Summary of Consolidated Business Results for Fiscal 2015
For the fiscal year ended May 31, 2016

Toyo Denki Seizo K.K.  Stock Exchange: 1st Section of the Tokyo Stock Exchange
Stock Code: 6505  URL https://www.toyodenki.co.jp/
Representative:  Kenzo Terashima, President
Inquiries:  Akira Watanabe, Operating Officer and General Manager, Management Planning
Division
TEL +81-3-5202-8122

Scheduled date of convention of ordinary general meeting of shareholders:  August 26, 2016
Scheduled date of commencement of dividend payments:  August 29, 2016
Scheduled date of submission of financial report:  August 29, 2016
Preparation of financial report supplemental explanatory materials:  Yes
Holding of financial results briefing:  Yes (for institutional investors and analysts)

Note: Amounts less than one million yen in financial statements and the supplementary data are rounded down.

1. Consolidated Business Results for Fiscal 2015
(June 1, 2015 to May 31, 2016)

(1) Consolidated Operating Results
(In millions of yen, except where noted; percentage figures show year-on-year increase or decrease.)

<table>
<thead>
<tr>
<th></th>
<th>Net Sales</th>
<th>Operating Income</th>
<th>Ordinary Income</th>
<th>Net Income Attributable to Owners of the Parent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal 2015</td>
<td>39,746</td>
<td>0.3%</td>
<td>1,638</td>
<td>1,492 (27.4%)</td>
</tr>
<tr>
<td>Fiscal 2014</td>
<td>39,617</td>
<td>13.3%</td>
<td>1,596</td>
<td>1,056 98.5%</td>
</tr>
</tbody>
</table>

(Note) Comprehensive income:  Fiscal 2015: (925) million yen [−%]
Fiscal 2014: 5,468 million yen [284.6%]

(Reference) Equity method investment gain or loss for:
Fiscal 2015: 76 million yen
Fiscal 2014: 50 million yen

<table>
<thead>
<tr>
<th></th>
<th>Net Income per Share (Yen)</th>
<th>Diluted Net Income per Share (Yen)</th>
<th>Net Income to Shareholders’ Equity Ratio</th>
<th>Ordinary Income to Total Assets Ratio</th>
<th>Operating Income to Net Sales Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal 2015</td>
<td>18.47</td>
<td>-</td>
<td>3.7</td>
<td>2.9</td>
<td>4.1</td>
</tr>
<tr>
<td>Fiscal 2014</td>
<td>22.94</td>
<td>-</td>
<td>5.0</td>
<td>4.2</td>
<td>4.0</td>
</tr>
</tbody>
</table>

(2) Consolidated Financial Position
(In millions of yen, except where noted)

<table>
<thead>
<tr>
<th></th>
<th>Total Assets</th>
<th>Net Assets</th>
<th>Shareholders’ Equity Ratio (%)</th>
<th>Net Assets per Share (Yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>As of May 31, 2016</td>
<td>50,233</td>
<td>23,676</td>
<td>47.1</td>
<td>491.41</td>
</tr>
<tr>
<td>As of May 31, 2015</td>
<td>53,041</td>
<td>24,895</td>
<td>46.9</td>
<td>516.61</td>
</tr>
</tbody>
</table>

(Reference) Shareholders’ equity:
As of May 31, 2016: 23,676 million yen
As of May 31, 2015: 24,895 million yen

(3) Consolidated Cash Flows
(In millions of yen, except where noted)

<table>
<thead>
<tr>
<th></th>
<th>Cash Flow from Operating Activities</th>
<th>Cash Flow from Investing Activities</th>
<th>Cash Flow from Financing Activities</th>
<th>Cash and Cash Equivalents at the End of the Fiscal Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal 2015</td>
<td>1,135</td>
<td>(937)</td>
<td>(1,341)</td>
<td>2,401</td>
</tr>
<tr>
<td>Fiscal 2014</td>
<td>1,514</td>
<td>(988)</td>
<td>18</td>
<td>3,570</td>
</tr>
</tbody>
</table>
2. Dividend Information

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>1Q</th>
<th>Interim</th>
<th>3Q</th>
<th>Fiscal Year-End</th>
<th>Total</th>
<th>Total Annual Dividends (Millions of yen)</th>
<th>Dividend Payout Ratio (consolidated, %)</th>
<th>Dividend on Equity Ratio (consolidated, %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal 2014</td>
<td>—</td>
<td>0.00</td>
<td>—</td>
<td>6.00</td>
<td>6.00</td>
<td>289</td>
<td>26.2</td>
<td>1.3</td>
</tr>
<tr>
<td>Fiscal 2015</td>
<td>—</td>
<td>0.00</td>
<td>—</td>
<td>6.00</td>
<td>6.00</td>
<td>289</td>
<td>32.5</td>
<td>1.2</td>
</tr>
<tr>
<td>Fiscal 2016 (Forecast)</td>
<td>—</td>
<td>0.00</td>
<td>—</td>
<td>6.00</td>
<td>6.00</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

3. Consolidated Performance Forecast for Fiscal 2016 (June 1, 2016 to May 31, 2017)

(In millions of yen, except where noted; percentage figures show year-on-year increase or decrease.)

<table>
<thead>
<tr>
<th></th>
<th>Net Sales</th>
<th>Operating Income</th>
<th>Ordinary Income</th>
<th>Net Income Attributable to Owners of the Parent</th>
<th>Net Income per Share (Yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>First half</td>
<td>20,000</td>
<td>6.7%</td>
<td>500 (18.3)%</td>
<td>400 (43.6)%</td>
<td>270 (42.9%)</td>
</tr>
<tr>
<td>Full year</td>
<td>43,000</td>
<td>8.2%</td>
<td>1,900 15.9%</td>
<td>1,800 20.6%</td>
<td>1,200 34.9%</td>
</tr>
</tbody>
</table>

Notes:

(1) Transfers of major subsidiaries during the period (transfers of specified subsidiaries accompanied by changes in the scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates, and restatement
   (a) Changes in accounting policies in accordance with revisions to accounting standards and related practices: Yes
   (b) Any changes other than (a) above: No
   (c) Changes in accounting estimates: No
   (d) Restatement: No

(3) Shares outstanding (common stock)
   (a) Number of shares outstanding as of the end of the period (including treasury stock):
       May 31, 2016: 48,675,000 shares      May 31, 2015: 48,675,000 shares
   (b) Number of shares of treasury stock as of the end of the period:
       May 31, 2016: 493,478 shares       May 31, 2015: 484,737 shares
   (c) Average number of shares for the period (fiscal year-to-date):
       Fiscal 2015: 48,184,987 shares      Fiscal 2014: 48,194,735 shares
(Reference) Summary of Non-Consolidated Business Results

1. Non-Consolidated Business Results for Fiscal 2015 (June 1, 2015 to May 31, 2016)

(1) Non-Consolidated Operating Results

(In millions of yen, except where noted; percentage figures show year-on-year increase or decrease.)

<table>
<thead>
<tr>
<th></th>
<th>Net Sales</th>
<th>Operating Income</th>
<th>Ordinary Income</th>
<th>Net Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal 2015</td>
<td>33,231</td>
<td>(3.9)%</td>
<td>972</td>
<td>1,070</td>
</tr>
<tr>
<td>Fiscal 2014</td>
<td>34,594</td>
<td>12.9%</td>
<td>1,057</td>
<td>1,692</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(8.1)%</td>
<td>102.1%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1,070</td>
<td>826</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(36.8)%</td>
<td>66.8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Net Income per Share (Yen)</th>
<th>Diluted Net Income per Share (Yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal 2015</td>
<td>10.69</td>
<td>--</td>
</tr>
<tr>
<td>Fiscal 2014</td>
<td>17.15</td>
<td>--</td>
</tr>
</tbody>
</table>

(2) Non-Consolidated Financial Position

(In millions of yen, except where noted)

<table>
<thead>
<tr>
<th></th>
<th>Total Assets</th>
<th>Net Assets</th>
<th>Shareholders’ Equity Ratio (%)</th>
<th>Net Assets per Share (Yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>As of May 31, 2016</td>
<td>45,788</td>
<td>19,978</td>
<td>43.6</td>
<td>414.65</td>
</tr>
<tr>
<td>As of May 31, 2015</td>
<td>49,019</td>
<td>21,519</td>
<td>43.9</td>
<td>446.56</td>
</tr>
</tbody>
</table>

Statements Regarding the Implementation Status of Audit Procedures

This summary of consolidated business result is not subject to audit procedures as prescribed under the Financial Instruments and Exchange Act. As of the date of report disclosure, audit procedures pursuant to the aforementioned Act were yet to be completed.

Disclaimer concerning the Proper Use of Business Results Forecasts and Other Relevant Specific Items

The forecasts of business results presented in this document are based on management’s assumptions and beliefs in light of currently available information. Toyo Denki Seizo K.K. (hereinafter Toyo Denki) cautions readers that due to a variety of factors actual results may differ materially from forecasts. Please refer to “1. Analysis of Results of Operations and Financial Position” in Accompanying Materials on page 2 for details relating to operating results forecasts.
Accompanying Materials Contents

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1. Analysis of Results of Operations and Financial Position

(1) Analysis of Results of Operations

(a) Results of Operations in the Fiscal Year under Review
In fiscal 2015, the fiscal year ended May 31, 2016, with regard to the economic environment surrounding the Toyo Denki Group overseas, the economic growth slowed down in China, ASEAN countries and resource-rich nations, although the economy in the United States continued to recover. Economic growth also slumped in oil-producing nations due to significant drops in crude oil prices. In Japan, corporations became cautious with capital expenditures mainly as a result of growing uncertainty over the future following the advance in the appreciation of yen. Even under such circumstances, investments in railway infrastructure in China, ASEAN countries, and Middle Eastern countries remained at a high level.

Under these circumstances, the Toyo Denki Group has been working in unison to thoroughly strengthen its management foundation and drastically improve its corporate value according to “Next 100: Beyond 100 years,” the medium-term management plan which started in fiscal 2014. The Toyo Denki Group’s performance in fiscal 2015, the second fiscal year of the plan, was as follows.

Orders received increased 2.1% compared with the previous fiscal year to 39,890 million yen. This overall result reflected increases in orders received in the Transportation Systems segment and the Information Equipment Systems segment, despite a decrease in orders in the Industrial Systems segment.

Net sales increased 0.3% year on year to 39,746 million yen mainly due to a surge in the Industrial Systems segment.

From a profit perspective, operating income increased 2.7% compared with the previous fiscal year to 1,638 million yen, mainly due to increased profit in the Industrial Systems segment. Primarily due to the posting of loss on foreign currency exchange of 418 million yen from a progressively stronger yen, ordinary income decreased 27.4%, to 1,492 million yen, and net income attributable to owners of the parent decreased 19.5% to 889 million yen.

Information by business segment is presented as follows.

Transportation Systems
Orders received increased 9.4% compared with the previous fiscal year to 27,092 million yen, led by upturns both in Japan and outside Japan.

Net sales in this segment totaled 26,757 million yen, a 0.4% decrease from the previous year, due to a decrease outside Japan, despite an increase in Japan.

Segment profit decreased 4.9% compared with the previous fiscal year to 2,964 million yen.

Industrial Systems
Orders received decreased 14.2% compared with the previous fiscal year to 11,421 million yen due to decreased orders for testing equipment for automotive development, processing equipment, and social infrastructures.

Net sales increased 3.6% year on year to 12,027 million yen due to increases in sales of testing equipment for automotive development and outside Japan, despite a decrease in those for social infrastructure.

Segment profit totaled 1,019 million yen, a 20.2% increase compared with the previous fiscal year.

Information Equipment Systems
Orders received in this segment increased 39.0% to 1,369 million yen, due to an increase in railway station operating equipment.

Net sales in this segment decreased 15.4% year on year to 954 million yen mainly due to a decrease in sales of remote monitoring systems.

Segment profit increased 34.1% compared with the previous fiscal year to 95 million yen.

Note: Net sales data by business segment represents sales to third parties and is exclusive of inter-segment sales and transfers.
(b) Outlook for the Next Fiscal Year
As for the business environment surrounding the Company for the time being, while corporate intention for capital expenditures is expected to further decline mainly due to the results of the referendum in the United Kingdom, the impact of slowdown in the economic growth in China, ASEAN countries and resource-rich nations and concerns about further appreciation of the yen resulting from such slowdown, investments in railway infrastructure are projected to remain at a high level outside Japan and replacement demand is expected to become active in Japan. Based on this recognition, the Group anticipates net sales of 43.0 billion yen, operating income of 1.9 billion yen, ordinary income of 1.8 billion yen and net income attributable to owners of the parent of 1.2 billion yen for the next fiscal year by promoting the principal measures in line with the fundamental policies of the medium-term management plan.

Note: The aforementioned forecasts of business results are based on management assumptions and beliefs in light of currently available information. Toyo Denki cautions readers that actual results could differ materially from forecasts due to a variety of factors.

(2) Analysis of Financial Position

(a) Status of Assets, Liabilities and Net Assets

(Assets)
Total assets as of May 31, 2016 stood at 50,233 million yen, a decrease of 2,807 million yen compared with the end of the previous fiscal year. Despite an increase in inventories of 924 million yen, the decrease in total assets was largely attributable to decreases in investment securities of 2,930 million yen, attributable to factors such as the decrease in the market price of held listed securities, and cash and cash equivalent of 1,169 million yen.

(Liabilities)
Total liabilities amounted to 26,556 million yen, a decrease of 1,589 million yen compared with the previous fiscal year end. Despite an 881 million yen increase in trade notes and accounts payable and a 257 million yen increase in accrued expenses, the decrease in total liabilities was largely attributable to decreases in borrowings of 1,118 million yen, deferred tax liabilities of 982 million yen, and income taxes payable of 398 million yen.

(Net Assets)
Net assets as of May 31, 2016 stood at 23,676 million yen, a decrease of 1,218 million yen compared with the end of the previous fiscal year. This decrease was largely attributable to a 1,847 million yen decrease in unrealized holding loss on available-for-sale securities, despite a 600 million yen increase in retained earnings.

(b) Status of cash flows
The balance of consolidated cash and cash equivalents as of May 31, 2016 stood at 2,401 million yen, a decrease of 1,169 million yen compared with the previous fiscal year-end.

Principal movements in operating, investing and financing cash flows for the fiscal year under review are presented briefly as follows.

Cash flows from operating activities
Net cash provided by operating activities amounted to 1,135 million yen. Major cash outflows were an increase of 972 million yen in trade notes and accounts payable and an increase of 274 million yen in accrued expenses. Principal cash inflow was income before income taxes at 1,404 million yen.

Cash flows from investing activities
Net cash used in investing activities totaled 937 million yen for the fiscal year under review and mainly comprised funds used for the purchases of property, plant and equipment at 451 million yen and the purchases of intangible assets at 336 million yen.

Cash flows from financing activities
Net cash used in financing activities was 1,341 million yen. Major cash outflows were repayment of long-term debt at 794 million yen and cash dividends paid at 295 million yen.
Trends in cash flow indices are as follows.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Shareholders’ equity ratio</td>
<td>39.5</td>
<td>43.7</td>
<td>43.2</td>
<td>46.9</td>
<td>47.1</td>
</tr>
<tr>
<td>Shareholders’ equity ratio based on market capitalization</td>
<td>31.4</td>
<td>34.0</td>
<td>40.3</td>
<td>42.3</td>
<td>31.3</td>
</tr>
<tr>
<td>Ratio of interest-bearing liabilities to cash flows</td>
<td>—</td>
<td>9.2</td>
<td>2.5</td>
<td>6.2</td>
<td>7.3</td>
</tr>
<tr>
<td>Interest coverage ratio</td>
<td>—</td>
<td>5.0</td>
<td>21.5</td>
<td>10.8</td>
<td>8.6</td>
</tr>
</tbody>
</table>

Notes:
- Shareholders’ Equity Ratio (%): Shareholders’ equity/Total assets
- Shareholders’ equity ratio based on market capitalization (%): Market capitalization/Total assets
- Ratio of interest-bearing liabilities to cash flows: Interest-bearing liabilities/Cash flows
- Interest coverage ratio: Cash flows/Interest payments
1. Indices are calculated based on consolidated financial data.
2. Market capitalization is calculated by multiplying the period-end closing share price with the number of shares issued and outstanding as of the period-end (after deducting treasury stock).
3. Interest-bearing liabilities include interest-bearing liabilities under liabilities on the consolidated balance sheet.
4. In each period where cash flows from operating activities are negative, ratio of interest-bearing liabilities to cash flows and interest coverage ratio data is not recorded.

(3) Fundamental Policy concerning Distribution of Surplus and Dividend for the Fiscal Year under Review and the Next Fiscal Year

The maintenance of stable dividends forms the basis of Toyo Denki’s distribution of profit. The Company applies internal reserves to strengthen its financial position in addition to making strategic allocations to such areas as research and development, capital expenditure and outside of Japan expansion, with the aims of growing its business and strengthening its management foundation in the future.

Dividends for the fiscal year under review will be six yen per share, unchanged from the previous term. The Company intends to maintain dividends at six yen per share or more from the fiscal year ending May 31, 2017 onward.

Toyo Denki will continue seeking to expand its operations and strengthen its management foundation as it strives to achieve a stable dividend.
2. Overview of the Group

The Toyo Denki Group is composed of Toyo Denki, six consolidated subsidiaries, two non-consolidated subsidiaries, two equity-method affiliated companies and one non-equity-method affiliated company. The Group is engaged in the manufacture and sale of electrical equipment for transportation, industrial, and information equipment systems as well as incidental projects.

The organization and position of companies within the Toyo Denki Group together with business flows are presented as follows.

<table>
<thead>
<tr>
<th>Customer</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Transportation Systems</th>
<th>Industrial Systems</th>
<th>Information Equipment System</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☄Toyo Kouki Co., Ltd.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☄Taihei Electric Co., Ltd.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☄Toyosangyo K.K.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☄TD Drive Manufacturing Co., Ltd.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☄Toyo Shoji K.K.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outside of Japan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☄Toyo Denki USA, Inc. (US)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☄Hunan Xiangyang Electric Co., Ltd. (China)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☄Changzhou Ruiyang Transmission Technology Co., Ltd. (China)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>□Taiping Zhanyun Automatic Door (Changzhou) Co., Ltd. (China)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>△Beijing Jingche Shuangyang Traction System Co., Ltd. (China)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☃TOYO DENKI (BEIJING) CO., LTD.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- ☄Consolidated subsidiaries
- ☄Affiliates to which the equity method is applied
- □Non-consolidated subsidiaries
- △Affiliates to which the equity method is not applied
3. Management Policies

(1) Basic Management Policies of the Company
The Toyo Denki Group has reviewed “NEXT 100: Beyond 100 years,” the medium-term management plan publicly announced on July 10, 2014, and formulated “NEXT 100: Beyond 100 years, Ver.2,” the medium-term management plan set to conclude at the end of fiscal 2017 (on May 31, 2018), by taking into account changing business conditions, hurdles that need to be addressed since the previous announcement and other factors. The Group is proactively working to promote measures under the fundamental policies described below for further growth towards the achievement of its long-term vision.
For more information, please refer to “Toyo Denki Seizo Announces Revision to Medium-Term Management Plan ‘NEXT 100: Beyond 100 years,’” which was released today.

Long-Term Vision
The Toyo Denki Group will contribute to the realization of an environmental-compatibility-based society through global business development by fusing advanced breakthrough technologies together with the excellent motor drive technologies it has cultivated since its foundation.

Fundamental Policy
The Toyo Denki Group is committed to drastically improving its corporate value while thoroughly strengthening its management foundation, in order to become a Group well adapted to the new era in view of 2018, the 100th anniversary of its foundation, and beyond.
Aiming to strengthen the management foundation as a 50 billion yen company under the slogan: “Beyond the 100-Year Mark”
(a) Strengthen international competitiveness
(b) Build a stable business earnings structure
(c) Restructure production system
(d) Promote development of technology
(e) Establish new businesses
(f) Train human resources to support global development

(2) Pending Issues
The Toyo Denki Group is now implementing “NEXT 100: Beyond 100 Years, Ver. 2,” its medium-term management plan, and is formulating and promoting the principal measures as follows in line with the fundamental policies.
The specific measures are presented as follows. The measures with “(added)” stated at their end indicate principal measures added under “NEXT 100: Beyond 100 Years, Ver. 2.”
(a) Strengthen international competitiveness
- Promote business centered on the Group’s bases in overseas markets in China, the U.S., South Korea, India, and Taiwan
- Build up the brand and expand business through bases in Southeast Asia
- Utilize alliances to cultivate new markets
(b) Build a stable business earnings structure
- Expand its share in Japan’s Mothers market
- Increase earnings potential by strengthening promotion of productivity reform in Transportation Systems segment (added)
- Stabilize earnings potential by establishing medium- to long-term vision of business structure in Industrial Systems segment (added)
- Stabilize earnings potential in Industrial Systems segment
(c) Restructure production system
- Expand production capacity and establish global production system as Toyo Denki in view of its 100th year and beyond
- Strengthen production capacity based on productivity reform in Transportation Systems segment (added)
- Integrate production system based on vision of business structure in Industrial Systems segment (added)
- Strengthen global quality control systems, including supplier management
- Reorganize backbone systems
(d) Promote development of technology
- Proactively utilize young human resources with an eye to achieving fresh ideas

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- Train advanced engineers through active secondment to research institutions such as universities
(e) Establish new businesses
- Promote businesses in distributed power sources and electrification
- Establish system to expand overseas maintenance business
(f) Train human resources to support global development
- Procure next-generation human resources and capacity-development systems
- Establish working and living environments that the promotion and development of global business
(g) Promote CSR activities
4. Basic Concept behind the Choice of Accounting Standards
To sustain comparability of consolidated financial statements between periods as well as between companies, the Group shall, for the time being, prepare consolidated financial statements under the Japanese GAAP. We will appropriately respond to the application of the International Financial Reporting Standards (IFRS) considering various circumstances in Japan and overseas.
### 5. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

<table>
<thead>
<tr>
<th>Assets</th>
<th>As of May 31, 2015 (Millions of yen)</th>
<th>As of May 31, 2016 (Millions of yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>3,570</td>
<td>2,401</td>
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<tr>
<td>Trade notes and accounts receivable</td>
<td>14,233</td>
<td>13,790</td>
</tr>
<tr>
<td>Electronically recorded monetary claims - operating</td>
<td>605</td>
<td>965</td>
</tr>
<tr>
<td>Products and finished goods</td>
<td>1,283</td>
<td>1,490</td>
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<tr>
<td>Work in process</td>
<td>2,962</td>
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<tr>
<td>Raw materials and stored goods</td>
<td>2,149</td>
<td>2,657</td>
</tr>
<tr>
<td>Advances</td>
<td>23</td>
<td>26</td>
</tr>
<tr>
<td>Other accounts receivable</td>
<td>13</td>
<td>273</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>660</td>
<td>517</td>
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<tr>
<td>Other</td>
<td>132</td>
<td>229</td>
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<tr>
<td>Allowance for doubtful accounts</td>
<td>(40)</td>
<td>(2)</td>
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<tr>
<td><strong>Total current assets</strong></td>
<td>25,593</td>
<td>25,520</td>
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<tr>
<td><strong>Fixed assets</strong></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>7,058</td>
<td>7,171</td>
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<tr>
<td>Accumulated depreciation</td>
<td>(4,320)</td>
<td>(4,536)</td>
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<tr>
<td>Buildings and structures, net</td>
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<tr>
<td>Machinery and equipment</td>
<td>6,792</td>
<td>6,728</td>
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<tr>
<td>Accumulated depreciation</td>
<td>(5,930)</td>
<td>(6,013)</td>
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<td>Machinery and equipment, net</td>
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<tr>
<td>Land</td>
<td>289</td>
<td>289</td>
</tr>
<tr>
<td>Construction in progress</td>
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<tr>
<td>Other</td>
<td>3,272</td>
<td>3,281</td>
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<tr>
<td>Accumulated depreciation</td>
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<td>Other, net</td>
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<td><strong>Total property, plant and equipment</strong></td>
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<td>4,361</td>
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<tr>
<td><strong>Intangible assets</strong></td>
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<td></td>
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<tr>
<td>Software</td>
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<td>199</td>
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<td>Other</td>
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<tr>
<td><strong>Total intangible assets</strong></td>
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<td>544</td>
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<tr>
<td><strong>Investments and other assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment securities</td>
<td>20,326</td>
<td>17,396</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>7</td>
<td>55</td>
</tr>
<tr>
<td>Other</td>
<td>2,173</td>
<td>2,368</td>
</tr>
<tr>
<td>Allowance for doubtful accounts</td>
<td>(12)</td>
<td>(12)</td>
</tr>
<tr>
<td><strong>Total investments and other assets</strong></td>
<td>22,495</td>
<td>19,807</td>
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<tr>
<td><strong>Total fixed assets</strong></td>
<td>27,447</td>
<td>24,712</td>
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<tr>
<td><strong>Total assets</strong></td>
<td>53,041</td>
<td>50,233</td>
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</tbody>
</table>
(Millions of yen)

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>As of May 31, 2015</th>
<th>As of May 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade notes and accounts payable</td>
<td>5,116</td>
<td>3,742</td>
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<tr>
<td>Electronically recorded obligations - operating</td>
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<tr>
<td>Short-term debt</td>
<td>1,783</td>
<td>1,017</td>
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<tr>
<td>Income taxes payable</td>
<td>652</td>
<td>253</td>
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<tr>
<td>Consumption and other taxes payable</td>
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<td>Accrued expenses</td>
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<td>1,250</td>
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<td>Advances received</td>
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<td>Deposits received</td>
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<td>221</td>
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<td>Reserve for directors' bonuses</td>
<td>41</td>
<td>37</td>
</tr>
<tr>
<td>Reserve for employees' bonuses</td>
<td>927</td>
<td>928</td>
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<tr>
<td>Reserve for order losses</td>
<td>301</td>
<td>294</td>
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<tr>
<td>Allowance for environmental development</td>
<td>65</td>
<td>-</td>
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<tr>
<td>Other</td>
<td>307</td>
<td>389</td>
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<tr>
<td>Total current liabilities</td>
<td>13,979</td>
<td>13,583</td>
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<tr>
<td>Long-term liabilities</td>
<td></td>
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<tr>
<td>Long-term debt</td>
<td>7,640</td>
<td>7,288</td>
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<tr>
<td>Long-term payables</td>
<td>141</td>
<td>157</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>2,618</td>
<td>1,636</td>
</tr>
<tr>
<td>Net defined benefit liability</td>
<td>3,725</td>
<td>3,852</td>
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<tr>
<td>Other</td>
<td>40</td>
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<tr>
<td>Total long-term liabilities</td>
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<td>12,972</td>
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<tr>
<td>Total liabilities</td>
<td>28,145</td>
<td>26,556</td>
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<tr>
<td>Net assets</td>
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<td></td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital stock</td>
<td>4,998</td>
<td>4,998</td>
</tr>
<tr>
<td>Capital surplus</td>
<td>3,177</td>
<td>3,177</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>8,698</td>
<td>9,298</td>
</tr>
<tr>
<td>Treasury stock</td>
<td>(171)</td>
<td>(175)</td>
</tr>
<tr>
<td>Total shareholders’ equity</td>
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<td>17,299</td>
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<tr>
<td>Accumulated other comprehensive income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrealized holding gain on available-for-sale securities</td>
<td>8,317</td>
<td>6,469</td>
</tr>
<tr>
<td>Foreign currency translation adjustments</td>
<td>259</td>
<td>260</td>
</tr>
<tr>
<td>Remeasurements of defined benefit plans</td>
<td>(383)</td>
<td>(351)</td>
</tr>
<tr>
<td>Total accumulated other comprehensive income</td>
<td>8,193</td>
<td>6,377</td>
</tr>
<tr>
<td>Total net assets</td>
<td>24,895</td>
<td>23,676</td>
</tr>
<tr>
<td>Total liabilities and net assets</td>
<td>53,041</td>
<td>50,233</td>
</tr>
</tbody>
</table>
## Consolidated Statements of Income and Comprehensive Income

(Consolidated Statements of Income)

<table>
<thead>
<tr>
<th></th>
<th>For the fiscal year ended May 31, 2015</th>
<th>For the fiscal year ended May 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>39,617</td>
<td>39,746</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>30,334</td>
<td>30,626</td>
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<tr>
<td>Gross profit</td>
<td>9,282</td>
<td>9,119</td>
</tr>
<tr>
<td>Selling, general and administrative expenses</td>
<td>7,686</td>
<td>7,480</td>
</tr>
<tr>
<td>Operating income</td>
<td>1,596</td>
<td>1,638</td>
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<tr>
<td>Non-operating income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Dividend income</td>
<td>203</td>
<td>233</td>
</tr>
<tr>
<td>Equity in profit of unconsolidated subsidiaries and affiliates</td>
<td>50</td>
<td>76</td>
</tr>
<tr>
<td>Foreign exchange gains</td>
<td>363</td>
<td>-</td>
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<tr>
<td>Life insurance dividend income</td>
<td>7</td>
<td>69</td>
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<tr>
<td>Miscellaneous income</td>
<td>26</td>
<td>67</td>
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<tr>
<td>Total non-operating income</td>
<td>652</td>
<td>447</td>
</tr>
<tr>
<td>Non-operating expenses</td>
<td></td>
<td></td>
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<tr>
<td>Interest expense</td>
<td>138</td>
<td>127</td>
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<tr>
<td>Loss on foreign currency exchange</td>
<td>-</td>
<td>418</td>
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<tr>
<td>Loss on disposal of fixed assets</td>
<td>4</td>
<td>19</td>
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<tr>
<td>Delinquent charge for delay in delivery</td>
<td>25</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous loss</td>
<td>24</td>
<td>28</td>
</tr>
<tr>
<td>Total non-operating expenses</td>
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<td>593</td>
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<tr>
<td>Ordinary income</td>
<td>2,056</td>
<td>1,492</td>
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<tr>
<td>Extraordinary income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain on sales of fixed assets</td>
<td>12</td>
<td>-</td>
</tr>
<tr>
<td>Total extraordinary income</td>
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<tr>
<td>Extraordinary loss</td>
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<tr>
<td>Fixed assets removal expenses</td>
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<td>Impairment loss</td>
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<td>-</td>
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<td>Loss on sales of investment securities</td>
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<td>Provision of allowance for environmental development</td>
<td>24</td>
<td>-</td>
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<tr>
<td>Other</td>
<td>-</td>
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<td>Total extraordinary losses</td>
<td>54</td>
<td>88</td>
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<tr>
<td>Income before income taxes</td>
<td>2,014</td>
<td>1,404</td>
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<tr>
<td>Income taxes:</td>
<td></td>
<td></td>
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<tr>
<td>Current</td>
<td>954</td>
<td>368</td>
</tr>
<tr>
<td>Deferred</td>
<td>(45)</td>
<td>145</td>
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<tr>
<td>Total income taxes</td>
<td>908</td>
<td>514</td>
</tr>
<tr>
<td>Net income</td>
<td>1,105</td>
<td>889</td>
</tr>
<tr>
<td>Net income attributable to owners of the parent</td>
<td>1,105</td>
<td>889</td>
</tr>
</tbody>
</table>
## Consolidated Statements of Comprehensive Income

<table>
<thead>
<tr>
<th></th>
<th>For the fiscal year ended May 31, 2015</th>
<th>For the fiscal year ended May 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net income</strong></td>
<td>1,105</td>
<td>889</td>
</tr>
<tr>
<td><strong>Other comprehensive income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrealized holding gain (loss) on available-for-sale securities</td>
<td>4,327</td>
<td>(1,847)</td>
</tr>
<tr>
<td>Deferred gains or losses on hedges</td>
<td>26</td>
<td>-</td>
</tr>
<tr>
<td>Foreign currency translation adjustments</td>
<td>(11)</td>
<td>48</td>
</tr>
<tr>
<td>Remeasurements of defined benefit plans</td>
<td>(84)</td>
<td>31</td>
</tr>
<tr>
<td>Share of other comprehensive income of affiliates to which the equity method is applied</td>
<td>104</td>
<td>(48)</td>
</tr>
<tr>
<td><strong>Total other comprehensive income</strong></td>
<td>4,362</td>
<td>(1,815)</td>
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<tr>
<td><strong>Comprehensive income</strong></td>
<td>5,468</td>
<td>(925)</td>
</tr>
<tr>
<td><strong>Comprehensive income attributable to:</strong></td>
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<td></td>
</tr>
<tr>
<td>Owners of the parent</td>
<td>5,468</td>
<td>(925)</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
(3) Consolidated Statements of Changes in Net Assets

For the fiscal year ended May 31, 2015 (June 1, 2014 to May 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 stock</th>
<th>Total shareholders’ equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as of the beginning of the fiscal period under review</td>
<td>4,998</td>
<td>3,177</td>
<td>7,510</td>
<td>(167)</td>
<td>15,519</td>
</tr>
<tr>
<td>Cumulative effects of changes in accounting policies</td>
<td>-</td>
<td>-</td>
<td>370</td>
<td>-</td>
<td>370</td>
</tr>
<tr>
<td>Restated balance</td>
<td>4,998</td>
<td>3,177</td>
<td>7,881</td>
<td>(167)</td>
<td>15,890</td>
</tr>
<tr>
<td>Change during fiscal period under review</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribution of retained earnings</td>
<td>-</td>
<td>-</td>
<td>(289)</td>
<td>-</td>
<td>(289)</td>
</tr>
<tr>
<td>Net income attributable to owners of the parent</td>
<td>-</td>
<td>-</td>
<td>1,105</td>
<td>-</td>
<td>1,105</td>
</tr>
<tr>
<td>Acquisition of treasury stock</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(4)</td>
<td>(4)</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 change during fiscal period under review</td>
<td>-</td>
<td>-</td>
<td>816</td>
<td>(4)</td>
<td>812</td>
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<tr>
<td>Balance as of the end of fiscal period under review</td>
<td>4,998</td>
<td>3,177</td>
<td>8,698</td>
<td>(171)</td>
<td>16,702</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>Remeasurements of defined benefit plans</th>
<th>Total accumulated other comprehensive income</th>
<th>Total net assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as of the beginning of the fiscal period under review</td>
<td>3,989</td>
<td>(26)</td>
<td>165</td>
<td>(298)</td>
<td>3,830</td>
<td>19,350</td>
</tr>
<tr>
<td>Cumulative effects of changes in accounting policies</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>370</td>
</tr>
<tr>
<td>Restated balance</td>
<td>3,989</td>
<td>(26)</td>
<td>165</td>
<td>(298)</td>
<td>3,830</td>
<td>19,720</td>
</tr>
<tr>
<td>Change during fiscal period under review</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribution of retained earnings</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(289)</td>
</tr>
<tr>
<td>Net income attributable to owners of the parent</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,105</td>
</tr>
<tr>
<td>Acquisition of treasury stock</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(4)</td>
</tr>
<tr>
<td>Net changes of items other than shareholders’ equity</td>
<td>4,327</td>
<td>26</td>
<td>93</td>
<td>(84)</td>
<td>4,362</td>
<td>4,362</td>
</tr>
<tr>
<td>Total change during fiscal period under review</td>
<td>4,327</td>
<td>26</td>
<td>93</td>
<td>(84)</td>
<td>4,362</td>
<td>5,174</td>
</tr>
<tr>
<td>Balance as of the end of fiscal period under review</td>
<td>8,317</td>
<td>-</td>
<td>259</td>
<td>(383)</td>
<td>8,193</td>
<td>24,895</td>
</tr>
</tbody>
</table>
For the fiscal year ended May 31, 2016 (June 1, 2015 to May 31, 2016)

(Millions of yen)

<table>
<thead>
<tr>
<th>Shareholders’ equity</th>
<th>Capital stock</th>
<th>Capital surplus</th>
<th>Retained earnings</th>
<th>Treasury stock</th>
<th>Total shareholders’ equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as of the beginning of the fiscal period under review</td>
<td>4,998</td>
<td>3,177</td>
<td>8,698</td>
<td>(171)</td>
<td>16,702</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>4,998</td>
<td>3,177</td>
<td>8,698</td>
<td>(171)</td>
<td>16,702</td>
</tr>
<tr>
<td>Change during fiscal period under review</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribution of retained earnings</td>
<td>-</td>
<td>-</td>
<td>(289)</td>
<td>-</td>
<td>(289)</td>
</tr>
<tr>
<td>Net income attributable to owners of the parent</td>
<td>-</td>
<td>-</td>
<td>889</td>
<td>-</td>
<td>889</td>
</tr>
<tr>
<td>Acquisition of treasury stock</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(3)</td>
<td>(3)</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 change during fiscal period under review</td>
<td>-</td>
<td>-</td>
<td>600</td>
<td>(3)</td>
<td>597</td>
</tr>
<tr>
<td>Balance as of the end of fiscal period under review</td>
<td>4,998</td>
<td>3,177</td>
<td>9,298</td>
<td>(175)</td>
<td>17,299</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>Remeasurements of defined benefit plans</th>
<th>Total accumulated other comprehensive income</th>
<th>Total net assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as of the beginning of the fiscal period under review</td>
<td>8,317</td>
<td>-</td>
<td>259</td>
<td>(383)</td>
<td>8,193</td>
<td>24,895</td>
</tr>
<tr>
<td>Cumulative effects of changes in accounting policies</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Restated balance</td>
<td>8,317</td>
<td>-</td>
<td>259</td>
<td>(383)</td>
<td>8,193</td>
<td>24,895</td>
</tr>
<tr>
<td>Change during fiscal period under review</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribution of retained earnings</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(289)</td>
</tr>
<tr>
<td>Net income attributable to owners of the parent</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>889</td>
</tr>
<tr>
<td>Acquisition of treasury stock</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(3)</td>
</tr>
<tr>
<td>Net changes of items other than shareholders’ equity</td>
<td>(1,847)</td>
<td>-</td>
<td>0</td>
<td>31</td>
<td>(1,815)</td>
<td>(1,815)</td>
</tr>
<tr>
<td>Total change during fiscal period under review</td>
<td>(1,847)</td>
<td>-</td>
<td>0</td>
<td>31</td>
<td>(1,815)</td>
<td>(1,218)</td>
</tr>
<tr>
<td>Balance as of the end of fiscal period under review</td>
<td>6,469</td>
<td>-</td>
<td>260</td>
<td>(351)</td>
<td>6,377</td>
<td>23,676</td>
</tr>
</tbody>
</table>
## (4) Consolidated Statements of Cash Flows

<table>
<thead>
<tr>
<th></th>
<th>For the fiscal year ended May 31, 2015</th>
<th>For the fiscal year ended May 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>2,014</td>
<td>1,404</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>881</td>
<td>850</td>
</tr>
<tr>
<td>Increase (decrease) in allowance for doubtful accounts</td>
<td>6</td>
<td>(37)</td>
</tr>
<tr>
<td>Increase (decrease) in reserve for employees’ bonuses</td>
<td>12</td>
<td>0</td>
</tr>
<tr>
<td>Increase (decrease) in allowance for environmental development</td>
<td>21</td>
<td>(65)</td>
</tr>
<tr>
<td>Increase (decrease) in net defined benefit liability</td>
<td>(106)</td>
<td>116</td>
</tr>
<tr>
<td>Interest and dividends income</td>
<td>(203)</td>
<td>(233)</td>
</tr>
<tr>
<td>Interest expenses</td>
<td>138</td>
<td>127</td>
</tr>
<tr>
<td>Loss (gain) on sales of investment securities</td>
<td>-</td>
<td>11</td>
</tr>
<tr>
<td>Impairment loss</td>
<td>30</td>
<td>-</td>
</tr>
<tr>
<td>Decrease (increase) in notes and accounts receivable-trade</td>
<td>(1,925)</td>
<td>(3)</td>
</tr>
<tr>
<td>Decrease (increase) in inventories</td>
<td>737</td>
<td>(957)</td>
</tr>
<tr>
<td>Increase (decrease) in trade notes and accounts payable</td>
<td>2,765</td>
<td>972</td>
</tr>
<tr>
<td>Increase (decrease) in reserve for order losses</td>
<td>171</td>
<td>1</td>
</tr>
<tr>
<td>Increase (decrease) in advances received</td>
<td>(14)</td>
<td>(205)</td>
</tr>
<tr>
<td>Increase (decrease) in accrued expenses</td>
<td>(2,802)</td>
<td>274</td>
</tr>
<tr>
<td>Other</td>
<td>391</td>
<td>(87)</td>
</tr>
<tr>
<td>Subtotal</td>
<td>2,116</td>
<td>2,169</td>
</tr>
<tr>
<td>Interest and dividends income received</td>
<td>219</td>
<td>241</td>
</tr>
<tr>
<td>Interest expenses paid</td>
<td>(139)</td>
<td>(131)</td>
</tr>
<tr>
<td>(Payments for) refund of corporate and other taxes</td>
<td>(681)</td>
<td>(1,144)</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>1,514</td>
<td>1,135</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases of property, plant and equipment</td>
<td>(830)</td>
<td>(451)</td>
</tr>
<tr>
<td>Purchases of intangible assets</td>
<td>(126)</td>
<td>(336)</td>
</tr>
<tr>
<td>Purchases of investment securities</td>
<td>(13)</td>
<td>(13)</td>
</tr>
<tr>
<td>Proceeds from sales of investment securities</td>
<td>-</td>
<td>19</td>
</tr>
<tr>
<td>Payments for investments in capital of subsidiaries and associates</td>
<td>-</td>
<td>(196)</td>
</tr>
<tr>
<td>Other</td>
<td>(18)</td>
<td>41</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>(988)</td>
<td>(937)</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td>For the fiscal year ended May 31, 2015</td>
<td>For the fiscal year ended May 31, 2016</td>
</tr>
<tr>
<td>-----------------------------------------------------------</td>
<td>----------------------------------------</td>
<td>----------------------------------------</td>
</tr>
<tr>
<td>Increase (decrease) in short-term loans payable, net</td>
<td>(114)</td>
<td>(247)</td>
</tr>
<tr>
<td>Increase in long-term debt</td>
<td>1,500</td>
<td>-</td>
</tr>
<tr>
<td>Repayment of long-term debt</td>
<td>(1,073)</td>
<td>(794)</td>
</tr>
<tr>
<td>Proceeds from sales of treasury stock</td>
<td>(4)</td>
<td>(3)</td>
</tr>
<tr>
<td>Cash dividends paid</td>
<td>(287)</td>
<td>(295)</td>
</tr>
<tr>
<td>Other</td>
<td>(0)</td>
<td>(0)</td>
</tr>
<tr>
<td><strong>Cash provided by (used in) financing activities</strong></td>
<td>18</td>
<td>(1,341)</td>
</tr>
<tr>
<td>Effect of exchange rate change on cash and cash equivalents</td>
<td>28</td>
<td>(26)</td>
</tr>
<tr>
<td>Increase (decrease) in cash and cash equivalents</td>
<td>573</td>
<td>(1,169)</td>
</tr>
<tr>
<td>Balance of cash and cash equivalents at the beginning of the period</td>
<td>2,997</td>
<td>3,570</td>
</tr>
<tr>
<td>Balance of cash and cash equivalents at the end of the period</td>
<td>3,570</td>
<td>2,401</td>
</tr>
</tbody>
</table>