



April 13, 2011

**Consolidated Financial Results
for the Fiscal Year Ended February 28, 2011
<under Japanese GAAP>**

Company name: **PARCO CO., LTD.**
 Listing: First Section of the Tokyo Stock Exchange
 Stock code: 8251
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Scheduled date of annual general shareholders' meeting: May 28, 2011
 Scheduled date of dividend distribution: May 9, 2011
 Scheduled date to file Annual Securities Report: May 30, 2011

(All amounts have been rounded down to the nearest million yen.)

**1. Consolidated performance for the fiscal year ended February 28, 2011
(from March 1, 2010 to February 28, 2011)**

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
February 28, 2011	264,840	1.4	9,218	7.2	8,750	2.3	4,400	7.1
February 28, 2010	261,076	(7.6)	8,601	(8.1)	8,554	(6.7)	4,108	10.1

	Net income per share	Diluted net income per share	Net income/equity	Ordinary income/total assets	Operating income/net sales
Fiscal year ended	Yen	Yen	%	%	%
February 28, 2011	53.41	48.50	5.5	4.3	3.5
February 28, 2010	49.87	–	5.3	4.5	3.3

Reference: Equity in earnings (losses) of affiliates

For the fiscal year ended February 28, 2011: (0) million yen

For the fiscal year ended February 28, 2010: (0) million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2011	222,135	81,868	36.8	993.52
February 28, 2010	187,093	78,657	42.0	954.52

Reference: Equity (Net assets – Minority interests)

As of February 28, 2011: 81,844 million yen

As of February 28, 2010: 78,632 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
February 28, 2011	12,025	(42,290)	33,536	12,253
February 28, 2010	8,921	(7,405)	(3,617)	9,023

2. Cash dividends

	Cash dividends per share					Total cash dividends (Annual)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended February 28, 2010	–	8.00	–	8.00	16.00	1,318	32.1	1.7
Fiscal year ended February 28, 2011	–	8.00	–	9.00	17.00	1,400	31.8	1.7
Fiscal year ending February 29, 2012 (Forecast)	–	–	–	–	–		–	

Note: The amounts of dividends for the fiscal year ending February 29, 2012 are undetermined. When the dividend estimates become available, the Company will disclose them.

3. Consolidated earnings forecasts for the fiscal year ending February 29, 2012 (from March 1, 2011 to February 29, 2012)

Note: Consolidated earnings forecasts for the fiscal year ending February 29, 2012 are not shown because reasonable estimates are difficult at this point. The Company will announce the forecasts promptly when they become available.

4. Others

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies and procedures, and methods of presentation for preparing the consolidated financial statements (changes described in the section of “Changes in significant matters forming the basis of preparing the consolidated financial statements”)
 - a. Changes due to revisions to accounting standards and other regulations: Yes
 - b. Changes due to other reasons: None
- (3) Number of issued shares (common stock)
 - a. Total number of issued shares at the end of the period (including treasury stock)

As of February 28, 2011	82,475,677 shares
As of February 28, 2010	82,475,677 shares
 - b. Number of shares of treasury stock at the end of the period

As of February 28, 2011	97,083 shares
As of February 28, 2010	96,305 shares

(Reference) Overview of non-consolidated performance

**1. Non-consolidated performance for the fiscal year ended February 28, 2011
(from March 1, 2010 to February 28, 2011)**

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2011	245,488	0.9	8,709	6.8	8,222	0.2	4,242	1.4
February 28, 2010	243,349	(7.0)	8,154	(8.2)	8,208	(9.5)	4,184	4.5

Fiscal year ended	Net income per share	Diluted net income per share
	Yen	Yen
February 28, 2011	51.50	46.78
February 28, 2010	50.79	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2011	218,846	82,136	37.5	997.06
February 28, 2010	183,189	79,059	43.2	959.71

Reference: Equity (Net assets – Minority interests)

As of February 28, 2011: 82,136 million yen

As of February 28, 2010: 79,059 million yen

**2. Non-consolidated earnings forecasts for the fiscal year ending February 29, 2012
(from March 1, 2011 to February 29, 2012)**

Note: Non-consolidated earnings forecasts for the fiscal year ending February 29, 2012 are not shown because reasonable estimates are difficult at this point.

*** Proper use of earnings forecasts, and other special matters**

The earning forecasts contained in these materials are based on information available to the Company at the time of the filing and certain assumptions deemed reasonable by the Company.
Actual business and other results may differ significantly due to various unforeseen factors.

Consolidated financial statements

(1) Consolidated balance sheets

(Millions of yen)

	As of February 28, 2010	As of February 28, 2011
Assets		
Current assets		
Cash and deposits	9,023	12,253
Notes and operating accounts receivable	9,821	7,252
Merchandise and finished goods	2,424	2,480
Work in process	650	228
Raw materials and supplies	44	42
Advance payments-trade	95	76
Prepaid expenses	863	841
Deferred tax assets	1,194	1,200
Short-term loans receivable	101	96
Other	1,944	3,773
Allowance for doubtful accounts	(17)	(3)
Total current assets	26,146	28,241
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	115,953	120,122
Accumulated depreciation	(68,871)	(71,104)
Accumulated impairment loss	(1,138)	(932)
Buildings and structures, net	45,943	48,084
Buildings and structures in trust	-	16,898
Accumulated depreciation	-	(778)
Buildings and structures in trust, net	-	16,120
Machinery, equipment and vehicles	1,360	1,372
Accumulated depreciation	(836)	(945)
Machinery, equipment and vehicles, net	523	427
Machinery, equipment and vehicles in trust	-	16
Accumulated depreciation	-	(1)
Machinery, equipment and vehicles in trust, net	-	15
Tools, furniture and fixtures	4,835	4,793
Accumulated depreciation	(3,727)	(3,727)
Accumulated impairment loss	(73)	(59)
Tools, furniture and fixtures, net	1,034	1,005
Tools, furniture and fixtures in trust	-	134
Accumulated depreciation	-	(21)
Tools, furniture and fixtures in trust, net	-	113
Land	45,208	45,208
Land in trust	-	19,371
Lease assets	58	281
Accumulated depreciation	(9)	(60)
Lease assets, net	49	220
Construction in progress	3,691	75
Total property, plant and equipment	96,451	130,642

(Millions of yen)

	As of February 28, 2010	As of February 28, 2011
Intangible assets		
Leasehold right	10,949	10,949
Other	829	726
Total intangible assets	11,779	11,676
Investments and other assets		
Investment securities	4,676	4,972
Long-term loans receivable	501	394
Long-term prepaid expenses	761	1,347
Lease and guarantee deposits	44,834	43,099
Deferred tax assets	1,783	1,529
Long-term accounts receivable-other	134	142
Other	259	331
Allowance for doubtful accounts	(235)	(242)
Total investments and other assets	52,716	51,574
Total noncurrent assets	160,947	193,894
Total assets	187,093	222,135

(Millions of yen)

	As of February 28, 2010	As of February 28, 2011
Liabilities		
Current liabilities		
Notes and operating accounts payable-trade	17,637	16,118
Short-term loans payable	9,784	17,216
Lease obligations	13	64
Accounts payable-other	4,909	3,428
Accrued expenses	1,478	1,605
Income taxes payable	1,151	2,266
Provision for bonuses	910	1,004
Provision for sales returns	23	18
Provision for books unsold	111	136
Provision for sales promotion expenses	222	249
Provision for loss on store closing	-	399
Current portion of bonds	1,000	1,000
Other	3,146	3,454
Total current liabilities	40,389	46,961
Noncurrent liabilities		
Bonds payable	3,000	2,000
Bonds with subscription rights to shares	-	15,000
Long-term loans payable	24,703	38,231
Long-term accounts payable-other	195	155
Lease obligations	38	167
Provision for retirement benefits	1,341	1,510
Provision for directors' retirement benefits	13	-
Provision for loss on store closing	255	44
Guarantee deposits received	38,494	36,159
Other	4	37
Total noncurrent liabilities	68,046	93,306
Total liabilities	108,435	140,267
Net assets		
Shareholders' equity		
Capital stock	26,867	26,867
Capital surplus	27,528	27,528
Retained earnings	24,317	27,400
Treasury stock	(60)	(61)
Total shareholders' equity	78,652	81,734
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	99	275
Foreign currency translation adjustment	(119)	(164)
Total valuation and translation adjustments	(19)	110
Minority interests	25	23
Total net assets	78,657	81,868
Total liabilities and net assets	187,093	222,135

(2) Consolidated statements of income

(Millions of yen)

	Fiscal year ended February 28, 2010	Fiscal year ended February 28, 2011
Net sales	261,076	264,840
Cost of sales	221,663	225,640
Gross profit	39,412	39,199
Provision for sales returns	5	–
Reversal of provision for sales returns	–	5
Gross profit-net	39,407	39,204
Operating revenue	2,611	2,819
Operating gross profit	42,019	42,024
Selling, general and administrative expenses	33,417	32,806
Operating income	8,601	9,218
Non-operating income		
Interest income	82	81
Dividends income	53	49
Miscellaneous income	513	489
Total non-operating income	649	621
Non-operating expenses		
Interest expenses	600	892
Interest on bonds	56	98
Miscellaneous expenses	38	98
Total non-operating expenses	695	1,089
Ordinary income	8,554	8,750
Extraordinary income		
Gain on sales of investment securities	33	–
Reversal of allowance for doubtful accounts	4	5
Other	3	19
Total extraordinary income	42	24
Extraordinary loss		
Loss on retirement of noncurrent assets	279	552
Impairment loss	411	38
Loss on valuation of investment securities	0	4
Provision of allowance for doubtful accounts	13	–
Special retirement expenses	41	30
Restructuring loss	148	14
Loss on closing of stores	619	341
Other	29	76
Total extraordinary losses	1,543	1,058
Income before income taxes and minority interests	7,053	7,717
Income taxes-current	2,302	3,189
Income taxes-deferred	643	127
Total income taxes	2,945	3,317
Minority interests in loss	(0)	(0)
Net income	4,108	4,400

(3) Consolidated statements of changes in net assets

(Millions of yen)

	Fiscal year ended February 28, 2010	Fiscal year ended February 28, 2011
Shareholders' equity		
Capital stock		
Balance at the end of previous period	26,867	26,867
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	26,867	26,867
Capital surplus		
Balance at the end of previous period	27,528	27,528
Changes of items during the period		
Disposal of treasury stock	0	—
Total changes of items during the period	0	—
Balance at the end of current period	27,528	27,528
Retained earnings		
Balance at the end of previous period	21,527	24,317
Changes of items during the period		
Dividends from surplus	(1,318)	(1,318)
Net income	4,108	4,400
Total changes of items during the period	2,790	3,082
Balance at the end of current period	24,317	27,400
Treasury stock		
Balance at the end of previous period	(60)	(60)
Changes of items during the period		
Purchase of treasury stock	(0)	(0)
Disposal of treasury stock	0	—
Total changes of items during the period	(0)	(0)
Balance at the end of current period	(60)	(61)
Total shareholders' equity		
Balance at the end of previous period	75,862	78,652
Changes of items during the period		
Dividends from surplus	(1,318)	(1,318)
Net income	4,108	4,400
Purchase of treasury stock	(0)	(0)
Disposal of treasury stock	0	—
Total changes of items during the period	2,789	3,081
Balance at the end of current period	78,652	81,734

(Millions of yen)

	Fiscal year ended February 28, 2010	Fiscal year ended February 28, 2011
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	(104)	99
Changes of items during the period		
Net changes of items other than shareholders' equity	204	175
Total changes of items during the period	204	175
Balance at the end of current period	99	275
Foreign currency translation adjustment		
Balance at the end of previous period	(165)	(119)
Changes of items during the period		
Net changes of items other than shareholders' equity	45	(45)
Total changes of items during the period	45	(45)
Balance at the end of current period	(119)	(164)
Total valuation and translation adjustments		
Balance at the end of previous period	(270)	(19)
Changes of items during the period		
Net changes of items other than shareholders' equity	250	130
Total changes of items during the period	250	130
Balance at the end of current period	(19)	110
Minority interests		
Balance at the end of previous period	24	25
Changes of items during the period		
Net changes of items other than shareholders' equity	0	(1)
Total changes of items during the period	0	(1)
Balance at the end of current period	25	23
Total net assets		
Balance at the end of previous period	75,617	78,657
Changes of items during the period		
Dividends from surplus	(1,318)	(1,318)
Net income	4,108	4,400
Purchase of treasury stock	(0)	(0)
Disposal of treasury stock	0	-
Net changes of items other than shareholders' equity	250	128
Total changes of items during the period	3,040	3,210
Balance at the end of current period	78,657	81,868

(4) Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended February 28, 2010	Fiscal year ended February 28, 2011
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	7,053	7,717
Depreciation and amortization	5,597	6,628
Impairment loss	411	38
Increase (decrease) in allowance for doubtful accounts	18	(7)
Increase (decrease) in provision for bonuses	(13)	93
Increase (decrease) in provision for sales returns	5	(5)
Increase (decrease) in provision for books unsold	3	25
Increase (decrease) in provision for sales promotion expenses	16	27
Increase (decrease) in provision for retirement benefits	37	169
Increase (decrease) in provision for directors' retirement benefits	1	(13)
Interest and dividends income	(135)	(131)
Interest expenses	656	990
Loss (gain) on sales and retirement of noncurrent assets	81	181
Loss (gain) on sales of investment securities	(33)	–
Loss (gain) on valuation of investment securities	0	4
Loss on store closings	619	341
Loss on business restructuring	148	14
Decrease (increase) in notes and accounts receivable-trade	513	2,568
Decrease (increase) in inventories	(506)	368
Increase (decrease) in notes and accounts payable-trade	(1,741)	(1,519)
Increase/decrease in other assets/liabilities	942	(2,425)
Other, net	114	(19)
Subtotal	13,791	15,046
Interest and dividends income received	135	131
Interest expenses paid	(664)	(794)
Payment resulting from store closing	(2,011)	–
Payments for business restructuring	(210)	(223)
Income taxes paid	(2,118)	(2,135)
Net cash provided by (used in) operating activities	8,921	12,025

(Millions of yen)

	Fiscal year ended February 28, 2010	Fiscal year ended February 28, 2011
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(5,523)	(40,721)
Proceeds from sales of property, plant and equipment	195	1
Purchase of investment securities	(1)	(4)
Proceeds from sales of investment securities	56	0
Payments for lease and guarantee deposits	(1,933)	(2,025)
Proceeds from collection of lease and guarantee deposits	3,575	3,131
Increase (decrease) in guarantee deposits received	(3,424)	(1,950)
Other, net	(349)	(724)
Net cash provided by (used in) investing activities	(7,405)	(42,290)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	1,932	(5,368)
Proceeds from long-term loans payable	–	32,000
Repayment of long-term loans payable	(3,222)	(5,672)
Proceeds from issuance of bonds with subscription rights to shares	–	14,945
Redemption of bonds	(1,000)	(1,000)
Net decrease (increase) in treasury stock	(0)	(0)
Cash dividends paid	(1,318)	(1,318)
Other, net	(8)	(50)
Net cash provided by (used in) financing activities	(3,617)	33,536
Effect of exchange rate change on cash and cash equivalents	43	(40)
Net increase (decrease) in cash and cash equivalents	(2,056)	3,229
Cash and cash equivalents at beginning of period	11,080	9,023
Cash and cash equivalents at end of period	9,023	12,253

Non-consolidated financial statements

(1) Non-consolidated balance sheets

(Millions of yen)

	As of February 28, 2010	As of February 28, 2011
Assets		
Current assets		
Cash and deposits	7,204	10,830
Operating accounts receivable	7,989	5,702
Merchandise and finished goods	261	278
Work in process	75	51
Raw materials and supplies	1	2
Advance payments-trade	95	76
Prepaid expenses	742	724
Deferred tax assets	835	832
Short-term loans receivable	76	86
Short-term loans receivable from subsidiaries and affiliates	50	70
Other	1,850	3,687
Allowance for doubtful accounts	(15)	(2)
Total current assets	19,167	22,341
Noncurrent assets		
Property, plant and equipment		
Buildings	114,224	117,843
Accumulated depreciation	(67,866)	(70,083)
Accumulated impairment loss	(973)	(758)
Buildings, net	45,384	47,002
Buildings in trust	–	16,629
Accumulated depreciation	–	(765)
Buildings in trust, net	–	15,864
Structures	1,775	1,748
Accumulated depreciation	(1,317)	(1,258)
Accumulated impairment loss	(20)	(10)
Structures, net	437	479
Structures in trust	–	269
Accumulated depreciation	–	(12)
Structures in trust, net	–	256
Machinery and equipment	1,378	1,389
Accumulated depreciation	(844)	(957)
Machinery and equipment, net	533	431
Machinery and equipment in trust	–	16
Accumulated depreciation	–	(1)
Machinery and equipment in trust, net	–	15
Vehicles	14	16
Accumulated depreciation	(12)	(11)
Vehicles, net	2	5
Tools, furniture and fixtures	3,805	3,668
Accumulated depreciation	(3,057)	(3,002)
Accumulated impairment loss	(28)	(18)
Tools, furniture and fixtures, net	719	646

(Millions of yen)

	As of February 28, 2010	As of February 28, 2011
Tools, furniture and fixtures in trust	–	134
Accumulated depreciation	–	(21)
Tools, furniture and fixtures in trust, net	–	113
Land	46,006	46,006
Land in trust	–	19,371
Lease assets	38	202
Accumulated depreciation	(5)	(44)
Lease assets, net	33	158
Construction in progress	3,473	11
Total property, plant and equipment	96,590	130,362
Intangible assets		
Leasehold right	10,949	10,949
Software	383	334
Other	208	199
Total intangible assets	11,541	11,483
Investments and other assets		
Investment securities	4,411	4,664
Stocks of subsidiaries and affiliates	5,660	5,660
Investments in capital	7	7
Long-term loans receivable	480	374
Long-term prepaid expenses	760	1,334
Lease and guarantee deposits	44,007	42,210
Deferred tax assets	412	184
Long-term accounts receivable-other	120	126
Other	251	323
Allowance for doubtful accounts	(220)	(227)
Total investments and other assets	55,890	54,659
Total noncurrent assets	164,022	196,505
Total assets	183,189	218,846

(Millions of yen)

	As of February 28, 2010	As of February 28, 2011
Liabilities		
Current liabilities		
Operating accounts payable	13,435	12,870
Short-term loans payable	8,589	3,119
Current portion of long-term loans payable	3,222	16,022
Lease obligations	8	46
Accounts payable-other	5,483	4,025
Accrued expenses	977	1,106
Income taxes payable	874	2,049
Advances received	296	380
Deposits received	292	234
Provision for bonuses	448	553
Provision for sales returns	23	18
Provision for books unsold	111	136
Provision for loss on store closing	–	399
Current portion of bonds	1,000	1,000
Current portion of guarantee deposits	1,887	2,269
Other	447	340
Total current liabilities	37,098	44,572
Noncurrent liabilities		
Bonds payable	3,000	2,000
Bonds with subscription rights to shares	–	15,000
Long-term loans payable	24,703	38,231
Long-term accounts payable-other	152	112
Lease obligations	25	120
Provision for retirement benefits	321	405
Provision for loss on store closing	255	44
Guarantee deposits received	38,572	36,208
Other	–	15
Total noncurrent liabilities	67,031	92,137
Total liabilities	104,129	136,710
Net assets		
Shareholders' equity		
Capital stock	26,867	26,867
Capital surplus		
Legal capital surplus	6,100	6,100
Other capital surplus	21,428	21,428
Total capital surpluses	27,528	27,528
Retained earnings		
Legal retained earnings	681	681
Other retained earnings		
General reserve	12,811	12,811
Retained earnings brought forward	11,095	14,019
Total retained earnings	24,587	27,512
Treasury stock	(60)	(61)
Total shareholders' equity	78,922	81,846

(Millions of yen)

	As of February 28, 2010	As of February 28, 2011
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	137	290
Total valuation and translation adjustments	137	290
Total net assets	79,059	82,136
Total liabilities and net assets	183,189	218,846

(2) Non-consolidated statements of income

(Millions of yen)

	Fiscal year ended February 28, 2010	Fiscal year ended February 28, 2011
Net sales		
Tenants sales	237,791	240,505
Other sales	5,558	4,982
Total net sales	243,349	245,488
Cost of sales		
Cost of tenants sales	207,481	210,295
Other cost of sales	4,120	3,390
Total cost of sales	211,602	213,685
Gross profit	31,747	31,802
Provision for sales returns	5	–
Reversal of provision for sales returns	–	5
Gross profit-net	31,741	31,807
Operating revenue	2,674	2,568
Operating gross profit	34,416	34,376
Selling, general and administrative expenses	26,261	25,667
Operating income	8,154	8,709
Non-operating income		
Interest income	75	79
Dividends income	191	117
Miscellaneous income	474	411
Total non-operating income	742	607
Non-operating expenses		
Interest expenses	616	906
Interest on bonds	56	98
Miscellaneous expenses	15	90
Total non-operating expenses	688	1,094
Ordinary income	8,208	8,222
Extraordinary income		
Gain on sales of investment securities	33	–
Reversal of allowance for doubtful accounts	4	5
Other	3	19
Total extraordinary income	41	25
Extraordinary loss		
Loss on retirement of noncurrent assets	257	539
Loss on valuation of investment securities	0	4
Provision of allowance for doubtful accounts	13	–
Special retirement expenses	25	21
Restructuring loss	157	44
Loss on closing of stores	620	352
Impairment loss	195	–
Other	8	68
Total extraordinary losses	1,279	1,032
Income before income taxes	6,970	7,215
Income taxes-current	1,980	2,847
Income taxes-deferred	805	125
Total income taxes	2,786	2,973
Net income	4,184	4,242

(3) Non-consolidated statements of changes in net assets

(Millions of yen)

	Fiscal year ended February 28, 2010	Fiscal year ended February 28, 2011
Shareholders' equity		
Capital stock		
Balance at the end of previous period	26,867	26,867
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	26,867	26,867
Capital surplus		
Legal capital surplus		
Balance at the end of previous period	6,100	6,100
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	6,100	6,100
Other capital surplus		
Balance at the end of previous period	21,428	21,428
Changes of items during the period		
Disposal of treasury stock	0	—
Total changes of items during the period	0	—
Balance at the end of current period	21,428	21,428
Total capital surplus		
Balance at the end of previous period	27,528	27,528
Changes of items during the period		
Disposal of treasury stock	0	—
Total changes of items during the period	0	—
Balance at the end of current period	27,528	27,528
Retained earnings		
Legal retained earnings		
Balance at the end of previous period	681	681
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	681	681
Other retained earnings		
General reserve		
Balance at the end of previous period	12,811	12,811
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	12,811	12,811
Retained earnings brought forward		
Balance at the end of previous period	8,229	11,095
Changes of items during the period		
Dividends from surplus	(1,318)	(1,318)
Net income	4,184	4,242
Total changes of items during the period	2,866	2,924
Balance at the end of current period	11,095	14,019

(Millions of yen)

	Fiscal year ended February 28, 2010	Fiscal year ended February 28, 2011
Total retained earnings		
Balance at the end of previous period	21,721	24,587
Changes of items during the period		
Dividends from surplus	(1,318)	(1,318)
Net income	4,184	4,242
Total changes of items during the period	2,866	2,924
Balance at the end of current period	24,587	27,512
Treasury stock		
Balance at the end of previous period	(60)	(60)
Changes of items during the period		
Purchase of treasury stock	(0)	(0)
Disposal of treasury stock	0	–
Total changes of items during the period	(0)	(0)
Balance at the end of current period	(60)	(61)
Total shareholders' equity		
Balance at the end of previous period	76,057	78,922
Changes of items during the period		
Dividends from surplus	(1,318)	(1,318)
Net income	4,184	4,242
Purchase of treasury stock	(0)	(0)
Disposal of treasury stock	0	–
Total changes of items during the period	2,865	2,923
Balance at the end of current period	78,922	81,846
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	(56)	137
Changes of items during the period		
Net changes of items other than shareholders' equity	193	152
Total changes of items during the period	193	152
Balance at the end of current period	137	290
Total net assets		
Balance at the end of previous period	76,000	79,059
Changes of items during the period		
Dividends from surplus	(1,318)	(1,318)
Net income	4,184	4,242
Purchase of treasury stock	(0)	(0)
Disposal of treasury stock	0	–
Net changes of items other than shareholders' equity	193	152
Total changes of items during the period	3,059	3,076
Balance at the end of current period	79,059	82,136