FY2011, the year ending March 31, 2012

Flash Report on the Consolidated Results for the First Quarter Ended June 30, 2011 [JGAAP]

August 8, 2011

Company Name: **DAIICHIKOSHO CO., LTD**.

Stock Exchange Listing: Osaka (JASDAQ)

Code Number: 7458

URL: http://www.dkkaraoke.co.jp
Representative: Saburo Hayashi, President

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Scheduled Date to Submit the Quarterly Securities Report: August 11, 2011

Start Date for Dividend Payment: —

Availability of Supplementary Briefing Material on Quarterly Financial Results: None

Schedule of Quarterly Financial Results Briefing Session: None

(Amounts below one million yen are truncated.)

1. Consolidated Performance for the First Quarter Ended June 30, 2011 (From April 1, 2011, to June 30, 2011)

(1) Consolidated operating results

(Percentage figures indicate increase/decrease from a year earlier.)

	Net sales		Operating inc	ome	Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2011	30,685	0.5	4,770	(3.5)	5,275	2.2
Three months ended June 30, 2010	30,538	1.3	4,941	27.9	5,162	24.9

	Net incom	ne	Net income per share	Fully diluted net income
				per share
	Millions of yen	%	Yen	Yen
Three months ended June 30, 2011	3,126	2.4	48.68	_
Three months ended June 30, 2010	3,054	10.2	46.37	_

(Note) Comprehensive income:

Three months ended June 30, 2011: 3,332 million yen 5.5% Three months ended June 30, 2010: 3,160 million yen —%

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2011	137,506	89,435	64.3
As of March 31, 2011	137,447	88,034	63.4

(Reference) Shareholders' equity:

As of June 30, 2011: 88,475 million yen As of March 31, 2011: 87,083 million yen

2. Dividend

	Annual dividend							
	First Quarter	irst Quarter Second Quarter Third Quarter Year-end						
		Yen		Yen	Yen			
Year ended March 31, 2011	_	25.00	_	30.00	55.00			
Year ending March 31, 2012								
Year ending March 31, 2012 (forecast)		25.00		25.00	50.00			

(Note) Changes in dividends forecast for FY2011 as of June 30, 2011: None

3. Forecast Consolidated Performance for FY2011, the Year Ending March 31, 2012 (From April 1, 2011, to March 31, 2012)

(Percentage figures indicate increase/decrease from a year earlier: The percentages for full-year forecasts mean the increase/decrease from the end of the previous year, and the half-year forecast percentages represent the

increase/decrease from the end of the previous interim term.)

	Net sales		Operating	income	Ordinary income	
	¥ Million	%	¥ Million	%	¥ Million	%
Six months ending September 30, 2011	62,300	2.4	7,600	(16.7)	8,100	(15.4)
Year ending March 31, 2012 (full year)	126,200	(1.3)	15,100	(8.5)	16,300	(6.6)

	Net inco	ome	Net income per share		
	¥ Million	%	¥		
Six months ending September 30, 2011	4,700	(12.8)		73.19	
Year ending March 31, 2012 (full year)	9,300	(3.0)		144.82	

(Note) Changes in forecast of consolidated operating results for FY2011 as of June 30, 2011: None

4. Other

- (1) Significant changes in scope of consolidation: None
- (2) Adoption of special accounting policies for quarterly financial statements: None
- (3) Changes in accounting standard, accounting estimation change and error correction
 - 1) Changes due to changes in accounting standard: None
 - 2) Changes due to changes in accounting standard except (3) 1): None
 - 3) Changes due to accounting estimation change: None
 - 4) Error correction: None
- (4) Number of common shares issued
 - 1) Number of shares issued (including treasury stock)
 - 2) Number of shares of treasury stock
 - 3) Average number of shares during the period

As of	64,220,596	As of	64,220,596
June 30, 2011	shares	March 31, 2011	shares
As of	2,863	As of	2,813
June 30, 2011	Shares	March 31, 2011	shares
Three months ended	64,217,756	Three months ended	65,867,861
June 30, 2011	shares	June 30, 2010	shares

DAIICHIKOSHO CO., LTD.

- * Presentation regarding the implementation status of the quarterly review

 This flash report on the consolidated results for the interim period is not covered by the quarterly review procedure stipulated in the Financial Instruments and Exchange Act. At the time of the publication of this report, the quarterly review procedure for quarterly consolidated financial statements is being implemented.
- * Explanation for the appropriate use of performance forecasts and other special notes:

 The statements regarding forecast of financial results in this report is based on the information that is available, as well as estimates, assumptions and projections that are believed to be reasonable at the time of publication.

 Therefore, there might be cases in which actual results greatly differ from forecast values.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

		(Millions of yen)
	FY2010	Current first quarter
	(As of March 31, 2011)	(As of June 30, 2011)
Assets		
Current assets		
Cash and deposits	26,955	28,844
Notes and accounts receivable-trade	10,597	7,069
Inventories	7,354	8,207
Other	5,936	7,450
Allowance for doubtful accounts	(397)	(256)
Total current assets	50,446	51,315
Noncurrent assets		
Property, plant and equipment		
Karaoke equipment for rental, net	6,300	6,352
Karaoke cabin and restaurant facilities, net	14,735	14,370
Land	19,143	19,007
Other, net	6,906	6,722
Total property, plant and equipment	47,085	46,452
Intangible assets		
Goodwill	641	605
Other	7,421	6,981
Total intangible assets	8,063	7,586
Investments and other assets		
Investment securities	12,919	13,216
Lease and guarantee deposits	13,198	13,285
Other	6,018	5,931
Allowance for doubtful accounts	(283)	(282)
Total investments and other assets	31,852	32,151
Total noncurrent assets	87,001	86,190
Total assets	137,447	137,506

DAIICHIKOSHO CO., LTD.

Liabilities Current liabilities Notes and accounts payable-trade 6,091 5,087 Short-term loans payable 5,465 5,556 Income taxes payable 3,120 2,648 Provision for bonuses 1,121 462 Other 9,599 10,977 Total current liabilities 25,398 24,731 Noncurrent liabilities 25,398 24,731 Noncurrent liabilities 3,011 3,075 Provision for retirement benefits 3,011 3,075 Provision for directors' retirement benefits 2,318 2,045 Negative goodwill 234 223 Other 1,618 1,522 Total noncurrent liabilities 24,014 23,339 Total liabilities 49,413 48,070 Net assets Shareholders' equity 2 Capital stock 12,350 12,350 Capital surplus 14,035 14,035 Retained earnings 61,552 62,752 Treasury stock (4) (-	FY2010	Current first quarter
Current liabilities Accounts payable-trade 6,091 5,087 Short-term loans payable 5,465 5,556 Income taxes payable 3,120 2,648 Provision for bonuses 1,121 462 Other 9,599 10,977 Total current liabilities 25,398 24,731 Noncurrent liabilities		(As of March 31, 2011)	(As of June 30, 2011)
Notes and accounts payable-trade 6,091 5,087 Short-term loans payable 5,465 5,556 Income taxes payable 3,120 2,648 Provision for bonuses 1,121 462 Other 9,599 10,977 Total current liabilities 25,398 24,731 Noncurrent liabilities	Liabilities		
Short-term loans payable 5,465 5,556 Income taxes payable 3,120 2,648 Provision for bonuses 1,121 462 Other 9,599 10,977 Total current liabilities 25,398 24,731 Noncurrent liabilities 16,831 16,471 Provision for retirement benefits 3,011 3,075 Provision for directors' retirement benefits 2,318 2,045 Negative goodwill 234 223 Other 1,618 1,522 Total noncurrent liabilities 24,014 23,339 Total liabilities 49,413 48,070 Net assets Shareholders' equity 2 Capital surplus 11,035 12,350 Capital surplus 14,035 14,035 Retained earnings 61,552 62,752 Treasury stock (4) (4) Total shareholders' equity 87,934 89,134 Accumulated other comprehensive income 91 285 Revaluation reserve for land	Current liabilities		
Income taxes payable 3,120 2,648 Provision for bonuses 1,121 462 Other 9,599 10,977 Total current liabilities 25,398 24,731 Noncurrent liabilities 16,831 16,471 Provision for retirement benefits 3,011 3,075 Provision for directors' retirement benefits 2,318 2,045 Negative goodwill 234 223 Other 1,618 1,522 Total noncurrent liabilities 24,014 23,339 Total liabilities 49,413 48,070 Net assets Shareholders' equity 12,350 12,350 Capital stock 12,350 12,350 12,350 Capital sturplus 14,035 14,035 14,035 Retained earnings 61,552 62,752 Treasury stock (4) (4) Total shareholders' equity 87,934 89,134 Accumulated other comprehensive income 91 285 Revaluation difference on available-for-sale securities	1 2		
Provision for bonuses 1,121 462 Other 9,599 10,977 Total current liabilities 25,398 24,731 Noncurrent liabilities	Short-term loans payable	5,465	5,556
Other 9,599 10,977 Total current liabilities 25,398 24,731 Noncurrent liabilities			
Total current liabilities 25,398 24,731 Noncurrent liabilities 16,831 16,471 Provision for retirement benefits 3,011 3,075 Provision for directors' retirement benefits 2,318 2,045 Negative goodwill 234 223 Other 1,618 1,522 Total noncurrent liabilities 24,014 23,339 Total liabilities 49,413 48,070 Net assets Shareholders' equity 2 Capital stock 12,350 12,350 Capital surplus 14,035 14,035 Retained earnings 61,552 62,752 Treasury stock (4) (4) Total shareholders' equity 87,934 89,134 Accumulated other comprehensive income 91 285 Revaluation reserve for land (777) (777) Foreign currency translation adjustment (164) (164) Total accumulated other comprehensive income (851) (659) Minority interests 951 960	Provision for bonuses		
Noncurrent liabilities 16,831 16,471 Provision for retirement benefits 3,011 3,075 Provision for directors' retirement benefits 2,318 2,045 Negative goodwill 234 223 Other 1,618 1,522 Total noncurrent liabilities 24,014 23,339 Total liabilities 49,413 48,070 Net assets Shareholders' equity Capital stock 12,350 12,350 Capital surplus 14,035 14,035 Retained earnings 61,552 62,752 Treasury stock (4) (4) Total shareholders' equity 87,934 89,134 Accumulated other comprehensive income 91 285 Revaluation reserve for land (777) (777) Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951 960 Total net assets 88,034 89,435			
Long-term loans payable 16,831 16,471 Provision for retirement benefits 3,011 3,075 Provision for directors' retirement benefits 2,318 2,045 Negative goodwill 234 223 Other 1,618 1,522 Total noncurrent liabilities 24,014 23,339 Total liabilities 49,413 48,070 Net assets 8 49,413 48,070 Net assets 8 12,350 12,350 Capital stock 12,350 12,350 12,350 Capital surplus 14,035 14,035 14,035 Retained earnings 61,552 62,752	Total current liabilities	25,398	24,731
Provision for retirement benefits 3,011 3,075 Provision for directors' retirement benefits 2,318 2,045 Negative goodwill 234 223 Other 1,618 1,522 Total noncurrent liabilities 24,014 23,339 Total liabilities 49,413 48,070 Net assets 8 49,413 48,070 Net assets 8 12,350 12,350 Capital stock 12,350 12,350 Capital surplus 14,035 14,035 Retained earnings 61,552 62,752 Treasury stock (4) (4) Total shareholders' equity 87,934 89,134 Accumulated other comprehensive income 91 285 Revaluation difference on available-for-sale securities 91 285 Revaluation reserve for land (777) (777) Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951<			
Provision for directors' retirement benefits 2,318 2,045 Negative goodwill 234 223 Other 1,618 1,522 Total noncurrent liabilities 24,014 23,339 Total liabilities 49,413 48,070 Net assets Shareholders' equity 2 Capital stock 12,350 12,350 Capital surplus 14,035 14,035 Retained earnings 61,552 62,752 Treasury stock (4) (4) Total shareholders' equity 87,934 89,134 Accumulated other comprehensive income 91 285 Revaluation reserve for land (777) (777) Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951 960 Total net assets 88,034 89,435		16,831	16,471
Negative goodwill 234 223 Other 1,618 1,522 Total noncurrent liabilities 24,014 23,339 Total liabilities 49,413 48,070 Net assets Shareholders' equity Capital stock 12,350 12,350 Capital surplus 14,035 14,035 Retained earnings 61,552 62,752 Treasury stock (4) (4) Total shareholders' equity 87,934 89,134 Accumulated other comprehensive income 91 285 Revaluation difference on available-for-sale securities 91 285 Revaluation reserve for land (7777) (777) Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951 960 Total net assets 88,034 89,435			3,075
Other 1,618 1,522 Total noncurrent liabilities 24,014 23,339 Total liabilities 49,413 48,070 Net assets Shareholders' equity Capital stock 12,350 12,350 Capital surplus 14,035 14,035 Retained earnings 61,552 62,752 Treasury stock (4) (4) Total shareholders' equity 87,934 89,134 Accumulated other comprehensive income 91 285 Revaluation difference on available-for-sale securities 91 285 Revaluation reserve for land (7777) (7777) Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951 960 Minority interests 88,034 89,435		2,318	2,045
Total noncurrent liabilities 24,014 23,339 Total liabilities 49,413 48,070 Net assets Shareholders' equity Capital stock 12,350 12,350 Capital surplus 14,035 14,035 Retained earnings 61,552 62,752 Treasury stock (4) (4) Total shareholders' equity 87,934 89,134 Accumulated other comprehensive income 91 285 Revaluation reserve for land (777) (777) Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951 960 Total net assets 88,034 89,435			
Total liabilities 49,413 48,070 Net assets Shareholders' equity Capital stock 12,350 12,350 Capital surplus 14,035 14,035 Retained earnings 61,552 62,752 Treasury stock (4) (4) Total shareholders' equity 87,934 89,134 Accumulated other comprehensive income 91 285 Revaluation difference on available-for-sale securities 91 285 Revaluation reserve for land (777) (777) Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951 960 Total net assets 88,034 89,435	Other		
Net assets Shareholders' equity Capital stock 12,350 12,350 Capital surplus 14,035 14,035 Retained earnings 61,552 62,752 Treasury stock (4) (4) Total shareholders' equity 87,934 89,134 Accumulated other comprehensive income 91 285 Revaluation reserve for land (777) (777) Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951 960 Total net assets 88,034 89,435	Total noncurrent liabilities		
Shareholders' equity 12,350 12,350 Capital stock 14,035 14,035 Retained earnings 61,552 62,752 Treasury stock (4) (4) Total shareholders' equity 87,934 89,134 Accumulated other comprehensive income 91 285 Revaluation difference on available-for-sale securities 91 285 Revaluation reserve for land (777) (777) Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951 960 Total net assets 88,034 89,435	Total liabilities	49,413	48,070
Capital stock 12,350 12,350 Capital surplus 14,035 14,035 Retained earnings 61,552 62,752 Treasury stock (4) (4) Total shareholders' equity 87,934 89,134 Accumulated other comprehensive income 91 285 Revaluation reserve for land (777) (777) Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951 960 Total net assets 88,034 89,435	Net assets		
Capital surplus 14,035 14,035 Retained earnings 61,552 62,752 Treasury stock (4) (4) Total shareholders' equity 87,934 89,134 Accumulated other comprehensive income 91 285 Revaluation reserve for land (777) (777) Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951 960 Total net assets 88,034 89,435	Shareholders' equity		
Retained earnings 61,552 62,752 Treasury stock (4) (4) Total shareholders' equity 87,934 89,134 Accumulated other comprehensive income 91 285 Revaluation difference on available-for-sale securities 91 (777) Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951 960 Total net assets 88,034 89,435	Capital stock	12,350	12,350
Treasury stock (4) (4) Total shareholders' equity 87,934 89,134 Accumulated other comprehensive income Valuation difference on available-for-sale securities 91 285 Revaluation reserve for land (777) (777) Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951 960 Total net assets 88,034 89,435	Capital surplus	14,035	14,035
Total shareholders' equity 87,934 89,134 Accumulated other comprehensive income 285 Valuation difference on available-for-sale securities 91 285 Revaluation reserve for land (777) (777) Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951 960 Total net assets 88,034 89,435		61,552	62,752
Accumulated other comprehensive income 91 285 Valuation difference on available-for-sale securities 91 285 Revaluation reserve for land (777) (777) Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951 960 Total net assets 88,034 89,435	Treasury stock		(4)
Valuation difference on available-for-sale securities 91 285 Revaluation reserve for land (777) (777) Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951 960 Total net assets 88,034 89,435	Total shareholders' equity	87,934	89,134
Revaluation reserve for land (777) (777) Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951 960 Total net assets 88,034 89,435	Accumulated other comprehensive income		
Foreign currency translation adjustment (164) (166) Total accumulated other comprehensive income (851) (659) Minority interests 951 960 Total net assets 88,034 89,435	Valuation difference on available-for-sale securities	91	285
Total accumulated other comprehensive income(851)(659)Minority interests951960Total net assets88,03489,435	Revaluation reserve for land	(777)	(777)
Minority interests 951 960 Total net assets 88,034 89,435	Foreign currency translation adjustment	(164)	(166)
Minority interests 951 960 Total net assets 88,034 89,435	Total accumulated other comprehensive income	(851)	(659)
		951	960
Total liabilities and net assets 137,447 137,506	Total net assets	88,034	89,435
	Total liabilities and net assets	137,447	137,506

(2) Quarterly Consolidated Statements of Income and Comprehensive Income (Quarterly Consolidated Statements of Income) Three months ended June 30, 2011

Net sales Three months ended June 30, 2010 (From April 1, 2010, to June 30, 2011) Three months ended June 30, 2010 (From April 1, 2011) Net sales 30,538 30,858 Cost of sales 17,101 17,858 Gross profit 8,495 8,209 Selling, general and administrative expenses 4,941 4,770 Poperating income 4,941 4,770 Non-operating income 34 1,77 Provideds income 35 36 Reversal of allowance for doubtful accounts 3 1,60 Reversal of allowance for doubtful accounts 3 2,60 Reversal of allowance for doubtful accounts 3 2,60 Reversal of allowance for doubtful accounts 4 2,60 Total non-operating income 341 6,40 Non-operating expenses 51 6,60 Total non-operating expenses 51 6,60 Total non-operating expenses 7 1,21 Extraordinary income 5,12 5,27 Extraordinary income 6 6 Gain on sa			(Millions of yen)
Net sales Journal 1, 2010, color 30, 2010 Crown April 1, 2010, color 30, 2018 30,689 30,689 <t< td=""><td></td><td>Three months ended</td><td>Three months ended</td></t<>		Three months ended	Three months ended
Net sales 30,58 30,68 Cost of sales 17,101 17,58 Gross profit 13,437 13,100 Selling, general and administrative expenses 8,495 8,299 Operating income 4,941 4,770 Non-operating income 34 177 Non-operating income 34 177 Dividends income 35 36 Reversal of allowance for doubtiful accounts - 135 Amortization of negative goodwill 11 10 Other 259 285 Total non-operating income 341 646 Non-operating expenses 51 74 Other 69 66 Total non-operating expenses 51 74 Other 69 66 Total non-operating expenses 7 12 Extraordinary income 7 12 Extraordinary income 7 12 Gain on sales of investment securities 7 12 Reversal of allowance fo		June 30, 2010	June 30, 2011
Net sales 30,538 30,688 Cost of sales 17,101 17,585 Gross profit 13,437 13,100 Selling, general and administrative expenses 8,495 8,329 Operating income 4,941 4,770 Non-operating income 34 177 Dividends income 35 36 Reversal of allowance for doubtful accounts - 135 Amortization of negative goodwill 11 10 Other 259 285 Total non-operating income 341 646 Non-operating expenses 51 74 Interest expenses 51 74 Other 69 66 Total non-operating expenses 121 141 Ordinary income 5,162 5,275 Extraordinary income 7 12 Gain on sales of noncurrent assets 7 12 Gain on sales of investment securities 4 - Reversal of provision for directors' retirement benefits 4 -		(From April 1, 2010,	
Cost of sales 17,101 17,585 Gross profit 13,437 13,100 Selling, general and administrative expenses 8,495 8,329 Operating income 4,941 4,770 Non-operating income 34 177 Interest income 35 36 Reversal of allowance for doubtful accounts - 135 Amortization of negative goodwill 11 10 Other 259 285 Total non-operating income 341 646 Non-operating expenses 51 74 Interest expenses 51 74 Other 69 66 Total non-operating expenses 121 141 Other 69 66 Total non-operating expenses 7 12 Gain on sales of noncurrent assets 7 12 Extraordinary income 60 - Extraordinary income 12 1 Reversal of Ilowance for doubtful accounts 60 - Rever			to June 30, 2011)
Gross profit 13,437 13,100 Selling, general and administrative expenses 8,495 8,329 Operating income 4,941 4,770 Non-operating income 34 177 Dividends income 35 36 Reversal of allowance for doubtful accounts - 135 Amortization of negative goodwill 11 10 Other 259 285 Total non-operating income 341 646 Non-operating expenses 51 74 Interest expenses 51 74 Other 69 66 Total non-operating expenses 512 141 Other 69 66 Total non-operating expenses 7 12 Extraordinary income 5,162 5,275 Extraordinary income 60 - Gain on sales of investment securities 4 - Gain on sales of investment securities 4 - Gain on sales of investment securities 4 - <		30,538	30,685
Selling, general and administrative expenses 8,495 8,329 Operating income 4,941 4,770 Non-operating income 34 177 Interest income 35 36 Reversal of allowance for doubtful accounts — 135 Amortization of negative goodwill 11 10 Other 259 285 Total non-operating income 341 646 Non-operating expenses 51 74 Interest expenses 51 74 Other 69 66 Total non-operating expenses 121 141 Ordinary income 5,162 5,275 Extraordinary income 5,162 5,275 Extraordinary income 4 — Gain on sales of investment securities 7 12 Gain on sales of investment securities 4 — Reversal of allowance for doubtful accounts 60 — Reversal of provision for directors' retirement benefits 44 — Other 10	Cost of sales	17,101	17,585
Operating income 4,941 4,770 Non-operating income 34 177 Dividends income 35 36 Reversal of allowance for doubtful accounts - 135 Amortization of negative goodwill 11 10 Other 259 285 Total non-operating income 341 646 Non-operating expenses 51 74 Other 69 66 Total non-operating expenses 51 74 Other 69 66 Total non-operating expenses 121 141 Ordinary income 5,162 5,275 Extraordinary income 7 12 Gain on sales of investment securities 4 - Reversal of allowance for doubtful accounts 60 - Reversal of provision for directors' retirement benefits 44 - Other 10 - Total extraordinary income 54 50 Loss on disposal of noncurrent assets 54 50	Gross profit	13,437	13,100
Non-operating income 34 177 Interest income 35 36 Reversal of allowance for doubtful accounts — 135 Amortization of negative goodwill 11 10 Other 259 285 Total non-operating income 341 646 Non-operating expenses 51 74 Other 69 66 Total non-operating expenses 51 14 Other 69 66 Total non-operating expenses 121 141 Ordinary income 5,162 5,275 Extraordinary income 5,162 5,275 Gain on sales of noncurrent assets 7 12 Gain on sales of investment securities 4 — Reversal of provision for directors' retirement benefits 60 — Other 10 — Total extraordinary income 127 12 Extraordinary income 54 50 Loss on dijustment for changes of accounting standard for asset retirement obligations <	Selling, general and administrative expenses	8,495	8,329
Interest income 34 177 Dividends income 35 36 Reversal of allowance for doubtful accounts - 135 Amortization of negative goodwill 11 10 Other 259 285 Total non-operating income 341 646 Non-operating expenses 51 74 Other 69 66 Total non-operating expenses 121 141 Other 69 66 Total non-operating expenses 121 141 Ordinary income 5,162 5,275 Extraordinary income 31 2 Gain on sales of noncurrent assets 7 12 Gain on sales of investment securities 4 - Reversal of allowance for doubtful accounts 60 - Reversal of provision for directors' retirement benefits 44 - Other 10 - Total extraordinary income 127 12 Extraordinary losses 54 50	Operating income	4,941	4,770
Interest income 34 177 Dividends income 35 36 Reversal of allowance for doubtful accounts - 135 Amortization of negative goodwill 11 10 Other 259 285 Total non-operating income 341 646 Non-operating expenses 51 74 Other 69 66 Total non-operating expenses 121 141 Other 69 66 Total non-operating expenses 121 141 Ordinary income 5,162 5,275 Extraordinary income 31 2 Gain on sales of noncurrent assets 7 12 Gain on sales of investment securities 4 - Reversal of allowance for doubtful accounts 60 - Reversal of provision for directors' retirement benefits 44 - Other 10 - Total extraordinary income 127 12 Extraordinary losses 54 50	Non-operating income		
Reversal of allowance for doubtful accounts — 135 Amortization of negative goodwill 11 10 Other 259 288 Total non-operating income 341 646 Non-operating expenses 51 74 Other 69 66 Total non-operating expenses 121 141 Other 69 66 Total non-operating expenses 121 141 Other 69 66 Total non-operating expenses 121 141 Ordinary income 5,162 5,275 Extraordinary income 7 12 Gain on sales of investment securities 4 - Reversal of allowance for doubtful accounts 60 - Reversal of provision for directors' retirement benefits 44 - Other 10 - Total extraordinary income 127 12 Extraordinary loss 54 50 Loss on disposal of noncurrent assets 54 50 <tr< td=""><td></td><td>34</td><td>177</td></tr<>		34	177
Amortization of negative goodwill Other 11 10 Other 259 285 Total non-operating income 341 646 Non-operating expenses	Dividends income	35	36
Other 259 285 Total non-operating income 341 646 Non-operating expenses	Reversal of allowance for doubtful accounts	_	135
Other 259 285 Total non-operating income 341 646 Non-operating expenses	Amortization of negative goodwill	11	10
Non-operating expenses 51 74 Other 69 66 Total non-operating expenses 121 141 Ordinary income 5,162 5,275 Extraordinary income - - Gain on sales of noncurrent assets 7 12 Gain on sales of investment securities 4 - Reversal of allowance for doubtful accounts 60 - Reversal of provision for directors' retirement benefits 44 - Other 10 - Total extraordinary income 127 12 Extraordinary loss 54 50 Loss on disposal of noncurrent assets 54 50 Loss on adjustment for changes of accounting standard for asset retirement obligations 440 - Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes deferred (514) (248)		259	285
Non-operating expenses 51 74 Other 69 66 Total non-operating expenses 121 141 Ordinary income 5,162 5,275 Extraordinary income *** 12 Gain on sales of noncurrent assets 7 12 Gain on sales of investment securities 4 - Reversal of allowance for doubtful accounts 60 - Reversal of provision for directors' retirement benefits 44 - Other 10 - Total extraordinary income 127 12 Extraordinary losses 54 50 Loss on disposal of noncurrent assets 54 50 Loss on adjustment for changes of accounting standard for asset retirement obligations 440 - Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes-deferred (514) (248)	Total non-operating income	341	646
Interest expenses 51 74 Other 69 66 Total non-operating expenses 121 141 Ordinary income 5,162 5,275 Extraordinary income 7 12 Gain on sales of noncurrent assets 7 12 Gain on sales of investment securities 4 - Reversal of allowance for doubtful accounts 60 - Reversal of provision for directors' retirement benefits 44 - Other 10 - Total extraordinary income 127 12 Extraordinary loss 54 50 Loss on disposal of noncurrent assets 54 50 Loss on adjustment for changes of accounting standard for asset retirement obligations 440 - Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes deferred (514) (248)			
Other 69 66 Total non-operating expenses 121 141 Ordinary income 5,162 5,275 Extraordinary income Gain on sales of noncurrent assets 7 12 Gain on sales of investment securities 4 - Reversal of allowance for doubtful accounts 60 - Reversal of provision for directors' retirement benefits 44 - Other 10 - Total extraordinary income 127 12 Extraordinary loss 54 50 Loss on disposal of noncurrent assets 54 50 Loss on adjustment for changes of accounting standard for asset retirement obligations 440 - Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes-deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interes		51	74
Ordinary income 5,162 5,275 Extraordinary income 3,162 5,275 Gain on sales of noncurrent assets 7 12 Gain on sales of investment securities 4 - Reversal of allowance for doubtful accounts 60 - Reversal of provision for directors' retirement benefits 44 - Other 10 - Total extraordinary income 127 12 Extraordinary loss 54 50 Loss on disposal of noncurrent assets 54 50 Loss on adjustment for changes of accounting standard for asset retirement obligations 440 - Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25 <td><u>.</u></td> <td>69</td> <td>66</td>	<u>.</u>	69	66
Ordinary income 5,162 5,275 Extraordinary income 3 12 Gain on sales of noncurrent assets 7 12 Gain on sales of investment securities 4 — Reversal of allowance for doubtful accounts 60 — Reversal of provision for directors' retirement benefits 44 — Other 10 — Total extraordinary income 127 12 Extraordinary losse 54 50 Loss on disposal of noncurrent assets 54 50 Loss on adjustment for changes of accounting standard for asset retirement obligations 440 — Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25	Total non-operating expenses	121	141
Extraordinary income Gain on sales of noncurrent assets 7 12 Gain on sales of investment securities 4 - Reversal of allowance for doubtful accounts 60 - Reversal of provision for directors' retirement benefits 44 - Other 10 - Total extraordinary income 127 12 Extraordinary loss 54 50 Loss on disposal of noncurrent assets 54 50 Loss on adjustment for changes of accounting standard for asset retirement obligations 440 - Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes-deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25 13		5,162	5,275
Gain on sales of noncurrent assets 7 12 Gain on sales of investment securities 4 - Reversal of allowance for doubtful accounts 60 - Reversal of provision for directors' retirement benefits 44 - Other 10 - Total extraordinary income 127 12 Extraordinary loss 54 50 Loss on disposal of noncurrent assets 54 50 Loss on adjustment for changes of accounting standard for asset retirement obligations 440 - Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes-deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25 13			
Gain on sales of investment securities 4 - Reversal of allowance for doubtful accounts 60 - Reversal of provision for directors' retirement benefits 44 - Other 10 - Total extraordinary income 127 12 Extraordinary loss 54 50 Loss on disposal of noncurrent assets 54 50 Loss on adjustment for changes of accounting standard for asset retirement obligations 440 - Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes -deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25 13	•	7	12
Reversal of allowance for doubtful accounts 60 - Reversal of provision for directors' retirement benefits 44 - Other 10 - Total extraordinary income 127 12 Extraordinary loss - 54 50 Loss on disposal of noncurrent assets 54 50 Loss on adjustment for changes of accounting standard for asset retirement obligations 440 - Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25 13		4	_
Other 10 – Total extraordinary income 127 12 Extraordinary loss Loss on disposal of noncurrent assets 54 50 Loss on adjustment for changes of accounting standard for asset retirement obligations 440 – Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes-deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25 13	Reversal of allowance for doubtful accounts	60	_
Other 10 — Total extraordinary income 127 12 Extraordinary loss Loss on disposal of noncurrent assets 54 50 Loss on adjustment for changes of accounting standard for asset retirement obligations 440 — Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes-deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25 13	Reversal of provision for directors' retirement benefits	44	_
Extraordinary loss 54 50 Loss on disposal of noncurrent assets 54 50 Loss on adjustment for changes of accounting standard for asset retirement obligations 440 — Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes-deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25 13		10	_
Extraordinary loss 54 50 Loss on disposal of noncurrent assets 54 50 Loss on adjustment for changes of accounting standard for asset retirement obligations 440 — Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes-deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25 13	Total extraordinary income	127	12
Loss on disposal of noncurrent assets 54 50 Loss on adjustment for changes of accounting standard for asset retirement obligations 440 — Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes-deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25 13			
Loss on adjustment for changes of accounting standard for asset retirement obligations 440 - Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes-deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25 13		54	50
for asset retirement obligations 440 2 Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes-deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25 13		440	
Other 31 2 Total extraordinary losses 526 52 Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes-deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25 13		440	_
Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes-deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25 13		31	2
Income before income taxes and minority interests 4,763 5,236 Income taxes-current 2,198 2,344 Income taxes-deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25 13	Total extraordinary losses	526	52
Income taxes-current 2,198 2,344 Income taxes-deferred (514) (248) Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25 13	•	4,763	5,236
Total income taxes 1,683 2,095 Income before minority interests 3,079 3,140 Minority interests in income 25 13		2,198	2,344
Income before minority interests3,0793,140Minority interests in income2513	Income taxes-deferred	(514)	(248)
Income before minority interests3,0793,140Minority interests in income2513	Total income taxes	1,683	2,095
Minority interests in income 25 13			
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	Net income	3,054	3,126

(Quarterly Consolidated Statements of Comprehensive Income) Three months ended June 30, 2011

		(Millions of yen)
	Three months ended	Three months ended
	June 30, 2010	June 30, 2011
	(From April 1, 2010,	(From April 1, 2011,
	to June 30, 2010)	to June 30, 2011)
Income before minority interests	3,079	3,140
Other comprehensive income		
Valuation difference on available-for-sale securities	138	194
Foreign currency translation adjustment	(57)	(1)
Total other comprehensive income	80	192
Comprehensive income	3,160	3,332
Comprehensive income attributable to		
Comprehensive income attributable to owners of the	2 124	2 219
parent	3,134	3,318
Comprehensive income attributable to minority interests	25	13

Segment Information

Three months ended June 30, 2010 (From April 1, 2010, to June 30, 2010)

(Millions of yen)

		Reportable	segments					Posted
	Commercial karaoke	Karaoke cabin and restaurant	Music software	Subtotal	Other	Total	Adjusted amount	amount to the consolidated quarterly statements of income
Sales	15,494	9,661	2,954	28,109	2,428	30,538	_	30,538
Segment income (Operating income)	3,807	1,374	338	5,520	256	5,777	(835)	4,941

Three months ended June 30, 2011 (From April 1, 2011, to June 30, 2011)

(Millions of yen)

	Reportable segments							Posted
	Commercial karaoke	Karaoke cabin and restaurant	Music software	Subtotal	Other	Total	Adjusted amount	amount to the consolidated quarterly statements of income
Sales	15,693	10,287	2,481	28,462	2,223	30,685	_	30,685
Segment income (Operating income)	3,562	1,572	176	5,311	201	5,512	(741)	4,770