

Consolidated Summary Report

for the Fiscal Year ended November 30, 2011

Listed Company Name **UNION TOOL CO.**
 Shares Listed Tokyo Stock Exchange 1st section Code No. 6278
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 Scheduled date of the 51st ordinary general meeting of shareholders February 28, 2012
 Effective date of FY11/2011 yearend dividends payment February 29, 2012

1. Results for the year ended November 30, 2011 - from December 1, 2010 to November 30, 2011

(1) Consolidated performance Amounts less than one million yen have been omitted.

	Net sales		Operating income		Ordinary income		Net income	
	¥m	%	¥m	%	¥m	%	¥m	%
FY 11/2011	17,630	- 6.3	2,245	-14.9	2,494	-13.2	1,539	-21.8
FY 11/2010	18,817	15.1	2,638	430.3	2,873	621.7	1,969	1,104.5

	Net income per share	EPS after dilution	Net income to equity	Ordinary income to total assets	Operating income to net sales
	¥	¥	%	%	%
FY 11/2011	71.13	-	3.4	5.1	12.7
FY 11/2010	88.29	-	4.2	5.7	14.0

Note Profit on equity method investments FY 11/2011 — million yen FY 11/2010 — million yen

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity to total assets	Net assets per share
	¥m	¥m	%	¥
FY 11/2011	48,887	45,748	93.6	2,147.61
FY 11/2010	50,032	47,015	94.0	2,156.43

(3) Consolidated Cash flows

	Cash flows from Operating activities	Cash flows from Investing activities	Cash flows from financing activities	Cash and cash equivalent at the yearend
	¥m	¥m	¥m	¥m
FY 11/2011	2,570	- 2,049	- 1,590	4,413
FY 11/2010	4,903	- 4,589	- 1,833	5,653

Note Negative figures indicate decrease.

2. Cash dividends

	Dividends per share			Total amounts of Dividends(full year)	Dividend payment Ratio	Dividend to equity
	Interim	Yearend	Annual			
FY 11/2010	15.0	20.0	¥35.0	¥m 771	39.6 %	1.6 %
FY 11/2011	15.0	15.0(p)	30.0(p)	646	42.2 %	1.4 %
FY 11/2012(P)	15.0	15.0	30.0			

Note 1. There are planned figures for FY11/2011 yearend and FY 11/2012.

2. FY11/2010 Yearend dividends were including the commemorative dividends of 50th founding anniversary of ¥5 per share.

3. Forecasts for the year ending November 30, 2012 (December 1, 2011 - November 30, 2012)

	Net sales	Operating income	Ordinary income	Net income	EPS
Full year	¥m 16,667	¥m 1,349	¥m 1,508	¥m 1,004	¥ 47.14
YonY change	- 5.5 %	- 39.9 %	- 39.5 %	- 34.8 %	-

4. Note

- (1) During FY 11/2011, there is no change in scope of consolidation and adoption of the equity method of accounting.
- (2) Changes in accounting policy, procedure and method of presentation for preparing financial statements
 Change due to amendment of accounting standard : Nothing
 Change due to other reasons : Nothing
- (3) Number of shares outstanding at term end (including the number of treasury stocks, below (4))
 FY11/2011 ... 23,098,490 shares FY11/2010 ... 23,098,490 shares
- (4) Number of treasury stock at the term end
 FY11/2011 ... 1,796,275 shares FY11/2010 ... 1,296,194 shares

Reference: Annual results on the parent company alone basis

(1) Parent company performance

Amounts less than one million yen have been omitted.

	Net sales		Operating income		Ordinary income		Net income	
	¥m	%	¥m	%	¥m	%	¥m	%
FY 11/2011	12,832	- 11.2	1,437	- 38.8	2,490	- 5.5	1,729	- 0.7
FY 11/2010	14,444	23.8	2,347	2,419.0	2,636	651.3	1,741	978.7

	Net income per share	EPS after dilution
	¥	¥
FY 11/2011	79.91	-
FY 11/2010	78.06	-

(2) Parent company financial position

	Total assets	Net assets	Shareholders' equity to total assets	Net assets per share
	¥m	¥m	%	¥
FY 11/2011	40,682	38,358	94.3	1,800.69
FY 11/2010	42,126	38,696	91.9	1,774.86

Explanation of the appropriate use of performance forecasts and other related items

Forecasts of consolidated performance shown on Page 1 was prepared based on information available at the time of the forecast. Actual performances may differ from forecasts owing to a wide range of factors.

Business results for FY2011 and Prospect for FY2012

(1) Business results during the FY2011

In FY11/2011, the world economy was weaker than initially expected due to the repeated disaster, ongoing European sovereign debt crisis and fears of economic downturn in the U.S.

In our mainstay, electronics industry, although only a few products, such as a smartphone made a great hit, the business environment worsened as the good treatment policy by government expired.

In this situation, we strove to conduct basic research and develop high-value added products utilizing our own cutting technology amassed over the years, and expand our overseas production capacity in order to match the local huge demand. Moreover we also endeavored to boost our sales and profit by intensive sales activities. However, we suffered the severe conditions from the prolonged yen's appreciation and the changeable demand, therefore our sales and income decrease from a previous year. Our sales down 6.3 percent to ¥17,630 million and operating income down 14.9 percent to ¥2,245 million.

(2) Prospect for FY 2012 ending November 30, 2012

	FY11/2011 actual (a)	FY11/2012 budget as of January, 2012 (b)	change (b/a)
Sales	¥m 17,630	¥m 16,667	- 5.5
Operating income	2,245	1,349	- 39.9
Ordinary income	2,494	1,508	- 39.5
Net income	1,539	1,004	- 34.8

There are uncertainties over the world economy and wait-and-see mood will spread for the time being. We expect that the severe conditions still remain for FY11/2012. We will continue to strengthen cost cutting activities, development of the highly new products and increase of the overseas capacities for the recovery and improvement of our revenue. Now, UNION TOOL group expects that our consolidated sales for FY11/2012 are ¥16,667 million, down by 5.5 percent, operating income ¥1,349 million, down by 39.9 percent respectively over FY11/2011.

Foreign currency exchange rate applied for consolidation

	FY2010 actual (a)	FY2011 actual (b)	Change (b/a)	FY2012 forecast
US\$	¥ 83.82	¥ 76.65	- 8.6 %	¥ 77.74
EURO	114.24	104.11	- 8.9	100.71
New Taiwan \$	2.68	2.51	- 6.3	2.57
RMB	12.52	12.04	- 3.8	12.31

(3) Cash flows

In FY11/2011, cash and cash equivalent decreased ¥ 1,240 million, or 21.9 percent down from a previous year to ¥ 4,413 million. Trends in cash flows indicators are as follows:

	FY11/2009	FY11/2010	FY11/2011
Equity ratio (%)	95.0	94.0	93.6
Equity ratio based on market prices (%)	103.3	90.6	61.7
Interest coverage ratio	5,204.4	4,254.7	3,596.9

Calculation method : Equity ratio : shareholders' equity / total assets

Equity ratio based on market prices : total market value of common stock / total assets

Interest coverage ratio : net cash provided by operating activities / interest payments

Notes 1. All indicators are calculated based on consolidated financial figures.

2. Total market value of common stock is calculated by multiplying the final closing price of the Company's stock on the balance sheet date by the number of outstanding shares on the balance sheet date (less the number of treasury stocks).

3. Figures for net cash provided by operating activities are those from the consolidated cash flow statement.

Interest-bearing debt includes all balance sheet debt for which interest payments are being made. Figures for interest payments are those from the consolidated cash flow statement.

Consolidated Balance Sheets

thousands of yen

accounts	term	FY 11 / 2010 as of 2010/11/30		FY 11 / 2011 as of 2011/11/30		difference
		amount	ratio	amount	ratio	amount
			%		%	
Assets :						
Current assets :		22,091,076	44.2	19,931,444	40.8	- 2,159,632
Cash and deposits		4,596,635		4,123,833		- 472,802
Notes and accounts receivables - trade		6,145,515		6,104,869		- 40,646
Marketable securities		4,536,779		2,700,535		- 1,836,244
Inventories		6,179,420		6,216,420		37,000
Other current assets		632,724		785,784		153,060
Fixed assets :		27,941,378	55.8	28,956,185	59.2	1,014,807
Property, plant and equipment		18,997,439	38.0	19,836,908	40.6	839,469
Buildings and structures		3,810,189		5,681,182		1,807,993
Machines and vehicles		7,839,838		7,566,680		- 273,158
Tools and furniture		195,859		228,861		33,002
Land		6,280,834		6,096,656		- 184,178
Construction work in progress		870,717		263,528		- 607,189
Intangible fixed assets		80,493	0.1	60,147	0.1	- 20,346
Investments and others		8,863,446	17.7	9,059,129	18.5	195,683
Investments in securities		8,272,468		7,851,662		- 420,806
Others investments		590,977		1,207,466		616,489
Total assets		50,032,455	100.0	48,887,630	100.0	- 1,144,825
Liabilities :						
Current liabilities :		2,653,783	5.3	2,831,211	5.8	177,428
Notes and accounts payable - trade		771,208		829,245		58,037
Account payable - other		121,441		1,004,404		882,963
Accrued expenses		531,360		554,011		22,651
Accrued income taxes		941,544		125,127		- 816,417
Others		288,226		318,423		30,197
Fixed liabilities :		363,576	0.7	307,536	0.6	- 56,040
Long-term account payable- other		244,518		239,008		- 5,510
Others		119,058		68,527		- 50,531
Total liabilities		3,017,359	6.0	3,138,748	6.4	121,389
Net assets :						
Shareholders' equity		49,693,237	99.3	49,641,104	101.6	- 52,133
Common stock		2,998,505		2,998,505		-
Additional paid-in capital		3,037,338		3,037,239		- 99
Retained earnings		47,281,016		48,057,229		776,213
Treasury stocks		- 3,623,622		- 4,451,869		- 828,247
Valuation differences or adjustments:		- 2,678,142	- 5.3	- 3,892,222	- 8.0	- 1,214,080
Other valuation differences of securities		772,100		296,786		- 475,314
Adjustment on foreign currency statement translation		- 3,450,242		- 4,189,008		- 738,766
Total net assets		47,015,095	94.0	45,748,882	93.6	- 1,266,213
Total liabilities and net assets		50,032,455	100.0	48,887,630	100.0	- 1,144,825

Note : Negative figures indicate decrease.

Consolidated Statements of Income

thousands of yen

accounts	term	FY 11/ 2010 2009/12/1 - 2010/11/30		FY 11 / 2011 2010/12/1 - 2011/11/30		Difference
		amount	ratio	amount	ratio	Amount
Net sales		18,817,855	100.0	17,630,592	100.0	- 1,187,263
Cost of sales		12,543,279	66.7	11,643,122	66.0	- 900,157
Gross income		6,274,575	33.3	5,987,469	34.0	- 287,106
Selling, general and administrative expenses		3,636,398	19.3	3,742,074	21.3	105,676
Operating income		2,638,176	14.0	2,245,395	12.7	- 392,781
Non-operating income		303,993	1.6	380,464	2.2	76,471
Interest and dividends income		157,040		185,592		28,552
Others		146,951		194,870		47,919
Non-operating expenses		68,200	0.3	131,416	0.7	63,216
Interest expenses		1,152		714		- 438
Losses of foreign currency transaction		11,040		37,038		25,998
Others		56,007		93,662		37,655
Ordinary income		2,873,969	15.3	2,494,443	14.2	- 379,526
Extraordinary income		24,811	0.1	55,156	0.3	30,345
Extraordinary losses		139,613	0.7	325,333	1.9	185,720
Net income before income taxes		2,759,167	14.7	2,224,266	12.6	- 534,901
Income taxes and enterprise taxes - current		1,048,592	5.6	668,240	3.8	- 380,352
Income taxes and enterprise taxes - deferred		- 258,925	- 1.4	16,733	0.1	275,658
Net income		1,969,500	10.5	1,539,292	8.7	- 430,208

Consolidated Statements of Changes in Net assets

FY11/2011 (from December 1, 2010 to November 30, 2011)

thousands of yen

	Shareholders' equity				Total
	Common stocks	Additional paid-in capital	Retained earnings	Treasury stocks	
Balance at November 30, 2010	2,998,505	3,037,338	47,281,016	-3,623,622	49,693,237
Changes:					
Dividend payments	-	-	-763,079	-	-763,079
Net income	-	-	1,539,292	-	1,539,292
Payments from purchase of treasury stocks	-	-	-	-828,498	-828,498
Proceeds from sales of treasury stocks	-	-99	-	251	151
Others	-	-	-	-	-
Net changes except shareholders' equity	-	-	-	-	-
Net changes	-	-99	776,212	-828,246	-52,133
Balance at November 30, 2011	2,998,505	3,037,239	48,057,229	-4,451,869	49,641,104

thousands of yen

	Valuation differences or adjustments		Total net assets
	Other valuation differences of securities	Adjustments on foreign currency statement translation	
Balance at November 30, 2010	772,100	-3,450,242	47,015,095
Changes:			
Dividend payments	-	-	-763,079
Net income	-	-	1,539,292
Payments from purchase of treasury stocks	-	-	-828,498
Proceeds from sales of treasury stocks	-	-	151
Others	-	-	-
Net changes except shareholders' equity	-475,313	-738,766	-1,214,079
Net changes	-475,313	-738,766	-1,266,213
Balance at November 30, 2011	296,786	-4,189,008	45,748,882

Consolidated Statements of Cash flows

thousands of yen

account	term	F Y 2 0 1 0 from 2009/12/1 to 2010/11/30	F Y 2 0 1 1 from 2010/12/1 to 2011/11/30	Difference
		amount	Amount	Amount
1. Cash flows from operating activities				
Net income before income taxes		2,759,167	2,224,266	-534,901
Depreciation and amortization		2,144,094	1,932,292	-211,802
Impairment loss		-	176,954	176,954
Increase in allowance for doubtful receivables		-27,377	-3,342	24,035
Interest and dividends income		-157,041	-185,592	-28,551
Interest expense		1,152	714	-438
Gain on foreign currency transaction		-81,861	-14,561	67,300
Loss on sales and disposal of P, P and E		128,241	92,252	-36,003
Increase in receivables – trade		155,304	-133,984	-289,288
Increase in inventories		280,200	-172,604	-452,804
Decrease in payable – trade		106,556	147,214	40,658
Decrease in accrued consumption taxes payable		-13,505	-216,176	-202,671
Increase in other current liabilities		-341,450	65,972	407,422
Others		-46,423	-44,013	2,410
Sub – total		4,907,071	3,869,391	-1,037,680
Interest and dividends received		157,342	185,610	28,268
Interest paid		-1,152	-714	438
Income and other taxes paid		-159,484	-1,483,613	-1,324,129
Net cash provided by operating activities		4,903,777	2,570,674	-2,333,103
2. Cash flows from investing activities				
Payments from purchase of P, P and E		-2,362,090	-2,436,136	-74,046
Payments from purchase of marketable securities		-3,324,068	-1,700,000	1,624,068
Proceeds from sales and redemption of securities		3,090,427	4,468,311	1,377,884
Payments from purchase of securities		-2,073,971	-2,397,660	-323,689
Proceeds from sales and redemption of investment in securities		52,531	262,179	209,648
Others		28,027	-245,786	-273,813
Net cash provided by investing activities		-4,589,142	-2,049,092	2,540,050
3. Cash flows from financing activities				
Dividends paid		-661,833	-762,610	-100,777
Proceed from sales of treasury stocks		55	151	96
Purchase of treasury stocks		-1,171,330	-828,498	342,832
Net cash provided by financing activities		-1,833,107	-1,590,956	242,151
4. Exchange adjustments for cash and cash equivalents		-127,415	-170,921	-43,506
5. Increase in cash and cash equivalents		-1,645,888	-1,240,296	405,592
6. Cash and cash equivalents at the beginning of the period		7,299,653	5,653,764	-1,645,889
8. Cash and cash equivalents at the end of the period		5,653,764	4,413,467	-1,240,297

Note : Negative figures indicate decrease.

5. Evaluation of assets and liabilities of consolidated subsidiaries

Evaluation of assets and liabilities of the subsidiaries are carried out fully with the mark-to-market method.

6. Scope of cash and cash equivalents in the consolidated Cash Flow Statements

The cash and cash equivalents in the consolidated Cash Flow Statements are cash in hand, deposits that can be withdrawn anytime when we require, and short-term investments easily cashable, with minimal risks against price fluctuations and maturity of within 3 months.

Note

1. Related to consolidated Balance Sheets

Investments and others for unconsolidated subsidiaries and affiliates

	FY11/2010 (as of Nov. 30, 2010)	FY11/2011 (as of Nov. 30, 2011)
Investment in securities (stocks)	¥ 39,000 thousand	¥ 39,000 thousand

2. Related to consolidated Statement of Income

	FY11/2010 (2009/12/1-2010/11/30)	FY11/2011 (2010/12/1-2011/11/30)
(1) Major breakdowns of sell, general and administrative expenses		
Directors remunerations	¥ 180,146 thousand	¥ 191,977 thousand
Wages and bonuses	1,152,902	1,169,016
Transfer to allowances for bonuses to employees	46,914	52,219
Transfer to allowances for retirement benefits to employees	67,459	69,473
Commission	261,993	287,654
Depreciation and amortization	150,593	90,847
(2) R & D expenses included in G&A expenses	¥1,221,571 thousand	¥1,297,061 thousand
(3) Details of profits on sales of fixed assets		
Buildings and structures	- thousand	¥ 14,178 thousand
Machine, equipment and automotive equipment	¥ 14	1,606
Small tools and fixtures	-	-
Land	-	25,203
(4) Details of losses on sales of fixed assets		
Buildings and structures	¥ 1,470 thousand	¥ 10,103 thousand
Machine, equipment and automotive equipment	126,139	71,552
Small tools and fixtures	645	10,043
Software	-	552

3. Related to consolidated Statement of Changes in Net assets

(1) Class and number of shares outstanding ... Ordinary shares, 23,098,490 shares outstanding (No changes)

(2) Class and number of treasury stocks ... Ordinary shares

At the beginning	Increase	Decrease	At November 30,2011
1,296,194	500,171	90	1,796,275

(3) Dividends to shareholders ... Cash dividends paid

Date of approval	Class of shares	Amount	Per share	Allotment date	Effective date
2/24/2011 Meeting of shareholders	Ordinary shares	¥ 436 million	¥ 15.00	11/30/2010	2/25/2011
7/8/2011 Board of directors	Ordinary shares	¥ 327 million	¥ 15.00	5/31/2011	8/12/2011
Dividends after the end of the fiscal year of which basic date belongs to this period					
Date of approval	Class of shares	Amount	Per share	Allotment date	Effective date
2/28/2012 Meeting of shareholders	Ordinary shares	¥ 319 million	¥ 15.00	11/30/2011	2/29/2012

thousands of yen

	FY 11 / 2011 (from December 1, 2010 to November 30, 2011)						
	Japan	North America	Asia	Europe	Total	Elimination and corporate assets or expenses	Consolidated
Sales							
(1) Unaffiliated customers	8,771,738	938,679	7,221,198	698,976	17,630,592	-	17,630,592
(2) Intersegment	4,060,516	322	251,047	-	4,311,888	(4,311,888)	-
T o t a l	12,832,256	939,001	7,472,246	698,976	21,942,480	(4,311,888)	17,630,592
Operating income	1,437,553	93,807	633,890	21,276	2,186,527	58,888	2,245,395
Assets	19,879,392	692,391	10,200,219	368,339	31,140,342	17,747,287	48,887,630

Note 1. Nations or areas has been classified in terms of their geographic closeness.

2. Main countries or regions that belong to classes other than Japan

(1) North America : United States of America

(2) Asia : Taiwan China Singapore

(3) Europe : Switzerland

(3) Overseas sales by geographic area

thousands of yen

	FY 11 / 2010 (from December 1, 2009 to November 30, 2010)				
	North America	Asia	Europe	Other	Total
Overseas sales	966,753	8,433,063	664,636	37,276	10,101,731
Consolidated net sales					18,817,855
Percentage of overseas sales to consolidated net sales	5.2%	44.8%	3.5%	0.2%	53.7%

thousands of yen

	FY 11 / 2011 (from December 1, 2010 to November 30, 2011)				
	North America	Asia	Europe	Other	Total
Overseas sales	913,129	8,611,300	734,520	42,968	10,301,918
Consolidated net sales					17,630,592
Percentage of overseas sales to consolidated net sales	5.2%	48.8%	4.2%	0.2%	58.4%

Note 1. Nations or areas has been classified in terms of their geographic closeness.

2. Main countries or regions that belong to classes other than Japan

(1) North America : United States of America Canada

(2) Asia : Korea China Taiwan Singapore

(3) Europe : Switzerland Italy United Kingdom France

3. Overseas sales represents sales of UNIONTOOL CO. and its subsidiaries made in countries and regions other than Japan.

6. Per share data

	FY11/2010 (2009/12/1 – 2010/11/30)	FY11/2011 (2010/12/1 – 2011/11/30)
Net assets per share	¥ 2,156.43	¥ 2,147.61
Net income per share	¥ 88.29	¥ 71.13
Fully diluted net income per share	-	-

Note: Basis by which net income is computed

	FY11/2010 2009/12/1-2010/11/30	FY11/2011 2010/12/1-2011/11/30
Net income as reported (thousands of yen)	1,969,500	1,539,292
Net income concerning the common stocks (thousands of yen)	1,969,500	1,539,292
Net income non-concerning the common stocks (thousands of yen)	-	-
Average number of common stocks outstanding (1,000shares)	22,308	21,640
Increase of common stock numbers by fully dilution (1,000shares)	-	-