

DATA-FILE ***2011***

Financial Report

COSEL

Financial Highlights

Years ended May 20 ; Millions of yen	2007	2008	2009	2010	2011
Consolidated					
Net Sales	23,286	22,708	17,318	16,781	22,038
Operating Income	6,601	5,582	2,486	3,018	4,945
Ordinary Profit	6,841	5,717	2,732	3,252	5,190
Net Income	4,019	3,345	1,619	1,887	3,037
Net Assets	29,829	29,796	30,031	31,433	33,211
Total Assets	33,804	33,549	31,999	35,162	37,310
Net Cash Used in Operating Activities	5,056	3,599	4,857	1,225	4,308
Net Cash Used in Investment Activities	(2,896)	(3,250)	(2,647)	(1,482)	908
Net Cash Used by Financing Activities	(1,217)	(3,115)	(1,065)	(543)	(1,047)
Cash and Cash Equivalents at End of Period	7,180	4,286	5,346	4,572	8,628
Capital Investment	1,403	1,063	473	258	963
Depreciation Expense	710	870	1,054	753	763
Employees	421	442	454	460	470
Temporary Employees - Average	131	132	129	107	94

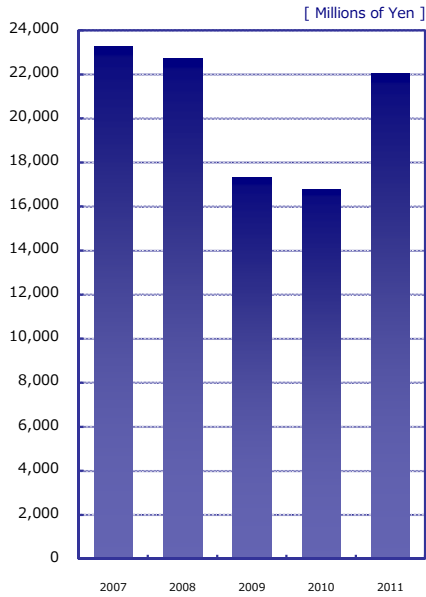
Financial Data

Years ended May 20 ; %	2007	2008	2009	2010	2011
Stability					
Shareholders' Equity Ratio	88.2	88.8	93.9	89.4	89.0
Current Ratio	557.8	513.1	1,171.6	598.6	606.2
Fixed Assets to Net Worth	55.1	61.5	61.9	57.0	52.7
Profitability					
Ordinary Profit on Sales	29.4	25.2	15.8	19.4	23.6
Net Income on Sales	17.3	14.7	9.4	11.2	13.8
Return on Equity	14.1	11.2	5.4	6.1	9.4
Investment Indicators					
Net Income per Share (Yen)	98.88	83.03	41.59	48.61	78.23
Shareholders' Equity per Share (Yen)	733.88	763.89	773.46	809.56	855.36

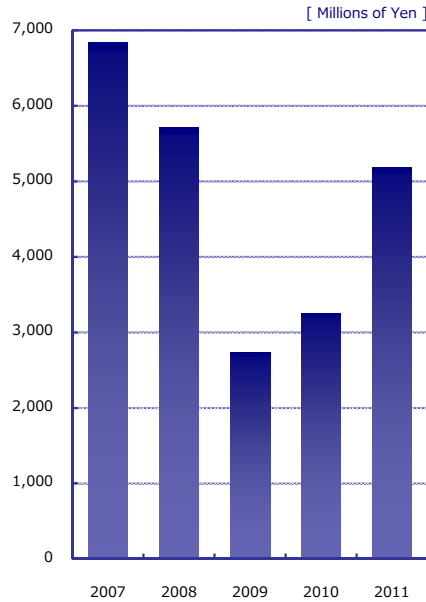
Non - Consolidated

Years ended May 20 ; Millions of yen	2007	2008	2009	2010	2011
Non - Consolidated					
Net Sales	21,878	21,546	16,253	15,888	21,095
Operating Income	6,009	5,152	2,339	2,823	4,602
Ordinary Profit	6,484	5,507	2,688	3,132	4,890
Net Income	3,862	3,278	1,588	1,815	2,844
Common Stock	2,055	2,055	2,055	2,055	2,055
Net Assets	28,606	28,638	28,946	30,285	32,015
Total Assets	32,393	32,215	30,810	33,938	36,001
Shareholders' Equity per Share (Yen)	703.77	734.21	745.51	780.00	824.57
Dividend per Share (Yen)	29.00	26.00	20.00	17.00	28.00
Net Income per Share (Yen)	95.02	81.37	40.79	46.75	73.25

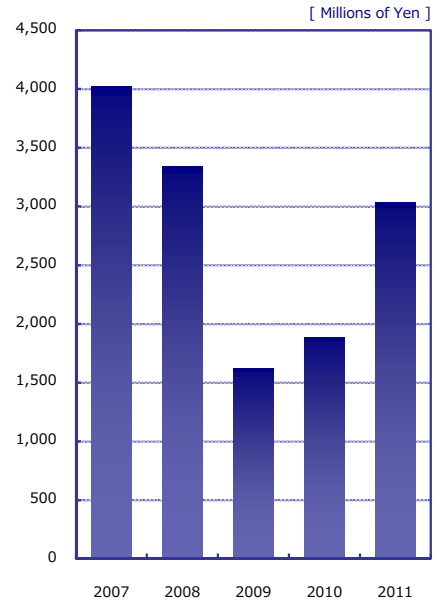
Net Sales



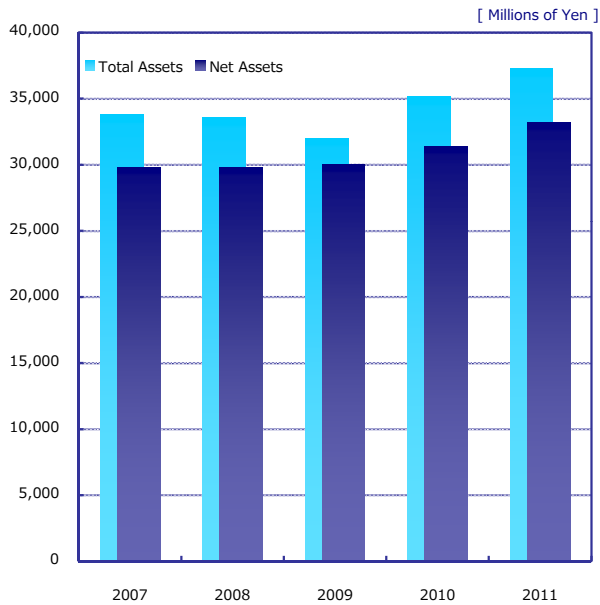
Ordinary Profit



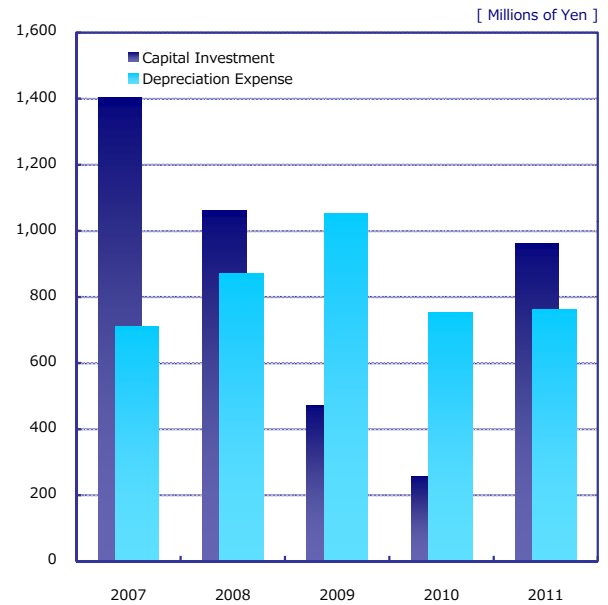
Net Income



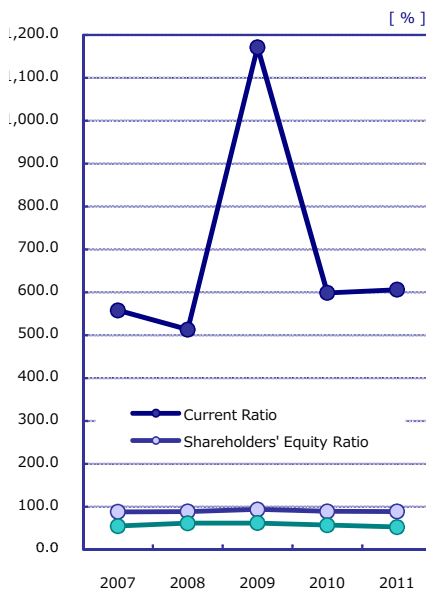
Total Assets / Net Assets



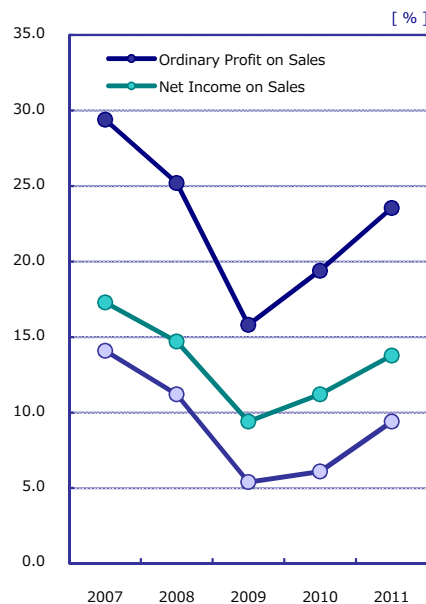
Capital Investment / Depreciation Expense



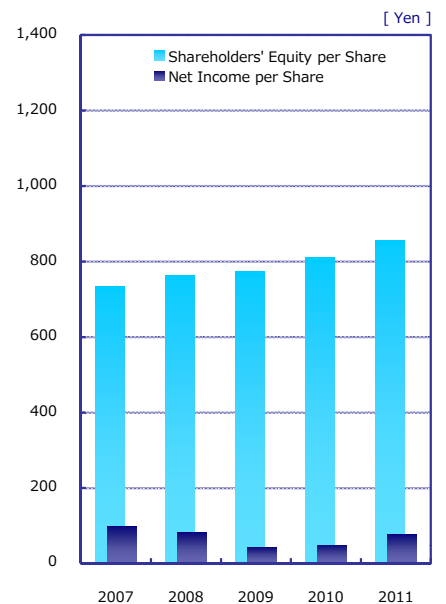
Stability



Profitability



Investment Indicators



Consolidated Balance Sheets

Years ended May 20 ; Thousands of yen	2009	2010	2011
Assets			
Current Assets			
Cash and Deposits	1,530,096	1,855,160	2,378,767
Notes and Accounts Receivable	4,045,828	6,426,002	6,202,906
Marketable Securities	6,316,000	6,617,771	8,749,862
Inventories	1,132,122	1,923,640	1,956,571
Deferred Taxes Assets	144,823	275,072	319,434
Other Current Assets	259,551	161,680	251,986
Allowance for Doubtful Accounts	(12,481)	(20,254)	(12,880)
Total Current Assets	13,415,943	17,239,074	19,846,648
Fixed Assets			
Tangible Fixed Assets			
Buildings and Structures	3,583,223	3,536,102	3,498,699
Accumulated Depreciation	2,151,105	2,221,276	2,091,125
	1,432,118	1,314,825	1,407,574
Machinery, Equipments and Vehicles	4,637,805	4,597,950	4,798,702
Accumulated Depreciation	3,352,591	3,601,329	3,731,486
	1,285,213	996,620	1,067,215
Tools, furniture and fixtures	4,523,160	4,488,915	4,555,220
Accumulated Depreciation	4,107,966	4,192,929	4,249,703
	415,193	295,985	305,516
Land	1,192,963	1,192,963	1,192,963
Construction in Progress	508	5,660	10,896
Total Tangible Fixed Assets	4,325,996	3,806,055	3,984,166
Intangible Fixed Assets	55,252	103,852	126,054
Investments and Other Assets			
Investments in Securities	13,590,419	13,452,116	12,833,181
Deferred Taxes Assets	469,368	441,818	485,787
Other Investments and Other Assets	142,678	119,707	34,820
Total Investments and Other Assets	14,202,465	14,013,642	13,353,789
Total Noncurrent Assets	18,583,714	17,923,550	17,464,010
Total Assets	31,999,658	35,162,625	37,310,658
Liabilities			
Current Liabilities			
Accounts Payable-Trade	453,758	1,019,766	978,225
Accounts Payable-Other	153,289	184,636	151,569
Income Taxes Payable	14,208	951,720	1,354,042
Provision for Bonuses	244,471	368,605	368,572
Provision for Directors' Bonuses	-	11,330	13,340
Other Current Liabilities	279,406	343,747	408,085
Total Current Liabilities	1,145,134	2,879,806	3,273,835
Noncurrent Liabilities			
Deferred tax liability	-	-	1,559
Provision for Retirement Benefits	376,214	383,592	345,967
Provision for Directors' Retirement Benefits	442,600	462,300	477,800
Other noncurrent Liabilities	3,904	3,735	-
Total Noncurrent Liabilities	822,718	849,628	825,326
Total Liabilities	1,967,852	3,729,434	4,099,161
Net Assets			
Common Stock	2,055,000	2,055,000	2,055,000
Capital Surplus	2,288,350	2,288,350	2,288,350
Retained Earnings	26,155,366	27,525,322	29,514,628
Treasury Stock	(136,016)	(136,065)	(136,214)
Valuation Difference on Available-For-Sales Securities	(103,564)	(35,992)	(101,738)
Foreign Currency Translation Adjustments	(227,329)	(263,423)	(408,258)
Net Assets	30,031,805	31,433,190	33,211,496
Total Liabilities and Net Assets	31,999,658	35,162,625	37,310,658

Consolidated Statements of Cash Flows

Years ended May 20 ; Thousands of yen	2009	2010	2011
Net Cash Used in Operating Activities			
Net Income before Taxes and Other Adjustments	2,689,515	3,186,681	5,088,579
Depreciation	1,054,988	753,804	765,747
Impairment Loss	24,199	-	-
Increase (Decrease) in Provision for Retirement Benefits	14,425	7,361	(37,532)
Increase (Decrease) in Provision for Directors' Retirement Benefits	22,300	19,700	15,500
Increase (Decrease) in Provision for Bonuses	(40,203)	124,133	(32)
Increase (Decrease) in Provision for Directors' Bonuses	(17,660)	11,330	2,010
Increase (Decrease) in Allowance for Doubtful Accounts	8,187	8,209	(6,106)
Interest and Dividends Income	(214,740)	(226,678)	(215,423)
Interest Expenses	-	14	-
Foreign Exchange Losses (Gains)	84,345	32,036	47,605
Loss (Gain) on Sales of Investment Securities	(1)	222	-
Loss (Gain) on Valuation of Investment Securities	1,828	53,224	9,295
Loss (Gain) on Sales of Tangible Fixed Assets	1,493	229	(90)
Loss on Retirement of Tangible Fixed Assets	17,664	10,007	32,843
Loss on liquidation of subsidiaries and affiliates	-	-	57,943
Decrease (Increase) in Notes and Accounts Receivable	3,167,553	(2,295,424)	174,495
Decrease (Increase) in Inventories	535,827	(819,114)	(64,058)
Decrease (Increase) in Accounts Payable	(597,384)	450,504	(40,690)
Others	(74,779)	61,670	(50,797)
Subtotal	6,677,560	1,377,911	5,779,287
Interest and Dividends Income	209,551	219,894	222,933
Interest Expenses	(0)	(14)	0
Income and Other Taxes	(2,029,215)	(372,695)	(1,693,542)
Net Cash Used in Operating Activities	4,857,895	1,225,096	4,308,678
Net Cash Used in Investment Activities			
Purchase of Investment in Securities	(3,221,764)	(3,403,441)	(1,700,733)
Proceeds from Redemption of Investment in Securities	1,200,000	2,200,000	3,600,000
Proceeds from Sales of Investment in Securities	16	247	-
Purchase of Tangible Fixed Assets	(606,155)	(251,382)	(978,807)
Proceeds from Sales of Tangible Fixed Assets	796	32,852	13,547
Purchase of Intangible Fixed Assets	-	(59,948)	(46,772)
Others	(20,259)	(780)	21,372
Net Cash Used in Investment Activities	(2,647,368)	(1,482,453)	908,606
Net Cash Used by Financing Activities			
Payments of Short-term Borrowings			
Payments of Long-term Borrowings			
Payments for Treasury Stock	(130,769)	(48)	(148)
Cash Dividends Paid	(934,531)	(543,041)	(1,047,206)
Net Cash Used by Financing Activities	(1,065,300)	(543,090)	(1,047,355)
Effect of Exchange rate change on Cash and Cash Equivalents	(86,101)	(28,903)	(114,211)
Net Increase (Decrease) in Cash and Cash Equivalents	1,059,125	(829,350)	4,055,717
Cash and Cash Equivalents at Beginning of Period	4,286,989	5,346,114	4,572,935
Increase in cash and cash equivalents resulting from change of scope of consolidation	-	56,171	-
Cash and Cash Equivalents at End of Period	5,346,114	4,572,935	8,628,652

Relationship Between Balance of Cash and Cash

Equivalents as of Term End and Balance Sheet Items

Years ended May 20 ; Thousands of yen	2009	2010	2011
Cash on Hand and in Banks	1,530,096	1,855,160	2,378,767
Time Deposit to Exceed Three Months	(300,000)	(300,000)	(300,000)
Marketable Securities			
Money Management Fund · Free Financial Fund	4,116,017	3,017,774	6,549,884
Cash and Cash Equivalents	5,346,114	4,572,935	8,628,652

Consolidated Statements of Income

Years ended May 20 ; Thousands of yen

	2009	2010	2011
Net Sales	17,318,605	16,781,391	22,038,414
Cost of Goods Sold	12,087,466	11,372,507	14,523,666
Gross Profit on Sales	5,231,138	5,408,884	7,514,748
Selling, General and Administrative Expense	2,744,741	2,390,522	2,569,241
Operating Income	2,486,396	3,018,362	4,945,506
Non-Operating Income			
Interest Income	187,376	204,587	189,649
Dividends Income	27,363	22,091	25,773
Compensation Income	3,763	17,812	52,112
Others	51,683	26,794	42,427
	270,187	271,285	309,963
Non-Operating Expense			
Foreign Exchange Losses	21,496	36,666	62,721
Interest Expense	(0)	14	-
Others	2,192	2	2,649
	23,689	36,683	65,371
Ordinary Profit	2,732,895	3,252,964	5,190,098
Extraordinary Income			
Gain on Sales of Fixed Assets	-	1,244	1,072
Gain on Sales of Investment Securities	1	-	-
Reversal of Provision for Bonuses	-	-	3,831
Reversal of Reserve for Directors' Bonuses	1,805	-	-
	1,806	1,244	4,903
Extraordinary Losses			
Loss on Sales of Fixed Assets	1,493	1,473	981
Loss on Retirement of Fixed Assets	17,664	10,157	32,916
Loss on Sales of Investment Securities	-	222	-
Loss on Disposal of Inventories	-	2,450	-
Loss on Valuation of Investment Securities	1,828	53,224	9,295
Impairment Loss	24,199	-	-
Others	-	-	63,229
	45,186	67,527	106,422
Net Income before Taxes and Other Adjustments	2,689,515	3,186,681	5,088,579
Corporate, Inhabitant and Enterprise Taxes	988,191	1,441,333	2,093,770
Adjustment for Income and Other Taxes	81,624	(142,198)	(42,834)
	1,069,816	1,299,135	2,050,936
Net Income for the Period	1,619,698	1,887,546	3,037,642

Consolidated Statements of Changes in Stockholders' Equity

Years ended May 20 ; Thousands of yen

	Common Stock	Capital Surplus	Retained Earnings	Tresury Stock, at Cost	difference on available-for- sale securities	Foreign Currency Translation Adjustments	Total
Balance at May 20,2010	2,055,000	2,288,350	27,525,322	(136,065)	(35,992)	(263,423)	31,433,190
Dividends from surplus	-	-	(1,048,337)	-	-	-	(1,048,337)
Net income	-	-	3,037,642	-	-	-	3,037,642
Purchase of Treasury Stock	-	-	-	(148)	-	-	(148)
Change of Scope of Consolidation	-	-	-	-	-	-	-
Others	-	-	-	-	(65,746)	(145,104)	(210,850)
	-	-	1,989,305	(148)	(65,746)	(145,104)	1,778,306
Balance at May 20,2011	2,055,000	2,288,350	29,514,628	(136,214)	(101,738)	(408,528)	33,211,496

Corporate Profile

Company Name : COSEL CO.,LTD.

Head Office : 1-6-43,Kamiakae-machi,Toyama-shi 930-0816,Japan

Branch : Kawasaki, Atsugi, Tachikawa, Matsumoto, Kumagaya,
Sendai, Mito, Utsunomiya,
Osaka, Kobe, Hiroshima, Kyushu, Kyoto, Shiga,
Nagoya, Hamamatsu, Toyama

Established : July 26,1969

Paid Capital : 2,055 Million of Yen

The COSEL Group

(Consolidated Companies)

TAIYO DENSHI KOUGYOU CO.,LTD.

COSEL U.S.A.INC.

COSEL EUROPE GmbH

COSEL ASIA LTD.

COSEL (SHANGHAI) ELECTRONICS CO., LTD.

History

1967 Feb.	Established as Kimura Electronics Sales Inc. (Private)
1969 Jul.	Established ELCO CO.,LTD. by dissolution of Kimura Electronics Sales Inc.
1973 Jul.	Head office and factory completed at 1-6-43, Kamiakae-machi, Toyama-shi 930-0816, Japar
1979 Jan.	Introduced QC circle activities
1980 Apr.	Established TRANSERVE CO.,LTD.
Sep.	TAIYO DENSHI KOUGYOU CO.,LTD. was made a Subsidiary company
1982 May	Introduced TQC (Now changed to TQM)
1983 Apr.	Pointed as rationalized minor enterprises the model factory in Toyama
Jun.	Introduced policy management (Long term policy, Fixing annual policy)
1984 Mar.	Received commendation as the excellent minor enterprise from the government
1986 Apr.	Received minor enterprises study center prize
1988 Mar.	Toyota Production System Introduce
1989 Mar.	Tateyama Factory completed
1990 Apr.	Established COSEL U.S.A. INC. (Former U.S.ELCO INC.)
1991 May	Established ELCO TAKAOKA CO.,LTD.
1992 Apr.	Changed company name to COSEL CO.,LTD. from ELCO CO.,LTD. at the same time, V.I (Visual Integration) was introduced
1993 Jun.	Acquired ISO9001
1994 Feb.	Set a representative in Europe
Dec.	Company stock opened to the public at counter of Japan securities company association. Capital increased to 2.055 Million of Yen
1995 May	Set a representative in HongKong
1996 Apr.	Introduced TPM (Total Plant Maintenance)
1997 Jul.	Established COSEL EUROPE GmbH
1998 May	Established COSEL ASIA LTD.
1999 Dec.	Acquired ISO14001
2000 May	Shares listed on the First Section of the Tokyo Stock Exchange and Nagoya Stock Exchange
2002 Nov.	Established COSEL (SHANGHAI) ELECTRONICS CO., LTD.
2006 Feb.	Successfully completed the RoHS Directive conformity
2010 Apr.	Liquidated ELCO TAKAOKA CO., LTD.
2011 Apr.	Liquidated TRANSERVE CO., LTD.

COSEL CO., LTD.

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