a consolidated basis.
2. Market capitalization: Closing price of stock on the balance sheet date x Number of shares outstanding (deduction treasury stock) at the end of the fiscal year on the balance sheet date.
3. Net cash provided by operating activities on the consolidated statements of cash flows is used as operating cash flow. Interest-bearing liabilities include all liabilities on the consolidated balance sheets that incur interest. Interests paid on the consolidated statements of cash flows are used as interest payments.

(3) Profit Allocation Policy and Dividends for the Current and Next Fiscal Years

As we recognize profit distribution to our shareholders as an important management issue, we will continue stable payment of dividends with the amount linked to operating results as our basic policy while striving to establish a solid management foundation and to increase return on equity.

In accordance with the policy above, we plan to pay a year-end dividend of 55 yen per share in line with initial plan.

Regarding the dividend for the next fiscal year, we plan to pay a regular dividend of 55 yen per share, though it will be finally decided based on a comprehensive consideration of financial position and operating results.

(4) Business Risks

We list below those risks that could impact our group's business development. Note that future risks are based on management's judgment as of the end of the fiscal year under review.

1) Technological innovation

Our group's products are constantly impacted by technological innovation in demand industries. A reduction in the weight of surface finishing processes due to the development of new technologies, the adoption of new production methods, or the emergence of new competing products, could negatively impact demand for our group's products.

2) Securing a stable supply of rare raw materials

Some of our group's products use rare raw materials to maintain an advantage over competitors. Our group's competitiveness would be impacted if production of these rare raw materials were to be halted due to a change in strategy at raw materials makers, or legal restrictions, and we were unable to find suitable substitutes.

3) Restrictions on certain raw materials use

The raw materials used in our products, or plating film applications using our group's products, may be restricted by some companies or the government for environmental reasons. This would impact our product sales.

4) Surging materials prices

The prices of all kinds of materials, including raw materials, continue to rise due in large part to growth of the Chinese economy. We may not be able to increase prices to fully match sharp or long-term rises in the prices of mainstay raw materials used in our mainstay products, and this would impact the profitability of these products.

5) Foreign exchange rate fluctuation

Some of our group's transactions, and assets and liabilities, are denominated in foreign currencies. Foreign exchange rate volatility could adversely impact our group's earnings. We are trying to minimize foreign exchange risks by using forward foreign exchange contracts. However, it is not possible to completely eliminate foreign exchange risks.

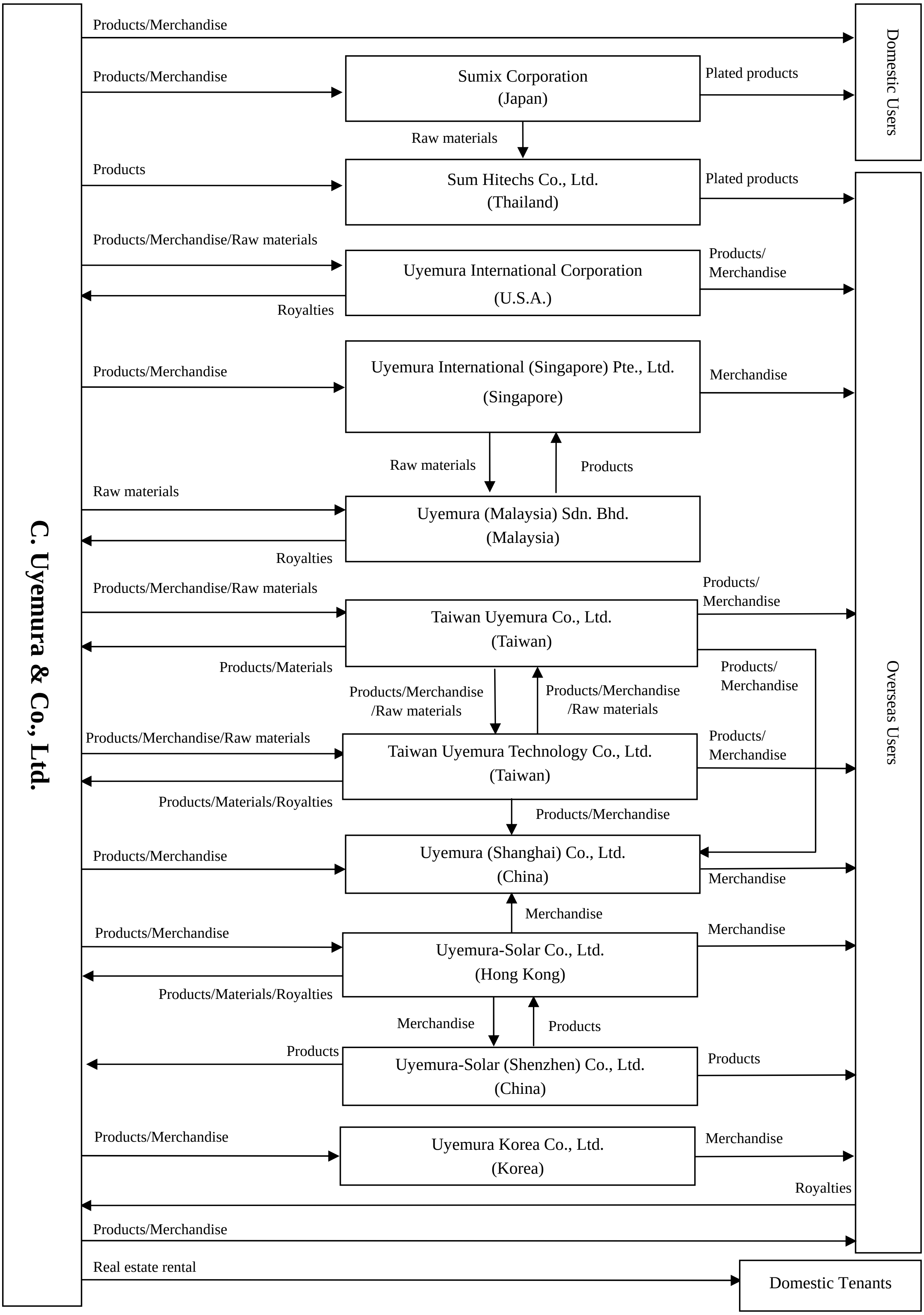
2. Corporate Group

Our group consists of C. Uyemura & Co., Ltd. and eleven subsidiaries which are engaged primarily in the surface finishing materials business (manufacture and marketing of plating chemicals; procurement and marketing of industrial chemicals and non-ferrous metals), the surface finishing machinery business (manufacture and marketing of surface finishing machinery as well as procurement and marketing of surface finishing machinery), the plating job business, and the real estate rental business.

The nature of each business, the positioning of our company and related companies in each particular business, and segmentation of business by category are as follows.

Category	Major products and merchandise	Companies
Surface finishing materials business	Plating chemicals for PWBs (printed wiring boards), Plating chemicals for aluminum magnetic disks, Industrial chemicals, Non-ferrous metals, and others	C. Uyemura & Co., Ltd. Uyemura International Corporation Uyemura International (Singapore) Pte., Ltd. Taiwan Uyemura Co., Ltd. Taiwan Uyemura Technology Co., Ltd. Uyemura (Malaysia) Sdn. Bhd. Uyemura-Solar Co., Ltd. Uyemura-Solar (Shenzhen) Co., Ltd. Uyemura (Shanghai) Co., Ltd. Uyemura Korea Co., Ltd. (Total 10 companies)
Surface finishing machinery business	Plating machinery for PWBs, Plating machinery for aluminum magnetic disks, and others	C. Uyemura & Co., Ltd. Uyemura International Corporation Uyemura International (Singapore) Pte., Ltd. Taiwan Uyemura Co., Ltd. Uyemura-Solar Co., Ltd. Uyemura-Solar (Shenzhen) Co., Ltd. Uyemura (Shanghai) Co., Ltd. (Total 7 companies)
Plating job business	Plastic plating services and PWB plating services	Sumix Corporation Sum Hitechs Co., Ltd. Taiwan Uyemura Co., Ltd. (Total 3 companies)
Real estate rental business	Rental of office buildings and apartment houses	C. Uyemura & Co., Ltd. (Total 1 company)

The following chart depicts in visual form the business relationships outlined in the table above.


C. Uyemura & Co., Ltd.
Products/Merchandise
Domestic Users
Products/Merchandise
Sumix Corporation
(Japan)
Plated products
Raw materials
Products
Sum Hitechs Co., Ltd.
(Thailand)
Plated products
Products/Merchandise/Raw materials
Uyemura International Corporation
(U.S.A.)
Products/
Merchandise
Royalties
Products/Merchandise
Uyemura International (Singapore) Pte., Ltd.
(Singapore)
Merchandise
Raw materials
Products
Raw materials
Uyemura (Malaysia) Sdn. Bhd.
(Malaysia)
Royalties
Products/Merchandise/Raw materials
Taiwan Uyemura Co., Ltd.
(Taiwan)
Products/
Merchandise
Products/Materials
Products/
Merchandise
Products/Merchandise
/Raw materials
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/Raw materials
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Taiwan Uyemura Technology Co., Ltd.
(Taiwan)
Products/
Merchandise
Products/Materials/Royalties
Products/Merchandise
Overseas Users
Products/Merchandise
Uyemura (Shanghai) Co., Ltd.
(China)
Merchandise
Merchandise
Products/Merchandise
Uyemura-Solar Co., Ltd.
(Hong Kong)
Merchandise
Products/Materials/Royalties
Merchandise
Products
Products
Uyemura-Solar (Shenzhen) Co., Ltd.
(China)
Products
Products/Merchandise
Uyemura Korea Co., Ltd.
(Korea)
Merchandise
Royalties
Products/Merchandise
Real estate rental
Domestic Tenants

3. Management Policies

(1) Fundamental Management Policies

Our group aims to grow along with customers, and this is reflected in our slogan "Growing together with U," which also emphasizes our intent to carry out a coordinated business strategy on a consolidated basis. To achieve this goal, we aim to leverage the comprehensive strength of our group by establishing a corporate structure that enables us to swiftly and efficiently meet our customers' needs, and we provide total solutions both hard and soft through development of surface finishing technologies for the latest technology applications. Furthermore, through transparent management, it is an important policy of ours to contribute to society and return profits to shareholders.

(2) Management Benchmarks

Our group formulates a 3-year mid-term business plan, which is updated annually on a rolling basis.

The newly formulated 3-year mid-term plan has set the mid to long-term target of achieving a record-high ordinary profit of 8 billion yen or more for the fiscal year ending March 31, 2013 on a consolidated basis.

(3) Mid-Term to Long-Term Business Strategies

We aim for continued growth in the 21st century as a leading company in the surface finishing industry. With emphasis on 'Selection, concentration, and speed', we plan to aggressively develop new products, and increase our presence in new markets, particularly in China. Furthermore, we will work on reconstruction of the Central Research Laboratory, our technology development core.

In our business divisions such as chemicals, machinery, controllers, plating job and overseas business development, we will focus on improvement of our collective strength.

On the other hand, we will continue to make efforts to improve operational efficiency and thoroughly reduce costs in each business segment.

We plan to unify the entire Uyemura group, including consolidated subsidiaries, under one vision for the direction of our company, and to solve the various obstacles that lie before us.

(4) Challenges

The growing importance of plating technology is widely recognized in the cutting-edge technology sectors, the electronics industry and the industry sectors to support the automotive industry. As a member of companies in these industries, we will continue to offer plating chemicals, machinery, and controllers as processes and develop our business globally.

Under these circumstances, we are now working on following challenges.

1) Ensure thorough compliance
2) Ensure thorough safety and eco-friendliness
3) Put a better research and development environment in place to accelerate its progress
4) Implement the initiatives over the next ten and twenty years
5) Establish a total solutions business model
6) Improve synergies among group companies and divisions
7) Explore and examine new overseas manufacturing and sales bases with an eye to the future
8) Ensure a quick response to changes in business environment

(5) Other Important Management Items

Not applicable.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousands of yen)

	FY2010 (As of Mar. 31, 2010)	FY2011 (As of Mar. 31, 2011)
Assets		
Current assets		
Cash and deposits with banks	15,168,479	17,101,358
Notes and accounts receivable-trade	9,429,966	9,693,432
Marketable securities	24,253	22,807
Merchandise and finished goods	1,348,183	1,561,944
Work in process	633,867	1,497,910
Raw materials and supplies	789,254	1,014,966
Deferred tax assets	220,823	264,464
Other current assets	429,502	622,169
Allowance for doubtful accounts	(27,977)	(42,186)
Total current assets	28,016,355	31,736,867
Fixed assets		
Tangible fixed assets		
Buildings and structures	*1 14,801,856	*1 14,691,943
Accumulated depreciation	(7,391,166)	(7,731,244)
Buildings and structures, net	7,410,690	6,960,699
Machinery and vehicles	6,378,964	5,919,762
Accumulated depreciation	(4,791,625)	(4,662,936)
Machinery and vehicles, net	1,587,339	1,256,826
Land	*1 2,797,777	*1 2,775,784
Lease assets	18,018	73,384
Accumulated depreciation	(11,562)	(18,022)
Lease assets, net	6,455	55,362
Construction in progress	74,225	210,215
Other tangible fixed assets	2,770,150	2,983,151
Accumulated depreciation	(2,199,826)	(2,333,213)
Other tangible fixed assets, net	570,324	649,938
Total tangible fixed assets	12,446,812	11,908,826
Intangible assets	232,791	213,998
Investments and other assets		
Investment securities	883,932	770,486
Long-term loans receivable	20,359	21,156
Deferred tax assets	76,768	49,916
Long-term deposits with banks	600,000	600,000
Other investments and other assets	364,928	389,424
Allowance for doubtful accounts	(29,017)	(28,104)
Total investments and other assets	1,916,971	1,802,879
Total fixed assets	14,596,574	13,925,704
Total assets	42,612,930	45,662,571

(Thousands of yen)

	FY2010 (As of Mar. 31, 2010)	FY2011 (As of Mar. 31, 2011)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	4,766,346	5,533,154
Short-term loans payable	*1 843,370	*1 753,375
Current portion of long-term loans payable	*1 100,352	*1 36,750
Lease obligations	2,010	13,903
Income taxes payable	787,126	1,046,567
Accrued bonuses	142,254	136,985
Allowance for directors’ bonuses	53,800	75,000
Notes payable-facilities	364,478	4,452
Deferred tax liabilities	7,163	4,684
Other current liabilities	1,273,226	1,639,567
Total current liabilities	8,340,130	9,244,442
Long-term liabilities		
Long-term loans payable	*1 326,050	*1 346,970
Deposit received	611,774	578,725
Lease obligations	2,848	40,550
Deferred tax liabilities	1,787,115	1,547,916
Allowance for employees’ retirement benefits	198,414	193,201
Allowance for directors’ retirement benefits	136,877	147,489
Negative goodwill	11,753	9,218
Other long-term liabilities	38,982	37,174
Total long-term liabilities	3,113,815	2,901,247
Total liabilities	11,453,945	12,145,690
Net assets		
Shareholders’ equity		
Common stock	1,336,936	1,336,936
Capital surplus	1,644,653	1,644,653
Retained earnings	30,786,844	34,014,054
Treasury stock	(2,070,266)	(2,070,582)
Total shareholders’ equity	31,698,168	34,925,062
Accumulated other comprehensive income		
Cumulative securities holding gain	252,431	207,019
Foreign currency translation adjustments	(2,474,799)	(3,154,431)
Total accumulated other comprehensive incomes	(2,222,368)	(2,947,411)
Minority interests	1,683,184	1,539,230
Total net assets	31,158,984	33,516,881
Total liabilities and net assets	42,612,930	45,662,571

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(Thousands of yen)

	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
Sales	32,306,959	39,930,865
Cost of goods sold	*1 21,546,806	*1 27,325,389
Gross profit	10,760,152	12,605,475
Selling, general and administrative expenses		
Packing and transportation	357,190	377,435
Provision of allowance for doubtful accounts	8,431	21,586
Salaries and wages	1,810,874	1,904,949
Bonuses	281,365	263,722
Provision of accrued bonuses	69,456	70,430
Provision of allowance for directors' bonuses	53,800	75,000
Retirement benefit expenses	144,145	164,580
Provision for directors' retirement benefits	18,230	15,525
Telecommunication and traveling expenses	267,540	295,726
Depreciation	383,665	331,205
Tax and public charges	83,148	85,831
R&D expenses	*2 1,289,701	*2 1,355,860
Others	1,825,100	1,829,459
Total selling, general and administrative expenses	6,592,650	6,791,312
Operating income	4,167,502	5,814,163
Non-operating income		
Interests received	56,668	62,072
Dividends received	13,114	14,353
Gains on valuable resources recovery	69,142	47,764
Technical guidance fee	4,248	-
Other non-operating income	157,755	84,707
Total non-operating income	300,930	208,898
Non-operating expenses		
Interest expense	42,658	32,100
Sales discounts	5,851	6,642
Exchange losses	61,330	249,952
Other non-operating expenses	59,853	56,561
Total non-operating expenses	169,695	345,256
Ordinary profit	4,298,737	5,677,805

(Thousands of yen)

	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
Extraordinary income		
Gains on sales of fixed assets	*3 6,755	*3 5,016
Gains on sales of investment securities	-	137,812
Gain on revision of retirement benefit plan	-	19,351
Total extraordinary income	6,755	162,179
Extraordinary loss		
Losses on disposal and sales of fixed assets	*4 72,323	*4 89,842
Loss on radio interference prevention	-	80,446
Losses on valuation of investment securities	17,008	-
Impairment loss	*5 21,388	-
Special retirement expenses	-	62,161
Others	-	10,000
Total extraordinary losses	110,719	242,450
Net income before income taxes and minority interests	4,194,772	5,597,535
Income taxes-current	1,161,352	1,772,267
Income taxes-deferred	146,206	(229,200)
Total income taxes	1,307,558	1,543,067
Income before minority interests	-	4,054,467
Minority interests in income	255,726	311,973
Net income	2,631,487	3,742,494
Minority interests in income	-	311,973
Income before minority interests	-	4,054,467
Other comprehensive income		
Cumulative securities holding gain	-	(45,411)
Foreign currency translation adjustments	-	(767,035)
Total other comprehensive income	-	*7 (812,447)
Comprehensive income	-	*6 3,242,019
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	-	3,017,450
Comprehensive income attributable to minority interests	-	224,569

(3) Consolidated Statements of Change in Shareholders' Equity

(Thousands of yen)

	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
Shareholders' equity		
Common stock		
Balance at the end of previous period	1,336,936	1,336,936
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	1,336,936	1,336,936
Capital surplus		
Balance at the end of previous period	1,644,653	1,644,653
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	1,644,653	1,644,653
Retained earnings		
Balance at the end of previous period	28,697,360	30,786,844
Changes of items during the period		
Dividends from surplus	(542,004)	(515,283)
Net income	2,631,487	3,742,494
Total changes of items during the period	2,089,483	3,227,210
Balance at the end of current period	30,786,844	34,014,054
Treasury stock		
Balance at the end of previous period	(77,610)	(2,070,266)
Changes of items during the period		
Purchase of treasury stock	(1,992,655)	(316)
Total changes of items during the period	(1,992,655)	(316)
Balance at the end of current period	(2,070,266)	(2,070,582)
Total shareholders' equity		
Balance at the end of previous period	31,601,339	31,698,168
Changes of items during the period		
Dividends from surplus	(542,004)	(515,283)
Net income	2,631,487	3,742,494
Purchase of treasury stock	(1,992,655)	(316)
Total changes of items during the period	96,828	3,226,894
Balance at the end of current period	31,698,168	34,925,062

(Thousands of yen)

	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
Accumulated other comprehensive income		
Cumulative securities holding gain		
Balance at the end of previous period	98,119	252,431
Changes of items during the period		
Net changes of items other than shareholders' equity	154,312	(45,411)
Total changes of items during the period	154,312	(45,411)
Balance at the end of current period	252,431	207,019
Foreign currency translation adjustments		
Balance at the end of previous period	(2,869,671)	(2,474,799)
Changes of items during the period		
Net changes of items other than shareholders' equity	394,871	(679,631)
Total changes of items during the period	394,871	(679,631)
Balance at the end of current period	(2,474,799)	(3,154,431)
Total accumulated other comprehensive income		
Balance at the end of previous period	(2,771,551)	(2,222,368)
Changes of items during the period		
Net changes of items other than shareholders' equity	549,183	(725,043)
Total changes of items during the period	549,183	(725,043)
Balance at the end of current period	(2,222,368)	(2,947,411)
Minority interests		
Balance at the end of previous period	1,705,544	1,683,184
Changes of items during the period		
Net changes of items other than shareholders' equity	(22,359)	(143,954)
Total changes of items during the period	(22,359)	(143,954)
Balance at the end of current period	1,683,184	1,539,230
Total net assets		
Balance at the end of previous period	30,535,332	31,158,984
Changes of items during the period		
Dividends from surplus	(542,004)	(515,283)
Net income	2,631,487	3,742,494
Purchase of treasury stock	(1,992,655)	(316)
Net changes of items other than shareholders' equity	526,824	(868,998)
Total changes of items during the period	623,652	2,357,896
Balance at the end of current period	31,158,984	33,516,881

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
Cash flows from operating activities		
Net income before income taxes and minority interests	4,194,772	5,597,535
Depreciation and amortization	1,307,648	1,235,112
Impairment loss	21,388	-
Increase (decrease) in allowance for doubtful accounts	8,431	21,586
Increase (decrease) in allowance for directors' bonuses	(700)	21,200
Increase (decrease) in allowance for employees' retirement benefits	5,593	15,804
Increase (decrease) in allowance for directors' retirement benefits	230	10,612
Interests and dividends income	(69,783)	(76,425)
Interest expense	42,658	32,100
Losses (gains) on valuation of marketable securities	(1,508)	(1,451)
Losses on valuation of investment securities	17,008	-
Losses (gains) on sales of investment securities	-	(137,812)
Losses (gains) on disposal and sales of fixed assets	65,567	84,825
Gain on revision of retirement benefit plan	-	(19,351)
Loss on radio interference prevention	-	80,446
Special retirement expenses	-	62,161
Decrease (increase) in notes and accounts receivable	(1,991,804)	(641,615)
Decrease (increase) in inventories	789,030	(1,488,737)
Increase (decrease) in notes and accounts payable	812,976	988,217
Others	(437,469)	48,663
Subtotal	4,764,040	5,832,873
Interests and dividends received	72,081	73,933
Interests paid	(44,142)	(31,849)
Payments for extra retirement payments	-	(62,161)
Income taxes paid	(1,075,425)	(1,500,522)
Net cash provided by operating activities	3,716,553	4,312,272
Cash flows from investing activities		
Payments into time deposits	(1,529,854)	(1,043,367)
Proceeds from withdrawal of time deposits	910,043	220,166
Increase in long-term deposits with banks	(600,000)	-
Proceeds from withdrawal of long-term deposits with banks	600,000	-
Payment for acquisition of fixed assets	(526,761)	(1,181,511)
Proceeds from sales of fixed assets	24,662	14,448
Payment for acquisition of investment securities	(8,555)	(8,687)
Proceeds from sales of investment securities	-	184,794
Proceeds from redemption of investment securities	130	130
Payment for purchase of investments in subsidiaries	(148,119)	-
Proceeds from sales of investments in subsidiaries	-	20,800
Payment for loans receivable	(32,093)	(15,862)
Proceeds from collection of loans receivable	24,656	12,215
Others	9,779	(36,633)
Net cash used in investing activities	(1,276,113)	(1,833,506)

(Thousands of yen)

	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(165,447)	(79,158)
Proceeds from long-term loans payable	-	91,125
Repayment for long-term loans payable	(158,436)	(99,104)
Payment for acquisition of treasury stock	(1,992,655)	(316)
Payment for acquisition of treasury stock of subsidiaries	(95,129)	(348,339)
Cash dividends paid	(542,004)	(515,283)
Payment for dividends to minority shareholders	(58,349)	(71,325)
Net cash used in financing activities	(3,012,021)	(1,022,402)
Effect of exchange rate changes on cash and cash equivalents	133,610	(278,666)
Increase (decrease) in cash and cash equivalents	(437,971)	1,177,697
Cash and cash equivalents at beginning of period	13,007,605	12,569,633
Cash and cash equivalents at end of period	*1 12,569,633	*1 13,747,330

(5) Going Concern Assumption

Not applicable.

(6) Basis for Presentation of the Consolidated Financial Statements

Item	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
1. Scope of consolidation	The number of consolidated subsidiaries: 10 Names of consolidated subsidiaries Sumix Corporation Taiwan Uyemura Co., Ltd. Taiwan Uyemura Technology Co., Ltd. Uyemura International Corporation Uyemura (Shanghai) Co., Ltd. Sum Hitechs Co., Ltd. Uyemura (Malaysia) Sdn. Bhd. Uyemura International (Singapore) Pte., Ltd. Uyemura-Solar Co., Ltd. Uyemura-Solar (Shenzhen) Co., Ltd.	The number of consolidated subsidiaries: 11 Names of consolidated subsidiaries Sumix Corporation Taiwan Uyemura Co., Ltd. Taiwan Uyemura Technology Co., Ltd. Uyemura International Corporation Uyemura (Shanghai) Co., Ltd. Sum Hitechs Co., Ltd. Uyemura (Malaysia) Sdn. Bhd. Uyemura International (Singapore) Pte., Ltd. Uyemura-Solar Co., Ltd. Uyemura-Solar (Shenzhen) Co., Ltd. Uyemura Korea Co., Ltd. In the current fiscal year, Uyemura Korea Co., Ltd. was established and included in consolidated accounts.
2. Application of equity method	The Company has no subsidiaries and affiliates accounted for by the equity method.	Same as on the left.
3. Closing date of consolidated subsidiaries	At the overseas subsidiaries' fiscal year end on December 31. Therefore, the financial statements of the overseas subsidiaries as of their closing date are used herein with necessary adjustments applied for consolidation purposes regarding the important transactions that have occurred between the said closing date, December 31 and the consolidation closing date, March 31.	Same as on the left.
4. Accounting standards (1) Valuation standards and method for major assets	1. Marketable securities 1) Trading securities Valued at the market price, cost of sales being determined by the moving average method. 2) Other securities Securities with market quotations Valued at the market price, using a market value at the end of the fiscal year, differences in valuation to be included in net assets, and cost of securities sold being determined by the moving average method. Securities without market quotations Valued at cost being determined by the moving average method. 2. Inventories 1) Merchandise Primarily valued at cost being determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).	1. Marketable securities 1) Trading securities Same as on the left. 2) Other securities Securities with market quotations Same as on the left. Securities without market quotations Same as on the left. 2. Inventories 1) Merchandise Same as on the left.

Item	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
	2) Finished goods and work in process Plating chemicals Primarily valued at cost being determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins). Surface finishing machinery Primarily valued at cost being determined by the identified cost method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins). 3) Raw materials and supplies Primarily valued at cost being determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).	2) Finished goods and work in process Plating chemicals Same as on the left. Surface finishing machinery Same as on the left. 3) Raw materials and supplies Same as on the left.
(2) Depreciation method for major depreciable assets	1) Tangible fixed assets (excluding lease assets) The declining balance method is used in the Company and its domestic consolidated subsidiaries, while the straight-line method is primarily used in overseas consolidated subsidiaries. Useful life of principle assets is as follows. Buildings and structures: 15-50 years Machinery and vehicles: 5-10 years 2) Lease assets Lease assets associated with finance lease transactions where there is no transfer of ownership The straight-line method with no residual value is applied with the lease period used as the useful life of the asset. For finance lease transaction where there is no transfer of ownership that started on or before March 31, 2008, the Company uses an accounting method that is based on the method used for ordinary lease transactions.	1) Tangible fixed assets (excluding lease assets) Same as on the left. 2) Lease assets Same as on the left.
(3) Recognition of major reserves	1) Allowance for doubtful accounts To prepare for credit losses on accounts receivable, allowances equal to the estimated amount of uncollectible receivables are accounted for based on historical write-off ratio for general receivables, and based on case-by-case determination of collectibility for bad receivables and claims in bankruptcy. 2) Accrued bonuses In the Company and its domestic consolidated subsidiaries, to prepare for the payment of bonus to employees, an allowance is accounted for a portion accrued for the current fiscal year of the estimated amount of future payment.	1) Allowance for doubtful accounts Same as on the left. 2) Accrued bonuses Same as on the left.

Item	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
	3) Allowance for directors' bonuses In the Company and its domestic consolidated subsidiaries, to prepare for the payment of bonus to directors, an allowance is accounted for the estimated bonus obligations in the current fiscal year.	3) Allowance for directors' bonuses Same as on the left.
	4) Allowance for employees' retirement benefits To provide for retirement benefits to employees, allowance for employees' retirement benefits is accounted in the amount deemed to have accrued at the end of the current fiscal year, based on the estimated retirement benefit obligations and plan assets at the end of the fiscal year. The actuarial difference is expensed in the following fiscal years using the straight-line method, based on the specified number of years (12 years) within the average length of remaining work period of employees.	4) Allowance for employees' retirement benefits Same as on the left.
	――――――	Additional information: The Company changed its qualified retirement benefit program to a defined benefit pension plan and a defined contribution pension plan effective January 1, 2011. To this change, the Company applied "Accounting for Transfer between Retirement Benefits Plans" (The Accounting Standards Board of Japan ("ASBJ") Guidance No. 1, January 31, 2002). As a result of this change, an extraordinary income of 19,351 thousand yen was reported.
	5) Allowance for directors' retirement benefits In the Company and its domestic consolidated subsidiaries, to prepare for the payment of retirement benefits to directors, an allowance is accounted for in the aggregate amount payable at the end of the fiscal year pursuant to the company's rules on directors' retirement benefits.	5) Allowance for directors' retirement benefits Same as on the left.
(4) Translation of the important assets or liabilities in foreign currency into Japanese currency	The monetary assets and liabilities in foreign currency are translated into Japanese currency based on the spot exchange rate as of the closing date of the current fiscal year, with the conversion difference to be accounted for as profit or loss. The assets and liabilities of overseas subsidiaries are translated into Japanese currency based on the spot exchange rate as of their closing date respectively, and revenue and expenses into Japanese currency based on the average conversion rate throughout the entire period, with the conversion difference to be accounted for so as to be included in foreign currency translation adjustments in the net assets.	Same as on the left.

Item	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
(5) Accounting for hedges	The Company uses derivatives transactions such as forward foreign exchange contract to manage its exposures to fluctuations in foreign exchange related to forecasted transactions and obligation created by demand trading. The Company applies the deferred hedge accounting method. Forward foreign exchange contracts, a hedge is accounted by the short-cut method if the hedging relationship meets certain criteria. The Company uses only derivative financial instruments that meet certain hedging criteria, so that hedge effectiveness is maintained.	Same as on the left.
(6) Amortization method and amortization period of goodwill	――――――	Negative goodwill is amortized by the straight-line method over a period of five years.
(7) Definition of cash and cash equivalents in the consolidated statements of cash flows	――――――	Cash and cash equivalents in the consolidated statements of cash flows is composed of 1) cash on hand, 2) bank deposit payable on demand, and 3) short-term investments readily redeemable within six months from the acquisition that has little risk on changes in valuation.
(8) Other important principles for presentation of consolidated financial statements	1) Consumption taxes All amounts stated are exclusive of consumption taxes.	1) Consumption taxes Same as on the left.
5. Evaluation of assets and liabilities of consolidated subsidiaries	The market price method is adopted fully for the evaluation of assets and liabilities of consolidated subsidiaries.	――――――
6. Amortization of goodwill and negative goodwill	Equal amortization over five years is adopted for amortization of negative goodwill.	――――――
7. Definition of cash and cash equivalents in the consolidated statements of cash flows	Cash and cash equivalents in the consolidated statements of cash flows is composed of 1) cash on hand, 2) bank deposit payable on demand, and 3) short-term investments readily redeemable within six months from the acquisition that has little risk on changes in valuation.	――――――

(7) Changes in Basis for Presentation of the Consolidated Financial Statements

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
――――――	(Accounting standard for asset retirement obligations) Beginning with the current fiscal year, “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No. 18, March 31, 2008) and “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21, March 31, 2008) have been applied. The effect of this change has no impact on operating income, ordinary profit and net income before income taxes and minority interests.

(8) Reclassifications

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
――――――	(Consolidated statements of income and consolidated statements of comprehensive income) Following the application of “Cabinet Office Ordinance Partially Revising Regulation for Terminology, Forms and Presentation of Financial Statements” (Cabinet Office Ordinance No. 5, March 24, 2009) based on the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, December 26, 2008,) an item “Income before minority interests” is presented in the current fiscal year.

(9) Additional Information

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
――――――	Beginning with the current fiscal year, “Accounting Standard for Presentation of Comprehensive Income (ASBJ Statement No. 25, June 30, 2010) has been applied. However, the “Accumulated other comprehensive income” and “Total accumulated other comprehensive income” items for the previous fiscal year show the amounts for “Valuation and translation adjustments” and “Total valuation and translation adjustments,” respectively.

(10) Notes to Consolidated Financial Statements

Notes to Consolidated Balance Sheets

(Thousands of yen)

FY2010 (As Mar. 31, 2010)		FY2011 (As Mar. 31, 2011)	
*1. Assets pledged as collateral and liabilities with collateral		*1. Assets pledged as collateral and liabilities with collateral	
Assets pledged as collateral		Assets pledged as collateral	
Buildings and structures	2,196,457	Buildings and structures	2,075,691
Land	47,200	Land	47,200
Total	2,243,657	Total	2,122,891
Liabilities with collateral		Liabilities with collateral	
Short-term loans payable	400,000	Short-term loans payable	400,000
Long-term loans payable (including current portion of long-term loans payable)	49,000	Long-term loans payable (including current portion of long-term loans payable)	31,000
Total	449,000	Total	431,000
2. Discounted notes receivable	18,174	2. Discounted notes receivable	111,077

Notes to Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(Thousands of yen)

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)		FY2011 (Apr. 1, 2010 – Mar. 31, 2011)	
*1. The ending inventory is the amount written down to reflect the effect of lower profit margins. The following loss on valuation of inventories is included in cost of sales.	42,290	*1. The ending inventory is the amount written down to reflect the effect of lower profit margins. The following loss on valuation of inventories is included in cost of sales.	44,224
*2. R&D expenses included in selling, general and administrative expenses	1,289,701	*2. R&D expenses included in selling, general and administrative expenses	1,355,860
*3. Gains on sales of fixed assets		*3. Gains on sales of fixed assets	
Machinery and vehicles	6,755	Machinery and vehicles	4,293
		Tools, furniture and fixtures	722
		Total	5,016
*4. Losses on disposal and sales of fixed assets		*4. Losses on disposal and sales of fixed assets	
Buildings and structures	53,534	Buildings and structures	43,027
Machinery and vehicles	11,533	Machinery and vehicles	35,572
Retirement cost	2,652	Retirement cost	6,834
Others	4,602	Others	4,407
Total	72,323	Total	89,842

(Thousands of yen)

<table>
<tr><th>FY2010
(Apr. 1, 2009 – Mar. 31, 2010)</th><th>FY2011
(Apr. 1, 2010 – Mar. 31, 2011)</th></tr>
<tr><td>*5. Impairment loss
The Group recognized an impairment loss on the following groups of assets.
<table>
<tr><th>Location</th><th>Use</th><th>Item</th></tr>
<tr><td>Moriguchi City, Osaka</td><td>Business assets</td><td>Machinery and vehicles, and others</td></tr>
<tr><td>Taoyuan County, Taiwan</td><td>Idle assets</td><td>Machinery and vehicles</td></tr>
</table>
We group business assets according to office and idle assets according to each asset type.
For the current fiscal year, we wrote down the book value of the groups of assets that have reported operating losses on a consistent basis and that of the idle assets not in use for business to their recoverable amounts. The difference between the book value and the recoverable amounts was then accounted for as impairment loss of 21,388 thousand yen and presented as an extraordinary loss. The amount of impairment loss consists of 20,465 thousand yen for machinery and vehicles, and 922 thousand yen for others.
The recoverable amount of the groups of assets is measured at net selling price.</td><td>5.
―――――</td></tr>
<tr><td>―――――</td><td>*6. Comprehensive income of the previous consolidated fiscal year
<table>
<tr><td>Comprehensive income attributable to owners of the parent</td><td>3,180,671</td></tr>
<tr><td>Comprehensive income attributable to minority interests</td><td>310,051</td></tr>
<tr><td>Total</td><td>3,490,723</td></tr>
</table></td></tr>
<tr><td>―――――</td><td>*7. Other comprehensive income of the previous consolidated fiscal year
<table>
<tr><td>Cumulative securities holding gain</td><td>154,312</td></tr>
<tr><td>Foreign currency translation adjustment</td><td>449,196</td></tr>
<tr><td>Total</td><td>603,508</td></tr>
</table></td></tr>
</table>

Notes to Consolidated Statements of Changes in Shareholders' Equity

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)

1. Types and total number of outstanding shares and treasury stock

	Number of shares as of Mar. 31, 2009 (Shares)	Increase (Shares)	Decrease (Shares)	Number of shares as of Mar. 31, 2010 (Shares)
Outstanding shares				
Common shares	9,878,040	-	-	9,878,040
Total	9,878,040	-	-	9,878,040
Treasury stock				
Common shares	23,420	485,823	-	509,243
Total	23,420	485,823	-	509,243

Note: The number of common shares of treasury stock was increased by 485,823 shares due to the purchase of treasury stock based on the Board of Directors resolution (485,700 shares) and the purchase of odd-lot share (123 shares).

2. Dividends

(1) Dividend payment

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 26, 2009	Common shares	542,004	55	Mar. 31, 2009	Jun. 29, 2009

(2) Dividends with a record date in the current fiscal year but an effective date in the following fiscal year

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Source of dividend	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 29, 2010	Common shares	515,283	Retained earnings	55	Mar. 31, 2010	Jun. 30, 2010

FY2011 (Apr. 1, 2010 – Mar. 31, 2011)

1. Types and total number of outstanding shares and treasury stock

	Number of shares as of Mar. 31, 2010 (Shares)	Increase (Shares)	Decrease (Shares)	Number of shares as of Mar. 31, 2011 (Shares)
Outstanding shares				
Common shares	9,878,040	-	-	9,878,040
Total	9,878,040	-	-	9,878,040
Treasury stock				
Common shares	509,243	91	-	509,334
Total	509,243	91	-	509,334

Note: The number of common shares of treasury stock was increased due to the purchase of odd-lot share (91 shares).

2. Dividends

(1) Dividend payment

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 29, 2010	Common shares	515,283	55	Mar. 31, 2010	Jun. 30, 2010

(2) Dividends with a record date in the current fiscal year but an effective date in the following fiscal year

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Source of dividend	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 29, 2011	Common shares	515,278	Retained earnings	55	Mar. 31, 2011	Jun. 30, 2011

Notes to Consolidated Statements of Cash Flows

(Thousands of yen)

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)		FY2011 (Apr. 1, 2010 – Mar. 31, 2011)	
*1. Reconciliation of the balance of cash and cash equivalents at the end of the fiscal year and the amount of each period stated in the consolidated balance sheets		*1. Reconciliation of the balance of cash and cash equivalents at the end of the fiscal year and the amount of each period stated in the consolidated balance sheets	
	(As of Mar. 31, 2010)		(As of Mar. 31, 2011)
Cash and deposits with banks	15,168,479	Cash and deposits with banks	17,101,358
Time deposits maturing with deposit period of more than 6 months	(2,598,846)	Time deposits maturing with deposit period of more than 6 months	(3,354,027)
Cash and cash equivalents	12,569,633	Cash and cash equivalents	13,747,330

Segment Information

a. Segment information by business category

FY2010 (Apr. 1, 2009 – Mar. 31, 2010) (Thousands of yen)

	Surface Finishing Materials	Surface Finishing Machinery	Real Estate Rental	Other Businesses	Total	Elimination or Corporate	Consolidated
I. Sales and operating income (loss)							
Sales							
(1) Sales to third parties	26,324,404	2,662,151	773,754	2,546,649	32,306,959	-	32,306,959
(2) Internal sales and transfers	322,051	9,542	-	-	331,594	(331,594)	-
Total	26,646,456	2,671,694	773,754	2,546,649	32,638,554	(331,594)	32,306,959
Operating expenses	22,914,172	2,937,277	357,762	2,261,839	28,471,052	(331,594)	28,139,457
Operating income (loss)	3,732,283	(265,582)	415,991	284,810	4,167,502	-	4,167,502
II. Assets, depreciation, impairment loss and capital expenditure							
Assets	24,132,290	3,693,009	2,636,507	2,972,307	33,434,115	9,178,815	42,612,930
Depreciation	881,036	79,453	137,261	209,897	1,307,648	-	1,307,648
Impairment loss	1,737	533	-	19,118	21,388	-	21,388
Capital expenditure	250,564	39,663	174,300	62,233	526,761	-	526,761

Notes: 1. Business categories are determined with the kinds and characteristics of products and merchandise taken into consideration.

2. Major products and merchandise in each business category

(1) Surface finishing materials: Plating chemicals for aluminum magnetic disks and PWBs, industrial chemicals and non-ferrous metals
(2) Surface finishing machinery: Plating machinery for aluminum magnetic disks and PWBs
(3) Real estate rental: Rental of office buildings and apartment houses
(4) Other businesses: Plating job, royalty revenues

3. Corporate assets included in “Elimination or Corporate” are 9,965,579 thousand yen as of March 31, 2009, and 9,334,808 thousand yen as of March 31, 2010, mainly composed of surplus funds (cash and deposits with banks), and long-term invested assets (investment securities) of the Company.

b. Geographical segment information

FY2010 (Apr. 1, 2009 – Mar. 31, 2010) (Thousands of yen)

	Japan	North America	Asia	Total	Elimination or Corporate	Consolidated
I. Sales and operating income (loss)						
Sales						
(1) Sales to third parties	18,014,751	2,384,512	11,907,695	32,306,959	-	32,306,959
(2) Internal sales and transfers	4,145,672	30	419,994	4,565,697	(4,565,697)	-
Total	22,160,424	2,384,543	12,327,689	36,872,657	(4,565,697)	32,306,959
Operating expenses	19,983,676	2,404,965	10,390,994	32,779,636	(4,640,179)	28,139,457
Operating income (loss)	2,176,747	(20,422)	1,936,695	4,093,020	74,481	4,167,502
II. Assets	16,448,460	860,945	17,022,907	34,332,312	8,280,617	42,612,930

Notes: 1. Segmentation method of countries or regions and major countries or regions included in each segment

(1) Segmentation method of countries and regions: Based on geographical proximity
(2) Major countries or regions included in each segment

North America: USA
Asia: Taiwan, Singapore, Malaysia, China and Thailand

2. Corporate assets included in “Elimination or Corporate” are 9,965,579 thousand yen as of March 31, 2009, and 9,334,808 thousand yen as of March 31, 2010, mainly composed of surplus funds (cash and deposits with banks), and long-term invested assets (investment securities) of the Company.

c. Overseas sales

FY2010 (Apr. 1, 2009 – Mar. 31, 2010) (Thousands of yen)

	North America	Asia	Other regions	Total
Overseas sales	2,384,512	14,105,248	96,163	16,585,925
Consolidated sales	-	-	-	32,306,959
Share overseas sales in consolidated sales	7.4%	43.6%	0.3%	51.3%

Notes: 1. Segmentation method of countries or regions and major countries or regions included in each segment

(1) Segmentation method of countries and regions: Based on geographical proximity

(2) Major countries or regions included in each segment

North America: USA

Asia: Taiwan, Singapore, China, Korea, Thailand, Philippines, Malaysia and Indonesia

Other regions: Germany and Australia

2. Overseas sales consist of sales, excluding internal sales, from outside Japan at the Company and its consolidated subsidiaries.

d. Segment information

1. Overview of reportable segment

FY2011 (Apr. 1, 2010 – Mar. 31, 2011)

Segments used for financial reporting are the Company's constituent units for which separate financial information is available and for which the Board of Directors performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.

The Company has established individual sales divisions that oversee specific product, merchandise and service categories. Each division conducts its business in line with the comprehensive strategy it has devised for products, merchandise and services in both domestic and overseas markets.

The Company's business activities thus comprise of four reportable business segments classified by type and nature of the products, merchandise and services; the surface finishing materials business, the surface finishing machinery business, the plating job business and the real estate rental business.

The surface finishing materials business handles the sale of plating chemicals for PWBs, plating chemicals for aluminum magnetic disks, industrial chemicals, non-ferrous metals and others. The surface finishing machinery business mainly deals with plating machinery for PWBs and plating machinery for aluminum magnetic disks. The plating job business is mainly engaged in plastic plating services and PWB plating services. The real estate rental business generates revenue by renting out office buildings and apartment houses.

2. Calculation method for sales, profit or loss, assets or liabilities, and other items for each reportable segments

The accounting method used for reportable business segments is generally the same as the methods listed in "Basis for Presentation of the Consolidated Financial Statements" except for valuation of inventories.

The valuation of inventories is based on the carrying value on the balance sheets is written down to reflect the effect of lower profit margins.

Intersegment sales and transfer sum are based on market prices.

3. Information related to sales, profit or loss, assets or liabilities, and other items for each reportable segment

FY2010 (Apr. 1, 2009 – Mar. 31, 2010) (Thousands of yen)

	Reportable segment					Other (Note 1)	Total	Adjustment (Note 2)	Amounts shown on consolidated financial statements (Note 3)
	Surface Finishing Materials	Surface Finishing Machinery	Plating Job	Real Estate Rental	Total				
Sales									
Sales to third parties	26,324,404	2,662,151	2,527,961	773,754	32,288,271	18,688	32,306,959	-	32,306,959
Internal sales and transfers	322,051	9,542	-	-	331,594	-	331,594	(331,594)	-
Total	26,646,456	2,671,694	2,527,961	773,754	32,619,866	18,688	32,638,554	(331,594)	32,306,959
Segment profit (loss)	3,692,812	(265,582)	308,350	415,991	4,151,571	15,930	4,167,502	-	4,167,502
Segment assets	24,132,290	3,693,009	2,972,307	2,636,507	33,434,115	-	33,434,115	9,178,815	42,612,930
Other items									
Depreciation	881,036	79,453	209,897	137,261	1,307,648	-	1,307,648	-	1,307,648
Amortization of goodwill	-	-	-	-	-	-	-	-	-
Increase in tangible fixed assets and intangible assets	250,564	39,663	62,233	174,300	526,761	-	526,761	-	526,761

Notes: 1. The “Other” business segment is not included in any of the four reportable segments, and its sales include loyalty revenues.
2. The 9,178,815 thousand yen adjustment to segment assets refers to company-wide assets, which are not allocated to any of the reportable segments, mainly composed of surplus funds (cash and deposits with banks), and long-term invested assets (investment securities) of the parent company.
3. Segment profit is adjusted to be consistent with operating income shown on the consolidated financial statements.

FY2011 (Apr. 1, 2010 – Mar. 31, 2011) (Thousands of yen)

	Reportable segment					Other (Note 1)	Total	Adjustment (Note 2)	Amounts shown on consolidated financial statements (Note 3)
	Surface Finishing Materials	Surface Finishing Machinery	Plating Job	Real Estate Rental	Total				
Sales									
Sales to third parties	32,953,752	3,174,421	3,020,326	768,552	39,917,052	13,812	39,930,865	-	39,930,865
Internal sales and transfers	257,786	16,107	416	-	274,310	-	274,310	(274,310)	-
Total	33,211,538	3,190,528	3,020,742	768,552	40,191,362	13,812	40,205,175	(274,310)	39,930,865
Segment profit	5,074,233	131,618	212,619	383,714	5,802,185	11,977	5,814,163	-	5,814,163
Segment assets	24,989,928	4,077,983	3,440,849	2,477,163	34,985,925	-	34,985,925	10,676,646	45,662,571
Other items									
Depreciation	770,839	76,994	214,964	172,313	1,235,112	-	1,235,112	-	1,235,112
Amortization of goodwill	17,441	5,862	2,262	-	25,566	-	25,566	-	25,566
Increase in tangible fixed assets and intangible assets	518,133	138,197	171,645	353,535	1,181,511	-	1,181,511	-	1,181,511

Notes: 1. The “Other” business segment is not included in any of the four reportable segments, and its sales include loyalty revenues.
2. The 10,676,646 thousand yen adjustment of segment assets refers to corporate assets, which are not allocated to any of the reportable segments, mainly composed of surplus funds (cash and deposits with banks), and long-term invested assets (investment securities) of the parent company.
3. Segment profit is adjusted to be consistent with operating income shown on the consolidated financial statements.

e. Related information

FY2011 (Apr. 1, 2010 – Mar. 31, 2011)

1. Information by product or service

Omitted because the same information is presented in the segment information section.

2. Information by region

(1) Sales (Thousands of yen)

Japan	Taiwan	China	Other	Total
18,878,220	5,490,732	4,911,279	10,650,633	39,930,865

(2) Tangible fixed assets (Thousands of yen)

Japan	Taiwan	Other	Total
7,419,716	2,593,068	1,896,041	11,908,826

3. Information about specific customers

Omitted because no single external customer accounts for 10% or more of sales shown on the consolidated statements of income and consolidated statements of comprehensive income.

f. Information related to impairment losses of fixed assets for each reportable segment

FY2011 (Apr. 1, 2010 – Mar. 31, 2011)

Not applicable.

g. Information related to goodwill amortization and the unamortized balance for each reportable segment

FY2011 (Apr. 1, 2010 – Mar. 31, 2011) (Thousands of yen)

	Surface Finishing Materials	Surface Finishing Machinery	Plating Job	Real Estate Rental	Other (Note)	Elimination or Corporate	Total
Depreciation for the period	17,441	5,862	2,262	-	-	-	25,566
Balance at the end of period	-	-	-	-	-	-	-

Note: The "Other" business segment is not included in any of the four reportable segments and its sales include loyalty revenues.

Amortization and the unamortized balance of negative goodwill as a result of the business combination that completed before April 1, 2010 are as follows.

(Thousands of yen)

	Surface Finishing Materials	Surface Finishing Machinery	Plating Job	Real Estate Rental	Other (Note)	Elimination or Corporate	Total
Depreciation for the period	-	-	2,327	-	-	-	2,327
Balance at the end of period	-	-	9,218	-	-	-	9,218

Note: The "Other" business segment is not included in any of the four reportable segments and its sales include loyalty revenues.

h. Information related to negative goodwill profits for each reportable segment

FY2011 (Apr. 1, 2010 – Mar. 31, 2011)

Not applicable.

(Additional information)

FY2011 (Apr. 1, 2010 – Mar. 31, 2011)

Beginning with the current fiscal year, "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, March 27, 2009) and "Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, March 21, 2008) have been applied.

Lease Transactions

(Thousands of yen)

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)

For finance lease transactions where there is no transfer of ownership that started prior to the fiscal year when accounting standards for lease transactions were first applied

(1) Acquisition costs, accumulated depreciation, impairment loss, and the balance at the end of the fiscal year

	Acquisition costs	Accumulated depreciation	Year-end balance
Machinery and vehicles	53,400	48,290	5,110
(Tangible fixed assets) Other	155,846	86,823	69,022
Total	209,246	135,113	74,132

(2) Future lease payments as of the end of the fiscal year

Due within one year	34,090
Due after one year	41,834
Total	75,925

(3) Lease payments, reversal from lease asset impairment, depreciation, interest equivalent and impairment loss

Lease payments	40,849
Depreciation equivalents	38,961
Interest equivalent	2,236

(4) Method of calculating depreciation equivalents
Depreciation is based on the straight-line method, assuming the lease period to be the useful life and no residual value.

(5) Method of calculating interest equivalents
Interest represents the difference between the total lease payments and the acquisition cost equivalents, and is allocated for each fiscal year using the simple-interest method.

(Impairment loss)
There is no impairment loss on lease asset-impairment account.

FY2011 (Apr. 1, 2010 – Mar. 31, 2011)

For finance lease transactions where there is no transfer of ownership that started prior to the fiscal year when accounting standards for lease transactions were first applied

(1) Acquisition costs, accumulated depreciation, impairment loss, and the balance at the end of the fiscal year

	Acquisition costs	Accumulated depreciation	Year-end balance
Machinery and vehicles	13,399	7,859	5,539
(Tangible fixed assets) Other	136,712	96,950	39,761
Total	150,112	104,810	45,301

(2) Future lease payments as of the end of the fiscal year

Due within one year	29,783
Due after one year	16,966
Total	46,750

(3) Lease payments, reversal from lease asset impairment, depreciation, interest equivalent and impairment loss

Lease payments	36,097
Depreciation equivalents	34,351
Interest equivalent	1,403

(4) Method of calculating depreciation equivalents
Same as on the left.

(5) Method of calculating interest equivalents
Same as on the left.

(Impairment loss)
Same as on the left.

FY2010

1. Finance lease transaction
Finance leases where there is no transfer of ownership
1) Breakdown of lease assets
Tangible fixed assets
Other tangible fixed assets

2) The depreciation method of lease assets
As described in the section "Basis for Presentation of the Consolidated Financial Statements, 4. Accounting standards, (2) Depreciation method for major depreciable assets."

2. Operating lease transactions
Future lease payments of non-cancelable outstanding commitments

Due within one year	14,385
Due after one year	9,717
Total	24,102

FY2011

1. Finance lease transaction
Finance leases where there is no transfer of ownership
1) Breakdown of lease assets
Tangible fixed assets
Same as on the left.

2) The depreciation method of lease assets
Same as on the left.

2. Operating lease transactions
Future lease payments of non-cancelable outstanding commitments

Due within one year	8,650
Total	8,650

Related Party Information

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)

Transaction with related parties

(1) Transaction between the Company and related parties

Directors of the Company, major individual shareholders, etc.

Type	Name	Address	Capital contribution (Thousand yen)	Business or occupation	Voting power	Relationships	Type of transaction	Transaction amount (Thousand yen)	Account	Year-end balance (Thousand yen)
Company, etc. with majority voting rights owned by director or his immediate relatives	Naniwa Shokusan Co., Ltd.*3	Tennouji-ku Osaka	40,000	Casualty insurance service, real estate leasing, dividends, etc.	(Owned) Direct 16.25%	Payment of casualty insurance, receipt of real estate leasing, concurrent directors	Payment of casualty insurance	96,987	Prepaid expenses	62,239
							Income from real estate leasing	881	Advances received	77
							Other	240	-	-

Notes: 1. Consumption tax has not been included in the above transaction amounts, but has been included in year-end balances.
2. Transaction conditions and policies regarding transaction conditions
Refer to market price.
3. Namihana Shokusan Co., Ltd. is a company wholly and directly owned by the Company's director Hiroya Uyemura and his immediate relatives.

(2) Transaction between the Company's consolidated subsidiaries and related parties

Directors of the significant consolidated subsidiaries, major individual shareholders, etc.

Type	Name	Address	Capital contribution (Thousand HK$)	Business or occupation	Voting power	Relationships	Type of transaction	Transaction amount (Thousand yen)	Account	Year-end balance (Thousand yen)
Significant consolidated subsidiaries, etc. with majority voting rights owned by director or his immediate relatives	Jing Mei Industrial Ltd. *3	Hong Kong	1,000	Manufacturing	-	Sales of merchandise, concurrent directors	Sales of merchandise	62,937	Accounts receivable	20,788
	Jing Mei Automotive Ltd. *3	Hong Kong	0	Manufacturing	-	Sales of merchandise, concurrent directors	Sales of merchandise	80,083	Accounts receivable	26,434

Notes: 1. The amounts above do not include consumption taxes.
2. Transaction conditions and policies regarding transaction conditions
Refer to market price.
3. Chan Wai Man Raymond, the director of the consolidated subsidiary Uyemura-Solar Co., Ltd., and his immediate relatives own the majority voting rights of these companies.

FY2011 (Apr. 1, 2010 – Mar. 31, 2011)

Transaction with related parties

(1) Transaction between the Company and related parties

Directors of the Company, major individual shareholders, etc.

Type	Name	Address	Capital contribution (Thousand yen)	Business or occupation	Voting power	Relationships	Type of transaction	Transaction amount (Thousand yen)	Account	Year-end balance (Thousand yen)
Company, etc. with majority voting rights owned by director or his immediate relatives	Naniwa Shokusan Co., Ltd.*3	Tennouji-ku Osaka	40,000	Casualty insurance service, real estate leasing, dividends, etc.	(Owned) Direct 16.25%	Payment of casualty insurance, receipt of real estate leasing, concurrent directors	Payment of casualty insurance	82,536	Prepaid expenses	58,145
							Income from real estate leasing	881	Advances received	77
							Other	240	-	-

Notes: 1. Consumption tax has not been included in the above transaction amounts, but has been included in year-end balances.
2. Transaction conditions and policies regarding transaction conditions
Refer to market price.
3. Namihana Shokusan Co., Ltd. is a company wholly and directly owned by the Company's director Hiroya Uyemura and his immediate relatives.

(2) Transaction between the Company's consolidated subsidiaries and related parties

Directors of the significant consolidated subsidiaries, major individual shareholders, etc.

Type	Name	Address	Capital contribution (Thousand HK$)	Business or occupation	Voting power	Relationships	Type of transaction	Transaction amount (Thousand yen)	Account	Year-end balance (Thousand yen)
Significant consolidated subsidiaries, etc. with majority voting rights owned by director or his immediate relatives	Jing Mei Industrial Ltd. *3	Hong Kong	1,000	Manufacturing	-	Sales of merchandise, concurrent directors	Sales of merchandise	106,985	Accounts receivable	54,471
	Jing Mei Automotive Ltd. *3	Hong Kong	0	Manufacturing	-	Sales of merchandise, concurrent directors	Sales of merchandise	82,644	Accounts receivable	12,286

Notes: 1. The amounts above do not include consumption taxes.
2. Transaction conditions and policies regarding transaction conditions
Refer to market price.
3. Chan Wai Man Raymond, the director of the consolidated subsidiary Uyemura-Solar Co., Ltd., and his immediate relatives own the majority voting rights of these companies.

Deferred Income Taxes

(Thousands of yen)

	FY2010 (As of Mar. 31, 2010)	FY2011 (As of Mar. 31, 2011)
1. Significant components of deferred tax assets and liabilities		
Deferred tax assets		
Allowance for doubtful accounts	1,162	4,510
Accrued enterprise tax	42,690	48,028
Unrealized income	59,915	76,212
Accrued bonuses	57,895	55,801
Others	82,615	116,172
Subtotal	244,279	300,726
Valuation allowance	(21,411)	(31,173)
Internal offset to deferred tax liabilities (current)	(2,043)	(5,088)
Total deferred tax assets (current)	220,823	264,464
Deficit carried forward	64,910	176,031
Allowance for employees' retirement benefits	58,992	45,391
Allowance for directors' retirement benefits	55,711	60,133
Investment securities	150,440	352,130
Tangible fixed assets	160,209	160,170
Others	27,230	27,082
Subtotal	517,495	820,940
Valuation allowance	(273,145)	(207,052)
Internal offset to deferred tax liabilities (non-current)	(167,581)	(563,970)
Total deferred tax assets (non-current)	76,768	49,916
Deferred tax liabilities		
Others	(9,207)	(9,773)
Internal offset to deferred tax assets (current)	2,043	5,088
Total deferred tax liabilities (current)	(7,163)	(4,684)
Undistributed earnings of consolidated subsidiaries	(1,734,153)	(1,903,540)
Cumulative securities holding gain	(173,322)	(142,106)
Others	(47,221)	(66,241)
Subtotal	(1,954,697)	(2,111,887)
Internal offset to deferred tax assets (non-current)	167,581	563,970
Total deferred tax liabilities (non-current)	(1,787,115)	(1,547,916)
2. Significant components of differences between the statutory tax and effective tax rate		
Statutory tax rate	40.6%	40.6%
Adjustments		
Differences in tax rates at subsidiaries	2.1%	(1.1)%
Tax exemption for foreign consolidated subsidiaries	(6.3)%	(4.6)%
Foreign tax credit	(2.7)%	(0.9)%
R&D tax credit	(2.0)%	(1.2)%
Increase (decrease) in valuation allowance	1.0%	(5.3)%
Others	(1.6)%	0.1%
Effective tax rate	31.1%	27.5%

Financial Instruments

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)

1. Conditions of financial instruments

(1) Management policy for financial instruments

It is the Group's policy that investments of funds are limited to bank deposits and other equivalents, and financing is obtained through bank borrowings. Derivatives are used only for the purpose of avoiding risks of certain assets and liabilities exposed to market fluctuation risks, and speculative transactions are not carried out.

(2) Details of financial instruments and their risks

Notes and accounts receivable-trade ('operating receivables') are exposed to the credit risk of clients, while foreign currency denominated operating receivables at foreign operations are exposed also to the foreign exchange risk.

Marketable securities and investment securities are primarily stock shares of companies with which the Group has a business relationship, and are exposed to the risk of fluctuating market prices. Long-term loans are provided mainly to employees of the Company.

Notes and accounts payable-trade ('operating debt') are due for payment within one year. Some of this operating debt is denominated in foreign currencies associated with importing raw materials, etc., and exposed to the risk of fluctuations in exchange rates. However, outstanding balance always remains not more than that of accounts receivable-trade denominated in the same foreign currencies.

Short-term loans payable are undertaken primarily to finance working capital, and long-term loans payable primarily to finance capital investment. All long-term loans payable are at fixed interest rates.

Derivatives transactions consist of forward exchange contracts to avoid the risk of future exchange rate fluctuations related to foreign denominated operating receivables and payable that arise during the course of regular operations. They are are subject to market risks of fluctuations in exchange rates and interest rates, and also credit risks of non-performance by a counterparty of a transaction.

(3) Risk management system

1) Management of credit risk (risk of default by customers)

Operating receivables are regularly monitored by the Sales Department and Accounting Department in accordance with Credit Control Rules and Sales Control Rules. Specifically, the both departments control the customer-specific payment dates and credit balance, through which the departments can detect and reduce the concern over collectability caused by deterioration of certain customers' financial position at the earliest possible time. Consolidated subsidiaries also manage risks in a similar way and in reference to the Company's Receivables Control Rules and Sales Control Rules.

Regarding the derivatives transactions, we consider that there is no significant credit risk arising from the transactions because we have a policy to deal with highly-rated banks only.

2) Management of market risk (risks associated with fluctuations in foreign exchange and interest rates)

The Company tracks exchange gains and losses on foreign currency denominated operating receivables and payables on a monthly basis, and estimate possible gains and losses based on various foreign exchange scenarios. And thereby preparing for changes in the markets, we manage market risks of foreign exchange fluctuations. Furthermore, an update on market risks is reported, as necessary, to the Board of Directors in order to minimize impacts of fluctuations in exchange rates, interest rates and commodity prices on the performance of the entire group or a specific segment.

Regarding market risks inherent in marketable securities and investment securities, we regularly monitor the securities for the market prices, and issuers, which are our customers, for their financial position.

Derivatives transactions are controlled by the Accounting Department of the Company based on regular reporting from the departments that involve in relevant transactions.

3) Management of liquidity risk associated with financing activities (risk of failing to meet payment obligation on the maturity date)

The Company effectively manages liquidity risk by having the Accounting Department prepare and update cash flow projections on a timely manner based on reports from other operating divisions of the Company and consolidated subsidiaries as well as by maintaining a certain level of liquidity on hand.

(4) Supplemental explanation concerning fair value of financial instruments

Fair value of the financial instrument is measured at a quoted market price, if available, or reasonably assessed value if a quoted market price is not available. As the calculation of the reasonably assessed value incorporates varying factors, the amount may vary if different assumptions are used.

2. Fair value of financial instruments

The carrying value, fair value, and their differences as of March 31, 2010 are shown as follows.

(Thousands of yen)

	Carrying value	Fair value	Unrealized gain (loss)
(1) Cash and deposits with banks	15,168,479	15,168,479	-
(2) Notes and accounts receivable-trade	9,429,966	9,429,966	-
(3) Marketable securities and investment securities	895,032	895,032	-
(4) Long-term loans receivable	20,359	20,399	39
(5) Long-term deposits with banks	600,000	576,038	(23,961)
Assets total	26,113,839	26,089,917	(23,921)
(1) Notes and accounts payable-trade	4,766,346	4,766,346	-
(2) Short-term loans payable	843,370	843,370	-
(3) Income taxes payable	787,126	787,126	-
(4) Notes payable-facilities	364,478	364,478	-
(5) Long-term loans payable*	426,402	447,175	20,773
(6) Guarantee deposit	611,774	372,917	(238,856)
Liabilities total	7,799,499	7,581,415	(218,083)

* “(5) Long-term loans payable” include current portions of long-term loans payable.

Notes 1: Matters concerning determination of fair value of financial instruments and marketable securities

Assets

(1) Cash and deposits with banks, (2) Notes and accounts receivable-trade

Fair value of the financial instruments in this category is deemed to be equal to their carrying amount because they are settled within a short period of time.

(3) Marketable securities and investment securities

For fair value of the financial instruments in this category, stocks are valued based on their prices on securities exchanges

(4) Long-term loans receivable, (5) Long-term deposits with banks

Fair value of the financial instruments in this category is determined by calculating present value obtained by discounting the amount of principal and interest receivable reflecting collectability at interest swap rates or other appropriate rates.

Liabilities

(1) Notes and accounts payable-trade, (2) Short-term loans payable, (3) Income taxes payable, (4) Notes payable-facilities

Fair value of the financial instruments in these categories is deemed to be equal to their carrying amount because they are settled within a short period of time.

(5) Long-term loans payable, (6) Guarantee deposit

Fair value of the financial instruments in these categories is determined by calculating present value obtained by discounting the combined value of principal and interest by the interest rate assumed were the Company to borrow new money.

2. Financial instruments whose fair value is deemed to be extremely difficult to measure.

(Thousands of yen)

Item	Carrying value
Unlisted stock	13,153

These instruments are not included in “(3) Marketable securities and investment securities” because there is no market price and the fair value is deemed to be extremely difficult to determine.

3. Balance of money claims and marketable securities with maturity scheduled to be redeemed in the subsequent fiscal years

(Thousands of yen)

	Due within one year	Due after one year through five years	Due after five years through ten years	Due after ten years
Cash and deposits with banks	15,168,479	-	-	-
Notes and accounts receivable-trade	9,429,966	-	-	-
Long-term loans receivable	-	18,084	2,047	228
Long-term deposits with banks	-	-	600,000	-
Total	24,598,446	18,084	602,047	228

Note: There were no securities with maturity under the marketable securities and investment securities.

FY2011 (Apr. 1, 2010 – Mar. 31, 2011)

1. Conditions of financial instruments

(1) Management policy for financial instruments

It is the Group's policy that investments of funds are limited to bank deposits and other equivalents, and financing is obtained through bank borrowings. Derivatives are used only for the purpose of avoiding risks of certain assets and liabilities exposed to market fluctuation risks, and speculative transactions are not carried out.

(2) Details of financial instruments and their risks

Notes and accounts receivable-trade ('operating receivables') are exposed to the credit risk of clients, while foreign currency denominated operating receivables at foreign operations are exposed also to the foreign exchange risk.

Marketable securities and investment securities are primarily stock shares of companies with which the Group has a business relationship, and are exposed to the risk of fluctuating market prices. Long-term loans are provided mainly to employees of the Company.

Notes and accounts payable-trade ('operating debt') are due for payment within one year. Some of this operating debt is denominated in foreign currencies associated with importing raw materials, etc., and exposed to the risk of fluctuations in exchange rates. However, outstanding balance always remains not more than that of accounts receivable-trade denominated in the same foreign currencies.

Short-term loans payable are undertaken primarily to finance working capital, and long-term loans payable primarily to finance capital investment. All long-term loans payable are at fixed interest rates.

Derivatives transactions consist of forward exchange contracts to avoid the risk of future exchange rate fluctuations related to foreign denominated operating receivables and payable that arise during the course of regular operations. They are subject to market risks of fluctuations in exchange rates and interest rates, and also credit risks of non-performance by a counterparty of a transaction.

(3) Risk management system

1) Management of credit risk (risk of default by customers)

Operating receivables are regularly monitored by the Sales Department and Accounting Department in accordance with Credit Control Rules and Sales Control Rules. Specifically, the both departments control the customer-specific payment dates and credit balance, through which the departments can detect and reduce the concern over collectability caused by deterioration of certain customers' financial position at the earliest possible time. Consolidated subsidiaries also manage risks in a similar way and in reference to the Company's Receivables Control Rules and Sales Control Rules.

Regarding the derivatives transactions, we consider that there is no significant credit risk arising from the transactions because we have a policy to deal with highly-rated banks only.

2) Management of market risk (risks associated with fluctuations in foreign exchange and interest rates)

The Company tracks exchange gains and losses on foreign currency denominated operating receivables and payables on a monthly basis, and estimate possible gains and losses based on various foreign exchange scenarios. And thereby preparing for changes in the markets, we manage market risks of foreign exchange fluctuations. Furthermore, an update on market risks is reported, as necessary, to the Board of Directors in order to minimize impacts of fluctuations in exchange rates, interest rates and commodity prices on the performance of the entire group or a specific segment.

Regarding market risks inherent in marketable securities and investment securities, we regularly monitor the securities for the market prices, and issuers, which are our customers, for their financial position.

Derivatives transactions are controlled by the Accounting Department of the Company based on regular reporting from the departments that involve in relevant transactions.

3) Management of liquidity risk associated with financing activities (risk of failing to meet payment obligation on the maturity date)

The Company effectively manages liquidity risk by having the Accounting Department prepare and update cash flow projections on a timely manner based on reports from other operating divisions of the Company and consolidated subsidiaries as well as by maintaining a certain level of liquidity on hand.

(4) Supplemental explanation concerning fair value of financial instruments

Fair value of the financial instrument is measured at a quoted market price, if available, or reasonably assessed value if a quoted market price is not available. As the calculation of the reasonably assessed value incorporates varying factors, the amount may vary if different assumptions are used.

2. Fair value of financial instruments

The carrying value, fair value, and their differences as of March 31, 2011 are shown as follows.

(Thousands of yen)

	Carrying value	Fair value	Unrealized gain (loss)
(1) Cash and deposits with banks	17,101,358	17,101,358	-
(2) Notes and accounts receivable-trade	9,693,432	9,693,432	-
(3) Marketable securities and investment securities	781,795	781,795	-
(4) Long-term loans receivable	21,156	21,481	324
(5) Long-term deposits with banks	600,000	586,210	(13,789)
Assets total	28,197,742	28,184,278	(13,464)
(1) Notes and accounts payable-trade	5,533,154	5,533,154	-
(2) Short-term loans payable	753,375	753,375	-
(3) Income taxes payable	1,046,567	1,046,567	-
(4) Notes payable-facilities	4,452	4,452	-
(5) Long-term loans payable*	383,720	397,398	13,678
(6) Guarantee deposit	578,725	361,877	(216,848)
Liabilities total	8,299,997	8,096,827	(203,169)

* “(5) Long-term loans payable” include current portions of long-term loans payable.

Notes 1: Matters concerning determination of fair value of financial instruments and marketable securities

Assets

(1) Cash and deposits with banks, (2) Notes and accounts receivable-trade

Fair value of the financial instruments in this category is deemed to be equal to their carrying amount because they are settled within a short period of time.

(3) Marketable securities and investment securities

For fair value of t the financial instruments in this category, stocks are valued based on their prices on securities exchanges

(4) Long-term loans receivable, (5) Long-term deposits with banks

Fair value of the financial instruments in this category are determined by calculating present value obtained by discounting the amount of principal and interest receivable reflecting collectability at interest swap rates or other appropriate rates.

Liabilities

(1) Notes and accounts payable-trade, (2) Short-term loans payable, (3) Income taxes payable, (4) Notes payable-facilities

Fair value of the financial instruments in this category is deemed to be equal to their carrying amount because they are settled within a short period of time.

(5) Long-term loans payable, (6) Guarantee deposit

Fair value of the financial instruments in this category is determined by calculating present value obtained by discounting the combined value of principal and interest by the interest rate assumed were the Company to borrow new money.

2. Financial instruments whose fair value is deemed to be extremely difficult to measure.

(Thousands of yen)

Item	Carrying value
Unlisted stock	11,497

These instruments are not included in “(3) Marketable securities and investment securities” because there is no market price and the fair value is deemed to be extremely difficult to determine.

3. Balance of money claims and marketable securities with maturity scheduled to be redeemed in the subsequent years

(Thousands of yen)

	Due within one year	Due after one year through five years	Due after five years through ten years	Due after ten years
Cash and deposits with banks	17,101,358	-	-	-
Notes and accounts receivable-trade	9,693,432	-	-	-
Long-term loans receivable	-	19,742	1,413	-
Long-term deposits with banks	-	-	600,000	-
Total	26,794,790	19,742	601,413	-

Note: There were no securities with maturity under the marketable securities and investment securities.

Marketable Securities

FY2010 (As of Mar. 31, 2010)

1. Securities for trade purposes

Unrealized gain (loss) included in profit/loss: 1,508 thousand yen

2. Other securities

(Thousands of yen)

	Type	Carrying value	Acquisition costs	Unrealized gain (loss)
Securities with carrying value exceeds acquisition costs	(1) Shares	805,316	381,176	424,140
	(2) Bonds			
	1) Government bonds, Municipal bonds, etc.	-	-	-
	2) Corporate bonds	-	-	-
	3) Others	-	-	-
	(3) Others	20,616	18,480	2,136
	Sub-total	825,932	399,656	426,276
Securities with carrying value not exceeding acquisition costs	(1) Shares	143	145	(2)
	(2) Bonds			
	1) Government bonds, Municipal bonds, etc.	-	-	-
	2) Corporate bonds	-	-	-
	3) Others	-	-	-
	(3) Others	44,703	45,225	(522)
	Sub-total	44,846	45,370	(524)
Total		870,778	445,026	425,752

Notes: Acquisition costs in the table represent book values after impairment.
Unlisted stocks (carrying value of 11,497 thousand yen) and unlisted foreign stocks (carrying value of 1,656 thousand yen) are not included in the above table reporting the status of other securities because there is no market price and the fair value is deemed to be extremely difficult to determine.

3. Sales of other securities during the fiscal year (Apr. 1, 2009 – Mar. 31, 2010)

Type	Sales amount	Aggregate gain	Aggregate loss
(1) Shares	-	-	-
(2) Bonds			
1) Government bonds, Municipal bonds, etc.	-	-	-
2) Corporate bonds	-	-	-
3) Others	-	-	-
(3) Others	-	-	-
Total	-	-	-

4. Securities written down due to impairment

Securities were written down at 17,008 thousand yen in the current fiscal year.

In the case of securities with market quotations as of the end of the fiscal year is 50% or more lower than their acquisition costs, the whole difference is impaired, and in the case of securities with market quotations as of the end of the fiscal year is 30 - 50% lower than their acquisition costs, the amount regarded as necessary is impaired, considering the possibility of recovery.

FY2011 (As of Mar. 31, 2011)

1. Securities for trade purposes

Unrealized gain (loss) included in profit/loss: 1,451 thousand yen

2. Other securities (Thousands of yen)

	Type	Carrying value	Acquisition costs	Unrealized gain (loss)
Securities with carrying value exceeds acquisition costs	(1) Shares	695,059	341,635	353,423
	(2) Bonds			
	1) Government bonds, Municipal bonds, etc.	-	-	-
	2) Corporate bonds	-	-	-
	3) Others	-	-	-
	(3) Others	-	-	-
	Sub-total	695,059	341,635	353,423
Securities with carrying value not exceeding acquisition costs	(1) Shares	3,847	4,651	(803)
	(2) Bonds			
	1) Government bonds, Municipal bonds, etc.	-	-	-
	2) Corporate bonds	-	-	-
	3) Others	-	-	-
	(3) Others	60,081	63,575	(3,494)
	Sub-total	63,928	68,226	(4,297)
Total		758,988	409,862	349,126

Notes: Acquisition costs in the table represent book values after impairment.
Unlisted stocks (carrying value of 11,497 thousand yen) are not included in the above table reporting the status of other securities because there is no market price and the fair value is deemed to be extremely difficult to determine.

3. Sales of other securities during the fiscal year (Apr. 1, 2010 – Mar. 31, 2011) (Thousands of yen)

Type	Sales amount	Aggregate gain	Aggregate loss
(1) Shares	184,794	137,812	-
(2) Bonds			
1) Government bonds, Municipal bonds, etc.	-	-	-
2) Corporate bonds	-	-	-
3) Others	-	-	-
(3) Others	-	-	-
Total	184,794	137,812	-

4. Securities written down due to impairment

Not applicable.

Derivative Transactions

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)

1. Derivative transactions not accounted by the hedge accounting method

Not applicable.

2. Derivative transactions accounted by the hedge accounting method

Currency related (Thousand of yen)

Type of transaction	Derivatives	Risk hedged	FY2010 (As of Mar. 31, 2010)		
			Notional amount		Fair value
				Over one year	
"Furiate shori" of forward exchange contracts, etc.	Forward exchange contracts Sell Japanese yen	Accounts receivable	10 thousand	-	(Note)
	Buy Japanese yen	Accounts payable	245,927	-	(Note)

Note: As forward exchange contracts accounted for under the temporarily allowed treatment are paired with the corresponding receivables and payables that are hedged by these contracts, their fair values are included in those of the corresponding receivables and payables.

*Translation note: "Furiate shori" is a temporarily allowed treatment under the Japanese GAAP and is a method of translating foreign currecy receivables and payables on the basis of rates in the related forward contract.

FY2011 (Apr. 1, 2010 – Mar. 31, 2011)

1. Derivative transactions not accounted by the hedge accounting method

Not applicable.

2. Derivative transactions accounted by the hedge accounting method

Currency related (Thousand of yen)

Type of transaction	Derivatives	Risk hedged	FY2011 (As of Mar. 31, 2011)		
			Notional amount		Fair value
				Over one year	
"Furiate shori" of forward exchange contracts, etc.	Forward exchange contracts Sell US dollars	Accounts receivable	49,887	-	(Note)
	Buy Japanese yen	Accounts payable	252,020	-	(Note)

Note: As forward exchange contracts accounted for under the temporarily allowed treatment are paired with the corresponding receivables and payables that are hedged by these contracts, their fair values are included in those of the corresponding receivables and payables.

*Translation note: "Furiate shori" is a temporarily allowed treatment under the Japanese GAAP and is a method of translating foreign currency receivables and payables on the basis of rates in the related forward contract.

Retirement Benefit

1. Retirement benefit plans

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
The Company and its domestic consolidated subsidiary adopt a tax-qualified pension plan of defined benefit plan entrusted to an outside third parity. Retirement lump sum plan is also applicable to certain employees. Other than those plans, Welfare Pension Fund is adopted, too. Also, some overseas consolidated subsidiaries have adopted a pension system that complies with their country's social retirement benefit plan. Following is the information regarding the multi-employer pension plan under which the amount to be contributed to pension assets is accounted for as retirement benefit expenses. The most recent date as of which funding status of the plan as a whole is available is March 31, 2009. (1) Information regarding funding status of the plan as a whole (As of Mar. 31, 2009) 1) Amount of plan assets 217,352 million yen 2) Amount of actuarially computed benefit obligation 388,740 million yen 3) Difference 1)-2) (171,388) million yen (2) The percentage of contribution by the Company out of the total contribution to the plan (As of Mar. 31, 2009) 0.83% (3) Supplemental information The difference shown in the above information (1) was caused by 32,906 million yen excess of actuarially computed value of plan assets over their fair value, present value of special contributions of 19,476 million yen and deficit carryforward of 119,005 million yen. The 32,906 million yen excess of actuarially computed value of plan assets over their fair value is included in the difference because Osaka Yakugyo Employees' Pension Fund, to which the Company contributes, adopts an actuarial method to value its plan assets. The present value of special contributions represents the amount of expected cash inflows to amortize the past actuarial deficit over the future periods, and the Company has already made necessary fund arrangements for special contribution based on the contribution rate predetermined by the employees' pension fund regulation. The method of amortization under the plan is level annuity amortization over the remaining amortization period of 13 years. The Company accounted for the special contribution of 18,661 thousand yen as expense in the consolidated financial statements for the previous fiscal year ended March 31, 2009 (April 1, 2008 – March 31, 2009). The percentage shown in the above information (2) does not correspond to the actual percentage borne by the Company because the amount of special contribution is computed by multiplying the amount of standard salary at the time of contribution by the predetermined contribution rate.	The Company has a defined benefit pension plan and a defined contribution pension plan, and one of its domestic consolidated subsidiaries has a tax-qualified pension plan entrusted to an outside third party. Retirement lump sum plan is also applicable to certain employees. Other than those plans, Welfare Pension Fund is adopted, too. Also, some overseas consolidated subsidiaries have adopted a pension system that complies with their country's social retirement benefit plan. Following is the information regarding the multi-employer pension plan under which the amount to be contributed to pension assets is accounted for as retirement benefit expenses. The most recent date as of which funding status of the plan as a whole is available is March 31, 2010. (1) Information regarding funding status of the plan as a whole (As of Mar. 31, 2010) 1) Amount of plan assets 254,273 million yen 2) Amount of actuarially computed benefit obligation 365,247 million yen 3) Difference 1)-2) (110,973) million yen (2) The percentage of contribution by the Company out of the total contribution to the plan (As of Mar. 31, 2010) 1.05% (3) Supplemental information The difference shown in the above information (1) was caused by 38,479 million yen excess of actuarially computed value of plan assets over their fair value, present value of special contributions of 25,910 million yen and deficit carryforward of 46,583 million yen. The 38,479 million yen excess of actuarially computed value of plan assets over their fair value is included in the difference because Osaka Yakugyo Employees' Pension Fund, to which the Company contributes, adopts an actuarial method to value its plan assets. The present value of special contributions represents the amount of expected cash inflows to amortize the past actuarial deficit over the future periods, and the Company has already made necessary fund arrangements for special contribution based on the contribution rate predetermined by the employees' pension fund regulation. The method of amortization under the plan is level annuity amortization over the remaining amortization period of 19 years. The Company accounted for the special contribution of 18,132 thousand yen as expense in the consolidated financial statements for the previous fiscal year ended March 31, 2010 (April 1, 2009 – March 31, 2010). The percentage shown in the above information (2) does not correspond to the actual percentage borne by the Company because the amount of special contribution is computed by multiplying the amount of standard salary at the time of contribution by the predetermined contribution rate.

2. Retirement benefit obligations

(Thousands of yen)

	FY2010 (As of Mar. 31, 2010)	FY2011 (As of Mar. 31, 2011)
(1) Retirement benefit obligation	(1,682,420)	(1,369,969)
(2) Plan assets at fair value	1,323,655	1,060,318
(3) Retirement benefit obligation exceeds plan assets	(358,764)	(309,651)
(4) Unrecognized actuarial gain or loss	160,350	116,449
(5) Allowance for employees' retirement benefit obligation	(198,414)	(193,201)

3. Retirement benefit expenses

(Thousands of yen)

	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
Retirement benefit expenses		
(1) Service cost	140,134	173,665
(2) Interest cost	19,707	18,643
(3) Expected return on plan assets	(12,249)	(12,607)
(4) Amortization of actuarial differences	32,730	27,819
Total	180,323	207,520
(5) Defined contribution pension fund	-	7,878
(6) Contribution of Welfare Pension Fund	111,391	108,136
(7) Retirement benefit expenses	291,714	323,536

4. Assumptions used in accounting for the above plans

	FY2010 (As of Mar. 31, 2010)	FY2011 (As of Mar. 31, 2011)
(1) Distribution of estimated retirement benefit obligations	Straight-line	Straight-line
(2) Discount rate	1.5%	1.5%
(3) Expected return on assets	1.2%	1.2%
(4) Amortization of actuarial differences	12 years	12 years

Stock Options

Not applicable.

Investment and Rental Property

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)

(1) The status of investment and rental property

The Company and some of its consolidated subsidiaries own office buildings for rent and apartment houses (including land) for rent. In the fiscal year ended March 31, 2010, the Company's net profit on investment and rental property was 415,991 thousand yen (773,754 thousand yen rent revenue was posted to sales while 357,762 thousand yen rent expenses to cost of goods sold.).

(2) Fair value of investment and rental property

(Thousands of yen)

Carrying value			Fair value at the end of the current fiscal year
Balance at the end of the previous fiscal year	Differences	Balance at the end of the current fiscal year	
2,659,772	279,666	2,939,438	8,073,888

Notes: 1. The carrying value is the amount of acquisition costs, net of accumulated depreciation.
2. The fair value for major properties at the end of the current fiscal year is based on the amount determined by appraisal reports or inspection reports prepared by an independent, external real-estate appraiser.
However, if there has been no significant change in appraised amounts or indicators that are deemed to reflect the market price appropriately since the most recent date of appraisal, those appraised amounts or amounts adjusted in accordance with the indicators are used as the fair value.

Additional Information

"Accounting Standard for Disclosures about Fair Value of Investment and Rental Property" (ASBJ Statement No. 20, November 28, 2008) and "Guidance on Accounting Standard for Disclosures about Fair Value of Investment and Rental Property" (ASBJ Guidance No. 23, November 28, 2008) were applied effective from the current fiscal year.

FY2011 (Apr. 1, 2010 – Mar. 31, 2011)

(1) The status of investment and rental property

The Company and some of its consolidated subsidiaries own office buildings for rent and apartment houses (including land) for rent. In the fiscal year ended March 31, 2011, the Company's net profit on investment and rental property was 383,714 thousand yen (768,552 thousand yen rent revenue was posted to sales while 384,838 thousand yen rent expenses to cost of goods sold.).

(2) Fair value of investment and rental property

(Thousands of yen)

Carrying value			Fair value at the end of the current fiscal year
Balance at the end of the previous fiscal year	Differences	Balance at the end of the current fiscal year	
2,939,438	(162,270)	2,777,168	7,820,437

Notes: 1. The carrying value is the amount of acquisition costs, net of accumulated depreciation.
2. The fair value for major properties at the end of the current fiscal year is based on the amount determined by inspection reports prepared by an independent, external real-estate appraiser.
However, if there has been no significant change in appraised amounts or indicators that are deemed to reflect the market price appropriately since the most recent date of appraisal, those appraised amounts or amounts adjusted in accordance with the indicators are used as the fair value.

Per Share Data

(Yen)

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)		FY2011 (Apr. 1, 2010 – Mar. 31, 2011)	
Net assets per share	3,146.17	Net assets per share	3,413.24
Net income per share (basic)	276.74	Net income per share (basic)	399.47
Net income per share (diluted) is not disclosed since there is no diluting share.		Net income per share (diluted) is not disclosed since there is no diluting share.	

Note: Basis for calculation of net assets per share

(Thousands of yen)

	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
Total net assets on balance sheets	31,158,984	33,516,881
Deduction on total net assets	1,683,184	1,539,230
[Minority interests]	[1,683,184]	[1,539,230]
Net assets applicable to common stock	29,475,800	31,977,651
Number of shares outstanding (common stock)	9,878,040 shares	9,878,040 shares
Number of treasury stock (common stock)	509,243 shares	509,334 shares
Number of common stock used in calculation of net assets per share	9,368,797 shares	9,368,706 shares

Note: Basis for calculation of net income per share (basic)

(Thousands of yen)

	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
Net income	2,631,487	3,742,494
Amount not available to common shareholders	-	-
Net income applicable to common stock	2,631,487	3,742,494
Average number of shares outstanding during period	9,508,757 shares	9,368,748 shares

Material Subsequent Events

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	FY2011 (Apr. 1, 2010 – Mar. 31, 2011)
(Establishment of significant subsidiary) The Company has established a subsidiary in South Korea following the resolution approved at the Board of Directors on June 10, 2010. 1. Purpose of the establishing Further expand its sales and strengthen technical support capabilities in the South Korean market 2. Summary of the subsidiary (1) Company name: Uyemura Korea Co., Ltd. (2) Established: July 2010 (tentative) (3) Location: Anyang City, Gyeonggi-do, South Korea (4) Representative: Hiroya Uyemura, President and Representative Director (President of C. Uyemura & Co., Ltd.) (5) Capital stock: 5 billion Won (approximately equivalent to 0.4 billion yen) (6) Shareholders: 100% owned by C. Uyemura & Co., Ltd. (7) Fiscal year end: December 31 (8) Main business: Manufacture and sales of plating chemicals	――――

Note: This financial report is solely a translation of summary of Japanese "Kessan Tanshin" (including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer English translation. All readers are recommended to refer to the original version in Japanese of the report for complete information.