



MITSUI-SOKO

Financial Report for the Fiscal Year ended September 30, 2011

MITSUI-SOKO CO., LTD.

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Summary of the Financial Report for the Six Months ended September 30, 2011

(1) Performance Overview

(Unit: Billions of yen)

Consolidated Total	1st Half ended Sept. 30, 2010	1st Half ended Sept. 30, 2011	Amount of change	Percentage of change
Net revenue	47.61	53.87	+ 6.26	+ 13.2%
Operating income	3.34	3.32	(0.02)	(0.7)%
Ordinary income	2.45	2.53	+ 0.07	+ 3.2%
Net income	1.40	2.58	+ 1.18	+ 84.6%

Cash flows from operating activities	4.30	4.99	+ 0.69	+ 16.2%
Cash flows from investing activities	(15.66)	1.31	+ 16.97	-
Cash flows from financing activities	16.41	(0.58)	(17.00)	-

Consolidated Total	Mar. 31, 2011	Sept. 30, 2011	Amount of change	Percentage of change
Shareholders' equity	49.25	51.07	+ 1.81	+ 3.7%
Total assets	184.03	186.76	+ 2.73	+ 1.5%
Shareholders' equity ratio	26.8%	27.3%	+ 0.6	+ 2.2%



Summary of the Financial Report for the Six Months ended September 30, 2011

(2) Net Revenue and Operating Income

Comparison with the same period in the previous year

(Unit: Billions of yen)

Consolidated Total	1 st Half ended Sept. 30, 2010	1 st Half ended Sept. 30, 2011	Amount of Change	Percentage of Change
Domestic logistics operations	22.46	22.83	+0.37	+ 1.7%
Domestic port terminal operations	6.48	7.12	+ 0.64	+ 9.9%
Overseas logistics operations	6.38	6.07	(0.31)	(4.9)%
Air cargo operations	0.67	6.46	+ 5.79	+ 862.7%
Other logistics operations	5.34	5.47	+ 0.12	+ 2.4%
Real estate	6.27	6.08	(0.18)	(2.9)%
Elimination and/or corporate	(0.01)	(0.19)	(0.18)	-
Net Revenue	47.6	53.87	+ 6.26	+ 13.2%
Domestic logistics operations	1.47	1.71	+ 0.24	+ 16.7%
Domestic port terminal operations	0.42	0.55	+ 0.12	+ 29.9%
Overseas logistics operations	0.02	(0.03)	(0.06)	-
Air cargo operations	(0.03)	0.20	+ 0.24	-
Other logistics operations	(0.11)	(0.05)	+ 0.05	-
Real estate	3.82	3.64	(0.17)	(4.6)%
Joint company expenses	(2.25)	(2.71)	(0.46)	-
Operating Income	3.34	3.32	(0.02)	(0.7)%

Note Air cargo operations, which was included in other logistics operations until the previous quarter, is now categorized by itself.

Comparison by segment described above are taken from internal materials used for profitability analysis, and are different from "Segment Information" included in the financial report. Please note that they are presented for reference only and not audited by certified public accountants.



(3) Segment Information

■ Domestic logistics operations

Regular freight transport handling mainly from the existing customers remained solid, although exports were in low gear.

Marked increases both in sales and profits thanks to increased storage volume and reduced depreciation expenses.

■ Domestic port terminal operations

Marked increases both in sales and profits because the container terminal operations remained favorable thanks to the effect of opening new shipping routes.

■ Overseas logistics operations

Decreased sales and profits because strong sales in China and Southeast Asia were not good enough to cover the decline of business in the U.S. and Taiwan.

■ Air cargo operations

Achieved substantial increases in sales and profits thanks to the full contribution of Mitsui-Soko Air Cargo Inc.

■ Other logistics operations

Reduced the level of deficit compared with the previous year because the logistics system business became profitable.

■ Real estate

Decreased sales and profits due to the influence of rental properties sold at the end of last year.



Summary of the Financial Report for the Six Months ended September 30, 2011

(4) Net Revenue and Operating Income

Comparison with the estimate of 1st Half FY2012

(Unit: Billions of yen)

Consolidated Total	FY2012 Estimate (Apr.2011- Sep.2011)	FY2012 Actual (Apr.2011- Sep.2011)	Amount of Change	Percentage of Change
Domestic logistics operations	23.00	22.83	(0.16)	(0.7)%
Domestic port terminal operations	7.00	7.12	+0.12	+ 1.8 %
Overseas logistics operations	7.00	6.07	(0.92)	(13.2) %
Air cargo operations	6.00	6.46	+ 0.46	+ 7.8 %
Other logistics operations	6.00	5.47	(0.52)	(8.8) %
Real estate	6.00	6.08	+ 0.08	+ 1.5%
Elimination and/or corporate	0.00	(0.19)	(0.19)	-
Net Revenue	55.00	53.8	(1.12)	(2.0) %
Domestic logistics operations	1.80	1.71	(0.08)	(4.6) %
Domestic port terminal operations	0.40	0.55	+ 0.15	+ 39.0 %
Overseas logistics operations	0.00	(0.03)	(0.03)	-
Air cargo operations	0.10	0.20	+ 0.10	+ 105.0 %
Other logistics operations	0.00	(0.05)	(0.05)	-
Real estate	3.60	3.64	+ 0.04	+ 1.3 %
Joint company expenses	(2.60)	(2.71)	(0.11)	-
Operating Income	3.30	3.32	+ 0.02	+ 0.8 %

Comparison by segment described above are taken from internal materials used for profitability analysis, and are different from "Segment Information" included in the financial report. Please note that they are presented for reference only and not audited by certified public accountants.

FY2012: year ending March 31, 2012



Summary of the Financial Report for the Six Months ended September 30, 2011

(5) Non-operating Income (Expenses) and Extraordinary Gains (Losses)

(Unit: Billions of yen)

Consolidated Total	1st Half ended Sept.2010	1st Half ended Sept.2011	Amount of change	Percentage of change
Non-operating income (expenses)	(0.89)	(0.79)	+0.10	-
Financial balance	(0.64)	(0.61)	+ 0.03	-
Ordinary income	2.45	2.53	+ 0.07	+ 3.2%
Extraordinary gains	0.24	2.44	+ 2.20	+ 906.2%
Gain on sales of assets	0.24	2.44	+ 2.20	+ 906.2%
Extraordinary losses	0.62	0.56	(0.06)	(8.9)%
Loss on disposal (demolition) of fixed assets	0.32	0.01	(0.31)	(96.6)%
Net income	1.40	2.58	+ 1.18	+ 84.6%

Note

Extraordinary losses: Moving cost of head office accounts for 402 million yen.



(6) Cash Flows

■ Overview of Consolidated Cash Flows

(Unit: Billions of yen)

Consolidated Total	1st Half ended Sept.30, 2010	1st Half ended Sept.30, 2011	Amount of change	Percentage of change
Cash flows from operating activities	4.30	4.99	+0.69	+ 16.2 %
Depreciation expenses	3.33	3.37	+ 0.03	+ 1.1%
Cash flows from investing activities	(15.66)	1.31	+ 16.97	-
Capital expenditure	16.24	1.80	(14.44)	(88.9)%
Cash flows from financing activities	16.41	(0.58)	(17.00)	-
Interest-bearing debt	113.14	108.54	(4.59)	(4.1)%
Year-end cash balance	21.07	23.12	+ 2.05	+ 9.7%

Note Year-end cash balance on March 31, 2011 17.36 billions of yen

■ Elements that increased or decreased Cash Flows

➤ Cash flows from operating activities

✓ An increased cash-in because of a sales growth.

➤ Cash flows from investing activities

✓ The cash-in rose due to completion of major capital expenditure projects and to a large drop in investment comparing with the last year when the large logistics facility was acquired. Disposal of real estate for the purpose of effective utilization of asset also contributed to the cash-in.

➤ Cash flows from financing activities

✓ The cash-out resulted although 7 billion yen of financing was obtained; almost the same amount of scheduled payment was made. Compared with the last year when 20 billion of corporate bonds were issued, the cash-in dropped much.



Detailed Forecast for FY 2012

(1) Performance Overview

(Unit: Billions of yen)

Consolidated Total	(1) FY2011 (Apr.2010- Mar.2011) Result	FY2012 (Apr.2011-Mar.2012)					(2) Total Forecast	(2)-(1) Amount of change	Percentage of change
		1st Quarter Result	2nd Quarter Result	3rd Quarter Forecast	4th Quarter Forecast				
Net revenue	96.76	26.76	27.11	28.00	28.50	110.00	+13.23	+ 13.7%	
Operating income	6.54	1.68	1.63	2.00	2.00	7.30	+ 0.75	+ 11.5%	
Ordinary income	4.77	1.34	1.19	1.60	1.60	5.70	+ 0.92	+ 19.4 %	
Net income	2.53	1.79	0.79	0.40	0.40	3.40	+ 0.86	+ 34.2 %	

Cash flows from operating activities	8.10	2.54	2.42	1.70	3.30	10.00	+1.89	+23.4%
Cash flows from investing activities	(17.91)	1.32	(0.01)	(1.60)	(1.70)	(2.00)	+15.91	-
Cash flows from financing activities	11.15	2.76	(3.35)	(2.80)	(7.60)	(11.00)	(22.15)	-

Shareholder's equity	49.25	50.57	51.07	51.00	51.00	51.00	+ 1.74	+ 3.5 %
Total assets	184.03	188.99	186.76	185.00	175.00	175.00	(9.03)	(4.9)%
Shareholder's equity ratio	26.8%	26.8%	27.3%	27.6 %	29.1 %	29.1 %	+ 2.3	+ 8.6 %



Detailed Forecast for FY 2012

(2) Net Revenue and Operating Income Forecasts

(Unit: Billions of yen)

Consolidated Total	(1) FY2011 (Apr.2010- Mar.2011)	FY2012 (Apr.2011-Mar.2012)				(2) Total Forecast	(2)-(1) Amount of change	Percent of change
		1st Quarter Result	2nd Quarter Result	3rd Quarter Forecast	4th Quarter Forecast			
Domestic logistics operations	44.25	11.36	11.47	11.50	11.50	46.00	+1.74	+ 3.9%
Domestic port terminal operations	13.22	3.55	3.57	3.50	3.50	14.00	+ 0.77	+ 5.8%
Overseas logistics operations	13.06	3.02	3.04	3.50	3.50	13.00	(0.06)	(0.5) %
Air cargo operations	2.72	3.13	3.33	3.50	3.50	13.00	+ 10.27	+ 376.9%
Other logistics operations	10.93	2.72	2.74	3.00	3.50	12.00	+ 1.06	+ 9.8%
Real estate	12.53	3.04	3.03	3.00	3.00	12.00	(0.53)	(4.3) %
Elimination and/or corporate	0.01	(0.08)	(0.10)	0	0	0	(0.01)	-
Net Revenue	96.76	26.76	27.11	28.00	28.50	110.00	+ 13.23	+ 13.7%
Domestic logistics operations	2.81	0.83	0.87	1.00	1.00	3.70	+ 0.88	+ 31.6%
Domestic port terminal operations	0.89	0.31	0.24	0.30	0.30	1.10	+ 0.20	+ 22.8%
Overseas logistics operations	0.11	(0.02)	(0.01)	0.10	0	0.10	(0.01)	(15.3) %
Air cargo operations	(0.03)	0.10	0.10	0.10	0.10	0.40	+ 0.43	-
Other logistics operations	(0.29)	(0.01)	(0.05)	0.10	0.20	0.30	+ 0.59	-
Real estate	7.52	1.83	1.81	1.80	1.80	7.20	(0.32)	(4.3) %
Joint company expenses	(4.47)	(1.37)	(1.33)	(1.40)	(1.40)	(5.50)	(1.02)	-
Operating Income	6.54	1.68	1.63	2.00	2.00	7.30	+ 0.75	+ 11.5%

Comparison by segment described above are taken from internal materials used for profitability analysis, and are different from “Segment Information” included in the financial report. Please note that they are presented for reference only and not audited by certified public accountants.

From FY2012, the internal business segments were modified as shown below.

1. Air cargo operations, which was included in other logistics operations, is now categorized by itself.
2. Documentation storage business was transferred from the domestic logistics to other logistics (BPO).
3. The method of allocation of logistics elimination and joint logistics expenses was reviewed and consolidated into corporate elimination and joint company expenses.



■ Domestic logistics operations

For the sales, the forecast determined at the beginning of this fiscal year (the “initial forecast”) has been maintained based on the assumption that the cargo volume and unit price level in the second half would be at the same level as the first half.

The full-year forecast for the operating profit has been revised downward although steady storage volume and effect of the measures implemented under the New Growth Strategy @2010 can be expected.

■ Domestic port terminal operations

The initial forecast for the operating profit has been revised upward based on the estimate that the handling of cargo at container terminals will continuously go well.

■ Overseas logistics operations

The full-year initial forecast for the sales and operating profit has been revised downward in spite of the anticipation that decline in the U.S. and Taiwan will be recovered.

■ Air cargo operations

The forecast for the operating profit has been revised upward based on the estimate that the business remains solid during the second half.

■ Other logistics operations

The initial forecast has been maintained based on the anticipation that the sales and operating profit of the BPO business will increase from the second half.

■ Real estate

The initial forecast remains the same based on the estimate that the sales and operating profit as initially forecasted will be maintained.



Detailed Forecast for FY 2012

(4) Non-operating Income (Expenses) and Extraordinary Gains (Losses)

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(Unit: Billions of yen)

Consolidated Total	(1) FY2011 (Apr.2010- Mar.2011)	FY2012 (Apr.2011-Mar.2012)			(2)-(1) Amount of change	Percentage of change
		1st Half Result	2nd Half Forecast	(2) Total Forecast		
Non-operating income (expenses)	(1.77)	(0.79)	(0.80)	(1.60)	+0.17	-
Financial balance	(1.30)	(0.61)	(0.60)	(1.20)	+0.10	-
Ordinary income	4.77	2.53	3.20	5.70	+0.92	+19.4%
Extraordinary gains	1.36	2.44	0	2.50	+1.13	+83.0 %
Gain on sales of assets	0.89	2.44	0	2.50	+1.60	+180.0 %
Extraordinary losses	2.28	0.56	1.90	2.50	+0.22	+9.6 %
Loss on disposal (demolition) of fixed assets	1.24	0.01	0.10	0.10	(1.14)	(92.0) %
Net income	2.53	2.58	0.80	3.40	+0.86	+34.2%



■ Overview of Consolidated Cash Flows

(Unit: Billions of yen)

Consolidated Total	(1) FY2011 (Apr.2010- Mar.2011)	FY2012 (Apr.2011-Mar.2012)			(2)-(1) Amount of change	Percentage of change
		1st Half Result	2nd Half Forecast	(2) Total Forecast		
Cash flows from operating activities	8.10	4.99	5.00	10.00	+1.89	+23.4%
Depreciation expenses	6.90	3.37	3.70	7.10	+0.19	+2.8%
Cash flows from investing activities	(17.91)	1.31	(3.30)	(2.00)	+15.91	-
Capital expenditure	20.49	1.80	3.20	5.00	(15.49)	(75.6)%
Cash flows from financing activities	11.15	(0.58)	(10.40)	(11.00)	(22.15)	-
Interest-bearing debt	108.50	108.54	98.90	98.9	(9.60)	(8.9)%
Year-end cash balance	17.36	23.12	14.50	14.50	(2.86)	(16.5)%

■ Elements that increased or decreased Cash Flows

➤ Cash flows from operating activities

✓ The cash-in of 10 billion yen is expected mainly resulting from an increased profit.

➤ Cash flows from investing activities

✓ The cash-out of 2 billion yen is expected calculating on disposal of real estate although 5 billion yen of capital expenditure is expected.

➤ Cash flows from financing activities

✓ Expecting increasing 6 billion yen of the scheduled financing amount in the 2nd Half of FY2012, taking into account of world-wide economic anxiety and operating environment uncertainty.



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- Reinforcement of the existing businesses
 - ✓ Promotion of reduction in indirect material costs
 - ✓ Improvement of efficiency for warehousing operations

- Start of the new service, FLEXPRESS
 - ✓ Provision of a low-cost distribution and processing service, and a frequent maritime transport service

- Sale of real estate for the purpose of effective utilization of assets
 - ✓ Sale of the site of warehouses in Toda, Saitama
 - ✓ Sale of warehouses in the Nagoya area and sale of rental properties in the Yokohama area

- Reorganization of subsidiaries
 - ✓ Transfer of businesses conducted by information systems and property management subsidiaries to the head office
 - ✓ Integration of operation subsidiaries in the Chubu area



Operating income (billions of yen)

