

Summary of Consolidated Financial Statements for the Third Quarter of the Fiscal Year Ending March 31, 2011

January 31, 2011

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

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Contact: Kunie Yamazaki, Manager of Corporate Communications Department

Filing of Quarterly Report (scheduled): February 10, 2011

Start of Distribution of Dividends (scheduled): —

Preparation of Supplementary Materials for the Quarterly Financial Results: None

Presentation Meeting for Quarterly Financial Results: None

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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, 2011 (April 1, 2010 to December 31, 2010)

(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, 2010	2,016,817	3.3	15,044	(4.8)	21,680	(2.7)
Nine months ended December 31, 2009	1,952,577	3.6	15,807	12.7	22,281	(13.8)

	Net income (¥ million)	Year-on-year change (%)	Earnings per share (¥)	Earnings per share (diluted) (¥)
Nine months ended December 31, 2010	4,652	(44.2)	19.84	—
Nine months ended December 31, 2009	8,341	(39.8)	35.33	—

(2) Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Net worth ratio (%)	Net assets per share (¥)
As of December 31, 2010	1,300,963	344,708	23.2	1,288.74
As of March 31, 2010	1,166,486	330,992	24.9	1,236.15

(Reference) Net worth: As of December 31, 2010: ¥302,284 million; As of March 31, 2010: ¥289,951 million

2. Cash Dividends

	Dividends per share (¥)				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Full year
Year ended March 31, 2010	—	9.00	—	9.00	18.00
Year ending March 31, 2011	—	9.00	—		
Year ending March 31, 2011 (est.)				9.00	18.00

Note: Revisions to projected dividends during the third quarter: None

3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2011 (April 1, 2010 - March 31, 2011)

(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	2,656,000	4.3	14,600	(20.8)	23,500	(12.3)	2,700	37.9	11.51

Note: Revisions to projected consolidated results during the third quarter: Yes

4. Other (For details, see “2. Other” on page 4 of the attached materials)

(1) Changes in significant subsidiaries during the period: None

New: — Eliminated: —

Note: Changes in specified subsidiaries during the period accompanied by change in scope of consolidation

(2) Application of simplified accounting methods and/or special accounting methods: Yes

Note: Application of simplified accounting methods and/or accounting methods specific to preparation of the quarterly consolidated financial statements

(3) Changes in accounting principles, procedures and methods of presentation

(a) Changes in consolidated accounting methods: Yes

(b) Changes other than (a) above: None

Note: Indicates whether or not there are changes in accounting principles, procedures and methods of presentation related to the preparation of quarterly consolidated financial statements, described in “Changes in material items that form the basis for the preparation and presentation of quarterly consolidated financial statements.”

(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, 2010	244,524,496	Year ended March 31, 2010	244,524,496
(b) Number of treasury shares at the end of the period	Nine months ended December 31, 2010	9,966,204	Year ended March 31, 2010	9,965,301
(c) Average number of shares outstanding (cumulative with earlier quarters)	Nine months ended December 31, 2010	234,558,734	Nine months ended December 31, 2009	236,113,581

Items Regarding the Implementation of Quarterly Review Procedures

This summary of quarterly consolidated results is exempt from the quarterly review procedures based on the Financial Instruments and Exchange Act. Review procedures for the quarterly financial statements based on the Financial Instruments and Exchange Act had not been completed at the time of disclosure of this summary of quarterly consolidated results.

Cautionary Remarks Regarding Proper Use of Projected Results and Other Items

The projected results announced on October 27, 2010 have been revised. For details, please see the “Notice of Revisions to Consolidated Fiscal Year Results Forecasts” announced on January 31, 2011.

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1. Qualitative Information on Quarterly Financial Results

(1) Qualitative Information on Consolidated Results of Operations

During the third quarter of the fiscal year ending March 31, 2011, or the nine months ended December 31, 2010, the Japanese economy was at a standstill. Conditions remained challenging with a high unemployment rate despite improvement in corporate earnings and signs of recovery in capital investment and employment.

In these economic conditions, MEDIPAL Group companies carried out business restructuring aimed at establishing a new customer-oriented business model that is keenly attuned to changes in the industry environment and customer needs. The MEDIPAL Group also invested aggressively to ensure stable earnings in the future.

For the nine months ended December 31, 2010, consolidated net sales were ¥2,016,817 million (a 3.3 percent increase compared with the same period of the previous fiscal year), operating income was ¥15,044 million (a 4.8 percent decrease), ordinary income was ¥21,680 million (a 2.7 percent decrease), and net income was ¥4,652 million (a 44.2 percent decrease).

A summary of results by principal business segments follows below.

Prescription Pharmaceutical Wholesale Business

In sales of prescription pharmaceuticals, drug prices were reduced by an average of 6.5 percent in the National Health Insurance (NHI) drug price revisions implemented on April 1, 2010. Sales were steady, however, as the MEDIPAL Group aggressively worked to increase sales of new products and lifestyle disease medications, for which demand is growing. However, although, the MEDIPAL Group made efforts to maintain rational selling prices and secure reasonable profits under the new drug pricing scheme, profit levels decreased more than anticipated as a result of increasingly challenging negotiations for purchasing and selling prices.

Moreover, to realize overall optimization of distribution, wholly owned subsidiary MEDICEO CORPORATION (Chuo-ku, Tokyo) built the Minami Osaka ALC, a state-of-the-art Area Logistics Center, in Yao-shi, Osaka, and began operations there in June 2010. The company has since successively consolidated operating bases in the area covered by this facility, and by the end of August had achieved efficient product supply to southern Osaka Prefecture as well as Nara and Wakayama Prefectures. Construction of a new Area Logistics Center in Kiyosu-shi, Aichi Prefecture is currently under way.

As a result, sales of the Prescription Pharmaceutical Wholesale Business were ¥1,420,427 million (a 2.0 percent increase compared with the same period of the previous fiscal year), and operating income was ¥6,217 million (an 18.6 percent decrease).

Cosmetics, Daily Necessities and OTC Pharmaceutical Wholesale Business

In sales of cosmetics, daily necessities and OTC pharmaceuticals, market conditions overall remained challenging due to intensified competition among customer companies in different industries and different business types, as well as consumers' tendency to choose lower-priced products, the reactive decline in special demand for prevention-related products from the special demand that accompanied the spread of a new influenza virus in the previous fiscal year, and weak demand for seasonal products due to irregular weather.

In this market environment, wholly owned subsidiary Paltac Corporation (Chuo-ku, Osaka) is working to offer functions including logistics services and merchandising that contribute to the revenues of customer stores, based on a store- and consumer-oriented concept. At the same time, Paltac is carrying out a new growth strategy with the purpose of contributing to the efficiency of the entire supply chain as an intermediary distributor offering a full line of products related to health and beauty.

In order to further strengthen its nationwide distribution network, Paltac is also constructing RDC Yokohama, its largest high-tech distribution center, in Zama-shi, Kanagawa Prefecture, as well as a distribution center in Uruma-shi, Okinawa Prefecture. Moreover, a distribution center for logistical outsourcing services under construction in Takatsuki-shi, Osaka Prefecture was completed, and successfully began operating in November 2010.

As a result, sales of the Cosmetics, Daily Necessities and OTC Pharmaceutical Wholesale business were ¥565,483 million (a 1.6 percent increase compared with the same period of the previous fiscal year) and operating income was ¥7,722 million (a 4.8 percent decrease).

Related Business

Sales of animal health products are mainly divided into products for livestock and for companion animals.*

In the market for livestock products, despite increased demand for disease-control products for the winter season, sales were challenging due in part to the outbreak of foot-and-mouth disease in Miyazaki Prefecture. In the market for companion animal products, sales were firm, reflecting growth in demand. As a result, sales of the Related Business segment were ¥32,668 million, and operating income was ¥571 million.

Year-on-year comparisons of third quarter period results are omitted because the business content of the Related Business segment was different in the previous fiscal year.

* *“Companion animal” refers to an animal that has a companion-like presence and a close relationship with humans in daily life.*

Note: Segment sales include inter-segment transactions.

(2) Qualitative Information on Consolidated Financial Position

(a) Assets, Liabilities and Net Assets

Total assets as of December 31, 2010 were ¥1,300,963 million, an increase of ¥134,476 million from the end of the previous fiscal year. This was mainly due to increases of ¥64,172 million in notes and accounts receivable, trade, and ¥4,134 million in inventories.

Liabilities totaled ¥956,255 million, an increase of ¥120,761 million from the end of the previous fiscal year. This was mainly due to increases of ¥108,648 million in notes and accounts payable, trade, and ¥11,706 million in income taxes payable.

Net assets were ¥344,708 million, an increase of ¥13,715 million from the end of the previous fiscal year. This was mainly due to increases of ¥2,990 million in retained earnings and ¥1,382 million in minority interests and a decrease of ¥9,084 million in unrealized gains on securities, net of taxes.

(b) Cash Flows

On a consolidated basis for the nine months ended December 31, 2010, cash at the end of the period decreased ¥5,594 million (4.2 percent) from the end of the previous fiscal year to ¥126,860 million.

Cash Flows from Operating Activities

The increase in net cash from operating activities was ¥16,531 million (compared with a decrease of ¥13,192 million in the same period of the previous fiscal year). Main factors were an increase of ¥59,428 million in notes and accounts receivable – trade, an increase of ¥39,458 million in inventories and income taxes paid of ¥6,905 million, offset by income before income taxes and minority interests of ¥14,686 million, depreciation and amortization of ¥8,873 million and an increase in notes and accounts payable – trade of ¥102,114 million.

Cash Flows from Investing Activities

The decrease in net cash from investing activities was ¥12,671 million (a decrease of ¥13,749 million from the same period of the previous fiscal year). The main factor was ¥13,327 million in payments for purchase of property and equipment for logistics centers in Kiyosu-shi, Aichi Prefecture and Takatsuki-shi, Osaka Prefecture.

Cash Flows from Financing Activities

The decrease in net cash from financing activities was ¥10,291 million (an increase of ¥920 million from the same period of the previous fiscal year). Main factors were a net decrease of ¥4,307 million in debt and cash dividends paid totaling ¥4,894 million.

(3) Qualitative Information on Projected Consolidated Results

Sales in the Prescription Pharmaceutical Wholesale Business for the nine months ended December 31, 2010 were steady due to aggressive sales of new products and lifestyle disease medications, for which demand is growing. However, although MEDIPAL made efforts to maintain rational selling prices and secure reasonable profits under the new drug pricing scheme, profit levels are expected to decrease more than anticipated due to increasingly challenging negotiations for purchasing and selling prices.

In view of these factors, MEDIPAL has revised the figures in its forecasts of consolidated results for the fiscal year ending March 31, 2011, which were released on October 27, 2010. For further details, please see the "Notice of Revisions to Consolidated Fiscal Year Results Forecasts" issued on January 31, 2011.

2. Other

(1) Summary of Changes in Significant Subsidiaries during the Period

None applicable.

(2) Summary of Simplified Accounting Methods and Special Accounting Methods

(a) Simplified accounting methods:

Valuation of inventories

Inventories at the end of the third quarter ended December 31, 2010 are calculated using a reasonable method based on inventories at the end of the previous fiscal year instead of an actual physical inventory.

Calculation of estimated loss on ordinary receivables:

For the loss ratio for the nine months ended December 31, 2010, 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) Summary of Changes in Accounting Principles, Procedures and Methods of Presentation

(a) Application of accounting standard for asset retirement obligations

The Company has adopted the Accounting Standard for Asset Retirement Obligations (ASBJ Statement No. 18, issued March 31, 2008) and the Guidance on Accounting Standard for Asset Retirement Obligations (ASBJ Guidance No. 21, issued March 31, 2008) as of the first quarter of the fiscal year ending March 31, 2011.

As a result of this change, for the nine months ended December 31, 2010 operating income decreased by ¥44 million, ordinary income decreased by ¥45 million and income before income taxes and minority interests decreased by ¥710 million. The change in asset retirement obligations due to the start of application of this accounting standard was ¥1,129 million.

3. Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheets

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

	As of December 31, 2010	As of March 31, 2010
ASSETS		
Current assets		
Cash and time deposits	132,240	137,754
Notes and accounts receivable, trade	635,432	571,259
Marketable securities	18,720	18,711
Inventories	161,741	120,436
Other current assets	78,825	63,288
Allowance for doubtful accounts	(1,544)	(1,611)
Total current assets	1,025,415	909,839
Fixed assets		
Property and equipment		
Buildings and structures (net)	71,099	66,983
Land	95,020	93,053
Other tangible fixed assets (net)	23,880	24,540
Total property and equipment	190,001	184,577
Intangible assets		
Goodwill	79	1,800
Other intangible assets	6,932	7,696
Total intangible assets	7,011	9,496
Investments and other non-current assets		
Other assets	80,178	64,369
Allowance for doubtful accounts	(1,643)	(1,795)
Total investments and other non-current assets	78,534	62,573
Total fixed assets	275,548	256,647
Total assets	1,300,963	1,166,486

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

	As of December 31, 2010	As of March 31, 2010
LIABILITIES		
Current liabilities		
Notes and accounts payable, trade	828,086	719,437
Short-term bank loans	34,066	37,837
Long-term debt due within one year	1,956	1,956
Income taxes payable	16,077	4,370
Provision for employees' bonuses	4,222	8,372
Allowance for losses on sales returns	806	770
Other current liabilities	26,435	25,428
Total current liabilities	911,651	798,172
Long-term liabilities		
Long-term debt	6,337	6,304
Employees' severance and retirement benefits	15,215	14,818
Other long-term liabilities	23,051	16,198
Total long-term liabilities	44,603	37,321
Total liabilities	956,255	835,493
NET ASSETS		
Shareholders' equity		
Common stock	22,398	22,398
Capital surplus	134,625	134,625
Retained earnings	161,774	158,783
Treasury stock, at cost	(13,501)	(13,500)
Total shareholders' equity	305,296	302,306
Valuation and translation adjustments		
Unrealized gains on securities, net of taxes	14,261	5,177
Gain (loss) on deferred hedges	(0)	0
Land revaluation differences, net of taxes	(17,273)	(17,533)
Total valuation and translation adjustments	(3,012)	(12,355)
Minority interests	42,424	41,041
Total net assets	344,708	330,992
Total liabilities and total net assets	1,300,963	1,166,486

(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, 2009	Nine months ended December 31, 2010
Net sales	1,952,577	2,016,817
Cost of sales	1,807,361	1,870,366
Gross profit	145,215	146,451
Reversal of allowance for losses on sales returns	726	774
Provision for losses on sales returns	791	806
Net gross profit	145,150	146,418
Selling, general and administrative expenses		
Wages and salaries	56,624	58,729
Welfare expenses	6,948	7,554
Provision for bonuses	3,756	4,208
Employees' severance and retirement benefit expenses	6,031	5,349
Shipping and delivery expenses	11,243	11,212
Rental expenses	3,966	3,988
Depreciation and amortization	7,837	8,310
Provision for doubtful accounts	208	32
Amortization of goodwill	2,168	877
Other	30,554	31,110
Total selling, general and administrative expenses	129,342	131,373
Operating income	15,807	15,044
Non-operating income		
Interest income	126	89
Dividend income	1,383	1,273
Research fee income	4,504	4,800
Real estate rental income	697	696
Other non-operating income	1,042	1,112
Total non-operating income	7,753	7,972
Non-operating expenses		
Interest expenses	613	541
Real estate rental expenses	448	445
Other non-operating expenses	217	349
Total non-operating expenses	1,279	1,336
Ordinary income	22,281	21,680
Extraordinary gains		
Gain on sale of fixed assets	3	93
Gain on change in equity	—	102
Reversal of allowance for doubtful accounts	20	287
Gain on cancellation of shares due to absorption of a subsidiary	322	—
Other extraordinary gains	4	13
Total extraordinary gains	350	496
Extraordinary losses		
Loss on sale and disposal of fixed assets	511	278
Loss on impairment of fixed assets	895	1,970
Amortization of goodwill	—	969
Loss on valuation of investments	—	742
Special retirement benefits	6,447	2,427
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	665
Other extraordinary losses	648	436
Total extraordinary losses	8,503	7,490
Income before income taxes and minority interests	14,128	14,686
Current income taxes	5,692	19,374
Deferred income taxes	94	(11,540)
Total income taxes	5,786	7,834
Income before minority interests	—	6,851
Minority interests in net income of consolidated subsidiaries	—	2,199
Net income	8,341	4,652

(3) Quarterly Consolidated Statements of Cash Flows

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

	Nine months ended December 31, 2009	Nine months ended December 31, 2010
Cash flows from operating activities		
Income before income taxes and minority interests	14,128	14,686
Depreciation and amortization	8,383	8,873
Loss on impairment of fixed assets	895	1,970
Amortization of goodwill	2,168	1,847
Increase (decrease) in employees' severance and retirement benefits	(821)	306
Increase (decrease) in allowance for employees' bonuses	(3,753)	(4,367)
Increase (decrease) in allowance for doubtful accounts	(12)	(514)
Special retirement benefits	6,447	2,427
Decrease (increase) in notes and accounts receivable – trade	(71,598)	(59,428)
Decrease (increase) in inventories	(31,871)	(39,458)
Increase (decrease) in notes and accounts payable – trade	73,925	102,114
Others	(953)	(2,929)
Subtotal	(3,060)	25,527
Interest and dividends received	1,508	1,368
Interest expenses paid	(479)	(517)
Special retirement benefits paid	(7,452)	(2,941)
Income taxes paid	(3,708)	(6,905)
Net cash provided by (used in) operating activities	(13,192)	16,531
Cash flows from investing activities		
Payments for purchase of property and equipment	(21,765)	(13,327)
Proceeds from sale of property and equipment	495	2,326
Payments for purchase of investment securities	(2,309)	(1,056)
Other, net	(2,841)	(613)
Net cash used in investing activities	(26,420)	(12,671)
Cash flows from financing activities		
Increase (decrease) in short-term bank loans – net	13,043	(4,340)
Repayment of leases	(1,441)	(1,088)
Proceeds from long-term debt	1,500	1,500
Repayment of long-term debt	(2,676)	(1,467)
Purchase of treasury stock	(5,717)	(1)
Proceeds from sale of treasury stock	0	0
Cash dividends paid to shareholders	(3,787)	(4,222)
Cash dividends paid to minority interests	—	(672)
Net cash provided by (used in) financing activities	920	(10,291)
Net increase (decrease) in cash and cash equivalents	(38,692)	(6,431)
Cash and cash equivalents at beginning of period	138,067	132,454
Increase (decrease) in cash and cash equivalents due to change in scope of consolidation	—	836
Increase (decrease) in cash and cash equivalents due to merger of consolidated subsidiaries	44	—
Cash and cash equivalents at end of period	99,419	126,860

(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, 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. Method of business classification

Businesses are classified in consideration of similarities of product type, business group and market.

2. Description of Business Classifications

Business classification	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.

(b) Geographic Segment InformationPrevious third quarter (April 1, 2009 – December 31, 2009)

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

(c) Overseas SalesPrevious third quarter (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.

Segment Information

1. Reportable Segments

The Company's reportable segments are components of the Company for which separate financial information is available, and whose operating results are reviewed regularly by the chief operating decision maker in order to determine allocation of resources to segments and assess their performance.

The Company is aiming to create a new, customer-oriented business model, and therefore has three reportable segments by customer: the Prescription Pharmaceutical Wholesale Business, the Cosmetics, Daily Necessities and OTC Pharmaceutical Wholesale Business, and Related Business.

The Prescription Pharmaceutical Wholesale Business conducts wholesale business for hospitals, clinics, dispensing pharmacies and other customers. The Cosmetics, Daily Necessities and OTC Pharmaceutical Wholesale Business conducts wholesale business for drugstores, home centers, convenience stores, supermarkets and other customers. The Related Business conducts wholesale business for animal hospitals, farms, agricultural cooperatives and other customers.

2. Sales and Income by Reportable Segment

Third Quarter of the Fiscal Year Ending March 31, 2011 (April 1, 2010 – December 31, 2010)

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

	Prescription Pharmaceutical Wholesale Business	Cosmetics, Daily Necessities and OTC Pharmaceutical Wholesale Business	Related Business	Total	Adjustments (Note 1)	Amount reported in quarterly consolidated statements of income (Note 2)
Net sales:						
(1) Sales to outside customers	1,419,116	565,039	32,661	2,016,817	—	2,016,817
(2) Inter-segment sales and transfer	1,311	444	6	1,762	(1,762)	—
Total	1,420,427	565,483	32,668	2,018,579	(1,762)	2,016,817
Segment income	6,217	7,722	571	14,512	532	15,044

Notes: 1. The segment income adjustment of ¥532 million includes eliminations of inter-segment transactions of ¥1,867 million and group-wide expenses of ¥1,334 million that are not allocated to reportable segments.

2. Segment income is adjusted to operating income as reported in the quarterly consolidated statements of income.

Additional Information

The Company has adopted the “Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Statement No. 17, issued March 27, 2009) and “Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Guidance No. 20, issued March 21, 2008) as of the first quarter of the fiscal year ending March 31, 2011.

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

None applicable