

## Corporate Data

### Corporate Headquarters

Axial Retailing Inc.  
18-2 Nakagoya, Nagaoka City, Niigata Prefecture  
954-0193, Japan  
Tel: +81-258-66-6711  
Fax: +81-258-66-6727  
URL: <http://www.axial-r.com/>  
E-mail: [ir@axial-r.com](mailto:ir@axial-r.com)

### Date of Establishment

August 1967

### Number of Employees

2,337

### Chairman and Representative Director

Guntaro Yamazaki

### President and Representative Director

Kazuhiko Hara

### Vice President and Representative Director

Takeyuki Ueki

### Vice President and Director

Yasuo Igarashi

### Senior Managing Director

Bungo Yamagishi

### Managing Director

Akira Koide

### Directors

Hitoshi Moriyama  
Mitsuyuki Maruyama  
Toshio Kabe  
Iwao Hosokai

### Standing Corporate Auditors

Junichi Yako  
Kazuhiro Masuda  
Tomosaburo Fujita

### Corporate Auditor

Kenzo Kaneko

(As of June 25, 2014)



**The Finest Service in Japan**

ANNUAL REVIEW 2014 Year ended March 31, 2014

**Financial Highlights**

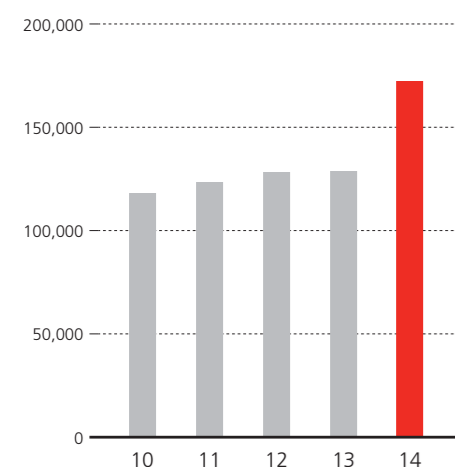
Years ended March 31

	Millions of Yen					Thousands of U.S. Dollars
	2014	2013	2012	2011	2010	2014
<b>For the Period:</b>						
Net sales	¥172,393	¥128,479	¥126,684	¥123,361	¥118,070	\$1,675,019
Operating income	5,519	3,901	4,131	3,824	3,296	53,623
Net income	2,830	2,036	1,758	1,348	1,426	27,492
<b>At Year-End:</b>						
Total assets	¥ 88,690	¥ 55,313	¥ 55,126	¥ 54,126	¥ 51,139	\$861,740
Total net assets	38,800	26,350	24,554	22,937	22,866	376,990
<b>Per Common Share:</b>						
	Yen					U.S. Dollars
Basic net income	¥138.71	¥116.29	¥99.99	¥75.17	¥79.19	\$1.35
Cash dividends	38.00	35.00	30.00	22.00	24.00	0.37

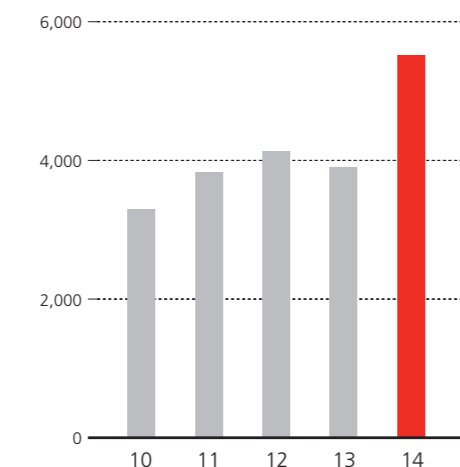
Notes: The U.S. dollar amounts are provided, for convenience only, at ¥102.92 to \$1, the approximate rate of exchange at March 31, 2014.

**Net Sales**

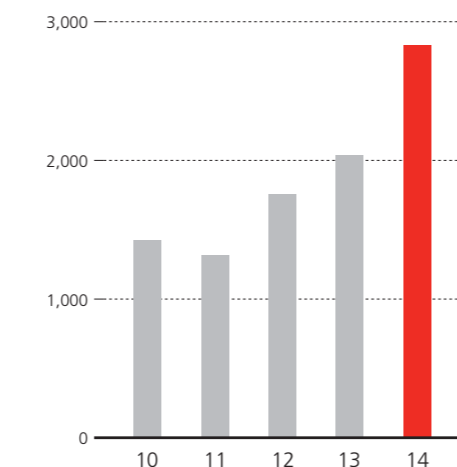
(Millions of yen)

**Operating Income**

(Millions of yen)

**Net Income**

(Millions of yen)

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**Message from the President****Message**

Axial Retailing Inc. was established on October 1, 2013, upon the business integration of Harashin Narus Holdings Co., Ltd. and Fressay Holdings Co., Ltd.

“Axial” was adopted as the new company name to represent our intention to create a new “axis” within the retailing industry that will contribute to society into the future.

Since the business integration, performance has been favorable. In fact, full-year operating results for fiscal 2014, the year ended March 31, 2014, have surpassed initial forecasts thanks to the support of stakeholders. The Company has made a strong start under its new name and is moving toward further growth.

Looking ahead, we will fully leverage the strength of our extensive store chains, which now comprise HARASHIN, NARUS and FRESSAY stores, thereby returning greater benefits to the members of every community in which we operate.

We sincerely ask for our shareholders' continued support.



原 和彦

President  
Kazuhiko Hara

## Overview of Business Operations

In fiscal 2014, the year ended March 31, 2014, corporate earnings growth in some domestic industry segments early in the year proved to be a harbinger of a later trend toward overall economic improvement. Moreover, in anticipation of the April 2014 consumption tax hike, a last-minute surge in demand triggered a temporary upturn in economic indices.

Against this backdrop, the consolidated business performance of the Axial Retailing Group was robust, with significant year-on-year improvement recorded for each management indicator. Specifically, consolidated net sales rose 34.2% year on year to ¥172,393 million and operating income climbed 41.5% to ¥5,519 million. Ordinary income grew 38.0% to ¥5,763 million, while net income increased 39.0% to ¥2,830 million. This was mainly attributable to the effect of the business integration of Harashin Narus Holdings Co., Ltd. and Fressay Holdings Co., Ltd. executed on October 1, 2013. Other factors contributing to the Group's strong showings included record-high full-year operating results posted by stores operated by the former Harashin Narus Group.

### • Overview

Because of intensifying market competition, not only from other store chains but also retailers in other market categories, the trend toward lower sales prices continues. At the same time, the Company is facing ongoing difficulties in securing sufficient gross profit due to cost concerns—rising market prices for perishables and disadvantageous foreign exchange rates as well as revisions in raw material prices are causing costs to surge.

Confronting these circumstances, the Axial Retailing Group is striving to realize a robust corporate structure capable of withstanding harsh market conditions.

In fiscal 2014, despite competition from some new market entrants, sales at existing stores increased 2.5% year on year. Moreover, both newly opened and renovated stores recorded favorable overall results. Consequently, total store sales grew 6.5% year on year, thanks to the success of the Company's initiatives aimed at boosting sales. We were thus able to improve the

gross profit ratio on storefront sales 0.3 of a percentage point year on year to 24.6% in the face of trends toward rising product purchase prices and intensifying sales competition. The favorable performance was mainly attributable to the success of the Company's initiatives to reduce waste and exhaustive application of a management method that systemizes and controls the entire sales cycle from drawing up and implementing a plan to reviewing outcomes on a weekly basis.

(Note: The aforementioned year-on-year comparison of total store sales reflects the fiscal 2013 operating results of FRESSAY stores calculated retrospectively.)

### • Business Integration

On October 1, 2013, Fressay Holdings became a wholly owned subsidiary of Harashin Narus Holdings through an exchange of shares. At the same time, Harashin Narus Holdings changed its company name to Axial Retailing Inc., rebranding itself and making a strong start as the new Axial Retailing Group, a corporate group with chains of stores that now cover six prefectures.

“Axial” was chosen for the new company name to convey the concept of a creating a new “axis” in the retailing industry that will contribute to society into the future.

Looking ahead, we will strive to create store chains capable of returning greater benefits to the members of every community in which we operate. To this end, we will rally the overall strengths of our regional chains, comprising HARASHIN, NARUS and FRESSAY stores.

### • Merchandising Policy

Since temperatures rose earlier than normal in spring 2013, consumers were prompted to buy leisure goods and summer-season products earlier than usual. Proceeds from these items contributed to overall sales growth. Following a prolonged rainy season, summer began with extreme heat. Although temperatures soon declined, by midsummer the heat was again severe. These temperature fluctuations led to fast-changing consumer trends

throughout the season. In autumn, perishable items saw market prices rise due to more frequent than usual typhoons hitting the region. Nevertheless, overall sales trends remained stable. Winter brought abnormally severe snowfalls that struck even areas where snow had never previously been recorded, temporarily disrupting store operations. However, the Group was able to make full use of its product procurement capabilities and know-how accumulated over years of doing business in high snow areas, thereby winning favorable responses from customers for its efforts to minimize their inconvenience. Moreover, operating results were further supported by such positive factors as the Sochi 2014 Olympic Winter Games and a last-minute surge in demand in anticipation of the consumption tax hike. In addition, the Group maintained a forward-looking approach in its product planning throughout fiscal 2014, keeping an eye on various factors that could impact demand. This vigilance





enabled the Group to implement optimal steps to best deal with changes in operating conditions.

To promote its private brand, the Company upgraded its lineup of products that are resilient to fluctuations in the market prices of perishable items while developing cost-competitive seasonal products. While successively reshuffling private brand products sold under Harashin Narus name to those sold under the Axial name, the Company initiated the supply of such products to FRESSAY stores.

In addition, the Axial Retailing Group is implementing an ongoing sales strategy dubbed “Challenge Products 101,” which intensively promotes well-selected products worth more to customers than their face value by utilizing the Group’s capability to purchase in bulk. Furthermore, the Group is continuously striving to boost sales of “Power Items,” low-cost, high-quality original products made using its food manufacturing functions.

• **Sales Policy**

The Company exhaustively executes a management method that systemizes and controls the entire sales cycle from drawing up and implementing a plan to reviewing outcomes on a weekly basis. This management method has been implemented in concert with another that is used at stores to control day-to-day operations. These are examples of how we continuously update our forward-looking business plans and apply them at stores to secure responsiveness to change in the operating environment and market competition.

In addition, we offer distinctive products to coincide with regional and seasonal festivals, thereby gaining favorable customer reviews. Moreover, during fiscal

2014, we held storefront events aimed at commemorating the business integration of Harashin Narus Holdings and Fressay Holdings. We also revised our sales promotion policies involving special storefront events that we have been holding every year in the month of the Group’s founding. All these events garnered high praise from customers.

Consequently, store traffic increased 0.8% year on year at existing stores while the total figure for the store chains improved 4.9% year on year, due mainly to the opening of new stores. The number of items sold per customer rose 0.8% year on year.

(Note: The aforementioned year-on-year comparisons on store traffic and the number of items sold per customer retrospectively reflect fiscal 2013 operating results of FRESSAY stores.)

• **Cost Control**

The Group is continuously implementing such initiatives as the control of labor hours in accordance with work plans and cutbacks in costs for waste products while reducing environmental expenses in step with the advantage of its ISO14001-based environment management system. In addition, the Group is pursuing various initiatives aimed at optimizing its use of resources throughout its operations.

Despite the aforementioned initiatives, selling, general and administrative (SG&A) expenses rose ¥10,464 million year on year on a consolidated basis, while the

ratio of SG&A expenses to net sales increased 0.1 of a percentage point year on year to 23.4%. Nevertheless, we consider these increases as falling within the scope of our estimation as we faced a number of factors that contributed to the rise in SG&A expenses during the fiscal year under review. Among these factors were the business integration of Harashin Narus Holdings and Fressay Holdings, which by increasing the number of stores also drove up expenses, as well as rising utility costs due to upward revisions in electricity rates, soaring crude oil prices that resulted in higher distribution costs and the construction of the Harashin Narus Nakanoshima Distribution Center.

• **Openings and Closings**

During the fiscal year under review, we opened three stores: HARASHIN Ueda Midorigaoka store (June; Ueda, Nagano Prefecture; Floor space: 2,085m<sup>2</sup>); HARASHIN

Nishi Shibata store (September; Shibata, Niigata Prefecture; Floor space: 2,087m<sup>2</sup>); and HARASHIN Kamegai store (November; Niigata, Niigata Prefecture; Floor space: 2,087m<sup>2</sup>). Moreover, following the business integration with Fressay Holdings on October 1, 2013, the Group’s business network has come to incorporate 49 supermarkets, six 100-yen shops and two fitness clubs that had been operated by Fressay Holdings.

We undertook renovations at HARASHIN Niitsu store (May; Niigata, Niigata Prefecture; Floor space: 2,392m<sup>2</sup>). In addition, FRESSAY Aramaki store in Maebashi, Gunma Prefecture, had been housing a 100-yen shop (Floor space: 546m<sup>2</sup>) run by Daiso Co.,Ltd. in accordance with a franchise contract between Fressay Holdings and the 100-yen shop. In February 2014, however, the Group terminated such franchise contract and went on to sign a tenant contract with this shop.

**Outline of the Harashin Narus Nakanoshima Distribution Center**

Site area:	21,867m <sup>2</sup>
Building area:	11,756m <sup>2</sup>
Total floor space:	22,509m <sup>2</sup> (two floors)
Destination of distribution:	All Harashin Narus stores
Items handled:	General foodstuff, alcohols, confections, sundries, etc.

In September 2013, the Harashin Narus Nakanoshima Distribution Center was completed in Nagaoka, Niigata Prefecture. This distribution center was established to enhance the Group’s

product procurement capabilities and optimize overall logistics structure. Moreover, by facilitating close collaboration between the center and each store, we will realize even more efficient store operations throughout each chain, and further, win the greater loyalty of our customers.



Following the launch of the center, we have seen fewer cases of stores facing product shortages. Also, profitability has improved, as the center provides stores with even fresher foodstuffs and thereby contributes to the enhancement of our sales capabilities. Furthermore, since the center has helped stores reduce their stockpiles and workloads, signs of improvements in store operation efficiency are emerging.

In addition, building on the stable launch of the Nakanoshima Distribution Center, the Company experimentally introduced a planned-for automatic ordering system. By utilizing this system, we hope to reduce the burden on stores’ workers for placing orders and ensure timely and accurate ordering, thereby maximizing the positive effects of the establishment of the center on our business operations.

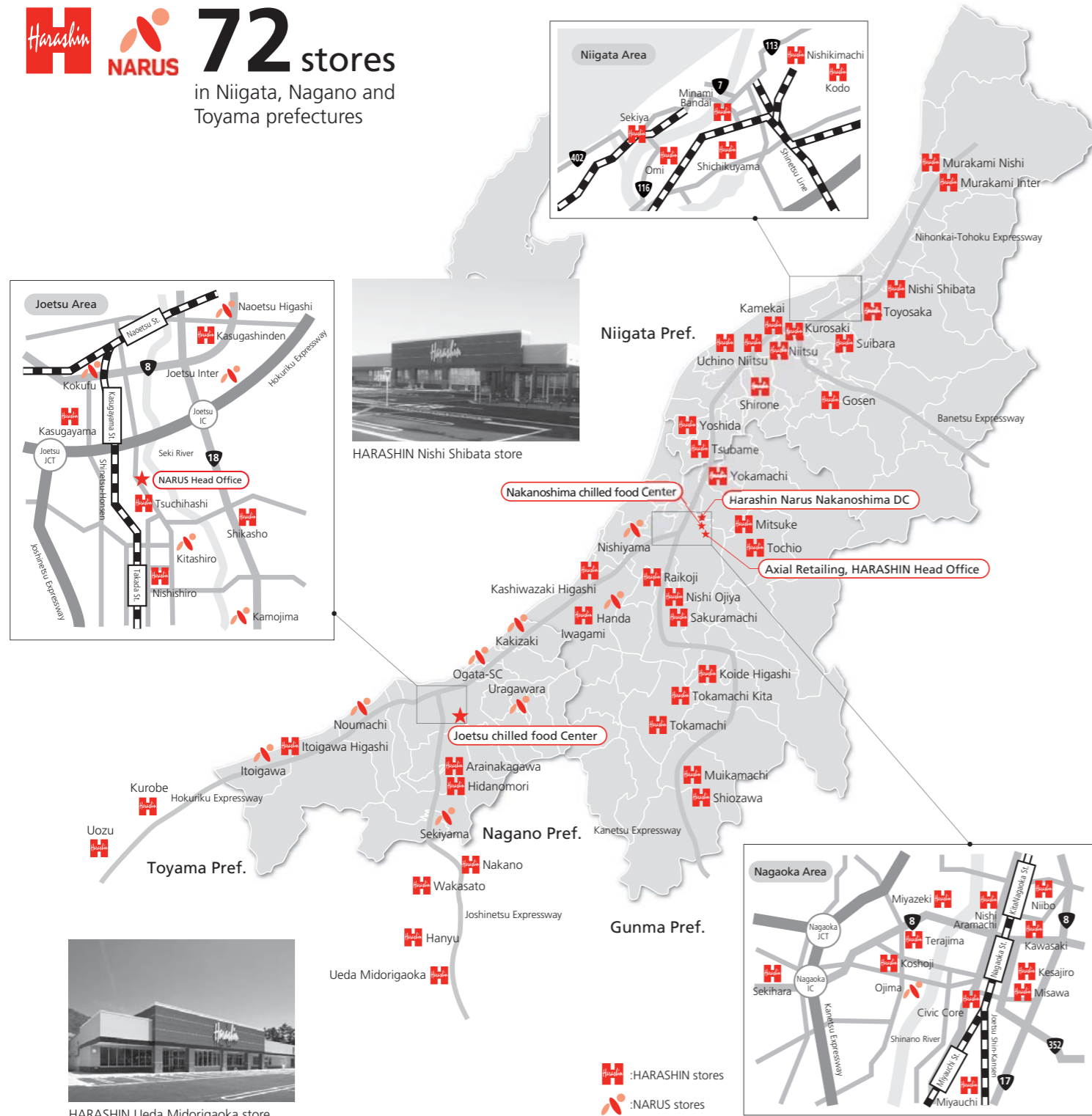


# Chances

## Development of Our Supermarket Network and Coverage Area

The Axial Retailing Group has made a new start as a regional chain store operator boasting the network of **121 stores** and annual net sales of approximately **¥200 billion**.

**72 stores**  
in Niigata, Nagano and  
Tochigi prefectures

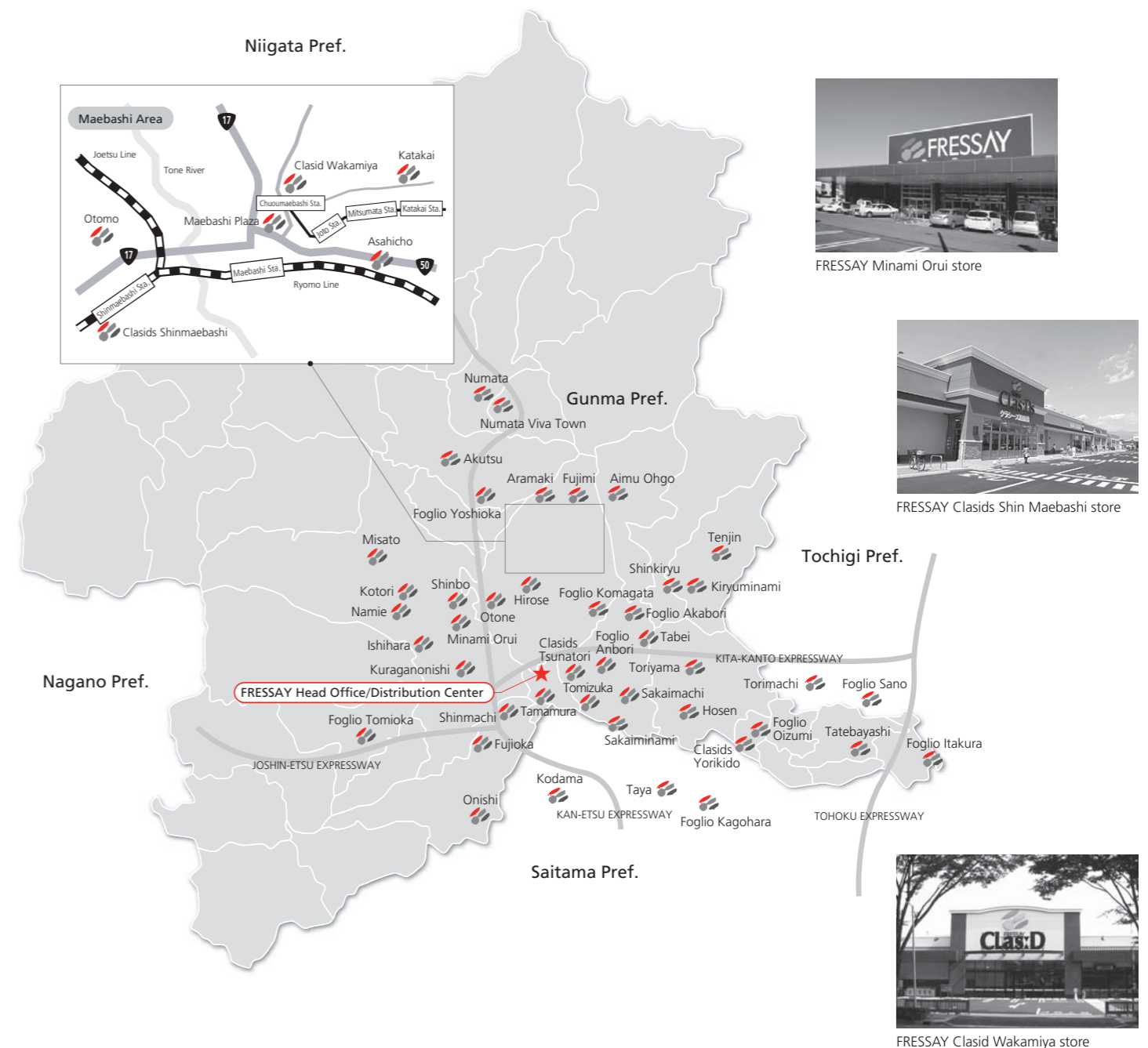


HARASHIN Ueda Midorigaoka store

# Network

**49 stores**  
in Gunma, Tochigi and  
Saitama prefectures

We will bring together management resources held by Harashin Narus Holdings and Fressay Holdings while preserving the unique strengths of the two companies' store chains. Making a full use of our combined sales capabilities, we will build an even more robust and competitive operating platform as a regional chain store operator.



FRESSAY Minami Orui store

FRESSAY Clasids Shin Maebashi store

FRESSAY Clasid Wakamiya store

**Consolidated Balance Sheets**

March 31, 2014 and 2013

ASSETS	Millions of Yen		Thousands of U.S. Dollars
	2014	2013	2014
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	¥10,945	¥ 5,791	\$106,340
Short-term investments	2	2	20
Receivables:			
Trade notes and accounts	3,115	2,091	30,263
Allowance for doubtful receivables	(12)	(9)	(115)
Inventories	4,710	2,787	45,761
Deferred tax assets	856	574	8,314
Lease investment assets	1,934	1,862	18,793
Prepaid expenses and other current assets	1,491	1,136	14,500
Total current assets	23,041	14,234	223,876
<b>PROPERTY, PLANT AND EQUIPMENT:</b>			
Land	19,317	13,633	187,685
Buildings and structures	55,523	28,357	539,480
Machinery and equipment	2,826	1,978	27,456
Lease assets	7,490	3,780	72,780
Construction in progress	1,022	800	9,933
Other	7,972	5,365	77,455
Total	94,150	53,913	914,789
Accumulated depreciation	(44,823)	(24,101)	(435,519)
Net property, plant and equipment	49,327	29,812	479,270
<b>INVESTMENTS AND OTHER ASSETS:</b>			
Investment securities	2,720	2,097	26,425
Long-term loans receivable	35	18	346
Intangible assets	1,475	1,229	14,332
Lease and guarantee deposits	8,615	5,616	83,705
Deferred tax assets	2,374	1,346	23,066
Other asset	1,137	966	11,051
Allowance for doubtful accounts	(34)	(5)	(331)
Total investments and other assets	16,322	11,267	158,594
<b>TOTAL ASSETS</b>	<b>¥88,690</b>	<b>¥55,313</b>	<b>\$861,740</b>

LIABILITIES AND NET ASSETS	Millions of Yen		Thousands of U.S. Dollars
	2014	2013	2014
<b>CURRENT LIABILITIES:</b>			
Short-term loans payable	¥ 520	¥ 300	\$ 5,052
Current portion of long-term loans payable	5,867	3,005	57,006
Payables:			
Trade	13,346	8,873	129,670
Other	1,501	723	14,585
Income taxes payable	1,656	693	16,087
Accrued expenses	4,160	3,148	40,420
Other current liabilities	1,525	966	14,824
Total current liabilities	28,575	17,708	277,644
<b>LONG-TERM LIABILITIES:</b>			
Long-term loans payable	6,471	3,125	62,878
Lease obligations	4,380	2,660	42,561
Provision for retirement benefits	431		4,190
Director's retirement benefits	31		301
Asset retirement obligations	4,549	2,527	44,200
Long-term lease and guarantee deposited	5,066	2,691	49,220
Other	387	252	3,756
Total long-term liabilities	21,315	11,255	207,106
<b>EQUITY:</b>			
<b>SHAREHOLDERS' EQUITY:</b>			
Common stock			
Authorized— 38,000,000 shares			
Issued— 23,388,039 shares in 2014 and 18,014,239 shares in 2013	3,160	3,160	30,701
Capital surplus	15,749	6,406	153,026
Retained earnings	18,967	16,748	184,286
Treasury stock, at cost— 44,462 shares in 2014 and 544,363 shares in 2013	(55)	(673)	(535)
Total shareholders' equity	37,821	25,641	367,478
<b>ACCUMULATED OTHER COMPREHENSIVE INCOME:</b>			
Valuation difference on available-for-sale securities	888	709	8,629
Remeasurements of defined benefit plans	91		883
Total accumulated other comprehensive income	979	709	9,512
Total equity	38,800	26,350	376,990
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>¥88,690</b>	<b>¥55,313</b>	<b>\$861,740</b>

**Consolidated Statements of Income**

Years Ended March 31, 2014 and 2013

	Millions of Yen		Thousands of U.S. Dollars
	2014	2013	2014
<b>NET SALES</b>	<b>¥172,393</b>	¥128,479	<b>\$1,675,019</b>
<b>COST OF SALES</b>	<b>126,502</b>	94,670	<b>1,229,131</b>
<b>GROSS PROFIT</b>	<b>45,891</b>	33,809	<b>445,888</b>
<b>SELLING, GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b>40,372</b>	29,908	<b>392,265</b>
<b>OPERATING INCOME</b>	<b>5,519</b>	3,901	<b>53,623</b>
<b>OTHER INCOME (EXPENSES):</b>			
Interest and dividends	<b>103</b>	90	<b>1,005</b>
Interest expense	<b>(136)</b>	(95)	<b>(1,318)</b>
Other—net	<b>(466)</b>	(200)	<b>(4,531)</b>
Total other income (expenses)	<b>(499)</b>	(205)	<b>(4,844)</b>
<b>INCOME BEFORE INCOME TAXES</b>	<b>5,020</b>	3,696	<b>48,779</b>
<b>INCOME TAXES:</b>			
Current	<b>2,296</b>	1,543	<b>22,313</b>
Deferred	<b>(106)</b>	117	<b>(1,026)</b>
Total income taxes	<b>2,190</b>	1,660	<b>21,287</b>
<b>INCOME BEFORE MINORITY INTERESTS</b>	<b>2,830</b>	2,036	<b>27,492</b>
Minority interests in income			
<b>NET INCOME</b>	<b>¥ 2,830</b>	¥ 2,036	<b>\$ 27,492</b>

	Yen		U.S. Dollars
	2014	2013	2014
<b>PER SHARE OF COMMON STOCK:</b>			
Basic net income	<b>¥ 138.71</b>	¥ 116.29	<b>\$ 1.35</b>
Cash dividends applicable to the year	<b>38.00</b>	35.00	<b>0.37</b>

**Consolidated Statements of Comprehensive Income**

Years Ended March 31, 2014 and 2013

	Millions of Yen		Thousands of U.S. Dollars
	2014	2013	2014
<b>INCOME BEFORE MINORITY INTERESTS</b>	<b>¥2,830</b>	¥2,036	<b>\$27,492</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Valuation difference on available for sale securities	<b>179</b>	373	<b>1,740</b>
Total other comprehensive income	<b>179</b>	373	<b>1,740</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>¥3,009</b>	¥2,409	<b>\$29,232</b>

	2014	2013	2014
<b>COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>			
Shareholders of Axial Retailing	<b>¥3,009</b>	¥2,409	<b>\$29,232</b>

**Consolidated Statements of Changes in Equity**

Years Ended March 31, 2014 and 2013

	Millions of Yen						
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total Equity
<b>BALANCE, MARCH 31, 2012</b>	<b>¥3,160</b>	<b>¥6,406</b>	<b>¥15,238</b>	<b>¥(586)</b>	<b>¥336</b>		<b>¥24,554</b>
Net income			2,036				2,036
Cash dividends			(526)				(526)
Net increase (decrease) in treasury stock				(87)			(87)
Net changes of items other than shareholders' equity					373		373
<b>BALANCE, MARCH 31, 2013</b>	<b>¥3,160</b>	<b>¥6,406</b>	<b>¥16,748</b>	<b>¥(673)</b>	<b>¥709</b>		<b>¥26,350</b>
Net income			2,830				2,830
Cash dividends			(611)				(611)
Net increase (decrease) in treasury stock				(0)			(0)
Increase by share exchanges		9,114					9,114
Disposal of treasury stock		229		618			847
Net changes of items other than shareholders' equity					179	91	270
<b>BALANCE, MARCH 31, 2014</b>	<b>¥3,160</b>	<b>¥15,749</b>	<b>¥18,967</b>	<b>¥(55)</b>	<b>¥888</b>	<b>¥91</b>	<b>¥38,800</b>

	Thousands of U.S. Dollars						
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total Equity
<b>BALANCE, MARCH 31, 2013</b>	<b>\$30,701</b>	<b>\$62,241</b>	<b>\$162,735</b>	<b>\$(6,542)</b>	<b>\$6,889</b>		<b>\$256,024</b>
Net income			27,492				27,492
Cash dividends			(5,941)				(5,941)
Net increase (decrease) in treasury stock				(1)			(1)
Increase by share exchanges		88,554					88,554
Disposal of treasury stock		2,231		6,008			8,239
Net changes of items other than shareholders' equity					1,740	883	2,623
<b>BALANCE, MARCH 31, 2014</b>	<b>\$30,701</b>	<b>\$153,026</b>	<b>\$184,286</b>	<b>\$(535)</b>	<b>\$8,629</b>	<b>\$883</b>	<b>\$376,990</b>

**Consolidated Statements of Cash Flows**

Years Ended March 31, 2014 and 2013

	Millions of Yen		Thousands of U.S. Dollars
	2014	2013	2014
<b>OPERATING ACTIVITIES:</b>			
Income before income taxes	¥5,020	¥3,696	\$48,779
Adjustments for:			
Income taxes paid	(1,458)	(1,714)	(14,166)
Depreciation and amortization	3,097	2,233	30,092
Impairment losses on fixed assets	683	472	6,639
Allowance for doubtful receivables	(10)		(94)
Loss on sales and retirement of noncurrent assets—net	59	(4)	577
Loss on valuation of investment securities		11	
Employees' retirement benefits	(2)		(21)
Changes in assets and liabilities:			
Increase in trade notes and accounts receivables	(184)	(107)	(1,792)
Decrease (Increase) in inventories	(46)	53	(449)
Increase in lease investment assets	170	182	1,648
Increase in interest and dividends receivable	(69)	(63)	(667)
Increase in trade payables	772	(227)	7,504
Increase in interest payable	9	4	91
Other—net	339	(616)	3,283
Net cash provided by operating activities	8,380	3,920	81,424
<b>INVESTING ACTIVITIES:</b>			
Proceeds from sales of property, plant and equipment	120	156	1,166
Purchases of property, plant and equipment	(6,308)	(1,673)	(61,288)
Decrease lease and guarantee deposit—net	(56)	(610)	(542)
Proceeds from purchase of shares of subsidiaries resulting in change in scope consolidation	3,654		35,506
Other—net	(270)	(49)	(2,629)
Net cash used in investing activities	(2,860)	(2,176)	(27,787)
<b>FINANCING ACTIVITIES:</b>			
Increase in short-term loans payable—net	(1,187)	100	(11,533)
Proceeds from long-term loans payable	5,600	2,300	54,411
Repayments of long-term loans payable	(3,701)	(3,935)	(35,964)
Repayments of lease obligations	(467)	(519)	(4,538)
Increase in treasury stock	(0)	(87)	(1)
Dividends paid	(611)	(526)	(5,936)
Net cash used in financing activities	(366)	(2,667)	(3,561)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>5,154</b>	<b>(923)</b>	<b>50,076</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>5,791</b>	<b>6,714</b>	<b>56,264</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>¥10,945</b>	<b>¥5,791</b>	<b>\$106,340</b>

**Shareholders' Information****Paid-in Capital**

¥3,160 million

**Number of Shares of Common Stock**

Authorized: 38,000,000 shares

Issued: 23,388,039 shares

Outstanding (excluding treasury stock):

23,343,577 shares

**Stock Exchange Listing**

Tokyo Stock Exchange, First Section

Listing Date: March 2007

Code: 8255

**Transfer Agent and Registrar**

Mitsubishi UFJ Trust and Banking Corporation

1-4-5, Marunouchi, Chiyoda-ku,

Tokyo 100-8212, Japan

**Number of Shareholders**

9,670

**Major Shareholders**

(As of March 31, 2014)

Name	Number of Shares (Thousands)	Shareholding Ratio (%)
Kazuhiko Hara	1,250	5.3
New Sunlife CO.,Ltd	884	3.7
Nobuhiro Hara	845	3.6
The Daishi Bank, Ltd.	835	3.5
The Shoko Chukin Bank, Ltd.	728	3.1
Axial Group Employees' Stockholding	665	2.8
Toshio Ueki	631	2.7
Takeyuki Ueki	507	2.1
Japan Trustee Service Bank, Ltd. (Trust Account 4)	468	2.0
Sumitomo Mitsui Banking Corporation	398	1.7

\*Ratio of Shareholding is calculated on the outstanding shares.

**Distribution of Shareholders (%)**