

# Summary of Consolidated Financial Statements for the Third Quarter of the Fiscal Year Ending March 31, 2010

January 29, 2010

These financial statements have been prepared for reference only in accordance with accounting principles and practices generally accepted in Japan.

## MEDIPAL HOLDINGS CORPORATION

Code number: 7459

Representative: Sadatake Kumakura, President and CEO

Contact: Kunie Yamazaki, Manager of Corporate Communication Department

Filing of Securities Report (*Shihanki Hokokusho*) (scheduled): February 12, 2010

Start of distribution of dividends (scheduled): —

Stock exchange listing: Tokyo

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

## 1. Consolidated Results for the Third Quarter of the Fiscal Year Ending March 31, 2010 (April 1, 2009 to December 31, 2009)

### (1) Sales and Income

(Percentages represent change compared with the corresponding period of the previous fiscal year.)

	Net sales (¥ million)	Year-on-year change (%)	Operating income (¥ million)	Year-on-year change (%)	Ordinary income (¥ million)	Year-on- year change (%)
Nine months ended December 31, 2009	1,952,577	3.6	15,807	12.7	22,281	(13.8)
Nine months ended December 31, 2008	1,885,409	—	14,031	—	25,842	—

	Net income (¥ million)	Year-on-year change (%)	Earnings per share (¥)	Earnings per share (diluted) (¥)
Nine months ended December 31, 2009	8,341	(39.8)	35.33	—
Nine months ended December 31, 2008	13,865	—	58.00	57.87

### (2) Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Net worth ratio (%)	Net assets per share (¥)
As of December 31, 2009	1,200,843	296,613	24.7	1,264.56
As of March 31, 2009	1,117,287	294,500	26.4	1,229.34

(Reference) Net worth: As of December 31, 2009: ¥296,613 million; As of March 31, 2009: ¥294,500 million

## 2. Cash Dividends

	Dividends per share (¥)				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Full year
Year ended March 31, 2009	—	11.00	—	7.00	18.00
Year ending March 31, 2010	—	9.00	—	—	—
Year ending March 31, 2010 (est.)	—	—	—	9.00	18.00

Note: Revisions to projected dividends during the quarter: No

## 3. Projected Consolidated Results for the Fiscal Year Ending March 31, 2010 (April 1, 2009 - March 31, 2010)

(Percentages represent change compared to the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income		Earnings per share
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥)
Full year	2,551,000	3.5	20,000	48.6	27,700	(4.5)	9,900	(20.9)	42.00

Note: Revisions to projected consolidated results during the quarter: No

#### **4. Others**

- (1) Changes in the state of material subsidiaries during the period (changes in specified subsidiaries due to changes in the scope of consolidation): No  
New: — Eliminated: —
  
- (2) Use of simplified accounting methods or special accounting methods for preparation of quarterly financial statements: Yes  
(For details, see “4. Other” of “Qualitative Information and Financial Statements, etc.” on page 5.)
  
- (3) Changes in accounting principles, procedures, and methods of presentation, etc., related to the preparation of quarterly consolidated financial statements (changes in material items that form the basis for the preparation and presentation of quarterly consolidated financial statements)
  - (a) Changes related to revisions in accounting principles: No
  - (b) Other changes aside from those in (a) above: No
  
- (4) Number of shares issued and outstanding (common stock)
  - (a) Number of shares at the end of the period (including treasury stock)  
Nine months ended December 31, 2009: 244,524,496; Year ended March 31, 2009: 244,524,496
  - (b) Number of treasury shares at the end of the period:  
Nine months ended December 31, 2009: 9,964,942; Year ended March 31, 2009: 4,963,671
  - (c) Average number of shares outstanding during the period (cumulative with earlier quarters):  
Nine months ended December 31, 2009: 236,113,581; Nine months ended December 31, 2008: 239,062,919

#### **Cautionary Remarks Regarding Proper Use of Projected Results and Other Items**

The projected results are based on information available at the time of this announcement. Actual results may differ from the figures in the projection owing to a wide range of factors in the future. See “3. Qualitative Information on Projected Consolidated Results” of “Qualitative Information and Financial Statements, etc.” on page 5 for assumptions, conditions and other items regarding the projected results.

## **Qualitative Information and Financial Statements, etc.**

### **1. Qualitative Information on Consolidated Business Results**

In the Japanese economy during the third quarter of the fiscal year ending March 31, 2010, or the nine months ended December 31, 2009, economic conditions remained severe. While personal consumption continues to pick up and the decline in capital investment is bottoming out, the economy lacks sufficient momentum for a self-sustaining recovery due to the high unemployment rate and other factors.

In these economic conditions, the MEDIPAL Group (the Company and its consolidated subsidiaries) has been carrying out business innovations aimed at establishing a new, customer-oriented business model that is highly responsive to changes in the market environment and customer needs. In addition, the MEDIPAL Group has been making proactive investments to ensure stable earnings in the future.

These business innovations are proceeding smoothly. On October 1, 2009, based on its judgment that more speed-oriented decision making is necessary to respond effectively to the rapid changes in the operating environment, the MEDIPAL Group clearly divided Group headquarters functions and operating company functions by shifting to a pure holding company system. Simultaneously, the Company changed its corporate name to MEDIPAL HOLDINGS CORPORATION. On the same date, the purchasing, distribution, information system, customer support and other functions the Company had managed for prescription pharmaceuticals were transferred to KURAYA SANSEIDO Inc. (Chuo-ku, Tokyo), which merged with five wholly owned subsidiaries of the Company in the prescription pharmaceutical wholesale business and changed its corporate name to MEDICEO CORPORATION.

Also on October 1, 2009, the Company's wholly owned subsidiary ATOL CO., LTD. (Hakata-ku, Fukuoka) merged with its own subsidiary, ATOL Naha Yakuhin Co., Ltd. (Yonabaru-cho, Shimajirigun, Okinawa). In addition, the Company's wholly owned subsidiary MEDICEO MEDICAL CO., LTD. (Bunkyo-ku, Tokyo) changed its corporate name to MM CORPORATION with the aim of increasing its name recognition and further growing its business.

Meanwhile, as part of the comprehensive alliance the Company has had with Mitsubishi Corporation in the medical services business since September 2005, the two companies formed a comprehensive alliance with Sinopharm Group Co., Ltd. ("Sinopharm Group"), the largest pharmaceutical wholesaler in China. On October 27, 2009, the Company and Mitsubishi purchased stakes in Sinopharm Medicine Holding Beijing Huahong Co., Ltd. ("Beijing Huahong"), a subsidiary of Sinopharm Group, and launched a joint venture in the fields of pharmaceutical distribution and wholesaling in China.

For the nine-month period ended December 31, 2009, consolidated net sales were ¥1,952,577 million (a 3.6 percent increase compared with the same period of the previous year) and operating income was ¥15,807 million (a 12.7 percent increase). Ordinary income was ¥22,281 million (a 13.8 percent decrease), mainly due to the completion of amortization of negative goodwill, which had been recorded in non-operating income until the previous fiscal year, and net income was ¥8,341 million (a 39.8 percent decrease) due to special retirement benefits recorded as an extraordinary loss.

A summary of results by principal business segments follows below.

#### **Prescription Pharmaceutical Wholesale Business**

In sales of prescription pharmaceuticals, demand for products related to a new influenza virus grew due to the spread of infections, and all companies in the MEDIPAL Group aggressively implemented measures to strengthen sales of lifestyle disease medications and new products, while working to maintain rational selling prices and secure reasonable profits.

In addition, with overall optimization of pharmaceutical distribution as the primary theme, MEDICEO CORPORATION, a wholly owned subsidiary of the Company, established a state-of-the-art Area Logistics Center in Totsuka-ku, Yokohama (Kanagawa ALC), and the facility began operations in September 2009. Subsequently, the MEDIPAL Group successively consolidated sales bases in the Kanagawa area, and began supplying products to all of Kanagawa Prefecture from Kanagawa ALC in December 2009. In the future, the Group will work to further raise productivity and contribute to area medical care.

On the other hand, to address the rapid deterioration of the earnings environment, a reduction in compensation was implemented for officers and managers of the Company and its wholly owned subsidiaries in the prescription pharmaceutical wholesale business. In addition, as part of business streamlining measures, voluntary early retirement was offered to employees of the Company's subsidiaries in the Prescription

Pharmaceutical Wholesale Business, with a retirement date of September 30, 2009, and 257 employees applied.

As a result, sales of the Prescription Pharmaceutical Wholesale Business were ¥1,393,211 million (a 4.7 percent increase compared with the same period of the previous year) and operating income was ¥7,636 million (a 3.0 percent increase).

### **Cosmetics, Daily Necessities and OTC Pharmaceutical Wholesale Business**

In sales of cosmetics, daily necessities and OTC pharmaceuticals, amid weak personal consumption, the MEDIPAL Group worked to build a structure that can respond to needs throughout the supply chain from production to consumption. The goal is to increase efficiency and productivity by establishing a uniform sales system for cosmetics, daily necessities and healthcare.

A new large-scale high-tech distribution center (RDC Hokkaido) began operations in May 2009 in the Hokkaido area (Kitahiroshima-shi, Hokkaido) to further promote a low-cost, high-quality distribution system. Furthermore, in November 2009 construction was completed on RDC Tohoku, a similar distribution center in the Tohoku area (Hanamaki-shi, Iwate), and preparations are under way for the start of full-scale operations in February 2010.

As a result, sales of the Cosmetics, Daily Necessities and OTC Pharmaceutical Wholesale Business were ¥556,635 million (a 1.0 percent increase compared with the same period of the previous year) and operating income was ¥8,114 million (a 24.1 percent increase).

### **Related Business**

In sales of industrial chemicals, inventory adjustments proceeded in the semiconductor and IT industries and business with customers in newly industrialized countries expanded, but challenging conditions continued. Sales of food additives were weak due to the effect of unfavorable summer weather, although demand for domestic food products remained stable, reflecting food safety issues.

As a result, Related Business sales were ¥3,684 million (a 12.3 percent decrease compared with the same period of the previous year) and operating income was ¥17 million (a 55.4 percent decrease compared with the same period of the previous year).

On November 30, 2009, the Company transferred all shares of its wholly owned subsidiary KURAYA KASEI, INC. (Chikuma-shi, Nagano) to MITANI SANGYO CO., LTD. (Kanazawa-shi, Ishikawa), which provides high-quality, high-value-added services in a wide range of business areas, including chemical products and information systems, based on its decision that this will contribute significantly to KURAYA KASEI's future growth.

Note: Business segment sales include intersegment sales.

## **2. Qualitative Information on Consolidated Financial Position**

### **(1) Assets, Liabilities and Net Assets**

Total assets as of December 31, 2009 were ¥1,200,843 million, an increase of ¥83,556 million from the end of the previous fiscal year. This was mainly due to an increase of ¥69,904 million in notes and accounts receivable, trade.

Liabilities totaled ¥904,229 million, an increase of ¥81,443 million from the end of the previous fiscal year. This was mainly due to an increase of ¥71,891 million in notes and accounts payable, trade.

Net assets were ¥296,613 million, an increase of ¥2,112 million from the end of the previous fiscal year. This was mainly due to an increase of ¥3,318 million in unrealized gains on securities, net of taxes and an increase of ¥4,370 million in retained earnings, partially offset by an increase of ¥5,717 million in treasury stock, at cost.

### **(2) Cash Flows**

For the nine months ended December 31, 2009, cash and cash equivalents (hereafter, "cash") at the end of the period decreased ¥38,648 million (28.0 percent) from the end of the previous fiscal year to ¥99,419 million.

### **Cash Flows from Operating Activities**

The decrease in cash from operating activities was ¥13,192 million (an increase of ¥10,036 million compared with the same period of the previous year). Main factors were an increase of ¥71,598 million in notes and accounts receivable – trade and a ¥31,871 million increase in inventories, partially offset by income

before income taxes and minority interests of ¥14,128 million and an increase in notes and accounts payable – trade of ¥73,925 million.

#### **Cash Flows from Investing Activities**

The decrease in cash from investing activities was ¥26,420 million (an increase of ¥7,412 million compared with the same period of the previous year). The main factor was ¥21,765 million in payments for purchases of property and equipment including sites for Kanagawa ALC and RDC Yokohama (tentative name).

#### **Cash Flows from Financing Activities**

The increase in cash from financing activities was ¥920 million (in the same period of the previous fiscal year there was a decrease of ¥8,147 million). The main factor was a net increase of ¥11,867 million in borrowings, which was partially offset by purchase of treasury stock totaling ¥5,717 million and cash dividends paid to shareholders totaling ¥3,787 million.

### **3. Qualitative Information on Projected Consolidated Results**

The forecast for the full fiscal year announced on July 31, 2009 is unchanged, as the effect of the National Health Insurance drug price revisions scheduled for April 2010 on the invoice prices of pharmaceutical manufacturers is uncertain at present.

#### **4. Other**

(1) Changes in the state of material subsidiaries during the period (changes in specified subsidiaries due to changes in the scope of consolidation)

None applicable

(2) Use of simplified accounting methods or special accounting methods for preparation of quarterly consolidated financial statements

(a) Simplified accounting methods

##### **Valuation of inventories**

Inventories at the end of the third quarter on December 31, 2009 are calculated using a reasonable method based on inventories at the end of the interim period on September 30, 2009 instead of an actual physical inventory.

##### **Calculation of estimated loss on ordinary receivables**

For the loss ratio for the nine months ended December 31, 2009, the Company calculates the estimated loss using the loss ratio at the end of the previous fiscal year, as no significant changes have been recognized in the amount calculated at the end of the previous fiscal year.

##### **Calculation of income taxes, deferred tax assets and deferred tax liabilities**

Calculation of the amount of income tax payments omits items that increase or reduce tax and items that are tax credits if the amounts are insignificant.

The future projections of operating results and tax planning used in the previous fiscal year are used in judging the recoverability of deferred tax assets, as the Company has recognized no significant changes in the operating environment or in the occurrence of temporary differences since the end of the previous fiscal year.

(b) Special accounting methods for preparation of quarterly consolidated financial statements

None applicable

(3) Changes in accounting principles, procedures and methods of presentation, etc., related to the preparation of quarterly consolidated financial statements

None applicable

**5. Quarterly Consolidated Financial Statements**  
**(1) Quarterly Consolidated Balance Sheets**

(Millions of yen, rounded down to the nearest million; %)

	As of December 31, 2009	As of March 31, 2009
<b>ASSETS</b>		
Current assets		
Cash and time deposits	105,449	143,292
Notes and accounts receivable, trade	626,747	556,842
Merchandise and products	146,913	115,143
Other current assets	65,344	60,493
Allowance for doubtful accounts	(1,740)	(1,565)
Total current assets	942,713	874,206
Fixed assets		
Property and equipment		
Buildings and structures (net)	68,042	60,818
Land	92,727	83,072
Other tangible fixed assets (net)	22,843	26,945
Total property and equipment	183,613	170,836
Intangible assets		
Goodwill	3,747	5,916
Other intangible assets	7,588	7,388
Total intangible assets	11,336	13,304
Investments and other non-current assets		
Other assets	65,119	61,067
Allowance for doubtful accounts	(1,939)	(2,127)
Total investments and other non-current assets	63,179	58,939
Total fixed assets	258,129	243,080
<b>Total assets</b>	<b>1,200,843</b>	<b>1,117,287</b>

(Millions of yen, rounded down to the nearest million; %)

	As of December 31, 2009	As of March 31, 2009
<b>LIABILITIES</b>		
Current liabilities		
Notes and accounts payable, trade	788,659	716,767
Short-term bank loans	41,856	28,813
Long-term debt due within one year	2,266	3,488
Income taxes payable	3,318	532
Provision for employees' bonuses	3,757	7,517
Allowance for losses on sales returns	791	726
Other current liabilities	25,323	23,537
Total current liabilities	865,973	781,382
Long-term liabilities		
Long-term debt	6,793	6,999
Employees' severance and retirement benefits	14,974	16,779
Other long-term liabilities	16,488	17,624
Total long-term liabilities	38,255	41,403
Total liabilities	904,229	822,786
<b>NET ASSETS</b>		
Shareholders' equity		
Common stock	22,398	22,398
Capital surplus	134,625	134,625
Retained earnings	165,167	160,797
Treasury stock, at cost	(13,499)	(7,782)
Total shareholders' equity	308,691	310,038
Valuation and translation adjustments		
Unrealized gains on securities, net of taxes	5,456	2,137
Land revaluation differences, net of taxes	(17,533)	(17,675)
Total valuation and translation adjustments	(12,077)	(15,537)
Total net assets	296,613	294,500
Total liabilities and net assets	1,200,843	1,117,287

**(2) Quarterly Consolidated Statements of Income**  
**(Consolidated Third-Quarter Cumulative Period)**

(Millions of yen, rounded down to the nearest million; %)

	Nine months ended December 31, 2008	Nine months ended December 31, 2009
Net sales	1,885,409	1,952,577
Cost of sales	1,738,717	1,807,361
Gross profit	146,692	145,215
Reversal of allowance for losses on sales returns	964	726
Provision for losses on sales returns	792	791
Net gross profit	146,864	145,150
Selling, general and administrative expenses		
Wages and salaries	57,528	56,624
Welfare expenses	7,198	6,948
Provision for bonuses	4,167	3,756
Employees' severance and retirement benefit expenses	5,271	6,031
Shipping and delivery expenses	12,090	11,243
Rental expenses	4,222	3,966
Depreciation and amortization	8,069	7,837
Provision for doubtful accounts	174	208
Amortization of goodwill	2,380	2,168
Other	31,729	30,554
Total selling, general and administrative expenses	132,833	129,342
Operating income	14,031	15,807
Non-operating income		
Interest income	209	126
Dividend income	1,183	1,383
Research fee income	4,268	4,504
Real estate rental income	1,266	697
Amortization of negative goodwill	5,402	—
Other non-operating income	1,175	1,042
Total non-operating income	13,505	7,753
Non-operating expenses		
Interest expenses	632	613
Real estate rental expenses	775	448
Other non-operating expenses	286	217
Total non-operating expenses	1,694	1,279
Ordinary income	25,842	22,281
Extraordinary gains		
Gain on sale of fixed assets	12	3
Reversal of allowance for doubtful accounts	988	20
Gain on cancellation of shares due to absorption of a subsidiary	—	322
Other extraordinary gains	192	4
Total extraordinary gains	1,193	350
Extraordinary losses		
Loss on sale and disposal of fixed assets	526	511
Loss on impairment of fixed assets	2,676	895
Special retirement benefits	—	6,447
Other extraordinary losses	530	648
Total extraordinary losses	3,734	8,503
Income before income taxes and minority interests	23,301	14,128
Current income taxes	10,994	5,692
Deferred income taxes	(1,543)	94
Total income taxes	9,450	5,786
Minority interests in net loss of consolidated subsidiaries	(13)	—
Net income	13,865	8,341

**(3) Quarterly Consolidated Statements of Cash Flows**

(Millions of yen, rounded down to the nearest million)

	Nine months ended December 31, 2008	Nine months ended December 31, 2009
Cash flows from operating activities		
Income before income taxes and minority interests	23,301	14,128
Depreciation and amortization	8,521	8,383
Loss on impairment of fixed assets	2,676	895
Amortization of goodwill	2,380	2,168
Amortization of negative goodwill	(5,402)	—
Increase (decrease) in employees' severance and retirement benefits	587	(821)
Increase (decrease) in allowance for employees' bonuses	(4,508)	(3,753)
Increase (decrease) in allowance for doubtful accounts	(1,041)	(12)
Special retirement benefits	—	6,447
Decrease (increase) in notes and accounts receivable – trade	(49,881)	(71,598)
Decrease (increase) in inventories	(31,831)	(31,871)
Increase (decrease) in notes and accounts payable– trade	73,040	73,925
Others	(6,036)	(953)
Subtotal	11,806	(3,060)
Interest and dividends received	1,388	1,508
Interest expenses paid	(545)	(479)
Special retirement benefits paid	—	(7,452)
Income taxes paid	(15,804)	(3,708)
Net cash used in operating activities	(3,156)	(13,192)
Cash flows from investing activities		
Payments for purchase of property and equipment	(14,074)	(21,765)
Proceeds from sale of property and equipment	755	495
Payments for purchase of investment securities	(4,736)	(2,309)
Payment for acquisition of investment in subsidiaries	(98)	—
Payments for business transfer	(308)	—
Other, net	(545)	(2,841)
Net cash used in investing activities	(19,008)	(26,420)
Cash flows from financing activities		
Increase (decrease) in short-term bank loans – net	(2,571)	13,043
Repayment of leases	(1,859)	(1,441)
Proceeds from long-term debt	5,600	1,500
Repayment of long-term debt	(3,812)	(2,676)
Repayment of bonds	(220)	—
Repayment of convertible bonds	(29)	—
Purchase of treasury stock	(116)	(5,717)
Proceeds from sale of treasury stock	—	0
Cash dividends paid to shareholders	(5,137)	(3,787)
Net cash provided by (used in) financing activities	(8,147)	920
Net increase (decrease) in cash and cash equivalents	(30,311)	(38,692)
Cash and cash equivalents at beginning of period	146,345	138,067
Increase (decrease) in cash and cash equivalents due to merger of consolidated subsidiaries	—	44
Cash and cash equivalents at end of period	116,033	99,419

#### (4) Notes Regarding Assumptions of Going Concern

None applicable

#### (5) Segment Information

##### a. Business Segment Information

Third Quarter of the Fiscal Year Ended March 31, 2009 (April 1, 2008 – December 31, 2008)

(Millions of yen, rounded down to the nearest million)

	Prescription Pharmaceutical Wholesale Business	Cosmetics, Daily Necessities and OTC Pharmaceutical Wholesale Business	Related Business	Total	Eliminations and Corporate	Consolidated
Net sales:						
(1) Sales to outside customers	1,330,457	550,752	4,199	1,885,409	—	1,885,409
(2) Inter-segment sales and transfer	670	489	1	1,162	(1,162)	—
Total	1,331,127	551,242	4,200	1,886,571	(1,162)	1,885,409
Operating income	7,416	6,537	39	13,993	38	14,031

Third Quarter of the Fiscal Year Ending March 31, 2010 (April 1, 2009 – December 31, 2009)

(Millions of yen, rounded down to the nearest million)

	Prescription Pharmaceutical Wholesale Business	Cosmetics, Daily Necessities and OTC Pharmaceutical Wholesale Business	Related Business	Total	Eliminations and Corporate	Consolidated
Net sales:						
(1) Sales to outside customers	1,392,882	556,012	3,683	1,952,577	—	1,952,577
(2) Inter-segment sales and transfer	329	623	1	953	(953)	—
Total	1,393,211	556,635	3,684	1,953,531	(953)	1,952,577
Operating income	7,636	8,114	17	15,769	38	15,807

Notes: 1. Business Classification Method

Businesses are classified with regard to similarities in product type and grouping, and markets.

2. Description of Business Classifications

Business segment	Description
Prescription Pharmaceutical Wholesale Business	Wholesale distribution of prescription pharmaceuticals, medical equipment, etc.
Cosmetics, Daily Necessities and OTC Pharmaceutical Wholesale Business	Wholesale distribution of cosmetics, daily necessities, soaps, detergents, over- the-counter pharmaceuticals, etc.
Related Business	Sales of industrial chemicals, food additives, etc.

3. Change in Business Classification

Previously, the Company was included in the “Prescription Pharmaceutical Wholesale Business,” but as of October 1, 2009 it clearly divided Group headquarters functions and operating company functions through a corporate separation, transferring operating company functions to its wholly owned subsidiary KURAYA SANSEIDO Inc. (currently MEDICEO CORPORATION) and becoming a pure holding company. Accordingly, in order to more accurately reflect the actual status of business, the Company’s Group headquarters functions are recorded in “Eliminations and Corporate” from the third quarter ended December 31, 2009.

As a result of the change, compared with the former method of classification, operating income under the “Prescription Pharmaceutical Wholesale Business” increased by ¥448 million and operating income under “Eliminations and Corporate” decreased by the same amount.

##### b. Geographic Segment Information

Previous third-quarter period (April 1, 2008 – December 31, 2008) and current third-quarter period (April 1, 2009 – December 31, 2009)

Geographic segment information is not disclosed because the Company has no consolidated subsidiaries or significant branch offices outside Japan.

c. Overseas Sales

Previous third-quarter period (April 1, 2008 – December 31, 2008) and current third-quarter period (April 1, 2009 – December 31, 2009)

Overseas sales information is omitted because overseas sales account for less than 10 percent of total consolidated net sales.

**(6) Notes in the Event of Significant Changes in Shareholders' Equity**

None applicable