

SENSHUKAI CO., LTD.

**Annual Review 2008**

For the Year Ended December 31, 2008

 BELLE MAISON

# Operating Highlights

## “A Concierge for Daily Living”

The basic philosophy of Senshukai Co., Ltd., calls for the Company to contribute to society by providing customers with “Good Merchandise” and “Good Services.” Acting as “A concierge for daily living,” Senshukai strives to be thoughtfully attentive and considerate as it assists its customers with diverse issues,

such as those involving fashion, daily-use products, foods, gifts, and child raising. Based on this approach, Senshukai helps its customers rest assured that they are living their lives in a manner that is both rational and fashionable. We often refer to this approach by means of our slogan “A concierge for daily living.”



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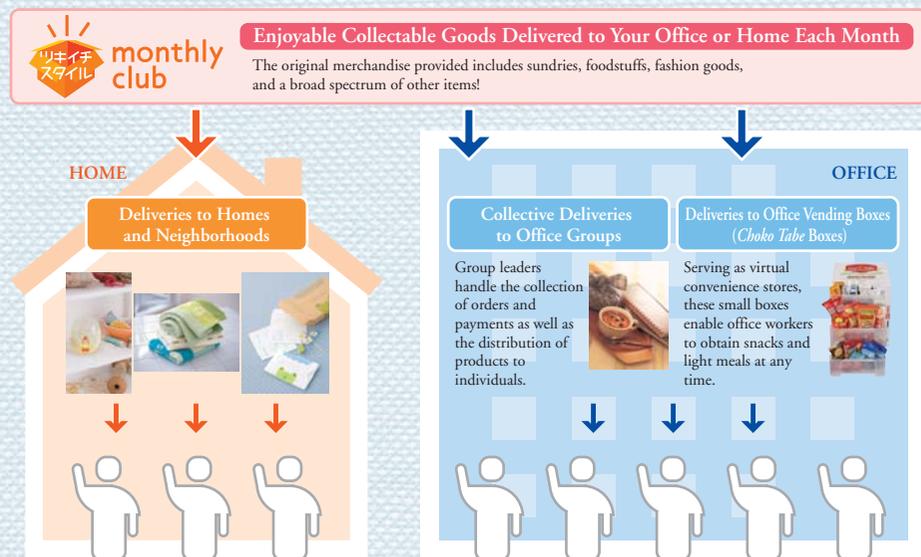
### Forward-Looking Statements

Forecasts regarding the Company's plans and strategies contained in this publication were prepared based on information available at the time the forecasts were prepared. The Company's actual performance may differ from the forecasted figures due to a range of factors.

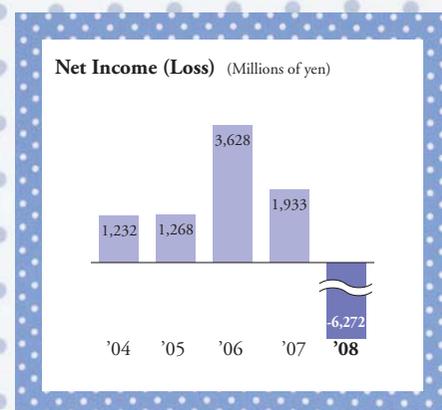
While Senshukai still has the image of a comprehensive catalog business company centered on the *Belle Maison* brand, it is expanding its operations conducted via the Internet, shops, and other marketing channels.



Noteworthy among Senshukai's various marketing channels is the unique *Monthly Club* purchasing club model used in the Company's *hanpukai* business. No other mail-order companies use this model, in which products are delivered to group and individual members, who are principally female office workers, on a monthly basis.



## Financial Highlights



# A Message from the President

## Transforming Our Business Structure— Shifting to the Internet with Greater Speed and Boldness



**Yasuhiro Yukimachi**  
President and Representative Director



### Overview of Fiscal 2008 Performance

*Because fiscal 2008, ended December 31, 2008, was the first year of our Medium-Term Management Plan—which covers the three years through fiscal 2010—we placed strong emphasis on moving forward with the plan's implementation during fiscal 2008. As a result, despite the decline in personal consumption in Japan, our consolidated net sales rose to ¥158.3 billion, or 1.0% above the level in the previous fiscal year. Reflecting a slight increase in our cost of sales ratio as well as growth in the selling, general and administrative (SG&A) expenses to net sales ratio associated with catalog expenses and other factors, operating income fell to ¥2.4 billion, down 54.4% from the previous fiscal year. Owing to this and the incidence of such extraordinary expenses as foreign exchange losses and losses on write-down of compound financial instruments, we recorded a net loss of ¥6.3 billion, compared with net income of ¥1.9 billion in the previous fiscal year.*

*Regarding performance by business segment, sales generated by our mail-order businesses—including the catalog business and hanpukai business—amounted to ¥144.6 billion, down 0.7%, while the operating income of our mail-order businesses dropped 48.8% year on year, to ¥2.9 billion.*

### 1. Catalog Business

In our catalog business, we work through 18 different catalogs to provide diverse lifestyle proposals and products that are rigorously evaluated to ensure they are in line with Senshukai's high standards and sterling image.

Since the start of this business in 1976, we have supported our members by supplying them with a broad range of products that meet their needs. Centered on fashionable apparel, these products range from interior decoration and furnishing items to daily-use sundry products and children's apparel.

During fiscal 2008, catalog business sales grew smoothly until the third quarter, and then showed a persistent downtrend following the October emergence of the worldwide financial crisis, which had a considerable impact on consumer psychology. As a result, consolidated net sales in this business segment amounted to ¥131.9 billion, a decline of 0.1% from the fiscal 2007 level.

### 2. Hanpukai Business

The *hanpukai* business employs a unique purchasing club model wherein products are delivered to group and individual members, who are principally female office workers, on a monthly basis.

The products include diverse highly collectable items centered on sundries and foods, and most of them are original merchandise that cannot be obtained through stores or other sources.

As a means of helping rebuild the *hanpukai* business, we initiated the office vending box (*Choko Tabo* Box) business during 2007. As a result of this initiative and other measures to increase our presence in workplaces, we had already positioned approximately 21,000 office vending boxes in offices by the end of fiscal 2008. However, year-on-year decreases were recorded in sales revenue and in the number of members. Consolidated net sales in this business segment amounted to ¥12.7 billion, a decline of 6.9% from the fiscal 2007 level.

\* Beginning from fiscal 2008, organizational restructuring measures have been accompanied by the shifting of operations associated with certain business media between the catalog and *hanpukai* segments. Year-on-year performance figures cited in this report were calculated based on fiscal 2007 performance figures restated based on the new, post-restructuring classification standards.

## Other Business

In addition to such service operations as travel and credit cards business, this segment includes the storefront business, pet business, corporate business involving the sale of merchandise and services to companies, and the wedding business. Our wedding business was expanded from the latter half of fiscal 2008 with the addition of newly consolidated subsidiary Dears Brain Inc., which operates a community-based house wedding business. Reflecting this, consolidated net sales in this segment surged to ¥13.7 billion, up 23.1% from fiscal 2007. However, the magnitude of the segment's operating loss increased ¥146 million compared with the previous fiscal year, to ¥439 million.

## Offering “Good Merchandise” and “Good Services”

Our current Medium-Term Management Plan is designed to promote a mix of marketing channels, implement a multiple-brand strategy, expand the customer base, and strengthen supply chain management (SCM). The previous plan, covering the three years through fiscal 2007, was aimed at bolstering the Company's business base. During the three years from 2008, we intend to make the most of Senshukai's distinctive strengths as we strive to achieve growth in both existing and new business fields. In line with our new slogan—“A concierge for daily living”—we are endeavoring to further magnify and leverage Senshukai's special characteristics. At the same time, while Senshukai currently still has the image of a comprehensive catalog business company centered on the *Belle Maison* brand, we are working to transform this image by transitioning toward new kinds of mail-order business that do not involve paper catalogs.

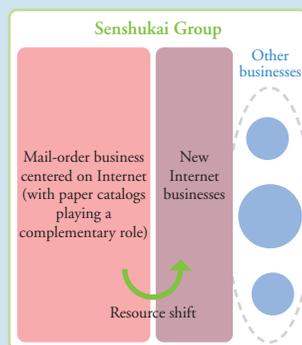
### Direction of Future Growth

#### Senshukai Group to date



Senshukai = *Belle Maison*

#### Senshukai Group in the future



Senshukai = *Belle Maison* + New Internet businesses + Other business

## Dividends and Internal Reserves

Regarding the Senshukai Group's fundamental dividend policy and dividends applicable to the fiscal year under review, the Senshukai Group has the basic policy of striving to strengthen its management base while concurrently providing shareholders with stable levels of dividends set in light of dividend payout ratios and appropriate levels of shareholder returns, and we are aiming to sustain a consolidated dividend payout ratio of 30%. Regarding internal reserves, we are using our reserves to develop new businesses and promote greater efficiency in existing operations, to further increase the soundness of our financial position, and additionally reinforce our corporate competitiveness and resilience. Based on these policies, despite the net loss recorded for fiscal 2008, the Company plans to pay a year-end cash dividend of ¥9 per common share, in addition to the ¥8 per share interim dividend already distributed. Thus, plans call for dividends applicable to fiscal 2008 to amount to ¥17 per share.

## Outlook for Fiscal 2009

The Japanese economy is likely to continue being impacted by the trends of yen appreciation and weak stock prices, which are weakening corporate performance, increasing employment-related concerns, and causing other situations that may lead to a decrease in personal consumption. In view of this, we anticipate that the Senshukai Group's operating environment will remain difficult to predict going forward.

Regarding our performance during the next fiscal year, we expect that the parent company's performance will be roughly the same as in fiscal 2008. With respect to consolidated performance, however, in view of the prospective year-long contribution from newly consolidated subsidiary Dears Brain Inc., we are projecting ¥162.5 billion in net sales, up 2.7% from fiscal 2008. A decline in the cost of sales ratio and other factors are forecast to support the generation of ¥3.2 billion in operating income, and ¥3.4 billion in income before income taxes and minority interests. Net income is expected to amount to ¥2.8 billion, reflecting a drop in the income tax burden. The Company will continue emphasizing measures to ensure a sound level of profitability.

Senshukai is doing its utmost to realize additional growth and further increase its corporate value.

# Results of First Year of the Current Medium-Term

## Senshukai's Medium-Term Management Plan

While Senshukai's previous medium-term management plan for the three years through 2007 focused on reinforcing the Company's foundation, the current Medium-Term Management Plan for the three years from 2008 is designed to leverage the Company's strengths to realize dynamic growth both in existing core business fields and in new business fields.

### Basic Policies

#### Channel-mix promotion and multi-brand development

Senshukai has the image of a company in the general catalog direct sales business that is particularly noteworthy for its *Belle Maison* brand operations. Over the next three years, the Company's plans call for strengthening its core catalog direct sales business while concurrently promoting a growing volume of business via an optimal mix of other marketing channels—including the Internet, shops, and other channels—as well as seeking to combine and promote synergies among these channels. In addition, we will be shifting away from our traditional approach of emphasizing a single brand—the *Belle Maison* brand—as we seek to accelerate our growth based on a multiple-brand strategy that entails fostering the development of various other brands.

#### Promoting further evolution of Senshukai's distinctive identity

As it works to conceive and realize its vision for the future, Senshukai is seeking to highlight and build on its traditional strengths. Accordingly, the Company has adopted the goal of being like a friendly concierge who assists customers with all kinds of tasks related to their day-to-day lives. To concisely articulate this approach, we have adopted the slogan "A concierge for daily living".

### Four Kinds of Emphasized Strategic Measures

#### 1. Promoting a mix of channels

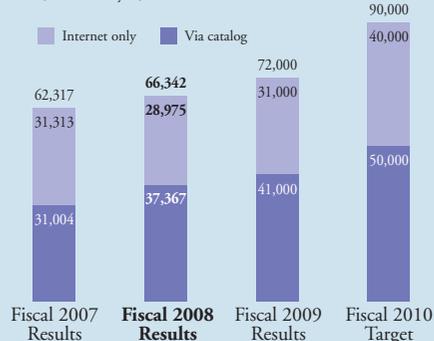
Senshukai is working to integrate different marketing channels—such as those of catalog, Internet, and storefront businesses—and develop new kinds of business genres.

#### Progress in fiscal 2008

Having been given their own marketing channel-control capabilities, each business division has promoted an optimal channel mix through such measures as those to separately administer sales via different channels and undertake additional initiatives regarding business conducted by means of the Internet and shops. In fiscal 2008, Internet sales grew to ¥66.3 billion, including ¥37.4 billion of pure Internet sales (sales that do not even indirectly involve catalogs), and five new *Kurasu Fuku* shops were opened, bringing the total number of such shops to six. Plans call for sustained channel-mix promotion measures of these kinds going forward.

### Promotion of Channel Mix (Internet Sales, Number of Stores and Sales)

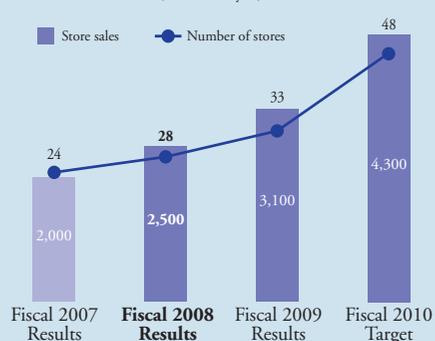
#### Internet sales (Millions of yen)



\* Via catalog: Customers read a catalog and then make purchases by Internet, entering the catalog number.

\* Internet only: Customers make purchases by putting the product into an online shopping cart.

#### Number of stores and sales (Millions of yen)



\* Plan to open new *Kurasu Fuku* stores during the year

# Management Plan (2008-2010)

## 2. Developing a multiple-brand strategy

Having reevaluated its strategy of strongly emphasizing the *Belle Maison* brand, Senshukai is transitioning to a “multiple-brand strategy” that involves the targeting of additional types of customers and the handling of new genres of products.

### Progress in fiscal 2008

Rather than developing the *Belle Maison* brand through catalogs alone, Senshukai has worked to clearly establish *Belle Maison* as a brand that encompasses Internet business. The Company has also been developing additional brands and worked to maximize the value of each brand as a means of increasing the Senshukai Group’s overall corporate value.

## 3. Expanding the customer base

Senshukai is developing merchandise and media suitable for the senior market so that it can expand its clientele among people aged 50 or older. Regarding the acquisition of customers in their early 20s, we will not place excessive emphasis on quick results but will seek to realize a stable rise in acquisitions based on alliances and M&A transactions that facilitate the effective employment of such media as the Internet, mobile phones, and magazines. We are also augmenting measures to attract customers in their late 20s and maintain a stable base of customers in their early and late 20s.

### Progress in fiscal 2008

To increase the number of customers in their 20s, Senshukai renovated its existing website sections for each merchandise genre. It also opened a new website, *bellissi*, and preparations were made to renovate the *Fashion Plus* catalog during fiscal 2009. Plans call for further



The *bellissi* website

merchandise development with emphasis on quality assurance and advantageous price-value ratios going forward.

To increase the number of customers in their 50s, Senshukai leveraged its *Watashitachi no Kurasu Fuku* catalog, which is focused on the needs of customers aged 50 and older. The Company also broadened the ranges of sizes and tastes addressed by its *StyleNote* and *Rashisa* catalogs as a means of attracting new customers and retaining existing customers.



*Watashitachi no Kurasu Fuku*, *StyleNote*, and *Rashisa*

## 4. Strengthening supply chain management (SCM)

Senshukai is working to rebuild management systems in ways that promote the reduction of inventory levels and an improvement in cash flows.

### Progress in fiscal 2008

The Company’s delivery-to-order ratio and rapid delivery ratio deteriorated during the year. However, the level of catalog merchandise inventory was reduced to approximately ¥2.6 billion below the level at the end of fiscal 2007 due to such measures as those to control excessive procurement deliveries through the breaking up of large deliveries into smaller deliveries and to quickly arrange discounted sales of past-season merchandise. Plans call for continued measures to optimize inventory levels and thereby improve cash flows going forward.

### SCM Promotion (Status of Each Indicator)

	Fiscal 2007 Results	Degree of Improvement	Fiscal 2008 Results
Reduction in distribution-related variable cost	Rapid delivery ratio	→	78.1%
	Delivery-to-order ratio	→	143.3%
Reduction in cost-of-sales ratio	Import ratio	→	71.4%
	Direct transaction ratio	→	22.7%
	Inventory turnover	→	4.6 times
	Inventories (catalog products)	→	¥15.2 billion

### ● Inventories (Consolidated)

End 2007	¥19.3bn
End 2008	¥16.4bn

↓ ¥2.8bn

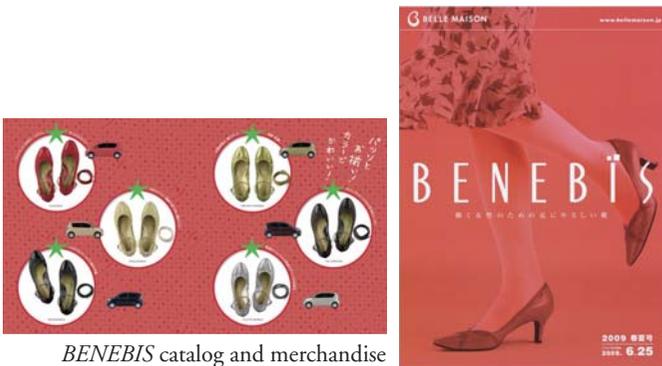
\* Rapid delivery ratio: The ratio of products in stock that are available for immediate delivery.  
 \* Delivery-to-order ratio = number of deliveries / number of orders.  
 \* Direct transaction: Our own SPA transactions that are not via trading companies.  
 \* Inventories: Inventories of catalog products at the end of December.

■ The rapid delivery ratio and the delivery-to-order ratio deteriorated due to the current period’s target of inventory reduction.  
 ■ The import ratio and the direct transaction ratio continue their trend of increase.  
 ■ We are making steady progress in reducing the value of inventories. We are improving the inventory turnover ratio by reducing excess procurement by splitting deliveries, and quickly implementing bargains after catalogs expire.

## Catalog Business

### Collaboration with Toyota

Senshukai has developed shoes that facilitate greater driving and walking ease based on collaboration between its *BENE BIS* original shoe brand and Toyota Motor Corporation. This collaboration was arranged in connection with Toyota's stylish PASSO model, which is designed to appeal to dynamically energetic women with diverse lifestyles. The shoes have been on display at approximately 1,300 Toyota Corolla showrooms throughout Japan since January 2009.



*BENE BIS* catalog and merchandise

### Renewal of *Belle Maison Net*

Senshukai renewed its *Belle Maison Net* online shopping website in August 2008. Among the principal changes made at that time were those to transform the site from a general mail-order-type site with diverse merchandise displayed on the top page to a site with a clearer focus on individual merchandise genres that are organized separately in their own specialized sub-sites. Each sub-site is designed to match the special characteristics of its clientele and merchandise and can now be updated in a timely manner in line with the needs associated with each type of merchandise. They have been equipped with a new index system that further increases the ease with which customers can find the things they are subconsciously seeking, and a product review system has been introduced to enable customers to post their own evaluations and feedback information.



The *Belle Maison Net* online shopping website

## Other Business

### Proactive Expansion of *Kurasu Fuku* Shop Network

In fiscal 2008, five new *Kurasu Fuku* shops were opened, bringing the total number of such shops to six, and sales at those shops increased smoothly. Senshukai has also been proactively taking such other shop-related initiatives as those to open temporary *BENE BIS* shoe shops within department stores for limited periods of time.



# Hanpukai Business

## New Merchandise Selected to Appeal to Health-Conscious Women



"Onaka ni Kyutto Inner"



"Rose Duet"



Newly launched *hanpukai* merchandise items include "Onaka ni Kyutto Inner" (Stomach-Shaping Innerwear) products that help compress mid-ribs and prevent chilliness, "Hair Fit Towels" that very quickly dry wet hair, "Rose Duet" room fragrances that are redolent of natural aromas, low-calorie "Uruoi Konnyaku Men" (Rich Devil's Tongue Gelatin Noodles) items that are ideal for dieters, and "Maho no Hitosara" (Magic One-Dish Menus) cookbooks that spotlight the effective use of spices.



"Hair Fit Towels"



"Uruoi Konnyaku Men"



"Maho no Hitosara"



## Transformation of Dears Brain Inc. into a Consolidated Subsidiary

In May 2008, Senshukai transformed Dears Brain Inc.—a company that engages in community-based house wedding operations in line with its unique business concept—into a consolidated subsidiary. In April 2009, the Company launched the Senshukai Wedding index website, which offers information on the Dears Brain as well as Belle Mariée wedding-related services and features videos of actual wedding ceremonies. This website is designed to provide a greater amount of information so that a larger number of customers can learn of the appealing elements of the Senshukai Group's wedding-related services.



# Corporate Governance

Recognizing that emphasizing the concept of “corporate governance” is a crucial means of helping ensure that its operations fulfill its corporate social responsibility (CSR) to shareholders, customers, employees, business partners, local communities, and diverse other stakeholders, the Senshukai Group believes that creating and effectively operating highly transparent management systems is highly important.

Accordingly, the Group is striving to strengthen its corporate governance regarding such issues as clarifying the supervisory responsibilities of directors, reinforcing compliance systems, and upgrading capabilities for quickly and appropriately disclosing information. Having decided that the corporate auditor governance system functions more effectively in practice than the committees governance system, Senshukai has adopted a corporate auditor governance system that employs a nine-member Board of Directors, including two outside directors, and a four-member Board of Corporate Auditors, including two outside auditors.

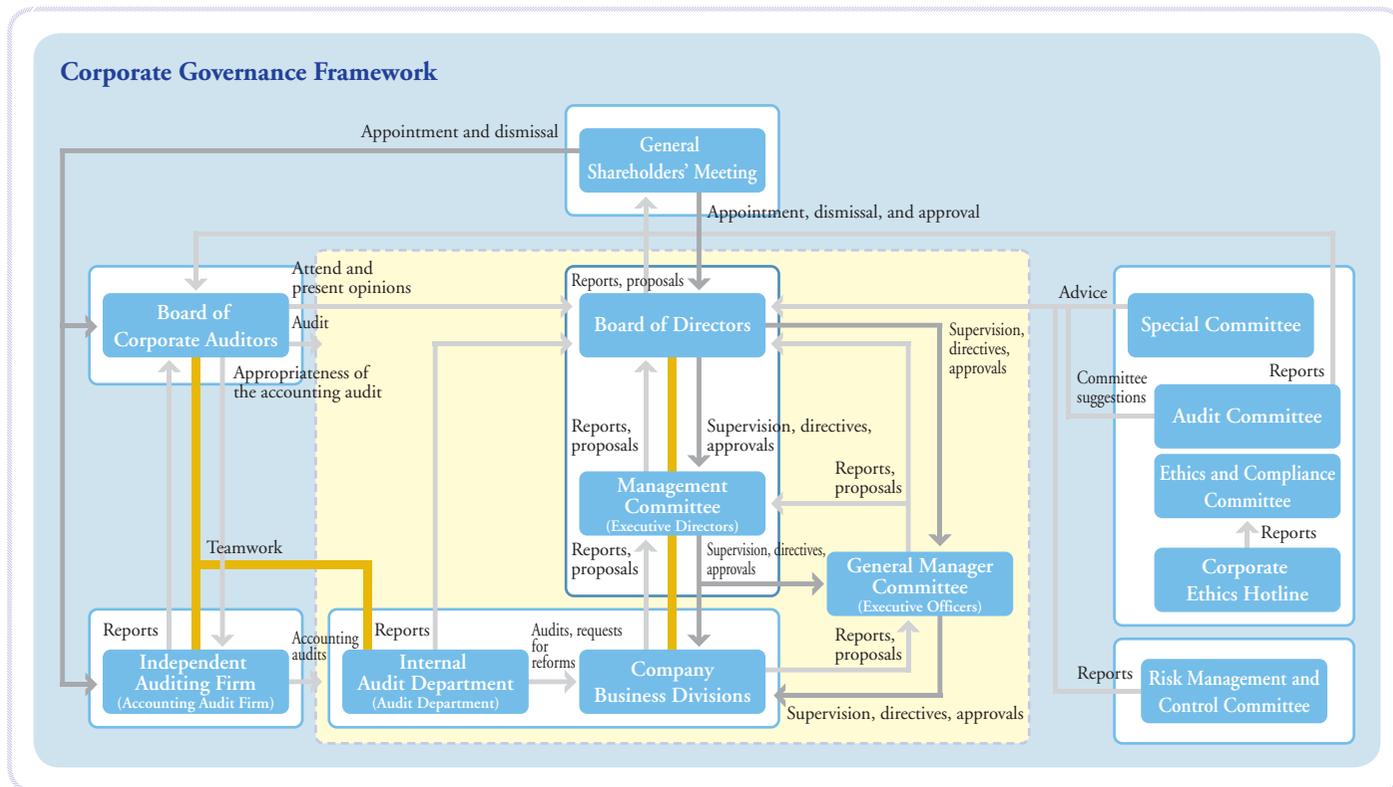
## Basic Approach to Internal Control Systems

To promote the effective functioning and strengthening of its corporate governance, the Senshukai Group has created the internal control systems described below and is working to strengthen its compliance systems, increase the efficiency of business processes, and establish systems for the management of risks.

### (1) Systems for ensuring compliance by directors and employees with legal regulations and the Company’s Articles of Incorporation in the execution of operations

(1) Regarding compliance, the Group has prepared its Senshukai Group Compliance Policy and established its Corporate Ethics Hotline as an internal reporting system designed to expeditiously deal with potential risks regarding noncompliance with public laws and regulations as well as internal rules and other potential noncompliance risks.

(2) In the event of compliance problems related to corporate officers (directors, auditors, and executive officers) or employees, based on internal rules, problems reported via internal or external versions of the Corporate Ethics Hotline are reported to and deliberated by the Board of Corporate Auditors, in the case of problems related to officers, or by the Ethics and Compliance Committee, in the case of problems related to employees.



(3) Copies of *Senshukai Personal Conduct Principles* and *Senshukai Conduct Casebook* are distributed to corporate officers and employees to serve as conduct guidelines, and appropriate measures are being taken to offer corporate officers and employees compliance education programs, including e-learning and Internet-based programs.

(4) Regarding the Company's internal controls, based on internal rules, we have established an Audit Department reporting directly to the president. In this way, a system has been created for conducting internal audits aimed at grasping and enhancing business operations and reporting on such matters to the president.

(5) Regarding intellectual property, Senshukai's legal affairs and audit departments conduct prior checks of related issues. Regarding responsibility with respect to manufactured goods, the Company's Quality Management Committee undertakes deliberations and makes decisions on merchandise items subject to marketing regulations.

#### *(2) Systems for safekeeping and management of information related to the execution of the duties of the directors*

(1) Information relating to the execution of the duties of the directors is preserved and managed in strict accordance with internal rules on the handling of documents and internal rules on data administration.

(2) Regarding the Company's important confidential items, separate internal rules on the handling of confidential documents have been established, and the important confidential items are managed in strict accordance with those rules.

(3) The revision of important internal rules is undertaken only after the receipt of approval from the Board of Directors.

(4) Information relating to the execution of the duties of the directors may be viewed by the directors and auditors through the intranet (internal network) at any time.

#### *(3) Regulations and other systems related to the management of dangers of losses*

(1) Risks related to fundamental elements of the Company's operations have been classified into nine categories, and administration departments or committees have been established for each risk category. Having created this clearly defined risk management system, the Company has prepared a system for rapid responses to emerging risk-related problems, and monthly reports on the management situation with respect to each category of risk are provided to the secretariat of the Risk Management and Control Committee, which is comprised of members of the Board of Directors. In addition, a system has been created in

which the secretariat compiles the monthly reports and presents quarterly reports to the Risk Management and Control Committee, while, at times of emergencies, the administration department or committee responsible for the relevant risk category rapidly reports to the Risk Management and Control Committee.

(2) Regarding specific crisis management response measures, when required, crisis management manuals are prepared for each risk category to establish a system that provides for concrete response measures.

(3) To create a system for dealing with contingencies that have not been foreseen by the directors, the Company has instituted rules and created systems that provide for the smooth shift to alternative operational units.

#### *(4) Systems for ensuring that the duties of the directors are performed efficiently*

(1) Senshukai has established "Corporate Rules" and "Decision/Approval Item Request-Related Rules" that clearly determine such issues as the roles of the Board of Directors, the Divisional Managers' Meeting, the Board of Corporate Auditors, and other corporate governance units as well as the job positions, work allocation, operational authority, roles, and decision-making authority of employees. These rules are designed to promote a rise in operational efficiency.

(2) To increase the transparency of the Board of Directors and strengthen supervisory functions, the Company has adopted an outside director system.

(3) To promote an increase in the rapidity and efficiency of management decision making, the Company has adopted an executive officer system that clearly separates supervisory functions from operational execution functions and also has a business division system as a new corporate organization system. In principle, the general manager of each division serves as an executive officer, while senior ranking directors serve as managing directors who undertake the supervision and guidance of each division.

(4) In addition to the Board of Directors, the Company has established a Divisional Managers' Meeting that includes the general manager of each division. The system of delegating authority for ordinary operational execution decisions to the general manager of each division or the Divisional Managers' Meeting provides for rapid decision making.

(5) To serve as an effective support framework for the creation of organizational unit performance monitoring indicators and evaluation indicators, the Company has adopted the Balanced Score Card (BSC) system and is building a system in which the Board

of Directors reviews and provides feedback regarding the results of the indicators.

*(5) Systems for ensuring the appropriate execution of business by the Company's corporate group, comprising the parent company and subsidiaries*

(1) To promote a rise in the Senshukai Group's overall corporate value and ensure that the Group lives up to its corporate social responsibilities, Senshukai has prepared and is implementing Affiliated Company Management Rules. These rules stipulate that the parent company has parallel authority to handle important decisions regarding all subsidiaries in which it has a shareholding of more than 50%.

(2) By giving the parent company's directors supervisory authority over subsidiaries, the Company has provided for the promotion of close cooperation regarding the parent company's directives and orders as well as regarding smooth two-way communications. While providing Group companies with guidance, advice, and evaluations, the parent company works to optimize overall Group operations.

(3) The parent company's directors hold regular meetings with representatives of the Company's independent auditing firm at which the participants exchange opinions regarding the Group's overall situation.

(4) The Company has established unified rules for all Group companies regarding insider trading and confidential information, and a unified compliance education program is implemented for employees of all Group companies.

*(6) Matters related to the assignment of personnel to assist the corporate auditors in the performance of their duties, when the auditors make such requests, and related to the independence from directors of such personnel*

(1) In response to the request of corporate auditors, one dedicated staff member has been appointed to assist them.

(2) In matters related to the appointment as well as transfer, personnel evaluation, and discipline of corporate auditor secretariat staff members, maximum consideration is given to the opinions of the Board of Corporate Auditors as regards these staff members.

*(7) Systems for directors and employees to make reports to the corporate auditors, systems for other reports to be made to the corporate auditors, and systems to ensure the effective conduct of auditing activities by the corporate auditors*

(1) Standing corporate auditors attend important internal meetings as they deem necessary, and receive reports on important information relating to corporate management.

(2) Corporate auditors attend Risk Management and Control Committee meetings. Moreover, when major issues are reported via the Corporate Ethics Hotline and when other situations that could have a substantial impact on the Company are discovered, risk management units and committees immediately provide related reports to the corporate auditors.

(3) Corporate auditors are provided with the documents and other information they wish to examine whenever they request such materials.

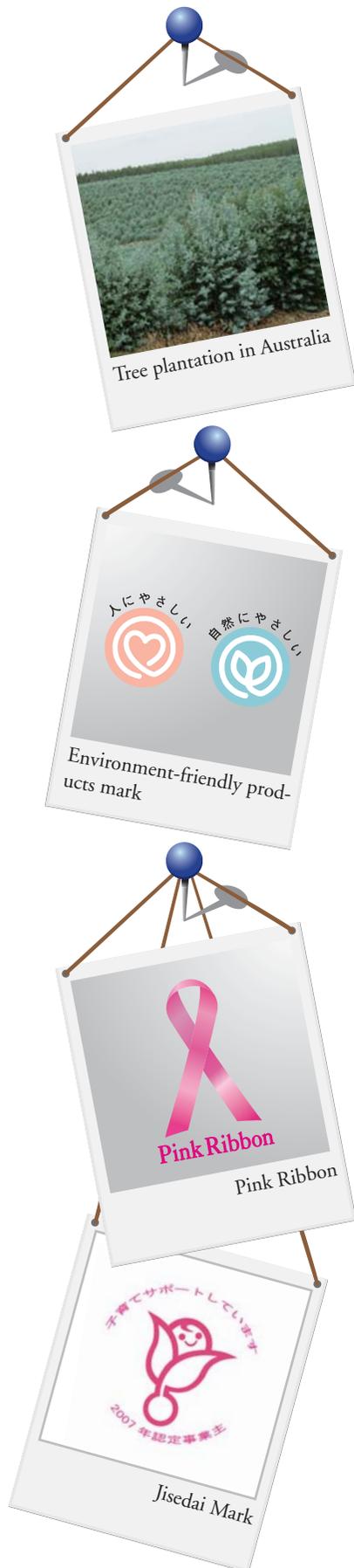
(4) The corporate auditors are provided with reports on the results of internal audits conducted by the Audit Department.

(5) The corporate auditors exchange opinions with the representative directors and the independent auditing firm on a regular basis.

(6) By conducting audits on a regular basis, the corporate auditors obtain opportunities to conduct hearings with executive officers and important employees.

(7) Arrangements are also made for the corporate auditors to obtain the advice of specialists when the corporate auditors deem such advice necessary and make related requests.

# Corporate Social Responsibility (CSR)



## Our CSR Policy

Senshukai has announced a CSR policy under which it pledges to fulfill its corporate social responsibilities through initiatives emphasizing the objectives of (1) promoting environmental preservation, (2) ensuring compliance, and (3) supporting women. The details of these activities are as follows.

### (1) Promoting Environmental Preservation

Each year, Senshukai distributes approximately 100 million catalogs printed on paper requiring approximately 40,000 tons of pulp to produce. Recognizing that paper consumption is its largest environmental impact issue, the Company has participated in the operation of a tree plantation in Australia and Laos since 1993 and 2006, respectively. Together, these plantations produce enough wood to produce 45% of Senshukai's paper catalogs. In this way, we have promoted environmental preservation based on the slogan—"Let's plant enough trees to meet our own consumption requirements." In addition, the Company is participating in a program aimed at restoring the biodiversity of the Akaya national forest in Japan's Gunma Prefecture and at building sustainable regional communities.

In cooperation with customers, Senshukai has begun efforts to increase consciousness of the natural environment and to select and provide environment-friendly products. Since fall 2006, the Company has used its own standards to select products designed based on consideration of ways to alleviate such environmental problems as pollution, the destruction of natural habitats, and global warming. Specially designated with two marks—the "Nature Friendly" and "People Friendly" marks—these products are marketed via catalogs and *Belle Maison Net*.

### (2) Ensuring Compliance

The Company's Mission Statement contains the statement "The reason for the existence of the Company is to contribute to society." The Company has, therefore, positioned compliance as a key management issue and is working to continue to be a company where each employee obeys the rules, and this behavior is "readily accepted by all as the appropriate thing to do." There are four aspects to the Company's compliance policy.

#### (1) Observing Laws and Regulations

In all business activities, the Company conducts proper and conscientious corporate activities, not only observing laws and regulations but also in compliance with social mores, corporate ethics, and internal rules.

#### (2) Working to Ensure Management Soundness and Transparency

The Company creates internal control systems and discloses timely and accurate corporate information to secure management soundness and transparency.

#### (3) Dealing Resolutely with Antisocial Behavior

The Company deals resolutely in all aspects of its activities with antisocial behavior.

#### (4) Creating a Working Environment Favorable to Employees

The Company works to create a corporate environment where employees become motivated to use their abilities to the fullest extent and can raise their creativity and professionalism to the highest levels possible.

### (3) Supporting Women

Senshukai aims to be a leading company regarding measures to provide women with various kinds of support. Since 2007, Senshukai has supported the "Pink Ribbon" campaign, which aims to improve awareness of breast cancer and promote its early detection, by marketing "Pink Ribbon Sponsorship Products" in some of its catalogs and contributing a portion of the sales of those products to a Japan Cancer Society fund that is working to eliminate breast cancer. As another means of promoting the early detection of breast cancer, the Company provides customers who purchase these products with pamphlets that explain self-examination methods.

In addition, Senshukai endeavors to help all its workers maintain a good balance between work and other aspects of life. In 2007, Japan's Ministry of Health, Labour and Welfare authorized Senshukai to use the "Jisedai Mark" (Next-Generation Mark) in recognition of the Company's proactive efforts to enable both men and women to harmonize career and child-raising activities. Senshukai is also working to further upgrade the products and services it provides in line with its commitment to keeping on the leading edge of progressive lifestyle trends.

# Board of Directors, Executive Officers, and Corporate Auditors

## BOARD OF DIRECTORS



**President and Representative Director**  
Yasuhiro Yukimachi



**Senior Managing Director**  
Kiichi Tagawa



**Managing Director**  
Shohachi Sawamoto



**Director**  
Mamoru Asada



**Director**  
Tomoko Oishi\*



**Senior Managing Director**  
Michio Tanabe



**Director**  
Shigemitsu Mineoka



**Director**  
Toshikatsu Sano\*



**Director**  
Hiroyuki Hoshino

## EXECUTIVE OFFICERS

Yoshihiro Nakabayashi  
Masanori Maeda  
Hisanori Maenaka  
Masatoshi Sugawara  
Shinjiro Inoue  
Takeshi Naito  
Makoto Yamamoto  
Koichi Sugiura  
Kazuhisa Masutani  
Kenji Kajiwara

## CORPORATE AUDITORS

Shoji Tottori  
Yoshihiro Inoda  
Hideyuki Koizumi\*\*  
Hiroshi Morimoto\*\*

(As of March 28, 2009)

\* Outside Director  
\*\* Outside Auditor

# Consolidated Five-Year Summary

Senshukai Co., Ltd. and Consolidated Subsidiaries  
For the years ended December 31

	Millions of yen					Thousands of U.S. dollars (Note)
	2004	2005	2006	2007	2008	2008
<b>For the year:</b>						
Net sales .....	¥147,159	¥145,454	¥148,151	¥156,793	<b>¥158,286</b>	<b>\$1,738,642</b>
Mail-order business .....	139,626	139,391	142,082	145,664	<b>144,586</b>	<b>1,588,159</b>
Other .....	7,533	6,063	6,069	11,129	<b>13,700</b>	<b>150,483</b>
Operating income .....	2,921	3,433	4,603	5,292	<b>2,413</b>	<b>26,505</b>
Net income (loss) .....	1,232	1,268	3,628	1,933	<b>(6,272)</b>	<b>(68,893)</b>
Capital expenditures .....	499	2,140	2,179	3,506	<b>3,211</b>	<b>35,270</b>
Depreciation and amortization .....	2,289	1,806	1,621	1,724	<b>2,141</b>	<b>23,517</b>
<b>At year-end:</b>						
Total assets .....	87,561	92,788	95,509	98,422	<b>104,060</b>	<b>1,143,013</b>
Net assets .....	47,136	52,519	55,709	55,956	<b>44,275</b>	<b>486,325</b>
Equity ratio (%) .....	53.9	56.6	58.3	56.8	<b>42.5</b>	
Return on equity (%) .....	2.6	2.5	6.6	3.5	<b>(12.5)</b>	
Return on assets (%) .....	1.4	1.4	3.9	2.0	<b>(6.2)</b>	
Number of employees .....	915	965	1,082	1,305	<b>1,498</b>	
			Yen			U.S. dollars (Note)
<b>Per share</b>						
Basic net income (loss) .....	¥ 28.81	¥ 27.44	¥ 78.81	¥ 41.53	<b>¥(134.26)</b>	<b>\$ (1.47)</b>
Diluted net income .....	28.67	27.36	78.55	41.41	—	—
Cash dividends applicable to the year .....	16.00	18.00	20.00	27.00	<b>17.00</b>	<b>0.19</b>

Note: The U.S. dollar amounts in this report represent translations of Japanese yen, for convenience only, at the rate of ¥91.04=US\$1.

## Changes in Accounting Policies

The Company has made the following changes in its accounting policies in response to the passage of Japan's Company Law in May 2006:

### Balance Sheets

The Shareholders' equity section on the balance sheets has been eliminated, and a new section, Net assets, has been added. With this change, all accounting items that can be classified as assets have been included under Assets, and all accounting items classifiable as liabilities have been included under Liabilities. Accounting items that are not classifiable as assets or liabilities have been entered under Net assets, which is the numerical difference between total assets and total liabilities. For comparison purposes, the items formerly included in Shareholders' equity have been included under Net assets.

### Basis of Presenting Consolidated Financial Statements

The accompanying consolidated financial statements have been prepared in accordance with the provisions set forth in the Japanese Securities and Exchange Law and its related accounting regulations and in conformity with accounting principles generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the 2007 financial statements to conform to the classifications used in 2008.

# Consolidated Balance Sheets

Senshukai Co., Ltd. and Consolidated Subsidiaries  
December 31, 2008 and 2007

ASSETS	Millions of yen		Thousands of U.S. dollars (Note)
	2008	2007	2008
<b>Current assets:</b>			
Cash and cash equivalents .....	¥ 8,195	¥ 3,530	\$ 90,015
Notes and accounts receivable .....	11,036	11,510	121,221
Allowance for doubtful accounts .....	(316)	(254)	(3,471)
Inventories .....	16,498	19,319	181,217
Deferred income taxes .....	1,010	87	11,094
Other current assets.....	13,577	14,033	149,132
Total current assets .....	<u>50,000</u>	<u>48,225</u>	<u>549,208</u>
<b>Property and equipment:</b>			
Land .....	11,168	11,305	122,671
Buildings and structures .....	34,366	28,388	377,482
Machinery and equipment .....	12,071	13,695	132,590
Furniture and fixtures.....	3,313	2,925	36,391
Construction in progress .....	13	963	143
Total.....	<u>60,931</u>	<u>57,276</u>	<u>669,277</u>
Accumulated depreciation .....	(32,395)	(32,248)	(355,833)
Net property and equipment .....	<u>28,536</u>	<u>25,028</u>	<u>313,444</u>
<b>Investments and other assets:</b>			
Investment securities .....	11,368	15,574	124,868
Long-term loans receivable.....	826	366	9,073
Guarantee deposits .....	1,627	1,442	17,871
Intangible assets, net.....	5,466	3,346	60,040
Deferred income taxes .....	1,546	300	16,982
Other .....	4,894	4,444	53,757
Allowance for doubtful accounts .....	(203)	(303)	(2,230)
Total investments and other assets .....	<u>25,524</u>	<u>25,169</u>	<u>280,361</u>
Total .....	<u>¥104,060</u>	<u>¥98,422</u>	<u>\$1,143,013</u>

Note: U.S. dollar amounts in this report represent translations of Japanese yen, for convenience only, at the rate of ¥91.04=US\$1.

LIABILITIES AND NET ASSETS	Millions of yen		Thousands of U.S. dollars (Note)
	2008	2007	2008
<b>Current liabilities:</b>			
Short-term debt .....	¥ 9,957	¥ 3,000	\$ 109,370
Current portion of corporate bonds .....	66	—	725
Notes and accounts payable:			
Trade .....	8,527	11,023	93,662
Other .....	22,298	21,451	244,925
Accrued expenses.....	2,490	2,383	27,351
Accrued income taxes.....	194	1,887	2,131
Deferred tax liabilities.....	—	64	—
Liabilities for directors and corporate auditors' bonuses.....	—	52	—
Other current liabilities .....	10,620	1,315	116,652
Total current liabilities.....	54,152	41,175	594,816
<b>Long-term liabilities:</b>			
Corporate bonds .....	168	—	1,845
Long-term debt .....	4,112	—	45,167
Liability for retirement benefits .....	381	478	4,185
Deferred tax liabilities.....	766	768	8,414
Other .....	206	45	2,261
Total long-term liabilities.....	5,633	1,291	61,872
<b>Net assets:</b>			
Common stock:			
Authorized—180,000,000 shares			
Issued—47,630,393 shares.....	20,359	20,359	223,627
Capital surplus .....	21,039	21,039	231,096
Retained earnings.....	14,064	21,691	154,482
Net unrealized gains on available-for-sale securities .....	(1,312)	487	(14,411)
Deferred hedge gains (losses) .....	(2,038)	377	(22,386)
Land revaluation difference .....	(7,103)	(7,360)	(78,021)
Foreign currency translation adjustments .....	(131)	(16)	(1,439)
Treasury stock, at cost:			
917,908 shares in 2008 and 916,195 shares in 2007 .....	(632)	(631)	(6,942)
Total.....	44,246	55,946	486,006
Minority interests.....	29	10	319
Total net assets.....	44,275	55,956	486,325
Total.....	¥104,060	¥98,422	\$1,143,013

# Consolidated Statements of Income

Senshukai Co., Ltd. and Consolidated Subsidiaries  
For the years ended December 31, 2008 and 2007

	Millions of yen		Thousands of U.S. dollars (Note)
	2008	2007	2008
<b>Net sales</b> .....	<b>¥158,286</b>	¥156,793	<b>\$1,738,642</b>
<b>Cost of sales</b> .....	<b>81,913</b>	80,864	<b>899,747</b>
Gross profit .....	<b>76,373</b>	75,929	<b>838,895</b>
<b>Selling, general and administrative expenses</b> .....	<b>73,960</b>	70,637	<b>812,390</b>
Operating income .....	<b>2,413</b>	5,292	<b>26,505</b>
<b>Other income (expenses):</b>			
Interest and dividend income .....	443	457	4,866
Interest expenses.....	(162)	(64)	(1,779)
Loss on disposal of property and equipment.....	(513)	(300)	(5,635)
Loss on impairment of long-lived assets .....	(154)	—	(1,692)
Foreign exchange losses .....	(5,905)	(808)	(64,862)
Investment loss on equity method .....	(247)	(165)	(2,713)
Losses on write-down of compound financial instruments.....	(1,331)	(213)	(14,620)
Other, net.....	(439)	(393)	(4,822)
Other expenses—net .....	<b>(8,308)</b>	(1,486)	<b>(91,257)</b>
<b>Income (loss) before income taxes and minority interests</b> .....	<b>(5,895)</b>	3,806	<b>(64,752)</b>
<b>Income taxes:</b>			
Current .....	445	2,069	4,888
Deferred.....	(74)	(175)	(813)
<b>Minority interests (losses)</b> .....	<b>6</b>	(21)	<b>66</b>
<b>Net income (loss)</b> .....	<b>¥ (6,272)</b>	¥ 1,933	<b>\$ (68,893)</b>
<b>Per share of common stock:</b>			
Basic net income (loss) .....	<b>¥ (134.26)</b>	¥ 41.53	<b>\$ (1.47)</b>
Diluted net income .....	—	41.41	—
Cash dividends applicable to the year .....	<b>17.00</b>	27.00	<b>0.19</b>

Note: U.S. dollar amounts in this report represent translations of Japanese yen, for convenience only, at the rate of ¥91.04=US\$1.

# Consolidated Statements of Changes in Net Assets

Senshukai Co., Ltd. and Consolidated Subsidiaries  
For the years ended December 31, 2008 and 2007

	Millions of yen											
	Shareholders' equity					Valuation and translation adjustments						
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized gains on available-for-sale securities	Deferred hedge gains (losses)	Land revaluation difference	Foreign currency translation adjustments	Total valuation and translation adjustments	Minority interests	Total net assets
<b>Balance as of</b>												
<b>Dec. 31, 2007</b> .....	¥20,359	¥21,039	¥21,691	¥(631)	¥62,458	¥ 487	¥ 377	¥(7,360)	¥ (16)	¥ (6,512)	¥10	¥55,956
Changes in the fiscal year												
Dividend of surplus .....	—	—	(1,027)	—	(1,027)	—	—	—	—	—	—	(1,027)
Net loss.....	—	—	(6,272)	—	(6,272)	—	—	—	—	—	—	(6,272)
Purchases of treasury stocks .....	—	—	—	(1)	(1)	—	—	—	—	—	—	(1)
Disposal of treasury stocks .....	—	0	—	0	0	—	—	—	—	—	—	0
Transfer of land revaluation difference .....	—	—	(257)	—	(257)	—	—	—	—	—	—	(257)
Decrease in retained earnings due to change in the number of consolidated subsidiaries and equity method affiliates .....	—	—	(71)	—	(71)	—	—	—	—	—	—	(71)
Changes (net) in items other than shareholders' equity .....	—	—	—	—	—	(1,799)	(2,415)	257	(115)	(4,072)	19	(4,053)
Total changes in the fiscal year .....	—	0	(7,627)	(1)	(7,628)	(1,799)	(2,415)	257	(115)	(4,072)	19	(11,681)
<b>Balance as of</b>												
<b>Dec. 31, 2008</b> .....	¥20,359	¥21,039	¥14,064	¥(632)	¥54,830	¥(1,312)	¥(2,038)	¥(7,103)	¥(131)	¥(10,584)	¥29	¥44,275

	Thousands of U.S. dollars (Note 1)											
	Shareholders' equity					Valuation and translation adjustments						
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized gains on available-for-sale securities	Deferred hedge gains (losses)	Land revaluation difference	Foreign currency translation adjustments	Total valuation and translation adjustments	Minority interests	Total net assets
<b>Balance as of</b>												
<b>Dec. 31, 2007</b> .....	\$223,627	\$231,096	\$238,258	\$(6,931)	\$686,050	\$ 5,349	\$ 4,141	\$(80,844)	\$ (176)	\$ (71,530)	\$110	\$614,630
Changes in the fiscal year												
Dividend of surplus .....	—	—	(11,281)	—	(11,281)	—	—	—	—	—	—	(11,281)
Net loss.....	—	—	(68,893)	—	(68,893)	—	—	—	—	—	—	(68,893)
Purchases of treasury stocks .....	—	—	—	(11)	(11)	—	—	—	—	—	—	(11)
Disposal of treasury stocks .....	—	0	—	0	0	—	—	—	—	—	—	0
Transfer of land revaluation difference .....	—	—	(2,822)	—	(2,822)	—	—	—	—	—	—	(2,822)
Decrease in retained earnings due to change in the number of consolidated subsidiaries and equity method affiliates .....	—	—	(780)	—	(780)	—	—	—	—	—	—	(780)
Changes (net) in items other than shareholders' equity .....	—	—	—	—	—	(19,760)	(26,527)	2,823	(1,263)	(44,727)	209	(44,518)
Total changes in the fiscal year .....	—	0	(83,776)	(11)	(83,787)	(19,760)	(26,527)	2,823	(1,263)	(44,727)	209	(128,305)
<b>Balance as of</b>												
<b>Dec. 31, 2008</b> .....	\$223,627	\$231,096	\$154,482	\$(6,942)	\$602,263	\$(14,411)	\$(22,386)	\$(78,021)	\$(1,439)	\$(116,257)	\$319	\$486,325

Note: U.S. dollar amounts in this report represent translations of Japanese yen, for convenience only, at the rate of ¥91.04=US\$1.

# Consolidated Statements of Cash Flows

Senshukai Co., Ltd. and Consolidated Subsidiaries  
For the years ended December 31, 2008 and 2007

	Millions of yen		Thousands of U.S. dollars (Note)
	2008	2007	2008
<b>Operating activities:</b>			
Income (loss) before income taxes and minority interests .....	¥(5,895)	¥ 3,806	\$ (64,752)
Adjustments for:			
Income taxes paid.....	(2,404)	(426)	(26,406)
Depreciation and amortization.....	2,141	1,724	23,517
Provision for doubtful receivables.....	(62)	(267)	(681)
Loss on disposal of property and equipment.....	513	300	5,635
Loss on impairment of long-lived assets.....	154	—	1,692
Investment loss on equity method.....	247	165	2,713
Foreign exchange losses .....	5,797	—	63,675
Changes in assets and liabilities:			
Decrease in notes and accounts receivable .....	501	292	5,503
Decrease (increase) in inventories .....	2,844	(2,742)	31,239
Decrease in notes and accounts payable.....	(2,336)	(1,551)	(25,659)
Decrease in liability for retirement benefits.....	(97)	(65)	(1,065)
Other, net.....	2,446	208	26,867
Total adjustments .....	9,744	(2,362)	107,030
Net cash provided by operating activities.....	3,849	1,444	42,278
<b>Investing activities:</b>			
Proceeds from sales of property and equipment .....	448	148	4,921
Purchases of property and equipment.....	(2,618)	(1,905)	(28,757)
Proceeds from sales of intangible assets.....	1	—	11
Purchases of intangible assets.....	(659)	(1,828)	(7,239)
Proceeds from sales of investment securities.....	825	2,623	9,063
Purchases of investment securities.....	(2,474)	(3,354)	(27,175)
Increase in time deposits.....	(997)	(1,217)	(10,951)
Purchases of business .....	—	(237)	—
Purchases of subsidiary stock associated with changes in the scope of consolidation .....	(2,297)	—	(25,231)
Other, net.....	382	(278)	4,196
Net cash used in investing activities.....	(7,389)	(6,048)	(81,162)
<b>Financing activities:</b>			
Increase in short-term bank loans, net .....	4,566	3,000	50,154
Proceeds from long-term debt .....	5,052	66	55,492
Repayments of long-term debt .....	(358)	(456)	(3,932)
Redemption of corporate bonds .....	(33)	—	(362)
Repurchase of treasury stock.....	(2)	(32)	(22)
Disposal of treasury stock.....	0	766	0
Proceeds from minority interests .....	—	30	—
Dividends paid.....	(1,025)	(1,068)	(11,259)
Net cash provided by financing activities.....	8,200	2,306	90,071
<b>Net increase (decrease) in cash and cash equivalents .....</b>	<b>4,660</b>	<b>(2,298)</b>	<b>51,187</b>
<b>Cash and cash equivalents, beginning of year .....</b>	<b>3,527</b>	<b>5,550</b>	<b>38,741</b>
<b>Increase in cash and cash equivalents due to consolidation of subsidiary .....</b>	<b>—</b>	<b>275</b>	<b>—</b>
<b>Cash and cash equivalents, end of year.....</b>	<b>¥ 8,187</b>	<b>¥ 3,527</b>	<b>\$ 89,928</b>

Note: U.S. dollar amounts in this report represent translations of Japanese yen, for convenience only, at the rate of ¥91.04=US\$1.

## Foreign Exchange Losses

“Foreign exchange losses” were included within the “Other, net” item of the operating activities portion of the consolidated statements of cash flows through the previous fiscal year but have been stated as an independent item beginning from the period under review as a means of clearly showing the magnitude of these losses.

In the previous fiscal year, “Foreign exchange losses” included within the “Other, net” item of the operating activities portion of the consolidated statements of cash flows amounted to a loss of ¥831 million.

# Corporate Data



Senshukai Co., Ltd.

## CORPORATE INFORMATION

### Head Office

8-9, Doshin 1-chome,  
Kita-ku, Osaka 530-0035, Japan  
Telephone: 06-6881-3100  
Website: www.senshukai.co.jp

### Tokyo Head Office

Osaki MT Building 12, 13F,  
9-11, Kitashinagawa 5-chome,  
Shinagawa-ku, Tokyo 141-0001, Japan

### Established

November 1955

### Paid-in Capital

¥20,359,134,244

### Number of Employees

1,498

### Distribution Centers

Chubu, Koshien, Kyoto, and Kanuma

### Subsidiaries and Affiliates

Japan—15 subsidiaries and 2 affiliates  
Overseas—9 subsidiaries

## INVESTOR INFORMATION

### Total Number of Shares Authorized

180,000,000 shares

### Total Number of Shares Issued

47,630,393 shares

### Number of Shareholders

10,387

### Major Shareholders (Top 10)

Brastsheave Co., Ltd.  
Nikko Principal Investments Japan Ltd.  
Toppan Printing Co., Ltd.  
Sawzan, Limited  
Sumitomo Mitsui Banking Corporation  
Dai Nippon Printing Co., Ltd.  
Japan Trustee Services Bank, Ltd.  
Mizuho Bank, Ltd.  
Nippon Life and Insurance Company  
Senshukai Group Employee Shareholding Association

### Stock and Securities Exchange Listings

Tokyo and Osaka

### Transfer Agent

The Sumitomo Trust & Banking Co., Ltd.,  
5-33, Kitahama 4-chome,  
Chuo-ku, Osaka 541-0041, Japan

(As of December 31, 2008)

## SENSHUKAI'S SHARE PRICE AND TRADING VOLUME ON THE TOKYO STOCK EXCHANGE





**Senshukai Co., Ltd.**

8-9, Doshin 1-chome,

Kita-ku, Osaka 530-0035, Japan

[www.senshukai.co.jp](http://www.senshukai.co.jp)

About Cover: A large and vigorous specimen of *Cercis siliquastrum* (commonly known as *Katsura* in Japanese and Judas Tree in English) in the Akaya Forest in Gunma Prefecture

## The AKAYA Project

### —Biodiversity Restoration Program for the Mikuni Mountains and Akaya River

#### **Senshukai Co., Ltd., Is Supporting the AKAYA Project.**

In the Akaya Forest in the northern part of Gunma Prefecture, the AKAYA Project is being implemented as a collaborative project of local residents, the national Forestry Agency, and the Nature Conservation Society of Japan. The project is designed to bring back the natural elements of the forest that have been modified by people, reestablish a rich riverine environment, foster the education of people who contribute to environmental protection and thereby restore biodiversity\*, and help create a dynamically sustainable regional society. It is intended to revive the Akaya Forest's original character and then protect that character going forward. It is also an effort to rebuild harmonious and strong relationships between people and natural forests. Reflecting its agreement with these goals, Senshukai supports the AKAYA Project through financial contributions.

\*The word "biodiversity" is used to describe the original, natural state of land, which supports a large number of different kinds of flora and fauna.

The Akaya Forest is government-owned forest covering 10,000 hectares in the north of Gunma Prefecture. Its inner regions include interconnected mountain peaks and deep valleys covered with pristine forests comprised mainly of beech trees, while its lower-lying areas offer more-accessible woods as well as meadowlands. The forest is a precious home to such birds of prey as the golden eagle and mountain hawk eagle (*Spizaetus nipalensis*) as well the Asiatic black bear (*Ursus thibetanus*) and other endangered species.

For more information on the AKAYA Project, visit the Nature Conservation Society of Japan website: <http://www.nacsj.or.jp/>



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