# CONSOLIDATED FINANCIAL RESULTS
for the First Nine Months of the Fiscal Year Ending March 31, 2015
<under Japanese GAAP>

## Company name:
TOMY COMPANY, LTD.

## Listing:
First Section of the Tokyo Stock Exchange

## Securities identification code:
7867

## URL:
http://www.takaratomy.co.jp/

## Representative:
Kantaro Tomiyama, President and CEO

## Inquiries:
Kazuhiro Kojima, Board Director, Senior Executive Officer & CFO
Head of Corporate Administrations
TEL: +81-3-5654-1548 (from overseas)

## Scheduled date to file quarterly securities report:
February 13, 2015

## Scheduled date to commence dividend payments:
–

## Supplementary material on quarterly financial results:
None

## Quarterly financial results presentation meeting:
None

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## 1. Consolidated performance for the first nine months of the fiscal year ending March 31, 2015
(From April 1, 2014 to December 31, 2014)

### (1) Consolidated operating results (cumulative)

<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></td>
<td>Millions of yen</td>
<td>%</td>
<td>Millions of yen</td>
<td>%</td>
</tr>
<tr>
<td>Nine months ended</td>
<td>December 31, 2014</td>
<td>117,508</td>
<td>(5.1)</td>
<td>3,662</td>
</tr>
<tr>
<td></td>
<td>December 31, 2013</td>
<td>123,787</td>
<td>(12.8)</td>
<td>5,646</td>
</tr>
</tbody>
</table>

**Note:** Comprehensive income
Nine months ended December 31, 2014: 7,998 million yen [23.1%]
Nine months ended December 31, 2013: 6,496 million yen [53.4%]

### (2) Consolidated financial position

<table>
<thead>
<tr>
<th></th>
<th>Total assets</th>
<th>Net assets</th>
<th>Equity ratio</th>
<th>Net assets per share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of yen</td>
<td>Millions of yen</td>
<td>%</td>
<td>yen</td>
</tr>
<tr>
<td>As of January 31, 2014</td>
<td>170,243</td>
<td>51,756</td>
<td>29.6</td>
<td>594.56</td>
</tr>
<tr>
<td>As of March 31, 2014</td>
<td>156,467</td>
<td>50,907</td>
<td>31.7</td>
<td>526.49</td>
</tr>
</tbody>
</table>

**Reference:** Equity
As of December 31, 2014: 50,400 million yen
As of March 31, 2014: 49,558 million yen
2. Cash dividends

<table>
<thead>
<tr>
<th>First quarter-end</th>
<th>Second quarter-end</th>
<th>Third quarter-end</th>
<th>Year-end</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal year ended</td>
<td>yen</td>
<td>yen</td>
<td>yen</td>
<td>yen</td>
</tr>
<tr>
<td>March 31, 2014</td>
<td>–</td>
<td>5.00</td>
<td>–</td>
<td>5.00</td>
</tr>
<tr>
<td>Fiscal year ending</td>
<td>yen</td>
<td>yen</td>
<td>yen</td>
<td>yen</td>
</tr>
<tr>
<td>March 31, 2015</td>
<td>–</td>
<td>5.00</td>
<td>–</td>
<td>5.00</td>
</tr>
</tbody>
</table>

Note: Revisions to the cash dividend forecasts most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2015
   (From April 1, 2014 to March 31, 2015)

<table>
<thead>
<tr>
<th>Net sales</th>
<th>Operating income</th>
<th>Ordinary income</th>
<th>Net income</th>
<th>Net income per share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Millions of yen</td>
<td>%</td>
<td>Millions of yen</td>
<td>%</td>
<td>Millions of yen</td>
</tr>
<tr>
<td>Fiscal year ending March 31, 2015</td>
<td>149,000</td>
<td>(3.7)</td>
<td>2,500</td>
<td>(25.0)</td>
</tr>
</tbody>
</table>

Note: Revisions to the consolidated earnings forecasts most recently announced: Yes

* Notes

(1) Changes in significant subsidiaries during the nine months under review (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Application of specific accounting for preparing quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement
   A. Changes in accounting policies due to revisions to accounting standards: Yes
   B. Changes in accounting policies due to other reasons: None
   C. Changes in accounting estimates: None
   D. Restatement: None

(4) Number of issued shares (common shares)
   A. Total number of issued shares at the end of the period (including treasury shares)

<table>
<thead>
<tr>
<th></th>
<th>Millions of shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>As of December 31, 2014</td>
<td>96,290,850 shares</td>
</tr>
<tr>
<td>As of March 31, 2014</td>
<td>96,290,850 shares</td>
</tr>
</tbody>
</table>

   B. Number of treasury shares at the end of the period

<table>
<thead>
<tr>
<th></th>
<th>Millions of shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>As of December 31, 2014</td>
<td>11,521,305 shares</td>
</tr>
<tr>
<td>As of March 31, 2014</td>
<td>2,159,947 shares</td>
</tr>
</tbody>
</table>

   C. Average number of shares during the period (cumulative from the beginning of the fiscal year)

<table>
<thead>
<tr>
<th></th>
<th>Millions of shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nine months ended December 31, 2014</td>
<td>93,385,073 shares</td>
</tr>
<tr>
<td>Nine months ended December 31, 2013</td>
<td>94,133,564 shares</td>
</tr>
</tbody>
</table>

* Indication regarding execution of quarterly review procedures

The completion of quarterly review procedures in accordance with the Financial Instruments and Exchange Act is not required for preparing this quarterly financial results report. At the time of disclosure of this quarterly financial results report, the quarterly review procedures for the quarterly consolidated financial statements in accordance with the Financial Instruments and Exchange Act were incomplete.
## Quarterly Consolidated Financial Statements

(1) Consolidated balance sheet

<table>
<thead>
<tr>
<th>(Millions of yen)</th>
<th>As of March 31, 2014</th>
<th>As of December 31, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and deposits</td>
<td>46,775</td>
<td>37,820</td>
</tr>
<tr>
<td>Notes and accounts receivable - trade</td>
<td>18,271</td>
<td>29,693</td>
</tr>
<tr>
<td>Merchandise and finished goods</td>
<td>17,142</td>
<td>21,603</td>
</tr>
<tr>
<td>Work in process</td>
<td>317</td>
<td>367</td>
</tr>
<tr>
<td>Raw materials and supplies</td>
<td>762</td>
<td>995</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>1,993</td>
<td>2,357</td>
</tr>
<tr>
<td>Other</td>
<td>5,491</td>
<td>5,780</td>
</tr>
<tr>
<td>Allowance for doubtful accounts</td>
<td>(158)</td>
<td>(199)</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>90,595</td>
<td>98,419</td>
</tr>
<tr>
<td><strong>Non-current 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>13,282</td>
<td>13,694</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(7,967)</td>
<td>(8,375)</td>
</tr>
<tr>
<td>Accumulated impairment loss</td>
<td>(373)</td>
<td>(372)</td>
</tr>
<tr>
<td>Buildings and structures, net</td>
<td>4,942</td>
<td>4,945</td>
</tr>
<tr>
<td>Machinery, equipment and vehicles</td>
<td>1,931</td>
<td>2,133</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(1,191)</td>
<td>(1,377)</td>
</tr>
<tr>
<td>Accumulated impairment loss</td>
<td>(0)</td>
<td>(12)</td>
</tr>
<tr>
<td>Machinery, equipment and vehicles, net</td>
<td>739</td>
<td>742</td>
</tr>
<tr>
<td>Tools, furniture and fixtures</td>
<td>25,614</td>
<td>27,271</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(22,552)</td>
<td>(23,489)</td>
</tr>
<tr>
<td>Accumulated impairment loss</td>
<td>(421)</td>
<td>(477)</td>
</tr>
<tr>
<td>Tools, furniture and fixtures, net</td>
<td>2,639</td>
<td>3,305</td>
</tr>
<tr>
<td>Land</td>
<td>4,293</td>
<td>4,336</td>
</tr>
<tr>
<td>Leased assets</td>
<td>5,755</td>
<td>7,119</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(2,929)</td>
<td>(3,665)</td>
</tr>
<tr>
<td>Accumulated impairment loss</td>
<td>–</td>
<td>(2)</td>
</tr>
<tr>
<td>Leased assets, net</td>
<td>2,825</td>
<td>3,451</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>1,323</td>
<td>380</td>
</tr>
<tr>
<td><strong>Total property, plant and equipment</strong></td>
<td>16,764</td>
<td>17,162</td>
</tr>
<tr>
<td><strong>Intangible assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goodwill</td>
<td>25,707</td>
<td>28,752</td>
</tr>
<tr>
<td>Other</td>
<td>17,765</td>
<td>19,775</td>
</tr>
<tr>
<td><strong>Total intangible assets</strong></td>
<td>43,473</td>
<td>48,528</td>
</tr>
<tr>
<td><strong>Investments and other assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment securities</td>
<td>2,243</td>
<td>2,666</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>103</td>
<td>106</td>
</tr>
<tr>
<td>Other</td>
<td>3,424</td>
<td>3,523</td>
</tr>
<tr>
<td>Allowance for doubtful accounts</td>
<td>(230)</td>
<td>(226)</td>
</tr>
<tr>
<td><strong>Total investments and other assets</strong></td>
<td>5,540</td>
<td>6,070</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>65,778</td>
<td>71,760</td>
</tr>
<tr>
<td><strong>Deferred assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bond issuance cost</td>
<td>93</td>
<td>63</td>
</tr>
<tr>
<td><strong>Total deferred assets</strong></td>
<td>93</td>
<td>63</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>156,467</td>
<td>170,243</td>
</tr>
<tr>
<td>Liabilities</td>
<td>As of March 31, 2014</td>
<td>As of December 31, 2014</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>----------------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notes and accounts payable - trade</td>
<td>8,224</td>
<td>11,468</td>
</tr>
<tr>
<td>Short-term loans payable</td>
<td>7,335</td>
<td>8,543</td>
</tr>
<tr>
<td>Current portion of long-term loans payable</td>
<td>5,533</td>
<td>5,846</td>
</tr>
<tr>
<td>Current portion of bonds with subscription rights to shares</td>
<td>4,900</td>
<td>–</td>
</tr>
<tr>
<td>Lease obligations</td>
<td>2,172</td>
<td>2,248</td>
</tr>
<tr>
<td>Accounts payable - other</td>
<td>4,365</td>
<td>5,294</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>6,297</td>
<td>8,210</td>
</tr>
<tr>
<td>Income taxes payable</td>
<td>453</td>
<td>1,890</td>
</tr>
<tr>
<td>Provision</td>
<td>1,258</td>
<td>772</td>
</tr>
<tr>
<td>Other</td>
<td>624</td>
<td>829</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>41,166</td>
<td>45,104</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonds payable</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Bonds with subscription rights to shares</td>
<td>7,400</td>
<td>–</td>
</tr>
<tr>
<td>Long-term loans payable</td>
<td>37,719</td>
<td>52,451</td>
</tr>
<tr>
<td>Lease obligations</td>
<td>640</td>
<td>1,355</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>2,810</td>
<td>3,661</td>
</tr>
<tr>
<td>Deferred tax liabilities for land revaluation</td>
<td>551</td>
<td>551</td>
</tr>
<tr>
<td>Net defined benefit liability</td>
<td>3,084</td>
<td>3,062</td>
</tr>
<tr>
<td>Provision</td>
<td>216</td>
<td>196</td>
</tr>
<tr>
<td>Other</td>
<td>1,970</td>
<td>2,103</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td>64,393</td>
<td>73,381</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>105,559</td>
<td>118,486</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital stock</td>
<td>3,459</td>
<td>3,459</td>
</tr>
<tr>
<td>Capital surplus</td>
<td>6,743</td>
<td>6,741</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>35,320</td>
<td>34,408</td>
</tr>
<tr>
<td>Treasury shares</td>
<td>(1,323)</td>
<td>(7,493)</td>
</tr>
<tr>
<td><strong>Total shareholders’ equity</strong></td>
<td>44,200</td>
<td>37,115</td>
</tr>
<tr>
<td>Accumulated other comprehensive income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Valuation difference on available-for-sale securities</td>
<td>433</td>
<td>726</td>
</tr>
<tr>
<td>Deferred gains or losses on hedges</td>
<td>216</td>
<td>673</td>
</tr>
<tr>
<td>Revaluation reserve for land</td>
<td>68</td>
<td>68</td>
</tr>
<tr>
<td>Foreign currency translation adjustment</td>
<td>4,999</td>
<td>12,154</td>
</tr>
<tr>
<td>Remeasurements of defined benefit plans</td>
<td>(360)</td>
<td>(337)</td>
</tr>
<tr>
<td><strong>Total accumulated other comprehensive income</strong></td>
<td>5,358</td>
<td>13,285</td>
</tr>
<tr>
<td>Subscription rights to shares</td>
<td>644</td>
<td>683</td>
</tr>
<tr>
<td>Minority interests</td>
<td>704</td>
<td>673</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td>50,907</td>
<td>51,756</td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td>156,467</td>
<td>170,243</td>
</tr>
</tbody>
</table>
### (2) Consolidated statement of income and consolidated statement of comprehensive income

#### Consolidated statement of income (cumulative)

<table>
<thead>
<tr>
<th></th>
<th>Nine months ended December 31, 2013</th>
<th>Nine months ended December 31, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>123,787</td>
<td>117,508</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>80,394</td>
<td>75,805</td>
</tr>
<tr>
<td>Gross profit</td>
<td>43,392</td>
<td>41,703</td>
</tr>
<tr>
<td>Selling, general and administrative expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Packing and transportation expenses</td>
<td>2,436</td>
<td>2,339</td>
</tr>
<tr>
<td>Warehousing expenses</td>
<td>3,048</td>
<td>2,950</td>
</tr>
<tr>
<td>Advertising expenses</td>
<td>6,469</td>
<td>6,857</td>
</tr>
<tr>
<td>Salaries, allowances and bonuses</td>
<td>10,678</td>
<td>10,723</td>
</tr>
<tr>
<td>Research and development expenses</td>
<td>1,498</td>
<td>1,584</td>
</tr>
<tr>
<td>Commission fee</td>
<td>2,064</td>
<td>2,144</td>
</tr>
<tr>
<td>Other</td>
<td>11,550</td>
<td>11,441</td>
</tr>
<tr>
<td><strong>Total selling, general and administrative expenses</strong></td>
<td><strong>37,746</strong></td>
<td><strong>38,041</strong></td>
</tr>
<tr>
<td>Operating income</td>
<td>5,646</td>
<td>3,662</td>
</tr>
<tr>
<td>Non-operating income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest and dividend income</td>
<td>102</td>
<td>68</td>
</tr>
<tr>
<td>Foreign exchange gains</td>
<td>703</td>
<td>323</td>
</tr>
<tr>
<td>Rent income</td>
<td>146</td>
<td>112</td>
</tr>
<tr>
<td>Other</td>
<td>196</td>
<td>79</td>
</tr>
<tr>
<td><strong>Total non-operating income</strong></td>
<td><strong>1,149</strong></td>
<td><strong>584</strong></td>
</tr>
<tr>
<td>Non-operating expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest expenses</td>
<td>622</td>
<td>593</td>
</tr>
<tr>
<td>Other</td>
<td>113</td>
<td>181</td>
</tr>
<tr>
<td><strong>Total non-operating expenses</strong></td>
<td><strong>735</strong></td>
<td><strong>775</strong></td>
</tr>
<tr>
<td>Ordinary income</td>
<td>6,060</td>
<td>3,471</td>
</tr>
<tr>
<td>Extraordinary income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain on sales of non-current assets</td>
<td>69</td>
<td>2</td>
</tr>
<tr>
<td>Gain on reversal of subscription rights to shares</td>
<td>167</td>
<td>5</td>
</tr>
<tr>
<td>Gain on bargain purchase</td>
<td>68</td>
<td>–</td>
</tr>
<tr>
<td>Other</td>
<td>4</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total extraordinary income</strong></td>
<td><strong>310</strong></td>
<td><strong>8</strong></td>
</tr>
<tr>
<td>Extraordinary losses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss on sales of non-current assets</td>
<td>11</td>
<td>1</td>
</tr>
<tr>
<td>Loss on retirement of non-current assets</td>
<td>42</td>
<td>161</td>
</tr>
<tr>
<td>Loss on sales of investment securities</td>
<td>547</td>
<td>–</td>
</tr>
<tr>
<td>Impairment loss</td>
<td>123</td>
<td>103</td>
</tr>
<tr>
<td>Business structure improvement expenses</td>
<td>279</td>
<td>–</td>
</tr>
<tr>
<td>Loss on business withdrawal</td>
<td>239</td>
<td>–</td>
</tr>
<tr>
<td>Settlement cost</td>
<td>–</td>
<td>1,137</td>
</tr>
<tr>
<td>Loss from fraud</td>
<td>81</td>
<td>214</td>
</tr>
<tr>
<td>Prior periods adjustment expenses</td>
<td>–</td>
<td>76</td>
</tr>
<tr>
<td>Other</td>
<td>132</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total extraordinary losses</strong></td>
<td><strong>1,456</strong></td>
<td><strong>1,696</strong></td>
</tr>
<tr>
<td>Income before income taxes and minority interests</td>
<td><strong>4,913</strong></td>
<td><strong>1,783</strong></td>
</tr>
<tr>
<td>Income taxes</td>
<td>2,732</td>
<td>1,711</td>
</tr>
<tr>
<td>Income before minority interests</td>
<td>2,180</td>
<td>71</td>
</tr>
<tr>
<td>Minority interests in income</td>
<td>43</td>
<td>6</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>2,137</td>
<td>65</td>
</tr>
</tbody>
</table>
## Consolidated statement of comprehensive income (cumulative)

### (Millions of yen)

<table>
<thead>
<tr>
<th></th>
<th>Nine months ended December 31, 2013</th>
<th>Nine months ended December 31, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income before minority interests</td>
<td>2,180</td>
<td>71</td>
</tr>
<tr>
<td><strong>Other comprehensive income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Valuation difference on available-for-sale securities</td>
<td>88</td>
<td>292</td>
</tr>
<tr>
<td>Deferred gains or losses on hedges</td>
<td>(274)</td>
<td>456</td>
</tr>
<tr>
<td>Foreign currency translation adjustment</td>
<td>4,500</td>
<td>7,155</td>
</tr>
<tr>
<td>Remeasurements of defined benefit plans, net of tax</td>
<td>–</td>
<td>22</td>
</tr>
<tr>
<td><strong>Total other comprehensive income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4,315</td>
<td>7,926</td>
</tr>
<tr>
<td>Comprehensive income</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6,496</td>
<td>7,998</td>
</tr>
<tr>
<td><strong>Comprehensive income attributable to</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Comprehensive income attributable to owners of parent</td>
<td>6,451</td>
<td>7,992</td>
</tr>
<tr>
<td>Comprehensive income attributable to minority interests</td>
<td>44</td>
<td>6</td>
</tr>
</tbody>
</table>
## Consolidated statement of cash flows

(Millions of yen)

<table>
<thead>
<tr>
<th>Description</th>
<th>Nine months ended December 31, 2013</th>
<th>Nine months ended December 31, 2014</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 and minority interests</td>
<td>4,913</td>
<td>1,783</td>
</tr>
<tr>
<td>Depreciation</td>
<td>4,805</td>
<td>5,237</td>
</tr>
<tr>
<td>Impairment loss</td>
<td>123</td>
<td>103</td>
</tr>
<tr>
<td>Amortization of goodwill</td>
<td>1,229</td>
<td>1,204</td>
</tr>
<tr>
<td>Amortization of negative goodwill</td>
<td>(16)</td>
<td>(5)</td>
</tr>
<tr>
<td>Gain on reversal of subscription rights to shares</td>
<td>(68)</td>
<td>(5)</td>
</tr>
<tr>
<td>Gain on bargain purchase</td>
<td>(167)</td>
<td>(5)</td>
</tr>
<tr>
<td>Interest expenses</td>
<td>622</td>
<td>593</td>
</tr>
<tr>
<td>Decrease (increase) in notes and accounts receivable - trade</td>
<td>(6,148)</td>
<td>(10,227)</td>
</tr>
<tr>
<td>Increase (decrease) in inventories</td>
<td>(1,995)</td>
<td>(3,350)</td>
</tr>
<tr>
<td>Increase (decrease) in notes and accounts payable - trade</td>
<td>791</td>
<td>2,497</td>
</tr>
<tr>
<td>Increase (decrease) in accounts payable - other</td>
<td>(1,178)</td>
<td>1,163</td>
</tr>
<tr>
<td>Increase (decrease) in accrued expenses</td>
<td>1,633</td>
<td>1,270</td>
</tr>
<tr>
<td>Other, net</td>
<td>378</td>
<td>672</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>4,923</td>
<td>943</td>
</tr>
<tr>
<td>Interest and dividend income received</td>
<td>76</td>
<td>59</td>
</tr>
<tr>
<td>Interest expenses paid</td>
<td>(625)</td>
<td>(564)</td>
</tr>
<tr>
<td>Income taxes paid</td>
<td>(1,263)</td>
<td>(532)</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) operating activities</strong></td>
<td>3,110</td>
<td>(94)</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from withdrawal of time deposits</td>
<td>557</td>
<td>265</td>
</tr>
<tr>
<td>Purchase of property, plant and equipment</td>
<td>(1,795)</td>
<td>(2,576)</td>
</tr>
<tr>
<td>Proceeds from sales of property, plant and equipment</td>
<td>386</td>
<td>1,535</td>
</tr>
<tr>
<td>Purchase of intangible assets</td>
<td>(615)</td>
<td>(763)</td>
</tr>
<tr>
<td>Purchase of investment securities</td>
<td>(3)</td>
<td>(2)</td>
</tr>
<tr>
<td>Collection of loans receivable</td>
<td>1,210</td>
<td>6</td>
</tr>
<tr>
<td>Payments for sales of shares of subsidiaries resulting in change in scope of consolidation</td>
<td>(5)</td>
<td>–</td>
</tr>
<tr>
<td>Purchase of shares of subsidiaries</td>
<td>(370)</td>
<td>(298)</td>
</tr>
<tr>
<td>Other, net</td>
<td>(298)</td>
<td>(201)</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) investing activities</strong></td>
<td>(935)</td>
<td>(1,737)</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net increase (decrease) in short-term loans payable</td>
<td>3,342</td>
<td>696</td>
</tr>
<tr>
<td>Proceeds from long-term loans payable</td>
<td>400</td>
<td>17,000</td>
</tr>
<tr>
<td>Repayments of long-term loans payable</td>
<td>(4,275)</td>
<td>(4,248)</td>
</tr>
<tr>
<td>Redemption of bonds</td>
<td>(720)</td>
<td>–</td>
</tr>
<tr>
<td>Cash dividends paid</td>
<td>(741)</td>
<td>(935)</td>
</tr>
<tr>
<td>Payments for retirement by purchase of convertible bonds</td>
<td>–</td>
<td>(7,400)</td>
</tr>
<tr>
<td>Redemption of convertible bonds</td>
<td>–</td>
<td>(4,900)</td>
</tr>
<tr>
<td>Repayments of finance lease obligations</td>
<td>(1,989)</td>
<td>(2,304)</td>
</tr>
<tr>
<td>Purchase of treasury shares</td>
<td>(1)</td>
<td>(6,196)</td>
</tr>
<tr>
<td>Other, net</td>
<td>(1)</td>
<td>21</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) financing activities</strong></td>
<td>(3,986)</td>
<td>(8,266)</td>
</tr>
<tr>
<td><strong>Effect of exchange rate change on cash and cash equivalents</strong></td>
<td>823</td>
<td>1,400</td>
</tr>
<tr>
<td><strong>Net increase (decrease) in cash and cash equivalents</strong></td>
<td>(988)</td>
<td>(8,698)</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of period</td>
<td>32,583</td>
<td>46,325</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of period</td>
<td>31,595</td>
<td>37,626</td>
</tr>
</tbody>
</table>