



Consolidated Basis Results for Fiscal 2012

(April 1, 2012- March 31, 2013)

May 10th, 2013

Company name: TOPY INDUSTRIES, LIMITED
Stock listing: Tokyo, Osaka, Nagoya stock exchanges
Code number: 7231
URL: <http://www.topy.co.jp/english/index.html>
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Scheduled date of Ordinary General Meeting of Shareholders: June 26th, 2013
Scheduled date to submit Securities Report: June 26th, 2013
Scheduled date for dividend payout: June 5th, 2013
Preparation of supplemental explanatory materials: Yes
Holding of quarterly financial results meeting: Yes (for analysts and institution investors, in Japanese)
 (Figures less than ¥1 million have been omitted.)

1. Consolidated Financial and Operating Results through Fiscal 2012

(April 1, 2012- March 31, 2013)

(1) Consolidated Operating Results

(Percentage figures are changes from the same period of the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2012	226,912	(5.7)	6,990	(33.8)	6,234	(14.6)	3,409	(13.0)
Fiscal 2011	240,534	8.6	10,554	50.6	7,304	39.3	3,918	89.0

(For reference) Comprehensive income: **Fiscal 2012 ¥ 8,222 million (84.4%)**

Fiscal 2011 ¥ 4,459 million (- %)

	Net income per share	Net income per share after full dilution	Return on Equity	Return on Assets	Return on Sales
	Yen	Yen	%	%	%
Fiscal 2012	14.38	-	4.0	3.0	3.1
Fiscal 2011	16.52	-	4.8	3.5	4.4

(For reference) Equity in net income of unconsolidated subsidiaries and affiliates: **Fiscal 2012 ¥ 220 million**

Fiscal 2011 ¥ (2,509) million

(2) Consolidated Financial Results

	Total assets	Net assets	Ratio of shareholders' equity to total assets	Assets shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
Fiscal 2012	208,781	91,258	42.9	377.47
Fiscal 2011	212,828	83,096	38.7	347.37

(For reference) Shareholders' equity: **Fiscal 2012 ¥ 89,522 million**

Fiscal 2011 ¥ 82,389 million

(3) Consolidated Statements of Cash-Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2012	16,770	(14,770)	(4,997)	19,798
Fiscal 2011	16,010	(7,703)	(4,983)	22,124

2. Dividends

Base date	Dividends per share				
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Full fiscal year
	Yen	Yen	Yen	Yen	Yen
Fiscal 2011	-	2.00	-	2.00	4.00
Fiscal 2012	-	2.00	-	2.00	4.00
Fiscal 2013(Forecast)	-	0.00	-	4.00	4.00

Base date	Cash dividends	Ratio of cash dividends to net income	Ratio of dividends to net assets
	Millions of yen	%	%
Fiscal , 2011	948	24.2	1.2
Fiscal , 2012	948	27.8	1.1
Fiscal , 2013(Forecast)		25.6	

3. Consolidated Financial Forecasts for Fiscal 2013 (April 1, 2013-March 31, 2014)

(Percentage figures are changes from the same period of the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First half of Fiscal 2013	111,000	(4.2)	1,200	(70.0)	700	(80.4)	100	(95.3)
Fiscal 2013	233,000	2.7	7,400	5.9	6,600	5.9	3,700	8.5

	Net income per share
	Yen
First half of Fiscal 2013	0.42
Fiscal 2013	15.60

※ NOTE

- (1) Changes in the state of material subsidiaries during the period (Changes regarding specific companies accompanying changes in the scope of consolidation): Yes
 Newly included: 1 company (Company name) PT. TOPY PALINGDA MANUFACTURING INDONESIA
 Excluded: -
- (2) Changes in Accounting Principles, Changes in Accounting Estimates, and Retrospective Restatements
 - (a) Changes in Accounting Principles Accompanying the Amendment of Accounting Standards: Yes
 - (b) Changes Other than those in (a) Above: None
 - (c) Changes in Accounting Estimates: Yes
 - (d) Retrospective Restatements: None
- (3) Number of shares issued (common shares)
 - (a) Number of shares issued at the end of the period (including treasury stock)

Fiscal 2012	240,775,103 shares
Fiscal 2011	240,775,103 shares
 - (b) Number of treasury stock at the end of the period

Fiscal 2012	3,610,196 shares
Fiscal 2011	3,592,942 shares
 - (c) Average number of shares issued during the term

Fiscal 2012	237,174,531 shares
Fiscal 2011	237,191,427 shares

(Reference) Summary of Non-Consolidated Financial and Operating Results

1. Non-Consolidated Financial and Operating Results through Fiscal 2012

(April 1, 2012- March 31, 2013)

(1) Non-Consolidated Operating Results

(Percentage figures are changes from the same period of the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2012	143,672	(11.2)	3,609	(41.6)	4,900	(24.0)	3,367	892
Fiscal 2011	161,788	8.2	6,179	72.2	6,452	64.4	1,780	(17.9)

	Net income per share	Net income per share after full dilution
	Yen	Yen
Fiscal 2012	14.20	-
Fiscal 2011	7.50	-

(2) Non-Consolidated Financial Results

	Total assets	Net assets	Ratio of shareholders' equity to total assets	Assets shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
Fiscal 2012	159,946	65,947	41.2	278.03
Fiscal 2011	166,129	61,129	36.8	257.70

(For reference) Shareholders' equity: **Fiscal 2012** ¥ 65,947 million

Fiscal 2013 ¥ 61,129 million

2. Non-Consolidated Financial Forecasts for Fiscal 2013 (April 1, 2013-March 31, 2014)

(Percentage figures are changes from the same period of the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First half of Fiscal 2013	67,000	(11.2)	300	(87.7)	700	(73.8)	600	(66.5)
Fiscal 2013	138,100	(3.9)	3,400	(5.8)	4,400	(10.2)	3,100	(7.9)

	Net income per share
	Yen
First half of Fiscal 2013	2.53
Fiscal 2013	13.07

* Status of Performance of Audit Procedures

This note on the settlement of accounts is an exception to the audit process based on the Financial Instruments and Exchange Law, and such audit process based on the Financial Instruments and Exchange Law has not been completed at the time of disclosure of this note on the settlement of accounts.

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

(Caution concerning future descriptions etc.)

The above estimate has been compiled based on information available at the time of issue of this document. The actual earnings are subject to change from the estimated values due to various factors. For assumed conditions of earnings forecast and precaution statement in using earnings forecast, please refer to page 3 of the attached document "Qualitative Information Regarding Consolidated Earnings Forecast".

(Accessing quarterly results supplemental explanation documentation)

The quarterly results supplemental explanation documentation is scheduled to be uploaded onto our company website.

Note: This document has been translated from the original Japanese version for reference purposes only. In the event of any discrepancy between this translated document and the original Japanese version, the original shall prevail.

The original disclosure in Japanese was released on May 9, 2013 at 13:30(GMT+9).

The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Index of Attached Documents

1. Analysis of Operation Results and Financial Situation.....	2
(1) Analysis Regarding Operation Results.....	2
(2) Analysis Regarding Financial Situation.....	4
(3) Basic Policy Regarding Profit Allocation and Dividend for this year and next year.....	6
2. Management Policy.....	6
(1) Basic Policy for Company Management.....	6
(2) Mid to Long-term Company Management Strategies and Challenge.....	6
3. Consolidated Financial Statements.....	7
(1) Consolidated balance sheets.....	7
(2) Consolidated statements of (comprehensive) income and Consolidated statements of comprehensive income.....	9
(3) Consolidated statements of changes in net assets.....	11
(4) Consolidated statements of cash flows.....	13

1. Analysis of Operation Results and Financial Situation

(1) Analysis Regarding Operation Results

【Operation Results for this Consolidated Accounting Year】

Despite gradual recovery in the United States, the global economy during the period of this consolidated accounting year showed only a slight recovery due to the European debt crisis and slowdown in growth in China and other developing countries. As for the Japanese economy, some indication for improvement was seen as recovery demand from the Great East Japan Earthquake and a sense of expectation towards the economic policies of the new government resulted in movements towards the depreciation of the Yen and rise in stock price. However, the prolonged stagnation of overseas economies led to an overall down tone.

Under such conditions, the Topy Industries Group has formulated and launched a new mid-term consolidated management plan “Growth & Change 2015” with its basic principle being global “Growth” and “Change” to achieve a highly-profitable structure. As one part of such plan, the construction of a new steel-making facility has been started at Toyohashi Factory (Toyohashi City, Aichi Prefecture). Also, a manufacturing subsidiary for truck wheels, TOPY PALINGDA MANUFACTURING INDONESIA (Jawa Barat, Indonesia) has been established to respond to the demand increase in the ASEAN region. Furthermore, the Topy Industries Group has continued its efforts to improve corporate value by establishing a production structure in response to demand, improving productivity etc. for further cost performance improvement.

However, the Topy Industries Group was affected by the decline in steel selling price and the decrease in steel demand for construction machinery undercarriage parts. Our results for this consolidated accounting year ended at net sales of ¥226,912 million (year-to-year comparison, 5.7% decrease), operating income of ¥6,990 million (year-to-year comparison, 33.8% decrease), ordinary income of ¥6,234 million (year-to-year comparison, 14.6% increase), and a net income of ¥3,409 million (year-to-year comparison, 13.0% increase).

【Performance by Segment】

(Steel Business)

The crude steel production continued to remain at low levels for the steel industry as domestic demand for manufacturers stood low. As for the electric furnace mill industry, the condition became extremely difficult from prolonged decrease in demand and rise in steel scrap price during the second semester.

Under such circumstances, the Topy Industries Group has taken all possible improvement methods and intensive cuts in manufacturing costs. However, we were greatly affected by the decrease in steel demand for construction machinery undercarriage parts that are supplied to automobiles / industrial machinery components business, decline in sales price,

and rapid increase in steel scrap price during the second semester. This resulted in net sales of ¥67,621 million (year-to-year comparison, 5.1% decrease), and operating income of ¥720 million (year-to-year comparison, 81.2% decrease).

We will continue all possible efforts in order to reduce costs. Also, we will ensure the steady construction of our new steel making facilities to start operation in 2015 for cost improvement. The new facility will enable operation at an extremely low electrical power consumption rate and the in-house manufacture of steel billets.

(Automobile & Industrial Machinery Components Business)

In the automobile industry, the domestic production surpassed the previous year due to effective subsidy for ecologically-friendly vehicles and continued recovery demand from the Earthquake etc. On the other hand, despite steady domestic demand with regards to recovery from the Earthquake, the environment for the construction machinery industry was very difficult as demand in China remained low.

Under such conditions, the Topy Industries Group was able to acquire steady demand of wheels for trucks and passenger cars, and sales of such wheels were strong. Furthermore, all possible improvement plans are being continued. However, demand for construction machinery undercarriage components and ultra-large wheels used at mining sites fell. As a result, net sales marked ¥145,398 million (year-to-year comparison, 5.6% decrease), and operating income marked ¥9,966 million (year-to-year comparison, 4.1% decrease).

We will continue to further our presence as the “world’s top class comprehensive wheel manufacturer” and establish a status as the “all-round undercarriage components manufacturer of construction machinery”. Also, we will continue our efforts to reduce cost to enable a structural system that can be profitable even under difficult business conditions. Furthermore, we will work to establish an optimal production structure on a global scale by enhancing overseas manufacturing sites and strengthening ties with our global partners.

(Others)

The Topy Industries Group also engages in wholesale electricity utility, indoor and outdoor sign systems, manufacture of synthetic mica used in cosmetics etc., manufacture and sales of LED display and crawler robots, civil engineering and construction, real estate lease such as “Topy-Rec Plaza” (Minami-Suna, Kotoku, Tokyo), and operation of sports club “OSSO”. Net sales resulted at ¥13,891 million, and operating income was ¥542 million.

【Next Accounting Year Forecast】

With regards to the outlook of the economic environment from here onward, there is hope for recovery of the domestic economy as a result of governmental economic policies and gradual recovery of the US economy. However, uncertainty towards the European debt

crisis and the Chinese economic trend leaves the overseas economic conditions unclear. The demand trend etc. surrounding the Topy Industries Group continues to be an unpredictable situation.

Under such management conditions, and in promoting the new mid-term consolidated management plan, “Growth & Change 2015”, the Topy Industries Group will strive to further improve its corporate value by active business development into overseas markets where growth can be expected, and by solidifying the domestic manufacturing base to establish a business structure strong enough to withstand drastically changing environments. The Topy Industries Group will continue to pursue consecutive profit and seek further progression by exerting its competitive advantage of “integrated manufacture from raw material to product” as defined by the corporate message “One-piece Cycle”.

The consolidated business performance forecast for the next quarter is expected to be net sales of ¥233,000 million, operating income of ¥7,400 million, ordinary income of ¥6,600 million, and quarterly net income of ¥3,700 million.

(2) Analysis Regarding Financial Situation

【Assets, Debt and Net Assets】

Total assets at the end of this consolidated fiscal year decreased by 4,046 million Yen compared to the end of last year’s consolidated fiscal year and resulted at 208,781 million Yen. This was mainly due to a 14,639 million Yen decrease in accounts receivable due to decrease in sales and 11,684 million Yen increase in tangible fixed assets.

Total debt at the end of this consolidated fiscal year decreased by 12,208 million Yen compared to the end of last year’s consolidated fiscal year and resulted at 117,522 million Yen. This was mainly due to a 10,708 million Yen decrease in trade payables.

Net assets at the end of this consolidated fiscal year increased by 8,162 million Yen and resulted at 91,258 million Yen. This was mainly due to a 2,460 million Yen increase in accumulated earnings as a result of increased profit and a 2,489 million Yen increase in unrealized gains on securities due to the stock market recovery, a 2,185 million Yen increase in foreign currency translation adjustments. Therefore, net assets per share marked 377.47 Yen and ratio of net worth was 42.9%.

【Cash Flow】

Cash and cash equivalents (hereinafter referred to as “funds”) at the end of this consolidated fiscal year was 19,798 million Yen (−2,326 million Yen from previous period) as increase in funds from operating activities were appropriated to payment of investment activities in tangible fixed assets and financing activities.

(Cash Flow from Operating Activities)

Funds from operation activities during this consolidated fiscal year resulted in an increase

of 16,770 million Yen (+760 million Yen from previous period) due to net income before taxes and other adjustment resulting at 5,842 million Yen (−275 million Yen from previous period), depreciation cost of 8,957 million Yen (−353 million Yen from previous period), while net operating trade funds, the total of trade receivables, trade payables, and inventory asset, increased by 6,113 million Yen (+8,371 million Yen from previous period), and corporate tax payment of 4,317 million Yen (−2,204 million Yen from previous period).

(Cash Flow from Investment Activities)

Funds from investment activities during this consolidated fiscal year resulted in a decrease of 14,770 million Yen (−7,067 million Yen from previous period) due to spending 15,015 million Yen (−7,761 million Yen from previous period) for the acquisition of tangible fixed assets, while earning 349 million Yen (−192 million Yen from previous period) from selling out tangible fixed assets.

(Cash Flow from Financial Activities)

Funds from financial activities during this consolidated fiscal year resulted in a decrease of 4,997 million Yen (−14 million Yen from previous period) due to tightening spending for interest-bearing debt to 4,705 million Yen (−1,094 million Yen from previous period).

(Reference) Transition of Cash Flow Associated Indicators

	FY ending Mar. 2009	FY ending Mar. 2010	FY ending Mar. 2011	FY ending Mar. 2012	FY ending Mar. 2013
Ratio of Net Worth (%)	39.6	40.3	39.0	38.7	42.9
Ratio of Net Worth (%) at market price	17.0	25.3	25.4	28.6	25.0
Debt Redemption Term (years)	3.0	5.2	9.9	3.6	3.2
Interest Coverage Ratio (times)	18.1	10.5	6.1	15.8	18.4

Ratio of Net Worth: Owner's Equity ÷ Total Assets

Ratio of Net Worth at Market Price: Current Aggregate Value of Shares ÷ Total Assets

Debt Redemption Term: Interest-bearing Debt ÷ Cash Flow

Interest Coverage Ratio: Cash Flow ÷ Interest Expenses

(Note 1) All indicators are calculated based on figures in the consolidated financial statement.

(Note 2) Current Aggregate Value of Shares are calculated based on issued shares except owner's Equity

(Note 3) For Cash Flow, Operating Cash Flow is used.

(Note 4) Interest-bearing Debt includes all debt allocated in the consolidated balance sheet that have interest.

(3) Basic Policy Regarding Profit Allocation and Dividend for this year and next year

The basic policy regarding profit allocation at Topy is to return profit to our customers appropriately according to consolidated business results, to retain earnings for future business development, and for strengthening our corporate structure. Retained earnings will be appropriated to new business investments and new technology/product developments for long-term and stable business deployment in order to strengthen our corporate structure and global competitiveness. Profit return index based on consolidated business earnings are targeted at consolidated payout ratio of 25%. However, decisions are made with careful consideration for stable and continuous dividend.

In view of the circumstances for a stable and continuous payout, end of the year dividend for this consolidated accounting year is scheduled to be 2 Yen per share. Annual dividend including mid-dividend, therefore, shall be 4 Yen per share.

Based on the basic policy, next period dividend is scheduled to be increased by 2 Yen per share for an annual dividend of 4 Yen.

2. Management Policy

(1) Basic Policy for Company Management

The fundamental principal at Topy is “To fulfill our duty to society as a public institution and earn trust at home and abroad through the preservation and development of our Company”.

The basic belief of our management is to contribute to the development of society by supplying high quality and competitive products that satisfy our customers and users, to disclose appropriate information in a duly manner to our shareholders, to coordinate with local societies, to actively tackle environmental problems, to fulfill our obligation to society as well as to become a valuable corporate group company for our employees.

(2) Mid to Long-term Company Management Strategies and Challenges

The Topy Group holds a wide business portfolio backed by our policy of integrated manufacture from raw materials to final products. However, mid to long-term decline in domestic demand at each of our business sectors cannot be avoided, and inter-corporate competition at the global level is expected to escalate drastically.

Under such conditions, the Topy Industries Group will implement our mid-term consolidated management plan “Growth & Change 2015” for which the 4 year action started from 2012. The basic principle of this plan is “Growth” on a global scale and “Change” to a highly profitable structure. We will seek further competitiveness and improvement of corporate value by strengthening our business base to respond to expanding demands from emerging countries and domestic market maturity.

3. Consolidated Financial Statements
(1) Consolidated balance sheets

(Millions of yen)

	March 31, 2012	March 31, 2013
Assets		
Current assets		
Cash and deposits	22,232	19,914
Notes and accounts receivable-trade	56,891	42,251
Merchandise and finished goods	13,129	12,353
Work in process	4,319	3,862
Raw materials and supplies	8,380	7,870
Deferred tax assets	2,113	1,862
Other	4,918	5,877
Allowance for doubtful accounts	(50)	(38)
Total current assets	111,936	93,954
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	70,120	74,101
Accumulated depreciation	(47,121)	(48,651)
Buildings and structures, net	22,999	25,449
Machinery, equipment and vehicles	152,281	159,794
Accumulated depreciation	(126,450)	(130,533)
Machinery, equipment and vehicles, net	25,831	29,260
Land	17,681	17,618
Lease assets	1,045	3,610
Accumulated depreciation	(170)	(425)
Lease assets, net	875	3,184
Construction in progress	3,019	6,212
Other	28,292	29,927
Accumulated depreciation	(26,769)	(28,039)
Other, net	1,522	1,887
Total property, plant and equipment	71,930	83,614
Intangible assets		
Other	1,525	1,164
Total intangible assets	1,525	1,164
Investments and other assets		
Investment securities	21,779	25,566
Long-term loans receivable	594	595
Deferred tax assets	3,135	2,024
Claims provable in bankruptcy, claims provable in rehabilitation and other	2	1
Other	1,981	1,915
Allowance for doubtful accounts	(57)	(55)
Total investments and other assets	27,435	30,048
Total noncurrent assets	100,891	114,827
Total assets	212,828	208,781

3. Consolidated Financial Statements

(1) Consolidated balance sheets

(Millions of yen)

	March 31, 2012	March 31, 2013
Liabilities		
Current liabilities		
Notes and accounts payable-trade	44,338	33,630
Short-term loans payable	25,044	24,697
Current portion of bonds	300	300
Lease obligations	77	392
Income taxes payable	2,616	730
Asset retirement obligations	-	3
Other	10,883	12,863
Total current liabilities	83,261	72,617
Noncurrent liabilities		
Bonds payable	13,900	13,900
Long-term loans payable	18,846	14,637
Lease obligations	797	2,793
Deferred tax liabilities	86	2
Provision for retirement benefits	6,473	7,127
Provision for directors' retirement benefits	896	535
Reserve for repairs	473	687
Asset retirement obligations	260	274
Liabilities from application of equity method	949	903
Other	3,786	4,043
Total noncurrent liabilities	46,470	44,905
Total liabilities	129,731	117,522
Net assets		
Shareholders' equity		
Capital stock	20,983	20,983
Capital surplus	18,824	18,824
Retained earnings	47,794	50,255
Treasury stock	(863)	(866)
Total shareholders' equity	86,739	89,196
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,216	3,706
Deferred gains or losses on hedges	Δ2	Δ1
Foreign currency translation adjustment	(5,563)	(3,377)
Total accumulated other comprehensive income	(4,349)	326
Minority interests	706	1,735
Total net assets	83,096	91,258
Total liabilities and net assets	212,828	208,781

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

(Millions of yen)

	Fiscal 2011	Fiscal 2012
Net sales	240,534	226,912
Cost of sales	203,258	191,916
Gross profit	37,276	34,995
Selling, general and administrative expenses	26,722	28,005
Operating income	10,554	6,990
Non-operating income		
Interest income	43	35
Dividends income	362	341
Amortization of negative goodwill	114	
Equity in earnings of affiliates	-	220
Other	426	369
Total non-operating income	946	966
Non-operating expenses		
Interest expenses	1,016	884
Foreign exchange losses	87	386
Equity in losses of affiliates	2,509	-
Other	582	451
Total non-operating expenses	4,197	1,722
Ordinary income	7,304	6,234
Extraordinary income		
Gain on sales of noncurrent assets	66	182
Gain on sales of investment securities	-	2
Other	5	17
Total extraordinary income	71	202
Extraordinary loss		
Loss on sales of noncurrent assets	372	26
Loss on retirement of noncurrent assets	442	352
Loss on foreign currency translation adjustment with liquidation of foreign subsidiaries	317	
Loss on valuation of investment securities	60	199
Impairment loss	6	-
Other	58	16
Total extraordinary losses	1,257	594
Income before income taxes and minority interests	6,118	5,842
Income taxes-current	3,332	2,404
Income taxes-deferred	(1,312)	(48)
Total income taxes	2,019	2,355
Income before minority interests	4,098	3,486
Minority interests in income	180	77
Net income	3,918	3,409

(Consolidated statements of comprehensive income)

(Millions of yen)

	Fiscal 2011	Fiscal 2012
Income before minority interests	4,098	3,486
Other comprehensive income		
Valuation difference on available-for-sale securities	277	2,442
Deferred gains or losses on hedges	(3)	0
Foreign currency translation adjustment	85	2,244
Share of other comprehensive income of associates accounted for using equity method	0	48
Total other comprehensive income	360	4,735
Comprehensive income	4,459	8,222
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	4,316	8,085
Comprehensive income attributable to minority interests	142	137

(3) Consolidated statements of changes in net assets

(Millions of yen)

	Fiscal 2011	Fiscal 2012
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	20,983	20,983
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	20,983	20,983
Capital surplus		
Balance at the beginning of current period	18,824	18,824
Changes of items during the period		
Disposal of treasury stock	(0)	(0)
Total changes of items during the period	(0)	(0)
Balance at the end of current period	18,824	18,824
Retained earnings		
Balance at the beginning of current period	45,299	47,794
Changes of items during the period		
Dividends from surplus	(1,423)	(948)
Net income	3,918	3,409
Total changes of items during the period	2,494	2,460
Balance at the end of current period	47,794	50,255
Treasury stock		
Balance at the beginning of current period	(859)	(863)
Changes of items during the period		
Purchase of treasury stock	(3)	(3)
Disposal of treasury stock	0	0
Total changes of items during the period	(3)	(3)
Balance at the end of current period	(863)	(866)
Total shareholders' equity		
Balance at the beginning of current period	84,247	86,739
Changes of items during the period		
Dividends from surplus	(1,423)	(948)
Net income	3,918	3,409
Purchase of treasury stock	(3)	(3)
Disposal of treasury stock	0	0
Total changes of items during the period	2,491	2,457
Balance at the end of current period	86,739	89,196

(Millions of yen)

	Fiscal 2011	Fiscal 2012
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	937	1,216
Changes of items during the period		
Net changes of items other than shareholders' equity	279	2,489
Total changes of items during the period	279	2,489
Balance at the end of current period	1,216	3,706
Deferred gains or losses on hedges		
Balance at the beginning of current period	1	(2)
Changes of items during the period		
Net changes of items other than shareholders' equity	(3)	0
Total changes of items during the period	(3)	0
Balance at the end of current period	(2)	(1)
Foreign currency translation adjustment		
Balance at the beginning of current period	(5,686)	(5,563)
Changes of items during the period		
Net changes of items other than shareholders' equity	123	2,185
Total changes of items during the period	123	2,185
Balance at the end of current period	(5,563)	(3,377)
Total accumulated other comprehensive income		
Balance at the beginning of current period	(4,747)	(4,349)
Changes of items during the period		
Net changes of items other than shareholders' equity	398	4,675
Total changes of items during the period	398	4,675
Balance at the end of current period	(4,349)	326
Minority interests		
Balance at the beginning of current period	665	706
Changes of items during the period		
Net changes of items other than shareholders' equity	41	1,028
Total changes of items during the period	41	1,028
Balance at the end of current period	706	1,735
Total net assets		
Balance at the beginning of current period	80,165	83,096
Changes of items during the period		
Dividends from surplus	(1,423)	(948)
Net income	3,918	3,409
Purchase of treasury stock	(3)	(3)
Disposal of treasury stock	0	0
Net changes of items other than shareholders' equity	440	5,704
Total changes of items during the period	2,931	8,162
Balance at the end of current period	83,096	91,258

(4) Consolidated statements of cash flows

(Millions of yen)

	Fiscal 2011	Fiscal 2012
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	6,118	5,842
Depreciation and amortization	9,310	8,957
Amortization of negative goodwill	(114)	-
Impairment loss	6	-
Increase (decrease) in allowance for doubtful accounts	(17)	(15)
Increase (decrease) in provision for retirement benefits	822	654
Increase (decrease) in provision for directors' retirement benefits	19	(361)
Increase (decrease) in provision for scheduled repairs	(257)	214
Interest and dividends income	(405)	(376)
Interest expenses	1,016	884
Foreign exchange losses (gains)	(0)	1
Equity in (earnings) losses of affiliates	2,509	(220)
Loss on valuation of inventories	331	(84)
Loss (gain) on sales of short-term and long term investment securities	0	0
Loss (gain) on valuation of short-term and long term investment securities	60	199
Gain(loss)on sales and disposal of property,plant and equipment,net	747	196
Loss on valuation of golf club memberships	40	7
Loss on foreign currency translation adjustment with liquidation of foreign subsidiaries	317	-
Decrease (increase) in notes and accounts receivable-trade	(9,511)	15,191
Decrease (increase) in inventories	1,291	2,512
Increase (decrease) in notes and accounts payable-trade	5,961	(11,591)
Increase/decrease in other assets/liabilities	249	(901)
Subtotal	18,496	21,112
Interest and dividends income received	416	421
Interest expenses paid	(1,015)	(913)
Proceeds from subsidy income	-	417
Income taxes paid	(2,113)	(4,317)
Income taxes refund	227	49
Net cash provided by (used in) operating activities	16,010	16,770

(4) Consolidated statements of cash flows

(Millions of yen)

	Fiscal 2011	Fiscal 2012
Net cash provided by (used in) investing activities		
Net decrease (increase) in time deposits	(0)	0
Purchase of property, plant and equipment	(7,254)	(15,015)
Proceeds from sales of property, plant and equipment	542	349
Purchase of investment securities	(19)	(60)
Proceeds from sales of investment securities	3	4
Payments of loans receivable	(19)	(17)
Collection of loans receivable	21	16
Purchase of intangible assets	(1,025)	(87)
Proceeds from sales of intangible assets	-	0
Change inoperative other assets	48	39
Net cash provided by (used in) investing activities	(7,703)	(14,770)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	416	753
Proceeds from long-term loans payable	9,060	2,300
Repayment of long-term loans payable	(10,080)	(7,745)
Proceeds from issuance of bonds	292	287
Redemption of bonds	(3,300)	(300)
Increase (decrease) in deposit payable in cash	250	30
Repayments of lease obligations	(70)	(264)
Proceeds from disposal of treasury stock	0	0
Purchase of treasury stock	(3)	(3)
Proceeds from stock issuance to minority shareholders	-	1,001
Cash dividends paid	(1,422)	(945)
Cash dividends paid to minority shareholders	(125)	(110)
Net cash provided by (used in) financing activities	(4,983)	(4,997)
Effect of exchange rate change on cash and cash equivalents	59	670
Net increase (decrease) in cash and cash equivalents	3,383	(2,326)
Cash and cash equivalents at beginning of period	18,741	22,124
Cash and cash equivalents at end of period	22,124	19,798