(Corrections / Corrections of Numerical Data) Notice Regarding Partial Corrections of “Summary of Consolidated Financial Results for the Year Ended March 31, 2016 (Based on Japanese GAAP)”

TOSHIBA TEC CORPORATION hereby announces that it has made corrections to the above-mentioned disclosure material released on May 20, 2016. As numerical data has also been corrected, the corrected numerical data is also hereby disseminated.

TOSHIBA TEC’s financial results were released on May 20 given the paramount importance the company places on the timeliness of releasing such information, even though at the time TOSHIBA TEC had yet to receive the auditor’s reports with respect to either the financial statements and supplementary schedules, or the consolidated financial statements for the fiscal year ended March 31, 2016. At that time, we deemed there to be a low possibility of any need for material corrections, and greatly regret that we have since had to make corrections for the reasons stated below. We wish to express our sincere apologies to our shareholders, investors and all other stakeholders for any inconveniences or concerns this may cause.

1. Reason for Corrections

Our overseas retail business (global commerce solutions business) comprises 36 companies worldwide and is centered on the U.S.-based company Toshiba Global Commerce Solutions (the “TGCS Group”). The overseas retail business came into existence upon transfer of business operations of respective preliminary companies that had been established by TOSHIBA TEC, after having acquired POS business operations from among global locations of International Business Machines Corporation (“IBM”; the transferee of the overseas retail business). Because the TGCS Group is managed as a single business entity on a worldwide basis (“Global One Management”), account settlement thereof is performed in conjunction with the Global One Management framework. The TGCS Group previously had services performed by IBM, and used IBM’s IT systems related to accounting, on the basis of a Transfer Service Agreement spanning a three-year period starting from its establishment in August 2012 (the contract stipulates TGCS’s receipt of indirect services from IBM for a certain period of time subsequent to the transfer of business operations). However, the TGCS Group faced a series of operational and account settlement issues upon having shifted over to use of TGCS’s own in-house system. Consequently, financial settlement fell substantially behind schedule for the fiscal year ended March 31, 2016, which is the first fiscal year for which accounting was handled using the in-house system for the entire year.

Amid that situation, we made corrections to our earnings figures upon having discovered that corrections were warranted with respect to settlement procedures underway at the time, despite having already released our financial results on May 20. Primary details of corrections and major reasons thereof are as follows.
Consolidated results

The TGCS Group has made corrections with respect to the following items (i) to (iv).

(i) Correction of errors relating to accounts payable-trade and accounts payable-other
Overstated and duplicate entries were discovered in the process of performing additional verification with respect to accounts payable-trade and accounts payable-other, thereby leading to corrections of errors involving cost of sales, selling, general and administrative expenses, and non-operating expenses. As a result of the corrections, operating income and profit before income taxes have been upwardly revised by ¥1,241 million and ¥1,227 million, respectively.

These errors were a result of having overstated accounts payable-trade and accounts payable-other, as a consequence of operational issues arising after adopting the new system for accounting operations. More specifically, this included errors involving some journal entries that were posted from the order placement system but not attributed to the correct accounting period, and errors involving some instances where manual journal entries were recorded more than once.

(ii) Correction of errors relating to sales
We performed additional verification with respect to the recording of sales, and accordingly corrected errors in net sales and cost of sales. As a result of the corrections, net sales have been upwardly revised by ¥696 million, and operating income and profit before income taxes have been upwardly revised by ¥609 million.

These errors were a consequence of issues that occurred in March 2016 with respect to our accounting system for recognizing sales, involving a situation where journal entries from the new system failed to properly issue record slips. Meanwhile, we attempted to make manual corrections, but certain issues such as those involving failure to recognize sales arose.

(iii) Correction of errors relating to inventory valuation amounts
Although best estimates were used with respect to inventory values reported in the release of our financial results on May 20, we have since corrected inventory evaluation amounts upon performing the process of making final determinations in that regard. As a result of the corrections, operating income and profit before income taxes have been upwardly revised by ¥232 million.

The TGCS Group concludes contracts with manufacturing and supply subcontractors which entail agreement to bear responsibility for taking back with respect to inventory whose value exceeds a contracted amount over a certain period of time. Although inventories entailing obligations to take back in accordance with such contracts have been accounted for as inventory assets, valuations of such inventories have been in error, and accordingly we have corrected such figures upon recalculating such amounts.

(iv) Recalculation of tax amounts
The amount posted for income taxes has been increased by ¥22 million as a result of recalculating tax amounts in accordance with the changes in profit before income taxes with respect to the aforementioned items (i) to (iii).

Non-consolidated results
In accordance with corrections made with respect to the TGCS Group, corrections have been made to the provision of allowance for doubtful accounts involving claims to the TGCS Group (accounts receivable-other, short-term loans receivable and long-term accounts receivable-other). As a result of these corrections, profit before income taxes and profit have been upwardly revised by ¥1,834 million.

The change in the provision of allowance for doubtful accounts in accordance with the aforementioned corrections is eliminated in consolidated accounts settlement, and accordingly has no effect on the consolidated statements of income.

Effect of corrections on the parent company, Toshiba Corporation
We find that these corrections do not affect Toshiba Corporation’s consolidated financial results for the fiscal year ended March 31, 2016, from the viewpoint of materiality with respect to Toshiba Corporation’s settlement of consolidated accounts.
2. Details of Corrections
(1) Summary of Consolidated Financial Results
The locations of corrections are shown by the underlined parts in these documents.

1). Consolidated financial results for the year ended March 31, 2016
(Before Corrections)
(Amounts less than one million yen are rounded down)

(1) Consolidated operating results

<table>
<thead>
<tr>
<th></th>
<th>Net sales</th>
<th>Operating income</th>
<th>Ordinary income</th>
<th>Profit attributable to owners of parent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of yen</td>
<td>%</td>
<td>Millions of yen</td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>Millions of yen</td>
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</tr>
<tr>
<td></td>
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<td>%</td>
<td>Millions of yen</td>
<td>%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year ended March 31, 2016</td>
<td>532,121</td>
<td>1.4</td>
<td>(481)</td>
<td>(4,366)</td>
</tr>
<tr>
<td></td>
<td>524,577</td>
<td>5.1</td>
<td>17,062</td>
<td>(105,494)</td>
</tr>
</tbody>
</table>
| Note: Comprehensive income Year ended March 31, 2016: (113,817) million yen [–%]
Year ended March 31, 2015: 17,726 million yen [26.0%]

2). Consolidated financial position

<table>
<thead>
<tr>
<th></th>
<th>Total assets</th>
<th>Net assets</th>
<th>Equity ratio</th>
<th>Net assets per share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of yen</td>
<td>Millions of yen</td>
<td>%</td>
<td>Yen</td>
</tr>
<tr>
<td>As of March 31, 2016</td>
<td>281,447</td>
<td>68,435</td>
<td>19.7</td>
<td>201.92</td>
</tr>
<tr>
<td>As of March 31, 2015</td>
<td>416,769</td>
<td>203,108</td>
<td>41.1</td>
<td>623.35</td>
</tr>
</tbody>
</table>

3). Consolidated cash flows

<table>
<thead>
<tr>
<th></th>
<th>Cash flows from operating activities</th>
<th>Cash flows from investing activities</th>
<th>Cash flows from financing activities</th>
<th>Cash and cash equivalents at end of period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of yen</td>
<td>Millions of yen</td>
<td>Millions of yen</td>
<td>Millions of yen</td>
</tr>
<tr>
<td>Year ended March 31, 2016</td>
<td>4,567</td>
<td>(9,789)</td>
<td>(23,941)</td>
<td>22,660</td>
</tr>
<tr>
<td>Year ended March 31, 2015</td>
<td>22,952</td>
<td>(14,772)</td>
<td>(5,040)</td>
<td>54,964</td>
</tr>
</tbody>
</table>

(After Corrections)

(1) Consolidated operating results

<table>
<thead>
<tr>
<th></th>
<th>Net sales</th>
<th>Operating income</th>
<th>Ordinary income</th>
<th>Profit attributable to owners of parent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of yen</td>
<td>%</td>
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<td>%</td>
</tr>
<tr>
<td></td>
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</tr>
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</tr>
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<td></td>
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</tr>
<tr>
<td>Year ended March 31, 2016</td>
<td>532,818</td>
<td>1.6</td>
<td>1,601</td>
<td>(90.6)</td>
</tr>
<tr>
<td></td>
<td>524,577</td>
<td>5.1</td>
<td>17,062</td>
<td>(103,449)</td>
</tr>
</tbody>
</table>
| Note: Comprehensive income Year ended March 31, 2016: (111,894) million yen [–%]
Year ended March 31, 2015: 17,726 million yen [26.0%]

<table>
<thead>
<tr>
<th></th>
<th>Earnings per share</th>
<th>Diluted earnings per share</th>
<th>Profit attributable to owners of parent</th>
<th>Ordinary income/total assets</th>
<th>Operating income/net sales</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yen</td>
<td>Yen</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Year ended March 31, 2016</td>
<td>(376.69)</td>
<td>(90.5)</td>
<td>(0.7)</td>
<td>2.6</td>
<td>3.3</td>
</tr>
<tr>
<td>Year ended March 31, 2015</td>
<td>(4.18)</td>
<td>(0.7)</td>
<td>2.6</td>
<td>3.3</td>
<td></td>
</tr>
</tbody>
</table>
(2) Consolidated financial position

<table>
<thead>
<tr>
<th></th>
<th>Total assets</th>
<th>Net assets</th>
<th>Equity ratio</th>
<th>Net assets per share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of yen</td>
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<td>%</td>
<td>Yen</td>
</tr>
<tr>
<td>As of March 31, 2016</td>
<td>281,615</td>
<td>70,359</td>
<td>20.4</td>
<td>208.93</td>
</tr>
<tr>
<td>As of March 31, 2015</td>
<td>416,769</td>
<td>203,108</td>
<td>41.1</td>
<td>623.35</td>
</tr>
</tbody>
</table>

Reference: Equity
- As of March 31, 2016: 57,380 million yen
- As of March 31, 2015: 171,163 million yen

(3) Consolidated cash flows

<table>
<thead>
<tr>
<th>Year ended March 31</th>
<th>Cash flows from operating activities</th>
<th>Cash flows from investing activities</th>
<th>Cash flows from financing activities</th>
<th>Cash and cash equivalents at end of period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of yen</td>
<td>Millions of yen</td>
<td>Millions of yen</td>
<td>Millions of yen</td>
</tr>
<tr>
<td>Year ended March 31</td>
<td>4,567</td>
<td>(9,789)</td>
<td>(23,941)</td>
<td>22,660</td>
</tr>
<tr>
<td>As of March 31, 2015</td>
<td>22,952</td>
<td>(14,772)</td>
<td>(5,040)</td>
<td>54,964</td>
</tr>
</tbody>
</table>

ii) Forecast of consolidated financial results for the year ending March 31, 2017
(Before Corrections)

3. Forecast of consolidated financial results for the year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

<table>
<thead>
<tr>
<th></th>
<th>Net sales</th>
<th>Operating income</th>
<th>Ordinary income</th>
<th>Profit attributable to owners of parent</th>
<th>Earnings per share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of yen</td>
<td>%</td>
<td>Millions of yen</td>
<td>%</td>
<td>Millions of yen</td>
</tr>
<tr>
<td>Six months ending September 30, 2016</td>
<td>253,000</td>
<td>(4.4)</td>
<td>4,000</td>
<td>–</td>
<td>2,000</td>
</tr>
<tr>
<td>Full year</td>
<td>520,000</td>
<td>(2.3)</td>
<td>14,000</td>
<td>–</td>
<td>10,000</td>
</tr>
</tbody>
</table>

(After Corrections)

3. Forecast of consolidated financial results for the year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

<table>
<thead>
<tr>
<th></th>
<th>Net sales</th>
<th>Operating income</th>
<th>Ordinary income</th>
<th>Profit attributable to owners of parent</th>
<th>Earnings per share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of yen</td>
<td>%</td>
<td>Millions of yen</td>
<td>%</td>
<td>Millions of yen</td>
</tr>
<tr>
<td>Six months ending September 30, 2016</td>
<td>253,000</td>
<td>(4.4)</td>
<td>4,000</td>
<td>–</td>
<td>2,000</td>
</tr>
<tr>
<td>Full year</td>
<td>520,000</td>
<td>(2.3)</td>
<td>14,000</td>
<td>–</td>
<td>10,000</td>
</tr>
</tbody>
</table>

iii) (Reference) Summary of Non-consolidated Financial Results
(Before Corrections)

(Reference) Summary of non-consolidated financial results
Non-consolidated financial results for the year ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

(1) Non-consolidated operating results

<table>
<thead>
<tr>
<th></th>
<th>Net sales</th>
<th>Operating income</th>
<th>Ordinary income</th>
<th>Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of yen</td>
<td>%</td>
<td>Millions of yen</td>
<td>%</td>
</tr>
<tr>
<td>Year ended March 31, 2016</td>
<td>261,496</td>
<td>(1.6)</td>
<td>(3,247)</td>
<td>–</td>
</tr>
<tr>
<td>Year ended March 31, 2015</td>
<td>265,840</td>
<td>1.8</td>
<td>8,349</td>
<td>7.8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Earnings per share</th>
<th>Diluted earnings per share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yen</td>
<td>Yen</td>
</tr>
<tr>
<td>Year ended March 31, 2016</td>
<td>(428.83)</td>
<td>–</td>
</tr>
<tr>
<td>Year ended March 31, 2015</td>
<td>34.15</td>
<td>34.09</td>
</tr>
</tbody>
</table>

(2) Non-consolidated financial position

<table>
<thead>
<tr>
<th></th>
<th>Total assets</th>
<th>Net assets</th>
<th>Equity ratio</th>
<th>Net assets per share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of yen</td>
<td>Millions of yen</td>
<td>%</td>
<td>Yen</td>
</tr>
<tr>
<td>As of March 31, 2016</td>
<td>187,788</td>
<td>16,466</td>
<td>8.7</td>
<td>59.53</td>
</tr>
<tr>
<td>As of March 31, 2015</td>
<td>293,447</td>
<td>136,109</td>
<td>46.3</td>
<td>495.26</td>
</tr>
</tbody>
</table>

Reference: Equity
- As of March 31, 2016: 16,349 million yen
- As of March 31, 2015: 135,992 million yen
(Reference) Summary of non-consolidated financial results

Non-consolidated financial results for the year ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

(1) Non-consolidated operating results  Percentages indicate year-on-year changes

<table>
<thead>
<tr>
<th></th>
<th>Net sales</th>
<th>Operating income</th>
<th>Ordinary income</th>
<th>Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of yen</td>
<td>%</td>
<td>Millions of yen</td>
<td>%</td>
</tr>
<tr>
<td>Year ended March 31, 2016</td>
<td>261,496</td>
<td>(1.6)</td>
<td>(3,247)</td>
<td>–</td>
</tr>
<tr>
<td>Year ended March 31, 2015</td>
<td>265,840</td>
<td>1.8</td>
<td>8,349</td>
<td>7.8</td>
</tr>
</tbody>
</table>

Earnings per share  Diluted earnings per share

<table>
<thead>
<tr>
<th></th>
<th>Yen</th>
<th>Yen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year ended March 31, 2016</td>
<td>(422.15)</td>
<td>–</td>
</tr>
<tr>
<td>Year ended March 31, 2015</td>
<td>34.15</td>
<td>34.09</td>
</tr>
</tbody>
</table>

(2) Consolidated financial position

<table>
<thead>
<tr>
<th></th>
<th>Total assets</th>
<th>Net assets</th>
<th>Equity ratio</th>
<th>Net assets per share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of yen</td>
<td>Millions of yen</td>
<td>%</td>
<td>Yen</td>
</tr>
<tr>
<td>As of March 31, 2016</td>
<td>189,623</td>
<td>18,301</td>
<td>9.6</td>
<td>66.21</td>
</tr>
<tr>
<td>As of March 31, 2015</td>
<td>293,447</td>
<td>136,109</td>
<td>46.3</td>
<td>495.26</td>
</tr>
</tbody>
</table>

Reference: Equity
As of March 31, 2016: 18,184 million yen
As of March 31, 2015: 135,992 million yen

Due to the many corrections in the attachments to the “Summary of Consolidated Financial Results for the Year Ended March 31, 2016 (Based on Japanese GAAP)” as released on May 20, 2016, the document has been provided in full with the corrected content only. Also, corrected numbers are underlined in cases where a corrected value is less than the numerical unit used for presentation.
## Summary of Consolidated Financial Results for the Year Ended March 31, 2016 (Based on Japanese GAAP)

**Company name:** TOSHIBA TEC CORPORATION  
**Stock exchange listing:** Tokyo  
**Stock code:** 6588  
**URL:** http://www.toshibatec.co.jp/  
**Representative:** President and CEO Takayuki Ikeda  
**Inquiries:** Senior Manager of Corporate Communications Takashi Mizuno  
**TEL:** 03-6830-9151

**Scheduled date of ordinary general meeting of shareholders:** June 24, 2016  
**Scheduled date to file Securities Report:** June 29, 2016  
**Scheduled date to commence dividend payments:** –  
**Preparation of supplementary material on financial results:** Yes  
**Holding of financial results meeting:** Yes

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

#### (1) Consolidated operating results

<table>
<thead>
<tr>
<th></th>
<th>Net sales</th>
<th>Operating income</th>
<th>Ordinary income</th>
<th>Profit attributable to owners of parent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of yen</td>
<td>%</td>
<td>Millions of yen</td>
<td>%</td>
</tr>
<tr>
<td>Year ended March 31, 2016</td>
<td>532,818</td>
<td>1.6</td>
<td>1,601</td>
<td>(90.6)</td>
</tr>
<tr>
<td>Year ended March 31, 2015</td>
<td>524,577</td>
<td>5.1</td>
<td>17,062</td>
<td>(31.2)</td>
</tr>
</tbody>
</table>

Note: Comprehensive income Year ended March 31, 2016: (111,894) million yen [–%]  
Year ended March 31, 2015: 17,726 million yen [26.0%]

<table>
<thead>
<tr>
<th></th>
<th>Earnings per share</th>
<th>Diluted earnings per share</th>
<th>Profit attributable to owners of parent</th>
<th>Ordinary income/total assets</th>
<th>Operating income/net sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year ended March 31, 2016</td>
<td>(376.69)</td>
<td>–</td>
<td>(90.5)</td>
<td>(0.7)</td>
<td>0.3</td>
</tr>
<tr>
<td>Year ended March 31, 2015</td>
<td>(4.18)</td>
<td>–</td>
<td>(0.7)</td>
<td>2.6</td>
<td>3.3</td>
</tr>
</tbody>
</table>

Reference: Share of (profit) loss of entities accounted for using equity method: Year ended March 31, 2016: – million yen  
Year ended March 31, 2015: – million yen

#### (2) Consolidated financial position

<table>
<thead>
<tr>
<th></th>
<th>Total assets</th>
<th>Net assets</th>
<th>Equity ratio</th>
<th>Net assets per share</th>
</tr>
</thead>
<tbody>
<tr>
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<td>Millions of yen</td>
<td>Millions of yen</td>
<td>%</td>
<td>Yen</td>
</tr>
<tr>
<td>As of March 31, 2016</td>
<td>281,615</td>
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<td>208.93</td>
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<td>As of March 31, 2015</td>
<td>416,769</td>
<td>203,108</td>
<td>41.1</td>
<td>623.35</td>
</tr>
</tbody>
</table>

Reference: Equity As of March 31, 2016: $7,380 million yen  
As of March 31, 2015: 171,163 million yen

#### (3) Consolidated cash flows

<table>
<thead>
<tr>
<th></th>
<th>Cash flows from operating activities</th>
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<td>54,964</td>
</tr>
</tbody>
</table>
2. Cash dividends

<table>
<thead>
<tr>
<th>Year ended March 31, 2015</th>
<th>1st quarter-end</th>
<th>2nd quarter-end</th>
<th>3rd quarter-end</th>
<th>Fiscal year-end</th>
<th>Total</th>
<th>Dividend payout ratio (Consolidated)</th>
<th>Ratio of dividends to net assets (Consolidated)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yen</td>
<td>Yen</td>
<td>Yen</td>
<td>Yen</td>
<td>Yen</td>
<td>Millions of yen</td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>6.00</td>
<td>–</td>
<td>7.00</td>
<td>13.00</td>
<td>3,569</td>
<td>– 2.2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year ended March 31, 2016</th>
<th>1st quarter-end</th>
<th>2nd quarter-end</th>
<th>3rd quarter-end</th>
<th>Fiscal year-end</th>
<th>Total</th>
<th>Dividend payout ratio (Consolidated)</th>
<th>Ratio of dividends to net assets (Consolidated)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yen</td>
<td>Yen</td>
<td>Yen</td>
<td>Yen</td>
<td>Yen</td>
<td>Millions of yen</td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>0.00</td>
<td>–</td>
<td>0.00</td>
<td>0.00</td>
<td>0</td>
<td>– 0.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year ending March 31, 2017 (Forecast)</th>
<th>1st quarter-end</th>
<th>2nd quarter-end</th>
<th>3rd quarter-end</th>
<th>Fiscal year-end</th>
<th>Total</th>
<th>Dividend payout ratio (Consolidated)</th>
<th>Ratio of dividends to net assets (Consolidated)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yen</td>
<td>Yen</td>
<td>Yen</td>
<td>Yen</td>
<td>Yen</td>
<td>Millions of yen</td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>0.00</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

3. Forecast of consolidated financial results for the year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

<table>
<thead>
<tr>
<th></th>
<th>Net sales</th>
<th>Operating income</th>
<th>Ordinary income</th>
<th>Profit attributable to owners of parent</th>
<th>Earnings per share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Six months ending</td>
<td>Millions of yen</td>
<td>%</td>
<td>Millions of yen</td>
<td>%</td>
<td>Millions of yen</td>
</tr>
<tr>
<td>September 30, 2016</td>
<td>253,000</td>
<td>(4.4)</td>
<td>4,000</td>
<td>–</td>
<td>2,000</td>
</tr>
<tr>
<td>Full year</td>
<td>520,000</td>
<td>(2.4)</td>
<td>14,000</td>
<td>873.9</td>
<td>10,000</td>
</tr>
</tbody>
</table>

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2016
   (changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
   Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
   Changes in accounting policies due to other reasons: No
   Changes in accounting estimates: No
   Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)
   Total number of issued shares at the end of the period (including treasury shares)
   As of March 31, 2016 | 288,145,704 shares | As of March 31, 2015 | 288,145,704 shares
   Number of treasury shares at the end of the period
   As of March 31, 2016 | 13,505,268 shares | As of March 31, 2015 | 13,561,637 shares
   Average number of shares during the period
   Year ended March 31, 2016 | 274,625,555 shares | Year ended March 31, 2015 | 274,563,138 shares
### Consolidated financial statements

#### Consolidated balance sheets

<table>
<thead>
<tr>
<th></th>
<th>As of March 31, 2015</th>
<th>As of March 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and deposits</td>
<td>21,810</td>
<td>22,217</td>
</tr>
<tr>
<td>Group deposits paid</td>
<td>33,154</td>
<td>443</td>
</tr>
<tr>
<td>Notes and accounts receivable - trade</td>
<td>81,016</td>
<td>76,470</td>
</tr>
<tr>
<td>Merchandise and finished goods</td>
<td>36,303</td>
<td>38,468</td>
</tr>
<tr>
<td>Work in process</td>
<td>2,444</td>
<td>1,960</td>
</tr>
<tr>
<td>Raw materials and supplies</td>
<td>6,967</td>
<td>6,428</td>
</tr>
<tr>
<td>Accounts receivable - other</td>
<td>20,277</td>
<td>20,168</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>8,398</td>
<td>4,913</td>
</tr>
<tr>
<td>Other</td>
<td>30,617</td>
<td>26,392</td>
</tr>
<tr>
<td>Allowance for doubtful accounts</td>
<td>(1,405)</td>
<td>(2,774)</td>
</tr>
<tr>
<td>Total current assets</td>
<td>239,584</td>
<td>194,694</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings and structures</td>
<td>31,108</td>
<td>27,875</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(22,936)</td>
<td>(20,995)</td>
</tr>
<tr>
<td>Buildings and structures, net</td>
<td>8,171</td>
<td>6,880</td>
</tr>
<tr>
<td>Machinery, equipment and vehicles</td>
<td>45,750</td>
<td>42,957</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(36,843)</td>
<td>(35,451)</td>
</tr>
<tr>
<td>Machinery, equipment and vehicles, net</td>
<td>8,907</td>
<td>7,506</td>
</tr>
<tr>
<td>Tools, furniture and fixtures</td>
<td>49,311</td>
<td>48,204</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(44,596)</td>
<td>(43,659)</td>
</tr>
<tr>
<td>Tools, furniture and fixtures, net</td>
<td>4,714</td>
<td>4,544</td>
</tr>
<tr>
<td>Land</td>
<td>2,540</td>
<td>2,119</td>
</tr>
<tr>
<td>Leased assets</td>
<td>11,342</td>
<td>11,805</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(4,862)</td>
<td>(5,093)</td>
</tr>
<tr>
<td>Leased assets, net</td>
<td>6,479</td>
<td>6,711</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>2,746</td>
<td>3,583</td>
</tr>
<tr>
<td>Total property, plant and equipment</td>
<td>33,560</td>
<td>31,345</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goodwill</td>
<td>36,911</td>
<td>8,633</td>
</tr>
<tr>
<td>Customer Relationship Assets</td>
<td>33,906</td>
<td>710</td>
</tr>
<tr>
<td>Other</td>
<td>36,232</td>
<td>7,596</td>
</tr>
<tr>
<td>Total intangible assets</td>
<td>107,049</td>
<td>16,940</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments and other assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment securities</td>
<td>5,044</td>
<td>4,881</td>
</tr>
<tr>
<td>Net defined benefit asset</td>
<td>3,351</td>
<td>1,325</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>14,421</td>
<td>17,227</td>
</tr>
<tr>
<td>Other</td>
<td>13,715</td>
<td>15,203</td>
</tr>
<tr>
<td>Allowance for doubtful accounts</td>
<td>(62)</td>
<td>(61)</td>
</tr>
<tr>
<td>Total investments and other assets</td>
<td>36,470</td>
<td>38,576</td>
</tr>
<tr>
<td>Total non-current assets</td>
<td>177,081</td>
<td>86,862</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred organization expenses</td>
<td>103</td>
<td>59</td>
</tr>
<tr>
<td>Total deferred assets</td>
<td>103</td>
<td>59</td>
</tr>
<tr>
<td>Total assets</td>
<td>416,769</td>
<td>281,615</td>
</tr>
</tbody>
</table>
As of March 31, 2015 | As of March 31, 2016
---|---
**Liabilities**

**Current liabilities**
- Notes and accounts payable - trade | 90,080 | 71,175
- Short-term loans payable | 2,028 | 3,407
- Lease obligations | 3,358 | 4,435
- Accounts payable - other | 15,501 | 29,557
- Income taxes payable | 3,598 | 3,643
- Provision for directors' bonuses | – | 56
- Other | 50,148 | 46,327
**Total current liabilities** | 164,715 | 158,604

**Non-current liabilities**
- Long-term loans payable | – | 16
- Lease obligations | 4,024 | 5,954
- Provision for directors' retirement benefits | 140 | 117
- Net defined benefit liability | 37,887 | 38,687
- Other | 6,893 | 7,877
**Total non-current liabilities** | 48,946 | 52,652

**Total liabilities** | 213,661 | 211,256

**Net assets**

**Shareholders' equity**
- Capital stock | 39,970 | 39,970
- Capital surplus | 52,965 | 52,970
- Retained earnings | 64,364 | (41,006)
- Treasury shares (5,542) | (5,523)
**Total shareholders' equity** | 151,759 | 46,411

**Accumulated other comprehensive income**
- Valuation difference on available-for-sale securities | 1,513 | 1,476
- Deferred gains or losses on hedges | 3 | 71
- Foreign currency translation adjustment | 18,014 | 11,740
- Minimum pension liability adjustment (568) | (461)
- Remeasurements of defined benefit plans | 440 | (1,857)
**Total accumulated other comprehensive income** | 19,404 | 10,969

**Subscription rights to shares** | 116 | 116
**Non-controlling interests** | 31,828 | 12,862
**Total net assets** | 203,108 | 70,359

**Total liabilities and net assets** | 416,769 | 281,615
### Consolidated statements of income and consolidated statements of comprehensive income

#### Consolidated statements of income

<table>
<thead>
<tr>
<th></th>
<th>Fiscal year ended March 31, 2015 (Millions of yen)</th>
<th>Fiscal year ended March 31, 2016 (Millions of yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>524,577</td>
<td>532,818</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>301,355</td>
<td>315,732</td>
</tr>
<tr>
<td>Gross profit</td>
<td>223,221</td>
<td>217,085</td>
</tr>
<tr>
<td>Selling, general and administrative expenses</td>
<td>206,159</td>
<td>215,483</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>17,062</td>
<td>1,601</td>
</tr>
<tr>
<td><strong>Non-operating income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>391</td>
<td>345</td>
</tr>
<tr>
<td>Dividend income</td>
<td>115</td>
<td>93</td>
</tr>
<tr>
<td>Gain on sales of investment securities</td>
<td>45</td>
<td>97</td>
</tr>
<tr>
<td>Gain on valuation of derivatives</td>
<td>1,993</td>
<td>–</td>
</tr>
<tr>
<td>Other</td>
<td>537</td>
<td>273</td>
</tr>
<tr>
<td><strong>Total non-operating income</strong></td>
<td>3,082</td>
<td>810</td>
</tr>
<tr>
<td><strong>Non-operating expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest expenses</td>
<td>587</td>
<td>962</td>
</tr>
<tr>
<td>Loss on sales and retirement of non-current assets</td>
<td>50</td>
<td>35</td>
</tr>
<tr>
<td>Foreign exchange losses</td>
<td>5,867</td>
<td>837</td>
</tr>
<tr>
<td>Loss on valuation of derivatives</td>
<td>–</td>
<td>542</td>
</tr>
<tr>
<td>Settlement money</td>
<td>1,104</td>
<td>–</td>
</tr>
<tr>
<td>Other</td>
<td>2,143</td>
<td>2,333</td>
</tr>
<tr>
<td><strong>Total non-operating expenses</strong></td>
<td>9,753</td>
<td>4,711</td>
</tr>
<tr>
<td>Ordinary income (loss)</td>
<td>10,391</td>
<td>(2,298)</td>
</tr>
<tr>
<td><strong>Extraordinary losses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impairment loss</td>
<td>–</td>
<td>85,023</td>
</tr>
<tr>
<td>Restructuring cost</td>
<td>686</td>
<td>1,440</td>
</tr>
<tr>
<td>Loss on transfer of business</td>
<td>–</td>
<td>325</td>
</tr>
<tr>
<td><strong>Total extraordinary losses</strong></td>
<td>686</td>
<td>86,788</td>
</tr>
<tr>
<td>Profit (loss) before income taxes</td>
<td>9,705</td>
<td>(89,087)</td>
</tr>
<tr>
<td>Income taxes - current</td>
<td>7,037</td>
<td>12,514</td>
</tr>
<tr>
<td>Income taxes - deferred</td>
<td>2,998</td>
<td>965</td>
</tr>
<tr>
<td><strong>Total income taxes</strong></td>
<td>10,036</td>
<td>13,479</td>
</tr>
<tr>
<td><strong>Loss</strong></td>
<td>(331)</td>
<td>(102,566)</td>
</tr>
<tr>
<td>Profit attributable to non-controlling interests</td>
<td>818</td>
<td>882</td>
</tr>
<tr>
<td>Loss attributable to owners of parent</td>
<td>(1,149)</td>
<td>(103,449)</td>
</tr>
</tbody>
</table>
## Consolidated statements of comprehensive income

<table>
<thead>
<tr>
<th></th>
<th>Fiscal year ended</th>
<th>Fiscal year ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>March 31, 2015</td>
<td>March 31, 2016</td>
</tr>
<tr>
<td>Loss</td>
<td>(331)</td>
<td>(102,566)</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Valuation difference on available-for-sale securities</td>
<td>527</td>
<td>(38)</td>
</tr>
<tr>
<td>Deferred gains or losses on hedges</td>
<td>8</td>
<td>67</td>
</tr>
<tr>
<td>Foreign currency translation adjustment</td>
<td>15,901</td>
<td>(7,268)</td>
</tr>
<tr>
<td>Minimum pension liability adjustment</td>
<td>(593)</td>
<td>202</td>
</tr>
<tr>
<td>Remeasurements of defined benefit plans, net of tax</td>
<td>2,213</td>
<td>(2,290)</td>
</tr>
<tr>
<td>Total other comprehensive income</td>
<td>18,057</td>
<td>(9,327)</td>
</tr>
<tr>
<td>Comprehensive income</td>
<td>17,726</td>
<td>(111,894)</td>
</tr>
<tr>
<td>Comprehensive income attributable to</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Comprehensive income attributable to owners of parent</td>
<td>12,471</td>
<td>(111,884)</td>
</tr>
<tr>
<td>Comprehensive income attributable to non-controlling</td>
<td>5,255</td>
<td>(9)</td>
</tr>
<tr>
<td>interests</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# Consolidated statements of changes in equity

**Fiscal year ended March 31, 2015**

(Millions of yen)

<table>
<thead>
<tr>
<th>Shareholders’ equity</th>
<th>Capital stock</th>
<th>Capital surplus</th>
<th>Retained earnings</th>
<th>Treasury shares</th>
<th>Total shareholders’ equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of current period</td>
<td>39,970</td>
<td>52,970</td>
<td>65,737</td>
<td>(5,585)</td>
<td>153,093</td>
</tr>
<tr>
<td>Cumulative effects of changes in accounting policies</td>
<td>2,522</td>
<td></td>
<td></td>
<td></td>
<td>2,522</td>
</tr>
<tr>
<td>Restated balance</td>
<td>39,970</td>
<td>52,970</td>
<td>68,259</td>
<td>(5,585)</td>
<td>155,616</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Changes of items during period</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends of surplus</td>
<td>(2,745)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss attributable to owners of parent</td>
<td>(1,149)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of treasury shares</td>
<td></td>
<td></td>
<td>(28)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disposal of treasury shares</td>
<td>(5)</td>
<td></td>
<td>71</td>
<td></td>
<td>66</td>
</tr>
<tr>
<td>Net changes of items other than shareholders’ equity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total changes of items during period</td>
<td>39,970</td>
<td>52,965</td>
<td>64,364</td>
<td>(5,542)</td>
<td>151,759</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Accumulated other comprehensive income</th>
<th>Valuation difference on available-for-sale securities</th>
<th>Deferred gains or losses on hedges</th>
<th>Foreign currency translation adjustment</th>
<th>Minimum Pension Liability Adjustment</th>
<th>Remeasurements of defined benefit plans</th>
<th>Total accumulated other comprehensive income</th>
<th>Subscription rights to shares</th>
<th>Non-controlling interests</th>
<th>Total net assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of current period</td>
<td>987</td>
<td>(4)</td>
<td>6,626</td>
<td>(55)</td>
<td>(1,770)</td>
<td>5,783</td>
<td>130</td>
<td>27,025</td>
<td>186,033</td>
</tr>
<tr>
<td>Cumulative effects of changes in accounting policies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>43</td>
</tr>
<tr>
<td>Restated balance</td>
<td>987</td>
<td>(4)</td>
<td>6,626</td>
<td>(55)</td>
<td>(1,770)</td>
<td>5,783</td>
<td>130</td>
<td>27,069</td>
<td>188,599</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Changes of items during period</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends of surplus</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss attributable to owners of parent</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of treasury shares</td>
<td>(28)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disposal of treasury shares</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net changes of items other than shareholders’ equity</td>
<td>526</td>
<td>8</td>
<td>11,388</td>
<td>(513)</td>
<td>2,211</td>
</tr>
<tr>
<td>Total changes of items during period</td>
<td>526</td>
<td>8</td>
<td>11,388</td>
<td>(513)</td>
<td>2,211</td>
</tr>
</tbody>
</table>

| Balance at end of current period | 1,513 | 3   | 18,014 | (568) | 440  | 19,404 | 116    | 31,828 | 203,108 |
Fiscal year ended March 31, 2016

### Shareholders' equity

<table>
<thead>
<tr>
<th></th>
<th>Capital stock</th>
<th>Capital surplus</th>
<th>Retained earnings</th>
<th>Treasury shares</th>
<th>Total shareholders' equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of current period</td>
<td>39,970</td>
<td>52,965</td>
<td>64,364</td>
<td>(5,542)</td>
<td>151,759</td>
</tr>
<tr>
<td>Cumulative effects of changes in accounting policies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restated balance</td>
<td>39,970</td>
<td>52,965</td>
<td>64,364</td>
<td>(5,542)</td>
<td>151,759</td>
</tr>
</tbody>
</table>

#### Changes of items during period

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends of surplus</td>
<td></td>
<td></td>
<td>(1,922)</td>
<td>(1,922)</td>
<td></td>
</tr>
<tr>
<td>Loss attributable to owners of parent</td>
<td>(103,449)</td>
<td>(103,449)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of treasury shares</td>
<td></td>
<td></td>
<td></td>
<td>(18)</td>
<td></td>
</tr>
<tr>
<td>Disposal of treasury shares</td>
<td></td>
<td></td>
<td>5</td>
<td>32</td>
<td>42</td>
</tr>
</tbody>
</table>

#### Total changes of items other than shareholders' equity

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total changes of items during period</td>
<td>(37)</td>
<td>67</td>
<td>(6,274)</td>
<td>106</td>
<td>(8,435)</td>
</tr>
</tbody>
</table>

#### Balance at end of current period

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at end of current period</td>
<td>39,970</td>
<td>52,970</td>
<td>(41,006)</td>
<td>(5,523)</td>
<td>46,411</td>
</tr>
</tbody>
</table>

### Accumulated other comprehensive income

<table>
<thead>
<tr>
<th></th>
<th>Valuation difference on available-for-sale securities</th>
<th>Deferred gains or losses on hedges</th>
<th>Foreign currency translation adjustment</th>
<th>Minimum Pension Liability Adjustment</th>
<th>Remeasurements of defined benefit plans</th>
<th>Total accumulated other comprehensive income</th>
<th>Subscription rights to shares</th>
<th>Non-control ling interests</th>
<th>Total net assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of current period</td>
<td>1,513</td>
<td>3</td>
<td>18,014</td>
<td>(568)</td>
<td>440</td>
<td>19,404</td>
<td>116</td>
<td>31,828</td>
<td>203,108</td>
</tr>
<tr>
<td>Cumulative effects of changes in accounting policies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restated balance</td>
<td>1,513</td>
<td>3</td>
<td>18,014</td>
<td>(568)</td>
<td>440</td>
<td>19,404</td>
<td>116</td>
<td>31,828</td>
<td>203,108</td>
</tr>
</tbody>
</table>

#### Changes of items during period

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends of surplus</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
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<td>(103,449)</td>
<td>(103,449)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of treasury shares</td>
<td></td>
<td></td>
<td></td>
<td>(18)</td>
<td></td>
</tr>
<tr>
<td>Disposal of treasury shares</td>
<td></td>
<td></td>
<td>5</td>
<td>32</td>
<td>42</td>
</tr>
</tbody>
</table>

#### Net changes of items other than shareholders' equity

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total changes of items during period</td>
<td>(37)</td>
<td>67</td>
<td>(6,274)</td>
<td>106</td>
<td>(8,435)</td>
</tr>
</tbody>
</table>

#### Balance at end of current period

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at end of current period</td>
<td>1,476</td>
<td>71</td>
<td>11,740</td>
<td>(461)</td>
<td>(8,435)</td>
</tr>
</tbody>
</table>
# Consolidated statements of cash flows

(Millions of yen)

<table>
<thead>
<tr>
<th>Cash flows from operating activities</th>
<th>Fiscal year ended March 31, 2015</th>
<th>Fiscal year ended March 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit (loss) before income taxes</td>
<td>9,705</td>
<td>(89,087)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>20,386</td>
<td>19,496</td>
</tr>
<tr>
<td>Impairment loss</td>
<td>—</td>
<td>85,023</td>
</tr>
<tr>
<td>Increase (decrease) in allowance for doubtful accounts</td>
<td>(57)</td>
<td>(1,807)</td>
</tr>
<tr>
<td>Increase (decrease) in net defined benefit liability</td>
<td>3,314</td>
<td>602</td>
</tr>
<tr>
<td>Interest and dividend income</td>
<td>(506)</td>
<td>(439)</td>
</tr>
<tr>
<td>Interest expenses</td>
<td>587</td>
<td>962</td>
</tr>
<tr>
<td>Loss (gain) on sales and retirement of property, plant and equipment</td>
<td>50</td>
<td>35</td>
</tr>
<tr>
<td>Loss (gain) on sales of investment securities</td>
<td>(45)</td>
<td>(97)</td>
</tr>
<tr>
<td>Restructuring cost</td>
<td>686</td>
<td>1,440</td>
</tr>
<tr>
<td>Loss (gain) on transfer of business</td>
<td>–</td>
<td>325</td>
</tr>
<tr>
<td>Decrease (increase) in notes and accounts receivable - trade</td>
<td>13,193</td>
<td>1,708</td>
</tr>
<tr>
<td>Decrease (increase) in inventories</td>
<td>(1,240)</td>
<td>(2,348)</td>
</tr>
<tr>
<td>Increase (decrease) in notes and accounts payable - trade</td>
<td>6,296</td>
<td>(15,665)</td>
</tr>
<tr>
<td>Other, net</td>
<td>(22,248)</td>
<td>12,335</td>
</tr>
<tr>
<td>Subtotal</td>
<td>30,121</td>
<td>12,484</td>
</tr>
<tr>
<td>Interest and dividend income received</td>
<td>501</td>
<td>443</td>
</tr>
<tr>
<td>Interest expenses paid</td>
<td>(645)</td>
<td>(875)</td>
</tr>
<tr>
<td>Income taxes paid</td>
<td>(7,025)</td>
<td>(7,484)</td>
</tr>
<tr>
<td>Net cash provided by (used in) operating activities</td>
<td>22,952</td>
<td>4,567</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash flows from investing activities</th>
<th>Fiscal year ended March 31, 2015</th>
<th>Fiscal year ended March 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of property, plant and equipment</td>
<td>(6,803)</td>
<td>(8,724)</td>
</tr>
<tr>
<td>Proceeds from sales of property, plant and equipment</td>
<td>225</td>
<td>1,176</td>
</tr>
<tr>
<td>Purchase of intangible assets</td>
<td>(14,046)</td>
<td>(5,376)</td>
</tr>
<tr>
<td>Proceeds from transfer of business</td>
<td>–</td>
<td>600</td>
</tr>
<tr>
<td>Proceeds from sales of intangible assets</td>
<td>1,923</td>
<td>–</td>
</tr>
<tr>
<td>Purchase of investment securities</td>
<td>(13)</td>
<td>(19)</td>
</tr>
<tr>
<td>Proceeds from sales of investment securities</td>
<td>107</td>
<td>167</td>
</tr>
<tr>
<td>Net decrease (increase) in short-term loans receivable</td>
<td>3,448</td>
<td>3,362</td>
</tr>
<tr>
<td>Payments of long-term loans receivable</td>
<td>(12)</td>
<td>(13)</td>
</tr>
<tr>
<td>Collection of long-term loans receivable</td>
<td>16</td>
<td>15</td>
</tr>
<tr>
<td>Purchase of shares of subsidiaries resulting in change in scope of consolidation</td>
<td>–</td>
<td>(1,279)</td>
</tr>
<tr>
<td>Other, net</td>
<td>381</td>
<td>299</td>
</tr>
<tr>
<td>Net cash provided by (used in) investing activities</td>
<td>(14,772)</td>
<td>(9,789)</td>
</tr>
</tbody>
</table>
Cash flows from financing activities

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal year ended March 31, 2015</th>
<th>Fiscal year ended March 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net increase (decrease) in short-term loans payable</td>
<td>1,109</td>
<td>1,028</td>
</tr>
<tr>
<td>Proceeds from long-term loans payable</td>
<td>–</td>
<td>3</td>
</tr>
<tr>
<td>Repayments of long-term loans payable</td>
<td>–</td>
<td>(3)</td>
</tr>
<tr>
<td>Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation</td>
<td>–</td>
<td>(19,120)</td>
</tr>
<tr>
<td>Repayments of finance lease obligations</td>
<td>(2,945)</td>
<td>(3,046)</td>
</tr>
<tr>
<td>Purchase of treasury shares</td>
<td>(28)</td>
<td>(18)</td>
</tr>
<tr>
<td>Cash dividends paid</td>
<td>(2,746)</td>
<td>(1,925)</td>
</tr>
<tr>
<td>Dividends paid to non-controlling interests</td>
<td>(495)</td>
<td>(899)</td>
</tr>
<tr>
<td>Other, net</td>
<td>66</td>
<td>40</td>
</tr>
<tr>
<td>Net cash provided by (used in) financing activities</td>
<td>(5,040)</td>
<td>(23,941)</td>
</tr>
<tr>
<td>Effect of exchange rate change on cash and cash equivalents</td>
<td>4,521</td>
<td>(3,141)</td>
</tr>
<tr>
<td>Net increase (decrease) in cash and cash equivalents</td>
<td>7,660</td>
<td>(32,304)</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of period</td>
<td>47,304</td>
<td>54,964</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of period</td>
<td>54,964</td>
<td>22,660</td>
</tr>
</tbody>
</table>