

Recruit Group Consolidated Statements of Income

(Millions of yen)

Item	FY2011	FY2010	Change	Percent-change (%)
	(Recruit 51st Term)	(Recruit 50th Term)		
Operating revenue	752,688	793,329	▲40,640	▲5.1
Operating expenses	662,204	721,815	▲59,611	▲8.3
Operating profit	90,483	71,513	18,970	26.5
Non-operating income	3,353	2,742	611	22.3
Interest income	296	194	102	52.4
Dividends income	1,197	852	344	40.4
Equity in earnings of affiliates	1,328	599	729	121.7
Other	530	1,095	▲564	▲51.5
Non-operating expenses	3,621	3,245	376	11.6
Interest expenses	1,740	1,707	33	2.0
Provision of allowance for doubtful accounts	1,059	2	1,057	47,239.2
Foreign exchange losses	70	125	▲54	▲43.8
Other	750	1,411	▲660	▲46.8
Ordinary income	90,216	71,010	19,205	27.0
Extraordinary income	805	13,932	▲13,126	▲94.2
Gain on disposal of fixed assets	-	-	-	0.0
Gain on sale of investment securities	20	13,503	▲13,483	▲99.9
Gain on sale of stocks of subsidiaries and affiliates	9	-	9	-
Reversal of allowance for doubtful accounts	77	76	0	0.6
Gain on reversal of provision for retirement benefits	-	-	-	0.0
Other	698	351	347	98.8
Extraordinary loss	11,926	21,937	▲10,011	▲45.6
Loss on disposal of fixed assets	2,614	5,493	▲2,878	▲52.4
Loss on sale of investment securities	6	44	▲37	▲84.3
Loss on sale of stocks of subsidiaries and affiliates	-	-	-	-
Loss on valuation of investment securities	581	268	312	116.6
Loss on restructuring of subsidiaries and affiliates	21	283	▲261	▲92.4
Loss on impairment of fixed assets	847	1,824	▲977	▲53.6
Disaster-related expenses	431	-	431	-
Business restructuring expenses	-	12,145	▲12,145	▲100.0
Impact of application of asset retirement obligation accounting standards	1,713	-	1,713	-
Impact of change in sales recognition standards	4,779	-	4,779	-
Other	931	1,879	▲948	▲50.5
Income before income taxes and minority interest	79,095	63,004	16,090	25.5
Income taxes-current	34,488	33,615	873	2.6
Income taxes-deferred	4,523	1,417	3,106	219.2
Income before income taxes and minority interest	40,082	27,971	12,110	43.3
Minority interests	285	▲49	335	675.5
Net income	39,796	28,021	11,775	42.0

Recruit Group Consolidated Balance Sheets

(Millions of yen)

	FY2011	FY2010	Change
	(Recruit 51st Term)	(Recruit 50th Term)	
Current assets	334,564	310,236	24,328
Cash and deposits	104,280	84,947	19,333
Notes & accounts receivable-trade	108,311	110,183	▲ 1,872
Securities	79,605	64,604	15,000
Inventories	3,119	3,978	▲ 859
Prepaid expenses	3,451	4,013	▲ 561
Deferred tax assets	14,609	12,201	2,407
Short-term loans receivable	0	537	▲ 536
Other	25,848	33,083	▲ 7,235
Allowance for doubtful accounts	▲ 4,661	▲ 3,313	▲ 1,347
Fixed assets	333,616	367,567	▲ 33,951
Tangible fixed assets	81,884	84,208	▲ 2,324
Buildings & structures	11,735	12,590	▲ 854
Machinery, equipment and vehicles	36	28	7
Tools, furniture & fixtures	4,798	6,384	▲ 1,586
Land	65,084	65,088	▲ 3
Other	228	116	112
Intangible fixed assets	156,332	172,792	▲ 16,459
Goodwill	122,803	141,411	▲ 18,608
Leaseholds	-	-	-
Software	32,966	30,820	2,146
Other	563	559	3
Investments & other assets	95,399	110,566	▲ 15,167
Investment securities	53,356	61,550	▲ 8,194
Stocks of subsidiaries and affiliates	11,244	10,491	752
Available-for-sale securities	-	-	-
Long-term loans receivable	1,458	1,412	45
Long-term prepaid expenses	883	952	▲ 69
Deferred tax assets	13,318	15,446	▲ 2,128
Guarantee deposits	14,530	18,808	▲ 4,278
Claims provable in bankruptcy or rehabilitation	964	1,361	▲ 396
Other	2,008	2,229	▲ 220
Allowance for Doubtful Accounts	▲ 2,364	▲ 1,686	▲ 678
Deferred assets	-	-	-
Total Assets	668,180	677,803	▲ 9,623

	FY2011	FY2010	Change
	(Recruit 51st Term)	(Recruit 50th Term)	
Current Liabilities	170,246	135,132	35,114
Notes & accounts payable-trade	34,627	36,562	▲ 1,935
Short-term loans payable	40,085	10,729	29,355
Accounts payable-other	5,354	4,453	901
Accrued expenses	29,639	29,765	▲ 126
Income taxes payable and others	23,454	26,732	▲ 3,277
Accrued consumption tax-including VAT	4,373	964	3,409
Provision for bonuses	10,106	8,754	1,352
Other	22,605	17,171	5,434
Long-Term Liabilities	155,244	197,748	▲ 42,503
Long-term loans payable	130,193	170,232	▲ 40,038
Long-term security deposits	474	742	▲ 268
Provision for retirement benefits	22,602	24,628	▲ 2,025
Provision for directors' retirement benefits	1,746	1,875	▲ 129
Other	227	268	▲ 41
Total Liabilities	325,491	332,880	▲ 7,389
Shareholders' equity	338,244	334,874	3,370
Capital stock	3,002	3,002	-
Capital surplus	14,680	15,130	▲ 450
Retained earnings	368,390	344,896	23,494
Treasury stock	▲ 47,828	▲ 28,155	▲ 19,673
Valuation and translation adjustments	1,051	7,383	▲ 6,332
Valuation difference on available-for-sale securities	2,728	8,218	▲ 5,490
Foreign currency translation adjustment	▲ 1,677	▲ 835	▲ 841
Subscription rights to shares	4	-	4
Valuation and translation adjustments	3,388	2,665	723
Total Net Assets	342,689	344,923	▲ 2,233
Total Liabilities and Net Assets	668,180	677,803	▲ 9,623