

For the Fiscal Year Ended December 31, 2011

Annual Select[®] 2011

Senshukai Co., Ltd.

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(Security Code: 8165)

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Corporate Profile

Senshukai Co., Ltd. was established in 1955 with the aim of distributing kokeshi dolls. This was the beginning of our *hanpukai* business targeting group customers mainly comprising female office workers. In 1976, we entered the catalog mail order business with the first issue of the *Belle Maison* catalog. Senshukai started out with fashion clothing, which was considered difficult to sell via catalogs at the time, then expanded into accessories, living sundries, furniture and interior goods for a specialty store-type product lineup, creating an original catalog style that actually proposed lifestyles. We currently provide our membership of approximately 12 million with a wide variety of products and services through various channels, primarily through our hardcopy catalogs, our Internet website, and our shops.



Catalogs



Internet website



Shops

I. Summary of Selected Financial Data (Consolidated)

	63 rd fiscal year From January 1, 2007 to December 31, 2007	64 th fiscal year From January 1, 2008 to December 31, 2008	65 th fiscal year From January 1, 2009 to December 31, 2009	66 th fiscal year From January 1, 2010 to December 31, 2010	67 th fiscal year From January 1, 2011 to December 31, 2011
Net sales (Million yen)	156,792	158,285	147,292	136,859	137,261
Ordinary income (loss) (Million yen)	4,683	(4,553)	(1,410)	3,167	3,233
Net income (loss) (Million yen)	1,932	(6,271)	(3,811)	2,037	1,583
Comprehensive income (Million yen)	–	–	–	–	2,683
Net assets (Million yen)	55,955	44,274	37,906	39,411	41,444
Total assets (Million yen)	98,422	104,059	91,837	90,086	90,441
Net assets per share (Yen)	1,197.62	947.19	874.89	909.99	956.94
Net income (loss) per share (Yen)	41.53	(134.26)	(84.18)	47.04	36.56
Diluted net income per share (Yen)	41.41	–	–	–	–
Equity ratio (%)	56.8	42.5	41.3	43.7	45.8
Return on equity (ROE) (%)	3.5	(12.5)	(9.3)	5.3	3.9
Price earnings ratio (PER) (Times)	28.4	–	–	10.6	14.1
Net cash provided by (used in) operating activities (Million yen)	1,444	3,849	521	9,585	448
Net cash provided by (used in) investing activities (Million yen)	(6,047)	(7,388)	(1,141)	(1,094)	(2,077)
Net cash provided by (used in) financing activities (Million yen)	2,305	8,199	1,035	(6,417)	(1,727)
Cash and cash equivalents at end of period (Million yen)	3,526	8,186	8,795	10,855	7,500
Number of employees [Separately, average number of temporary employees] (Persons)	1,305 [1,610]	1,498 [1,721]	1,536 [1,624]	1,556 [1,619]	1,578 [1,593]

- Notes:
1. Net sales do not include consumption taxes.
 2. Diluted net income per share for the 64th fiscal year is not presented since Senshukai posted net loss per share, and has no outstanding dilutive securities.
 3. Diluted net income per share for the 65th fiscal year is not presented since Senshukai posted net loss per share, and has no outstanding residual securities.
 4. Diluted net income per share for the 66th and 67th fiscal year is not presented since Senshukai has no outstanding residual securities.
 5. Price earnings ratio for the 64th and 65th fiscal years is not presented since Senshukai posted net loss.

II. Message from the President

Senshukai has turned a fresh page in history with a new corporate vision.

Senshukai's new corporate vision
“Woman Smile Company”

Smiles are the creator of happiness.
A smile on one face, and then another,
is a promise of a brighter tomorrow.

Senshukai is a company
that delivers smiles to women's daily lives,
and by doing so, makes the world happy.

Senshukai Co., Ltd. was established in 1955, when few luxuries were available for ordinary people struggling to make a living. We started out with the *hanpukai* business of distributing kokeshi dolls, thereby enriching the lives of female office workers and making them smile.

As times changed, we expanded to offer a variety of new services such as Monthly Club, through which we delivered fun and original products each month, and the new shopping styles offered by the *Belle Maison* catalog and the online shop *Belle Maison Net*.

Senshukai's history is built on our always being a step ahead of the times in providing conveniences and comforts that make women smile in every day and age. This spirit is ingrained in Senshukai's DNA.

We have now entered the time of “returning to our starting point.”

In this 56th year since we were founded and the first year of our era of sustenance, in which we are striving to build on and surpass the era of our foundation, I announce to our customers, shareholders, business partners, employees, and all other stakeholders, Senshukai's new corporate vision, which reflects our inheritance from our founder:

“Woman Smile Company.”

This vision embodies our commitment to delivering smiles to women's daily lives, and through it bringing happiness to each individual woman and eventually the world.

Going forward, I look forward to your continued support and cooperation.



November 1, 2011

Michio Tanabe

President and Representative Director

III. Overview of Operating Results

(1) Operating Results

In the fiscal year under review, although the Japanese economy was on track for a gradual recovery from the Great East Japan Earthquake, the economic outlook remained unclear owing to such factors as financial uncertainty and protracted appreciation of the yen due in part to the European debt crisis. In the retail industry, although there were encouraging signs such as demand related to reconstruction after the earthquake and a small improvement in consumer sentiment, the industry as a whole continued to face difficult circumstances. In the mail-order industry, while net sales continued to rise year by year due in part to rapid growth in Internet custom, the industry faced further intensification in competition from multiple sectors.

Under this environment, in the first year of its medium-term management plan until Fiscal Year 2013, the Senshukai Group pushed forward with its growth strategy and made unified, group-wide efforts to achieve its targets. As part of these efforts, the Group positioned “Woman Smile Company” as its corporate vision in November 2011 and will carry out a variety of business activities in accordance with this vision.

Net sales in the current fiscal year showed a slight increase from the previous year to 137,261 million yen, rising 0.3% year-over-year. In terms of profits, operating income declined 9.2% year-over-year to 3,107 million yen as a result of a higher cost ratio due to increases in discount sales and valuation losses, despite efforts to cut catalog expenses and make an overall reduction in general and administrative expenses. Ordinary income increased 2.1% year-over-year to 3,233 million yen owing to foreign exchange gains, equity in earnings of affiliates, and other factors. Net income decreased 22.3% year-over-year to 1,583 million yen mainly due to an increase in loss on valuation of investment securities and adoption of the Accounting Standard for Asset Retirement Obligations.

(2) Cash Flow Position

The balance of cash and cash equivalents at the end of the current fiscal year was 7,500 million yen, a decrease of 3,355 million yen from the end of the previous fiscal year.

Operating activities provided net cash of 448 million yen (net cash provided of 9,585 million yen in the previous fiscal year). The main contributing factors were depreciation and amortization of 2,343 million yen, income before income taxes and minority interests of 1,988 million yen and increase in notes and accounts payable-trade of 1,350 million yen. Negative factors included a 4,418 million yen increase in inventories.

Investing activities used net cash of 2,077 million yen (net cash used of 1,094 million yen in the previous fiscal year). The main cash inflow was 999 million yen in proceeds from sales of investment securities. The main cash outflows were 1,915 million yen for the purchase of intangible assets, and 924 million yen for the purchase of property, plant and equipment.

Financing activities used net cash of 1,727 million yen (net cash used of 6,417 million yen in the previous fiscal year). The main cash inflows were a 2,500 million yen increase in short-term loans payable and a 300 million yen proceeds from long-term loans payable, while cash outflows include a repayment of long-term loans payable of 3,048 million yen, redemption of bonds of 766 million yen and cash dividends paid of 648 million yen.

IV. Issues to be Addressed

Details of Current Issues

Senshukai sees increasing uncertainty going forward as the economic recovery appears to be stalling. We have begun to see some positive signs regarding personal consumption due to improvements in income conditions, but we believe it will take more time for a full recovery. Overall, we believe the business environment will remain unpredictable.

Under these circumstances, the Group has formulated a three-year medium-term management plan covering the period from Fiscal Year 2011 (year ending December 31, 2011) to Fiscal Year 2013 (year ending December 31, 2013). The basic policies of the plan, namely (i) Create “New *Belle Maison*”, (ii) Strengthen the Internet business, (iii) Expand the bridal business and (iv) Conduct high-quality, low-cost business operations, will be steadily executed between now and the end of Fiscal Year 2013.

(i) Create “New *Belle Maison*”

We position *Belle Maison* as one strategic unit, and will separate its product development and marketing functions in order to quickly grasp and respond to market changes ahead of the competition, and to strengthen the development of original products that can “only be bought here” to create a *Belle Maison* that our customers view as necessary. In addition, with a view to maintaining the competitiveness of our Internet business, we will work to expand *Belle Maison Net* by transforming its mail-order infrastructure through the leveraging of strengths such as proprietary Internet website management and proprietary product development.

(ii) Strengthen the Internet business

We will enhance cooperation between *Belle Maison Net* and other Internet businesses to expand the product lineup and strategic sharing of customer assets, strengthen merchandising, further develop the organizational system, and maximize business synergies to strengthen the Internet business across the Group. Moreover, at our subsidiaries we will cultivate multiple specialty e-commerce websites that differ from *Belle Maison Net* to expand gross profits across the Group.

(iii) Expand the bridal business

We will continue to invest in the expansion of the bridal business, conducted by Dears Brain Inc., and strategically positioning “weddings” as an important source of information for our existing businesses, and enhance cooperation within the Group to expand the customer base across the Group.

(iv) Conduct high-quality, low-cost business operations

We will conduct high-quality business operations in which the entire Group gets back to basics and prioritizes the supply of products and services to satisfy customers. We will also implement low-cost business operations across the Group, to allow us to quickly response to market changes.

V. Status of Corporate Governance

(1) Basic Concept of Corporate Governance

The Group recognizes the concept of corporate governance as an essential element of our activities in fulfilling our social responsibility toward various stakeholders such as shareholders, customers, employees, business partners and local communities. We believe in the importance of building a highly transparent management system and making it work effectively.

To this end, we will endeavor to fortify corporate governance by clarifying our directors’ oversight responsibilities, strengthening our compliance structure, and ensuring the prompt and accurate disclosure of information.

(2) Current Progress of Policies Regarding Corporate Governance

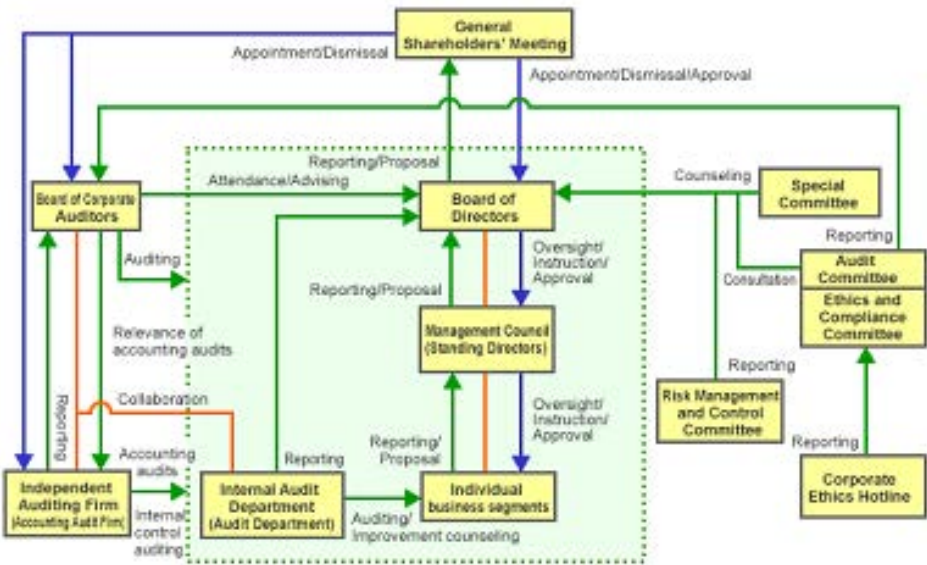
Status of the management organization system with respect to managerial decision making, execution and oversight and other corporate governance structures

To promote an increase in the rapidity and efficiency of management decision making, Senshukai has adopted an executive officer system and a business division system. In addition to the Board of Directors, Senshukai has established a Management Council comprised of, as a rule, standing directors, and a Council of Division General Managers that includes executive officers to provide for rapid decision making. The Board of As a general rule, directors meets once a month, in addition to ad-hoc meetings, to provide a swift and efficient management oversight system.

In addition, to enhance the transparency of management, Senshukai energetically promotes IR activities for investors and shareholders and works to ensure prompt and accurate disclosure of information.

The Group finds the “corporate auditor system” to function more effectively than the “committee system” in terms of corporate governance. We have accordingly adopted a corporate auditor system consisting of a Board of Directors of nine members including two outside directors, and a Board of Corporate Auditors of four members including two outside corporate auditors.

Our corporate governance structure, internal control system and risk management structure are presented in the following diagram.



VI. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Million yen)

	As of December 31, 2010	As of December 31, 2011
Assets		
Current assets		
Cash and deposits	10,855	7,500
Notes and accounts receivable-trade	6,362	6,589
Short-term investment securities	8	31
Merchandise and finished goods	12,600	17,022
Raw materials and supplies	123	118
Deferred tax assets	1,182	1,051
Accounts receivable-other	8,948	8,802
Other	2,816	3,644
Allowance for doubtful accounts	(241)	(278)
Total current assets	42,656	44,482
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	35,730	35,649
Accumulated depreciation	(21,327)	(22,136)
Buildings and structures, net	14,402	13,513
Machinery, equipment and vehicles	11,651	8,750
Accumulated depreciation	(10,772)	(7,880)
Machinery, equipment and vehicles, net	878	869
Tools, furniture and fixtures	3,041	2,963
Accumulated depreciation	(2,181)	(2,244)
Tools, furniture and fixtures, net	859	719
Land	10,945	10,880
Construction in progress	0	326
Other	150	215
Accumulated depreciation	(19)	(74)
Other, net	131	140
Total property, plant and equipment	27,218	26,449
Intangible assets		
Goodwill	2,580	2,429
Other	3,294	4,506
Total intangible assets	5,874	6,935
Investments and other assets		
Investment securities	7,761	5,996
Long-term loans receivable	587	943
Lease and guarantee deposits	1,722	1,690
Deferred tax assets	182	60
Other	4,272	4,226
Allowance for doubtful accounts	(187)	(343)
Total investments and other assets	14,338	12,574
Total noncurrent assets	47,430	45,959
Total assets	90,086	90,441

(Million yen)

	As of December 31, 2010	As of December 31, 2011
Liabilities		
Current liabilities		
Notes and accounts payable-trade	7,932	9,282
Short-term loans payable	3,036	3,843
Current portion of bonds	766	736
Accounts payable-other	7,208	6,852
Accounts payable-factoring	13,548	13,710
Accrued expenses	2,325	2,464
Income taxes payable	468	146
Accrued consumption taxes	178	124
Deferred tax liabilities	0	-
Provision for directors' bonuses	-	31
Provision for sales promotion expenses	656	613
Forward exchange contracts	3,585	1,941
Other	1,612	1,497
Total current liabilities	41,318	41,244
Noncurrent liabilities		
Bonds payable	3,286	2,550
Long-term loans payable	5,097	3,971
Deferred tax liabilities for land revaluation	723	631
Provision for retirement benefits	27	31
Asset retirement obligations	-	364
Other	222	203
Total noncurrent liabilities	9,356	7,753
Total liabilities	50,675	48,997
Net assets		
Shareholders' equity		
Capital stock	20,359	20,359
Capital surplus	21,038	21,038
Retained earnings	11,344	12,288
Treasury stock	(2,775)	(2,775)
Total shareholders' equity	49,966	50,910
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(928)	(1,008)
Deferred gains or losses on hedges	(2,342)	(1,237)
Revaluation reserve for land	(7,117)	(7,041)
Foreign currency translation adjustment	(167)	(177)
Total accumulated other comprehensive income	(10,555)	(9,465)
Total net assets	39,411	41,444
Total liabilities and net assets	90,086	90,441

(2) Consolidated Statements of (Comprehensive) Income

Consolidated Statements of Income

(Million yen)

	Fiscal year 2010 Jan. 1, 2010 – Dec. 31, 2010	Fiscal year 2011 Jan. 1, 2011 – Dec. 31, 2011
Net sales	136,859	137,261
Cost of sales	69,447	71,311
Gross profit	67,412	65,950
Selling, general and administrative expenses		
Freightage and packing expenses	8,581	8,386
Promotion expenses	19,905	18,829
Provision for allowance for sales promotion expenses	656	613
Provision of allowance for doubtful accounts	233	276
Bad debts expenses	45	38
Directors' compensations	475	520
Salaries and allowances	11,129	11,142
Bonuses	1,344	1,703
Provision for directors' bonuses	–	31
Provision for retirement benefits	13	10
Depreciation	2,404	2,343
Other	19,200	18,945
Total selling, general and administrative expenses	63,989	62,842
Operating income	3,422	3,107
Non-operating income		
Interest income	68	42
Dividends income	105	106
Foreign exchange gains	–	191
Co-sponsor fee	109	28
Equity in earnings of affiliates	48	110
Gain on adjustment of account payable	–	142
Miscellaneous income	286	179
Total non-operating income	619	801
Non-operating expenses		
Interest expenses	279	228
Loss on valuation of compound financial instruments	164	208
Foreign exchange losses	256	–
Relief aid expense	–	108
Miscellaneous loss	173	129
Total non-operating expenses	873	675
Ordinary income	3,167	3,233
Extraordinary income		
Gain on sales of noncurrent assets	13	1
Gain on sales of investment securities	4	139
Reversal of allowance for doubtful accounts	28	–
Gain on negative goodwill	6	–
Gain on step acquisitions	12	–
Gain on forgiveness of debts	–	70
Total extraordinary income	65	210

(Million yen)

	Fiscal year 2010 Jan. 1, 2010 – Dec. 31, 2010	Fiscal year 2011 Jan. 1, 2011 – Dec. 31, 2011
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	217	166
Loss on valuation of investment securities	253	514
Loss on sales of investment securities	110	0
Impairment loss	385	203
Provision of allowance for doubtful accounts	24	183
Loss on liquidation of business	317	–
Loss on adjustment for changes of accounting standard for asset retirement obligations	–	111
Loss on disaster	–	108
Special retirement expenses	–	123
Other	49	44
Total extraordinary losses	1,358	1,455
Income before income taxes and minority interests	1,874	1,988
Income taxes-current	494	148
Income taxes-deferred	(668)	256
Total income taxes	(174)	405
Income before minority interests	–	1,583
Minority interests in income	12	–
Net income	2,037	1,583

Consolidated statements of comprehensive income

(Million yen)

	Fiscal year 2010 Jan. 1, 2010 – Dec. 31, 2010	Fiscal year 2011 Jan. 1, 2011 – Dec. 31, 2011
Income before minority interests	–	1,583
Other comprehensive income		
Valuation difference on available-for-sale securities	–	(80)
Deferred gains or losses on hedges	–	1,104
Revaluation reserve for land	–	85
Foreign currency translation adjustment	–	0
Share of other comprehensive income of associates accounted for using equity method	–	(10)
Total other comprehensive income	–	1,099
Comprehensive income	–	2,683
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	–	2,683
Comprehensive income attributable to minority interests	–	–

(3) Consolidated Statements of Changes in Net Assets

(Million yen)

	Fiscal year 2010 Jan. 1, 2010 – Dec. 31, 2010	Fiscal year 2011 Jan. 1, 2011 – Dec. 31, 2011
Shareholders' equity		
Capital stock		
Balance at the end of previous period	20,359	20,359
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of current period	20,359	20,359
Capital surplus		
Balance at the end of previous period	21,038	21,038
Changes of items during the period		
Disposal of treasury stock	(0)	(0)
Total changes of items during the period	(0)	(0)
Balance at the end of current period	21,038	21,038
Retained earnings		
Balance at the end of previous period	9,517	11,344
Changes of items during the period		
Dividends from surplus	(259)	(649)
Net income	2,037	1,583
Reversal of revaluation reserve for land	49	9
Total changes of items during the period	1,827	943
Balance at the end of current period	11,344	12,288
Treasury stock		
Balance at the end of previous period	(2,774)	(2,775)
Changes of items during the period		
Purchase of treasury stock	(0)	(0)
Disposal of treasury stock	0	0
Total changes of items during the period	(0)	(0)
Balance at the end of current period	(2,775)	(2,775)
Total shareholders' equity		
Balance at the end of previous period	48,140	49,966
Changes of items during the period		
Dividends from surplus	(259)	(649)
Net income	2,037	1,583
Purchase of treasury stock	(0)	(0)
Disposal of treasury stock	0	0
Reversal of revaluation reserve for land	49	9
Total changes of items during the period	1,826	943
Balance at the end of current period	49,966	50,910

(Million yen)

	Fiscal year 2010 Jan. 1, 2010 – Dec. 31, 2010	Fiscal year 2011 Jan. 1, 2011 – Dec. 31, 2011
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	(1,013)	(928)
Changes of items during the period		
Net changes of items other than shareholders' equity	84	(80)
Total changes of items during the period	84	(80)
Balance at the end of current period	(928)	(1,008)
Deferred gains or losses on hedges		
Balance at the end of previous period	(2,044)	(2,342)
Changes of items during the period		
Net changes of items other than shareholders' equity	(297)	1,104
Total changes of items during the period	(297)	1,104
Balance at the end of current period	(2,342)	(1,237)
Revaluation reserve for land		
Balance at the end of previous period	(7,067)	(7,117)
Changes of items during the period		
Net changes of items other than shareholders' equity	(49)	75
Total changes of items during the period	(49)	75
Balance at the end of current period	(7,117)	(7,041)
Foreign currency translation adjustment		
Balance at the end of previous period	(122)	(167)
Changes of items during the period		
Net changes of items other than shareholders' equity	(45)	(9)
Total changes of items during the period	(45)	(9)
Balance at the end of current period	(167)	(177)
Total accumulated other comprehensive income		
Balance at the end of previous period	(10,247)	(10,555)
Changes of items during the period		
Net changes of items other than shareholders' equity	(307)	1,089
Total changes of items during the period	(307)	1,089
Balance at the end of current period	(10,555)	(9,465)
Minority interests		
Balance at the end of previous period	14	–
Changes of items during the period		
Net changes of items other than shareholders' equity	(14)	–
Total changes of items during the period	(14)	–
Balance at the end of current period	–	–

(Million yen)

	Fiscal year 2010 Jan. 1, 2010 – Dec. 31, 2010	Fiscal year 2011 Jan. 1, 2011 – Dec. 31, 2011
Total net assets		
Balance at the end of previous period	37,906	39,411
Changes of items during the period		
Dividends from surplus	(259)	(649)
Net income	2,037	1,583
Purchase of treasury stock	(0)	(0)
Disposal of treasury stock	0	0
Reversal of revaluation reserve for land	49	9
Net changes of items other than shareholders' equity	(322)	1,089
Total changes of items during the period	1,504	2,033
Balance at the end of current period	39,411	41,444

(4) Consolidated Statements of Cash Flows

(Million yen)

	Fiscal year 2010 Jan. 1, 2010 – Dec. 31, 2010	Fiscal year 2011 Jan. 1, 2011 – Dec. 31, 2011
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	1,874	1,988
Depreciation and amortization	2,404	2,343
Impairment loss	385	203
Gain on negative goodwill	(6)	–
Loss (gain) on step acquisitions	(12)	–
Increase (decrease) in allowance for doubtful accounts	(76)	193
Increase (decrease) in allowance for sales promotion expenses	129	(42)
Interest and dividends income	(174)	(148)
Interest expenses	279	228
Foreign exchange losses (gains)	241	(540)
Equity in (earnings) losses of affiliates	(48)	(110)
Loss (gain) on valuation of compound financial instruments	164	208
Loss (gain) on sales of investment securities	106	(138)
Loss (gain) on sales and retirement of noncurrent assets	204	165
Loss (gain) on valuation of investment securities	253	514
Loss on adjustment for changes of accounting standard for asset retirement obligations	–	111
Decrease (increase) in notes and accounts receivable-trade	4,035	(227)
Decrease (increase) in inventories	(1,419)	(4,418)
Decrease (increase) in other current assets	(117)	(583)
Increase (decrease) in notes and accounts payable-trade	704	1,350
Increase (decrease) in accrued consumption taxes	(108)	(214)
Increase (decrease) in other current liabilities	861	(214)
Other, net	275	110
Subtotal	9,956	778
Interest and dividends income received	176	277
Interest expenses paid	(284)	(235)
Income taxes paid	(262)	(372)
Net cash provided by (used in) operating activities	9,585	448

(Million yen)

	Fiscal year 2010 Jan. 1, 2010 – Dec. 31, 2010	Fiscal year 2011 Jan. 1, 2011 – Dec. 31, 2011
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(1,244)	(924)
Proceeds from sales of property, plant and equipment	169	1
Purchase of intangible assets	(1,428)	(1,915)
Purchase of investment securities	(121)	(20)
Proceeds from sales of investment securities	410	999
Proceeds from redemption of investment securities	700	–
Purchase of investments in subsidiaries	(20)	–
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	274	–
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	49	–
Purchase of stocks of subsidiaries and affiliates	(73)	–
Other, net	189	(218)
Net cash provided by (used in) investing activities	(1,094)	(2,077)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(3,000)	2,500
Proceeds from long-term loans payable	600	300
Repayment of long-term loans payable	(2,973)	(3,048)
Redemption of bonds	(766)	(766)
Purchase of treasury stock	(0)	(0)
Proceeds from sales of treasury stock	0	0
Cash dividends paid	(261)	(648)
Other, net	(16)	(63)
Net cash provided by (used in) financing activities	(6,417)	(1,727)
Effect of exchange rate change on cash and cash equivalents	(14)	0
Net increase (decrease) in cash and cash equivalents	2,060	(3,355)
Cash and cash equivalents at beginning of period	8,795	10,855
Cash and cash equivalents at end of period	10,855	7,500

VII. Company Information / Stock Information)

Company Information (as of December 31, 2011)

Trade name:	Senshukai Co., Ltd.
Date of establishment:	November 1955
Listing date:	May 1984
Business year:	From January 1 to December 31
Paid-in capital:	20,359 million yen
Number of employees:	1,556 (including contract employees) (Consolidated)
Head office:	1-8-9 Doshin, Kita-ku, Osaka
Telephone:	+81-6-6881-3100
Consolidated subsidiaries:	Senshu Logisco Co., Ltd. Senshukai General Services Co., Ltd. Senshukai Call Center Co., Ltd. Dears Brain Inc. Mobakore Co., Ltd. Other 6 companies

Directors and Corporate Auditors (as of March 30, 2012)

Chairman and Representative Director	Yasuhiro Yukimachi
President and Representative Director	Michio Tanabe
Senior Managing Director	Kiichi Tagawa
Senior Managing Director	Shohachi Sawamoto
Managing Director	Mamoru Asada
Director	Shigemitsu Mineoka
Director	Hiroyuki Hoshino
Director*	Tomoko Oishi
Director*	Toshikatsu Sano
Corporate Auditor (Standing)	Yoshihiro Nakabayashi
Corporate Auditor (Standing)	Makoto Yamamoto
Corporate Auditor**	Hideyuki Koizumi
Corporate Auditor**	Hiroshi Morimoto

* Outside Director ** Outside Corporate Auditor

Stock Status (as of December 31, 2011)

Total number of shares authorized to be issued:	180,000,000 shares
Total number of shares issued:	47,630,393 shares
Number of shareholders:	16,342
Major shareholders (Top 10)	

Shareholder name	Number of shares held (Thousands)	Share-holding ratio (%)
Brestsheave Co., Ltd.	3,650	7.66
Toppan Printing Co., Ltd.	1,838	3.86
Sawzan, Ltd.	1,792	3.76
Sumitomo Mitsui Banking Corp.	1,665	3.50
Dai Nippon Printing Co., Ltd.	1,509	3.17
Mizuho Bank, Ltd.	1,319	2.77
Japan Trustee Services Bank, Ltd. (Trust account)	1,146	2.41
Senshukai Group Employee Stock Ownership Plan	1,117	2.35
Nippon Life Insurance Company	988	2.07
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	752	1.58

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* While every best effort has been made to provide a translation meeting the quality standards required of professionals, the Company does not guarantee it is 100% accurate. Therefore, please verify the original Japanese text for any final judgments made based on this information.