

Consolidated Financial Summary for the Fiscal Year Ended March 31, 2010

SINANEN CO., LTD.

May 11, 2010

Securities code: 8132 URL: <http://www.sinanen.com> Shares listed: Tokyo Stock Exchange
 Representative: Hiroyuki Suzuki, President and CEO
 Contact: Naoki Shimizu, Finance and Accounting Manager Tel: +81-3-5470-7105
 Scheduled date of Ordinary General Meeting of Shareholders: June 24, 2010
 Scheduled date of start of dividend payment: June 25, 2010
 Scheduled date of filing of securities report: June 24, 2010

Consolidated Financial Highlights

(As of and for the fiscal years ended March 31, 2009 and 2010)

1. Consolidated Performance

Fiscal years ended March 31	2009	2010	2010 / 2009	2010
	(Millions of yen)		(Percentage change)	(Thousands of U.S. dollars)
(1) Consolidated financial results:				
Net sales	¥251,225	¥216,185	-13.9%	\$2,324,570
Operating income	4,866	3,692	-24.1%	39,699
Ordinary income	4,972	4,264	-14.2%	45,849
Net income	1,813	2,217	22.3%	23,839
Net income per share (yen)	27.73	33.94		
Net income per share (diluted) (yen)	—	—		
Return on equity (ROE)	4.1%	5.0%		
Return on assets (ROA)	6.3%	5.8%		
Operating income to net sales	1.9%	1.7%		

(Reference) Equity in (earnings) losses of affiliates

Fiscal year ended March 31, 2010: ¥— million Fiscal year ended March 31, 2009: ¥(6) million

As of	Mar. 31, 2009	Mar. 31, 2010	Mar. 31, 2010
	(Millions of yen)		(Thousands of U.S. dollars)
(2) Consolidated financial condition:			
Total assets	¥70,756	¥76,632	\$824,000
Net assets	44,110	45,351	487,645
Equity ratio	62.3%	59.1%	
Net assets per share (yen)	¥674.18	¥697.04	

(Reference) Shareholders' equity

As of March 31, 2010: ¥45,312 million As of March 31, 2009: ¥44,071 million

Fiscal years ended March 31	2009	2010	2010
	(Millions of yen)		(Thousands of U.S. dollars)
(3) Consolidated cash flows:			
Cash flow from operating activities	¥11,273	¥2,899	\$31,172
Cash flow from investing activities	(3,525)	(1,617)	(17,387)
Cash flow from financing activities	(10,322)	(1,870)	(20,108)
Cash and cash equivalents at end of year	¥17,525	¥16,954	\$182,301

2. Dividends

	Dividends per Share					Total Dividends	Payout Ratio (Consolidated)	Dividend on Net Assets Ratio (Consolidated)
	1Q end	2Q end	3Q end	Year end	Total			
	(Yen)							
2009	—	—	—	¥15.00	¥15.00	¥980	54.1%	2.2%
2010	—	—	—	15.00	15.00	975	44.2%	2.2%
2011 (Forecast)	—	—	—	¥15.00	¥15.00		42.4%	

3. Consolidated Results Forecast for Year Ending March 31, 2011

	2011	
	Six months ending Sep. 30, 2011	Full year
	<i>(Millions of yen)</i>	
Net sales	¥95,000	¥250,000
Operating income	400	4,000
Ordinary income	800	4,600
Net income	200	2,300
Net income per share (yen)	¥3.08	¥35.38

Notes:

1. U.S. dollar amounts are translated from Japanese yen, for readers' convenience only, at the exchange rate of 93 yen per U.S. dollar, the approximate exchange rate of TTM of The Bank of Tokyo-Mitsubishi UFJ, Ltd., on March 31, 2010.
2. Return on equity (ROE) = Net income / Average shareholders' equity
3. Return on assets (ROA) = Ordinary income / Average total assets

4. Other

- (1) Changes in significant subsidiaries during the period (Changes in specified subsidiaries resulting in change in scope of consolidation): None
- (2) Changes in accounting policies, procedures and presentation methods for consolidated financial statements
 - (i) Changes pursuant to revision of accounting policies: Yes
 - (ii) Other changes: No
- (3) Number of shares issued (common stock)
 - (i) Number of shares issued (including treasury stock)

As of March 31, 2010	75,752,958 shares
As of March 31, 2009	75,752,958 shares
 - (ii) Number of shares of treasury stock

As of March 31, 2010	10,746,603 shares
As of March 31, 2009	10,383,057 shares

* Explanations about the appropriate use of the consolidated results forecast and other noteworthy points:

These projected performance figures (April 1, 2010 to March 31, 2011) are based on information currently available to the Company's management and include uncertain factors. Accordingly, there might be cases in which actual results materially differ from the forecasts in this document.

Non-consolidated Financial Highlights

(As of and for the years ended March 31, 2009 and 2010)

1. Non-consolidated Performance

Fiscal years ended March 31	2009	2010	2010 / 2009	2010
	<i>(Millions of yen)</i>		<i>(Percentage change)</i>	<i>(Thousands of U.S. dollars)</i>
(1) Non-consolidated business results:				
Net sales	¥232,357	¥196,251	-15.5%	\$2,110,226
Operating income	2,648	1,159	-56.2%	12,462
Ordinary income	2,922	2,191	-25.0%	23,559
Net income	763	1,076	41.0%	11,570
Net income per share (<i>yen</i>)	11.67	16.47		
Net income per share (diluted) (<i>yen</i>)	—	—		

As of	Mar. 31, 2009	Mar. 31, 2010	Mar. 31, 2010
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
(2) Non-consolidated financial condition:			
Total assets	¥63,758	¥68,347	\$734,914
Net assets	40,591	40,670	437,312
Equity ratio	63.7%	59.5%	
Net assets per share (<i>yen</i>)	¥620.94	¥625.63	

(Reference) Shareholders' equity

As of March 31, 2010:

¥40,670 million

As of March 31, 2009:

¥40,591 million

Note:

U.S. dollar amounts are translated from Japanese yen, for readers' convenience only, at the exchange rate of 93 yen per U.S. dollar, the approximate exchange rate of TTM of The Bank of Tokyo-Mitsubishi UFJ, Ltd., on March 31, 2010.

Consolidated Balance Sheets

(As of March 31, 2009 and 2010)

	2009	2010	2010
	<i>(millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Assets			
Current assets			
Cash and deposits	¥17,636	¥16,980	\$182,581
Notes and accounts receivable-trade	19,872	26,111	280,763
Short-term investment securities	100	—	—
Merchandise and finished goods	2,547	3,136	33,720
Work in process	10	3	32
Raw materials and supplies	88	95	1,022
Deferred tax assets	490	479	5,151
Other	679	866	9,312
Allowance for doubtful accounts	(79)	(101)	(1,086)
Total current assets	41,347	47,571	511,516
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	14,179	14,247	153,194
Accumulated depreciation	(8,518)	(8,777)	(94,376)
Buildings and structures, net	5,660	5,470	58,817
Machinery, equipment and vehicles	9,046	9,482	101,957
Accumulated depreciation	(6,261)	(6,840)	(73,548)
Machinery, equipment and vehicles, net	2,785	2,641	28,398
Land	9,698	9,915	106,613
Lease assets	107	299	3,215
Accumulated depreciation	(10)	(38)	(409)
Lease assets, net	97	260	2,796
Construction in progress	46	60	645
Other	802	819	8,806
Accumulated depreciation	(524)	(575)	(6,183)
Other, net	277	244	2,624
Total property, plant and equipment	18,567	18,593	199,925
Intangible assets			
Goodwill	1,780	1,463	15,731
Lease assets	—	29	312
Other	667	476	5,118
Total intangible assets	2,447	1,969	21,172
Investments and other assets			
Investment securities	4,778	4,861	52,269
Long-term loans receivable	114	103	1,108
Long-term prepaid expenses	2,530	1,756	18,882
Deferred tax assets	149	168	1,806
Other	1,264	1,884	20,258
Allowance for doubtful accounts	(442)	(275)	(2,957)
Total investments and other assets	8,394	8,499	91,387
Total noncurrent assets	29,409	29,061	312,484
Total assets	¥70,756	¥76,632	\$824,000

	2009	2010	2010
	<i>(millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Liabilities			
Current liabilities			
Notes and accounts payable-trade	¥14,489	¥19,773	\$212,613
Short-term loans payable	1,701	1,015	10,914
Current portion of bonds	48	38	409
Accounts payable-other	1,420	1,313	14,118
Lease obligations	19	78	839
Income taxes payable	939	921	9,903
Accrued consumption taxes	464	131	1,409
Provision for bonuses	689	677	7,280
Other	1,581	1,760	18,925
Total current liabilities	21,354	25,710	276,452
Noncurrent liabilities			
Bonds payable	55	17	183
Long-term loans payable	917	966	10,387
Lease obligations	78	322	3,462
Deferred tax liabilities	502	727	7,817
Provision for retirement benefits	2,542	2,559	27,516
Provision for directors' retirement benefits	117	137	1,473
Long-term guarantee deposited	740	715	7,688
Other	338	124	1,333
Total noncurrent liabilities	5,292	5,571	59,903
Total liabilities	26,646	31,281	336,355
Net assets			
Shareholders' equity			
Capital stock	15,630	15,630	168,065
Capital surplus	11,770	11,770	126,559
Retained earnings	22,025	23,262	250,129
Treasury stock	(5,777)	(5,917)	(63,624)
Total shareholders' equity	43,648	44,745	481,129
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	430	564	6,065
Deferred gains or losses on hedges	2	1	11
Foreign currency translation adjustment	(10)	0	0
Total valuation and translation adjustments	422	566	6,086
Minority interests	38	39	419
Total net assets	44,110	45,351	487,645
Total liabilities and net assets	¥70,756	¥76,632	\$824,000

Consolidated Statements of Income

(For the years ended March 31, 2009 and 2010)

	2009	2010	2010
	<i>(millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Net sales	¥251,225	¥216,185	\$2,324,570
Cost of sales	220,252	186,236	2,002,538
Gross profit	30,972	29,949	322,032
Selling, general and administrative expenses	26,106	26,256	282,323
Operating income	4,866	3,692	39,699
Non-operating income			
Interest income	62	31	333
Dividends income	133	93	1,000
Commission fee	60	63	677
Diesel oil delivery tax subsidies	101	93	1,000
Insurance return	13	53	570
Gain from derivatives	—	83	892
Other	403	284	3,054
Total non-operating income	774	703	7,559
Non-operating expenses			
Interest expenses	40	40	430
Foreign exchange losses	170	22	237
Provision of allowance for doubtful accounts	1	5	54
Equity in losses of affiliates	6	—	—
Loss from derivatives	378	—	—
Other	72	63	677
Total non-operating expenses	668	131	1,409
Ordinary income	4,972	4,264	45,849
Extraordinary income			
Gain on sales of noncurrent assets	6	11	118
Gain on sales of investment securities	1	5	54
Other	—	7	75
Total extraordinary income	8	23	247
Extraordinary loss			
Loss on sales of noncurrent assets	9	10	108
Loss on retirement of noncurrent assets	112	118	1,269
Impairment loss	54	15	161
Amortization of goodwill	114	—	—
Loss on cancel of lease contracts	4	8	86
Loss on valuation of investment securities	972	22	237
Loss on valuation of stocks of subsidiaries and affiliates	—	9	97
Restructuring expenses	—	83	892
Expenses for change of subsidiary names	—	70	753
Unpaid wages for prior years	320	—	—
Taxes and public charges for prior years	28	—	—
Total extraordinary losses	1,615	339	3,645
Income before income taxes	3,364	3,949	42,462
Income taxes-current	1,538	1,598	17,183
Income taxes-deferred	10	131	1,409
Total income taxes	1,549	1,730	18,602
Minority interests in income	1	1	11
Net income	¥1,813	¥2,217	\$23,839

Consolidated Statements of Changes in Net Assets

(For the years ended March 31, 2009 and 2010)

	2009	2010	2010
	<i>(millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Shareholders' equity			
Capital stock			
Balance at the end of previous period	¥15,630	¥15,630	\$168,065
Changes of items during the period			
Total changes of items during the period	—	—	
Balance at the end of current period	15,630	15,630	168,065
Capital surplus			
Balance at the end of previous period	11,773	11,770	126,559
Changes of items during the period			
Disposal of treasury stock	(3)	(0)	(0)
Total changes of items during the period	(3)	(0)	(0)
Balance at the end of current period	11,770	11,770	126,559
Retained earnings			
Balance at the end of previous period	21,192	22,025	236,828
Changes of items during the period			
Dividends from surplus	(980)	(980)	(10,538)
Net income	1,813	2,217	23,839
Total changes of items during the period	833	1,236	13,290
Balance at the end of current period	22,025	23,262	250,129
Treasury stock			
Balance at the end of previous period	(5,775)	(5,777)	(62,118)
Changes of items during the period			
Disposal of treasury stock	14	2	22
Purchase of treasury stock	(16)	(142)	(1,527)
Total changes of items during the period	(2)	(139)	(1,495)
Balance at the end of current period	(5,777)	(5,917)	(63,624)
Total shareholders' equity			
Balance at the end of previous period	42,820	43,648	469,333
Changes of items during the period			
Dividends from surplus	(980)	(980)	(10,538)
Net income	1,813	2,217	23,839
Disposal of treasury stock	11	2	22
Purchase of treasury stock	(16)	(142)	(1,527)
Total changes of items during the period	827	1,096	11,785
Balance at the end of current period	¥43,648	¥44,745	\$481,129

	2009	2010	2010
	<i>(millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Valuation and translation adjustments			
Valuation difference on available-for-sale securities			
Balance at the end of previous period	¥706	¥430	\$4,624
Changes of items during the period			
Net changes of items other than shareholders' equity	(275)	133	1,430
Total changes of items during the period	(275)	133	1,430
Balance at the end of current period	430	564	6,065
Deferred gains or losses on hedges			
Balance at the end of previous period	(4)	2	22
Changes of items during the period			
Net changes of items other than shareholders' equity	7	(0)	(0)
Total changes of items during the period	7	(0)	(0)
Balance at the end of current period	2	1	11
Foreign currency translation adjustment			
Balance at the end of previous period	3	(10)	(108)
Changes of items during the period			
Net changes of items other than shareholders' equity	(14)	11	118
Total changes of items during the period	(14)	11	118
Balance at the end of current period	(10)	0	0
Total valuation and translation adjustments			
Balance at the end of previous period	705	422	4,538
Changes of items during the period			
Net changes of items other than shareholders' equity	(282)	144	1,548
Total changes of items during the period	(282)	144	1,548
Balance at the end of current period	422	566	6,086
Minority interests			
Balance at the end of previous period	38	38	409
Changes of items during the period			
Net changes of items other than shareholders' equity	0	0	0
Total changes of items during the period	0	0	0
Balance at the end of current period	¥38	¥39	\$419

	2009	2010	2010
	<i>(millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Total net assets			
Balance at the end of previous period	¥43,565	¥44,110	\$474,301
Changes of items during the period			
Dividends from surplus	(980)	(980)	(10,538)
Net income	1,813	2,217	23,839
Disposal of treasury stock	11	2	22
Purchase of treasury stock	(16)	(142)	(1,527)
Net changes of items other than shareholders' equity	(282)	144	1,548
Total changes of items during the period	544	1,241	13,344
Balance at the end of current period	¥44,110	¥45,351	\$487,645

Consolidated Statements of Cash Flows

(For the years ended March 31, 2009 and 2010)

	2009	2010	2010
	<i>(millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Net cash provided by (used in) operating activities			
Income before income taxes	¥3,364	¥3,949	\$42,462
Depreciation and amortization	2,776	2,599	27,946
Amortization of goodwill	268	323	3,473
Increase (decrease) in allowance for doubtful accounts	(29)	(44)	(473)
Increase (decrease) in provision for retirement benefits	(4)	16	172
Increase (decrease) in other provision	(114)	(72)	(774)
Foreign exchange losses (gains)	108	(6)	(65)
Equity in (earnings) losses of affiliates	6	—	—
Interest and dividends income	(196)	(124)	(1,333)
Interest expenses	40	40	430
Loss (gain) on sales of investment securities	(1)	(5)	(54)
Loss (gain) on valuation of investment securities	985	27	290
Loss on retirement of noncurrent assets	112	118	1,269
Loss (gain) on sales of noncurrent assets	2	(0)	(0)
Decrease (increase) in notes and accounts receivable-trade	12,647	(6,195)	(66,613)
Decrease (increase) in inventories	2,075	(579)	(6,226)
Increase (decrease) in notes and accounts payable-trade	(9,666)	5,249	56,441
Increase (decrease) in guarantee deposits received	128	(24)	(258)
Decrease (increase) in long-term prepaid expenses	(395)	(323)	(3,473)
Other, net	492	(501)	(5,387)
Subtotal	12,602	4,445	47,796
Interest and dividends income received	197	125	1,344
Interest expenses paid	(36)	(42)	(452)
Income taxes paid	(1,489)	(1,628)	(17,505)
Net cash provided by (used in) operating activities	11,273	2,899	31,172
Net cash provided by (used in) investing activities			
Proceeds from withdrawal of time deposits	50	113	1,215
Payments into time deposits	(85)	(25)	(269)
Proceeds from sales and redemption of securities	—	110	1,183
Proceeds from sales of investment securities	56	16	172
Purchase of investment securities	(21)	(17)	(183)
Proceeds from sales of noncurrent assets	32	106	1,140
Purchase of noncurrent assets	(1,902)	(1,227)	(13,194)
Decrease (increase) in short-term loans receivable	14	15	161
Collection of long-term loans receivable	30	1	11
Payments of long-term loans receivable	(155)	(1)	(11)
Purchase of investments in subsidiaries	(13)	—	—
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	45	—	—
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(1,224)	(9)	(97)
Purchase of insurance funds	—	(692)	(7,441)
Other, net	(352)	(7)	(75)
Net cash provided by (used in) investing activities	(¥3,525)	(¥1,617)	(\$17,387)

	2009	2010	2010
	<i>(millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Net cash provided by (used in) financing activities			
Net increase (decrease) in short-term loans payable	(¥5,071)	(¥676)	(\$7,269)
Increase (decrease) in commercial papers	(4,000)	—	—
Proceeds from long-term loans payable	100	191	2,054
Repayment of long-term loans payable	(350)	(182)	(1,957)
Proceeds from sales of treasury stock	11	2	22
Redemption of bonds	—	(48)	(516)
Purchase of treasury stock	(18)	(144)	(1,548)
Cash dividends paid	(983)	(981)	(10,548)
Cash dividends paid to minority shareholders	—	(0)	(0)
Other, net	(10)	(30)	(323)
Net cash provided by (used in) financing activities	(10,322)	(1,870)	(20,108)
Effect of exchange rate change on cash and cash equivalents	(112)	16	172
Net increase (decrease) in cash and cash equivalents	(2,687)	(571)	(6,140)
Cash and cash equivalents at beginning of period	20,213	17,525	188,441
Cash and cash equivalents at end of period	¥17,525	¥16,954	\$182,301

Segment Information

(As of and for the years ended March 31, 2009 and 2010)

Business Segment Information

As of and for the year ended March 31, 2009

	Energy Product	Non-Energy	Total	Eliminations and Corporate	Consolidated Total
<i>(Millions of yen)</i>					
I Net sales and operating income:					
Net sales					
(1) Net sales to external customers	¥245,735	¥5,490	¥251,225	—	¥251,225
(2) Intersegment net sales or transfer amount	14	204	218	(218)	—
Total	245,749	5,694	251,443	(218)	251,225
Operating expenses	238,528	5,546	244,075	2,284	246,359
Operating income	7,221	147	7,368	(2,502)	4,866
II Assets, depreciation and amortization and capital expenditures:					
Assets	47,163	4,205	51,369	19,387	70,756
Depreciation and amortization	2,474	114	2,589	187	2,776
Capital expenditures	¥2,257	¥118	¥2,376	¥154	¥2,531

As of and for the year ended March 31, 2010

	Energy Product	Non-Energy	Total	Eliminations and Corporate	Consolidated Total
<i>(Millions of yen)</i>					
I Net sales and operating income:					
Net sales					
(1) Net sales to external customers	¥209,976	¥6,208	¥216,185	—	¥216,185
(2) Intersegment net sales or transfer amount	18	450	468	(468)	—
Total	209,995	6,658	216,654	(468)	216,185
Operating expenses	204,115	6,361	210,476	2,015	212,492
Operating income	5,880	297	6,177	(2,484)	3,692
II Assets, depreciation and amortization and capital expenditures:					
Assets	53,137	4,329	57,467	19,165	76,632
Depreciation and amortization	2,211	213	2,425	173	2,599
Capital expenditures	¥1,738	¥143	¥1,881	¥29	¥1,910

As of and for the year ended March 31, 2010

	Energy Product	Non-Energy	Total	Eliminations and Corporate	Consolidated Total
<i>(Thousands of U.S. dollars)</i>					
I Net sales and operating income:					
Net sales					
(1) Net sales to external customers	\$2,257,806	\$66,753	\$2,324,570	—	\$2,324,570
(2) Intersegment net sales or transfer amount	194	4,839	5,032	(5,032)	—
Total	2,258,011	71,591	2,329,613	(5,032)	2,324,570
Operating expenses	2,194,785	68,398	2,263,183	21,667	2,284,860
Operating income	63,226	3,194	66,419	26,710	39,699
II Assets, depreciation and amortization and capital expenditures:					
Assets	571,366	46,548	617,925	206,075	824,000
Depreciation and amortization	23,774	2,290	26,075	1,860	27,946
Capital expenditures	\$18,688	\$1,538	\$20,226	\$312	\$20,538

Notes:

- Business segment classifications are those used for internal administration.
- The main products of each business segment are as follows:
 - Energy Products Business: petroleum products, liquefied petroleum gas, solid fuels, oil and gas appliances and other housing equipment, and leasing of sales facilities for these businesses.
 - Non-Energy Business: antimicrobial zeolite, scrap wood, etc.
- Operating expenses not allocable to either segment included in "Eliminations and Corporate" under operating expenses for the 75th Term totaled ¥2,509 million, and consisted primarily of expenses of the general affairs division and other head office administrative divisions.
Operating expenses not allocable to either segment included in "Eliminations and Corporate" under operating expenses for the 76th Term totaled ¥2,491 million, and consisted primarily of expenses of the general affairs division and other head office administrative divisions.
- Corporate assets included in "Eliminations and Corporate" under assets for the 75th Term totaled ¥24,841 million, and consisted primarily of "cash and deposits," "securities," and assets related to administrative divisions at the parent company. Corporate assets included in "Eliminations and Corporate" under assets in the 76th Term totaled ¥23,994 million, and consisted primarily of "cash for deposits," "securities," and assets related to administrative divisions at the parent company.
- The increase in long-term prepaid expenses includes capital expenditures.

Geographical Segment Information

Segment information by geographical area for the years ended March 31, 2009 and 2010 is omitted because the total domestic net sales and assets account for more than 90% of the total net sales and assets of all segments, respectively.

Overseas Sales

Overseas net sales for the years ended March 31, 2009 and 2010 is omitted because the total overseas net sales account for less than 10% of the total consolidated net sales.