



# FACT SHEET

2nd Quarter of the Year Ending March 2011

6 Months Ended September 30, 2010

**PROTO CORPORATION**

Securities Code: 4298

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## Corporate Name

PROTO CORPORATION

## Founded

October 1, 1977

## Established

June 1, 1979

## Common Stock

¥1,824,620 thousand

## Shares Outstanding

10,470,000

## Head Offices

<NAGOYA> 1-23-14, Aoi, Naka-ku, Nagoya 460-0006, Japan

<TOKYO> 2-22-2, Hongo, Bunkyo-ku, Tokyo 113-0033, Japan

## Branch Offices

Sapporo, Sendai, Kita-Kanto, Tokyo, Nagano, Hamamatsu, Nagoya, Hokuriku, Osaka, Hiroshima, Fukuoka, Kumamoto (53 Sales Outlets Nationwide/2 Head Offices, 12 Branch Offices, 39 Sales Offices)

## Fiscal Year-end

March 31

## Board of Directors and Statutory Auditors

Chairman and Chief Executive Officer: Hiroichi Yokoyama

President and Chief Operating Officer: Tatsuzo Irikawa

Vice President: Minoru Saito

Managing Director: Motohisa Yokoyama

Managing Director: Fujio Iimura

Managing Director: Atsuya Okimura

Director: Susumu Kuramoto

Director: Kenji Kamiya

Director: Mitsuhiro Munehira

Director: Toru Shiraki

Director: Shigeyoshi Shimizu

Standing Statutory Auditor: Kenichi Mizuno

Statutory Auditor: Wataru Shiomi

Statutory Auditor: Yoshio Arima

## Number of Employees

Consolidated:911 (Parent:646)

## Stock Exchange Listing

JASDAQ (Listed on September 12, 2001)

## URL

<http://www.proto-g.co.jp/>

## Subsidiary

REPAIR-TECH INC.

MARS FLAG Corporation

PROTO DATA CENTER

Goo Auto Inc.

SYSTEM-ONE Corporation

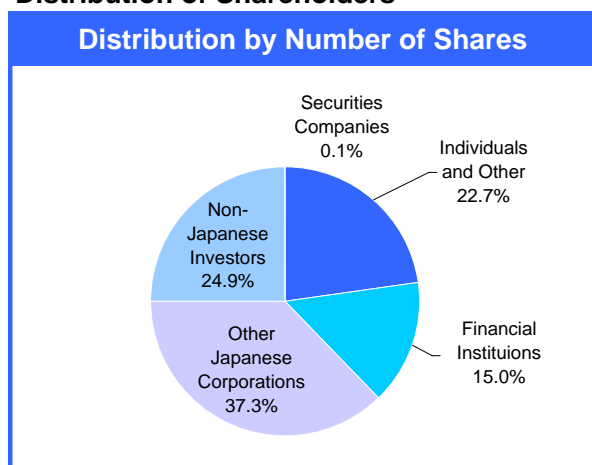
Medical CUBIC Co., Ltd

Bike Bros. Inc.

PROTO (SHANGHAI) ADVERTISING CO., LTD

PROTO (SHANGHAI) BROKERAGE CO., LTD (The company schedules dissolution in March, 2011.)

## Distribution of Shareholders



## Major Shareholders

Shareholder	Number of Shares Held (Thousand)	Ownership(%)
(1) Mugen Corporation	3,403	32.50
(2) Japan Trustee Services Bank, Ltd. (Trust Account)	769	7.34
(3) BNP Paribas Securities Services Singapore/BP2S Sydney/Jasdec/Australian Residents	570	5.45
(4) Hiroichi Yokoyama	520	4.96
(5) Yoshihiro Yokoyama	330	3.15
(6) The Master Trust Bank of Japan, Ltd. (Trust Account)	302	2.89
(7) Northern Trust Co. (AVFC) Sub A/C American Clients	214	2.04
(8) Mellon Bank ABN Amro Global Custody N.V.	175	1.67
(9) Minoru Saito	169	1.62
(10) Takemi Masuda	157	1.50

## Corporate History

<b>October, 1977</b>	“Used Vehicle Tsushin” (now “Goo”) launched
<b>June, 1979</b>	Project Eight Corporation (now PROTO Corporation) established
<b>August, 1985</b>	“Auction Information Weekly” launched
<b>October, 1992</b>	“Used Vehicle Tsushin” name changed to “Goo”
<b>December, 1992</b>	“Goo Osaka Edition” launched, marking start of nationwide expansion
<b>October, 1995</b>	“Goo Tokyo Metropolitan Area Edition” launched
<b>April, 1996</b>	“Data Line” used car data search system developed, marking launch of information service
<b>October, 1996</b>	Used vehicle information search site “Goo-net” marks start of online information service
<b>October, 1999</b>	“Blue Book” guide to used vehicle prices launched
<b>October, 1999</b>	Starts providing automobile-related information as an official i-Mode site in collaboration with NTT DOCOMO
<b>August, 2001</b>	“Goo Bike” information magazine launched
<b>March, 2002</b>	“Goo Parts” car parts information magazine launched
<b>August, 2002</b>	“Vee SCHOOL” launched, marking entry to cultural-related information business
<b>August, 2006</b>	“Goo-net Auction” launched as a C-to-B used vehicle trading service
<b>October, 2006</b>	“Oasis Navi” launched as online information search site for nursing homes
<b>July, 2007</b>	“Kaigo Kyujin Navi” launched as recruiting/outplacement information service for nursing, medical, and welfare facilities
<b>February, 2009</b>	“Nurse Agent” launched as outplacement information service for nursing
<b>June, 2009</b>	“Goo Auto Exchange” launched as a used car trading service for Overseas buyers and Japanese car dealers (Redesigned as “Goo-net Exchange” in March 2010)

## Financial Highlights (Consolidated)

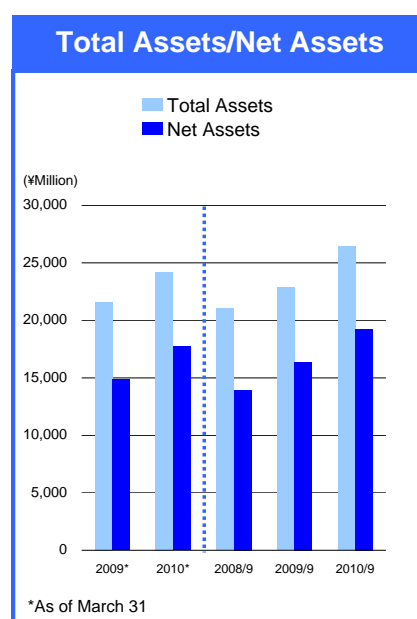
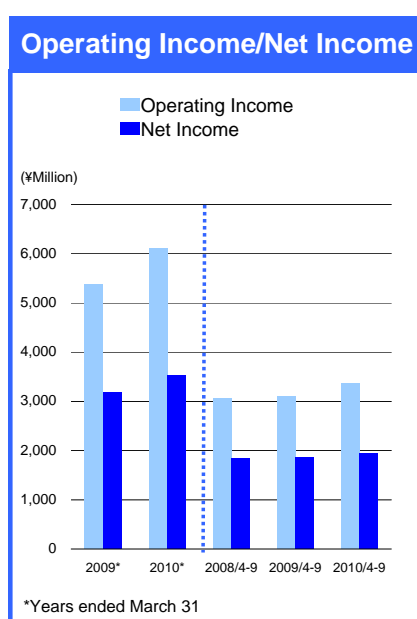
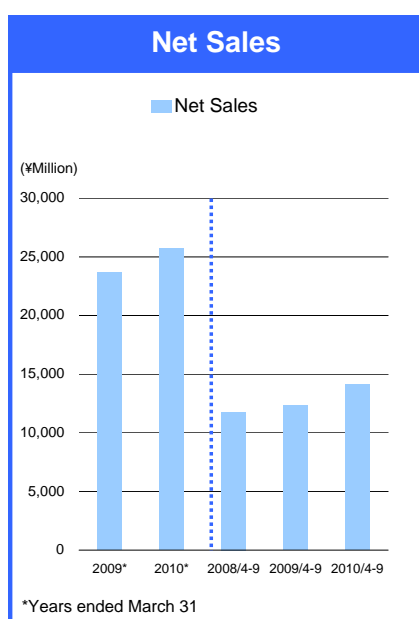
Financial Highlights	*Years ended March 31		(Thousands of Yen)		
	2009*	2010*	2008/4-9	2009/4-9	2010/4-9
Net Sales	23,657,565	25,682,321	11,768,353	12,320,001	14,125,503
Operating Income	5,384,741	6,098,600	3,052,030	3,103,682	3,356,078
Ordinary Income	5,400,297	6,165,870	3,061,772	3,134,948	3,393,403
Net Income	3,187,129	3,529,683	1,836,068	1,852,662	1,943,661
Total Assets	21,608,731	24,223,151	21,014,363	22,859,770	26,434,422
Net Assets	14,865,078	17,700,776	13,938,940	16,381,807	19,258,960
Common Stock	1,824,620	1,824,620	1,824,620	1,824,620	1,824,620
Shares Outstanding at Year-End	10,470,000	10,470,000	10,470,000	10,470,000	10,470,000
Number of Employees	716	798	685	743	911

Per Share Data	*Years ended March 31		(Yen)		
	2009*	2010*	2008/4-9	2009/4-9	2010/4-9
Net Income	304.67	337.43	175.52	177.11	185.81
Net Assets	1,413.52	1,683.60	1,322.46	1,557.78	1,832.97
Annual Cash Dividends	70.00	70.00	35.00	35.00	37.50

Profitability Index	*Years ended March 31				
	2009*	2010*	2008/4-9	2009/4-9	2010/4-9
Operating Income Ratio	22.8%	23.7%	25.9%	25.2%	23.8%
Return on Equity (ROE)* <sup>1</sup>	23.5%	21.8%	-	-	-
Return on Asset (ROA)* <sup>2</sup>	26.6%	26.9%	-	-	-

\*1 ROE:Net Income/Equity Capital

\*2 ROA:Ordinary Income/Net Asset



## Consolidated Balance Sheets

	(Thousands of Yen)		
	2008/9	2009/9	2010/9
<b>&lt;Assets&gt;</b>			
<b>Current Assets</b>			
Cash	10,504,304	9,716,801	11,838,451
Notes and accounts receivable-trade	2,262,340	2,401,352	2,739,818
Goods and merchandise	14,044	6,314	20,526
Goods in process	20,349	59,685	63,265
Raw material and inventory goods	4,427	3,828	3,619
Deferred tax assets	305,572	315,167	409,374
Other current assets	314,312	355,894	489,890
Allowance for doubtful accounts	(1,654)	(1,125)	(3,537)
<b>Total Current Assets</b>	<b>13,423,696</b>	<b>12,857,919</b>	<b>15,561,407</b>
<b>Fixed Assets</b>			
<b>Tangible Fixed Assets</b>			
Buildings and structures	1,885,698	3,237,628	3,075,048
Land	3,138,392	3,900,031	3,900,031
Other tangible fixed assets	119,294	64,890	123,373
<b>Total Tangible Fixed Assets</b>	<b>5,143,385</b>	<b>7,202,551</b>	<b>7,098,453</b>
<b>Intangible Fixed Assets</b>			
Goodwill	58,794	122,575	1,481,897
Other intangible fixed assets	166,582	173,346	215,660
<b>Total Intangible Fixed Assets</b>	<b>225,377</b>	<b>295,922</b>	<b>1,697,557</b>
<b>Investments and Other Assets</b>			
Investments in securities	484,221	724,695	537,493
Deferred tax assets	429,644	481,700	573,127
Other investments	1,333,275	1,328,453	1,065,573
Allowance for doubtful accounts	(25,235)	(31,471)	(99,190)
<b>Total Investments and Other Assets</b>	<b>2,221,905</b>	<b>2,503,377</b>	<b>2,077,003</b>
<b>Total Fixed Assets</b>	<b>7,590,667</b>	<b>10,001,851</b>	<b>10,873,014</b>
<b>Total Assets</b>	<b>21,014,363</b>	<b>22,859,770</b>	<b>26,434,422</b>

## Consolidated Balance Sheets

	(Thousands of Yen)		
	2008/9	2009/9	2010/9
<b>&lt;Liabilities&gt;</b>			
<b>Current Liabilities</b>			
Notes and accounts payable-trade	1,226,215	750,565	768,379
Current portion of long-term borrowings	-	-	131,648
Accrued expenses	1,246,981	1,376,748	1,394,111
Accrued income taxes	1,550,338	1,434,221	1,683,535
Advances received	2,155,839	2,026,263	1,863,366
Allowance for sales returns	53,621	46,065	95,884
Allowance for bonus payable	37,266	33,234	47,348
Other current liabilities	214,187	243,223	351,583
<b>Total Current Liabilities</b>	<b>6,484,449</b>	<b>5,910,320</b>	<b>6,335,858</b>
<b>Long-Term Liabilities</b>			
Long-term borrowings	-	-	221,330
Allowance for employee' retirement benefits	30,236	-	882
Allowance for directors' retirement benefits	186,825	202,975	222,525
Asset retirement obligation	-	-	72,887
Negative goodwill	29,760	36,578	26,804
Other long-term liabilities	344,152	328,088	295,175
<b>Total Long-Term Liabilities</b>	<b>590,974</b>	<b>567,642</b>	<b>839,604</b>
<b>Total Liabilities</b>	<b>7,075,423</b>	<b>6,477,962</b>	<b>7,175,462</b>
<b>&lt;Net Assets&gt;</b>			
<b>Shareholders' Equity</b>			
Common stock	1,824,620	1,824,620	1,824,620
Capital surplus	2,011,587	2,011,736	2,011,736
Other surplus	10,014,529	12,485,999	15,374,457
Treasury stock	(11,356)	(12,513)	(13,320)
<b>Total Shareholders' Equity</b>	<b>13,839,380</b>	<b>16,309,842</b>	<b>19,197,494</b>
<b>Valuation and Translation Adjustments</b>			
Unrealized losses on other securities, net of tax	(27,918)	(18,458)	(15,292)
Foreign exchange adjustment account	22,572	3,674	(9,056)
<b>Total Valuation and Translation Adjustments</b>	<b>(5,346)</b>	<b>(14,783)</b>	<b>(24,348)</b>
<b>Minority Interests</b>	<b>104,906</b>	<b>86,748</b>	<b>85,814</b>
<b>Total Net Assets</b>	<b>13,938,940</b>	<b>16,381,807</b>	<b>19,258,960</b>
<b>Total Liabilities and Net Assets</b>	<b>21,014,363</b>	<b>22,859,770</b>	<b>26,434,422</b>

## Consolidated Statements of Income

	(Thousands of Yen)		
	2008/4-9	2009/4-9	2010/4-9
Net Sales	11,768,353	12,320,001	14,125,503
Cost of Sales	4,459,246	4,827,498	5,715,749
Gross Profit	7,309,107	7,492,502	8,409,754
Reversal of allowance for sales returns	54,224	51,357	193,712
Provision for allowance for sales returns	53,621	46,065	95,884
Adjusted Gross Profit	7,309,710	7,497,794	8,507,582
Selling, General and Administrative Expenses			
Salaries for directors and employees	1,854,575	2,012,025	2,328,257
Provision for allowance for directors' retirement benefits	7,312	8,375	9,625
Provision for allowance for bonus payable	25,245	22,468	35,530
Advertising	635,442	576,549	590,512
Provision for allowance for doubtful accounts	5,888	9,155	5,365
Amortization of goodwill	14,201	15,079	211,303
Others	1,715,013	1,750,459	1,970,909
Total Selling, General and Administrative Expenses	4,257,679	4,394,112	5,151,503
Operating Income	3,052,030	3,103,682	3,356,078
Non-Operating Income			
Interest income	5,813	3,863	8,343
Dividend received	8,556	3,206	2,706
Amortization of negative goodwill	3,306	4,886	4,886
Gain on investments in anonymous association	8,643	12,064	13,942
Other income	22,413	14,959	18,041
Total Non-Operating Income	48,733	38,980	47,921
Non-Operating Expenses			
Interest expenses of loans	-	-	4,260
Investment losses of business association	37,691	4,500	2,746
Other expenses	1,299	3,213	3,588
Total Non-Operating Expenses	38,990	7,714	10,595
Ordinary Income	3,061,772	3,134,948	3,393,403
Extraordinary Income			
Gains from sales of securities	13,328	3,160	-
Gains from Forgiveness of Debt	-	-	6,106
Other extraordinary income	50,649	-	-
Total Extraordinary Income	63,977	3,160	6,106
Extraordinary Losses			
Losses from sales of fixed assets	-	-	43
Losses from disposals of fixed assets	19,052	21,904	295
Losses from revaluation of securities	516	4,000	0
Impairment losses	-	-	39,765
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	-	53,517
Other expenses	3,120	3,430	444
Total Extraordinary Losses	22,689	29,335	94,066
Income before Income Taxes	3,103,060	3,108,774	3,305,443
Income Taxes	1,524,107	1,415,356	1,651,403
Income Taxes-deferred	(232,929)	(167,285)	(285,588)
Total Taxes	1,291,177	1,248,071	1,365,815
Loss before Minority Interests	-	-	1,939,628
Minority Interest in Earnings/Losses	(24,185)	8,040	(4,032)
Net Income	1,836,068	1,852,662	1,943,661



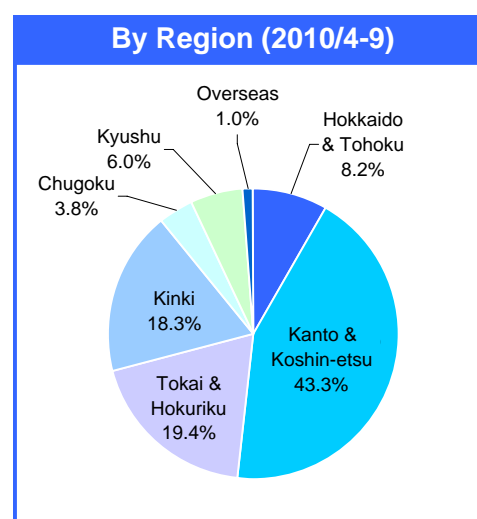
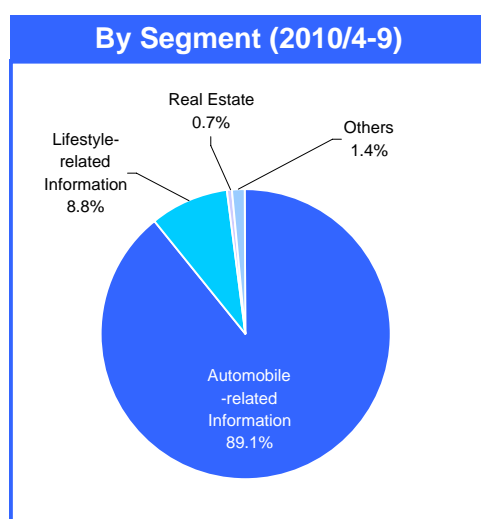
## Consolidated Statements of Cash Flows

	(Thousands of Yen)		
	2008/4-9	2009/4-9	2010/4-9
Cash Flows from Operating Activities	2,692,463	1,892,433	1,997,927
Cash Flows from Investing Activities	(1,045,382)	(1,000,240)	(1,042,672)
Cash Flows from Financing Activities	(262,185)	(366,414)	(387,125)
Effect of Exchange Rate Changes	(16,037)	13,317	(2,301)
Net Increase in Cash and Cash Equivalents	1,368,856	539,095	565,827
Cash and Cash Equivalents at Beginning of Year	8,985,447	9,107,401	11,207,424
Cash and Cash Equivalents at End of Year	10,354,304	9,646,496	11,773,251
Capital Expenditures (Tangible/intangible fixed assets)	1,051,563	48,970	475,722
Depreciation (Including amortization of goodwill)	98,248	151,801	264,715

## Sales Breakdown Information

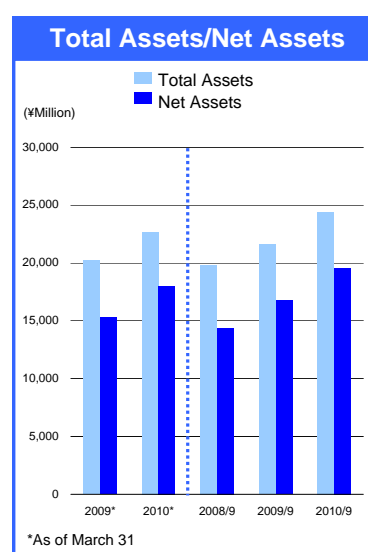
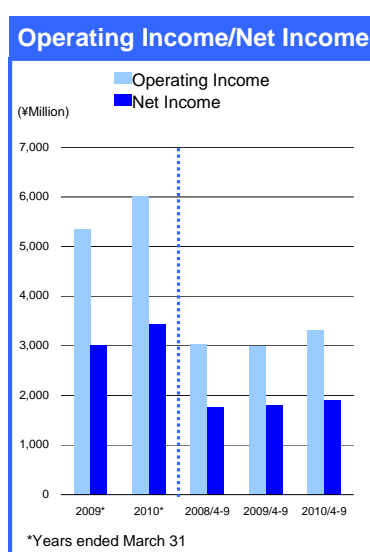
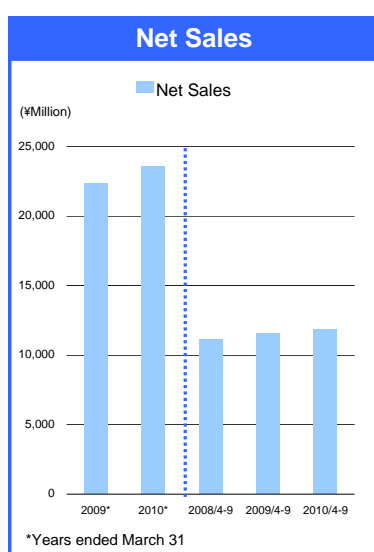
By Segment		(Thousands of Yen)		
	2008/4-9	2009/4-9	2010/4-9	
Automobile-related Information	11,030,023	11,118,778	12,590,990	
Information Registration Fee	9,562,328	9,457,291	9,864,120	
Information Service Fee	1,467,694	1,661,487	2,726,869	
Lifestyle-related Information	544,467	944,316	1,244,260	
Real Estate	94,479	103,174	94,538	
Others	99,382	153,731	195,714	
<b>Total</b>	<b>11,768,353</b>	<b>12,320,001</b>	<b>14,125,503</b>	

By Region		(Thousands of Yen)		
	2008/4-9	2009/4-9	2010/4-9	
Hokkaido and Tohoku	930,187	939,703	1,158,261	
Kanto and Koshin-etsu	4,495,711	4,876,855	6,121,484	
Tokai and Hokuriku	2,844,450	2,671,701	2,734,297	
Kinki	2,340,269	2,598,757	2,582,283	
Chugoku	473,739	546,910	539,449	
Kyushu	650,540	674,286	850,291	
Others(Overseas)	33,454	11,786	139,435	
<b>Total</b>	<b>11,768,353</b>	<b>12,320,001</b>	<b>14,125,503</b>	



## Financial Highlights (Non-Consolidated)

	*Years ended March 31		(Thousands of Yen)		
	2009*	2010*	2008/4-9	2009/4-9	2010/4-9
Net Sales	22,328,662	23,577,767	11,147,641	11,565,338	11,849,468
Operating Income	5,351,077	6,010,084	3,035,935	2,999,112	3,313,170
Ordinary Income	5,361,578	6,113,519	3,040,562	3,077,033	3,347,536
Net Income	3,007,682	3,436,440	1,756,665	1,804,174	1,907,788
Total Assets	20,225,356	22,703,039	19,800,896	21,586,141	24,387,913
Net Assets	15,295,984	18,019,850	14,410,708	16,742,098	19,551,431
Common Stock	1,824,620	1,824,620	1,824,620	1,824,620	1,824,620
Shares Outstanding	10,470,000	10,470,000	10,470,000	10,470,000	10,470,000
Number of Employees	607	618	590	639	646



## Non-Consolidated Balance Sheets

	(Thousands of Yen)		
	2008/9	2009/9	2010/9
<b>&lt;Assets&gt;</b>			
<b>Current Assets</b>			
Cash	8,635,862	7,827,756	9,526,100
Notes receivable	82,007	65,491	62,159
Accounts receivable	2,052,940	2,194,364	2,032,854
Goods and merchandise	279	1,850	589
Goods in process	3,979	16,730	14,526
Raw material and inventory goods	2,374	1,951	2,498
Prepaid expenses	92,351	92,967	99,179
Deferred tax assets	298,272	315,167	320,081
Short-term loans receivable in affiliates	-	-	15,000
Other current assets	197,923	239,797	296,933
Allowance for doubtful accounts	(997)	(1,125)	(2,721)
<b>Total Current Assets</b>	<b>11,364,994</b>	<b>10,754,951</b>	<b>12,367,202</b>
<b>Fixed Assets</b>			
<b>Tangible Fixed Assets</b>			
Buildings	1,509,087	2,827,692	2,634,037
Structures	24,702	91,991	130,224
Machinery and equipment	-	-	28,263
Vehicles and automotive equipment	10,615	7,050	9,626
Tools, furniture and fixtures	55,889	45,275	42,987
Land	2,886,604	3,648,243	3,648,243
Other tangible fixed assets	-	-	852
<b>Total Tangible Fixed Assets</b>	<b>4,486,899</b>	<b>6,620,253</b>	<b>6,494,235</b>
<b>Intangible Fixed Assets</b>			
Goodwill	9,100	117,728	570,615
Trademark rights	100	20	-
Software	52,261	69,695	79,009
Telephone rights	23,818	23,818	23,818
Other intangible fixed assets	-	-	2,880
<b>Total Intangible Fixed Assets</b>	<b>85,280</b>	<b>211,263</b>	<b>676,322</b>
<b>Investments and Other Assets</b>			
Investments in securities	479,126	424,695	236,011
Shares in affiliates	1,208,226	1,321,255	2,700,839
Investments in capital	168,232	168,232	168,232
Investments in affiliates	246,300	281,300	150,990
Long-term loans receivable in affiliates	-	-	47,500
Bankrupt credit	10,577	17,843	24,007
Long-term prepaid expenses	15,433	18,737	14,625
Lease deposits and guarantee money	133,932	121,877	113,648
Long-term time deposits	900,000	900,000	600,000
Deferred tax assets	670,165	708,507	813,791
Other investments	55,404	68,167	68,262
Allowance for doubtful accounts	(23,677)	(30,943)	(87,756)
<b>Total Investments and Other Assets</b>	<b>3,863,721</b>	<b>3,999,672</b>	<b>4,850,153</b>
<b>Total Fixed Assets</b>	<b>8,435,901</b>	<b>10,831,189</b>	<b>12,020,711</b>
<b>Total Assets</b>	<b>19,800,896</b>	<b>21,586,141</b>	<b>24,387,913</b>

## Non-Consolidated Balance Sheets

	(Thousands of Yen)		
	2008/9	2009/9	2010/9
<b>&lt;Liabilities&gt;</b>			
<b>Current Liabilities</b>			
Notes payable-trade	542,715	-	-
Accounts payable-trade	771,531	847,561	651,769
Accounts payable-other	2,972	5,097	57,964
Accrued expenses	1,120,580	1,200,278	1,189,105
Accrued income taxes	1,548,793	1,430,869	1,585,475
Accrued consumption taxes	115,463	140,714	91,995
Advances received	636,789	565,497	554,831
Deposits received	56,997	62,445	64,394
Allowance for sales returns	53,621	46,065	49,069
Other current liabilities	184	19	258
<b>Total Current Liabilities</b>	<b>4,849,648</b>	<b>4,298,548</b>	<b>4,244,864</b>
<b>Long-Term Liabilities</b>			
Long-term accrued amount payable	273,529	252,288	224,760
Allowance for directors' retirement benefits	168,150	182,450	198,500
Negative goodwill	29,760	36,578	26,804
Guarantee deposited	69,099	74,177	68,666
Asset retirement obligations	-	-	72,887
<b>Total Long-Term Liabilities</b>	<b>540,539</b>	<b>545,494</b>	<b>591,618</b>
<b>Total Liabilities</b>	<b>5,390,187</b>	<b>4,844,042</b>	<b>4,836,482</b>
<b>&lt;Net Assets&gt;</b>			
<b>Shareholders' Equity</b>			
Common stock	1,824,620	1,824,620	1,824,620
Capital surplus			
Capital reserve	2,011,536	2,011,536	2,011,536
Other capital surplus	51	200	200
<b>Total capital surplus</b>	<b>2,011,587</b>	<b>2,011,736</b>	<b>2,011,736</b>
Retained earnings			
Appropriation of retained earnings	254,155	254,155	254,155
Other retained earnings			
General reserve	8,500,000	10,800,000	13,500,000
Retained earnings brought forward	1,859,619	1,882,558	1,990,389
<b>Total retained earnings</b>	<b>10,613,774</b>	<b>12,936,713</b>	<b>15,744,544</b>
Treasury stock	(11,356)	(12,513)	(13,320)
<b>Total Shareholders' Equity</b>	<b>14,438,626</b>	<b>16,760,557</b>	<b>19,567,580</b>
<b>Valuation and Translation Adjustments</b>			
Unrealized losses on other securities, net of tax	(27,918)	(18,458)	(16,149)
<b>Total Valuation and Translation Adjustments</b>	<b>(27,918)</b>	<b>(18,458)</b>	<b>(16,149)</b>
<b>Total Net Assets</b>	<b>14,410,708</b>	<b>16,742,098</b>	<b>19,551,431</b>
<b>Total Liabilities and Net Assets</b>	<b>19,800,896</b>	<b>21,586,141</b>	<b>24,387,913</b>

## Non-Consolidated Statements of Income

	(Thousands of Yen)		
	2008/4-9	2009/4-9	2010/4-9
Net Sales	11,147,641	11,565,338	11,849,468
Cost of Sales			
Opening inventory of goods	300	3,491	667
Product cost for the term	4,305,905	4,554,448	4,399,507
Total	4,306,205	4,557,940	4,400,175
Ending inventory of goods	279	1,850	589
Cost of Sales of goods	4,305,926	4,556,089	4,399,586
Opening inventory of merchandise	-	-	-
Purchases of merchandise for the term	116,679	135,995	241,914
Total	116,679	135,995	241,914
Ending inventory of merchandise	-	-	-
Cost of sales of merchandise	116,679	135,995	241,914
Other calculation transfer	31,577	32,314	32,227
Total Cost of Sales	4,391,028	4,659,771	4,609,273
Gross Profit	6,756,612	6,905,566	7,240,195
Reversal of Allowance for Sales Returns	54,224	51,357	51,607
Provision for Allowance for Sales Returns	53,621	46,065	49,069
Adjusted Gross Profit	6,757,215	6,910,858	7,242,733
Selling, General and Administrative Expenses			
Salaries for directors	152,622	151,186	156,291
Salaries and bonuses for employees	1,485,706	1,640,573	1,675,758
Provision for allowance for directors' retirement benefits	6,850	7,450	7,800
Advertising	621,946	560,515	556,201
Provision for allowance for doubtful accounts	5,567	10,029	5,203
Sales promotion	167,916	153,868	151,426
Payable commission	188,672	176,884	160,326
Depreciation	29,119	44,531	42,937
Amortization of goodwill	1,300	14,601	70,112
Others	1,061,578	1,152,105	1,103,502
Total Selling, General and Administrative Expenses	3,721,279	3,911,746	3,929,562
Operating Income	3,035,935	2,999,112	3,313,170
Non-Operating Income			
Interest income	4,942	1,703	4,794
Dividend received	8,556	54,406	2,706
Income from sales of used paper	17,340	6,999	7,755
Gain on investments in anonymous association	5,403	12,064	13,942
Amortization of negative goodwill	3,306	4,886	4,886
Other income	2,848	2,995	3,465
Total Non-Operating Income	42,397	83,056	37,551
Non-Operating Expenses			
Investment losses of business association	37,691	4,500	2,746
Other expenses	78	635	438
Total Non-Operating Expenses	37,769	5,135	3,185
Ordinary Income	3,040,562	3,077,033	3,347,536

## Non-Consolidated Statements of Income

	(Thousands of Yen)		
	2008/4-9	2009/4-9	2010/4-9
Extraordinary Income			
Gains from sales of fixed assets	-	30	-
Gains from sales of securities	13,328	3,160	-
Gains from the prior-term adjustments	50,649	-	-
Gains from extinctions of embracing shares	108,444	-	-
<b>Total Extraordinary Income</b>	<b>172,422</b>	<b>3,191</b>	<b>-</b>
Extraordinary Losses			
Losses from disposals of fixed assets	3,477	21,904	122
Losses from revaluation of securities	516	4,000	0
Losses from revaluation of investments in affiliates	253,700	-	13,209
Impairment losses	-	-	39,765
Losses on dissolution of lease	-	3,430	444
Affected amount of asset retirement obligations	-	-	53,517
Other expenses	2,966	-	-
<b>Total Extraordinary Losses</b>	<b>260,659</b>	<b>29,335</b>	<b>107,059</b>
Income before Income Taxes	2,952,325	3,050,889	3,240,476
Income Taxes	1,523,000	1,414,000	1,558,000
Adjustment of Corporate Income Tax	(327,340)	(167,285)	(225,312)
<b>Total Taxes</b>	<b>1,195,660</b>	<b>1,246,715</b>	<b>1,332,688</b>
<b>Net Income</b>	<b>1,756,665</b>	<b>1,804,174</b>	<b>1,907,788</b>

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