

Consolidated Financial Report for Fiscal 2010 (Ended March 31, 2011)

May 13, 2011

Company name: Nippon Coke & Engineering Co., Ltd. Listed stock exchange: Tokyo Stock Exchange
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Scheduled date of the Company's Annual Meeting of Shareholders: June 29, 2011
 Scheduled date of dividend payment commencement: June 30, 2011
 Scheduled filing date of the Company's annual securities report: June 29, 2011
 Preparation of supplemental explanatory materials: No
 Holding of financial results briefing: Yes

(Figures throughout this report are rounded down to the nearest million yen unless otherwise stated.)

1. Consolidated Performance for Fiscal 2010 (April 1, 2010 to March 31, 2011)**(1) Consolidated Business Results (year-to-date)**

(In millions of yen unless otherwise stated; percentage figures show the year-on-year change.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
Fiscal 2010	125,322	32.0%	12,630	112.6%	10,708	156.3%	12,082	150.7%
Fiscal 2009	94,921	(50.4)%	5,941	(51.1)%	4,177	(52.1)%	4,818	139.1%

Note: Comprehensive income: Fiscal 2010 12,135 million yen (165.5%) Fiscal 2009 4,570 million yen (—%)

	Net Income per Share (Yen)	Diluted Net Income per Share (Yen)	Net Income to Equity Ratio (%)	Ordinary Income to Total Assets Ratio (%)	Operating Income to Net Sales Ratio (%)
Fiscal 2010	39.80	34.34	34.2	8.4	10.1
Fiscal 2009	15.46	12.91	15.1	3.3	6.3

(Reference) Equity method investment gains (losses): Fiscal 2010 — million yen Fiscal 2009 — million yen

(2) Consolidated Financial Position

(In millions of yen unless otherwise stated)

	Total Assets	Net Assets	Equity Ratio (%)	Net Assets per Share (Yen)
March 31, 2011	137,000	38,832	28.3	116.43
March 31, 2010	118,281	31,884	27.0	81.94

(Reference) Shareholders' equity: March 31, 2011 38,713 million yen
March 31, 2010 31,884 million yen

Note: Net assets per share data pertains only to common stock issued and is therefore calculated by subtracting the amount of shares with a preferred right of claim over the distribution of residual assets (3,500 million yen and 7,000 million yen as of March 31, 2011 and March 31, 2010, respectively) from the amount of net assets. Please refer to "Per share information" on page 27 for details.

(3) Consolidated Cash Flows

(In millions of yen unless otherwise stated)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents as of the End of the Fiscal Period
Fiscal 2010	12,828	(6,530)	(6,255)	4,417
Fiscal 2009	4,208	(2,651)	(5,103)	4,384

2. Dividend Information

	Dividends per Share (Yen)					Total Dividend (Annual) (Millions of yen)	Dividend Payout Ratio (%)	Dividend to Net Assets Ratio (%)
	End of the First Quarter	End of the Interim Period	End of the Third Quarter	Fiscal Year-End	Annual			
Fiscal 2009	—	0.00	—	2.00	2.00	603	12.9	2.6
Fiscal 2010	—	0.00	—	2.00	2.00	603	5.0	2.0
Fiscal 2011 (forecast)	—	0.00	—	2.00	2.00		10.2	

Note: The "Dividend Information" above pertains to common stock dividends. For information on dividends pertaining to classified shares with rights that differ from those applicable to common stock, please refer to "Dividend Information for Classified Stock."

3. Consolidated Performance Forecast for Fiscal 2011 (April 1, 2011 to March 31, 2012)

(In millions of yen unless otherwise stated; percentage figures show the year-on-year change)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share (Yen)
	Yen	%	Yen	%	Yen	%	Yen	%	Yen
Interim Period	72,000	18.3%	7,000	(3.0)%	6,500	2.6%	4,000	(45.1)%	13.25
Full Fiscal Year	150,000	19.7%	11,000	(12.9)%	10,000	(6.6)%	6,000	(50.3)%	19.65

Notes:

- Figures shown in the forecast above are provisional values because the cost of coking coal and coke sales prices in the Company's mainstay Coke Business have only been determined for the first quarter of fiscal 2011. Please refer to "B. Outlook" on page 3 of the Accompanying Materials for more details.
- The estimate of net income per share for the full fiscal year is calculated after deducting forecast cash dividends for preferred shares from forecast net income. Furthermore, while dividends applicable to preferred shares are calculated in accordance with the predetermined formula prescribed in the guidelines relating to preferred shares, the forecast cash dividend amount is presented as the same amount for fiscal 2010. This is because the figures that form the basis for calculations are currently yet to be determined.

4. Other Matters

- Changes in important subsidiaries during the period (changes in special subsidiaries due to changes in the scope of consolidation and application of the equity method): No
Newly included: – Excluded: –
- Changes in Accounting Principles, Procedures, Disclosure Methods and Related Standards
 - Changes in accordance with revisions to accounting and other standards: Yes
 - Changes in items other than (a) above: No
- Shares Outstanding (Common Stock)
 - Number of shares outstanding as of the end of the period (including treasury stock)

March 31, 2011	302,349,449 shares
March 31, 2010	302,349,449 shares
 - Number of shares of treasury stock as of the end of the period

March 31, 2011	527,141 shares
March 31, 2010	521,435 shares
 - Average number of shares for the period

Fiscal 2010	301,825,647 shares
Fiscal 2009	301,831,982 shares

(Reference) Overview of Non-Consolidated Business Results**1. Non-Consolidated Performance for Fiscal 2010 (April 1, 2010 to March 31, 2011)**

(1) Non-Consolidated Business Results

(In millions of yen unless otherwise stated; percentage figures show the year-on-year change.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Yen	%	Yen	%	Yen	%	Yen	%
Fiscal 2010	113,781	35.1%	11,777	110.8%	9,883	187.8%	10,199	85.0%
Fiscal 2009	84,208	(50.6)%	5,588	(51.8)%	3,434	(62.6)%	5,513	94.6%

	Net Income per Share (Yen)	Diluted Net Income per Share (Yen)
Fiscal 2010	33.56	28.99
Fiscal 2009	17.76	14.78

(2) Non-Consolidated Financial Position

(In millions of yen unless otherwise stated)

	Total Assets	Net Assets	Equity Ratio (%)	Net Assets per Share (Yen)
March 31, 2011	125,950	36,278	28.8	108.37
March 31, 2010	110,605	31,339	28.3	80.13

(Reference) Shareholders' equity: March 31, 2011 36,278 million yen
March 31, 2010 31,339 million yen

Note: Net assets per share data pertains only to common stock issued and is therefore calculated by subtracting the amount of shares with a preferred right of claim over the distribution of residual assets (3,500 million yen and 7,000 million yen as of March 31, 2011 and March 31, 2010, respectively) from the amount of net assets.

2. Non-Consolidated Performance Forecast for Fiscal 2011 (April 1, 2011 to March 31, 2012)

(In millions of yen unless otherwise stated; percentage figures show the year-on-year change)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share (Yen)
Interim Period	65,500	16.8%	6,500	(7.2)%	6,000	(5.1)%	4,000	(21.9)%	13.25
Full Fiscal Year	136,000	19.5%	10,000	(15.1)%	9,000	(8.9)%	5,500	(46.1)%	17.99

Note: Figures shown in the forecast above are provisional values because the cost of coking coal and coke sales prices in the Company's mainstay Coke Business have only been determined for the first quarter of fiscal 2011.

Details Concerning the Implementation Status of Audit Procedures

As of the date of financial report disclosure, audit procedures applicable to financial statements pursuant to the Financial Instruments and Exchange Act of Japan were being implemented.

Cautionary Statement and Other Explanatory Notes

Forward-looking statements including performance forecasts in this document are based on certain reasonable presumptions and beliefs in light of information currently available to management. Readers are advised that actual results may differ materially from forecasts due to a variety of factors.

Dividend Information for Classified Stock

Dividend per share amounts for classified stock, which are issued with rights that differ from those of common stock, are as follows.

(Record Date)	Dividends per Share (Yen)					Total Dividend (Annual)
	End of the First Quarter	End of the Interim Period	End of the Third Quarter	Fiscal Year-End	Annual	
Class C preferred shares						
Fiscal 2009	–	–	–	5.47	5.47	153
Fiscal 2010	–	–	–	5.02	5.02	70
Fiscal 2011 (forecast)	–	–	–	Yet to be determined	Yet to be determined	–

Note: The Company has agreed to execute a buyback of all Class C preferred shares held by Mitsui Sumitomo Banking Corporation. As of the date of this report, the timing for any buyback has yet to be determined.

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1. Business Performance

(1) Business Performance Analysis

A. Overview of Fiscal 2010

During fiscal 2010, the fiscal year ended March 31, 2011, conditions in the Japanese economy were mixed. In the first half, signs of a self-sustained recovery began to emerge. This was largely attributable to an increase in export activity and the bottoming out of capital investment after a period of decline. In the second half, however, the economy again stalled. Impacted by the Great East Japan Earthquake that occurred in March 2011, future conditions are shrouded in a cloud of uncertainty.

Under these circumstances, the Nippon Coke & Engineering Group recorded firm business results. This mainly reflected the positive turnaround in crude steel production by iron and steel manufacturers, the primary users of coke, and a substantial increase in the volume of coke sold. As a result, the Group saw a significant upswing in revenue. Consolidated net sales for the fiscal year under review amounted to 125,322 million yen, an increase of 30,400 million yen compared with the previous fiscal year.

From a profit perspective, earnings effectively doubled year on year. Consolidated operating income surged 6,689 million yen compared with the previous fiscal year to 12,630 million yen, and consolidated ordinary income jumped 6,530 million yen to 10,708 million yen.

Turning to extraordinary income and loss, Nippon Coke & Engineering recorded extraordinary income totaling 5,299 million yen. This was mainly attributable to the gain on disposal of fixed assets resulting from the sale by subsidiary MM Resources Pty. Ltd. of its Australian coal mining interests and subsidy income in connection with the construction of new coke dry quenching and electric power facilities for the 1AB furnace of the Company's Kitakyushu Coking Works. In the fiscal year under review, Nippon Coke & Engineering also incurred extraordinary losses amounting to 1,976 million yen. The principal components were a provision for allowance for environment development and a loss on disposal of fixed assets.

Accounting for the aforementioned factors, adjustments were made to income taxes—current. As a result, consolidated net income for fiscal 2010 came to 12,082 million yen, an increase of 7,263 million yen compared with the previous fiscal year.

Segment Information

(i) The Coal and Coke-Related Business

In the Coke Business, crude steel production by iron and steel manufacturers, the primary users of coke, increased substantially, particularly compared with the previous fiscal year when production was impacted by the simultaneous downturn in the global economy. Coupled with strong demand, the Nippon Coke & Engineering Group saw its sales volume increase 511,000 tonnes year on year to 2,146,000 tonnes. Taking into consideration the aforementioned factors, revenue climbed significantly.

Revenues in the Coal Business also improved. This reflected the recovery in overall economic conditions and higher Group sales volumes, which rose 273,000 tonnes compared with the previous fiscal year to 1,739,000 tonnes.

As a result, consolidated Coal and Coke-Related Business sales increased 29,520 million yen compared with the previous fiscal year to 108,450 million yen. On the earnings front, consolidated operating income improved 6,256 million yen year on year to 13,441 million yen.

(ii) Comprehensive Engineering Business

Sales in the Chemical Machinery Business declined year on year. Orders received, on the other hand, increased substantially compared with the previous fiscal year due largely to the positive turnaround in capital investment by principal users.

In the Resource Recycling Business, revenues were up. This was primarily attributable to the increase in coal ash export activity.

Taking all of the aforementioned into consideration together with the increase in consolidated subsidiary revenue, consolidated sales in the Comprehensive Engineering Business increased 693 million yen compared with the previous fiscal year to 11,915 million yen. Consolidated operating income also increased 104 million yen year on year to 696 million yen.

(iii) Other Businesses

Revenues from the port transportation and logistics business improved year on year. With the economy showing signs of resurgence, general freight and container handling volumes increased.

As a result, sales in Other Businesses increased 186 million yen compared with the previous fiscal year to 4,956 million yen. On the earnings front, consolidated operating income improved 43 million yen year on year to 378 million yen.

B. Outlook

With respect to performance forecasts for fiscal 2011, the fiscal year ending March 31, 2012, the Company's ability to disclose data is impacted by changes in the method for determining coking coal prices for its mainstay Coke Business. Traditionally, prices were determined on an annual fixed rate basis. Effective from the previous fiscal year, and in negotiation with its suppliers, the price of coking coal is now determined each quarter. With this in mind, computations are based on the assumption that coking coal prices as well as coke sales prices for the period from July 2011 will remain at the same levels recorded in the first April 2011 to June 2011 quarter. On this basis, data is announced on a provisional basis as of the date of this report.

(2) Financial Position Analysis**(i) Assets, Liabilities and Net Assets**

Total assets as of March 31, 2011 stood at 137,000 million yen, up 18,719 million yen compared with March 31, 2010. Principal movements in the period under review were an increase of 6,945 million yen in raw materials and stored goods, an upswing of 4,270 million yen in accounts receivable and growth of 4,732 million yen in tangible fixed assets.

Total liabilities as of March 31, 2011 stood at 98,167 million yen, an increase of 11,770 million yen compared with March 31, 2010. This mainly reflected increases of 35,249 million yen in long-term loans payable, 7,036 million yen in accounts payable, 1,790 million yen in notes payable, and 2,099 million yen in other current liabilities. On a year-on-year basis, short-term loans payable decreased 36,058 million yen.

Net assets as of March 31, 2011 stood at 38,832 million yen, an increase of 6,948 million yen year on year, due to such factors as the increase in net income. Based on the aforementioned, the equity ratio increased 1.3 percentage points over the previous fiscal year to 28.3%.

(ii) Cash Flows

The balance of cash and cash equivalents (hereafter referred to as "funds") stood at 4,417 million yen as of March 31, 2011, 32 million yen higher than the end of the previous fiscal year.

The status and movements in various cash flows for fiscal 2010 were as follows.

(Cash Flows from Operating Activities)

Net cash provided by operating activities amounted to 12,828 million yen, an increase of 8,620 million yen compared with the previous fiscal year.

Major cash inflows were income before income taxes and others of 14,031 million yen and increase in notes and accounts payable of 8,836 million yen. Principal cash outflows were increase in inventory of 7,412 million yen, increase in notes and accounts receivable of 4,304 million yen and gain on sale of fixed assets of 3,392 million yen.

(Cash Flows from Investing Activities)

Net cash used in investing activities totaled 6,530 million yen, an increase of 3,879 million yen compared with the previous fiscal year.

Major cash inflow in fiscal 2010 consisted of proceeds from the sale of fixed assets totaling 865 million yen, which was still significantly less than the principal cash outflow of 7,380 million yen in payments for the acquisition of fixed assets.

(Cash Flows from Financing Activities)

Net cash used in financial activities was 6,255 million yen, an increase of 1,152 million yen compared with the previous fiscal year.

In fiscal 2010, the increase in short-term loans payable amounted to 229,906 million yen and the increase in long-term loans payable totaled 44,210 million yen. Against this, the decrease in short-term loans payable was 228,680 million yen, the decrease in long-term loans payable was 46,246 million yen and payments for the acquisition of treasury stock was 4,480 million yen.

(Reference) Trends in Cash Flow Indices

	Fiscal 2006	Fiscal 2007	Fiscal 2008	Fiscal 2009	Fiscal 2010
Equity Ratio ¹ (%)	20.2	28.0	23.1	27.0	28.3
Equity ratio based on market capitalization ² (%)	31.9	46.7	21.4	35.7	36.6
Ratio of interest-bearing liabilities to cash flows ³ (Years)	6.5	4.0	5.1	14.0	4.5
Interest coverage ratio ⁴ (Times)	6.6	7.3	6.4	2.7	9.5

¹Equity ratio: (Net assets – Minority interests – New share subscription rights) / Total assets

²Equity ratio based on market capitalization: Market capitalization / Total assets

³Ratio of interest-bearing liabilities to cash flows: Interest-bearing liabilities / cash flows from operating activities

⁴Interest coverage ratio: Cash flows from operating activities / interest payments

Notes

- All indices have been calculated using figures on a consolidated basis.
- Market capitalization is calculated by multiplying the period-end closing share price with the number of shares issued and outstanding as of the fiscal period-end (after deducting treasury stock).
- Cash flows from operating activities are the cash flows from operating activities listed in the statement of consolidated cash flows. Interest-bearing liabilities include all liabilities listed on the consolidated balance sheet on which interest is paid. Moreover, with respect to the payment of interest, the amount listed under interest paid in the statement of consolidated cash flows has been used.

(3) Policy on the Appropriation of Profits, Dividends for Fiscal 2010 and Fiscal 2011

Turning to business performance in fiscal 2010, results were favorably impacted by the recovery in crude steel production by iron and steel manufacturers, the primary users of coke, and the substantial increase in coke sales volumes. Consolidated operating income and consolidated ordinary income experienced massive improvement, doubling in scale. On a year-on-year basis, net income also surged markedly.

The Nippon Coke & Engineering Group's operating environment leaves no room for complacency. This is attributable to a variety of factors including sharp rises in the price of coking coal, uncertainty surrounding future trends in coke prices and the impact on the general economy of the recent Great East Japan Earthquake. At the same time, overall consideration needs to be given toward securing the necessary funds to acquire the balance of residual Class C preferred shares and bolstering the Company financial position. Taking into account each of the aforementioned, Nippon Coke & Engineering has decided to declare a fiscal year-end ordinary cash dividend of 2 yen per share unchanged from the previous fiscal year-end.

Looking ahead to fiscal 2011, the fiscal year ending March 31, 2012, the Company is projecting an ordinary cash dividend of 2 yen per share, unchanged from the fiscal year under review.

With respect to its basic policy on the appropriation of profits, Nippon Coke & Engineering recognizes that the payment of continuous, long-term, stable returns to shareholders is a key management responsibility. Taking into consideration the depth and strength of the Company's shareholders' equity and financial position, Nippon Coke & Engineering is committed to the payment of a cash dividend based on its overall operating results. Despite the aforementioned, the Company is also cognizant that only three years have passed since the resumption of cash dividend payments after an absence that extended to 21 years. At the same time, a portion of Class C preferred shares remains unappropriated, and the Company's mainstay Coke Business is confronted by sharp fluctuations in its operating environment due partly to the tighter supply-demand situation of coking coal in recent years. Given these and other circumstances, Nippon Coke & Engineering believes that it is still too early to set a quantitative cash dividend payout ratio that reflects the Company's operating results. The Company humbly asks for the continued patience and understanding of shareholders.

2. Overview of the Corporate Group

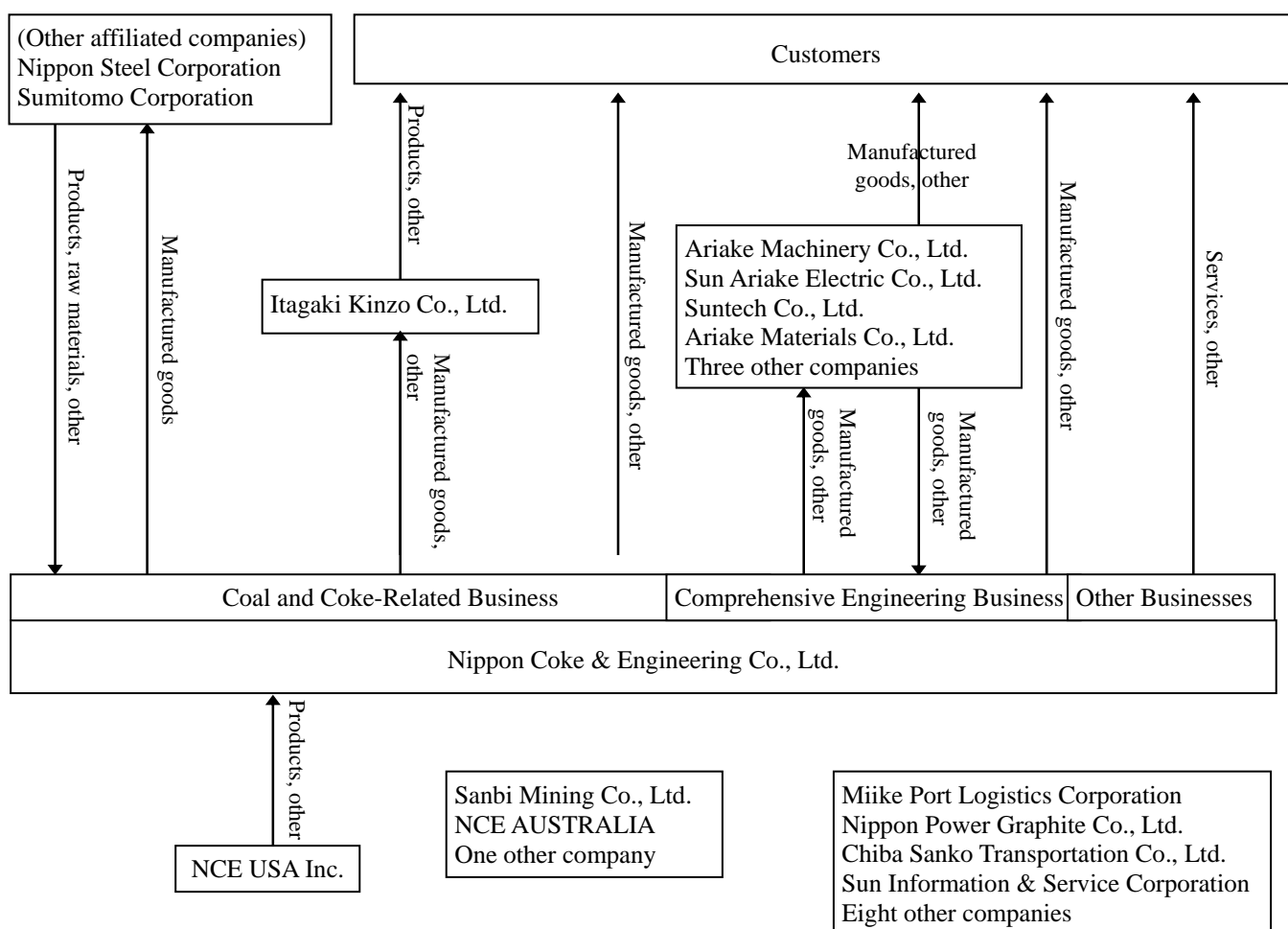
The Nippon Coke & Engineering Group is comprised of Nippon Coke & Engineering Co., Ltd., 17 subsidiaries, 7 related companies and the other affiliated companies of Nippon Steel Corporation and Sumitomo Corporation. The Group is engaged in a variety of activities including manufacturing and sale of coke, the sale of coal as well as the sale and production of powder and granule related equipment and machinery.

The position and relationship among individual business segments within the Nippon Coke & Engineering Group are outlined in the table that follows.

Business Segment	Major Business	Principal Companies
Coal and Coke Business	Manufacture and sale of coke; purchase and sale of coal	Nippon Coke & Engineering Co., Ltd., Itagaki Kinzo Co., Ltd., Sanbi Mining Co., Ltd. (Total of six companies)
Comprehensive Engineering Business	Manufacture and sale of chemical equipment and machinery, general industrial machinery and plants; treatment and recycling of ceramics and industrial waste	Nippon Coke & Engineering Co., Ltd., Ariake Machinery Co., Ltd., Sun Ariake Electric Co., Ltd., Suntech Co., Ltd., Ariake Materials Co., Ltd. (Total of eight companies)
Other Matters	Cargo handling; manufacture and sale of carbon-based materials; sales and lease of real estate; other	Nippon Coke & Engineering Co., Ltd., Miike Port Logistics Corporation, Nippon Power Graphite Co., Ltd. (Total of 13 companies)

Note: The total number of companies is stated for each business segment with Nippon Coke & Engineering counted on a repeated and cumulative basis.

Business System Diagram



3. Management Policy

Since 2003, when the Industrial Revitalization Corporation of Japan announced its decision to provide assistance, the Company has continued to follow a process of reorganization and business revitalization. As a part of this process, the Company welcomed equity investments from Nippon Steel Corporation and Sumitomo Corporation in March 2005. Later, in October 2008, the Company became an affiliated company accounted for by the equity method of both Nippon Steel and Sumitomo. In the ensuing period, the Company has adhered strictly to a business policy of “selection and focus” while taking drastic steps to reconfigure its traditional activities. It was in this context that the Company changed its corporate name to Nippon Coke & Engineering Co., Ltd., in April 2009.

Turning to the Company’s Class C preferred shares held by Sumitomo Mitsui Banking Corporation (hereafter referred to as “Sumitomo Mitsui Bank”), and in its efforts to avoid any dilution of its common stock, reduce the burden of cash dividend payments on preferred shares and rid itself of the image of a company under reorganization, Nippon Coke & Engineering formulated a policy to acquire and retire all of the 68 million of its own shares issued and outstanding as of May 2008 as treasury stock and received approval at the Company’s Annual General Meeting of Shareholders to establish a treasury stock acquisition limit. Thereafter, the Company acquired and retired 28 million shares in September 2008, 12 million shares in March 2010 and 14 million shares in March 2011 as treasury stock.

Accounting for all of the aforementioned, the balance of residual Class C preferred shares stands at 14 million shares. With respect to this residual balance, Nippon Coke & Engineering is presently in discussion with Sumitomo Mitsui Bank to further extend the acquisition time period by one year. These discussions take into account such factors as the sharp rise in coking coal prices, uncertainty surrounding future trends in coke prices and concerns regarding the impact on the economy of the recent Great East Japan Earthquake, which necessitate a clear understanding of funding trends before a decision can be made.

While the Group’s operating environment leaves little room for complacency, the Nippon Coke & Engineering Group will work to stabilize and strengthen its management platform on the back of successful efforts to improve earnings. In setting a target for the appropriation of residual C Class preferred shares, the Company is confident of achieving concrete gains through revitalization.

4. Consolidated Financial Statements**(1) Consolidated Balance Sheets**

(In millions of yen)

	As of March 31, 2010	As of March 31, 2011
Assets		
Current assets		
Cash and deposits	4,510	4,583
Notes receivable	691	691
Accounts receivable	6,803	11,073
Products and manufactured goods	9,223	9,000
Work in progress	759	916
Raw materials and stored goods	6,178	13,123
Deferred tax assets	1,810	2,588
Other deposits	1,276	1,538
Other	961	2,434
Allowance for doubtful accounts	(26)	(20)
Total current assets	32,187	45,930
Fixed assets		
Tangible fixed assets		
Buildings and structures	19,973	20,010
Accumulated depreciation	(12,597)	(13,128)
Buildings and structures (net)	7,375	6,881
Machinery, equipment and transportation	53,620	54,927
Accumulated depreciation	(30,164)	(31,870)
Machinery, equipment and transportation (net)	23,455	23,057
Land	42,005	41,818
Construction work in progress	2,062	7,922
Other	1,404	1,366
Accumulated depreciation	(1,010)	(1,020)
Other (net)	393	346
Total tangible fixed assets	75,294	80,026
Intangible fixed assets		
Other	610	542
Total intangible fixed assets	610	542
Investments and other assets		
Investments in securities	1,068	972
Long-term loans receivable	424	351
Deferred tax assets	6,320	5,004
Other	2,390	4,192
Allowance for doubtful accounts	(14)	(19)
Total investments and other assets	10,189	10,501
Total fixed assets	86,093	91,070
Total assets	118,281	137,000

(In millions of yen)

	As of March 31, 2010	As of March 31, 2011
Liabilities		
Current liabilities		
Notes payable	2,896	4,687
Accounts payable	8,999	16,036
Short-term loans payable	48,998	12,939
Corporate bonds redeemable within one year	208	—
Income and other taxes payable	142	1,503
Allowance for bonuses	768	863
Allowance for loss on liquidation of affiliated companies	1,009	695
Asset retirement obligations	—	103
Allowance for loss on inappropriate transactions	705	705
Other	4,633	6,732
Total current liabilities	68,362	44,268
Long-term liabilities		
Long-term loans payable	9,707	44,956
Allowance for employee retirement benefits	4,751	4,724
Allowance for director and corporate auditor retirement benefits	215	181
Allowance for environmental development	2,703	3,526
Asset retirement obligations	—	242
Other	657	268
Total long-term liabilities	18,034	53,899
Total liabilities	86,396	98,167
Net assets		
Shareholders' equity		
Capital	7,000	7,000
Capital surplus	1,750	1,750
Retained earnings	23,290	30,067
Treasury stock	(93)	(94)
Total shareholders' equity	31,947	38,723
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	22	25
Profit (loss) on hedge transactions	(35)	(56)
Foreign currency translation adjustments	(49)	20
Total accumulated other comprehensive income	(63)	(10)
Minority interests	—	119
Total net assets	31,884	38,832
Total liabilities and net assets	118,281	137,000

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(In millions of yen)

	Fiscal 2009 (April 1, 2009 to March 31, 2010)	Fiscal 2010 (April 1, 2010 to March 31, 2011)
Net sales	94,921	125,322
Cost of sales	83,161	106,106
Gross profit	11,760	19,215
Selling, general and administrative expenses		
Loading site expenses	1,066	1,052
Salaries and wages	1,142	1,106
Other	3,609	4,424
Total selling, general and administrative expenses	5,819	6,584
Operating income	5,941	12,630
Non-operating income		
Interest received	129	152
Dividends received	24	79
Foreign currency exchange gain	299	219
Subsidy income	168	—
Other	98	160
Total non-operating income	718	611
Non-operating expenses		
Interest paid	1,536	1,338
Loan-related expenses	—	537
Taxes and dues	284	252
Other	660	405
Total non-operating expenses	2,482	2,533
Ordinary income	4,177	10,708
Extraordinary income		
Gain on sale of fixed assets	300	3,497
Subsidy income	396	1,496
Other	108	305
Total extraordinary income	805	5,299
Extraordinary loss		
Provision for allowance for environmental development	—	823
Loss on disposal of fixed assets	—	281
Loss on sale of investments in securities	378	—
Impairment loss	336	222
Loss on cancellation/termination of rental contract	165	—
Other	587	648
Total extraordinary loss	1,468	1,976
Income before income taxes and others	3,514	14,031
Income taxes—current	147	1,391
Income taxes—deferred	(1,451)	557
Total income taxes	(1,303)	1,949
Income before minority interests	—	12,082
Minority interests in income (loss)	—	(0)
Net income	4,818	12,082

Consolidated Statements of Comprehensive Income

(In millions of yen)

	Fiscal 2009 (April 1, 2009 to March 31, 2010)	Fiscal 2010 (April 1, 2010 to March 31, 2011)
Income before minority interests	–	12,082
Other comprehensive income		
Valuation difference on available-for-sale securities	–	2
Profit (loss) on hedge transactions	–	(20)
Foreign currency translation adjustments	–	70
Total other comprehensive income	–	53
Comprehensive income	–	12,135
(Breakdown)		
Comprehensive income attributable to owners of the parent	–	12,135
Comprehensive income attributable to minority interests	–	(0)

(3) Calculation Statements Relating to Changes in Consolidated Shareholders' Equity

(In millions of yen)

	Fiscal 2009 (April 1, 2009 to March 31, 2010)	Fiscal 2010 (April 1, 2010 to March 31, 2011)
Shareholders' equity		
Capital		
Balance as of the previous fiscal year-end	7,000	7,000
Changes during the fiscal year		
Total changes during the fiscal year	-	-
Balance as of the end of the fiscal year	7,000	7,000
Capital surplus		
Balance as of the previous fiscal year-end	1,750	1,750
Changes during the fiscal year		
Total changes during the fiscal year	-	-
Balance as of the end of the fiscal year	1,750	1,750
Retained earnings		
Balance as of the previous fiscal year-end	23,156	23,290
Changes during the fiscal year		
Dividends from surplus	(843)	(756)
Net income	4,818	12,082
Disposal of treasury stock	(0)	-
Retirement of treasury stock	(3,840)	(4,480)
Decrease attributable to changes in the scope of consolidation	-	(68)
Total changes during the fiscal year	134	6,776
Balance as of the end of the fiscal year	23,290	30,067
Treasury stock		
Balance as of the previous fiscal year-end	(92)	(93)
Changes during the fiscal year		
Disposal of treasury stock	0	-
Acquisition of treasury stock	(3,840)	(4,480)
Retirement of treasury stock	3,840	4,480
Total changes during the fiscal year	(0)	(0)
Balance as of the end of the fiscal year	(93)	(94)
Total shareholders' equity		
Balance as of the previous fiscal year-end	31,813	31,947
Changes during the fiscal year		
Dividends from surplus	(843)	(756)
Net income	4,818	12,082
Disposal of treasury stock	0	-
Acquisition of treasury stock	(3,840)	(4,480)
Retirement of treasury stock	-	-
Decrease attributable to changes in the scope of consolidation	-	(68)
Total changes during the fiscal year	134	6,775
Balance as of the end of the fiscal year	31,947	38,723

(In millions of yen)

	Fiscal 2009 (April 1, 2009 to March 31, 2010)	Fiscal 2010 (April 1, 2010 to March 31, 2011)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance as of the previous fiscal year-end	14	22
Changes during the fiscal year		
Net changes in items other than shareholders' equity	7	2
Total changes during the fiscal year	7	2
Balance as of the end of the fiscal year	22	25
Profit (loss) on hedge transactions		
Balance as of the previous fiscal year-end	(81)	(35)
Changes during the fiscal year		
Net changes in items other than shareholders' equity	46	(20)
Total changes during the fiscal year	46	(20)
Balance as of the end of the fiscal year	(35)	(56)
Foreign currency translation adjustments		
Balance as of the previous fiscal year-end	252	(49)
Changes during the fiscal year		
Net changes in items other than shareholders' equity	(302)	70
Total changes during the fiscal year	(302)	70
Balance as of the end of the fiscal year	(49)	20
Total accumulated other comprehensive income		
Balance as of the previous fiscal year-end	184	(63)
Changes during the fiscal year		
Net changes in items other than shareholders' equity	(248)	53
Total changes during the fiscal year	(248)	53
Balance as of the end of the fiscal year	(63)	(10)
Minority interests		
Balance as of the previous fiscal year-end	–	–
Changes during the fiscal year		
Net changes in items other than shareholders' equity	–	119
Total changes during the fiscal year	–	119
Balance as of the end of the fiscal year	–	119
Total net assets		
Balance as of the previous fiscal year-end	31,998	31,884
Changes during the fiscal year		
Dividends from surplus	(843)	(756)
Net income	4,818	12,082
Disposal of treasury stock	0	–
Acquisition of treasury stock	(3,840)	(4,480)
Retirement of treasury stock	–	–
Decrease attributable to changes in the scope of consolidation	–	(68)
Net changes in items other than shareholders' equity	(248)	172
Total changes during the fiscal year	(113)	6,948
Balance as of the end of the fiscal year	31,884	38,832

(4) Consolidated Statements of Cash Flow

(In millions of yen)

	Fiscal 2009 (April 1, 2009 to March 31, 2010)	Fiscal 2010 (April 1, 2010 to March 31, 2011)
Cash flows from operating activities		
Income before income taxes and others	3,514	14,031
Depreciation and amortization	4,577	4,806
Impairment loss	336	222
Increase (decrease) in allowance for doubtful accounts	14	(1)
Increase (decrease) in allowance for bonuses	(53)	101
Increase (decrease) in allowance for loss on liquidation of affiliated companies	(396)	(313)
Increase (decrease) in the allowance for employee retirement benefits	(28)	(26)
Increase (decrease) in the allowance for directors and corporate auditors retirement benefits	36	(34)
Increase (decrease) in allowance for environmental development	–	823
Increase (decrease) in allowance for loss on inappropriate transactions	(3,712)	–
Increase (decrease) in allowance for loss on orders	(850)	–
Interest and dividends received	(153)	(231)
Interest paid	1,536	1,338
Loss on disposal of fixed assets	–	281
(Gain) loss on sale of fixed assets	(168)	(3,392)
(Gain) loss on sale of investments in securities	370	(4)
Foreign currency exchange (gain) loss	(430)	13
(Increase) decrease in notes and accounts receivable	(490)	(4,304)
(Increase) decrease in inventory	10,038	(7,412)
(Increase) decrease in other business assets	550	(208)
Increase (decrease) in notes and accounts payable	(7,037)	8,836
Increase (decrease) in consumption and other taxes payable	1,218	(934)
Increase (decrease) in other business liabilities	(3,354)	560
Other	155	(12)
Subtotal	5,675	14,140
Interest and dividends received	153	198
Interest paid	(1,537)	(1,345)
Income and other taxes paid	(82)	(165)
Net cash provided by (used in) operating activities	4,208	12,828

	(In millions of yen)	
	Fiscal 2009 (April 1, 2009 to March 31, 2010)	Fiscal 2010 (April 1, 2010 to March 31, 2011)
Cash flows from investing activities		
Increase in fixed deposits	(130)	(170)
Decrease in fixed deposits	134	120
Payments for the acquisition of fixed assets	(3,721)	(7,380)
Proceeds from the sale of fixed assets	1,129	865
Payments for the acquisition of investments in securities	(0)	0
Proceeds from the sale of investments in securities	11	-
Payments for the sale of investments in subsidiaries in line with changes in the scope of consolidation	(504)	(40)
Proceeds from the sale of investments in subsidiaries in line with changes in the scope of consolidation	177	-
Increase in loans receivable	-	(4)
Proceeds from the collection of loans receivable	46	77
Proceeds from the recovery of other investments	386	238
Other	(180)	(235)
Net cash provided by (used in) investing activities	(2,651)	(6,530)
Cash flows from financing activities		
Increase in short-term loans payable	205,263	229,906
Decrease in short-term loans payable	(212,945)	(228,680)
Increase in long-term loans payable	16,710	44,210
Decrease in long-term loans payable	(9,439)	(46,246)
Payments for redemption of corporate bonds	(8)	(208)
Payments for the acquisition of treasury stock	(3,840)	(4,480)
Cash dividends paid	(843)	(756)
Other	0	-
Net cash provided by (used in) financing activities	(5,103)	(6,255)
Effect of exchange rate changes on cash and cash equivalents	9	(19)
Net increase (decrease) in cash and cash equivalents	(3,536)	23
Balance of cash and cash equivalents at the beginning of the fiscal year	7,921	4,384
Increase (decrease) in cash and cash equivalents due to changes in the scope of consolidation	-	9
Balance of cash and cash equivalents at the end of the fiscal year	4,384	4,417

(5) Notes on Assumptions as a Going Concern

Not applicable.

(6) Important Items Considered Fundamental to the Preparation of the Company's Consolidated Financial Statements

Fiscal 2009 (April 1, 2009 to March 31, 2010)	Fiscal 2010 (April 1, 2010 to March 31, 2011)
<p>1. Scope of Consolidation (1) Consolidated subsidiaries Number of consolidated subsidiaries: 11 companies Names of principal consolidated subsidiaries: Itagaki Kinzo Co., Ltd., Sanbi Mining Co., Ltd., Sun Ariake Electric Co., Ltd., Ariake Materials Co., Ltd., Suntech Co., Ltd., Chiba Sanko Transportation Co., Ltd., Ariake Machinery Co., Ltd. Suncoch Consultants Co., Ltd., and Muromachi Shipping Co., Ltd., both consolidated subsidiaries, were excluded from the Company's scope of consolidation in fiscal 2009 following the sale of all shares held. In addition, Kyushu Sun Body, Ltd., a consolidated subsidiary, was excluded from the Company's scope of consolidation in fiscal 2009 following the company's liquidation.</p> <p>(2) Names of principal non-consolidated subsidiaries: NCE USA Inc., MM Resources Pty Ltd., Shin-Tagawa Real Estate Co., Ltd.</p> <p>(3) Rationale for exclusion from the Company's scope of consolidation Both on an individual company as well as an aggregate collective basis, the total assets, net sales, net income (loss) (the amount equivalent to equity shareholdings), retained earnings (the amount equivalent to equity shareholdings) and other items of NCE USA Inc. and other non-consolidated subsidiaries are considered insignificant and deemed to have immaterial impact on the Company's consolidated financial statements. Furthermore, any impact on the consolidated group of companies by the aforementioned companies is not expected to increase in the future. As a result, these non-consolidated subsidiaries have been excluded from the Company's scope of consolidation. In addition, an agreement relating to the sale of coal mining interests held by MM Resources Pty. Ltd. came into effect on April 20, 2010. Taking into consideration the growing importance of MM Resources Pty. Ltd. to the Company on a consolidated basis, the company will be included in the scope of Nippon Coke & Engineering's consolidation starting in the fiscal year ending March 31, 2011.</p>	<p>1. Scope of Consolidation (1) Consolidated subsidiaries Number of consolidated subsidiaries: 13 companies Names of principal consolidated subsidiaries: Itagaki Kinzo Co., Ltd., Sanbi Mining Co., Ltd., Sun Ariake Electric Co., Ltd., Ariake Materials Co., Ltd., Suntech Co., Ltd., Chiba Sanko Transportation Co., Ltd., Ariake Machinery Co., Ltd. Kyushu Building System Co., Ltd., a consolidated subsidiary, was excluded from the Company's scope of consolidation in fiscal 2010 following the sale of all shares held. In addition, Nippon Power Graphite Co., Ltd. and Miike Port Logistics Corporation were included in the Company's scope of consolidation due to their recent establishment effective from the fiscal year under review. Furthermore, MM Resources Pty Ltd. was included in the Company's scope of consolidation due to its increased importance from a consolidated perspective effective from the fiscal year under review.</p> <p>(2) Names of principal non-consolidated subsidiaries: NCE USA Inc., Shin-Tagawa Real Estate Co., Ltd.</p> <p>(3) Rationale for exclusion from the Company's scope of consolidation Both on an individual company as well as an aggregate collective basis, the total assets, net sales, net income (loss) (the amount equivalent to equity shareholdings), retained earnings (the amount equivalent to equity shareholdings) and other items of NCE USA Inc. and other non-consolidated subsidiaries are considered insignificant and deemed to have immaterial impact on the Company's consolidated financial statements. Furthermore, any impact on the consolidated group of companies by the aforementioned companies is not expected to increase in the future. As a result, these non-consolidated subsidiaries have been excluded from the Company's scope of consolidation.</p>

Fiscal 2009 (April 1, 2009 to March 31, 2010)	Fiscal 2010 (April 1, 2010 to March 31, 2011)
<p>2. Matters Relating to Generally Accepted Accounting Principles and Standards</p> <p>(1) Accounting principles and standards for important provisions, allowances and reserves</p> <p>Allowance for employee retirement benefits</p> <p>The Company provides an allowance for retirement and severance benefits for employees based on projected benefit obligations and accrued pension assets as of the end of the fiscal year under review. The transition difference due to a change in the accounting standard amounting to 7,110 million yen is appropriated as an expense over 15 years.</p> <p>Actuarial gains and losses are amortized using the straight-line method over a fixed period of 13 years within the average remaining service period of employees as of the time the cost is incurred, with each amount recognized as an expense starting from the following fiscal year.</p> <p>(Change in accounting principle and standard)</p> <p>Effective starting in the fiscal year under review, the Company has applied Partial Amendments to Accounting Standard for Retirement Benefits (Part 3) (Accounting Standards Board of Japan [ASBJ] Statement No. 19 of July 2008).</p> <p>There was no impact on operating income, ordinary income and income before income taxes and others as a result of this change.</p> <p>(2) —</p> <p>(3) —</p>	<p>2. Matters Relating to Generally Accepted Accounting Principles and Standards</p> <p>(1) Accounting principles and standards for important provisions, allowances and reserves</p> <p>Allowance for employee retirement benefits</p> <p>The Company provides an allowance for retirement and severance benefits for employees based on projected benefit obligations and accrued pension assets as of the end of the fiscal year under review. The transition difference due to a change in the accounting standard amounting to 7,109 million yen is appropriated as an expense over 15 years.</p> <p>Actuarial gains and losses are amortized using the straight-line method over a fixed period of 13 years within the average remaining service period of employees as of the time the cost is incurred, with each amount recognized as an expense starting from the following fiscal year.</p> <p>—</p> <p>(2) Amortization method and period used for goodwill</p> <p>Goodwill is amortized using the straight-line method over the period for which it is deemed to have effect.</p> <p>If the amount is small, however, it is charged as a lump sum in full in the fiscal year in which it occurs.</p> <p>(3) The scope of cash and cash equivalents in the consolidated statement of cash flows</p> <p>Cash and cash equivalents consist of cash on hand, bank deposits that can be readily withdrawn, and short-term, highly liquid investment with maturities of three months or less at the time of acquisition that present insignificant risk of changes in value.</p>
<p>3. Matters concerning the evaluation of consolidated subsidiary assets and liabilities</p> <p>Consolidated subsidiary assets and liabilities are evaluated based on their full market values.</p>	<p>—</p>
<p>4. Matters concerning the amortization of goodwill and negative goodwill</p> <p>Good will and negative goodwill are amortized using the straight-line method over the periods for which they are deemed to have effect.</p> <p>If the amounts are small, however, they are charged as a lump sum in full in the fiscal year in which they occur.</p>	<p>—</p>
<p>5. The scope of cash and cash equivalents in the consolidated statement of cash flows</p> <p>Cash and cash equivalents consist of cash on hand, bank deposits that can be readily withdrawn, and short-term, highly liquid investment with maturities of three months or less at the time of acquisition that present insignificant risk of changes in value.</p>	<p>—</p>

Information other than that disclosed earlier in this report has been omitted because there is no material change from the information provided in the Company's latest Securities Report (submitted and filed on June 25, 2010).

(7) Changes in Important Items Considered Fundamental to the Preparation of Consolidated Financial Statements

Fiscal 2009 (April 1, 2009 to March 31, 2010)	Fiscal 2010 (April 1, 2010 to March 31, 2011)
—	<p>1. Application of the accounting standard for asset retirement obligations</p> <p>Effective from fiscal 2010, Nippon Coke & Engineering has applied the Accounting Standard for Asset Retirement Obligations (ASBJ Statement No. 18 released on March 31, 2008) and the Guidance on Accounting Standard for Asset Retirement Obligations (ASBJ Guidance No. 21 released on March 31, 2008).</p> <p>As a result, both operating income and ordinary income decreased by 36 million yen and income before income taxes and others declined by 116 million yen.</p> <p>2. Application of accounting standard due to business combination</p> <p>Effective from fiscal 2010, Nippon Coke & Engineering has applied the Accounting Standard for Business Combinations (ASBJ Statement No. 21 released on December 26, 2008), the Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22 released on December 26, 2008), Partial Amendments to Accounting Standard for Research and Development Costs (ASBJ Statement No. 23 released on December 26, 2008), the Accounting Standard for Business Divestitures (ASBJ Statement No. 7 released on December 26, 2008), the Accounting Standard for Equity Method of Accounting for Investments (ASBJ Statement No. 16 portion announced on December 26, 2008) and the Implementation Guidance on Accounting Standard for Business Combinations and Business Divestitures (ASBJ Guidance No. 10 released on December 26, 2008).</p>

(8) Changes in Disclosure Methods

Fiscal 2009 (April 1, 2009 to March 31, 2010)	Fiscal 2010 (April 1, 2010 to March 31, 2011)
—	<p>(With respect to consolidated statements of income)</p> <p>Loan-related expenses, which was included in the Other accounting line item within non-operating expenses in the fiscal year ended March 31, 2010 was included as a separate item in non-operating expenses in the fiscal year ended March 31, 2011 due to its increased importance.</p> <p>Loan-related expenses included in the Other accounting line item within non-operating expenses in the fiscal year ended March 31, 2010 amounted to 151 million yen.</p>

(9) Cautionary Notes regarding Consolidated Financial Statements

(With respect to consolidated balance sheets)

As of March 31, 2010	As of March 31, 2011
1. Matters relating to non-consolidated subsidiaries and related companies are presented as follows. Investments and other assets Investment in securities (shares) 676 million yen	1. Matters relating to non-consolidated subsidiaries and related companies are presented as follows. Investments and other assets Investment in securities (shares) 598 million yen
2. Assets pledged as collateral (In millions of yen)	2. Assets pledged as collateral (In millions of yen)
Products and manufactured goods 999 (777)	Other deposits 1,538 (-)
Other deposits 1,276 (-)	Buildings and structures 2,008 (1,055)
Buildings and structures 4,901 (3,862)	Machinery, equipment and transportation 8,199 (1,508)
Machinery, equipment and transportation 16,676 (8,865)	Land 4,700 (497)
Land 32,820 (27,246)	Other tangible fixed assets 50 (0)
Other tangible fixed assets 111 (61)	<u>Total 16,497 (3,061)</u>
<u>Total 56,786 (40,812)</u>	The figures in parentheses represent amounts that compose an incorporated foundation. Each amount is included in the relevant principal item.
The figures in parentheses represent amounts that compose an incorporated foundation. Each amount is included in the relevant principal item.	
(In millions of yen)	(In millions of yen)
Debt corresponding to the above	Debt corresponding to the above
Short-term loans payable 120	Short-term loans payable 140
Long-term debt (including long-term debt repayable within one year) 40,360	Long-term debt (including long-term debt repayable within one year) 10,350
3. Contingent liabilities The Company guarantees certain loans and other debt financing provided by financial and other institutions to other than consolidated companies.	3. Contingent liabilities The Company guarantees certain loans and other debt financing provided by financial and other institutions to other than consolidated companies.
(In millions of yen)	(In millions of yen)
Mitsui Miike Machinery Co., Ltd. 1,778	Mitsui Miike Machinery Co., Ltd. 1,499
Hibikinada Development Co. Ltd. 472	Hibikinada Development Co. Ltd. 312
Two other companies 276	Two other companies 36
<u>Total 2,526</u>	<u>Total 1,847</u>

(With respect to consolidated statements of income)

Fiscal 2009 (April 1, 2009 to March 31, 2010)				Fiscal 2010 (April 1, 2010 to March 31, 2011)									
<p>Impairment loss</p> <p>For fiscal 2009, the Company reported impairment losses in connection with the following assets groups.</p>				<p>Impairment loss</p> <p>For fiscal 2009, the Company reported impairment losses in connection with the following assets groups.</p>									
Application	Location	Type	Impairment Loss (In millions of yen)	Application	Location	Type	Impairment Loss (In millions of yen)						
Non-business related assets	Omuta City (Fukuoka Pref.)	Land	234	Non-business related assets	Omuta City (Fukuoka Pref.)	Land	126						
Non-business related assets, other	Tagawa City (Fukuoka Pref.)	Land	102	Non-business related assets	Tagawa City (Fukuoka Pref.)	Land, other	96						
Total			336	Total			222						
<p>The Company and its consolidated subsidiaries classify assets into certain category groups based primarily on administrative accounting that continuously takes into consideration revenues and expenditures on an individual business segment basis. Moreover, assets that are not used for business purposes are categorized on an individual asset unit basis.</p> <p>With respect to the fiscal year under review, the book values of those assets are written down to their estimated recoverable amounts in the event that book values decrease appreciably. Written-down amounts are posted as extraordinary impairment losses.</p> <p>The estimated recoverable amount is measured utilizing real estate appraisal values.</p>				<p>Note: Breakdown of impairment loss by type of fixed asset (In millions of yen)</p> <table> <tr> <td>Land</td> <td>170</td> </tr> <tr> <td>Buildings and structures</td> <td>52</td> </tr> <tr> <td>Other tangible fixed assets</td> <td>0</td> </tr> </table> <p>The Company and its consolidated subsidiaries classify assets into certain category groups based primarily on administrative accounting that continuously takes into consideration revenues and expenditures on an individual business segment basis. Moreover, assets that are not used for business purposes are categorized on an individual asset unit basis.</p> <p>The book values of certain assets scheduled for sale or transfer have been written down to their estimated recoverable amounts. The estimated recoverable amount is determined in negotiation with the transferee and measured utilizing the net sales price based on the expected value of disposal.</p> <p>The book values of those assets are written down to their estimated recoverable amounts in the event that book values decrease appreciably. Written-down amounts are posted as extraordinary impairment losses. The estimated recoverable amount is measured utilizing real estate appraisal values.</p>				Land	170	Buildings and structures	52	Other tangible fixed assets	0
Land	170												
Buildings and structures	52												
Other tangible fixed assets	0												

(With respect to consolidated statement of comprehensive income)

Fiscal 2010 (April 1, 2010 to March 31, 2011)

1. Comprehensive income in the fiscal year immediately preceding the fiscal year under review

(In millions of yen)

Comprehensive income attributable to owners of the parent	4,570
Comprehensive income attributable to minority interests	–
Total	4,570

2. Other comprehensive income in the fiscal year immediately preceding the fiscal year under review

(In millions of yen)

Valuation difference on available-for-sale securities	7
Profit (loss) on hedge transactions	46
Foreign currency translation adjustments	(302)
Total	(248)

(With respect to calculation statements relating to changes in consolidated shareholders' equity)

Fiscal 2009 (April 1, 2009 to March 31, 2010)

1. Matters relating to the type and number of shares issued and outstanding as well as the type and number of treasury stock

	Number of Shares as of March 31, 2009	Increase during Fiscal 2009	Decrease during Fiscal 2009	Number of Shares as of March 31, 2010
Shares issued and outstanding				
Common stock	302,349	–	–	302,349
Class C preferred shares ¹	40,000	–	12,000	28,000
Total	342,349	–	12,000	330,349
Treasury stock				
Common stock ²	513	8	0	521
Class C preferred shares ³	–	12,000	12,000	–
Total	513	12,008	12,000	521

Notes:

- The decrease of 12,000,000 shares of Class C preferred shares represents retirement by the Company of treasury stock in accordance with Article 178 of the Companies Act.
- The increase of 8,000 shares of common stock represents the buy back of shares that constitute less than one unit (*tangen*). The decrease of 0 shares of common stock represents the sale of shares by the Company in response to requests to purchase shares that constitute less than one unit (*tangen*).
- The increase of 12,000,000 shares of Class C preferred shares represents acquisition by the Company of treasury stock in accordance with Article 156 through Article 160 of the Companies Act. The decrease of 12,000,000 shares of Class C preferred shares represents retirement by the Company of treasury stock in accordance with Article 178 of the Companies Act.

2. Matters Relating to Dividends

(1) Cash dividend payment amount

(Resolution)	Type of Share	Total Cash Dividends Paid (Million yen)	Cash Dividends per Common Share (Yen)	Record Date	Effective Date
Annual General Meeting of shareholders held on June 26, 2009	Common stock	603	2.00	March 31, 2009	June 29, 2009
	Class C preferred shares	239	5.99	March 31, 2009	June 29, 2009

(2) Dividends for which the effective date falls after fiscal 2009 included in dividends for fiscal 2008

(Resolution)	Type of Share	Total Cash Dividends Paid (Million yen)	Source of Cash Dividend Payment	Cash Dividends per Common Share (Yen)	Record Date	Effective Date
Annual General Meeting of Shareholders held on June 25, 2010	Common stock	603	Retained earnings	2.00	March 31, 2010	June 28, 2010
	Class C preferred shares	153	Retained earnings	5.47	March 31, 2010	June 28, 2010

Fiscal 2010 (April 1, 2010 to March 31, 2011)

1. Matters relating to the type and number of shares issued and outstanding as well as the type and number of treasury stock

	Number of Shares as of March 31, 2010	Increase during Fiscal 2010	Decrease during Fiscal 2010	Number of Shares as of March 31, 2011
Shares issued and outstanding				
Common stock	302,349	–	–	302,349
Class C preferred shares ¹	28,000	–	14,000	14,000
Total	330,349	–	14,000	316,349
Treasury stock				
Common stock ²	521	5	–	527
Class C preferred shares ³	–	14,000	14,000	–
Total	521	14,005	14,000	527

Notes:

- The decrease of 14,000,000 shares of Class C preferred shares represents retirement by the Company of treasury stock in accordance with Article 178 of the Companies Act.
- The increase of 5,000 shares of common stock represents the buy back of shares that constitute less than one unit (*tangen*).
- The increase of 14,000,000 shares of Class C preferred shares represents acquisition by the Company of treasury stock in accordance with Article 156 through Article 160 of the Companies Act. The decrease of 14,000,000 shares of Class C preferred shares represents retirement by the Company of treasury stock in accordance with Article 178 of the Companies Act.

2. Matters Relating to Dividends

(1) Cash dividend payment amount

(Resolution)	Type of Share	Total Cash Dividends Paid (Million yen)	Cash Dividends per Common Share (Yen)	Record Date	Effective Date
Annual General Meeting of Shareholders held on June 25, 2010	Common stock	603	2.00	March 31, 2010	June 28, 2010
	Class C preferred shares	153	5.47	March 31, 2010	June 28, 2010

(2) Dividends for which the effective date falls after fiscal 2009 included in dividends for fiscal 2008

(Scheduled Resolution)	Type of Share	Total Cash Dividends Paid (Million yen)	Source of Cash Dividend Payment	Cash Dividends per Common Share (Yen)	Record Date	Effective Date
Annual General Meeting of Shareholders held on June 29, 2011	Common stock	603	Retained earnings	2.00	March 31, 2011	June 30, 2011
	Class C preferred shares	70	Retained earnings	5.02	March 31, 2011	June 30, 2011

(With respect to consolidated statements of cash flow)

Fiscal 2009 (April 1, 2009 to March 31, 2010)	Fiscal 2010 (April 1, 2010 to March 31, 2011)
1. The relationship between the balance of cash and cash equivalents as of the fiscal year-end and relevant accounting line items listed in the consolidated balance sheet (As of March 31, 2010) (In millions of yen)	1. The relationship between the balance of cash and cash equivalents as of the fiscal year-end and relevant accounting line items listed in the consolidated balance sheet (As of March 31, 2011) (In millions of yen)
Cash and deposits	Cash and deposits
Time deposits with deposit terms exceeding three months	Time deposits with deposit terms exceeding three months
Cash and cash equivalent	Cash and cash equivalent
4,510	4,583
(125)	(165)
4,384	4,417

(Segment information)

a. Segment information by business type

(In millions of yen)

	Fiscal 2009 (April 1, 2009 to March 31, 2010)					
	Coal and Coke Business	Comprehensive Engineering Business	Other Businesses	Total	Eliminations and Corporate	Consolidated
I. Net sales and operating income (loss)						
Net sales						
(1) Sales to external customers	78,929	11,222	4,769	94,921	–	94,921
(2) Intersegment sales and transfers	38	999	175	1,213	(1,213)	–
Total	78,968	12,222	4,944	96,135	(1,213)	94,921
Operating expenses	71,783	11,629	4,610	88,023	956	88,980
Operating income	7,184	592	334	8,111	(2,170)	5,941
II. Assets, depreciation expenses, impairment loss and capital expenditure						
Assets	64,367	10,025	17,984	92,376	25,905	118,281
Depreciation and amortization	3,805	333	298	4,437	140	4,577
Impairment loss	–	–	–	–	336	336
Capital expenditure	3,093	183	276	3,553	(100)	3,452

Notes:

- Business segments are classified according to their product type and characteristics based on individual business management systems.
- Principal products and activities of each business segment are as follows:
 - Coal and Coke Business..... Coal, coke; coal and coke transportation and cargo handling
 - Comprehensive Engineering Business Chemical equipment and machinery, machinery for general industry, plants, ceramics, recycling of resources
 - Other Businesses Cargo handling; sale and lease of real estate; building cleaning, security and facility management; other
- Unallocable operating expenses included in “Eliminations and Corporate” totaled 2,039 million yen and principally related to the Company’s general expenses.
- Assets included in “Eliminations and Corporate” totaled 29,344 million yen and principally related to the Company’s surplus funds (cash and marketable securities), short- and long-term loans receivable, long-term investment funds (investments in securities) and assets related to administrative and management departments and divisions.
- Depreciation expenses relating to long-term prepaid expenses are included in depreciation expenses.
- Long-term prepaid expenses are included in capital expenditure.

b. Segment information by geographic location

Fiscal 2009 (April 1, 2009 to March 31, 2010)

As the amounts of net sales and assets in Japan represented more than 90% of the consolidated net sales and total assets for all business segments, business segment information by geographic location has been omitted.

c. Overseas sales

Fiscal 2009 (April 1, 2009 to March 31, 2010)

As overseas sales represented less than 10% of consolidated net sales, overseas sales information has been omitted.

d. Segment information

Fiscal 2010 (April 1, 2010 to March 31, 2011)

1. Overview of reporting segments

The Company's reporting segments are constituent units of the Nippon Coke & Engineering Group for which separate financial information is available. The Company's Board of Directors periodically examines these segments for the purpose of deciding the allocation of management resources and evaluating operating performance.

The Nippon Coke & Engineering Group classifies its businesses according to the type and characteristics of products and services handled. Each business independently formulates and proposes comprehensive strategies for the relevant products and services handled while engaging in the ongoing development of business activities.

As a result, the Nippon Coke & Engineering Group has identified two reporting segments, the Coal and Coke Business and the Comprehensive Engineering Business, taking into account the individual products and services of its constituent business segments.

In the Coal and Coke Business, the Group engages in the production and sale of coke as well as the purchase and sale of coal. In the Comprehensive Engineering Business, the Group is active in the manufacture, sale and maintenance of chemical equipment and machinery as well as the collection, transportation and disposal of industrial waste.

2. Computation methods for net sales, operating income (loss), assets and other items by reporting segment

The Company applies the same accounting method outlined under Important Items Considered Fundamental to the Preparation of the Company's Consolidated Financial Statements for reporting segments.

Reporting segment income is based on operating income data.

Intersegment sales and transfers are based on current market prices.

3. Information concerning net sales, operating income (loss), assets and other items by reporting segment

Fiscal 2009 (April 1, 2009 to March 31, 2010)

(In millions of yen)

	Reporting Segments			Other Businesses ¹	Total	Adjustment ²	Amount Reported on Consolidated Statement of Income ³
	Coal and Coke Business	Comprehensive Engineering Business	Total				
Net sales							
(1) Sales to external customers	78,929	11,222	90,151	4,769	94,921	–	94,921
(2) Intersegment sales and transfers	38	999	1,038	175	1,213	(1,213)	–
Total	78,968	12,222	91,190	4,944	96,135	(1,213)	94,921
Segment operating income (loss)	7,184	592	7,776	334	8,111	(2,170)	5,941
Segment assets	64,367	10,025	74,392	17,984	92,376	25,905	118,281
Other items							
Depreciation expenses	3,805	333	4,138	298	4,437	140	4,577
Impairment loss	–	–	–	–	–	336	336
Increase in tangible and intangible fixed assets	3,093	183	3,276	276	3,553	(100)	3,452

Notes:

1. The Other Businesses classification is not a business segment included in reporting segments. Activities including cargo handling and the sale and lease of real estate are included in Other Businesses.

2. Notes on Adjustment:

- (1) The negative adjustment in segment operating income (loss) totaling 2,170 million yen includes 131 million yen representing intersegment eliminations and Companywide expenses totaling 2,039 million yen not allocated to individual reporting segments. Companywide expenses largely comprise general and administrative expenses unrelated to reporting segments.
- (2) The adjustment in segment assets totaling 25,905 million yen comprises eliminations of intersegment transactions of 3,439 million yen and Companywide assets of 29,344 million yen not allocated to individual reporting segments. Companywide assets largely comprise assets unrelated to reporting segments.

3. Segment income and segment assets are reconciled with operating income and total assets recorded under consolidated financial statements.

Fiscal 2010 (April 1, 2010 to March 31, 2011)

(In millions of yen)

	Reporting Segments			Other Businesses ¹	Total	Adjustment ²	Amount Reported on Consolidated Statement of Income ³
	Coal and Coke Business	Comprehensive Engineering Business	Total				
Net sales							
(1) Sales to external customers	108,450	11,915	120,365	4,956	125,322	–	125,322
(2) Intersegment sales and transfers	–	1,052	1,052	490	1,543	(1,543)	–
Total	108,450	12,968	121,418	5,447	126,865	(1,543)	125,322
Segment operating income (loss)	13,441	696	14,137	378	14,516	(1,885)	12,630
Segment assets	83,638	9,636	93,274	16,463	109,738	27,262	137,000
Other items							
Depreciation expenses	3,975	303	4,278	403	4,682	123	4,806
Impairment loss	–	–	–	126	126	95	222
Increase in tangible and intangible fixed assets	9,392	103	9,496	351	9,848	(46)	9,801

Notes:

- The Other Businesses classification is not a business segment included in reporting segments. Activities including cargo handling and the sale and lease of real estate are included in Other Businesses.
- Notes on Adjustment:
 - The negative adjustment in segment operating income (loss) totaling 1,885 million yen includes 6 million yen representing intersegment eliminations and Companywide expenses totaling 1,878 million yen not allocated to individual reporting segments. Companywide expenses largely comprise general and administrative expenses unrelated to reporting segments.
 - The adjustment in segment assets totaling 27,262 million yen comprises eliminations of intersegment transactions of 715 million yen and Companywide assets of 27,977 million yen not allocated to individual reporting segments. Companywide assets largely comprise assets unrelated to reporting segments.
- Segment income and segment assets are reconciled with operating income and total assets recorded under consolidated financial statements.

(Additional Information)

Fiscal 2010 (April 1, 2010 to March 31, 2011)

Effective from the fiscal year under review, the Company has adopted the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Statement No. 17 released on March 27, 2009) and the Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Guidance No. 20 released on March 21, 2008).

(With respect to tax effect accounting)

As of March 31, 2010		As of March 31, 2011	
Major causes for the incidence of deferred tax assets and deferred tax liabilities		Major causes for the incidence of deferred tax assets and deferred tax liabilities	
	(In millions of yen)		(In millions of yen)
(Deferred tax assets)		(Deferred tax assets)	
Allowance for employee retirement benefits	1,920	Allowance for employee retirement benefits	1,913
Allowance for doubtful accounts	2	Allowance for doubtful accounts	10
Elimination of profits between consolidated companies	1,790	Elimination of profits between consolidated companies	1,630
Loss carried forward	12,394	Loss carried forward	3,381
Other	8,221	Other	6,885
Subtotal of deferred tax assets	24,328	Subtotal of deferred tax assets	13,820
Valuation allowance	(16,091)	Valuation allowance	(6,103)
Total deferred tax assets	8,237	Total deferred tax assets	7,717
(Deferred tax liabilities)		(Deferred tax liabilities)	
Reserve for condensed booking of fixed assets for tax purposes	(30)	Reserve for condensed booking of fixed assets for tax purposes	(30)
Other	(74)	Other	(94)
Total deferred tax liabilities	(105)	Total deferred tax liabilities	(125)
Net deferred tax assets	8,131	Net deferred tax assets	7,592

(Matters relating to the payment of retirement benefits)

1. Overview of the Retirement Benefit System Applied

The Company and its consolidated subsidiaries apply defined-benefit, lump-sum termination and approved retirement annuity plans. In addition, certain consolidated subsidiaries participate in the smaller enterprise retirement allowance mutual aid system.

2. Matters Relating to Retirement Benefit Liability

(In millions of yen)

	As of March 31, 2010	As of March 31, 2011
(1) Retirement benefit liability	(5,917)	(5,679)
(2) Pension assets	224	197
(3) Unfunded retirement benefit liability (1) + (2)	(5,693)	(5,482)
(4) Unappropriated amount relating to differences due to changes in generally accepted accounting principles and standards	828	653
(5) Unrecognized actuarial differences	113	104
(6) Net amount recorded in the consolidated balance sheet (3) + (4) + (5)	(4,751)	(4,724)
(7) Allowance for employee retirement benefits	(4,751)	(4,724)

Note: Certain of the Company's retirement benefit systems and consolidated subsidiaries have adopted simplified methods in calculating their retirement benefit liabilities.

3. Matters Relating to Retirement Benefit Expenses

(In millions of yen)

	Fiscal 2009 (April 1, 2009 to March 31, 2010)	Fiscal 2010 (April 1, 2010 to March 31, 2011)
(1) Service cost	357	369
(2) Interest cost	89	101
(3) Costs relating to actuarial differences	26	21
(4) Costs relating to differences due to changes in generally accepted accounting principles and standards	200	175
(5) Unfunded retirement benefit liability (1) + (2) + (3) + (4)	673	667
(6) Other	6	4
Total	680	672

Note: The (6) Other items for fiscal 2009 and fiscal 2010 are the amounts of premiums paid to the Small- and Medium-Sized Enterprises' Retirement Allowance Mutual Aid System.

4. Matters Fundamental to the Calculation of Retirement Benefit Liabilities

	As of March 31, 2010	As of March 31, 2011
(1) Methods of attributing the projected benefits to periods of service	Straight-line basis	As left
(2) Discount rate (%)	2.4	2.4
(3) Amortization period (number of years) relating to actuarial differences	13 years	As left
	(Any difference caused in actuarial calculations relating to retirement benefit liabilities is amortized using the straight-line method over employees' average remaining service years from the fiscal year that follows the fiscal year in which the difference occurs.)	
(4) Disposition period (number of years) relating to differences due to changes in generally accepted accounting principles and standards	15 years	As left

(Per share information)

Fiscal 2009 (April 1, 2009 to March 31, 2010)		Fiscal 2010 (April 1, 2010 to March 31, 2011)	
	(Yen)		(Yen)
Net assets per share	81.94	Net assets per share	116.43
Net income per share	15.46	Net income per share	39.80
Diluted net income per share	12.91	Diluted net income per share	34.34

Notes:

1. The basis for calculating net assets per share is presented as follows.

(In millions of yen unless otherwise stated)

	As of March 31, 2010	As of March 31, 2011
Total net assets	31,884	38,832
Amounts deducted from total net assets	7,153	3,690
Minority interests	–	119
Payments for Class C preferred shares included in the above with put options for ordinary shares as compensation	7,000	3,500
Dividend amount applicable to Class C preferred shares included in the above	153	70
Net assets as of the fiscal year-end relating to ordinary shares	24,731	35,142
Number of ordinary shares as of the fiscal year-end used in the calculation of net assets per share (shares)	301,828,014	301,822,308

2. The bases for calculating net income per share and diluted net income per share are presented as follows.

(In millions of yen unless otherwise stated)

	Fiscal 2009 (April 1, 2009 to March 31, 2010)	Fiscal 2010 (April 1, 2010 to March 31, 2011)
Net income per share		
Net income	4,818	12,082
Amount not pertaining to ordinary shares	153	70
Dividend amount applicable to Class C preferred shares included in the above	153	70
Net income pertaining to ordinary shares	4,665	12,011
Average number of shares for the fiscal year (shares)	301,831,982	301,825,647
Diluted net income per share		
Net income adjustment amount	153	70
Dividend amount applicable to Class C preferred shares included in the above	153	70
Increase in the number of ordinary shares (shares)	71,279,977	50,005,887
Payments for Class C preferred shares included in the above with put options for ordinary shares as compensation	71,279,977	50,005,887
Overview of diluted shares that were not included in the calculation of diluted net income per share due to their not having a diluting effect	–	–

(Important subsequent events)

Not applicable.

(Disclosure omission)

Information with respect to lease transactions, related-party transactions, financial instruments, marketable securities, derivative transactions, business combination and other, asset retirement obligation and rental and other real estate are considered immaterial as disclosure items for inclusion in this Consolidated Financial Report. Accordingly, explanatory notes have been omitted.

5. Non-Consolidated Financial Statements**(1) Balance Sheets**

(In millions of yen)

	As of March 31, 2010	As of March 31, 2011
Assets		
Current assets		
Cash and deposits	2,023	1,585
Notes receivable	270	90
Accounts receivable	5,746	9,540
Products and manufactured goods	8,252	8,735
Work in progress	389	330
Raw materials and stored goods	5,997	12,927
Prepaid expenses	132	119
Other receivables	435	516
Deferred tax assets	1,698	2,408
Other deposits	1,276	1,538
Other	297	341
Allowance for doubtful accounts	(4)	(4)
Total current assets	26,515	38,130
Fixed assets		
Tangible fixed assets		
Buildings	1,878	1,187
Structures	4,797	4,167
Machinery and equipment	22,843	22,343
Vessels	45	—
Motor vehicles and transportation equipment	31	2
Tools, furniture and fixtures	142	106
Land	40,956	39,929
Construction work in progress	2,054	7,853
Total tangible fixed assets	72,751	75,588
Intangible fixed assets		
Software	424	307
Other	16	12
Total intangible fixed assets	441	320
Investments and other assets		
Investments in securities	330	326
Affiliated company shares	1,871	5,192
Investments	4	0
Long-term loans to employees	3	—
Long-term loans to affiliated companies	3,329	1,598
Bankruptcy, rehabilitation and other related claims	0	0
Long-term prepaid expenses	1,100	1,026
Deferred tax assets	4,309	3,076
Other	798	701
Allowance for doubtful accounts	(852)	(10)
Total investments and other assets	10,895	11,911
Total fixed assets	84,089	87,820
Total assets	110,605	125,950

(In millions of yen)

	As of March 31, 2010	As of March 31, 2011
Liabilities		
Current liabilities		
Notes payable	2,603	4,243
Accounts payable	8,094	14,813
Short-term loans payable	2,714	3,920
Corporate bonds redeemable within one year	44,778	7,693
Leased liabilities	0	0
Other accounts payable	1,852	3,990
Accrued expenses payable	1,416	1,410
Income and other taxes payable	32	162
Advances received	321	216
Deposits payable	594	478
Allowance for bonuses	577	547
Allowance for loss on liquidation of affiliated companies	911	695
Allowance for loss on inappropriate transactions	705	705
Other	160	179
Total current liabilities	64,765	39,058
Long-term liabilities		
Long-term loans payable	7,391	42,697
Leased liabilities	0	0
Allowance for employee retirement benefits	4,217	4,144
Allowance for director and corporate auditor retirement benefits	138	108
Allowance for environmental development	2,703	3,526
Asset retirement obligations	–	109
Other	48	27
Total long-term liabilities	14,499	50,613
Total liabilities	79,265	89,672
Net assets		
Shareholders' equity		
Capital	7,000	7,000
Capital surplus		
Legal capital surplus	1,750	1,750
Total capital surplus	1,750	1,750
Retained earnings		
Legal retained earnings reserve	3	3
Other retained earnings		
Retained earnings brought forward	22,689	27,652
Total retained earnings	22,692	27,655
Treasury stock	(93)	(94)
Total shareholders' equity	31,349	36,311
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	25	23
Profit (loss) on hedge transactions	(35)	(56)
Total valuation and translation adjustments	(9)	(32)
Total net assets	31,339	36,278
Total liabilities and net assets	110,605	125,950

(2) Non-Consolidated Statements of Income

(In millions of yen)

	Fiscal 2009 (April 1, 2009 to March 31, 2010)	Fiscal 2010 (April 1, 2010 to March 31, 2011)
Net sales	84,208	113,781
Cost of sales	73,685	97,111
Gross profit	10,522	16,670
Selling, general and administrative expenses	4,933	4,892
Operating income	5,588	11,777
Non-operating income		
Interest received	137	80
Dividends received	76	127
Foreign currency exchange gain	–	190
Subsidy income	105	–
Other	70	112
Total non-operating income	389	510
Non-operating expenses		
Interest paid	1,455	1,252
Foreign currency exchange loss	157	–
Loan-related expenses	–	537
Taxes and dues	284	252
Other	646	362
Total non-operating expenses	2,543	2,404
Ordinary income	3,434	9,883
Extraordinary income		
Gain on sale of fixed assets	267	219
Gain on sales of affiliated company shares	946	–
Subsidy income	396	1,496
Reversal of allowance for affiliated company doubtful accounts	252	945
Other	51	5
Total extraordinary income	1,913	2,667
Extraordinary loss		
Loss on sale of fixed assets	123	105
Loss on disposal of fixed assets	59	277
Loss on devaluation of affiliated company shares	286	–
Impairment loss	336	222
Provision for allowance for environmental development	–	823
Loss on cancellation/termination of rental contract	165	–
Other	242	360
Total extraordinary loss	1,214	1,789
Income before income taxes and others	4,134	10,761
Income taxes—current	24	24
Income taxes—deferred	(1,402)	537
Total income taxes	(1,378)	561
Net income	5,513	10,199

(3) Calculation Statements Relating to Changes in Non-Consolidated Shareholders' Equity

(In millions of yen)

	Fiscal 2009 (April 1, 2009 to March 31, 2010)	Fiscal 2010 (April 1, 2010 to March 31, 2011)
Shareholders' equity		
Capital		
Balance as of the previous fiscal year-end	7,000	7,000
Changes during the fiscal year		
Total changes during the fiscal year	-	-
Balance as of the end of the fiscal year	7,000	7,000
Capital surplus		
Legal capital surplus		
Balance as of the previous fiscal year-end	1,750	1,750
Changes during the fiscal year		
Total changes during the fiscal year	-	-
Balance as of the end of the fiscal year	1,750	1,750
Total capital surplus		
Balance as of the previous fiscal year-end	1,750	1,750
Changes during the fiscal year		
Total changes during the fiscal year	-	-
Balance as of the end of the fiscal year	1,750	1,750
Retained earnings		
Legal retained earnings reserve		
Balance as of the previous fiscal year-end	3	3
Changes during the fiscal year		
Total changes during the fiscal year	-	-
Balance as of the end of the fiscal year	3	3
Other retained earnings		
Retained earnings brought forward		
Balance as of the previous fiscal year-end	21,860	22,689
Changes during the fiscal year		
Dividends from surplus	(843)	(756)
Net income	5,513	10,199
Disposal of treasury stock	(0)	-
Retirement of treasury stock	(3,840)	(4,480)
Total changes during the fiscal year	829	4,962
Balance as of the end of the fiscal year	22,689	27,652
Total retained earnings		
Balance as of the previous fiscal year-end	21,863	22,692
Changes during the fiscal year		
Dividends from surplus	(843)	(756)
Net income	5,513	10,199
Disposal of treasury stock	(0)	-
Retirement of treasury stock	(3,840)	(4,480)
Total changes during the fiscal year	829	4,962
Balance as of the end of the fiscal year	22,692	27,655

(In millions of yen)

	Fiscal 2009 (April 1, 2009 to March 31, 2010)	Fiscal 2010 (April 1, 2010 to March 31, 2011)
Treasury stock		
Balance as of the previous fiscal year-end	(92)	(93)
Changes during the fiscal year		
Disposal of treasury stock	0	–
Acquisition of treasury stock	(3,840)	(4,480)
Retirement of treasury stock	3,840	4,480
Total changes during the fiscal year	(0)	(0)
Balance as of the end of the fiscal year	(93)	(94)
Total shareholders' equity		
Balance as of the previous fiscal year-end	30,520	31,349
Changes during the fiscal year		
Dividends from surplus	(843)	(756)
Net income	5,513	10,199
Disposal of treasury stock	0	–
Acquisition of treasury stock	(3,840)	(4,480)
Retirement of treasury stock	–	–
Total changes during the fiscal year	828	4,961
Balance as of the end of the fiscal year	31,349	36,311
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance as of the previous fiscal year-end	34	25
Changes during the fiscal year		
Net changes in items other than shareholders' equity	(9)	(2)
Total changes during the fiscal year	(9)	(2)
Balance as of the end of the fiscal year	25	23
Profit (loss) on hedge transactions		
Balance as of the previous fiscal year-end	(81)	(35)
Changes during the fiscal year		
Net changes in items other than shareholders' equity	46	(20)
Total changes during the fiscal year	46	(20)
Balance as of the end of the fiscal year	(35)	(56)
Total valuation and translation adjustments		
Balance as of the previous fiscal year-end	(47)	(9)
Changes during the fiscal year		
Net changes in items other than shareholders' equity	37	(22)
Total changes during the fiscal year	37	(22)
Balance as of the end of the fiscal year	(9)	(32)
Total net assets		
Balance as of the previous fiscal year-end	30,473	31,339
Changes during the fiscal year		
Dividends from surplus	(843)	(756)
Net income	5,513	10,199
Disposal of treasury stock	0	–
Acquisition of treasury stock	(3,840)	(4,480)
Retirement of treasury stock	–	–
Net changes in items other than shareholders' equity	37	(22)
Total changes during the fiscal year	865	4,938
Balance as of the end of the fiscal year	31,339	36,278

6. Other

Changes and Movements in Directors

- (1) Changes in representative director (effective as of June 29, 2011)
 - (i) Newly appointed representative director (scheduled)

Yoshichika Nishio	Representative Director and President (currently Director and Managing Director, Director of Procurement Headquarters, Nippon Steel Engineering Co., Ltd.)
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 - (ii) Retiring representative director (scheduled)

Kiyooki Ogura	Current Representative Director and President (scheduled to assume the position of advisor at Krosaki Harima Corporation following retirement)
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- (2) Changes in other directors (effective as of June 29, 2011)
 - (i) Newly appointed auditors (scheduled)

Seiji Yukino	Corporate Auditor (currently General Manager of Affiliate Companies Group of Corporate Planning Div., Nippon Steel Corporation)
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Note: Seiji Yukino is an outside corporate auditor as prescribed under Article 2, Paragraph 16 of the Companies Act of Japan.
 - (ii) Retiring auditor (scheduled)

Hiroshi Murakami	Corporate Auditor
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- (3) Changes in executive officers
 - (i) Newly appointed executive officer (effective as of June 1, 2011)

Hiroyuki Hashimoto	Executive Officer, General Manager of Chemical Machinery Department (currently General Manager of Chemical Machinery Department)
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 - (ii) Retiring executive officer (effective as of May 31, 2011)

Hiroaki Kakegawa	Executive Officer, General Manager of Kyushu Regional Office (scheduled to assume the position of advisor at Chiba Sanko Transportation Co., Ltd. following retirement)
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(Reference)

May 13, 2011

Nippon Coke & Engineering Co., Ltd.
Directors, Corporate Auditors and Executive Officers

(Following the Company's Annual Meeting of Shareholders to be held on June 29, 2011)

1. Directors and Auditors

Representative Director and President	Yoshichika Nishio (newly appointed)	
Vice President	Koichiro Kakihara	
Senior Managing Director	Shinzaburo Hino	
Director	Kazuhiro Kajiya	
Director	Shoji Yoshida	
Director	Toru Furihata	
Director	Makoto Akagi	
Standing Corporate Auditor	Kyosuke Noda	
Corporate Auditor	Kakuei Miyagi	
Corporate Auditor	Seiji Yukino (newly appointed)	
Corporate Auditor	Junichi Sadamori	

2. Executive Officers

Executive Officer, General Manager of Personnel & General Affairs Department	Minoru Sasaki
Executive Officer, General Manager of Financing & Accounting Department	Akihiko Shimizu
Executive Officer, General Manager of Chemical Machinery Department	Hiroyuki Hashimoto (appointment effective June 1)