

Summary of Consolidated Business Results for April 1, 2010 – March 31, 2011

05/11/2011

Note: The yen amounts are rounded down to the nearest million.

1) Consolidated Operating Results

	Net Sales		Operating Income		Current Profit		Net Income	
	¥ Millions	%	¥ Millions	%	¥ Millions	%	¥ Millions	%
Year ended March 31, 2011	469,090	14.2	7,900	43.4	8,481	73.5	7,232	310.5
Year ended March 31, 2010	410,782	-7.2	5,510	54.1	4,889	27.9	1,762	-18.5

	EPS	Fully Diluted EPS	Ratio of Net Income to Net Worth Equity	Ratio of Current Profit to Total Assets	Operating Income Ratio
	¥	¥	%	%	%
Year ended March 31, 2011	111.34	—	10.4	3.6	1.7
Year ended March 31, 2010	27.08	—	2.7	2.2	1.3

Note: The percentage figures of net sales, operating income, current profit and net income are changes from the same period of the previous fiscal year.

2) Consolidated Financial Position

	Total Assets	Net Assets	Net Worth Equity Ratio	Net Worth Equity per Share
	¥ Millions	¥ Millions	%	¥
As of March 31, 2011	238,272	72,040	29.9	1,099.77
As of March 31, 2010	229,964	68,463	29.5	1,042.19

3) Consolidated Cash Flows

	Net Cash from Operating Activities	Net Cash from Investment Activities	Net Cash from Financial Activities	Balance of Cash and Cash Equivalents at Term End
	¥ Millions	¥ Millions	¥ Millions	¥ Millions
Year ended March 31, 2011	8,495	-1,436	3,980	15,777
Year ended March 31, 2010	5,976	-5,529	-6,405	5,014

4) Dividend Status

(Record Date)	Dividends Per Share					Total Dividends (Full-year)	Payout Ratio (Consolidated)	Dividends on Equity (Consolidated)
	End of 1 st Quarter	End of 2 nd Quarter	End of 3 rd Quarter	End of year	Full year			
	¥	¥	¥	¥	¥			
Year ended March 31, 2010	—	5.00	—	5.00	10.00	650	36.9	1.0
Year ended March 31, 2011	—	7.00	—	19.00	26.00	1,692	23.4	2.4
Forecast: Year ending March 31, 2012	—	9.00	—	9.00	18.00		24.3	

Note: The year-end dividend for the fiscal year ended March 31, 2011 includes the "120th anniversary commemorative dividend" of 2 yen.

5) Consolidated Forecasts for Fiscal 2011 (April 1, 2011 – March 31, 2012)

	Net Sales		Operating Income		Current Profit		Net Income		EPS
	¥ Millions	%	¥ Millions	%	¥ Millions	%	¥ Millions	%	¥
April 2011 – September 2011	230,000	-0.7	3,000	-35.1	3,000	-38.4	2,000	-49.3	30.83
Year ending March 31, 2012	490,000	4.5	8,000	1.3	8,000	-5.7	4,800	-33.6	74.00

Note: The percentage figures of net sales, operating income, current profit and net income are changes from the same period of the previous fiscal year.

* The above projections were prepared based on the information available to Inabata & Co., Ltd. as of the date of release of this document. Actual results could differ materially from those projected due to various factors.

6) Business Results

During the fiscal year ended March 31, 2011, the Japanese economy showed signs of a moderate recovery as corporate earnings began to improve and private-sector capital investment demonstrated an upward trend. Exports to Asia were also on a growth path, being driven mainly by strong domestic demand in China.

Against this backdrop, the Inabata Group's businesses experienced earnings recovery, primarily within its mainstay IT & electronics business and plastics business, with the result that net sales on a consolidated basis increased by 14.2% compared with the fiscal year ended March 2010 to reach ¥469.09 billion. On the profit front, operating income increased by 43.4% to ¥7,900 million, current profit increased by 73.5% to ¥8,481 million, and net income increased by 310.5% to ¥7,232 million.

In the aftermath of the Great East Japan Earthquake that occurred on March 11, 2011, some of the product lines that we deal with incurred damage to the extent of ¥30 million, which has been reported under non-operating expenses as the effect on our financial results is minor. Also, two of our manufacturing subsidiaries had a portion of their plant buildings and equipment damaged, but the impact of this on our results was limited.

7) Business Segment

Segment	Net sales (¥ Millions)	% gain/loss	Operating income (¥ Millions)	% gain/loss
IT & Electronics	197,436	11.7%	2,880	18.3%
Housing & Eco Materials	19,873	13.2%	— 33	—
Chemicals	67,472	15.9%	1,578	148.7%
Plastics	167,338	19.2%	3,141	40.9%
Food	16,048	— 1.2%	116	—
Others	921	— 43.3%	216	— 11.2%
Total	469,090	14.2%	7,900	43.4%

Note 1: Figures shown in percentage show the ratios of sequential changes compared with the fiscal year ended March 31, 2010.

Note 2: The percentage figures of operating income for the housing materials segment and the food segment are left blank, since the segments experienced operating loss for the year ended March 31, 2010 or 2011.

This document is an English translation of the Japanese original.
Although Inabata intended to faithfully translate the Japanese document into English, please be warned that Inabata cannot guarantee the accuracy, safety or reliability of this translation.