

Consolidated Business Results for FY March 2014

April 23, 2014

Name of listed company: JSR Corporation

Stock Exchange: Tokyo

Code # 4185

 URL <http://www.jsr.co.jp>

Representative: Mitsunobu Koshiba, President

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Expected date of the shareholders' meeting: June 17, 2014

Expected date of the release of Asset Security Report: June 17, 2014

Expected date of dividend payment: June 18, 2014

Supplemental information for the financial statements to be prepared: Yes

Meeting to explain for the financial statements to be held: Yes (for institutional investors and analysts)

(Figures are rounded down to the nearest million)

1. Consolidated Business Results for FY March 2014 (April 1, 2013 to March 31, 2014)

(1) Consolidated Operating Results

(% implies the rate of increase/decrease year-on-year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY March 2014	394,309	6.1	36,061	2.4	39,631	-8.8	25,172	-16.9
FY March 2013	371,487	6.2	35,206	-2.1	43,476	4.6	30,278	14.7

Note: Comprehensive Income: 34,632 million yen (-18.3%) for FY March 2014, 42,366 million yen (62.7%) for FY March 2013

	Net Income per Sshare	Net Income per Share after Latent Share Adjustment	Net Income /Capital Equity	Ordinary Income/Total Assets	Operating Income /Net Sales
	Yen	Yen	%	%	%
FY March 2014	106.10	105.85	7.9	8.1	9.1
FY March 2013	126.13	125.86	10.3	9.5	9.5

Note: Equity in earnings of affiliated companies: 1,546 million yen for FY March 2014; 4,731 million yen for FY March 2013.

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Capital Ratio	Net Assets per Share
	Millions of Yen	Millions of Yen	%	Yen
FY March 2014	501,319	337,259	66.1	1,409.06
FY March 2013	482,935	315,733	63.9	1,299.77

Note: Equity capital: 331,283 million yen for FY March 2014, 308,641 million yen for FY March 2013

(3) Consolidated Statement of Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investment Activities	Cash Flows from Financing Activities	Cash and Cash Equivalent at End of Year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
FY March 2014	35,474	8,221	-8,121	91,114
FY March 2013	47,719	-58,696	-10,159	53,818

2. Status of Distribution

	Dividend per Share					Total Dividend (Year)	Dividend Ratio (Consolidated)	Net Asset Dividend Rate (Consolidated)
	1 st Qt. End	2 nd Qt. End	3 rd Qt. End	Term End	Full year			
FY March 2013	Yen -	Yen 17.00	Yen -	Yen 17.00	Yen 34.00	Millions of Yen 8,138	% 27.0	% 2.8
FY March 2014	Yen -	Yen 19.00	Yen -	Yen 19.00	Yen 38.00	8,978	35.8	2.8
FY March 2015 (Expected)	Yen -	Yen 20.00	Yen -	Yen 20.00	Yen 40.00		33.6	

3. Forecast results for FY March 2015 (April 1, 2014 to March 31, 2015)

(Note: % for full year and interim term implies the rate of increase/decrease year-on-year and term-on-term, respectively)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
1 st half, FY March 2015	200,000	5.9	17,000	-4.7	17,500	-14.1	12,000	-8.7	51.04
Full FY March 2015	410,000	4.0	38,000	5.4	39,000	-1.6	28,000	11.2	119.09

* Notes

(1) Changes to major subsidiaries during the current fiscal year (changes to subsidiaries during the current fiscal year, accompanied by the scope of consolidation): No

(2) Changes in accounting policy, changes in accounting estimates, and restatements

1) Changes due to revisions of accounting policy, etc. : Yes

2) Changes in policy other than 1) : No

3) Changes in accounting estimates : No

4) Restatements : No

(3) Number of shares issued (common shares)

1) The number of shares issued at the end of the fiscal year (including treasury stocks)

FY March 2014	237,973,205 shares	FY March 2013	237,973,205 shares
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2) The number of treasury stocks

FY March 2014	2,862,706 shares	FY March 2013	515,440 shares
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3) The average number of shares issued within the fiscal year

FY March 2014	237,255,699 shares	FY March 2013	240,058,752 shares
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(Reference) Summary of Non-consolidated Business Results

1. Non-consolidated business results for FY March 2014 (April 1, 2013 to March 31, 2014)

(1) Non-consolidated operating results

(Note: % refers to the rate of increase/decrease year-on-year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY March 2014	265,605	2.6	26,678	0.4	35,100	4.0	22,707	3.8
FY March 2013	258,819	7.4	26,578	1.7	33,755	4.2	21,870	10.6

	Net Income per Share	After latent Share Adjustment (Net income per share)
	Yen	Yen
FY March 2014	95.71	95.49
FY March 2013	91.10	90.91

(2) Non-consolidated financial position

	Total Assets	Net Assets	Capital Equity Ratio	Net Assets per Share
	Millions of Yen	Millions of Yen	%	Yen
FY March 2014	395,751	263,361	66.3	1,116.79
FY March 2013	394,902	250,395	63.2	1,051.42

(Reference) Equity capital 262,569 million yen for FY March 2014, 249,667 million yen for FY March 2013

* Implementation status about the audit procedure

These financial statements are exempt from audit procedure as required by the Financial Instruments and Exchange Act. A part of audit based on Financial Instruments and Exchange Act were not completed at the time of the disclosure of these financial statements.

* Statement regarding appropriate use of forward-looking statements and other notes

The preceding descriptions of projections and plans are "forward-looking statements," which involve known and unknown risks and uncertainties. These variables could cause the JSR Group's actual performance and financial results to differ substantially from management's projections and plans.

Consolidated Business Results for FY March 2014

1. Operating Results

(1) Analysis of Operating Results

Overview of FY March 2014 (April 1, 2013 to March 31, 2014)

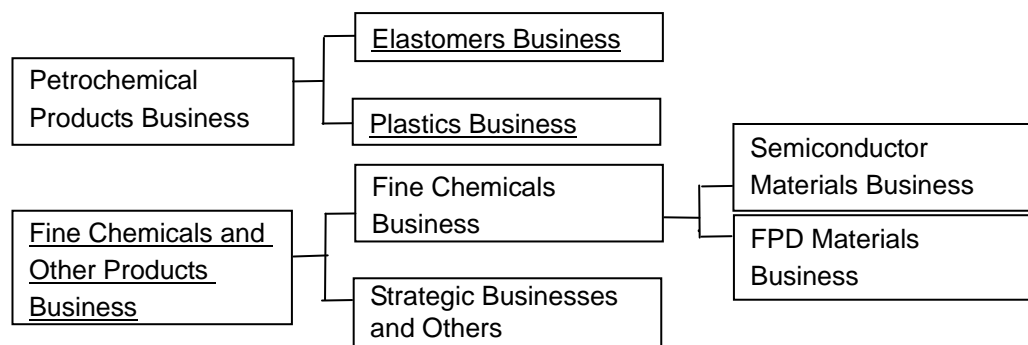
Here is an overview of the JSR Group's major customers' industries. Though automobile tire production increased year-on-year in China and the Asian region and grew slightly in North America and Europe, tire output in Japan remained at the same level as the previous year. While automobile production rose in North America and China and showed signs of a recovery in Europe, car output remained unchanged in Japan, though it gradually picked up due to economic recovery in the second half of FY March 2014. Meanwhile, semiconductor production also remained flat due to poor performance in the first half of FY March 2014, though it rebounded in the second half of FY March 2014. Production of flat panel displays (FPDs) increased, supported by strong demand for small- and medium-sized panels for mobile equipment, such as smartphones.

Amid these circumstances, the JSR Group expanded sales of products with technological advantages, while striving to revise product prices in response to a change in raw material prices, and cut down costs according to "E-100plus," a cost structure improvement initiative, to secure profitability. Net sales increased partly due to the weaker yen. Though operating income also grew, the deterioration of market conditions in the Petrochemicals Business and upfront investments in the Fine Chemicals and Other Products Business weighed on operating income. Meanwhile, ordinary income declined due to a fall in equity in the earnings of affiliates in the Petrochemicals Business.

In FY March 2014, we reported net sales of 394,309 million yen (up 6.1% year-on-year), operating income of 36,061 million yen (up 2.4%), ordinary income of 39,631 million yen (down 8.8%), and net income of 25,172 million yen (down 16.9%). Meanwhile, we revised downward our forecast for operating results for FY March 2014 when we announced the operating results for the first half of FY March 2014.

(Review of Operations)

The JSR Group's business is classified into three reportable segments: Fine Chemicals and Other Products, Elastomers, and Plastics. The positions of the reportable segments are as shown below.



<Elastomers Business Segment>

As tire production in Japan, one of our major customer industries, was flat, shipments of synthetic rubbers remained unchanged year-on-year in volume but increased in value. However, operating income declined, despite our efforts to secure profitability, such as revising product prices in accordance to changes in raw material prices and reducing production costs. This was mainly due to a decline in synthetic rubber prices due to capacity expansion, especially in the Asian region, by synthetic rubber manufacturers, which affected the supply-demand balance.

As a result, the Elastomers Business segment posted operating income of 17,329 million yen (down 3.3%) on net sales of 203,478 million yen (up 3.9%).

<Plastics Business Segment>

Shipments of plastics declined year-on-year in volume because those for industrial material applications including amusement and sundry goods were poor, though shipments for automobile applications recovered in the second half of FY March 2014. However, we saw net sales and operating income increase from FY March 2013 due to our efforts to revise selling prices in accordance with changes in raw material prices and to reduce costs further, as well as the effect of the weaker yen.

As a result, the Plastics Business segment posted operating income of 3,918 million yen (up 32.3%) on net sales of 57,763 million yen (up 11.6%).

<Fine Chemicals and Other Products Business Segment>

In the semiconductor materials business, net sales increased year-on-year due to the weaker yen and the commencement of the mass production of cutting-edge 20-nm generation devices, in which we hold a large market share, by our major customers in the second half of FY March 2014. In the FPD materials business, net sales grew due to a steady increase in capacity utilization of our major customers' facilities and the yen's depreciation. In the strategic businesses and other products, sales of biomedical materials solidly rose, but sales of optical films stagnated in the precision materials and processing fields. Meanwhile, we began full-scale sales of lithium-ion capacitors (LIC), an electricity storage device, and decided to construct a mass production plant.

Net sales and operating income rose in the Fine Chemicals and Other Products Business segment as a whole, though upfront investment in the development of next generation, cutting-edge technology squeezed operating income.

As a result, the Fine Chemicals and Other Products Business segment posted operating income of 14,813 million yen (up 3.4%) on net sales of 133,067 million yen (up 7.4%).

(Business Outlook for FY March 2015)

Here is our forecast for the prospects of the JSR Group's major customers' industries for FY March 2015. In the first half of FY March 2015, demand is expected to recover in the automobile tire and semiconductor markets, supported by a turnaround of the global economy, while the production of small- and medium-sized panels for smartphones and tablets is likely to continue growing steadily in the FPD market. However, rising global geopolitical risk and economic uncertainty have rendered the business outlook for each market unclear and unpredictable.

In the Elastomers Business segment, demand for synthetic rubber is likely to fluctuate in accordance with a recovery of automobile tire production. Since demand for solution polymerization styrene-butadiene rubber (S-SBR), in particular, is expected to increase stably along with the growth of fuel-efficient tires, we will strive to expand sales globally by using a plant of our joint-venture company in Thailand, which has begun full-scale operations.

In the Fine Chemicals and Other Products Business segment, we will increase sales of lithography materials, mainly photoresists, since major customers are likely to begin full-scale mass production of cutting edge 20-nm generation devices. Meanwhile, we will strive to expand sales of FPD materials, especially for small- and medium-sized panels, whose production is forecast to grow solidly.

For FY March 2015, we forecast consolidated net sales of 410,000 million yen (up 4.0% year-on-year), operating income of 38,000 million yen (up 5.4%), ordinary income of 39,000 million yen (down 1.6%) and net income of 28,000 million yen (up 11.2%). These forecasts assume an exchange rate of 100 yen per U.S. dollar and a naphtha price of 70,000 yen per kiloliter.

(2) Analysis of Financial Position

Analysis of Assets, Liabilities and Net Assets

As of March 31, 2014, total assets amounted to 501,319 million yen, up 18,384 million yen from a year earlier.

Current assets totaled 326,504 million yen, up 6,084 million yen, due to an increase in inventories, cash and deposits, and short-term investment securities.

Noncurrent assets totaled 174,815 million yen, up 12,299 million yen, due to a rise in investment securities related to investments in companies in Japan and overseas, and changes in valuations of securities and an increase in property, plant and equipment associated with the construction of a plant in Thailand.

Total liabilities amounted to 164,059 million yen, down 3,141 million yen from a year earlier, due to a decrease in notes and accounts payable-trade despite an increase in long-term loans payable.

Shareholders' equity increased by 12,455 million yen to 313,033 million yen. Accumulated other comprehensive income totaled 18,250 million yen, up 10,187 million yen. As a result, net assets, which also include subscription rights to shares and minority interests, amounted to 337,259 million yen, up 21,526 million yen from a year earlier.

(Analysis of Cash Flows)

As of March 31, 2014, cash and cash equivalents ("funds") stood at 91,114 million yen, up 37,296 million yen from a year earlier.

Net cash provided by operating activities amounted to 35,474 million yen, down 12,244 million yen from the previous year. The main factors included income before income taxes and minority interests of 36,956 million yen, depreciation and amortization of 18,095 million yen, a decrease in notes and accounts payable of 14,467 million yen, and income taxes paid of 11,848 million yen.

Net cash provided by investing activities totaled 8,221 million yen, up 66,918 million yen from the previous year. Major factors were a decrease in short-term investment securities of 28,500 million yen and the purchase of noncurrent assets of 21,107 million yen.

Net cash used in financing activities was 8,121 million yen, down 2,037 million yen from the previous year. The main factors included cash dividends paid of 8,463 million yen, the purchase of treasury stock of 4,182 million yen, and proceeds from long-term loans payable of 4,538 million yen.

(3) Basic policy on profit appropriation and dividends for the fiscal year ended March 31, 2014 and the fiscal year ending March 31, 2015

With respect to profit appropriation, the Company regards business growth over the long term as its top priority. To generate sustainable long-term growth, we strive to increase competitiveness by developing new businesses through the reinforcement of research and development activities.

Following this basic policy, we will appropriate profits in line with our consolidated performance while paying continuous, stable cash dividends based on comprehensive consideration of a balance between appropriating profits and retaining earnings necessary for future business advancement. We allocate retained earnings to R&D activities linked to future growth businesses, as well as to strategic investments. The Company works hard to return profits to shareholders by enhancing corporate value.

As already announced, based on this policy, we have decided to pay a year-end dividend of 19.00 yen per share, the same amount as the interim dividend. Including the interim dividend already paid, the total annual dividend for FY March 2014 will be 38.00 yen per share.

With regard to the dividend for the next fiscal year (FY March 2015), we plan to increase it to 40.00 yen annually (an interim dividend of 20.00 yen plus a year-end dividend of 20.00 yen), taking into account the business outlook.

2. Information on JSR Group

3. Management Policies

(1) Basic Management Policies

All members of the JSR Group will continually keep in mind the Group's Essential Elements that consist of the Corporate Mission, the Management Policies and the Course of Action, and act while sharing commitment to the Group's targets and values. We will inherit the good corporate culture fostered from the founding to the present, strive to realize management with a sense of urgency to promptly respond to changes of the times, environment and values, and aim to become a company that lives up to the trust of society and our stakeholders as an innovatory company that creates value through materials.

(2) Medium- to long-term management strategies, targeted management indicators, and issues to be addressed

(i) Targeted Management Indicators

The JSR Group uses the ratio of consolidated operating income to net sales and return on equity (ROE) as its targeted and important management indicators.

<Performance Objectives under the Mid-term Business Plan "JSR20i6">

	FY March 2014 Results	FY March 2015 Forecast	FY March 2017 Target
Consolidated net sales	394,300 million yen	410,000 million yen	500,000 million yen or more
Consolidated operating income	36,000 million yen	38,000 million yen	50,000 million yen or more
Ratio of consolidated operating income to net sales	9.1%	9.3%	10% or more
Return on Equity (ROE)	7.9%	8.2%	12% or more

(Progress in the Current Fiscal Year)

<Progress of the Mid-term Business Plan "JSR20i3">

"JSR20i3," our mid-term business plan, is the period of the "activation toward growth," the first among three phases to realize our vision set for 2020. The objective of "JSR20i3" is to transform our business structure, a shift from conventional core businesses (the Petrochemicals and Fine Chemicals segments) to "the Core business and Strategic business." Although, unfortunately, we failed to achieve the targeted net sales and operating income, we have steadily performed tasks to achieve our objective.

Sales expanded more than expected in the Petrochemicals Business segment, while the semiconductor and flat panel display (FPD) markets—major customer industries—grew slower than expected, resulting in a failure to achieve the sales targets for semiconductor and FPD materials in the Fine Chemicals and Other Products Business segment.

Meanwhile, we wrestled major tasks with certain results. In the Petrochemicals Business segment, we drove global sales expansion of S-SBR for fuel-efficient tires and improved the break-even point of the Elastomers Business segment. In the Fine Chemicals and Other Products Business segment, we increased the market share of cutting-edge semiconductor and FPD materials and steadily created the foundation for the future growth of LIC and biomedical materials (Life Sciences field) in the Strategic Business segment.

<Formulation of the New mid-term Business Plan "JSR20i6">

Following our mid-term business plan, "JSR20i3," that ended in FY March 2014, we will implement "JSR20i6," our new mid-term business plan, by regarding the years from FY March 2015 to FY March 2017 as the period for "getting on growth track," the second of the three phases toward realizing our vision set for 2020.

Under "JSR20i6," we will conduct our business to steadily increase profitability, based on what we accomplished under "JSR20i3," with the aim of achieving net sales of 500 billion yen or more and operating income of 50 billion yen or more in FY March 2017.

(Issues to be Addressed)

<Petrochemicals Business Segment>

JSR BST Elastomer Co., Ltd. (JBE), our joint-venture company in Thailand, began commercial operations. We will strive to expand sales of S-SBR by capturing growing demand for fuel-efficient tires without fail to enable us to have JBE fully operational at an early stage. In addition, we will begin the second phase construction at JBE and the construction of a plant of JSR MOL Synthetic Rubber Ltd., our joint-venture company in Hungary, to meet further expanding demand. We will push harder to have them begin operations as scheduled. We will create a framework to ensure the stable procurement of butadiene, a main raw material, because it is predicted that the supply of butadiene will become scarce in the future along with the expansion of the use of shale gas.

<Fine Chemicals Segment>

In the semiconductor material business, we will strive to increase sales of lithography materials, especially those for cutting edge 20-nm generation devices, in which we hold a large market share, and focus on the development of the next generation products to maintain a large market share.

In the FPD materials business, we will increase the competitiveness of materials for large-sized panels by carrying out thoroughgoing cost reduction and establishing a technical service system at our group companies in South Korea and Taiwan, and expand sales by marketing new products that respond to the sophistication of small- and medium-sized panels.

<Strategic Business Segment>

We will concentrate our business resources on biomedical materials (Life Sciences field) and LIC, an electricity storage device.

In the field of Life Science, we will strive to increase sales of bioprocess materials, in-vitro diagnostics and reagents, and medical polymers by using the JSR Group's global development, production, and marketing systems. In addition, we will boost the in-vitro diagnostics and reagents business by taking advantages of an alliance with Medical & Biological Laboratories Co., Ltd. (MBL), and strengthen the development and sales of bioprocess materials through collaboration with bio start-up companies in Japan and overseas.

In the LIC business, we will strive to expand sales by commencing, in 2015 as scheduled, the operation of a new plant that mass-manufactures LIC products featuring a better balance between super low-resistance, high-voltage, high-durability and a smaller footprint than competing products.

<Other Issues to be Addressed>

Development of Human Resources

Developing human resources is the most important issue for an enterprise to address to achieve sustainable growth. Based on our human resource development policy that places importance on the self-reliant growth of employees, we will continue implementing human resource development measures to strengthen our organizational capability. In pursuit of the penetration of the Group's Essential Elements and the enhancement of corporate culture, we will practice our Course of Action, especially the 4Cs (Challenge, Communication, Collaboration and Cultivation), and encourage individual people and organizations to act voluntarily while sharing the Group's targets and values.

Corporate Governance

We are a company with corporate auditors. The Board of Directors and the Board of Auditors closely monitor our management. From FY March 2012, we have appointed outside directors, who are highly independent and neutral and have extensive business experience, to

upgrade functions to monitor the appropriateness of the managerial judgment and the legitimacy of the execution of operations, and to enhance the managerial decision-making function. We will continuously strive to strengthen and enhance our corporate governance to realize the fair, transparent and prompt execution of operations.

CSR

The JSR Group promotes CSR activities based on the pillars of four activities—corporate ethics, responsible care, risk management and social contribution—under the initiative of the CSR Committee, to fulfill corporate social responsibility. As a member of the Chemical industry, we recognize environment and safety, in particular, as one of the most important issues for the basis of management. We will strive to effectively promote CSR activities throughout the entire group and raise the level of these activities.

We will fully address the above-mentioned issues in FY March 2015, the initial year of our new mid-term business plan, “JSR20i6.”

Consolidated balance sheets for FY March 2014

(Unit: Millions of Yen)

	Full FY March 2013	Full FY March 2014
Assets		
Current assets		
Cash and deposits	32,190	33,390
Notes and accounts receivable - trade, net	91,511	87,613
Securities	79,412	81,004
Inventories	74,687	78,689
Accounts receivable - other	28,882	30,663
Other	13,734	15,141
Total current assets	320,419	326,504
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	27,824	30,623
Machinery, equipment and vehicles, net	25,800	37,267
Land	18,685	18,626
Other, net	20,894	9,113
Total property, plant and equipment	93,205	95,630
Intangible assets	6,309	7,250
Investments and other assets		
Investment securities	50,531	60,952
Other	12,469	10,982
Total investments and other assets	63,001	71,935
Total non-current assets	162,516	174,815
Total assets	482,935	501,319

(Unit: Millions of Yen)

	Full FY March 2013	Full FY March 2014
Liabilities		
Current liabilities		
Notes and accounts payable - trade	97,225	85,333
Short-term loans payable	14,210	15,578
Income taxes payable	6,888	6,396
Other	23,521	25,133
Total current liabilities	141,846	132,442
Non-current liabilities		
Long-term loans payable	6,625	11,069
Provision for retirement benefits	15,211	-
Net defined benefit liability	-	15,242
Provision for environmental measures	2,101	1,734
Other	1,417	3,571
Total non-current liabilities	25,355	31,617
Total liabilities	167,201	164,059
Net assets		
Shareholders' equity		
Common stock	23,320	23,320
Capital surplus	25,179	25,179
Retained earnings	253,009	269,620
Treasury shares	△930	△5,087
Total shareholders' equity	300,577	313,033
Accumulated other comprehensive income		
Unrealized gains on securities, net of taxes	8,470	11,467
Foreign currency translation adjustment	△407	6,971
Remeasurements of defined benefit plans	-	△188
Total accumulated other comprehensive income	8,063	18,250
Subscription rights to shares	728	792
Minority interests	6,364	5,183
Total net assets	315,733	337,259
Total liabilities and net assets	482,935	501,319

Consolidated statements of income and comprehensive income**Consolidated statements of income**

(Unit: Millions of Yen)

	FY March 2013 (April 1, 2012 to March 31, 2013)	FY March 2014 (April 1, 2013 to March 31, 2014)
Net sales	371,487	394,309
Cost of sales	279,161	294,924
Gross profit	92,325	99,384
Selling, general and administrative expenses		
Selling expenses	16,362	16,924
General and administrative expenses	40,756	46,398
Total selling, general and administrative expenses	57,119	63,322
Operating income	35,206	36,061
Non-operating income		
Interest income	370	256
Dividend income	438	659
Foreign exchange gains	2,975	1,672
Share of profit of entities accounted for using equity method	4,731	1,546
Other	892	931
Total non-operating income	9,409	5,065
Non-operating expenses		
Interest expenses	125	141
Depreciation	141	319
Loss on abandonment of non-current assets	145	296
Other	726	739
Total non-operating expenses	1,138	1,496
Ordinary income	43,476	39,631
Extraordinary income		
Gain on sales of investment securities	214	-
Total extraordinary income	214	-
Extraordinary losses		
Restructuring loss	-	2,409
Loss on abandonment of inventories	741	-
Other	102	265
Total extraordinary losses	844	2,675
Income before income taxes and minority interests	42,847	36,956
Income taxes - current	12,948	11,636
Income taxes - deferred	△391	1,123
Total income taxes	12,556	12,760
Income before minority interests	30,290	24,195
Minority interests in income (loss)	12	△977
Net income	30,278	25,172

Consolidated statements of comprehensive income

(Unit: Millions of Yen)

	FY March 2013 (April 1, 2012 to March 31, 2013)	FY March 2014 (April 1, 2013 to March 31, 2014)
Income before minority interests	30,290	24,195
Other comprehensive income		
Unrealized gains on securities, net of taxes	4,273	2,968
Foreign currency translation adjustment	5,755	4,334
Share of other comprehensive income of entities accounted for using equity method	2,045	3,134
Total other comprehensive income	12,075	10,436
Comprehensive income	42,366	34,632
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	41,484	35,548
Comprehensive income attributable to minority interests	882	△916

Consolidated Statements of Changes in Net Assets

FY March 2013 (April 1, 2012 to March 31, 2013)

(Unit: Millions of Yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	23,320	25,179	263,100	△27,321	284,279
Changes of items during period					
Dividends of surplus			△7,961		△7,961
Net income			30,278		30,278
Purchase of treasury shares				△6,000	△6,000
Disposal of treasury shares			△4	38	34
Retirement of treasury shares			△32,352	32,352	-
Change of scope of consolidation			△51		△51
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	△10,091	26,390	16,298
Balance at end of current period	23,320	25,179	253,009	△930	300,577

	Accumulated other comprehensive income				Subscription rights to shares	Minority interests	Total net assets
	Unrealized gains on securities, net of taxes	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	4,217	△7,541	-	△3,323	655	746	282,357
Changes of items during period							
Dividends of surplus							△7,961
Net income							30,278
Purchase of treasury shares							△6,000
Disposal of treasury shares							34
Retirement of treasury shares							-
Change of scope of consolidation							△51
Net changes of items other than shareholders' equity	4,252	7,134	-	11,386	72	5,618	17,077
Total changes of items during period	4,252	7,134	-	11,386	72	5,618	33,376
Balance at end of current period	8,470	△407	-	8,063	728	6,364	315,733

FY March 2014 (April 1, 2013 to March 31, 2014)

(Unit: Millions of Yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	23,320	25,179	253,009	△930	300,577
Changes of items during period					
Dividends of surplus			△8,548		△8,548
Net income			25,172		25,172
Purchase of treasury shares				△4,182	△4,182
Disposal of treasury shares		0		25	26
Retirement of treasury shares					-
Change of scope of consolidation			△12		△12
Net changes of items other than shareholders' equity					-
Total changes of items during period	-	0	16,611	△4,156	12,455
Balance at end of current period	23,320	25,179	269,620	△5,087	313,033

	Accumulated other comprehensive income				Subscription rights to shares	Minority interests	Total net assets
	Unrealized gains on securities, net of taxes	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	8,470	△407	-	8,063	728	6,364	315,733
Changes of items during period							
Dividends of surplus							△8,548
Net income							25,172
Purchase of treasury shares							△4,182
Disposal of treasury shares							26
Retirement of treasury shares							-
Change of scope of consolidation							△12
Net changes of items other than shareholders' equity	2,997	7,379	△188	10,187	64	△1,180	9,070
Total changes of items during period	2,997	7,379	△188	10,187	64	△1,180	21,526
Balance at end of current period	11,467	6,971	△188	18,250	792	5,183	337,259

Consolidated Statements of Cash Flows

(Unit: Millions of Yen)

	FY March 2013 (April 1, 2012 to March 31, 2013)	FY March 2014 (April 1, 2013 to March 31, 2014)
Cash flows from operating activities		
Income before income taxes and minority interests	42,847	36,956
Depreciation	19,232	18,095
Interest and dividend income	△808	△916
Interest expenses	125	141
Share of (profit) loss of entities accounted for using equity method	△4,731	△1,546
Loss on business restructuring	-	2,409
Decrease (increase) in notes and accounts receivable - trade	202	6,050
Decrease (increase) in inventories	△7,951	△2,261
Increase (decrease) in notes and accounts payable - trade	11,688	△14,467
Other, net	△2,885	1,234
Subtotal	57,718	45,696
Interest and dividend income received	2,566	1,751
Interest expenses paid	△124	△124
Income taxes paid	△12,440	△11,848
Net cash provided by (used in) operating activities	47,719	35,474
Cash flows from investing activities		
Decrease (increase) in time deposits	1,000	6,735
Decrease (increase) in short-term investment securities	△26,000	28,500
Purchase of non-current assets	△27,869	△21,107
Purchase of investment securities	△2,092	△1,003
Purchase of shares of subsidiaries and associates	△4,499	△1,035
Payments for investments in capital of subsidiaries and associates	-	△2,800
Payments of loans receivable	△2,007	△3,225
Collection of loans receivable	2,914	2,698
Other, net	△142	△541
Net cash provided by (used in) investing activities	△58,696	8,221
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	△1,112	143
Repayments of long-term loans payable	△1,000	-
Proceeds from long-term loans payable	5,416	4,538
Proceeds from share issuance to minority shareholders	540	-
Purchase of treasury shares	△6,000	△4,182
Cash dividends paid	△7,960	△8,463
Cash dividends paid to minority shareholders	△18	△146
Other, net	△23	△11
Net cash provided by (used in) financing activities	△10,159	△8,121
Effect of exchange rate change on cash and cash equivalents	1,772	1,722
Net increase (decrease) in cash and cash equivalents	△19,363	37,296
Cash and cash equivalents at beginning of period	67,198	53,818
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	5,983	-
Cash and cash equivalents at end of period	53,818	91,114