

RESULTS OF OPERATIONS FOR  
THE YEAR ENDED MARCH 31, 2016 (CONSOLIDATED)  
(Japanese GAAP)

May 11, 2016

Listed company name: Torishima Pump Mfg. Co. Ltd.  
 Stock exchange listings: First Section of Tokyo Stock Exchange  
 Code number: 6363 URL: <http://www.torishima.co.jp/en>  
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 Scheduled date of general shareholders' meeting: June 29, 2016  
 Scheduled date of starting dividend payment: June 7, 2016  
 Scheduled date of filing financial statements: June 29, 2016  
 Preparing supplementary material on financial results: No  
 Holding financial results presentation meeting: Yes (for investment analysts and institutional investors)

Note: The amounts are rounded down to the nearest million.

1. Consolidated financial results of Fiscal 2015 (April 1, 2015 to March 31, 2016)

(1) Operating results % of change from previous year

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY 2015	40,479	-13.0	373	-6.8	-1,663	-	-2,422	-
FY 2014	46,501	1.1	400	-	793	-	405	-8.3

Note: Comprehensive income FY 2015 ¥ 2,990 million (-%) FY 2014 ¥ 2,325 million (51.5%)

	Net income per share – Basic	Net income per share – Diluted	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
FY 2015	-88.13	-	-7.1	-2.4	0.9
FY 2014	14.61	14.55	1.2	1.1	0.9

Reference: Equity in earnings of affiliates FY 2015 ¥ -1,076 million FY 2014 ¥ -212 million

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY 2015	66,198	32,794	48.7	1,179.57
FY 2014	71,987	36,532	50.0	1,308.22

Reference: Shareholders' equity FY 2015 ¥ 32,211 million FY2014 ¥ 35,959 million

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents (Year-end)
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY 2015	5,000	-415	-1,624	7,175
FY 2014	-1,194	-345	2,120	4,307

## 2. Dividends

	Dividends per share					Dividends total (Annual)	Dividend payout ratio (Consolidated)	Dividends to net assets (Consolidated)
	1Q End	2Q End	3Q End	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
FY 2014	-	9.00	-	9.00	18.00	500	123.20	1.4
FY 2015	-	9.00	-	9.00	18.00	495	-	1.4
FY 2016 (Forecast)	-	9.00	-	9.00	18.00		32.8	

## 3. Forecast for the Fiscal 2016 (April 1, 2016 to March 31, 2017) % of change from same period last year

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	16,000	-10.0	-500	-	-700	-	-500	-	-18.30
Annual	45,000	11.2	2,000	435.9	1,700	-	1,500	-	54.92

## 4. Others

(1) Changes in significant subsidiaries during this fiscal year: No

New: -

Excluded: -

(For further details, please refer to page 6, "2. Corporate group information".)

(2) Changes in accounting policies applied, procedures and disclosures for presenting consolidated financial statements

① Changes of accounting policies applied due to revisions of accounting standards: Yes

② Changes of accounting policies other than the above: No

③ Changes in accounting estimates: No

④ Retrospective restatement: No

(3) Number of shares outstanding (Common stock)

① Number of shares outstanding at period end (including treasury stock)

(FY 2015) 29,889,079

(FY 2014) 29,889,079

② Number of treasury stocks at period end

(FY 2015) 2,581,068

(FY 2014) 2,401,805

③ Weighed-average number of shares outstanding over the period

(FY 2015) 27,479,485

(FY 2014) 27,738,197

Reference: Unconsolidated financial results of Fiscal 2015 (April 1, 2015 to March 31, 2016)

(1) Operating results

% of change from previous year

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY 2015	31,329	-14.6	-1,077	-	-1,385	-	-2,882	-
FY 2014	36,672	3.2	-923	-	755	-	608	205.4

	Net income per share - Basic	Net income per share - Diluted
	Yen	Yen
FY 2015	-104.90	-
FY 2014	21.93	21.84

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY 2015	57,057	27,375	47.8	998.80
FY 2014	63,074	31,039	49.0	1,125.24

Reference: Shareholders' equity      FY 2015    ¥ 27,275 million      FY 2014    ¥ 30,929 million

\* Information regarding the implementation of audit procedures

These financial results are not subject to audit procedures under the Financial Instruments and Exchange Act. The consolidated financial statements are in the process of audit procedures at the time of disclosure of these financial results.

\* Explanations for adequate utilization of the forecast, and other note

Forecast shown above is prepared based on information available as of the issuing date of this report and assumptions that we consider as reasonable, and therefore the actual results may differ from these forecasted figures due to various unknown factors.

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## 1. Operations results

### (1) Analysis of operations results

#### - Orders received, sales and orders backlog by demand category

FY2015

(Millions of yen)

	Orders received		Net sales		Orders backlog	
Domestic public	16,013	31.2%	9,980	24.7%	12,707	25.7%
Domestic private	8,396	16.4%	7,078	17.5%	5,598	11.3%
Overseas	26,895	52.4%	23,419	57.8%	31,101	63.0%
Total	51,304	100.0%	40,479	100.0%	49,407	100.0%

FY2014

(Millions of yen)

	Orders received		Net sales		Orders backlog	
Domestic public	12,001	28.0%	12,957	27.9%	6,675	17.3%
Domestic private	6,943	16.2%	6,146	13.2%	4,281	11.1%
Overseas	23,933	55.8%	27,397	58.9%	27,625	71.6%
Total	42,878	100.0%	46,501	100.0%	38,582	100.0%

Operating income on a consolidated basis in FY2015 amounted to ¥373 million (operating income in the previous fiscal year amounted to ¥400 million) as gross profit margin improved although orders received decreased.

Ordinary loss amounted to ¥1,663 million (ordinary income in the previous fiscal year amounted to ¥793 million) influenced by a foreign exchange loss of ¥1,395 million as non-operating expenses, an investment loss of ¥1,076 by an affiliate under the equity method, and other factors despite a gain on redemption of investment securities of ¥300 million posted as non-operating income.

Net loss attributable to owners of parent was ¥2,422 million (net income attributable to owners of parent in the previous fiscal year was ¥405 million) influenced by settlement relates costs of ¥337 million as an extraordinary loss, the reversal of deferred tax assets, and other factors despite the resignation payment trust return gain of ¥467 million as an extraordinary income.

#### - Forecast for FY2016 and medium-term business plan

The status of our three-year medium-term business plan that the company began to implement in FY2014 is as follows. The company has proceeded to attain further expansion with a focus on business opportunities in the water and energy markets. At the same time, the company has implemented a thorough review of its business processes and worked to strengthen its business and financial positions. Due to the uncertain outlook for the global economy, the company amended the medium-term business plan for the final fiscal year as follows.

Medium-term business plan from FY2014 to FY2016

(Millions of yen)

	FY2014		FY2015		FY2016	
	Plan	Result	Plan	Result	Original Plan	Amended Plan
Order received	49,500	42,878	50,000	51,304	60,000	50,000
Net sales	46,000	46,501	43,000	40,479	50,000	45,000
Operating income	500	400	1,100	373	2,500	2,000
Ordinary income	700	793	1,400	-1,663	2,700	1,700
Net income attributable to owners of parent	500	405	1,000	-2,422	1,900	1,500

Note: These forecasts do not reflect International Financial Reporting Standards (IFRS).

## (2) Analysis of financial position

### Recent trends in cash flow indicators

	FY2013 (March 31, 2014)	FY2014 (March 31, 2015)	FY2015 (March 31, 2016)
Equity ratio (%)	49.9	50.0	48.7
Equity ratio at market value (%)	52.5	33.8	41.3
Debut to cash flow ratio (year)	-	-	3.3
Interest coverage ratio (times)	-	-	28.4

Note: Equity ratio: Shareholders' equity / Total assets

Equity ratio at market value: Stock market capitalization / Total assets

Debut to cash flow ratio: Interest-bearing debt / Operating cash flow

Interest coverage ratio: Operating cash flow / Interest expenses

- All indicators in the table above were computed with consolidated financial data.

- Stock market capitalization was computed on the basis of the number of outstanding shares without treasury stock.

- Operating cash flow is used for cash flow.

- Interest bearing debt indicates all debt paying interest among liabilities recorded in consolidated balance sheets.

## (3) Basic policy for allocation of income and dividends for FY 2015 and FY 2016

The basic policy of the group is to pay stable dividends to shareholders. Taking account of the future needs to make investments for future growth, the group aims to maintain a dividend payout ratio of 30%.

Regarding retained earnings, the group aims to invest these funds effectively for financing new growth, including the development of technologies and products for responding to future advances in the sophistication of pumping as well as related equipment and software. The group also uses retained earnings for the maintenance of existing pumping stations and plants, for the development of more-efficient production facilities, and for expanding the scope of its business portfolio to environmental businesses that will help to conserve the global environment.

For FY 2015, the group paid a regular interim dividend of ¥9 per share. In paying its fiscal year-end dividend, the group emphasizes providing a return to shareholders and is planning to pay a dividend of ¥9 per share. Thus, the dividend for the full fiscal year, including interim and fiscal year-end dividends, will be ¥18 per share. For FY2016, the group is planning to also pay a dividend for the full year of ¥18 per share.

## 2. Corporate group information

Hizen Wind Power Generation Co., Ltd. was included in the scope of equity method on a consolidated basis in FY2015 due to the additional acquisition of its shares.

### 3. Consolidated financial statements

#### (1) Consolidated balance sheets

(Millions of yen)

	FY 2014 (March 31, 2015)	FY 2015 (March 31, 2016)
<b>Assets</b>		
Current assets		
Cash and deposits	4,439	7,243
Notes and accounts receivable - trade	26,616	23,003
Merchandise and finished goods	248	266
Work in process	6,655	6,996
Raw materials and supplies	1,934	2,024
Advance payments - trade	812	243
Deferred tax assets	905	512
Other	1,376	1,597
Allowance for doubtful accounts	-84	-355
Total current assets	42,904	41,532
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,612	9,947
Accumulated depreciation	-5,476	-5,709
Buildings and structures, net	4,136	4,237
Machinery, equipment and vehicles	11,181	10,326
Accumulated depreciation	-7,990	-7,710
Machinery, equipment and vehicles, net	3,191	2,615
Tools, furniture and fixtures	2,160	2,343
Accumulated depreciation	-1,842	-1,997
Tools, furniture and fixtures, net	318	345
Land	2,561	2,510
Leased assets	707	643
Accumulated depreciation	-395	-333
Leased assets, net	311	309
Construction in progress	93	69
Total property, plant and equipment	10,611	10,088
Intangible assets	2,295	2,114
Investments and other assets		
Investment securities	14,323	11,582
Long-term loans receivable	407	344
Net defined benefit asset	1,102	173
Deferred tax assets	47	51
Other	516	675
Allowance for doubtful accounts	-223	-365
Total investments and other assets	16,175	12,462
Total non-current assets	29,082	24,665
Total assets	71,987	66,198

(Millions of yen)

	FY 2014 (March 31, 2015)	FY 2015 (March 31, 2016)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	10,110	8,264
Short-term loans payable	8,356	6,585
Income taxes payable	111	195
Advances received	1,812	3,202
Provision for bonuses	683	742
Provision for product warranties	636	654
Provision for loss on construction contracts	436	313
Other	2,994	2,169
Total current liabilities	25,140	22,128
Non-current liabilities		
Long-term loans payable	8,782	9,724
Deferred tax liabilities	720	701
Provision for directors' retirement benefits	12	14
Net defined benefit liability	249	300
Other	549	534
Total non-current liabilities	10,314	11,275
Total liabilities	35,454	33,403
Net assets		
Shareholders' equity		
Capital stock	1,592	1,592
Capital surplus	7,828	7,800
Retained earnings	24,650	21,733
Treasury shares	-1,499	-1,671
Total shareholders' equity	32,573	29,455
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,614	800
Deferred gains or losses on hedges	-456	241
Foreign currency translation adjustment	1,503	1,523
Remeasurements of defined benefit plans	725	190
Total accumulated other comprehensive income	3,386	2,755
Subscription rights to shares	109	99
Non-controlling interests	463	483
Total net assets	36,532	32,794
Total liabilities and net assets	71,987	66,198



(2) Consolidated statements of (comprehensive) income  
(Consolidated statements of income)

(Millions of yen)

	FY 2014 (April 1, 2014 to March 31, 2015)	FY 2015 (April 1, 2015 to March 31, 2016)
Net sales	46,501	40,479
Cost of sales	37,339	31,287
Gross profit	9,162	9,191
Selling, general and administrative expenses	8,761	8,818
Operating income	400	373
Non-operating income		
Interest income	46	28
Dividend income	194	184
Gain on redemption of investment securities	—	300
Foreign exchange gains	391	—
Rent income	126	137
Other	189	153
Total non-operating income	947	804
Non-operating expenses		
Interest expenses	148	176
Share of loss of entities accounted for using equity method	212	1,076
Foreign exchange losses	—	1,395
Other	192	193
Total non-operating expenses	554	2,841
Ordinary income (loss)	793	-1,663
Extraordinary income		
Gain on sales of investment securities	45	9
Gain on sales of shares of subsidiaries and associates	—	201
Resignation payment trust return gain	—	467
Total extraordinary income	45	678
Extraordinary losses		
Loss on sales of investment securities	—	86
Loss on valuation of investment securities	4	6
Impairment loss	158	—
Settlement - relates Costs	—	337
Total extraordinary losses	163	430
Profit (loss) before income taxes	676	-1,415
Income taxes - current	119	243
Income taxes - deferred	55	732
Total income taxes	174	976
Profit (loss)	501	-2,392
Profit attributable to non-controlling interests	95	29
Profit (loss) attributable to owners of parent	405	-2,422

## (Consolidated statements of comprehensive income)

(Millions of yen)

	FY 2014 (April 1, 2014 to March 31, 2015)	FY 2015 (April 1, 2015 to March 31, 2016)
Profit	501	-2,392
Other comprehensive income		
Valuation difference on available-for-sale securities	540	-813
Deferred gains or losses on hedges	-207	698
Foreign currency translation adjustment	698	52
Remeasurements of defined benefit plans, net of tax	579	-534
Share of other comprehensive income of entities accounted for using equity method	212	-1
Total other comprehensive income	1,824	-598
Comprehensive income	2,325	-2,990
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,189	-3,052
Comprehensive income attributable to non-controlling interests	136	61

## (3) Consolidated statements of changes in net assets

FY 2014 (April 1, 2014 to March 31, 2015)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	1,592	7,822	23,888	-962	32,342
Cumulative effects of changes in accounting policies			856		856
Restated balance	1,592	7,822	24,745	-962	33,198
Changes of items during period					
Dividends of surplus			-500		-500
Profit (loss) attributable to owners of parent			405		405
Purchase of treasury shares				-544	-544
Disposal of treasury shares		5		7	13
Net changes of items other than shareholders' equity					
Total changes of items during period	—	5	-94	-536	-625
Balance at end of current period	1,592	7,828	24,650	-1,499	32,573

	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	1,072	-249	632	145	1,602	101	477	34,524
Cumulative effects of changes in accounting policies								856
Restated balance	1,072	-249	632	145	1,602	101	477	35,380
Changes of items during period								
Dividends of surplus								-500
Profit (loss) attributable to owners of parent								405
Purchase of treasury shares								-544
Disposal of treasury shares								13
Net changes of items other than shareholders' equity	541	-207	870	579	1,783	8	-14	1,777
Total changes of items during period	541	-207	870	579	1,783	8	-14	1,152
Balance at end of current period	1,614	-456	1,503	725	3,386	109	463	36,532

FY 2015 (April 1, 2015 to March 31, 2016)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	1,592	7,828	24,650	-1,499	32,573
Changes of items during period					
Dividends of surplus			-495		-495
Profit (loss) attributable to owners of parent			-2,422		-2,422
Purchase of treasury shares				-191	-191
Disposal of treasury shares		10		19	30
Sales of shares of consolidated subsidiaries		-38			-38
Net changes of items other than shareholders' equity					—
Total changes of items during period	—	-27	-2,917	-172	-3,117
Balance at end of current period	1,592	7,800	21,733	-1,671	29,455

	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	1,614	-456	1,503	725	3,386	109	463	36,532
Changes of items during period								
Dividends of surplus								-495
Profit (loss) attributable to owners of parent								-2,422
Purchase of treasury shares								-191
Disposal of treasury shares								30
Sales of shares of consolidated subsidiaries								-38
Net changes of items other than shareholders' equity	-813	698	20	-534	-630	-10	20	-620
Total changes of items during period	-813	698	20	-534	-630	-10	20	-3,737
Balance at end of current period	800	241	1,523	190	2,755	99	483	32,794

## (4) Consolidated statements of cash flows

(Millions of yen)

	FY 2014 (April 1, 2014 to March 31, 2015)	FY 2015 (April 1, 2015 to March 31, 2016)
<b>Cash flows from operating activities</b>		
Profit before income taxes	676	-1,415
Depreciation	1,636	1,442
Increase (decrease) in allowance for doubtful accounts	-161	415
Increase (decrease) in provision for product warranties	-84	17
Increase (decrease) in provision for loss on construction contracts	85	-122
Increase (decrease) in net defined benefit liability	-126	672
Interest and dividend income	-240	-213
Interest expenses	148	176
Share of (profit) loss of entities accounted for using equity method	212	1,076
Loss (gain) on redemption of investment securities	—	-300
Loss (gain) on sales of investment securities	-45	76
Loss (gain) on sales of shares of subsidiaries and associates	—	-201
Loss (gain) on sales and retirement of property, plant and equipment	24	-30
Impairment loss	158	—
Retirement benefit trust return gain	—	-467
Decrease (increase) in notes and accounts receivable - trade	726	3,471
Decrease (increase) in inventories	-1,122	-504
Decrease (increase) in advance payments	-353	558
Increase (decrease) in notes and accounts payable - trade	-1,918	-1,735
Increase (decrease) in advances received	-198	1,421
Increase (decrease) in accounts payable - other	-254	561
Other, net	-171	-105
Subtotal	-1,009	4,793
Interest and dividend income received	240	436
Interest expenses paid	-148	-175
Income taxes paid	-277	-155
Income taxes refund	—	101
Net cash provided by (used in) operating activities	-1,194	5,000
<b>Cash flows from investing activities</b>		
Payments into time deposits	-177	-18
Proceeds from withdrawal of time deposits	572	69
Purchase of property, plant and equipment	-832	-1,109
Proceeds from sales of property, plant and equipment	48	144
Purchase of investment securities	-13	-1,000
Proceeds from sales of investment securities	231	1,449
Purchase of intangible assets	-388	-281
Payments of loans receivable	-41	-0
Collection of loans receivable	113	248
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	—	95
Purchase of shares of subsidiaries	-179	—
Other, net	322	-11
Net cash provided by (used in) investing activities	-345	-415

(Millions of yen)

	FY 2014 (April 1, 2014 to March 31, 2015)	FY 2015 (April 1, 2015 to March 31, 2016)
Cash flows from financing activities		
Increase (decrease) in short-term loans payable	1,462	-999
Proceeds from long-term loans payable	4,095	2,008
Repayments of long-term loans payable	-2,148	-1,729
Purchase of treasury shares	-544	-191
Dividends paid to non-controlling interests	-60	-54
Cash dividends paid	-500	-497
Other, net	-184	-160
Net cash provided by (used in) financing activities	2,120	-1,624
Effect of exchange rate change on cash and cash equivalents	128	-92
Net increase (decrease) in cash and cash equivalents	708	2,867
Cash and cash equivalents at beginning of period	3,598	4,307
Increase in cash and cash equivalents from newly consolidated subsidiary	—	—
Cash and cash equivalents at end of period	4,307	7,175

(5) Notes for consolidated financial statements

- Segment information

FY2014 (April 1, 2014 to March 31, 2015)

The information is omitted by reason that the group's pump business exceeds 90% of both total sales and total operating income of all segments.

FY2015 (April 1, 2015 to March 31, 2016)

The information is omitted by reason that the group's pump business exceeds 90% of both total sales and total operating income of all segments.

- Additional information

FY2014 (April 1, 2014 to March 31, 2015)

Sales by area

(Millions of yen)

Japan	Asia	Middle East		Others	Total
			Saudi Arabia		
19,104	11,124	11,115	4,808	5,156	46,501

Note: Sales is based on the place where products were installed and divided into countries or areas.

Property, plant and equipment by area

(Millions of yen)

Japan	Asia	Middle East	Others	Total
7,627	1,888	682	413	10,611

FY2015 (April 1, 2015 to March 31, 2016)

Sales by area

(Millions of yen)

Japan	Asia	Middle East		Others	Total
			Saudi Arabia		
17,059	11,307	8,225	2,536	3,887	40,479

Note: Sales is based on the place where products were installed and divided into countries or areas.

Property, plant and equipment by area

(Millions of yen)

Japan	Asia	Middle East	Others	Total
7,634	1,596	713	144	10,088

- Information on impairment loss of non-current assets by reporting segment

FY2014 (April 1, 2014 to March 31, 2015)

The impairment loss was ¥158 million, recognized in the Group.

FY2015 (April 1, 2015 to March 31, 2016)

No applicable items

- Information on depreciation of goodwill and undepreciated balance by reporting segment

FY2014 (April 1, 2014 to March 31, 2015) (Millions of Yen)

	Pump business
Depreciation amount on FY2014	21
Balance on March 31, 2015	75

FY2015 (April 1, 2015 to March 31, 2016) (Millions of Yen)

	Pump business
Depreciation amount on FY2015	25
Balance on March 31, 2016	50

- Information on a gain on negative goodwill by reporting segment

FY2014 (April 1, 2014 to March 31, 2015)

No applicable items

FY2015 (April 1, 2015 to March 31, 2016)

No applicable items

- Information on net assets per share

(Yen)

	FY2014 (April 1, 2014 to March 31, 2015)	FY2015 (April 1, 2015 to March 31, 2016)
Net assets per share	1,308.22	1,179.57
Net income per share - Basic	14.61	-88.13
Net income per share - Diluted	14.55	-

Note: Net income per share – basic and diluted are computed by the basis of the following.

	FY2014 (April 1, 2014 to March 31, 2015)	FY2015 (April 1, 2015 to March 31, 2016)
Net income per share - Basic		
Net income (Millions of Yen)	405	-2,422
Amount not belonging to common shareholders	-	-
Net income available to common shareholders (Millions of Yen)	405	-2,422
Average shares of common stocks	27,738,197	27,479,485
Net income per share - Diluted		
Adjustment of net income (Millions of Yen)	-	-
Increasing number of common stock	111,155	112,960
(Rights to purchase new shares)	(111,155)	(112,960)
Potential shares excluded from consumption of diluted income per share which don't have a dilutive effect		-

- Important post-balance sheet events

No applicable items



#### 4. Individual financial statements

##### (1) Balance sheets

(Millions of yen)

	FY 2014 (March 31, 2015)	FY 2015 (March 31, 2016)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	2,458	4,608
Notes receivable - trade	1,303	1,325
Accounts receivable - trade	23,048	18,408
Merchandise and finished goods	128	140
Work in process	5,679	5,856
Raw materials and supplies	1,149	1,220
Advance payments - trade	563	223
Prepaid expenses	188	152
Deferred tax assets	874	471
Short-term loans receivable	920	604
Other	802	1,141
Allowance for doubtful accounts	-29	-231
<b>Total current assets</b>	<b>37,087</b>	<b>33,920</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings	2,519	2,813
Structures	225	203
Machinery and equipment	1,963	1,708
Vehicles	8	16
Tools, furniture and fixtures	157	187
Land	2,203	2,178
Leased assets	236	248
Construction in progress	82	69
<b>Total property, plant and equipment</b>	<b>7,397</b>	<b>7,426</b>
<b>Intangible assets</b>		
Software	2,093	1,948
Other	28	26
<b>Total intangible assets</b>	<b>2,121</b>	<b>1,974</b>
<b>Investments and other assets</b>		
Investment securities	8,626	7,196
Shares and investments in capital of subsidiaries and associates	3,490	2,515
Long-term loans receivable	4,125	4,128
Prepaid pension cost	31	—
Other	484	531
Allowance for doubtful accounts	-290	-635
<b>Total investments and other assets</b>	<b>16,467</b>	<b>13,736</b>
<b>Total non-current assets</b>	<b>25,986</b>	<b>23,137</b>
<b>Total assets</b>	<b>63,074</b>	<b>57,057</b>

(Millions of yen)

	FY 2014 (March 31, 2015)	FY 2015 (March 31, 2016)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes payable - trade	1,172	638
Accounts payable - trade	8,823	6,826
Short-term loans payable	7,425	5,841
Lease obligations	112	103
Accounts payable - other	305	870
Accrued expenses	457	381
Advances received	1,379	2,701
Deposits received	40	39
Unearned revenue	8	8
Provision for bonuses	640	696
Provision for product warranties	631	645
Provision for loss on construction contracts	436	300
Other	1,513	56
<b>Total current liabilities</b>	<b>22,944</b>	<b>19,109</b>
<b>Non-current liabilities</b>		
Long-term loans payable	8,407	9,497
Lease obligations	136	163
Deferred tax liabilities	287	486
Provision for retirement benefits	—	169
Other	259	256
<b>Total non-current liabilities</b>	<b>9,090</b>	<b>10,572</b>
<b>Total liabilities</b>	<b>32,034</b>	<b>29,682</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	1,592	1,592
<b>Capital surplus</b>		
Legal capital surplus	4,610	4,610
Other capital surplus	3,217	3,228
<b>Total capital surpluses</b>	<b>7,828</b>	<b>7,839</b>
<b>Retained earnings</b>		
Legal retained earnings	398	398
<b>Other retained earnings</b>		
Reserve for advanced depreciation of non-current assets	389	396
Reserve for dividend equalization	1,400	1,400
General reserve	11,470	11,470
Retained earnings brought forward	8,193	4,808
<b>Total retained earnings</b>	<b>21,851</b>	<b>18,473</b>
Treasury shares	-1,499	-1,671
<b>Total shareholders' equity</b>	<b>29,773</b>	<b>26,234</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	1,613	799
Deferred gains or losses on hedges	-456	241
<b>Total valuation and translation adjustments</b>	<b>1,156</b>	<b>1,041</b>
Subscription rights to shares	109	99
<b>Total net assets</b>	<b>31,039</b>	<b>27,375</b>
<b>Total liabilities and net assets</b>	<b>63,074</b>	<b>57,057</b>

## (2) Statements of income

(Millions of yen)

	FY 2014 (April 1, 2014 to March 31, 2015)	FY 2015 (April 1, 2015 to March 31, 2016)
Net sales	36,672	31,329
Cost of sales	31,544	26,192
Gross profit	5,127	5,137
Selling, general and administrative expenses	6,051	6,214
Operating loss	-923	-1,077
Non-operating income		
Interest income	232	175
Dividend income	1,121	696
Gain on redemption of investment securities	—	300
Foreign exchange gains	266	—
Rent income	141	145
Other	108	158
Total non-operating income	1,869	1,475
Non-operating expenses		
Interest expenses	97	104
Provision of allowance for doubtful accounts	—	291
Foreign exchange losses	—	1,329
Other	92	56
Total non-operating expenses	190	1,782
Ordinary income (loss)	755	-1,385
Extraordinary income		
Gain on sales of investment securities	45	9
Gain on sales of shares of subsidiaries and associates	—	134
Resignation payment trust return gain	—	467
Total extraordinary income	45	612
Extraordinary losses		
Loss on sales of investment securities	—	86
Loss on sales of shares of subsidiaries and associates	—	5
Loss on valuation of investment securities	4	—
Loss on valuation of shares of subsidiaries and associates	—	874
Impairment loss	158	—
Settlement - relates Costs	—	337
Total extraordinary losses	163	1,303
Profit before income taxes	638	-2,076
Income taxes - current	31	85
Income taxes - deferred	-1	720
Total income taxes	29	806
Profit	608	-2,882

(3) Statements of changes in net assets  
 FY 2014 (April 1, 2014 to March 31, 2015)

(Millions of yen)

	Shareholders' equity									
	Capital stock	Capital surplus			Retained earnings					
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings				Total retained earnings
						Reserve for advanced depreciation of non-current assets	Reserve for dividend equalization	General reserve	Retained earnings brought forward	
Balance at beginning of current period	1,592	4,610	3,212	7,822	398	370	1,400	11,470	7,247	20,886
Cumulative effects of changes in accounting policies									856	856
Restated balance	1,592	4,610	3,212	7,822	398	370	1,400	11,470	8,104	21,742
Changes of items during period										
Reversal of reserve for advanced depreciation of non-current assets						-0			0	—
Adjustment to reserve due to change in tax rate						19			-19	—
Dividends of surplus									-500	-500
Net income									608	608
Purchase of treasury shares										
Disposal of treasury shares			5	5						
Net changes of items other than shareholders' equity										
Total changes of items during period	—	—	5	5	—	18	—	—	89	108
Balance at end of current period	1,592	4,610	3,217	7,828	398	389	1,400	11,470	8,193	21,851

(Millions of yen)

	Shareholders' equity		Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at beginning of current period	-962	29,339	1,072	-249	823	101	30,264
Cumulative effects of changes in accounting policies		856					856
Restated balance	-962	30,196	1,072	-249	823	101	31,121
Changes of items during period							
Reversal of reserve for advanced depreciation of non-current assets		—					—
Adjustment to reserve due to change in tax rate		—					—
Dividends of surplus		-500					-500
Net income		608					608
Purchase of treasury shares	-544	-544					-544
Disposal of treasury shares	7	13					13
Net changes of items other than shareholders' equity			540	-207	333	8	341
Total changes of items during period	-536	-422	540	-207	333	8	-81
Balance at end of current period	-1,499	29,773	1,613	-456	1,156	109	31,039

	Shareholders' equity									
	Capital stock	Capital surplus			Retained earnings					
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings				Total retained earnings
					Reserve for advanced depreciation of non-current assets	Reserve for dividend equalization	General reserve	Retained earnings brought forward		
Balance at beginning of current period	1,592	4,610	3,217	7,828	398	389	1,400	11,470	8,193	21,851
Changes of items during period										
Reversal of reserve for advanced depreciation of non-current assets						-0			0	—
Adjustment to reserve due to change in tax rate						8			-8	—
Dividends of surplus									-495	-495
Net income									-2,882	-2,882
Purchase of treasury shares										
Disposal of treasury shares			10	10						
Net changes of items other than shareholders' equity										
Total changes of items during period	—	—	10	10	—	7	—	—	-3,385	-3,377
Balance at end of current period	1,592	4,610	3,228	7,839	398	396	1,400	11,470	4,808	18,473

(Millions of yen)

	Shareholders' equity		Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at beginning of current period	-1,499	29,773	1,613	-456	1,156	109	31,039
Changes of items during period							
Reversal of reserve for advanced depreciation of non-current assets		—					—
Adjustment to reserve due to change in tax rate		—					—
Dividends of surplus		-495					-495
Net income		-2,882					-2,882
Purchase of treasury shares	-191	-191					-191
Disposal of treasury shares	19	30					30
Net changes of items other than shareholders' equity			-813	698	-115	-10	-125
Total changes of items during period	-172	-3,539	-813	698	-115	-10	-3,664
Balance at end of current period	-1,671	26,234	799	241	1,041	99	27,375

## 5. Additional information

### Orders received, sales and orders backlog by demand category

#### Orders received

(Millions of yen)

	From April 1, 2014 to March 31, 2015		From April 1, 2015 to March 31, 2016		Year-on-year comparison	
Domestic public	12,001	28.0%	16,013	31.2%	4,011	33.4%
Domestic private	6,943	16.2%	8,396	16.4%	1,452	20.9%
Overseas	23,933	55.8%	26,895	52.4%	2,962	12.4%
Total	42,878	100.0%	51,304	100.0%	8,425	19.7%

#### Sales

(Millions of yen)

	From April 1, 2014 to March 31, 2015		From April 1, 2015 to March 31, 2016		Year-on-year comparison	
Domestic public	12,957	27.9%	9,980	24.7%	-2,977	-23.0%
Domestic private	6,146	13.2%	7,078	17.5%	931	15.2%
Overseas	27,397	58.9%	23,419	57.8%	-3,976	-14.5%
Total	46,501	100.0%	40,479	100.0%	-6,022	-13.0%

#### Orders backlog

(Millions of yen)

	From April 1, 2014 to March 31, 2015		From April 1, 2015 to March 31, 2016		Year-on-year comparison	
Domestic public	6,675	17.3%	12,707	25.7%	6,032	90.4%
Domestic private	4,281	11.1%	5,598	11.3%	1,317	30.8%
Overseas	27,625	71.6%	31,101	63.0%	3,475	12.6%
Total	38,582	100.0%	49,407	100.0%	10,825	28.1%