



Consolidated Financial Results

For the First Half Ended April 30, 2010

This document has been translated from the original Japanese as a guide for non-Japanese investors. It contains forward-looking statements based on a number of assumptions and beliefs made by management in light of information currently available. Actual financial results may differ materially depending on a number of factors, including changing economic conditions, legislative and regulatory developments, delay in new product launches, and pricing and product initiatives of competitors.

Summary of Consolidated Financial Results For the First Half Ended April 30, 2010

H.I.S. Co., Ltd. (9603)

Exchange Listed:	Tokyo Stock Exchange, 1 st section
Principal Office:	Tokyo, Japan
Homepage:	http://www.his.co.jp
Representative Director, President:	Akira Hirabayashi
Contact:	Narimoto Kusahara, Managing Director
Telephone:	+81-3-5908-2070
Scheduled date of filing interim report:	June 14, 2010

1. Consolidated Financial Results (November 1, 2009 – April 30, 2010)

(1) Consolidated Operating Results

	<i>Millions of Yen</i>			
	First Half Ended April 30,			
	2010	%	2009	%
Net Sales	154,151	(7.3)	166,251	—
Operating Income	2,362	(42.6)	4,117	—
Ordinary Income	1,994	(46.0)	3,694	—
Net Income	1,857	(20.9)	2,350	—
Net Income per Share (yen)	57.30		72.47	
Net Income per Share, Diluted (yen)	—		—	

(2) Consolidated Financial Position

	<i>Millions of Yen</i>	
	As of April 30, 2010	As of Oct 31, 2009
Total Assets	109,382	96,600
Net Assets	52,980	48,059
Shareholders' Equity Ratio	46.6%	49.1%
Net Assets per Share (yen)	1,571.95	1,462.71

2. Dividends

	FY Ended Oct 31,		
	2009	2010	2010 (Forecast)
Dividends per Share			
Interim (yen)	0.00	0.00	
End of Term (yen)	24.00		24.00
Annual Dividends (yen)	24.00		24.00

3. Consolidated Forecast for the Fiscal Year Ending October 31, 2010

	<i>Millions of Yen</i>	
	FY Ending October 31, 2010	
Net Sales.....	353,000	8.6%
Operating income.....	7,150	0.2%
Ordinary Income.....	6,450	15.5%
Net Income.....	3,600	6.8%
Net Income per Share (Yen).....	111.02	

4. Additional Notes

(1) Changes of important subsidiaries during the fiscal period (Changes of specific subsidiary due to change in scope of consolidation):

	Yes
New:	1 Company (HUIS TEN BOSCH Co., Ltd.)
Excluded:	None

(2) Application of simplified accounting treatment and unique accounting treatment in preparing quarterly consolidated financial statements: Yes

(3) Changes in principles, procedures and presentation of accounting treatment in preparing consolidated financial statements:

(i) Changes resulting from revisions to accounting standards, etc.:	Yes
(ii) Changes other than (i):	Yes

(4) Number of shares issued (common shares)

(i) Number of shares issued at end of fiscal period (including treasury stock):	
As of April 30, 2010	34,261,468 shares
As of Oct 31, 2009	34,261,468 shares
(ii) Number of treasury stock at end of fiscal period	
As of April 30, 2010	1,833,697 shares
As of Oct 31, 2009	1,833,472 shares
(iii) Average number of shares during the period	
As of April 30, 2010	32,427,842 shares
As of April 30, 2009	32,428,816 shares

Notes:

Forecasts contain forward-looking statements based on a number of assumptions and beliefs made by management in light of information currently available. Actual financial results may differ materially depending on a number of factors. Please consult page 6 for further information concerning the projections.

I. Operating Results and Financial Position

1. Operating Results

Overview of consolidated results for the fiscal period

During the first half of the current fiscal year, Japan continued to face harsh economic conditions, such as a high level of unemployment, even though there were signs of a recovery.

As for trends in the travel industry, there was an overall recovery in the number of travelers departing from Japan supported by various developments including a sense that overseas travel was relatively inexpensive due to the strong yen, the introduction of new routes accompanying the increase in the number of departures and arrivals at Narita Airport starting in March 2010, and lower fuel surcharges compared to the same period a year earlier. According to the Japan National Tourist Organization (JNTO), the (estimated) number of Japanese departing the country from November 2009 through April 2010 is expected to have risen by 2.6% on the previous year to around 7,891,000 people, an increase of approximately 198,000 people.

Under these business conditions, within the travel business, the Group's main business segment, the Group not only strove to improve the quality of management and services but also developed various measures to capture demand for travel. These efforts involved establishing a mechanism to reflect the opinions of customers in products and services through the creation of a Quality Control Committee with the goal of making it possible for more customers, even if only a few, to enjoy overseas travel with greater peace of mind.

Travel business

- This year is the 30th anniversary of the founding of H.I.S., and a project to commemorate the event was launched and included updating the pamphlet for Ciao tours, the company's main package tour, in November and starting new development efforts related to H.I.S. 30-year Anniversary products. In addition, during the 2009 Christmas season, the Group worked more vigorously to capture mobile phone members, and these efforts included cosponsoring the Omotesando Illumination Bell Symphony in Tokyo, which was held for the first time in eleven years, and working to get visitors to the event to sign up for the e-mail magazine. With an eye on Golden Week, a series of consecutive holidays that fall in May, the Group also developed numerous measures to raise customers' interest in overseas travel, such as promoting special plans making use of the company's own charter flights from Ibaraki Airport.
- The Group strengthened its efforts related to corporate/group travel through various activities such as actively working to expand into provincial areas that are expected to experience growth in demand and approaching new customers including government bodies. There is expected to be a full recovery in both business and pleasure travel, and sales capabilities were further strengthened by hiring more personnel and conducting training.
- For travel sales over the Internet, which the Group has focused on reinforcing, further improvements

were made to both the Internet and mobile phone reservation capabilities, and customer use has steadily increased. In March 2010, the hotel reservation website was updated, and product plans for payment in either Japan or overseas were introduced in order to meet the various needs of our customers. The hotel reservation website H.I.S. Vacation makes it possible to obtain a list of available hotels while customers wait for their departure and also offers product plans that allow customers to pay at their destinations. As a result, there was a dramatic increase in the number of products that can be immediately reserved and confirmed, making the reservation site more user-friendly.

- In April 2010, the executive members club Class One for business- and first-class customers was launched, and this is the Group's first travel members organization for such customers. Through the club, the Group will provide top-quality trips with a special feel in order to precisely meet the needs of individual customers.

Although the Group aggressively implemented the various measures discussed above, the number of passengers handled by H.I.S. failed to increase on a year-on-year basis as a result of several developments including the following. It was more difficult to purchase tickets due to the severe business conditions faced by all airline companies, particularly Japan Airlines; various European countries restricted flights as a result of the eruption of the volcano in Iceland in April 2010; and it was harder than expected to obtain seats on flights to Asia, which the Group is particularly strong with, on desired dates as demand within Asia for travel to Japan grew, particularly around the Chinese New Year. There was also a dramatic decline in fuel surcharges compared to the previous fiscal year, resulting in first half sales for the travel business falling 7.4% year on year to 153,010 million yen. Although operating income shrank 31.0% year on year to 4,110 million yen despite the various steps the Group actively took such as developing sales that stress efficiency and reducing costs to compensate for the decline in gross profit from the smaller sales and the impact of foreign currency forward contracts for the purchase of products, the Group was still able to record operating income within the travel industry that is facing overall harsh business conditions.

Hotel business

- Within the hotel business, the two hotels located on the Gold Coast and in Brisbane Australia were impacted by the recession in Australia, but Watermark Hotel Sapporo was included within the scope of consolidation, which resulted in sales growing 18.4% year on year to 1,175 million yen but operating income falling 32.7% year on year to 33 million yen.

Theme park business

- On April 6, 2010, the Group acquired a 66.7% stake in HUIS TEN BOSCH Co., Ltd., which was undergoing corporate rehabilitation, and transformed the company into a subsidiary. The investment was made based on several conditions-related parties understanding the various conditions on the Group's support, both Nagasaki Prefecture and Sasebo-shi providing support based on this understanding, and

five leading companies in Kyushu also investing in the company. For H.I.S., the HUIS TEN BOSCH business not only will support the promotion of regional tourism but also is expected to generate synergies with the Group's domestic travel business and inbound business, particularly among tourists to Japan from Asian countries such as Korea and China. HUIS TEN BOSCH Co., Ltd., came out of rehabilitation on April 30, 2010.

Consolidated net sales declined 7.3% year on year to 154,151 million yen, consolidated operating income fell 42.6% to 2,362 million yen, ordinary income fell 46.0% year on year to 1,994 million yen and net income decreased 20.9% year on year to 1,857 million yen.

2. Financial Position

(1) Overview of Assets, Liabilities, and Net Assets

Total assets as of the end of the current consolidated interim period increased by 12,781 million yen from the end of the previous consolidated fiscal year to 109,382 million yen. This was mainly the result of an increase in travel advance payments of 4,382 million yen, an increase in cash and deposits of 3,566 million yen, and an increase in accounts receivable-trade of 1,652 million yen, compared to the end of the previous fiscal year.

Liabilities as of the end of the current consolidated interim period rose 7,860 million yen compared with the end of the previous consolidated fiscal year to 56,401 million yen. This was chiefly due to an increase in travel advance received of 5,191 million yen, an increase in operating accounts payable of 1,651 million yen, compared to the end of the previous fiscal year.

Net assets as of the end of the current consolidated interim period increased 4,921 million yen over the end of the previous consolidated fiscal year to 52,980 million yen. This was primarily the result of a decline in deferred losses on hedges of 1,806 million yen, and an increase in minority interests of 1,379 million yen.

(2) Overview of Consolidated Cash Flows

The balance of cash and cash equivalents as of the end of the current consolidated interim period rose by 3,406 million yen over the end of the previous consolidated fiscal period to 38,477 million yen.

Cash flow from operating activities

Cash inflow from operating activities for the current consolidated interim period was 3,242 million yen. This was because the Group recorded 5,218 million yen in travel advance received and 2,447 million yen in income before income taxes and minority interest, which more than compensated for the 4,402 million yen in travel advance payments.

Cash flow from investing activities

Cash inflow from investing activities for the current consolidated interim period was 1,804 million yen. This was chiefly due to the fact that the 2,771 million yen in proceeds from the purchase of shares in HUIS TEN BOSCH

Co., Ltd., which was turned into a subsidiary, surpassed the 1,429 million yen in payments into time deposits.

Cash flow from financing activities

There was a net cash outflow from financing activities of 1,091 million yen, which was chiefly because of 778 million yen in cash dividends paid and 276 million yen in repayment of loans payable.

3. Outlook for the Full Year

As for the outlook for the Japanese economy, it is still impossible to be optimistic for the time being although there are signs of a recovery.

There is uncertainty within the travel industry stemming from numerous factors such as personal consumption trends, economic sentiment, fuel surcharge developments, business problems faced by airlines, the Greek financial crises, and North Korea, but demand for overseas travel is expected to be positively impacted by various other developments including a sustained strong yen, global events such as the Shanghai World Expo and World Cup, and the increase in the number of international flights through Haneda Airport that are projected to begin to be fully introduced in October.

Under these conditions, the Group continues to consider overseas independent travel its main product and will further improve product quality and service, primarily through the Quality Control Committee, so that a vast number of customers can enjoy overseas travel with peace of mind. As for product development, in addition to moving forward with brand strategies that clearly target particular customer groups such as Love Peace TRAVEL and QUALITA, the Group is preparing for the expansion of international routes from Haneda Airport. In regard to the Group's office strategy, Love Peace TRAVEL sales offices were opened in Omotesando and Shibuya and QUALITA sales offices in Shinjuku, Ginza, and Omotesando in May 2010 to match the Group's brand strategy. At the same time, the significance of office sales will be re-examined, and the Group plans to continue opening new offices, including large scale ones. At existing offices, both a video-phone system that directly connects to overseas offices and an on-demand system using a touch panel to select the latest tours will be introduced so customers' needs can promptly be met, renovations will be made to increase convenience, and efforts will be made to reduce costs. On other hand, the location of offices will be revised from the perspective of stressing efficient management.

Foreign exchange forward contracts, mainly for U.S. dollars, are projected to have a minor impact on business due to the decline in their value in the second half.

Travel business

- As for sales of airline tickets, the Group continues to pursue both price advantage in terms of airline tickets and its original added value services such as its capacity to arrange travel and overseas support system. As for package tours, the Group will expand its range of product lineups from the Ciao line, its

main product line that appeals to price conscious travelers, to other product lines that clearly target particular customer groups. For younger customers in their 20s, The Group will develop the Love Peace TRAVEL brand in order to communicate the importance of foreign travel for peace. The Group expanded its independently developed products of tours with guides, which were mainly created for Europe, increased the brand recognition of Impresso among the wealthy and seniors, for the number of whom travel will increase, and strengthen efforts to attract customers. Passeport Co., Ltd, a group company, has launched development of the Group's high-end brand called QUALITA, which provides red-carpet travel at a reasonable price for customers who are particular about how they travel. In addition to focusing on other projects such as the development of travel products that make use of charter flights, the Group will actively work to utilize regional airports. Both products and prices will be carefully examined and steps will be taken to improve prices.

- There has been a recovery in corporate/group travel, and the Group will work to construct a system that incorporates its acquired superiority related to delivering tickets and prices and that also takes into consideration further improvements to customer convenience and to develop new customers. With an eye on expanding business, the Group will also continue to focus on training employees, the people responsible for this expansion.

- As for travel sales over the Internet, a field the Group is focusing on strengthening, sales over the Internet and mobile phones will be improved. In addition to expanding the number of products that can be reserved over the Internet or mobile phones, such as overseas hotels, optional tours, and rental cars, to meet the diverse needs of customers, the Group is raising the added value of its whole website in order to provide more pleasant travel support through the use of information that is only available over the Internet and is striving to improve customer convenience.

- In terms of overseas development, the Group has strengthened its system for handling customers from Japan and obtaining hotel rooms, and these efforts have included establishing a wholly-owned travel company in Shanghai in May and expanding sales offices to new areas in various countries such as Russia. While actively working to develop new tourist areas and products and focusing more on operations that provide local overseas travel services to non-Japanese customers, particularly in Asia, the Group will train staff who can succeed globally, will aggressively develop overseas travel services that originate outside of Japan through its overseas offices, and aims to become a global travel company.

Hotel business

- As for the hotel business, the Group will work to ensure income from the Watermark Sapporo located in Hokkaido, focus on training staff with the goal of raising the quality of service, and capture steady earnings.

Theme park business

- HUIS TEN BOSCH Co., Ltd., which came out of corporate rehabilitation on April 30, 2010, is taking various steps to attract a large number of customers from both within Japan and overseas and provide these customers with a satisfying experience. These measures include introducing imaginative entertainment and events and setting entrance fees at a level that makes it possible for customers to easily visit the park. Through various efforts such as transporting customers from both within Japan and overseas and co-sponsoring a ride in HUIS TEN BOSCH based on the popular animated character ONE PIECE, which will become a new corporate character starting in the summer of 2010, the Group will work to make HUIS TEN BOSCH Co., Ltd, profitable as rapidly as possible.

II. Consolidated Financial Statements

1. Consolidated Balance Sheets

	<i>Millions of yen</i>	
	As of April 30, 2010	As of Oct 31, 2009
ASSETS		
Current assets		
Cash and deposits	41,197	37,630
Accounts receivable-trade	6,994	5,342
Operating accounts receivable.....	8,581	9,951
Short-term investment securities.....	2,526	1,293
Travel advance payments.....	13,360	8,977
Pre-paid expenses	1,050	919
Deferred tax assets.....	2,154	3,434
Short-term loans receivable	38	223
Short-term loans receivable to subs.and affiliates.....	110	44
Accounts receivable-other	1,691	1,318
Other.....	1,627	1,509
Allowance for doubtful accounts	(46)	(22)
Total current assets.....	79,286	70,622
Noncurrent assets		
Property, plant and equipment		
Buildings, net	5,879	4,731
Tools, furniture and fixtures, net	955	856
Land.....	1,937	1,328
Other, net.....	388	125
Total property, plant and equipment.....	9,160	7,041
Intangible assets.....	2,511	2,094
Investments and other assets		
Investment securities	6,233	4,822
Stocks of subsidiaries and affiliates	3,372	3,620
Investments in capital of subs. and affiliates.....	82	14
Long-term loans receivable.....	1,203	288
Long-term loans receivable from subs. and affiliates ..	933	1,045
Deferred tax assets.....	48	650
Guarantee deposits.....	6,420	6,069
Other.....	286	511
Allowance for doubtful accounts	(179)	(182)
Total investments and other assets.....	18,401	16,841
Total noncurrent assets.....	30,073	25,977
Deferred assets.....	22	—
Total assets	109,382	96,600

	Millions of yen	
	As of April 30, 2010	As of Oct 31, 2009
LIABILITIES		
Current liabilities		
Operating accounts payable	14,311	12,660
Short-term loans payable	25	186
Current portion of long-term loans payable	61	0
Accounts payable-other	1,195	902
Accrued expenses	1,538	1,703
Income taxes payable	627	722
Accrued consumption taxes	403	74
Travel advance received	26,750	21,558
Provision for bonuses	1,409	2,371
Provision for directors' bonuses	33	72
Forward exchange contracts	934	4,149
Other	2,578	1,894
Total current liabilities	49,869	46,297
Noncurrent liabilities		
Long-term loans payable	939	140
Deferred tax liabilities	134	13
Provision for retirement benefits	2,952	1,491
Provision for directors' retirement benefits	384	368
Provision for repairs	1,500	—
Other	621	229
Total noncurrent liabilities	6,531	2,244
Total liabilities	56,401	48,541
NET ASSETS		
Shareholders' equity		
Capital stock	6,882	6,882
Capital surplus	7,782	7,782
Retained earnings	38,625	37,660
Treasury stock	(2,521)	(2,521)
Total shareholders' equity	50,769	49,803
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,451	401
Deferred gains or losses on hedges	(366)	(2,173)
Foreign currency translation adjustment	(879)	(599)
Total valuation and translation adjustments	205	(2,370)
Minority interests	2,005	626
Total net assets	52,980	48,059
Total liabilities and net assets	109,382	96,600

2. Consolidated Statements of Income

	<i>Millions of yen</i>	
	Nov 1, 2009 to April 30, 2010	Nov 1, 2008 to April 30, 2009
Net sales	154,151	166,251
Cost of sales	128,655	138,438
Gross profit	25,496	27,813
Selling, general and administrative expenses.....	23,134	23,696
Operating income.....	2,362	4,117
Non-operating income		
Interest income	186	407
Equity in earnings of affiliates	173	267
Other.....	140	99
Total non-operating income	500	774
Non-operating expenses		
Foreign exchange losses	841	1,168
Other.....	26	27
Total non-operating expenses.....	867	1,196
Ordinary income.....	1,994	3,694
Extraordinary income		
Gain on sales of noncurrent assets	0	1
Gain on sales of investment securities.....	113	0
Reversal of allowance for doubtful accounts.....	0	—
Gain on negative goodwill.....	632	—
Others.....	0	0
Total extraordinary income.....	747	2
Extraordinary loss		
Loss on sales of noncurrent assets	—	0
Loss on retirement of noncurrent assets.....	16	14
Loss on sales of investment securities.....	68	—
Loss on valuation of investment securities.....	209	—
Other.....	1	3
Total extraordinary losses	295	17
Income before income taxes and minority interests....	2,447	3,679
Income taxes	492	1,211
Income before minority interests.....	1,954	—
Minority interests in income.....	96	117
Net income.....	1,857	2,350

3. Consolidated Statements of Cash Flows

	<i>Millions of yen</i>	
	Nov 1, 2009 to Apr 30, 2010	Nov 1, 2008 to Apr 30, 2009
I. Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	2,447	3,679
Depreciation and amortization	696	568
Amortization of goodwill	73	23
Gain on negative goodwill	(632)	—
Increase (decrease) in allowance for doubtful accounts	1	124
Increase (decrease) in provision for bonuses	(955)	52
Increase (decrease) in provision for directors' bonuses	(37)	(22)
Increase (decrease) in provision for retirement benefits	91	65
Increase (decrease) in provision for directors' retirement benefits	15	(62)
Interest and dividends income	(186)	(407)
Equity in (earnings) losses of affiliates	(173)	(267)
Foreign exchange losses (gains)	335	(32)
Interest expenses	11	0
Loss (gain) on sales of investment securities	(45)	2
Loss (gain) on valuation of investment securities	209	—
Loss (gain) on sales of property, plant and equipment	(0)	(1)
Loss on retirement of property, plant and equipment	16	14
Other loss (gain)	0	24
Decrease (increase) in notes and accounts receivable-trade	146	(2,272)
Decrease (increase) in travel advance payments	(4,402)	457
Decrease (increase) in other assets	(324)	(311)
Increase (decrease) in notes and accounts payable-trade	1,404	5,106
Increase (decrease) in accrued consumption taxes	265	(166)
Increase (decrease) in accrued expenses	(266)	130
Increase (decrease) in travel advances received	5,218	(284)
Increase (decrease) in other liabilities	(253)	185
Sub-total	3,654	6,607
Interest and dividends income received	214	482
Interest expenses paid	(11)	(0)
Income taxes (paid) refund	(614)	12
Net cash provided by operating activities	3,242	7,101

	<i>Millions of yen</i>	
	Nov 1, 2009 to Apr 30, 2010	Nov 1, 2008 to Apr 30, 2009
II. Net cash provided by (used in) investing activities		
Payments into time deposits.....	(1,429)	(1,161)
Proceeds from withdrawal of time deposits	1,221	9,319
Purchase of short-term investment securities.....	(211)	—
Proceeds from sales of short-term investment securities	32	—
Proceeds from redemption of securities	1,235	200
Purchase of property, plant and equipment and intangible assets	(874)	(890)
Proceeds from sales of property, plant and equipment and intangible assets.....	0	3
Purchase of investment securities.....	—	(484)
Purchase of stocks of subsidiaries and affiliates	(133)	(407)
Purchase of investments in subsidiaries resulting in change in scope of consolidation.....	(0)	—
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation..	2,771	—
Proceeds from sales of investment securities	264	3
Proceeds from redemption of investment securities.....	9	7
Proceeds from sales of stocks of subsidiaries and affiliates.....	—	42
Payments of loans receivable.....	(1,092)	(62)
Collection of loans receivable.....	261	98
Payments for transfer of business	—	(179)
Payments for guarantee deposits.....	(440)	(8,029)
Proceeds from collection of guarantee deposits	222	6,347
Other, net	(30)	(10)
Net cash provided by investing activities.....	1,804	4,797
III. Net cash provided by (used in) financing activities		
Decrease in short-term loans payable.....	(210)	—
Repayment of long-term loans payable.....	(65)	—
Cash dividends paid	(778)	(778)
Cash dividends paid to minority shareholders	(14)	(12)
Purchase of treasury stock.....	(0)	(1)
Proceeds from disposal of treasury stock.....	—	0
Other, net	(21)	—
Net cash used in financing activities	(1,091)	(792)
IV. Effect of exchange rate change on cash & cash equivalents.	(640)	(2,070)
V. Net increase (decrease) in cash & cash equivalents	3,315	9,035
VI. Cash & cash equivalents at beginning of period.....	35,070	31,080
VII. Increase in cash & cash equivalents from newly consolidated subsidiary	91	545
VIII. Increase (decrease) in cash & cash equivalents resulting from change of scope of consolidation.....	—	(729)
IX. Cash & cash equivalents at end of period	38,477	39,933

4. Notes Regarding Going Concern

None

5. Segment Information

Segment Information by Business

Current Consolidated First Half (Nov 1, 2009 - April 30, 2010)

(Millions of Yen)

	Travel business	Hotel business	Other businesses	Total	Eliminations & Corporate	Consolidated
Net sales						
(1) Sales to outside customers	153,010	1,127	13	154,151	—	154,151
(2) Inter-segment sales / transfers	—	48	—	48	(48)	—
Total	153,010	1,175	13	154,200	(48)	154,151
Operating income	4,110	33	13	4,157	(1,794)	2,362

Previous Consolidated First Half (Nov 1, 2008 - April 30, 2009)

(Millions of Yen)

	Travel business	Hotel business	Other businesses	Total	Eliminations & Corporate	Consolidated
Net sales						
(1) Sales to outside customers	165,262	975	13	166,251	—	166,251
(2) Inter-segment sales / transfers	0	17	—	17	(17)	—
Total	165,262	992	13	166,269	(17)	166,251
Operating income	5,960	49	12	6,022	(1,905)	4,117

Segment Information by Geographical Area

Current Consolidated First Half (Nov 1, 2009 - April 30, 2010)

(Millions of Yen)

	Japan	America	Asia / Oceania	Europe	Total	Eliminations & Corporate	Consolidated
Net sales							
(1) Sales to outside customers	144,095	2,422	4,985	2,647	154,151	—	154,151
(2) Inter-segment sales / transfers	113	7,439	6,636	1,535	15,724	(15,724)	—
Total	144,209	9,862	11,622	4,183	169,876	(15,724)	154,151
Operating Income	3,183	78	734	161	4,157	(1,794)	2,362

Previous Consolidated First Half (Nov 1, 2008 - April 30, 2009)

(Millions of Yen)

	Japan	America	Asia / Oceania	Europe	Total	Eliminations & Corporate	Consolidated
Net sales							
(1) Sales to outside customers	155,775	3,067	4,797	2,610	166,251	—	166,251
(2) Inter-segment sales / transfers	73	7,704	6,871	1,390	16,040	(16,040)	—
Total	155,849	10,771	11,669	4,001	182,292	(16,040)	166,251
Operating Income	4,431	350	1,160	80	6,022	(1,905)	4,117

Overseas Sales

In this term, overseas sales are omitted from this report because this item accounted for less than 10% of consolidated sales.

6. Significant Change in Shareholders' Equity

None