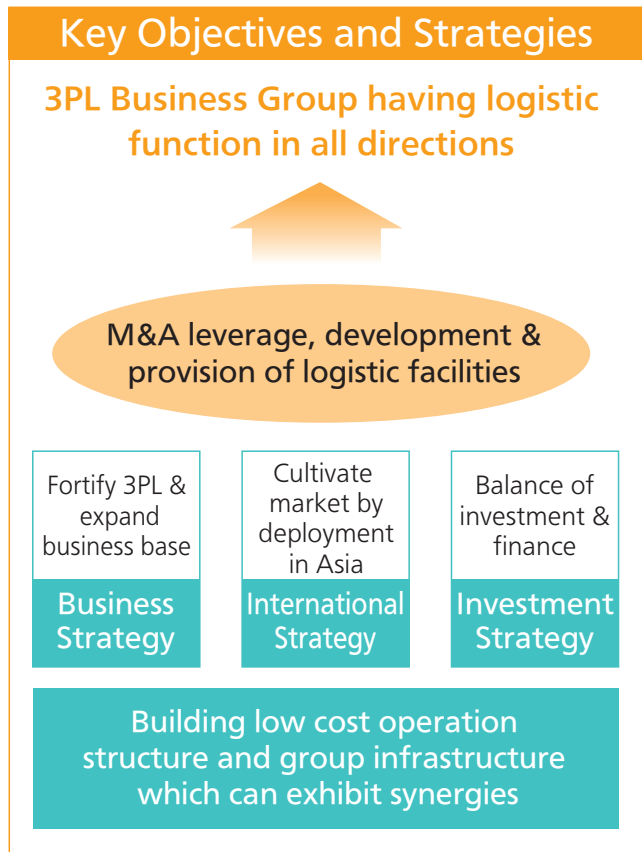
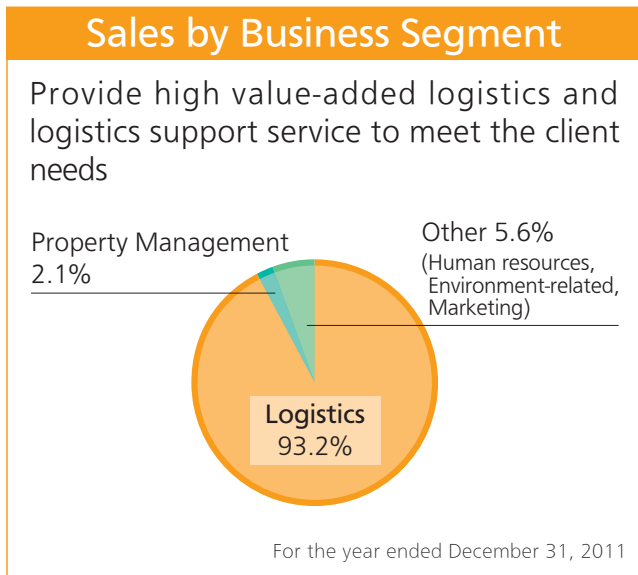


SBS Business Report (Interim)

For the Six Months Ended June 30, 2011 (Security Code: 2384)

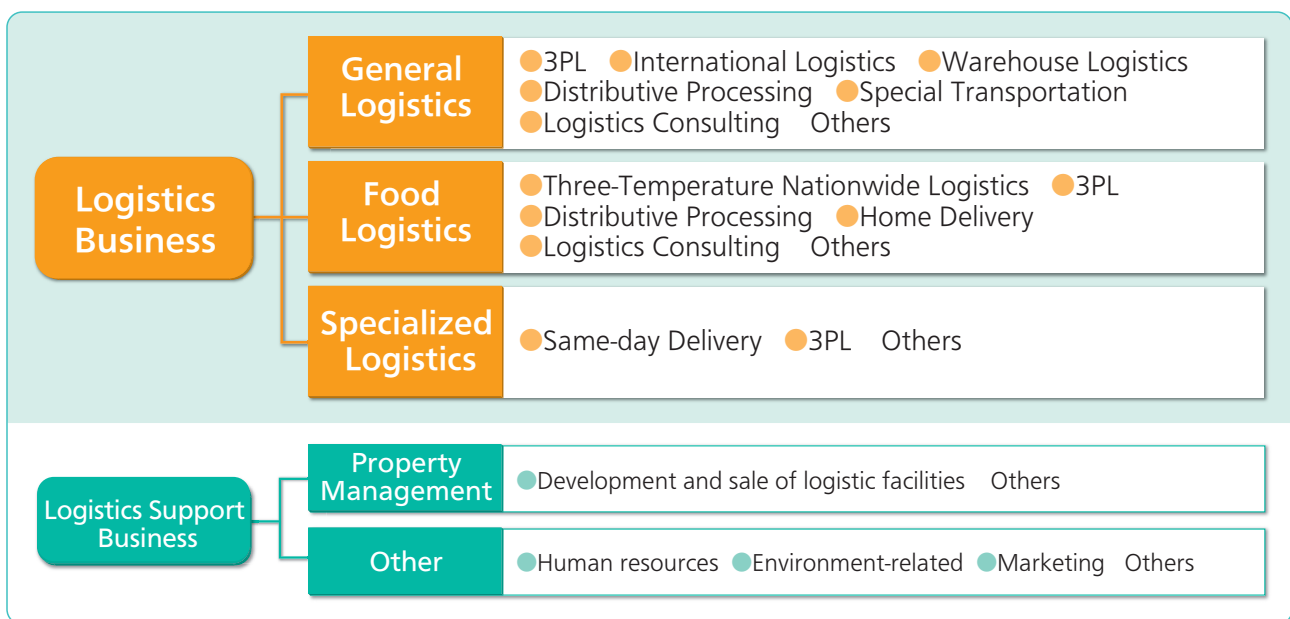
SBS Group meets the various logistics needs with the utmost quality.



2011 Forecast

Net Sales	Operating Income	Dividend per Share
¥120.0 billion	¥2.7 billion	¥3,000

(Performance forecasts have been revised at the first half results announcement.)



Disclaimer: Forward-looking statements included in this report are based on information and assumptions consisting of uncertain factors that may influence our performance available to the Company on the date of this report's publication. Due to various unforeseen circumstances, however, actual results may differ from such forecasts.



Steadily laying the basis for the future growth of the Group, at all times placing highest priority on the recovery and revival after the Great East Japan Earthquake.

Representative Director and President: **Masahiko Kamata**

First and foremost I would like to express my deepest sympathies to all those who have been affected by the Great East Japan Earthquake that shook the country on the 11th of March this year. Although the situation is still quite severe, it is the intention of the SBS Group to offer all possible assistance and support in the area of logistics to help the revival.

Many of our customers have been affected by the earthquake, and our Group itself sustained severe damages – both physical and human. We have started tackling the issues of recovery and revival immediately after the disaster, but its impact was much greater than expected. Also, due to such factors as the rise of the fuel prices, business environment in first half of the fiscal year was very severe.

But even though the environment was by no means mellow, we could still make

a number of steps to lay the basis for the future growth of the enterprise as a third-party logistics (3PL) business group that possesses logistics functions in all directions. – One direction was mergers and acquisitions aiming at the reinforcement of 3PL and international logistics functions, while another was creation of a low-cost operation system.

It is expected that in the second half of the year the situation in domestic economy will be even more severe also due to the impact of the slowdown of the global economy, but all the members of our Group as one shall nevertheless tackle the issues of reinforcement of the enterprise's foundations required for continuous growth, aiming to become the top enterprise of the logistics industry.

As always, we truly appreciate your continuing support for our activities.

Impact of the Great East Japan Earthquake and our efforts to support the recovery

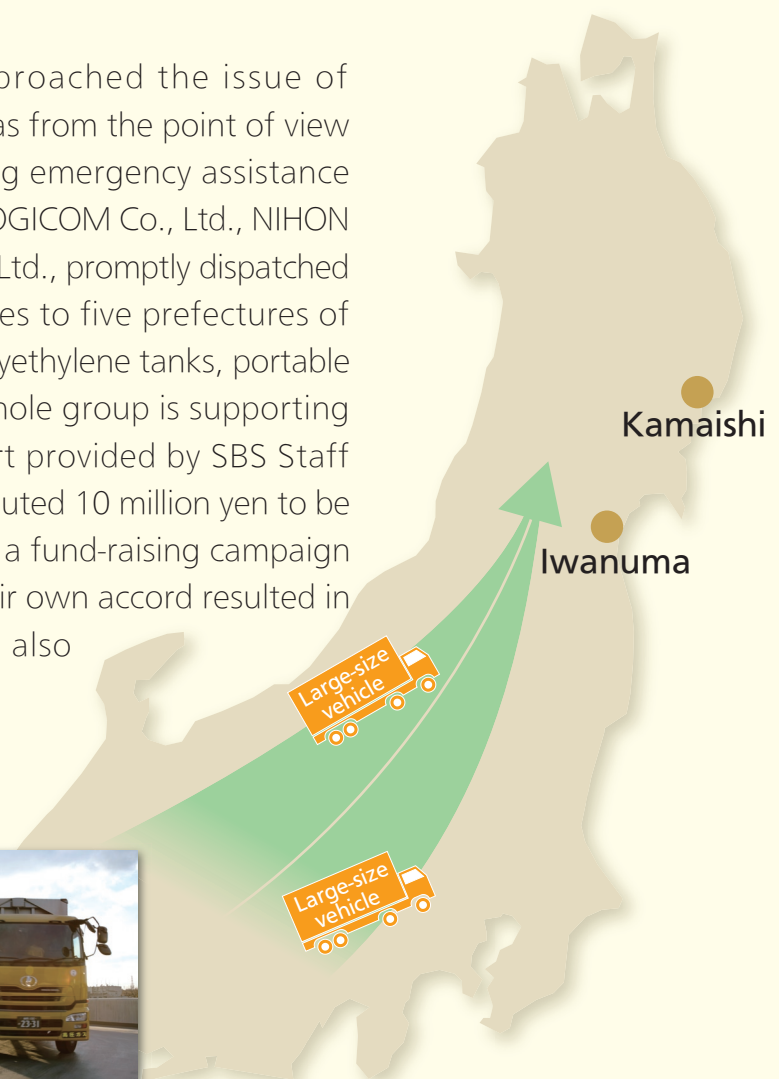
We would like to express our deepest sympathies to all those who have been affected by the Great East Japan Earthquake.

And we are praying from the bottom of our hearts for the earliest possible revival.

Support activities conducted by the Group

Supporting the affected areas by promptly transporting relief goods and condolence money

Companies of the SBS Group have approached the issue of supporting the recovery of the affected areas from the point of view of the logistics, for example by transporting emergency assistance goods. Such companies of the Group as TL LOGICOM Co., Ltd., NIHON KAMOTSU KYUSO Co., Ltd. and Zentsu Co., Ltd., promptly dispatched a total of more than 400 large sized vehicles to five prefectures of Tohoku Region with such relief goods as polyethylene tanks, portable cooking stoves, blankets, and food. The whole group is supporting the relief efforts including physical support provided by SBS Staff Co., Ltd. Moreover, the company has contributed 10 million yen to be used for revival of the affected areas, while a fund-raising campaign carried out by the Group's employees of their own accord resulted in the sum of over 8 million yen, which was also sent as a contribution.



● Main disaster relief measures conducted by SBS Group

Company name	Goods transported	Number of vehicles	Destination
TL LOGICOM	Portable cooking stoves, blankets, food, etc.	About 270 large-size vehicles	5 prefectures of the Tohoku Region
NIHON KAMOTSU KYUSO	Drinking water, food, etc.	About 150 large-size vehicles	Aomori, Iwate
Zentsu	Food, etc.	About 4 large-size vehicles	Miyagi, Fukushima, Ibaraki
SBS Logitem	500,000 masks	1 large-size vehicles	Tokyo Relief Goods Collection Center

※Transportation was started in the order listed from the day after the earthquake (March 12).

Impact of the disaster on the Group and the current state of recovery

Iwanuma Logistics Center reopened in July!

Our Group was affected by disaster in many ways, but the main damage was inflicted on the Tohoku Region. Particularly devastating was the damage at the Iwanuma Logistics Center of Foods Lec Co., Ltd. and the Kamaishi Office of NIHON KAMOTSU KYUSO, where in addition to the lives lost in the Tsunami, the buildings, the refrigeration facilities, etc. were flooded and destroyed; vehicles were swept away, resulting in a situation rendering business activities absolutely impossible.

The SBS Group started recovery activities on the next day by dispatching survey/support units to the site, and the Iwanuma Logistics Center was reopened on the 1st of July approximately four months after the disaster. This center shall strive to deliver a stable supply of food, serving as a logistics center for general and low-temperature foods for the Southern Tohoku Area. Moreover, it shall contribute to the earliest possible revival of the affected area by maintaining logistics function and also by conducting management based on the idea of harmonious coexistence with the localities, for example creating opportunities for employment in the region.



Iwanuma Logistics Center
just after the disaster



Reopened in July



NIPPON RECORD CENTER Company, Limited. becomes a member of the Group

On April 1, TL LOGICOM Co., Ltd., which is a member of our Group, acquired the shares (resulting in 98.5% of ownership) of NIPPON RECORD CENTER Company, Limited. (hereinafter "NRC") which at the time was a subsidiary of JVC KENWOOD Group engaged in logistics, making the company its subsidiary.

The main clients of NRC are such companies as Victor Entertainment and Teichiku Entertainment, and it is a company engaged in logistics and specializing in packaged software in such areas as music, movies, and games. It has already established its reputation as a company with highly precise and reliable logistics technology with a wide service range covering everything from small cargo delivery such as shipping as little as one CD to CD shops all across the country to country-wide simultaneous delivery on appointed date of newly released records.

Company's know-how yielding synergy in various areas

Packaged software CDs or DVDs are products very difficult to manage since

they are idea-based articles of a wide variety often produced in small lots. NRC has found a solution offering highly accurate logistics service at low costs with its highly efficient operation control and about 700 skilled part-time staff members.

By having the company as a member of the SBS Group, we can not only newly acquire 3PL* work by offering a full package of logistics services related to music and video mediums, but we can also tap into the new business category of dealing with diverse products in small lots, such as mail orders. Moreover, by having the company develop in our Group the know-how of low-cost operation it has cultivated in the long period, we can also expect synergy in various areas, contributing to the quality and efficiency of all the companies of our Group.



Tidily lined up automatic sorters (in a warehouse)

*3PL (third-party logistics): receiving orders for a full package of logistics services

■ Profile of NIPPON RECORD CENTER Company, Limited.

Representative Director Koichi Katano

Establishment 1978

Parent company TL LOGICOM Co., Ltd.(ownership: 98.5%)

Capital 450 million yen

Working force approximately 900

Description of business The company was established as a logistics enterprise specializing in storage, management, and distribution of music and image software, and receives orders for a full package of logistics services from a number of major companies dealing in music and movies. It boasts an extensive know-how and track record in the area of logistics of diversified products produced in small lots, possessing a framework enabling joint acceptance of orders for and delivery of products of multiple enterprises and having an excellent information system to track down the package in real time.

URL <http://www.nrc-jpn.net>



Head office and Kamiochiai DC

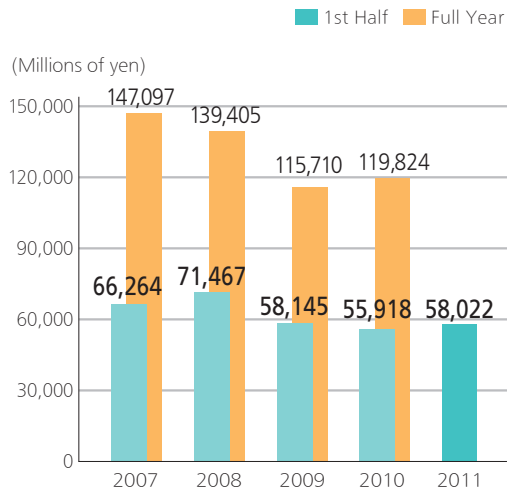


Managing about 200,000 CDs, DVDs, etc.

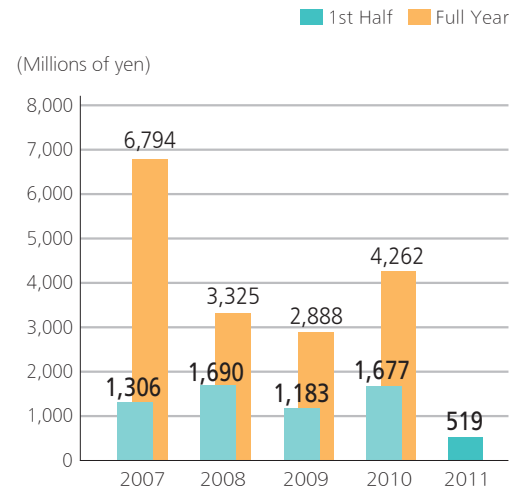


Packed-up products are sorted by automatic sorters by area and shipped.

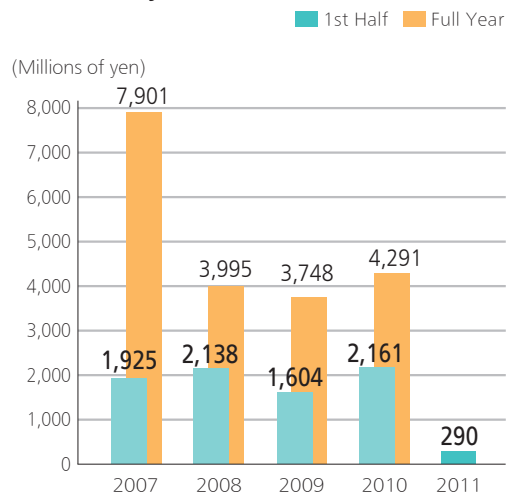
Net Sales



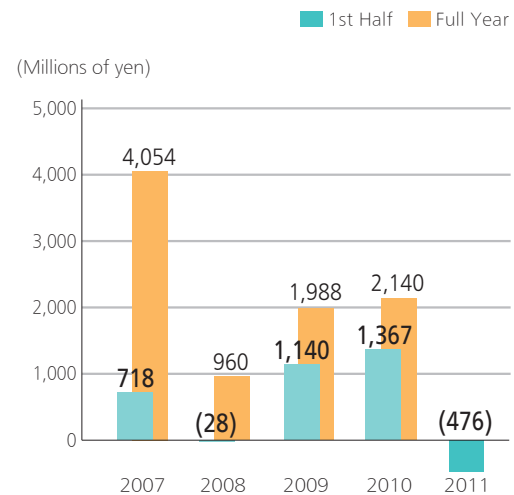
Operating Income



Ordinary Income

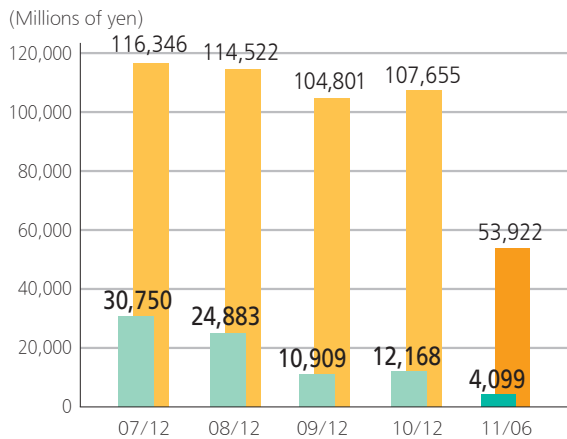


Net Income



Sales by Segment

[~FY2010] Logistics Business (Orange), Logistics Support Business (Light Green)
 [FY2011~] Logistics Business (Dark Orange), Logistics Support Business (Dark Green)



1st Half of FY2011

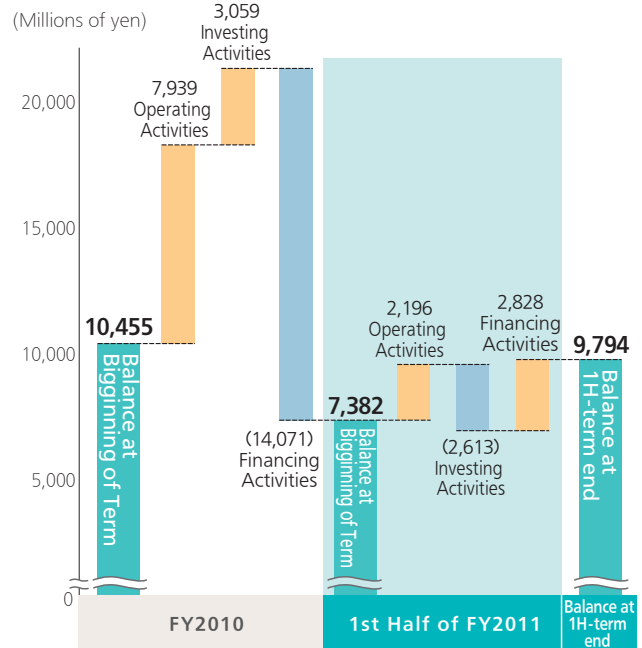
(Millions of yen)

	Logistics	Property Management	Other	Adjustment	Total
Net Sales	53,922	1,192	2,907	—	58,022
Operating Income	81	644	△219	13	519

Note: Net Sales are defined as sales to outside customers.

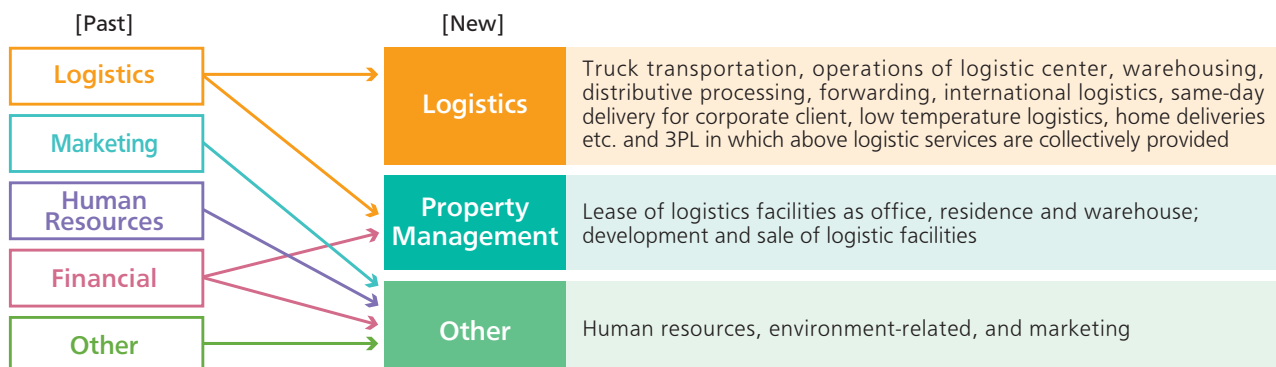
Cash Flows Status

Balance (Teal), Cash Inflow (Orange), Cash Outflow (Blue)

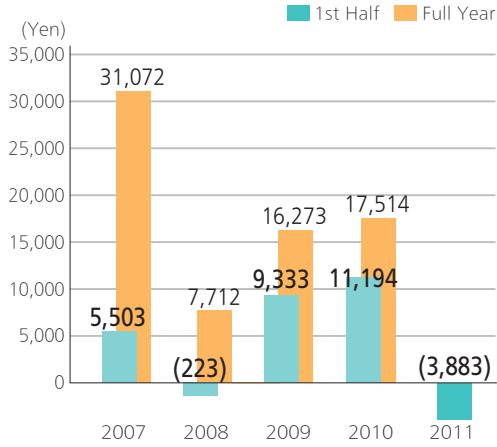


Changes in Classification of Segment

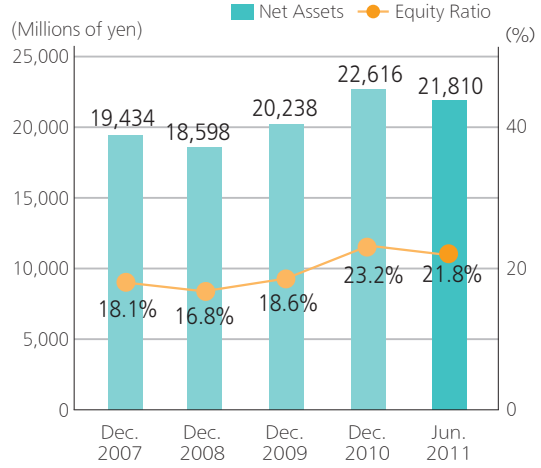
- We revised the segment classification from five to three in terms of management and business scale from the current fiscal year.



Net Income per Share

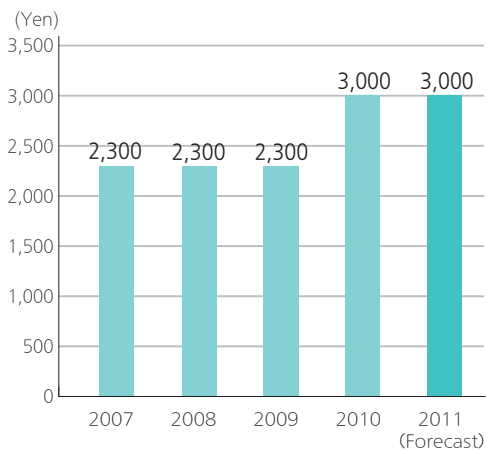


Net Assets / Equity Ratio



Basic Policies regarding the Profit Distribution

Dividend per Share



Basic Policies regarding the Profit Distribution

SBS Group regards the return of profits to all shareholders to be one of its most important business policies. Based on our group's business achievement and financial situations, we will address for the stable shareholder return through our efforts to further strengthen our management base and to increase in return on equity. We are expecting our dividend to remain the same as the previous fiscal year at 3,000 yen per share for the year ending December 2011.

Corporate Profile (As of June 30, 2011)

Company name	SBS Holdings, Inc.
Representative director and president	Masahiko Kamata
Founded	December 16, 1987
Paid-in Capital	¥3,833.93 million
Net sales	¥119.8 billion (for the year ended December 31, 2010)
Head office	4-1-3 Taihei, Sumida-ku, Tokyo 130-0012, Japan Tel: +81-3-3829-2222(main) Fax: +81-3-3829-2822
Lines of Business	Logistics, property management, human resources, etc.
No. of Employee	12,233 (4,299 of regular, consolidated staff)
Major consolidated subsidiaries	TL LOGICOM Co., Ltd. Foods Lec Co., Ltd. Zentsu Co., Ltd. SBS Logitem Co., Ltd. SBS Staff Co., Ltd. Sogo Butsuryu System Co., Ltd. SBS Finance Co., Ltd. A-MAX Co., Ltd. Marketing Partner Co., Ltd. Forward Co., Ltd. PAM, Co., Ltd.

Board of Directors and Auditors (As of June 30, 2011)

Representative director and president	Masahiko Kamata
Managing director	Kenichi Iriyama
Directors	Fumiaki Miyasaka Shin-ichiro Watanabe
Full-time auditor	Tamio Wakabayashi
Auditors	Shigetaka Shomatsumoto Masato Takeda Jiro Iwasaki

The auditors Shigetaka Shomatsumoto, Masato Takeda and Jiro Iwasaki are the external auditors.

Stock Information (As of June 30, 2011)

Number of shares authorized	515,684 shares
Number of shares issued	130,684 shares
Share trading unit	None
Number of shareholders	3,712

Major Shareholders (As of June 30, 2011)

Shareholder Name	Number of shares held (shares)	Ratio of share held (%)
Masahiko Kamata	64,128	50.16
Japan Trustee Services Bank, Ltd. (Trust account)	6,803	5.32
Hiroshi Date	4,348	3.40
SBS Holdings Employee Share Ownership Association	4,012	3.13
The Chase Manhattan Bank, N. A. London Secs Lending Omnibus Account	3,348	2.61
Junichi Ouchi	3,094	2.42
The Master Trust Bank of Japan, Ltd.	2,066	1.61
Mellon Bank, N.A. Treaty Clients Omnibus	2,000	1.56
Hiroyuki Yoshioka	1,889	1.47
3E Corporation	1,560	1.22

The ratio of share held are calculated based on the number of shares excluding treasury shares. Treasury shares does not include 4,862 shares held by our employee share ownership association.

Distribution of Shares by Shareholder Type (As of June 30, 2011)

