

## Summary of Consolidated Financial Results [Japan GAAP] for First Half of Fiscal Year Ending March 31, 2011

(The figures are rounded down to the nearest million yen.)

### 1. Consolidated Financial Results for First Half of FY2010 (April 1 to September 30, 2010)

#### (1) Consolidated financial results

(The percentages denote year-on-year change.)

	Net sales		Operating profit		Recurring profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First Half FY2010	60,713	25.2	7,213	302.9	6,812	397.9	4,555	733.1
First Half FY2009	48,508	-29.7	1,790	-73.4	1,368	-80.6	546	-84.9

	Net income per share		Diluted net income per share	
	Yen		Yen	
First Half FY2010	85.36		85.33	
First Half FY2009	10.26		-	

#### (2) Consolidated financial position

	Total assets		Net assets		Shareholders' equity ratio		Net assets per share	
	Million yen		Million yen		%		Yen	
First Half FY2010	123,378		80,820		63.5		1,466.55	
FY2009	122,670		79,067		62.5		1,438.56	

Reference: Equity capital

First Half of FY2010

78,344 million yen

FY2009

76,678 million yen

### 2. Dividends

	Annual dividend				
	At end of first quarter	At end of second quarter	At end of third quarter	Fiscal year-end	Annual dividend
	Yen		Yen		Yen
FY2009	-	10.00	-	20.00	30.00
FY2010	-	20.00			
FY2010 (forecast)			-	25.00	45.00

Note: Revision to dividend forecast in the quarter under review: Yes

### 3. Forecasts for FY2010 (April 1, 2010 to March 31, 2011)

(The percentages denote year-on-year change.)

	Net sales		Operating profit		Recurring profit		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	yen
FY2010	118,000	9.7	12,500	46.1	12,500	54.0	7,000	56.7	131.10

Note: Revision to earnings forecast in the quarter under review: Yes

### 4. Others (For details, please refer to "Other information" on page 6 of Attachment.)

#### (1) Changes in principal subsidiaries during the quarter under review: None

Note: This refers to changes in specific subsidiaries that involve changes in the scope of consolidation during the quarter under review.

#### (2) Adoption of simplified accounting method and specific accounting method: Yes

Note: This refers to adoption of simplified accounting method and accounting method specific to the preparation of quarterly consolidated financial statements.

- (3) Changes in principles and procedures of accounting concerning the preparation of quarterly consolidated financial statements and in presentation method, etc. (stated in “Changes in Significant Accounting Policies for Preparing Consolidated Financial Statements”)
- 1) Changes following the revision of accounting standards, etc.: Yes
  - 2) Changes other than those included in 1) above: None
- Note: This refers to changes in principles and procedures of accounting concerning the preparation of quarterly consolidated financial statements and in presentation method, etc., which are stated in “Changes in Significant Accounting Policies for Preparing Consolidated Financial Statements.”
- (4) Number of shares outstanding (common stocks)
- 1) The number of shares outstanding at the end of the period (including treasury stocks):  
53,754,477 in first half of FY2010  
53,754,477 in FY2009
  - 2) The number of treasury stocks at the end of the period:  
333,687 in first half of FY2010  
452,137 in FY2009
  - 3) The average number of shares outstanding (consolidated quarterly period (YTD)):  
53,372,177 in first half of FY2010  
53,303,962 in first half of FY2009

\* Presentation of implementation status of quarterly review procedures

This Summary of Financial Results is not subject to quarterly financial report review procedures under the Financial Instruments and Exchange Law. At the time of this document’s release, the quarterly financial report review procedures under the said law had not been completed.

\* Proper use of forecasts and other special instructions

Forward-looking statements or projections included in this document, including earnings projections, are based on currently available information and certain premises that are judged to be rational at the time of this writing. Actual results may differ greatly from the forecast figures depending on various factors. For the assumptions used in earnings projections and notes for using earnings projections, please refer to “Qualitative Information Regarding Consolidated Earnings Forecast” on page 5 of Attachment.

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## 1. Qualitative Information Regarding Consolidated Financial Results for Quarter Under Review

### 1) Qualitative Information Regarding Consolidated Business Results

During the first half of the consolidated fiscal year under review, Japan's economy showed signs of a pickup in some sectors due mainly to an increase of exports, despite the continuation of severe business conditions caused by uncertainties over the U.S. economy and volatile exchange-rate fluctuations.

Sales of mainstay industrial plastic parts and components for automobiles increased due to a recovery of production by Japanese and South Korean automobile manufacturers, the Nifco Group's major customers. Such sales continued to be robust in Asia centering on China, South Korea, and Thailand, and recovered in North America and Europe.

Under such economic circumstances, the consolidated net sales of the Group during the first half of the consolidated fiscal year under review increased by 25.2% y-o-y to 60,713 million yen.

On the profit front, consolidated operating profit for the first half period under review soared 302.9% y-o-y to 7,213 million yen, marking an all-time high for the first half period, due to a rise in marginal profit resulting from increased sales and reduced costs. Recurring profit also jumped 397.9% to 6,812 million yen, and net income advanced significantly by 733.1% to 4,555 million yen, hitting a record high for the first half period.

Business results by main business segment are as follows.

#### (i) Industrial Plastic Parts and Components Business

The industrial plastic parts and components business improved significantly in the first half period under review, supported by increased exports, steady sales in China, South Korea, and other Asian countries, and a recovery in sales in both North America and Europe. As a result, net sales of the business increased 36.9% y-o-y to 52,968 million yen. Operating profit jumped 179.6% to 8,510 million yen, registering an all-time high for the first half period, because of a climb in profits due to increased sales and improved production costs.

#### (ii) Bedding and Furniture Business

Sales in the bedding and furniture business were 6,651 million yen for the first half period under review, up 2.6% y-o-y, due to relatively steady sales in Asia, although sales to hotels failed to increase. Operating profit was 563 million yen, up 84.8%, as a result of efforts to improve the production systems and reduce selling, general and administrative expenses.

#### (iii) Other Business

Other businesses consist mainly of newspaper and publishing businesses. With regard to the electronics parts business, Nifco Advanced Technology Inc., which had been a subsidiary engaged in the business until last year, became a company accounted for by the equity method. In addition, the newspaper and publishing businesses faced harsh business conditions due to a diversification of media and a fall in advertising income. As a result, net sales from other businesses were 1,093 million yen for the first half period under review, and operating loss was 180 million yen.

## 2) Qualitative Information Regarding Consolidated Financial Position

### (i) Status of assets, liabilities and net assets

Total assets at the end of the first half period under review increased 708 million yen from the end of the previous consolidated fiscal year to 123,378 million yen. This is mainly attributable to an increase of 1,129 million yen for acquiring land on which a technical center will be built and other properties.

Total liabilities at the end of the first half period under review decreased by 1,045 million yen compared with the end of the previous consolidated fiscal year to 42,558 million yen. This mainly reflects a decrease in income taxes payable of 643 million yen due to the payment of income taxes.

Net assets at the end of the first half period under review rose 1,753 million yen compared with the end of the previous consolidated fiscal year to 80,820 million yen. This is primarily due to an increase in retained earnings of 3,427 million yen, despite a decrease in foreign currency translation adjustments of 1,810 million yen.

### (ii) Status of cash flow

#### 1. Cash flow from operating activities

Cash flow from operating activities during the second quarter of the term under review was 6,301 million yen. This mainly reflects increased funds from net income before income taxes of 6,617 million yen and depreciation of 2,796 million yen, although funds decreased chiefly due to the payment of corporate taxes of 2,208 million yen.

#### 2. Cash flow from investing activities

Cash flow used in investing activities during the period was 4,802 million yen. This was primarily attributable to expenditure of 4,406 million yen to acquire tangible fixed assets.

#### 3. Cash flow from financing activities

Cash flow used in financing activities during the period was 931 million yen. This was primarily expense of a dividend payment of 1,066 million yen.

As a result of the above, the balance of cash and cash equivalents at the end of the first half period under review decreased 300 million yen from the end of the previous fiscal year to 33,807 million yen.

## 3) Qualitative Information Regarding Consolidated Earnings Forecast

### Earnings projections for the full fiscal year

	Net sales	Operating profit	Recurring profit	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previously announced earnings projections (A) announced on May 10, 2010	112,000	10,000	9,800	6,000	112.57
Revised earnings projections (B)	118,000	12,500	12,500	7,000	131.10
Amount of change (B-A)	6,000	2,500	2,700	1,000	-
Percentage change (%)	5.4	25.0	27.6	16.7	-
(Reference) Results of the previous fiscal year (FY2009)	107,505	8,553	8,118	4,468	83.83

### Reasons for revisions to consolidated earnings forecast for the full fiscal year

Nifco has revised its consolidated earnings forecast for the full fiscal year ending March 2011 because sales in the industrial plastic parts and components business for automobiles were strong in the Asian region (mainly China and South Korea), North America, and Europe during the first half period under review, and are expected to exceed its initial goal for the full fiscal year. In addition, profits are projected to rise due to increasing sales and the positive effects of ongoing activities to reduce cost.

## 2. Other information

### 1) Summary of changes in principle subsidiaries

None

### 2) Summary of simplified accounting method and specific accounting method

#### (i) Simplified accounting method

##### 1. Inventory valuation method

With regard to the writing down of book values, the Company estimates net sales value only for assets which have obviously deteriorated in profitability and writes down those assets.

##### 2. Method of depreciation of fixed assets

Depreciation for the fiscal year under review was calculated on a pro-rata basis over the useful life period of fixed assets that are subject to the declining-balance method of depreciation.

##### 3. Method of calculating deferred tax assets and liabilities

Deferred tax assets and liabilities are calculated by using future earnings forecasts and tax planning which were used in financial closing for the previous term, if we deem that there are no significant changes in factors such as the management environment and no temporary differences after the end of the previous term, concerning the estimation of recoverability of deferred tax assets.

#### (ii) Adoption of specific accounting method

Accounting standard for tax expenses and others

Tax expenses are calculated by rationally estimating the effective tax rate after applying deferred tax accounting for income before income taxes for the consolidated fiscal year, including the second quarter of the consolidated fiscal year under review, and multiplying income before income taxes for the quarterly period by the said estimated effective tax rate. Furthermore, adjustments for corporate taxes are included in corporate taxes.

### 3) Summary of changes in principles and procedures of accounting and in presentation method, etc.

#### 1. Application of "Accounting Standard for Asset Retirement Obligations"

From the first quarter of the fiscal year ending March 2011, Nifco applied the "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No. 18, March 31, 2008) and the "Implementation Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21, March 31, 2008).

These changes decreased operating profit and recurring profit for the first half period under review each by 0 million yen, and net income before income taxes by 20 million yen.

The amount of change in asset retirement obligations incurred due to the initial application of the said accounting standard, etc. was 82 million yen for the period and is included in "Others" under "Long-term liabilities" on the Balance Sheets.

#### 2. Application of "Accounting Standard for Equity Method of Accounting for Investment" and "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method"

From the first quarter of the fiscal year ending March 2011, Nifco applied the "Accounting Standard for Equity Method of Accounting for Investment" (ASBJ Statement No. 16, March 10, 2008) and the "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" (ASBJ PITF No. 24, March 10, 2008).

These changes had little effect on profits and losses for the first half period.

#### 3. Application of "Accounting Standard for Corporate Consolidation," etc.

From the first quarter of the fiscal year ending March 2011, Nifco applied the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, December 26, 2008), the "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, December 26, 2008), the "Partial Amendments to Accounting Standard for Research and Development Costs" (ASBJ Statement No. 23, December 26, 2008), the "Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, December 26, 2008), the "Accounting Standard for Equity Method of Accounting for Investment" (ASBJ Statement No. 16, December 26, 2008), and the "Implementation Guidance on Accounting Standard for Business Combinations and the Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, December 26, 2008).

With these changes, unrealized net gains (losses), which had been recorded using the partial fair

value method, were booked using the full fair value method at the beginning of the fiscal year of initial application of these accounting standards. As a result, valuation differences for “Land” under “Tangible fixed assets”, “Deferred tax liabilities” under “Long-term liabilities”, and “Minority shareholders’ interests” increased by 36 million yen, 7 million yen, and 28 million yen, respectively.

**4) Summary of significant events related to the premise of going concern**

None

### 3. Consolidated Financial Statements

#### 1) Consolidated Balance Sheets for First Half of FY2010

(Unit: Millions of yen)

	At the end of the first half of FY2010 (September 30, 2010)	Summary of consolidated balance sheets concerning the end of FY2009 (March 31, 2010)
<b>Assets</b>		
<b>Current Assets</b>		
Cash and deposits	36,035	36,966
Notes and accounts receivable	24,535	24,562
Marketable securities	3,412	3,579
Merchandise and finished goods	6,392	6,364
Work in process	1,330	1,216
Raw materials and supplies	2,539	2,445
Deferred tax assets	1,093	1,134
Income taxes receivable	-	183
Others	3,078	2,439
Allowance for doubtful accounts	(75)	(75)
<b>Total Current Assets</b>	<b>78,343</b>	<b>78,817</b>
<b>Fixed Assets</b>		
<b>Tangible fixed assets</b>		
Buildings and structures (net base)	11,951	12,524
Machinery, equipment and vehicles (net base)	4,722	4,743
Molds (net base)	2,374	2,495
Tools, furniture and fixtures (net base)	1,834	1,960
Land	13,034	11,904
Construction in progress	2,331	1,726
Others (net base)	189	206
<b>Total Tangible Fixed Assets</b>	<b>36,437</b>	<b>35,560</b>
<b>Intangible fixed assets</b>		
Goodwill	329	424
Others	596	710
<b>Total Intangible Fixed Assets</b>	<b>926</b>	<b>1,135</b>
<b>Investments and other assets</b>		
Investment securities	6,244	5,615
Deferred tax assets	375	381
Others	1,208	1,185
Allowance for doubtful accounts	(156)	(26)
<b>Total Investments and Other Assets</b>	<b>7,671</b>	<b>7,157</b>
<b>Total Fixed Assets</b>	<b>45,035</b>	<b>43,852</b>
<b>Total Assets</b>	<b>123,378</b>	<b>122,670</b>

(Unit: Millions of yen)

	At the end of the first half of FY2010 (September 30, 2010)	Summary of consolidated balance sheets concerning the end of FY2009 (March 31, 2010)
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Notes and accounts payable	12,420	12,639
Short-term borrowings	-	744
Other payables	1,811	2,267
Income taxes payable	1,430	2,074
Accrued bonuses	1,200	1,091
Others	5,607	4,110
<b>Total Current Liabilities</b>	<b>22,471</b>	<b>22,927</b>
<b>Long-term Liabilities</b>		
Bonds payable	15,000	15,000
Long-term indebtedness	2,516	3,295
Deferred tax liabilities	529	680
Liability for severance and retirement benefits	1,684	1,449
Others	356	250
<b>Total Long-term Liabilities</b>	<b>20,087</b>	<b>20,676</b>
<b>Total Liabilities</b>	<b>42,558</b>	<b>43,603</b>
<b>Net Assets</b>		
<b>Shareholders' Equity</b>		
Common stock	7,290	7,290
Additional paid-in capital	11,651	11,651
Retained earnings	68,450	65,023
Treasury stocks	(783)	(1,064)
<b>Total Shareholders' Equity</b>	<b>86,609</b>	<b>82,900</b>
<b>Valuation, Translation Adjustments and Others</b>		
Net unrealized gain on securities	131	363
Revaluation reserve for land	(85)	(85)
Foreign currency translation adjustments	(8,310)	(6,500)
<b>Total of Valuation, Translation Adjustments and Others</b>	<b>(8,264)</b>	<b>(6,221)</b>
<b>Minority Shareholders' Interests</b>	<b>2,476</b>	<b>2,388</b>
<b>Total Net Assets</b>	<b>80,820</b>	<b>79,067</b>
<b>Total Liabilities and Net Assets</b>	<b>123,378</b>	<b>122,670</b>

**2) Consolidated Statements of Income for First Half of FY2010**  
(First half of FY2010)

(Unit: Millions of yen)

	First Half FY2009 (April 1 to September 30, 2009)	First Half FY2010 (April 1 to September 30, 2010)
Net sales	48,508	60,713
Cost of sales	34,961	40,745
Gross profit	13,547	19,968
Selling, general and administrative expenses	11,757	12,755
Operating profit	1,790	7,213
Non-operating profits		
Interest income	162	128
Investment gains on equity method	-	3
Others	182	184
Total non-operating profits	345	317
Non-operating expenses		
Interest expenses	158	154
Foreign exchange losses	384	476
Investment losses on equity method	164	-
Others	59	87
Total non-operating expenses	767	718
Recurring profit	1,368	6,812
Extraordinary profits		
Gains on sales of fixed assets	20	26
Gains on redemption of securities	35	-
Others	1	1
Total extraordinary profits	57	27
Extraordinary losses		
Loss on revaluation of investment securities	1	-
Loss on valuation of golf club memberships	43	-
Plant relocation expenses	43	-
Provision of allowance for doubtful accounts	-	132
Others	120	89
Total extraordinary losses	209	222
Income before income taxes	1,216	6,617
Corporate taxes	571	1,809
Income before minority interests	-	4,808
Minority interests	97	252
Net income	546	4,555

(Second quarter of FY2010)

(Unit: Millions of yen)

	Second Qtr. FY2009 (July 1 to September 30, 2009)	Second Qtr. FY2010 (July 1 to September 30, 2010)
Net sales	26,316	31,285
Cost of sales	18,617	20,983
Gross profit	7,698	10,301
Selling, general and administrative expenses	5,909	6,393
Operating profit	1,789	3,907
Non-operating profits		
Interest income	79	67
Others	120	81
Total non-operating profits	199	149
Non-operating expenses		
Interest expenses	85	77
Foreign exchange losses	326	225
Investment losses on equity method	145	55
Others	43	34
Total non-operating expenses	600	394
Recurring profit	1,388	3,662
Extraordinary profits		
Gains on sales of fixed assets	18	1
Others	0	0
Total extraordinary profits	18	1
Extraordinary losses		
Loss on revaluation of investment securities	1	-
Loss on valuation of golf club memberships	43	-
Provision of allowance for doubtful accounts	-	132
Others	76	25
Total extraordinary losses	122	157
Income before income taxes	1,285	3,506
Corporate taxes	512	1,000
Income before minority interests	-	2,506
Minority interests	67	114
Net income	705	2,392

### 3) Consolidated Statement of Cash Flows for First Half of FY2010

(Unit: Millions of yen)

	First Half FY2009 (April 1 to September 30, 2009)	First Half FY2010 (April 1 to September 30, 2010)
<b>Cash Flows from Operating Activities</b>		
Income before income taxes	1,216	6,617
Depreciation	3,537	2,796
Amortization of goodwill	37	22
Increase (decrease) in allowance for doubtful accounts	(3)	134
Increase (decrease) in accrued bonuses	(13)	108
Increase (decrease) in retirement allowances	137	241
Interest income and dividends received	(192)	(156)
Interest expenses	158	154
Foreign currency exchange (gains) loss	219	325
Investment (gains) loss on equity method	164	(3)
(Gains) loss on sales of fixed assets	-	(26)
(Gains) loss on redemption of securities	(35)	-
(Gains) loss on revaluation of investment securities	1	-
(Increase) decrease in trade receivables	(1,984)	(533)
(Increase) decrease in inventories	658	(562)
(Increase) decrease in other assets	(213)	(690)
Increase (decrease) in trade payables	1,304	23
Decrease / increase in consumption taxes receivable / payable	228	(170)
Increase (decrease) in other liabilities	0	(20)
Others	137	251
<b>Subtotal</b>	<b>5,359</b>	<b>8,512</b>
Interest income and dividends received	185	154
Interest paid	(146)	(156)
Corporate taxes refund (paid)	891	(2,208)
<b>Net cash provided by operating activities</b>	<b>6,289</b>	<b>6,301</b>
<b>Cash Flows from Investing Activities</b>		
Increase in time deposits	(3,766)	(1,455)
Decrease in time deposits	2,419	2,243
Expenditures for purchase of marketable securities	(0)	(673)
Proceeds from sales and redemption of marketable securities	537	2,535
Expenditures for fixed assets	(4,141)	(4,406)
Proceeds from sales of fixed assets	37	42
Expenditures for purchases of investment securities	(531)	(3,022)
Proceeds from sales of investment securities	611	6
Payment for loans receivable	(8)	(25)
Proceeds from collection of loans receivable	2	24

(Unit: Millions of yen)

	First Half FY2009 (April 1 to September 30, 2009)	First Half FY2010 (April 1 to September 30, 2010)
Payments for acquisition of shares of subsidiary	(9)	(1)
Others	87	(69)
Net cash provided by (used in) investing activities	(4,761)	(4,802)
Cash Flows from Financing Activities		
Proceeds from short-term borrowings	1,993	68
Repayments of short-term borrowings	(2,579)	(85)
Repayments of liabilities for finance leases	(31)	(10)
Proceeds from long-term loans payable	2,882	274
Repayments of long-term indebtedness	(3)	(164)
Proceeds from sales of treasury stocks	0	221
Expenditures for purchases of treasury stocks	(0)	(3)
Cash dividends	(1,278)	(1,066)
Cash dividends to minority shareholders	(241)	(166)
Net cash provided by (used in) financing activities	740	(931)
Foreign exchange rate adjustment	360	(867)
Net increase (decrease) in cash and cash equivalents	2,628	(300)
Cash and cash equivalents-beginning balance	28,711	34,108
Cash and cash equivalents-ending balance	31,339	33,807

#### 4) Going concern issues

None

#### 5) Segment Information

##### Business segment information

For the consolidated first half of FY2009 (April 1 to September 30, 2009)

(Unit: Millions of yen)

	Industrial plastic parts & components	Bedding & furniture	Newspapers & publishing	Other businesses	Total	Elimination & corporate expenses	Consolidated figures
Net sales							
(1) Sales to customers	38,701	6,481	1,248	2,076	48,508	-	48,508
(2) Inter-segment sales amount	-	0	8	5	13	(13)	-
Total	38,701	6,481	1,257	2,081	48,522	(13)	48,508
Operating profit (losses)	3,044	304	(184)	111	3,276	(1,485)	1,790

##### Geographic segment information

For the consolidated first half of FY2009 (April 1 to September 30, 2009)

(Unit: Millions of yen)

	Japan	Asia	North America	Europe	Total	Elimination & corporate expenses	Consolidated figures
Net sales							
(1) Sales to customers	31,255	11,797	3,336	2,119	48,508	-	48,508
(2) Inter-segment sales amount	1,805	320	0	0	2,126	(2,126)	-
Total	33,060	12,118	3,337	2,119	50,635	(2,126)	48,508
Operating profit (losses)	2,519	1,138	(523)	(62)	3,070	(1,280)	1,790

##### Overseas sales

For the consolidated first half of FY2009 (April 1 to September 30, 2009)

	North America	Asia	Europe	Others	Total
I Overseas sales (Million yen)	3,410	11,838	2,004	25	17,279
II Consolidated sales (Million yen)	-	-	-	-	48,508
III Proportion of overseas sales to consolidated sales (%)	7.0	24.4	4.1	0.1	35.6

##### Segment information

###### 1. Summary of reported segments

The reported segments of Nifco are its constituent units on which separate financial information can be obtained, and the Board of Directors regularly examines them to determine the allocation of management resources and to evaluate earnings.

Nifco has two reported segments: the "Industrial plastic parts and components business" and the "Bedding and furniture business."

The main products and services of each reported segment are as follows:

- (1) Industrial plastic parts and components:.....Industrial plastic fasteners, precision plastic injection molded components, etc.
- (2) Bedding & furniture: .....Various types of beds, reclining chairs, etc.

2. Information about net sales, profit or loss for each reported segment  
For the consolidated first half of FY2010 (April 1 to September 30, 2010)

(Unit: Millions of yen)

	Reported segments			Other (Note1)	Adjustments (Note2)	Amount on consolidated financial statements (Note3)
	Industrial plastic parts & components	Bedding & furniture	Total			
Net sales						
Sales to customers	52,968	6,651	59,620	1,093	-	60,713
Inter-segment sales or transferred amount	0	0	0	33	(34)	-
Total	52,969	6,651	59,620	1,127	(34)	60,713
Segment profit (loss)	8,510	563	9,073	(180)	(1,679)	7,213
(Reference) Segment profit margin (%)	16.1	8.5	15.2	(16.0)		11.9

Notes:

- Others include newspaper and publishing businesses.
- Adjustments to segment loss of 1,679 million yen reflect company-wide costs of 1,744 million yen and transactions eliminated between segments totaling 65 million yen. Company-wide costs mainly refer to general and administrative expenses that do not belong to reported segments.
- Segment profit (loss) is adjusted by taking into account operating profit of quarterly financial statements.
- Segment profit margin is obtained by dividing segment profit (loss) by net sales of each segment.

(Reference)

**Geographic segment information**

For the consolidated first half of FY2010 (April 1 to September 30, 2010)

(Unit: Millions of yen)

	Japan	Asia	North America	Europe	Total	Elimination & corporate expenses	Consolidated figures
Net sales							
(1) Sales to customers	33,361	17,801	6,432	3,118	60,713	-	60,713
(2) Inter-segment sales amount	2,170	1,247	2	0	3,421	(3,421)	-
Total	35,531	19,049	6,435	3,119	64,135	(3,421)	60,713
Operating profit	4,474	3,347	429	280	8,532	(1,319)	7,213
(Reference) Segment profit margin (%)	12.6	17.6	6.7	9.0	13.3		11.9

**Overseas sales**

For the consolidated first half of FY2010 (April 1 to September 30, 2010)

	North America	Asia	Europe	Others	Total
I Overseas sales (Million yen)	6,703	17,869	2,999	39	27,612
II Consolidated sales (Million yen)	-	-	-	-	60,713
III Proportion of overseas sales to consolidated sales (%)	11.0	29.4	4.9	0.1	45.5

(Additional information)

From the first quarter of the fiscal year ending March 2011, Nifco applied the “Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ No. 17, March 27, 2009) and the “Implementation Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Guidance No. 20, March 21, 2008).

**6) Notes when there are significant changes in shareholders' equity**

None