

Financial Report for the Fiscal Year ended September 30, 2010



November 8, 2010
MITSUI-SOKO CO., LTD.



■ Explanation of Results

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Results for the Six Months ended September 30, 2010

(1) Performance Overview

(Unit: Billions of yen)

Consolidated Total	1st Half ended Sept. 30, 2009	1st Half ended Sept. 30, 2010	Amount of change	Percentage of change
Net revenue	43.23	47.61	+4.38	+10.1%
Operating income	2.95	3.34	+0.39	+13.3%
Ordinary income	2.17	2.45	+0.28	+12.8%
Net income	0.82	1.40	+0.58	+69.6%

Cash flows from operating activities	6.34	4.30	(2.04)	(32.2)%
Cash flows from investing activities	(2.75)	(15.66)	(12.91)	(469.5)%
Cash flows from financing activities	5.08	16.41	+11.33	+223.0%

Consolidated Total	Mar. 31, 2010	Sept. 30, 2009	Amount of change	Percentage of change
Shareholders' equity	48.97	48.71	(0.26)	(0.5)%
Total assets	169.64	186.10	+16.46	+9.7%
Shareholders' equity ratio	28.87%	26.17%	(2.70) %	—



Results for the Six Months ended September 30, 2010

(2) Net Revenue and Operating Income

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(Unit: Billions of yen)

Consolidated Total	1st Half ended Sept.2009	Six months ended Sept.2010					Amount of change	Percentage of change
		1st Quarter	Amount of change	2nd Quarter	Amount of change	1st Half		
Domestic logistics operations	24.19	12.57	+0.43	12.64	+0.59	25.21	+1.02	+4.1%
Domestic port terminal operations	5.11	3.25	+0.80	3.28	+0.62	6.53	+1.42	+27.8%
Overseas logistics operations	7.67	4.44	+0.80	4.78	+0.75	9.22	+1.55	+20.2%
Other logistics operations*	1.54	1.00	+0.28	0.89	+0.07	1.89	+0.35	+22.8%
Logistics elimination	(1.16)	(0.64)	(0.12)	(0.67)	(0.03)	(1.31)	(0.15)	(12.9)%
Sub total	37.35	20.62	+2.19	20.92	+2.00	41.54	+4.19	+11.2%
Real estate	6.07	3.15	+0.11	3.12	+0.09	6.27	+0.20	+3.2%
Corporate elimination	(0.19)	(0.10)	(0.00)	(0.10)	(0.01)	(0.20)	(0.01)	(4.2)%
Net Revenue	43.23	23.67	+2.30	23.94	+2.08	47.61	+4.38	+10.1%
Domestic logistics operations	1.88	0.92	(0.02)	0.88	(0.06)	1.80	(0.08)	(4.2)%
Domestic port terminal operations	0.14	0.30	+0.25	0.24	+0.15	0.54	+0.40	+289.3%
Overseas logistics operations	(0.33)	(0.04)	+0.18	0.07	+0.18	0.03	+0.36	—
Other logistics operations*	(0.11)	(0.11)	(0.05)	(0.21)	(0.16)	(0.32)	(0.21)	(189.2)%
Joint logistics expenses	(0.96)	(0.46)	+0.04	(0.45)	+0.01	(0.91)	+0.05	+5.3%
Sub total	0.62	0.61	+0.40	0.53	+0.12	1.14	+0.52	+84.2%
Real estate	3.78	1.94	+0.06	1.88	(0.02)	3.82	+0.04	+1.1%
Joint company expenses	(1.45)	(0.82)	(0.10)	(0.80)	(0.07)	(1.62)	(0.17)	(11.7)%
Operating Income	2.95	1.73	+0.36	1.61	+0.03	3.34	+0.39	+13.3%

*Other logistics operations are the total of air cargo, BPO and 3PL businesses.

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.



■ Domestic logistics operations

(Unit: Billions of yen)

	FY2011 1st Half (1H)	1H 11/ 1H 10
Gross Profit	10.21	(0.25)
Storage service	4.67	(0.49)
Loading/Unloading	2.59	+0.15
Warehouse handling services	0.95	+0.05

	FY2011 1st Half(1H)	1H 11/ 1H 10
Cost	8.41	(0.17)
Personnel expenses	4.94	(0.13)

	FY2011 1st Half(1H)	1H 11/ 1H 10
Operating income	1.80	(0.08)

■ Domestic port terminal operations

	FY2011 1st Half(1H)	1H 11/ 1H 10
Gross Profit	1.76	+0.51
Work at container terminal	1.71	+0.50

	FY2011 1st Half(1H)	1H 11/ 1H 10
Cost	1.22	+0.11

	FY2011 1st Half(1H)	1H11/ 1H 10
Operating income	0.54	+0.40

■ Overseas logistics operations

	FY2011 1st Half(1H)	1H 11/ 1H 10
Gross Profit	2.42	+0.31
Inland transport	0.55	+0.17
Warehouse handling services	0.69	+0.07

	FY2011 1st Half(1H)	1H 11/ 1H 10
Cost	2.39	(0.05)

	FY2011 1st Half(1H)	1H 11/ 1H 10
Operating income	0.03	+0.36

■ Other logistics operations

	FY2011 1st Half(1H)	1H 11/ 1H 10
Gross Profit	0.28	+0.02

	FY2011 1st Half(1H)	1H 11/ 1H 10
Cost	0.60	+0.23
Depreciation expenses	0.12	+0.09
Personnel expenses	0.26	+0.08

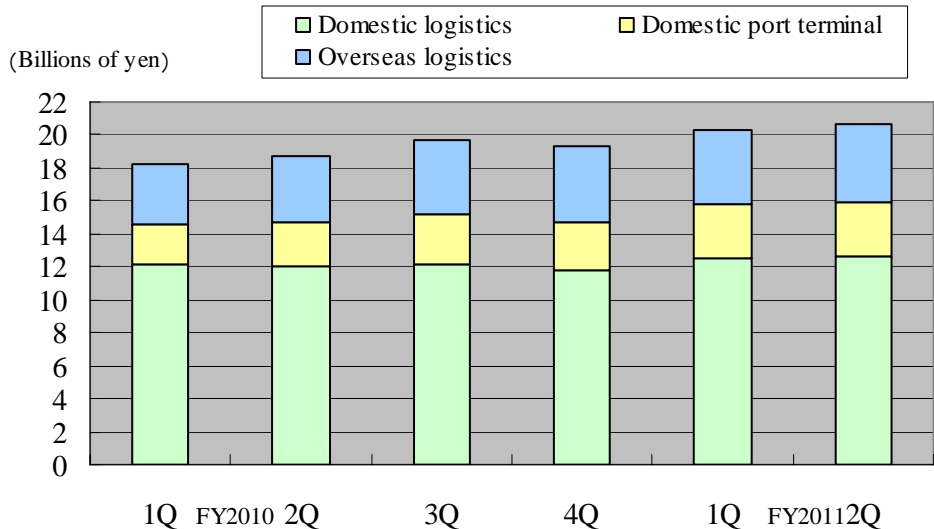
	FY2011 1st Half(1H)	1H 11/ 1H 10
Operating income	(0.32)	(0.21)

FY2011: year ending March 31, 2011

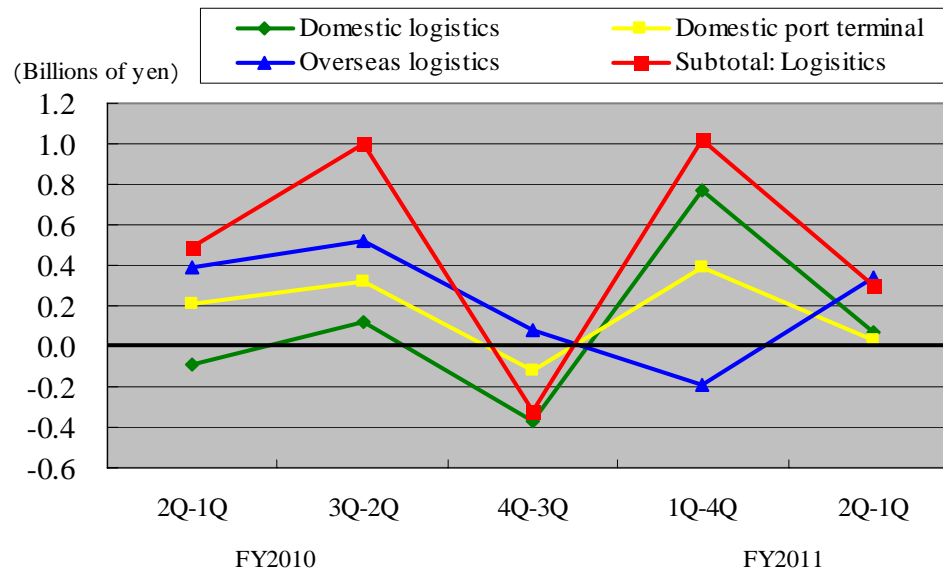


< Quarterly performance >

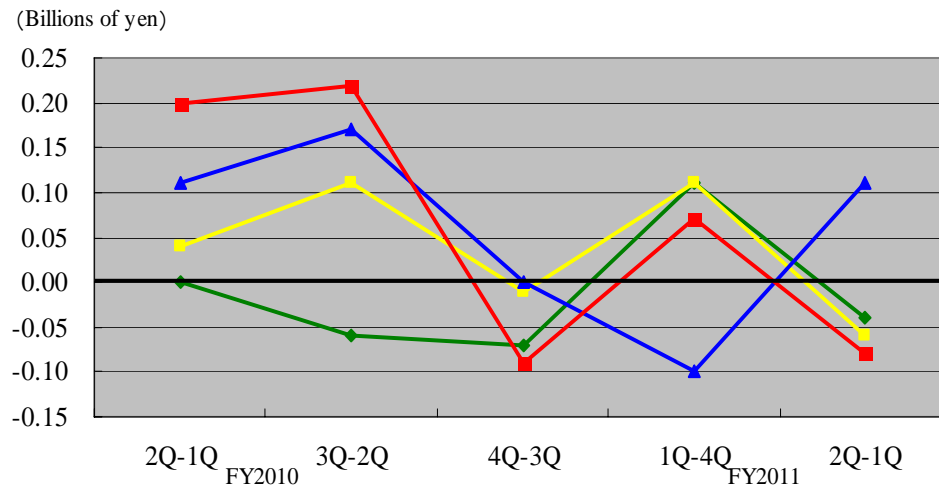
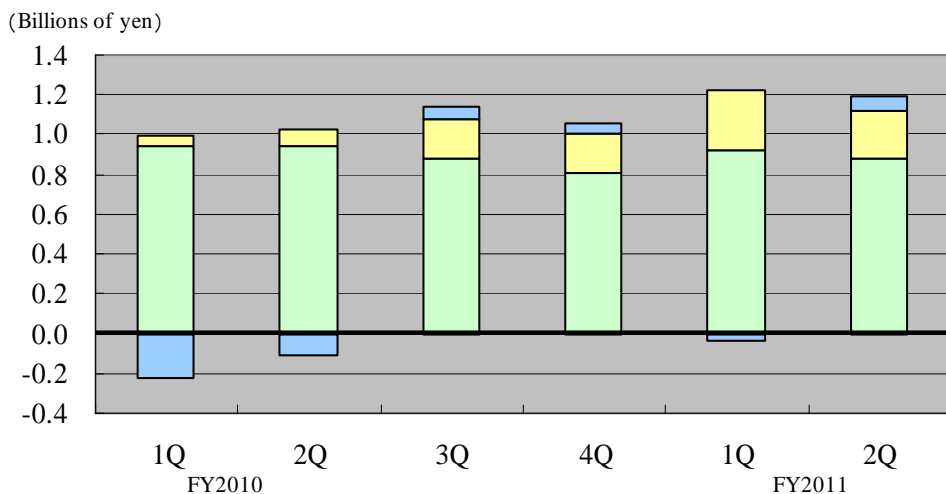
Net Revenue of the Logistics Division



< Quarter-to-quarter changes >



Operating Income of the Logistics Division





Results for the Six Months ended September 30, 2010

(5) Ordinary income and Net income

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(Unit: Billions of yen)

Consolidated Total	1st Half ended Sept.2009	1st Half ended Sept.2010	Amount of change	Percentage of change
Non-operating income (expenses)	(0.78)	(0.89)	(0.11)	(14.9)%
Financial balance	(0.64)	(0.64)	(0.00)	(0.2)%
Ordinary income	2.17	2.45	+0.28	+12.8%
Extraordinary gains	0.21	0.24	+0.03	+14.1%
Gain on sales of assets	0.21	0.24	+0.03	+14.1%
Extraordinary losses	0.40	0.62	+0.22	+53.5%
Loss on disposal (demolition) of fixed assets	0.06	0.32	+0.26	+395.4%
Net income	0.82	1.40	+0.58	+69.6%

Note

Financial balance: Near balance between the increase in interest payment due to rise in the interest-bearing liabilities (+10 million yen) and the increase in interest income and dividends (+10 million yen)

Net income: Enhancing the bottom line due to a reduced tax burden associated with subsidiary liquidation



■ Overview of Consolidated Flows

(Unit: Billions of yen)

Consolidated Total	1st Half ended Sept.30, 2009	1st Half ended Sept.30, 2010	Amount of change	Percentage of change
Cash flows from operating activities	6.34	4.30	(2.04)	(32.2)%
Depreciation expenses	2.95	3.33	+0.38	+12.8%
Cash flows from investing activities	(2.75)	(15.66)	(12.91)	(469.5)%
Capital expenditure	2.99	16.24	+13.25	+443.1%
Cash flows from financing activities	5.08	16.41	+11.33	+223.0%
Interest-bearing debt	97.82	113.14	+15.32	+15.7%
Year-end cash balance	22.96	21.07	(1.89)	(8.2)%

■ Elements that increased or decreased cash flow

■ Cash flows from operating activities

The increase in the payable corporate tax exceeds the increase in the depreciation due to accumulated capital expenditures.

■ Cash flows from investing activities

Completed acquisition of the Misato Logistics Center

■ Cash flows from financing activities

Issued 20 billion yen of bonds (10 billion yen each in April and September)



Detailed Forecast for FY 2011

(1) Performance Overview

(Unit: Billions of yen)

Consolidated Total	(1) FY2010 (Apr.2009- Mar.2010) Result	FY2011 (Apr.2010-Mar.2011)					(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	88.73	23.67	23.94	24.00	24.00	93.00	+4.27	+4.8%	
Operating income	6.54	1.73	1.61	1.70	1.70	6.70	+0.16	+2.4%	
Ordinary income	4.73	1.30	1.15	1.30	1.20	4.90	+0.17	+3.5%	
Net income	1.86	0.55	0.85	0.70	0.90	3.00	+1.14	+61.4%	
Cash flows from operating activities	10.22	1.53	2.77	2.50	3.50	10.00	(0.22)	(2.2)%	
Cash flows from investing activities	(8.54)	(13.59)	(2.07)	(2.50)	(4.50)	(22.00)	(13.46)	(157.7)%	
Cash flows from financing activities	0.23	5.78	10.63	(4.00)	(3.00)	9.00	+8.77	—	
Shareholder's equity	48.98	48.44	48.71	49.00	50.00	50.00	+1.02	+2.1%	
Total assets	169.64	175.39	186.10	180.00	180.00	180.00	+10.36	+6.1%	
Shareholder's equity ratio	28.87%	27.62%	26.17%	27.22%	27.78%	27.78%	(1.09)%	—	



Detailed Forecast for FY 2011

(2) Net Revenue and Operating Income Forecasts

(Unit: Billions of yen)

Consolidated Total	(1) FY2010 (Apr.2009- Mar.2010)	FY2011 (Apr.2010-Mar.2011)				(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	48.17	12.57	12.64	12.40	12.30	49.00	+0.83	+1.7%
Domestic port terminal operations	10.95	3.25	3.28	3.40	3.30	13.00	+2.05	+18.8%
Overseas logistics operations	16.84	4.44	4.78	4.70	4.70	18.00	+1.16	+6.9%
Other logistics operations	3.42	1.00	0.89	1.20	1.40	4.00	+0.58	+16.9%
Logistics elimination	(2.51)	(0.64)	(0.67)	(0.70)	(0.70)	(2.60)	(0.09)	(3.8)%
Sub total	76.87	20.62	20.92	21.00	21.00	81.40	+4.53	+5.9%
Real estate	12.24	3.15	3.12	3.10	3.10	12.00	(0.24)	(1.9)%
Corporate elimination	(0.38)	(0.10)	(0.10)	(0.10)	(0.10)	(0.40)	(0.02)	(6.1)%
Net Revenue	88.73	23.67	23.94	24.00	24.00	93.00	+4.27	+4.8%
Domestic logistics operations	3.57	0.92	0.88	0.90	0.90	3.60	+0.03	+0.7%
Domestic port terminal operations	0.53	0.30	0.24	0.30	0.30	1.10	+0.57	+106.4%
Overseas logistics operations	(0.19)	(0.04)	0.07	0.10	0.10	0.20	+0.39	—
Other logistics operations	(0.18)	(0.11)	(0.21)	(0.10)	0.00	(0.40)	(0.22)	(117.4)%
Joint logistics expenses	(1.94)	(0.46)	(0.45)	(0.50)	(0.50)	(1.90)	+0.04	+1.9%
Sub total	1.79	0.61	0.53	0.70	0.80	2.60	+0.81	+ 44.9%
Real estate	7.60	1.94	1.88	1.80	1.70	7.30	(0.30)	(4.0)%
Joint company expenses	(2.85)	(0.82)	(0.80)	(0.80)	(0.80)	(3.20)	(0.35)	(12.0)%
Operating Income	6.54	1.73	1.61	1.70	1.70	6.70	+0.16	+2.4%

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.



Detailed Forecast for FY 2011

(3) Ordinary income and Net income

(Unit: Billions of yen)

Consolidated Total	(1) FY2010 (Apr.2009- Mar.2010)	FY2011 (Apr.2010-Mar.2011)			(2)-(1) Amount of change	Percentage of change
		1st Half Result	2nd Half Forecast	(2) Total Forecast		
Non-operating income (expenses)	(1.81)	(0.89)	(0.90)	(1.80)	+0.01	+0.6%
Financial balance	(1.30)	(0.64)	(0.60)	(1.30)	+0.00	+0.2%
Ordinary income	4.73	2.45	2.50	4.90	+0.17	+3.5%
Extraordinary gains	0.22	0.24	0.50	0.70	+0.48	+212.5%
Gain on sales of assets	0.22	0.24	0.50	0.70	+0.48	+212.5%
Extraordinary losses	1.21	0.62	0.20	0.80	(0.41)	(33.8)%
Loss on disposal (demolition) of fixed assets	0.81	0.32	0.20	0.50	(0.31)	(38.5)%
Net income	1.86	1.40	1.60	3.00	+1.14	+61.4%

Note

Financial balance: Limiting the interest payment on par with last year's through funding on favorable terms

Loss on disposal (demolition) of fixed assets: Large-scale repair work of the Mitsui-Soko Hakozaki Building in Tokyo generated loss on disposal.

Toda Warehouse in Saitama was demolished.



■ Overview of Consolidated Flows

(Unit: Billions of yen)

Consolidated Total	(1) FY2010 (Apr.2009- Mar.2010)	FY2011 (Apr.2010-Mar.2011)			(2)-(1) Amount of change	Percentage of change
		1st Half Result	2nd Half Forecast	(2) Total Forecast		
Cash flows from operating activities	10.22	4.30	6.00	10.00	(0.22)	(2.2)%
Depreciation expenses	6.04	3.33	3.70	7.00	+0.96	+15.9%
Cash flows from investing activities	(8.54)	(15.66)	(7.00)	(22.00)	(13.46)	(157.7)%
Capital expenditure	8.74	16.24	6.00	22.00	+13.26	+151.6%
Cash flows from financing activities	0.23	16.41	(7.00)	9.00	+8.77	—
Interest-bearing debt	96.20	113.14	107.00	107.00	+10.80	+11.2%
Year-end cash balance	16.11	21.07	13.00	13.00	(3.11)	(19.3)%
Debt repayment period	9.4	13.1	10.7	10.7	+1.3	—

■ Elements that increased or decreased cash flow

■ Cash flows from operating activities

Increase in the depreciation corresponding to recent large-scale capital expenditures and payment of consumption tax in accordance with this year's capital investment

■ Cash flows from investing activities

Scheduled to invest **22 billion yen** to gain ownership of the Misato Logistics Center and acquire land to develop a site in Kazo city.

■ Cash flows from financing activities

Issued 10 billion yen of unsecured bonds in April and September respectively to finance this year's capital expenditures

(April:7 billion yen of 7-year bond +3 billion yen of 5-year bond / September: 10 billion yen of 6-year bond)

Financing method on more favorable terms than borrowing



■ Shifting from conventional methods

■ Sendai Center

- Opened in July 2010
- Gradually consolidating back-office operations of the Group



■ Developing businesses that can be sources of future growth

■ Machida Records Center New Building (tentative)

- Start of operation : February 2011(scheduled)
- Facilities dedicated to BPO

■ Acquisition of land for a new facility

- Location : Kazo city, Saitama
- Lot : 30,690 sq. m.
- Transfer of ownership : March 2011(scheduled)





Operating Income

(Unit: billions of yen)

