

STOCK INFORMATION

Introduction of Shareholder Special Benefit Plan

We have a shareholder special benefit plan, which we operate as a token of our appreciation for the support of our shareholders and to increase the number of shareholders by enhancing the appeal of shares in the Company.

● Details of Special Benefit Plan

Targets:

Shareholders who hold a unit of shares (1,000 shares) or more on the record date (March 31) of each year.

Benefit:

The target shareholders will be presented with our products valued at 5,000 yen.

Shipment:

Gifts will be shipped in July.

Introduction to Our Web Site

<http://www.kyokuyo.co.jp>

KYOKUYO Internet Search



Our website contains a top page (news and topics), information about the Company, IR information, product information, and the latest information from the Kyokuyo Group. The website also includes an inquiry form which you can use to send us your opinions and questions.

Shareholders Information

Business year: April 1 to March 31 next year

Ordinary general meeting of shareholders: June of each year

Record date for exercising voting rights at the ordinary general meeting of shareholders: March 31

Term-end dividend record date: March 31

Media for public notice: Nihon Keizai Shimbun

Shareholders list manager and special purpose bank accounts manager: Mitsubishi UFJ Trust and Banking Corporation

Contact information: Transfer Agency, Mitsubishi UFJ Trust and Banking Corporation
10-11 Higashisuna 7-chome,
Koto-ku, Tokyo 137-8081
Phone: 0120-232-711 (toll-free in Japan)

(Note)

- 1.Procedures for shareholders' requests for changes of address and share purchases by stock companies shall, in principle, be performed by the account management agencies (securities firms etc.) for shareholders. Please ask the securities firm etc. where you have your account about the procedures. The shareholders list manager (Mitsubishi UFJ Trust and Banking Corporation) cannot handle the procedures.
- 2.For procedures concerning shares in your special purpose bank account, please ask Mitsubishi UFJ Trust and Banking Corporation, which is the special purpose bank accounts manager. Branches of Mitsubishi UFJ Trust and Banking Corporation nationwide are able to accept inquiries.
- 3.Dividends that you have not received will be paid at the head office or branches of Mitsubishi UFJ Trust and Banking Corporation.



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BUSINESS REPORT

April 1, 2010 - March 31, 2011

88th Business Report



KYOKUYO CO., LTD.

3-5, Akasaka 3-chome, Minato-ku, Tokyo, 107-0052





Chairman & CEO
Kiyokazu Fukui

President
Hisaki Tada

I am pleased to present this business report for the 88th fiscal term (term ended March 2011). I would like to take this opportunity to thank our shareholders for their support.

We would like to express our heartfelt sympathy to the people affected by the Great East Japan Earthquake on March 11. We look forward to the earliest recovery of the affected areas.

Before reporting the operations and results of the Company for the fiscal year ended March 31, 2011, we wish to report that the Kyokuyo Group adopted a new management structure on April 1 this year. Kiyokazu Fukui, our former president, has become chairman & CEO. Hisaki Tada, former senior managing director, has taken up the post of president. We will continue to strive to enhance our corporate value by accelerating business operations and establishing a stronger system of governance.

The 89th term, or the fiscal year ending March 31, 2012, is the final fiscal year of our medium-term business plan “Kyokuyo Group Challenge 2012.” The fiscal year began with the considerable uncertainty caused by the Great East Japan Earthquake, which wrought unprecedented damage, as well as the accident at the Fukushima I Nuclear Power Plant. However, we will not change our direction, but will aim to consolidate our foundations this fiscal year in preparation for a new medium-term business plan from next year, pursuing our global and processing strategies and strengthening profitability.

We look forward to your continued support and cooperation.

June 2011

The progress of the medium-term business plan “Kyokuyo Group Challenge 2012” and future management policy

Overall performance in the fiscal year ended March 2011 and the progress of Kyokuyo Group Challenge 2012

The Group developed Kyokuyo Group Challenge 2012, a three-year medium-term business plan, in April 2009. The entire Group then began efforts to achieve the targets set out in the plan: to ensure stable earnings in existing businesses by increasing the distinctiveness and superiority of the Group and to make inroads into growth fields.

In the fiscal year under review, the second year of the plan, the world economy recovered moderately, and there were signs of improvement in part of the Japanese economy, including corporate earnings, from the autumn.

In the marine products and food industries, international controls over resources, especially tuna, were tightened, while fish consumption increased, especially in Europe, the United States, and Asia. As a result, an imbalance of demand versus supply emerged for certain species.

In the circumstances, the Group sought to expand sales in each segment. Partly because of the contribution of new consolidated subsidiaries, the Group has halted the downward trend in sales in the past few years. Unfortunately, however, income fell short of the plan.

In the Marine Products Purchasing Business, we were able to expand revenues by purchasing moderate volumes of products on a timely basis in accordance with market conditions and by expanding trading volumes of value-added products, including fillets and slices of salmon, trout, and flounder, as well as shelled crab meat, leveraging the expertise and strong relations with suppliers in Japan and overseas we have developed over many years.

In the processed & frozen marine products business of our Frozen Foods Business, we expanded trading volumes of our mainstay sushi toppings, while also bolstering products for

cooking, including fish that is grilled or cooked, by developing products to meet the diversified needs of consumers and increasing sales to major users, such as conveyor belt sushi restaurant chains and volume retailers. In the cooked frozen foods business, we took steps to expand sales of *Ocean King no Kiwami* (imitation crab meat), and fried seafood, including deep-fried shrimp. However, we could not entirely offset weak sales caused by rising prices of raw materials in the first half.

In the Shelf-Stable Foods Business, which became an independent segment in the fiscal year under review, we focused on expanding sales of canned seafood and seafood delicacies of Jokki Co., Ltd. and began to engage in new categories, such as snacks. These efforts resulted in an increase in sales.

In the Logistics Business, the cold storage business performed well, but we posted a loss in the refrigeration ship business because of a decline in production volumes of agriculture products, including bananas, which are major cargo, due to abnormal global weather and low freight rates caused by falls in demand reflecting sluggish European economies.

Revenues in the overseas purse-seine fishing operation in the Tuna Business were short of the plan, reflecting lower-than-expected prices of skipjack, although the catch exceeded the year-ago level partly thanks to the good performance of the *Wakaba Maru No. 7*, a state-of-the-art purse-seiner completed in the autumn of the year before last. *Hon-Maguro no Kiwami*, which was farmed in Kochi by Kyokuyo Marine Farm Co., Ltd., was well received in the market, and the business moved into the black, aided by strong sales, in the fiscal year under review. Sales in the processing and sales business increased, attributable to rises in the volume of trading with major conveyor belt sushi restaurants chains and volume retailers.



Corporate Ideal

Aiming to grow together with
society, contributing to a healthy
and heart-enriched lifestyle and
food culture based on
management of human respect

**M&A strategy in the fiscal year under review:
Enhancing our strengths**

The Group is expanding its operations with each business segment consolidating the foundations in its area operations. In the fiscal year ended March 31, 2011, the Group made large-scale investments, including M&A, which has not been in the recent years.

First, we established Kyokuyo Marine Ehime Co., Ltd. to enhance our capability to source raw tuna. Kyokuyo Marine Ehime, the second Group company following Kyokuyo Marine Farm Co., Ltd. in our tuna farming business. We plan to ship 150 tons of tuna annually from autumn of next year.

Second, we carried out a series of mergers and acquisitions to bolster our processing system and to expand our sales routes to core customers, convenience stores, conveyor belt sushi bars, and restaurants.

We acquired Kaiyo Foods Co., Ltd. to expand trading volumes of salted products, mainstays in the salmon and trout business. With Kaiyo Foods, the Hachinohe plant of Kyokuyo Shokuhin Co., Ltd., and other facilities, the Group has one of the largest shares in the domestic market. Kaiyo Foods launched *Shiretoko Salted Salmon in the World Natural Heritage Shiretoko Series*, autumn salmon caught in the Shiretoko region of Hokkaido and processed in the company's low-temperature circulation system, which brings out unique flavor. The product received a greater response than expected, and we are looking forward to strong sales.

We believe that Kyokuyo Fresh Co., Ltd. will generate a great deal of synergy between the Tuna Business and the processed & frozen marine products business, which produces sushi toppings among other products, making the most of the company's advanced facilities and their good location and its expertise in the production and distribution of fresh and chilled products.

STI Co., Ltd. has expertise in product development, distribution, and sales to major convenience store chains. The *Ne-gitoto* of Kyokuyo Fresh, the Ocean King of Kyokuyo Foods, and other fillets and slices have been already sold through the sales routes of STI. We anticipate that opportunities to present Kyokuyo products to consumers will increase.

Effects of Great East Japan Earthquake on the Company

Fortunately, the Group suffered no casualties from the earthquake. However, the Shiogama Laboratory of the Company (Shiogama, Miyagi), the main plant (Shiogama, Miyagi), Hachinohe plant (Hachinohe, Aomori), and Hitachinaka plant (Hitachinaka, Ibaraki) of the consolidated subsidiary Kyokuyo Shokuhin sustained damage.

The plans sustained damage to their buildings and machinery, as well as to merchandise and products. Other plants to which we outsource production were also damaged. In addition, merchandise stored or in transit in refrigerators, raw materials, and other inventory thawed or were damaged be-

cause of load shifts, power outages, and the tsunami.

The Group posted a loss on disaster of 621 million yen. The three damaged plants began to resume operation from April, following Group-wide efforts to examine and repair them.

We are concerned about harmful rumors associated with the accident at the Fukushima I Nuclear Power Plant. Considering the stable supply of safe food to be the Group's social mission, we will comply with applicable laws and regulations and with the instructions of ministries, agencies, and other government institutions, taking appropriate action based on scientific and objective evidence.

Plan for 89th term (year ending March 31, 2012)

The 89th term (fiscal year ending March 31, 2012) is the last year of the Group's medium-term business plan Kyokuyo Group Challenge 2012. With an undaunted spirit, we will recover from the damage caused by the earthquake as soon as possible and will produce the outcome appropriate for the final year. This will become a foothold for a three-year medium-term business plan starting next fiscal year.

In the Marine Products Purchasing Business, we will continue our efforts to develop value-added products and sales routes.

In the processed & frozen marine products business of our Frozen Foods Business, we will focus on the sushi-related business, one of the strengths of the Group, and will bol-

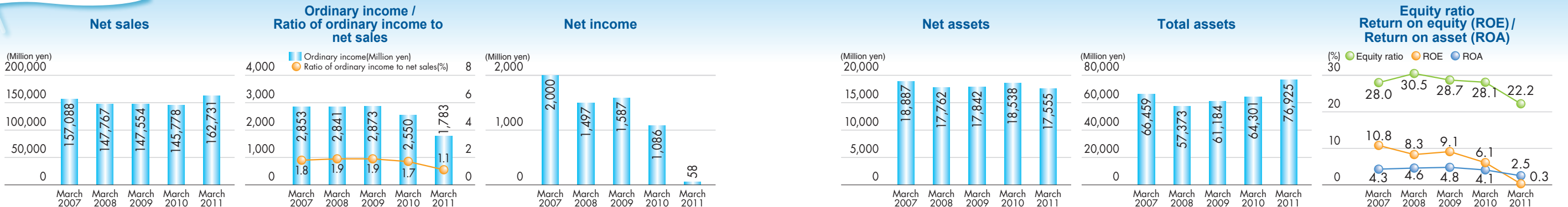
ster sales of the existing products of K&U Enterprise Co., Ltd. (KUE), sources in Vietnam and Indonesia, and trading volumes of new chilled products of Kyokuyo Fresh. In the cooked frozen foods business, we will seek to optimize the production systems of domestic and overseas plants and will pursue improvements in safety and quality.

In the Shelf-Stable Foods Business, we aim to give the Kyokuyo brand a national profile by expanding sales in western Japan. We will also take steps to expand our sales channels and boost sales of canned skipjack made from skipjack caught by the Wakaba Maru fleet of Kyokuyo Suisan Co., Ltd., canned food, especially canned agricultural products, imported primarily from Thailand, Tetra Recart products, including sweet corn and tomato products, and Jokki products. We will seek to generate earnings from the refrigeration ship business of our Logistics Business by raising freight charges and charter rates and reducing expenses.

In the Tuna Business, yet another strength of the Group, we will consolidate our revenue base by continuing to secure fishery grounds for the overseas purse seine fishing business, expand sales of Kyokuyo Fresh products, and invest in expanding the farming business.

As a result of these initiatives, we expect to post net sales of ¥174.0 billion, operating income of ¥3.2 billion, ordinary income of ¥3.0 billion, and net income of ¥1.7 billion on a consolidated basis for the 89th term.

Key Consolidated Financial Data



BUSINESS OVERVIEW

The Processed Foods Business was split into two businesses in the fiscal year ended March 31, 2011: the Frozen Foods Business and the Shelf-Stable Foods Business.

In the Marine Products Purchasing Business, we reliably source high-quality seafood from the oceans of the world through our global network of domestic branches and offices, and overseas subsidiaries and representative offices. In doing so, we make the best use of our expertise and our relations with domestic and overseas suppliers, built over many years. We offer a range of products, including fillets and slices, which are processed in associated plants in Japan and abroad in response to a diverse array of customer needs.

Meanwhile, we export seafood caught in Japan and sell products overseas by triangular trade, which reflects the globalization of fish consumption.



IpponShobu (uncoiled tiger shrimp) A fillet processing plant in China

The Frozen Foods Business consists of two segments: the processed & frozen marine products and the prepared frozen foods businesses. We process foodstuffs such as marine products and livestock products to meet the needs of our customers. We provide safe and secure products for customers through a comprehensive quality control system.

In the processed & frozen marine products business, we sell sushi toppings and fish to be grilled and cooked, which are processed in Japan or overseas and sold to restaurants, including conveyor belt sushi restaurants, volume retailers, and food services for medical institutions, including hospitals, in Japan. Frozen sushi and sushi toppings produced at KUE in Thailand are exported not only to Japan, but also to Europe, the United States, Oceania and other Asian countries. They are also shipped to Asia and Oceania.

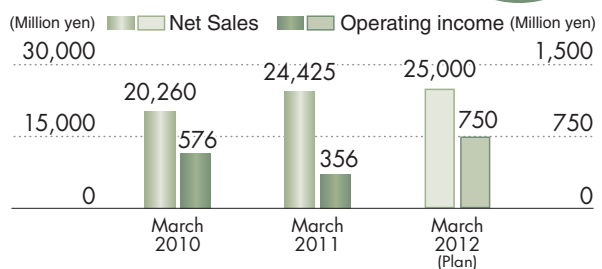
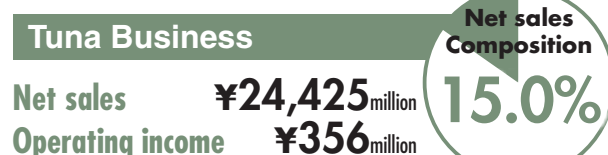
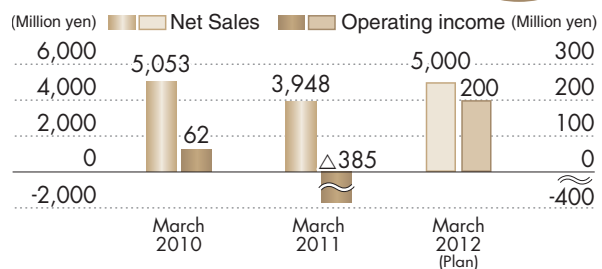
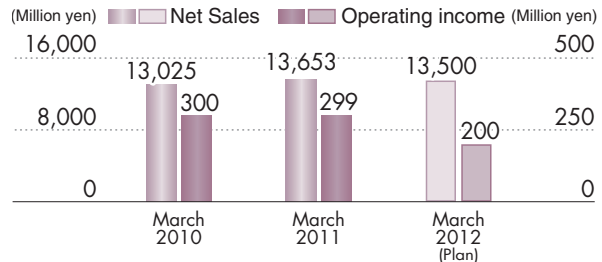
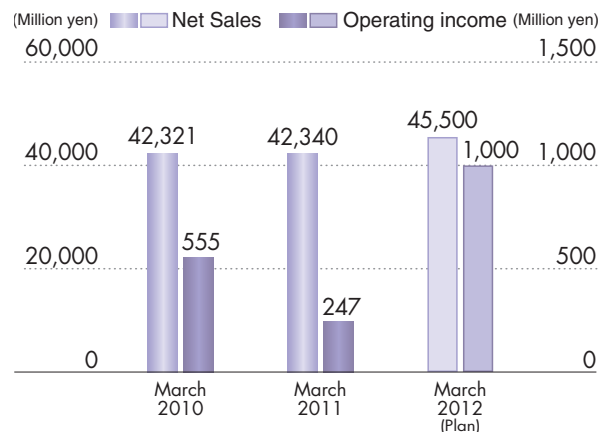
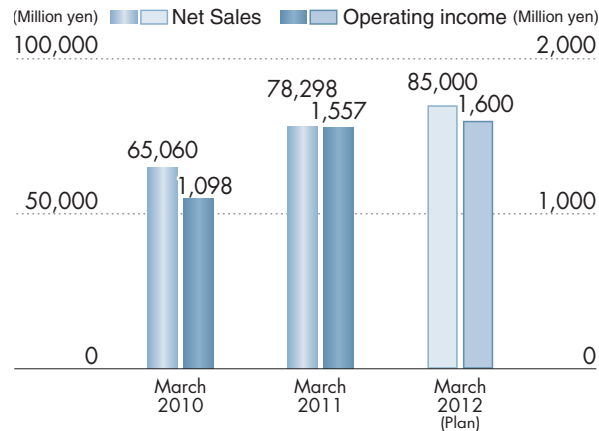
In the prepared frozen foods business, we sell deep-fried food, including shrimp fritters and creamy croquettes, Ocean King (imitation crab meat), livestock products, and frozen vegetables to the deli departments of volume retailers, the food service industry, and school catering businesses.



Creamy deep-fried food



Production of frozen sushi at KUE



Our lineup in the Shelf-Stable Foods Business is extensive, including canned seafood such as skipjack, salmon, crab, Tetra Recart products including sweet corn, health food products such as glucosamine, seafood delicacies from our affiliate Jokki Co., Ltd., and snacks. With these products, we are providing palatability and health.



Benefiting from its accumulated expertise, Kyokuyo AkitsuReizo Co., Ltd. stores benefiting from its accumulated expertise, Kyokuyo AkitsuReizo Co., Ltd. stores cargo in three bases in Tokyo, Osaka and Fukuoka and Kyokuyo Shipping Co., Ltd. meanwhile ships a range of food items, especially bananas and other fruits and vegetables, worldwide in the refrigeration ship business.



Fukuoka Plant of the Kyokuyo AkitsuReizo Refrigerated cargo ship

In the tuna operations, we integrate entire operation from fishing, farming and purchasing to processing and marketing. We catch primarily skipjack using overseas purse-seiner of Kyokuyo Suisan Co., Ltd. in our overseas purse-seine fishing business.

To secure materials for our fresh tuna products, we farm tuna in Otsuki-cho, Kochi, and Ainan-cho, Ehime.

In the processing and sales business, the skipjack and tuna that we catch, farm, and buy from around the world are processed at the Oigawa Plant of Kyokuyo Suisan Co., Ltd., Kyokuyo Fresh Co., Ltd. and at cooperating plants in Japan and overseas, and are shipped as value-added products.



Wakaba Maru No. 7

Hon-Maguro no Kiwami

2010-2011 TOPICS



Kyokuyo Marine Ehime established

Kyokuyo Marine Ehime Co., Ltd. was established in Ainan-cho, Ehime as our second tuna farming company following Kyokuyo Marine Farm Co., Ltd. Young tuna have been placed in a fishpond and are being farmed for the first shipment in the autumn of 2012.

Location: Ainan-cho, Minamiwa-gun, Ehime

Young tuna being placed in the fishpond



A farm



Kyokuyo Fresh Co., Ltd. established

We acquired the operations and related assets of the former Kanesan Suisan. Kyokuyo Fresh Co., Ltd. commenced operation in July.

We aim to bolster our production system and expand sales channels, primarily in the Tuna Business and in our processed & frozen marine products operations, processing three categories of products: fresh, chilled, and frozen products.

Location: Edogawa-ku, Tokyo

May



Our smoked salmon winds gold medals at Monde Selection for the second consecutive year

Our sliced smoked salmon and cut smoked salmon won gold medals at the 49th Monde Selection for the second consecutive year in 2010.

Winning gold medals for the second consecutive year once again underlined the high quality of our products.

Sashimi Salmon and Jokki Co., Ltd.'s *Saketoba* won bronze medals.

Sliced smoked salmon and cut smoked salmon won gold medals for the third consecutive year and International High Quality Trophies in 2011.



Kyokuyo Fresh Co., Ltd.



Cutting up tuna to prepare Hon-Maguro no Kiwami

June



STI Co., Ltd. established

We purchased the businesses and related assets of the former Shin Tokyo International Inc. in September. Through the purchase, we have acquired Shin Tokyo International's expertise in the production, distribution, and sales of products to a major convenience store chain. We seek to generate synergy between STI Co., Ltd. and the businesses of the Group.

Location: Minato-ku, Tokyo



The building where STI Co., Ltd.'s office is located.



Shin Tokyo Enak Inc., an affiliate of STI Co., Ltd.

July

August



Kaiyo Foods Co., Ltd. becomes a subsidiary.

To expand the production capacity and sales channels of salted salmon, the mainstay of the salmon and trout business, we made Kaiyo Foods Co., Ltd. our subsidiary.

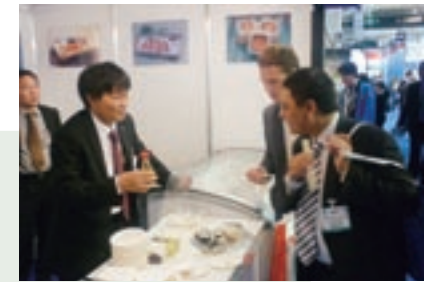
Location: Kamisu, Ibaraki



A gift set of Kaiyo Foods

PR

European Seafood Show



Japan International Seafood Show

Displayed our products at international shows

As part of our public relations activities, we displayed our products at international food shows, including the Japan International Seafood Show held in Tokyo in July, the European Seafood Show held in Brussels in May, and the Fine Food Show held in Auckland, New Zealand in June.



Co-sponsoring canoe events sponsored by the Japan Canoe Federation

As part of our environmental activities to attract society's attention to co-existing with nature and the importance of water resources, we co-sponsored the Japan Canoe Slalom Competition NHK Trophy (April 2010) and Japan Canoe Slalom Wild Water Competition (October 2010) sponsored by the Japan Canoe Federation.

A total of about 1,000 people participated in our canoe school, which we opened in Yamanakako Lake in the summer 15 years ago.

Kyokuyo Group Social and Environment Report 2010 published

In September 2010, we published the Kyokuyo Group Social and Environment Report 2010. The report was first published in 2007 and this is the fourth edition. The report describes the results of the Group's activities to protect the environment since December 2001 as well as the Group's social activities. We use the report as a tool for communicating the policies and activities of the Group, both within the Group and to the public. The Kyokuyo Group is committed to improving its environmental management and to fulfilling the trust and expectations of society.



The reports are available on our website.

<http://www.kyokuyo.co.jp/environment/>

Co-sponsoring Japan Fish Certification (Totoken)

We co-sponsored the first Japan Fish Certification Examination (sponsored by the Japan Fish Certification Association) held in Tokyo and Osaka in May 2010.

The certification is designed to stimulate interest in varied seasonal seafood, along with the skills of chefs and the associated habits, and to promote fish consumption.

As a comprehensive food company focusing on seafood, we support this goal and hope that the certification will help revive and preserve the traditional culture of Japanese fish consumption.



MERCHANDISE INFORMATION

This section introduces some of the products sold by the Group. Most of the Group's products are for food service. However, some shelf-stable foods and other products are available for retail sales.

Processed & frozen marine products

Processed marine products

Smoked Shiretoko salmon like raw ham

The product is made from autumn salmon caught off the coast of the World Natural Heritage Shiretoko. The rich flavor of the material is enhanced by our manufacturing process, which won gold medals at Monde Selection.



Shelf-stable food

Light flakes

(Flakes in skipjack oil)

Mixed with seasonal vegetables and a choice of seasonings, light flakes can be used in a range of meals such as tuna salad, tuna sandwiches, croquettes, fried rice, and stir-fried vegetables.

Sushi toppings



Sushi toppings are processed at KUE, a joint venture in Thailand, and other bases. Fresh materials such as shrimp, squid, and salmon are used. Products become authentic sushi toppings when they are thawed naturally or thawed using running water. And our products can be combined to create colorful and superb sushi dishes.

Frozen cooked food



Ocean King no Kiwami

Ocean King no Kiwami is made from high-quality mince and tastes like crab leg meat. Customers can enjoy the juicy taste and the texture of crab. The product comes in a five-piece pack and a version for fritters.



Proton frozen fillets of most fatty tuna, medium fatty tuna, and lean tuna

Fillets of fresh tuna cultivated at Kyokuyo Marine Farm Co., Ltd. in Kochi are processed meticulously using the proton freezing technique.

The fillets do not shrink and do not generate many drips when thawed. The taste is similar to that of raw tuna.



Proton freezing

Proton freezing is so called because the proton is the positive ion in hydrogen. Proton freezing prevents the destruction of cells of food and reduces drips.

Processed tuna products

Consolidated Balance Sheets

(Million yen)

Account Item	Current consolidated fiscal year (As of March 31, 2011)	Previous consolidated fiscal year (As of March 31, 2010)
ASSETS		
Current Assets	56,145	44,953
Fixed Assets	20,779	19,347
Property and Equipment	12,331	11,568
Intangible Assets	777	616
Investments and Other Assets	7,669	7,162
Total Assets	76,925	64,301
LIABILITIES		
Current Liabilities	50,190	38,637
Long-term Liabilities	9,178	7,125
Total Liabilities	59,369	45,763
NET ASSETS		
Shareholders' Equity	17,785	18,391
Accumulated other comprehensive income	△707	△339
Minority Interests	477	485
Total Net Assets	17,555	18,538
Total Liabilities and Net Assets	76,925	64,301

Key Points in the Consolidated Balance Sheet

Current Assets

- Current assets increased ¥11,100 million year on year, primarily attributable to a rise in merchandise and finished goods.

Fixed Assets

- Total fixed assets rose ¥1,400 million, reflecting an increase of ¥700 million in property and equipment with an increase in the number of consolidated subsidiaries and a rise of ¥500 million in investments and other assets primarily due to a climb in deferred tax assets.

Current Liabilities

- Current liabilities rose ¥11,500 million, primarily attributable to an increase in short-term borrowings with rises in running costs.

Long-term Liabilities

- Long-term liabilities climbed ¥2,000 million, mainly as a result of a rise in long-term debt due to M&A and an increase in the provision for retirement benefits.

Total Net Assets

- Net assets declined ¥900 million. The major factors were net income of ¥50 million, dividends of ¥500 million, and a valuation difference on available-for-sale securities.

Consolidated Statement of Income

(Million yen)

Account Item	Current consolidated fiscal year (from April 1, 2010 Period ended March 31, 2011)	Previous consolidated fiscal year (from April 1, 2009 Period ended March 31, 2010)
Net sales	162,731	145,778
Cost of sales	144,085	127,927
Gross profit	18,645	17,851
Selling, general and administrative expenses	17,056	15,670
Operating income	1,588	2,180
Non-operating income	631	769
Non-operating expenses	436	399
Ordinary income	1,783	2,550
Extraordinary gains	42	8
Extraordinary losses	970	385
Income before income taxes	854	2,173
Income taxes-current	1,195	1,204
Income taxes-deferred	△396	△281
Income (loss) on minority interests	△2	△164
Net income	58	1,086

Key points in the Consolidated Statement of Income

Net sales

(Increased ¥16,900 million year on year)

- Although net sales rose from the year-ago level in the Marine Products Purchasing Business, Shelf-Stable Foods Business, and Tuna Business, they remained almost flat in the Frozen Foods Business and fell in the Logistics Business. Overall net sales increased 11.6% year on year.

Operating income

(Decreased ¥500 million year on year)

- While operating income increased from a year ago in the Marine Products Purchasing Business, it declined in the Frozen Foods Business, Logistics Business, and Tuna Business. Overall operating income dropped 27.2% year on year.
- The operating margin slipped to 1.0%, from 1.5% for the previous fiscal year.

Ordinary income

(Decrease ¥700 million year on year)

- Ordinary income declined 30.1% year on year.
- The recurring margin was 1.1%, a fall from 1.7% in the previous fiscal year.

Extraordinary losses

(Increased ¥500 million year on year)

- The principal factors were a loss on disaster of ¥600 million and a loss on valuation of investment securities.

Net income

(Decreased ¥1,000 million year on year)

- Net income fell 94.6% year on year.

Consolidated Statement of Changes in Net Assets for the Current Consolidated Fiscal Year (from April 1, 2010 to March 31, 2011) (Million yen)

	Shareholders' equity				Accumulated other comprehensive income					Minority interests	Total net assets
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock, at cost	Total shareholders' equity	Unrealized holding gains on other securities	Gains on deferred hedge	Foreign currency translation adjustment	Total Accumulated other comprehensive income		
Balance as of March 31, 2010	5,664	749	12,589	△612	18,391	△333	24	△30	△339	485	18,538
Changes during the consolidated fiscal year											
Distribution of retained earnings			△529		△529						△529
Net income			58		58						58
Acquisition of treasury stock				△135	△135						△135
Net changes in items other than shareholders' equity during the consolidated fiscal year						△409	58	△17	△367	△8	△376
Total changes during the consolidated fiscal year	—	—	△470	△135	△606	△409	58	△17	△367	△8	△982
Balance as of March 31, 2011	5,664	749	12,119	△747	17,785	△742	83	△48	△707	477	17,555

Consolidated Statements of Cash Flow

(Million yen)

Account Item	Current consolidated fiscal year (from April 1, 2010 Period ended March 31, 2011)	Previous consolidated fiscal year (from April 1, 2009 Period ended March 31, 2010)
Net cash provided by operating activities	△5,079	2,326
Net cash provided by investing activities	△3,077	△4,515
Net cash provided by financing activities	8,837	1,142
Adjustment of cash and cash equivalents	△29	11
Net increase (decrease) in cash and cash equivalents	650	△1,035
Cash and cash equivalents at beginning of the year	2,672	3,707
Cash and cash equivalents at end of the year	3,322	2,672

Key points in the Consolidated Statement of Cash Flow

Net cash used in operating activities

- Net cash used in operating activities was ¥5,000 million with increases in notes and accounts receivable-trade and inventories.

Net cash used in investing activities

- Net cash used in investing activities was ¥3,000 million, mainly because of purchase of fixed assets and investment securities.

Net cash provided by financing activities

- Net cash provided by financing activities was ¥8,800 million, reflecting increases in short-term borrowings and long-term debt.

Nonconsolidated Balance Sheets (Million yen)

Account Item	88th fiscal term (As of March 31, 2011)	87th fiscal term (As of March 31, 2010)
ASSETS		
Current Assets	47,903	38,847
Fixed Assets	14,607	12,438
Property and equipment	4,354	3,048
Intangible assets	346	412
Investments and other assets	9,907	8,977
Total Assets	62,511	51,285
LIABILITIES		
Current Liabilities	43,923	33,750
Long-term Liabilities	4,951	3,677
Total Liabilities	48,875	37,428
NET ASSETS		
Shareholders' Equity	14,408	14,367
Valuation and Translation Adjustments, Etc.	△773	△509
Total Net Assets	13,635	13,857
Total Liabilities and Net Assets	62,511	51,285

Nonconsolidated Statement of Income (Million yen)

Account Item	88th fiscal term (from April 1, 2010 to March 31, 2011)	87th fiscal term (from April 1, 2009 to March 31, 2010)
Net sales	148,009	133,674
Cost of sales	131,437	118,183
Gross profit	16,572	15,491
Selling, general and administrative expenses	14,492	13,610
Operating income	2,080	1,880
Non-operating income	381	641
Non-operating expenses	274	257
Ordinary income	2,187	2,265
Extraordinary gains	0	0
Extraordinary losses	899	327
Income before income taxes	1,288	1,937
Income taxes-current	994	1,115
Income taxes-deferred	△412	△292
Net income	706	1,115

Corporate Profile (As of March 31, 2011)

Corporate name	Kabushiki Kaisha Kyokuyo	
English corporate name	KYOKUYO CO., LTD.	
Headquarters	3-5 Akasaka 3-chome, Minato-ku, Tokyo, 107-0052	
Established	September 3, 1937	
Stated capital	¥5,664 million	
Major businesses	Exports, imports, domestic purchasing and sales of marine products, and manufacture and sales of processed and frozen foods	
Employees	2,753 (consolidated) 533 (nonconsolidated)	
Number of consolidated companies	24	
Board of Directors (As of May 31, 2011)	Chairman CEO President Senior Managing Director Senior Managing Director Managing Director Managing Director Managing Director Director Director Director Full-time Corporate Auditor Full-time Corporate Auditor Corporate Auditor Corporate Auditor	Kiyokazu Fukui Hisaki Tada Kenichi Kadota Kenji Imai Tokihiko Sudou Takashi Kamii Yoshio Murakami Makoto Arato Masayoshi Hosaka Kenichi Matsuyuki Takatoshi Hosokawa Masataka Nakayama Koutaro Kubo Nobuo Chikura

Stock Information (As of March 31, 2011)

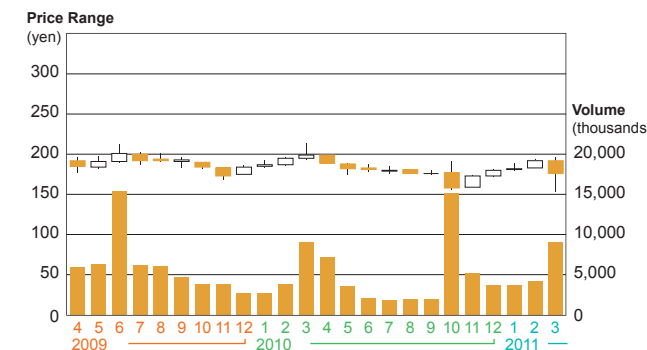
Total number of shares the company is authorized to issue:	437,000,000
Total number of shares issued:	109,282,837
Number of shareholders:	24,533
Major shareholders	

Shareholder's name	No. of shares held (thousands)	Equity position (%)
Japan Trustee Services Bank, Ltd.	6,106	5.81
Mitsui Sumitomo Insurance Co., Ltd.	5,701	5.42
Resona Bank, Limited	5,234	4.98
The Norinchukin Bank	4,450	4.23
TOYO SEIKAN KAISHA, LTD.	3,150	2.99
KAPPA · CREATE CO., LTD.	2,100	1.99
Tokio Marine & Nichido Fire Insurance Co., Ltd.	2,075	1.97
Kyokuyo Akitsukai	1,572	1.49
Chuo Gyorui Co., Ltd.	1,399	1.33
The Master Trust Bank of Japan, Ltd.	1,246	1.18

Statement of Changes in Net Assets for the Current Fiscal Term (from April 1, 2010 to March 31, 2011) (Million yen)

	Shareholders' equity								Valuation and translation adjustments, etc.				Total net assets	
	Common stock	Additional paid-in capital			Earned reserve	Retained earnings		Treasury stock, at cost	Total shareholders' equity	Unrealized holding gains on other securities	Gains on deferred hedge	Total valuation and translation adjustments, etc.		
		Capital reserve	Other capital surplus	Total capital surplus		General reserve	Retained earnings brought forward							Total retained earnings
Balance as of March 31, 2010	5,664	742	7	749	673	1,560	6,331	8,565	△612	14,367	△534	24	509	13,857
Changes during the current fiscal year														
Distribution of retained earnings							△529	△529		△529				△529
Net income							706	706		706				706
Acquisition of treasury stock									△135	△135				△135
Net changes in items other than shareholders' equity during the current fiscal year											△321	58	△263	△263
Total changes during the fiscal year	—	—	—	—	—	—	177	177	△135	41	△321	58	△263	△221
Balance as of March 31, 2011	5,664	742	7	749	673	1,560	6,508	8,742	△747	14,408	△856	83	△773	13,635

Trends of Stock Prices and Trading Volume



Distribution of shares by shareholder type

