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Taro Nakayama  
Representative Director & President  
**TACHI-S CO., LTD.**  
3-3-7 Matsubara-cho, Akishima-shi, Tokyo  
Securities code: 7239

June 1, 2016

To Our Shareholders,

## **Notice of the 64th Annual General Meeting of Shareholders**

We offer our sincere condolences to all those affected by the 2016 Kumamoto Earthquake. The shareholders of TACHI-S CO., LTD. (the “Company”) are invited to participate in the 64th Annual General Meeting of Shareholders of the Company, the details of which are set forth below.

**If you are unable to attend the meeting in person, you are entitled to cast a postal vote. To do this, we cordially ask you to study the attached reference documents and then return the enclosed voting right exercise form indicating your approval or disapproval of the matters to be resolved, to reach us by 5 p.m. on Wednesday, June 22, 2016.**

- 1. Date and time:** 10:00 a.m. Thursday, June 23, 2016
- 2. Venue:** TACHI-S CO., LTD. Head Office (Assembly Hall on the third floor)  
3-3-7 Matsubara-cho, Akishima-shi, Tokyo
- 3. Agenda:**

- Matters for reporting:**
1. Business Report, the consolidated financial statements, and audit report of the consolidated financial statements by the Independent Auditors and Audit & Supervisory Board for the 64th term (from April 1, 2015 to March 31, 2016)
  2. Report of the non-consolidated financial statements for the 64th term (from April 1, 2015 to March 31, 2016)

### **Matters for approval:**

- Proposal 1:** Appropriation of Surplus  
**Proposal 2:** Election of seven Directors  
**Proposal 3:** Election of one Audit & Supervisory Board Member  
**Proposal 4:** Election of one Substitute Audit & Supervisory Board Member  
**Proposal 5:** Payment of Bonuses to Directors

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\* If you are attending the meeting on the scheduled day, please submit the enclosed voting form at the reception.

\* We will post any revisions we make to the Reference Materials for General Meeting of Shareholders, the Business Report, or non-consolidated financial statements and consolidated financial statements on our website (<http://www.tachi-s.co.jp/>).

## Reference Documents for the General Meeting of Shareholders

### Proposals and reference matters

#### **Proposal 1: Appropriation of Surplus**

We wish to appropriate surplus as follows:

Matters related to year-end dividend

The Company, viewing that appropriate profit distribution through continuous enhancement of corporate value is one of the important management issues, strives to enhance shareholders' equity and improve profitability as well as maintain stable dividend payments. In consideration of the earnings for the fiscal year and the business operations going forward, the Company decided to pay a year-end dividend as follows for the fiscal year under review.

(1) Type of dividend: Cash

(2) Matters related to appropriation of dividends and total amount thereof

We will pay ¥8 per share of the Company's common stock. We will pay a total amount of ¥283,506,840 as dividends. As a result, the annual dividend, including the interim dividend of ¥8 per share, amounts to ¥16 per share.

(3) Effective date of dividend from surplus: June 24, 2016

#### **Proposal 2: Election of seven Directors**

The terms of office of all seven Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, we propose to elect the following seven Director candidates.

The candidates for Director are as follows:

No.	Name (Date of birth)	Brief History, Position, Principal Duties and Key Concurrent Posts	Number of shares of the Company owned
1	RE-nominataion  Hiroshi Taguchi (January 18, 1947)	<p>April 1969      Joined NISSAN MOTOR CO., LTD.</p> <p>July 1993      Director and Chief Advisor, Nissan Motor Co. (Australia) Pty. Ltd.</p> <p>April 1998      Joined TACHI-S CO., LTD. as Senior General Manager Representative Director &amp; President, Industria de Asiento Superior S.A. DE C.V.</p> <p>June 2001      Joined NISSAN MOTOR CO., LTD.</p> <p>April 2002      General Manager of Chinese Operations Department</p> <p>January 2003    Joined TACHI-S CO., LTD. as Corporate Advisor</p> <p>June 2003      Executive Officer</p> <p>June 2004      Director &amp; Senior Executive Officer, Division Manager of Overseas Business</p> <p>April 2006      Division Manager of Overseas Business Control</p> <p>April 2008      Director &amp; Executive Vice President</p> <p>April 2009      Director, Chief Operating Officer</p> <p>June 2009      Representative Director, President &amp; Chief Operating Officer</p> <p>April 2010      Head of International Operations</p> <p>April 2011      Division Manager of Quality Assurance</p> <p>April 2013      Head of Global Monozukuri Management Control</p> <p>April 2014      Representative Director, President &amp; Chief Executive Officer</p> <p>June 2014      Representative Director, Chairman &amp; Chief Executive Officer (incumbent)</p>	27,600 shares
2	RE-nominataion  Taro Nakayama (September 18, 1955)	<p>April 1980      Joined NISSAN MOTOR CO., LTD.</p> <p>April 2010      General Manager of Global Multisourcing &amp; Export Management Department</p> <p>April 2011      Joined TACHI-S CO., LTD. as Corporate Advisor</p> <p>June 2011      Director, Executive Vice President, Head of Business Development and Sales, Division Manager of Overseas</p> <p>April 2012      Division Manager of Business Development and Sales</p> <p>April 2014      Director &amp; Chief Operating Officer</p> <p>June 2014      Representative Director, President &amp; Chief Operating Officer (incumbent)</p>	12,200 shares
3	RE-nominataion  Kiyoshi Saito (January 25, 1947)	<p>March 1973     Joined TACHI-S CO., LTD.</p> <p>June 1982      Director</p> <p>June 1993      Managing Director, General Manager of Production Headquarters</p> <p>June 1996      Representative Director &amp; President</p> <p>June 2001      Representative Director, President &amp; Chief Operating Officer</p> <p>June 2005      Representative Director, Chairman &amp; Chief Executive Officer</p> <p>April 2014      Representative Director, Chairman</p> <p>June 2014      Representative Director &amp; Senior Corporate Adviser (incumbent)</p>	736,028 shares

No.	Name (Date of birth)	Brief History, Position, Principal Duties and Key Concurrent Posts	Number of shares of the Company owned
4	<div data-bbox="225 277 437 315" style="border: 1px solid black; padding: 2px;">RE-nominataion</div> Yoshiyuki Nogami (January 9, 1952)	April 1975      Joined Maeda Corporation April 1998      Deputy General Manager of Overseas Business Department January 2000    Joined TACHI-S CO., LTD. June 2003      Executive Officer June 2005      Senior Executive Officer April 2007      Division Manager of Business Control June 2007      Director & Senior Executive Officer April 2008      Division Manager of Administration and Management Control (incumbent) April 2009      Director & Executive Vice President (incumbent) April 2010      Head of Administration and Management Control, Global Business Management April 2011      Head of Administration and Management Control, and Head of Global Business Management, Sales and Marketing, Division Manager of Overseas April 2016      Chief of Administration Headquarters (incumbent)	12,300 shares
5	<div data-bbox="225 884 437 922" style="border: 1px solid black; padding: 2px;">RE-nominataion</div> Hiroyuki Miki (October 3, 1953)	April 1979      Joined NISSAN MOTOR CO., LTD. January 2000    Supervisor of Product Planning and Strategy Office April 2001      General Manager of Planning Management Department April 2004      Joined TACHI-S CO., LTD. as Corporate Advisor June 2004      Executive Officer June 2005      Director & Senior Executive Officer, Division Manager of Development Technology April 2006      Division Manager of Development Engineering April 2007      Representative Director & President, TACHI-S Engineering U.S.A., Inc. June 2007      Retired as Director of TACHI-S CO., LTD., Senior Executive Officer April 2009      Division Manager of Quality Assurance April 2011      Division Manager of Development Engineering June 2012      Director & Senior Executive Officer April 2014      Division Manager of Purchasing and Component Business April 2015      Director & Senior Vice President (incumbent) Head of Global Monozukuri Management Control April 2016      President, TACHI-S China Co., Ltd. (incumbent)	9,700 shares

No.	Name (Date of birth)	Brief History, Position, Principal Duties and Key Concurrent Posts	Number of shares of the Company owned			
6	<table border="1" data-bbox="225 275 437 456"> <tr><td>RE-nominataion</td></tr> <tr><td>Nominee for Outside Director</td></tr> <tr><td>Nominee for Independent Director</td></tr> </table> <p data-bbox="225 499 416 595">Michihiro Kitsukawa (March 19, 1947)</p>	RE-nominataion	Nominee for Outside Director	Nominee for Independent Director	<p data-bbox="469 259 1214 322">April 1975 Registered with the Daiichi Tokyo Bar Association Joined Tanigawa Hachiro Law Office</p> <p data-bbox="469 331 1214 360">April 1977 Established Kitsukawa Michihiro Law Office</p> <p data-bbox="469 369 1214 421">April 1999 Established and became a partner at Clover Law Office (incumbent)</p> <p data-bbox="469 430 1214 544">June 2006 Outside Director of TACHI-S CO., LTD. (incumbent) Member of the Special Committee of TACHI-S CO., LTD.</p> <p data-bbox="469 553 1214 647">(Key concurrent posts) Partner &amp; attorney at law, Clover Law Office Council Member of Japan Credit Counseling Organization</p>	8,900 shares
RE-nominataion						
Nominee for Outside Director						
Nominee for Independent Director						
7	<table border="1" data-bbox="225 669 437 851"> <tr><td>RE-nominataion</td></tr> <tr><td>Nominee for Outside Director</td></tr> <tr><td>Nominee for Independent Director</td></tr> </table> <p data-bbox="225 1238 424 1301">Toshio Kinoshita (April 12, 1949)</p>	RE-nominataion	Nominee for Outside Director	Nominee for Independent Director	<p data-bbox="469 654 1214 716">January 1980 Jointed Coopers &amp; Lybrand, Japan (currently PricewaterhouseCoopers Aarata)</p> <p data-bbox="469 725 1214 754">July 1983 Registered as a certified public accountant</p> <p data-bbox="469 763 1214 848">February 1985 Audit Manager of Coopers &amp; Lybrand, US (currently PricewaterhouseCoopers L.L.P.) New York Office</p> <p data-bbox="469 857 1214 920">November 1985 Managing partner of the Japanese Business Network of Midwest, Coopers &amp; Lybrand, US Detroit Office</p> <p data-bbox="469 952 1214 1014">June 1995 Managing partner of the Japanese Business Network of US, Coopers &amp; Lybrand, US National Office</p> <p data-bbox="469 1046 1214 1131">July 1998 Managing partner of the Japanese Business Network of North America, PricewaterhouseCoopers L.L.P. New York Office</p> <p data-bbox="469 1140 1214 1225">July 2005 Management Board Member for International Business of Chuo Aoyama Audit Corporation(renamed Misuzu Audit Corporation)</p> <p data-bbox="469 1234 1214 1296">July 2007 Chief Executive of The Japanese Institute of Certified Public Accountants (JICPA)</p> <p data-bbox="469 1305 1214 1368">July 2013 Council Member of JICPA(incumbent) Established Kinoshita CPA Firm, Owner and Managing Partner of the firm (incumbent)</p> <p data-bbox="469 1377 1214 1440">July 2015 Outside Director of TACHI-S CO., LTD. (incumbent)</p> <p data-bbox="469 1449 1214 1944">(Key concurrent posts) Council Member of JICPA Chief Executive Officer of Kinoshita CPA Firm Outside Audit &amp; Supervisory Board Member of Cool Japan Fund Inc. Outside Audit &amp; Supervisory Board Member of Panasonic Corporation Outside Audit &amp; Supervisory Board Member of Weathernews Inc. Outside Director of ASATSU-DK INC. Outside Audit &amp; Supervisory Board Member of Denka Company Limited Outside Director of Mizuho Bank, Ltd. Representative Director, President of Global Professional Partners Co., Ltd.</p>	0 shares
RE-nominataion						
Nominee for Outside Director						
Nominee for Independent Director						

Notes:

- 1: The above candidates have no conflicts of interest with the Company.
- 2: Mr. Michihiro Kitsukawa and Mr. Toshio Kinoshita are candidates for Outside Director. The Company appoints Mr. Kitsukawa as an Independent Officer provided under the provisions of the Tokyo Stock Exchange and registers him with that exchange. The Company intends to appoint Mr. Kinoshita as an Independent Officer provided under the provisions of the Tokyo Stock Exchange and register him with that exchange.
- 3: The Company nominates Mr. Michihiro Kitsukawa as an Outside Director in recognition of his capability to contribute in the management of the Company based on his expertise and experience in areas such as corporate legal affairs as a lawyer. Although Mr. Kitsukawa has had no direct involvement in corporate management apart from serving as an Outside Director, the Company has determined that he can properly execute the duties as an Outside Director given his expertise and experience previously mentioned. The term of office of the Company's Outside Director is ten years from the close of this General Meeting of Shareholders.  
The Company nominates Mr. Toshio Kinoshita as an Outside Director in recognition of his capability to contribute in the management of the Company based on his deep insight as a certified public accountant and rich experience in accounting and audit. The term of office of the Company's Outside Director is one year from the close of this General Meeting of Shareholders.
- 4: The Company has concluded an agreement with Mr. Michihiro Kitsukawa and Mr. Toshio Kinoshita to limit their damage liability as stipulated in Article 423, Paragraph 1 of the Companies Act., based on the regulations specified in Article 427, Paragraph 1 of the Companies Act.. Should the reappointment of Mr. Kitsukawa and Mr. Kinoshita as Outside Directors be approved, the Company intends to maintain the Liability Limitation Agreement with them.

## **<For Reference> Criteria for Assessing Independence of Outside Directors/ Audit & Supervisory Board Members**

The Company establishes following standards in order to ensure the independence of Outside Directors/  
Audit & Supervisory Board Members.

1. The person in question is not a current or former Executive<sup>1</sup> of the Company or a related company (“Group Companies”).
2. Over the past 5 years a Close Relative<sup>2</sup> of the person has not been an Executive<sup>1</sup> of any Group Companies.
3. The following items are not currently applicable to the person and have not been applicable to the person in the past 5 years:
  - ① The person is a large shareholder of the Company (a person who directly or indirectly controls voting rights worth 10% or more of total voting rights in the Company) or an Executive<sup>1</sup> of such a large shareholder.
  - ② The person directly or indirectly controls voting rights worth 10% or more of total voting rights in Group Companies or is an Executive<sup>1</sup> of such a large shareholder.
  - ③ The person is a Person for whom Group Companies are Important Clients<sup>3</sup> or who is an Executive<sup>1</sup> of such an entity.
  - ④ The person is an Executive<sup>1</sup> of an Important Client of Group Companies<sup>4</sup>.
  - ⑤ The person is an Executive<sup>1</sup> of an Important Lender to Group Companies<sup>5</sup>.
  - ⑥ The person is affiliated with an auditing firm performing the Company’s statutory audits.
  - ⑦ The person is a consultant, an accounting professional or a legal professional (in the case that a group such as a corporation or association performs such a role, a person affiliated with that group) that has received from Group Companies money compensation or other assets to a total value of more than 10 million yen annually.
  - ⑧ The person is a recipient of donations or grants from Group Companies (in the case that a group such as a legal corporation or association is such a recipient, a person affiliated with that group) of more than 10 million yen annually.
  - ⑨ The person is an Executive<sup>1</sup> of a company to which Group Companies appoint Directors (regardless of whether such Directors are executive or non-executive).
4. None of the person’s Close Relatives are persons in regards to whom Items ① to ⑨ of paragraph 3 above apply (but limited to cases where such a Close Relative is an Important Person<sup>6</sup>).

(Notes)

<sup>1</sup> An Executive is defined as a person who is either a Director (excluding an Outside Director) of a company or organization, an Executive Director, an Executive Officer, an employee who manages operations, a Senior General Manager or other equivalent person or employee who manages operations.

<sup>2</sup> A Close Relative is defined as a dependent, a relative to the second degree or a cohabitating relative.

<sup>3</sup> A Person for whom Group Companies are Important Clients is defined as a person who has received 2% or more of their consolidated annual gross revenues from Group Companies during that person’s most recent fiscal year.

<sup>4</sup> An Important Client of Group Companies is defined as a person who has paid 2% or more of the gross annual consolidated revenues of Group Companies in the Company’s most recent fiscal year.

<sup>5</sup> An Important Lender to Group Companies is defined as a person who has provided finance to Group Companies that represents an amount worth 2% or more of consolidated total assets as of the end of the Company’s most recent fiscal year.

<sup>6</sup> An Important Person is defined as a person who is either a Director, an Audit & Supervisory Board Member, an Executive Officer and a General Manager or above.

### **Proposal 3: Election of one Audit & Supervisory Board Member**

The term of office of the Audit & Supervisory Board Member, Mr. Kiyoo Kubota, will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, we propose to elect the following one Audit & Supervisory Board Member candidate.

The Audit & Supervisory Board has already approved this proposal.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Brief History, Position and Key Concurrent Posts	Number of shares of the Company owned
<div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">New Nominee</div> Ichiro Konno (February 1, 1956)	April 1979      Joined TACHI-S CO., LTD. April 2007      Director of Prototype and Tooling Engineering Department April 2008      Director of Prototype Department November 2009   Plant Manager of Ome Plant April 2013      General Manager of Production Division October 2013     General Manager of Business Division April 2014      Seconded to SETEX GLOBAL(incumbent) March 2016      Corporate Advisor(incumbent)	400 shares

Notes: The above candidate has no conflicts of interest with the Company.

### **Proposal 4: Election of one Substitute Audit & Supervisory Board Member**

The effectiveness of the election of Mr. Noriaki Kinoshita as a Substitute Audit & Supervisory Board Member at the 63rd Annual General Meeting of Shareholders held on June 24, 2015 is limited up to this Annual General Meeting of Shareholders. Therefore, to ensure that the number of Outside Audit & Supervisory Board Members stipulated under laws and regulations is maintained, the Company proposes to elect one candidate as the Substitute Outside Audit & Supervisory Board Member.

The effectiveness of the election at this Annual General Meeting of Shareholders may be revoked, limited to the period before accession to office, with the approval of the Audit & Supervisory Board and by the resolution of the Board of Directors.

The Audit & Supervisory Board has already approved this proposal.

The candidate for Substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Brief History and Key Concurrent Posts	Number of shares of the Company owned
<div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">RE-nominataion</div> Nominee for Outside Director  Noriaki Kinoshita (December 5, 1939)	June 1966      Registered as a certified public accountant Opened Kinoshita certified public accountant office April 1972      Adjunct instructor, Faculty of Commerce of Chuo University October 1984     Senior Partner of Inoue Tatsuo Accounting Office October 1993     Senior Partner of Asahi & Co. (currently KPMG AZSA LLC) April 2002      Professor, Faculty of Commerce, Chuo University June 2006      Member of the Special Committee of TACHI-S CO., LTD. June 2007      Substitute Audit & Supervisory Board Member of TACHI-S CO., LTD. (incumbent) (Key concurrent posts) Outside Audit & Supervisory Board Member of TOPPAN FORMS CO., LTD. Representative Director, President of A&MI Advisors Firm Co., Ltd.	0 shares

Notes:

1: The above candidate has no conflicts of interest with the Company.

2: Mr. Noriaki Kinoshita is a candidate for Substitute Outside Audit & Supervisory Board Member.

- 3: The Company nominates Mr. Noriaki Kinoshita as a Substitute Outside Audit & Supervisory Board Member in recognition of his capability to contribute in the audits of the Company based on his financial expertise and many years of experience as a certified public accountant.
- 4: If Mr. Noriaki Kinoshita assumes office as an Audit & Supervisory Board Member, the Company intends to maintain the Liability Limitation Agreement with him to limit his damage liability as stipulated in Article 423, Paragraph 1 of the Companies Act., based on the regulations specified in Article 427, Paragraph 1 of the Companies Act.. The maximum amount of liability for damage based on the Liability Limitation agreement is the minimum liability as stipulated in Article 425, Paragraph 1 of the Companies Act..

#### **Proposal 5: Payment of Bonuses to Directors**

The Company proposes to pay Bonuses to five of the seven Directors excluding the Outside Directors as of the end of the fiscal year under review amounting to a total of ¥50,000,000, in recognition of the business performance and other factors for the fiscal year under review. The Company would like to leave it to the Board of Directors to decide on the amount of bonus for each Director.

# Consolidated Balance Sheet

(As of March 31, 2016)

(Unit: Millions of yen)

Account Name	Amount	Account Name	Amount
<b>(Assets)</b>		<b>(Liabilities)</b>	
<b>Total current assets</b>	<b>95,175</b>	<b>Total current liabilities</b>	<b>66,656</b>
Cash, time deposits and other cash equivalents	38,602	Accounts and notes payable	44,159
Accounts and notes receivable	38,737	Short-term bank loans	4,312
Marketable securities	176	Income taxes payable	1,886
Goods and merchandises	1,797	Accrued expenses	5,109
Work in process	462	Reserve for directors' bonuses	50
Raw materials and supplies	8,404	Other current liabilities	11,138
Advance payments	611	<b>Total fixed liabilities</b>	<b>9,468</b>
Deferred income taxes	1,104	Long-term debt	3,500
Other current assets	5,315	Deferred income taxes	4,230
Allowance for bad debts	-36	Retirement allowance for directors and audit & supervisory board members	11
<b>Fixed assets</b>	<b>68,651</b>	Net defined benefit liability	606
<b>Property, plant and equipment</b>	<b>33,713</b>	Other non-current liabilities	1,120
Buildings and structures	12,025	<b>Total liabilities</b>	<b>76,125</b>
Machinery and vehicles	11,492	<b>(Net assets)</b>	
Land	6,515	<b>Total shareholders' equity</b>	<b>70,427</b>
Construction in progress	458	Common stock	9,040
Other tangible assets	3,220	Additional paid-in capital	9,247
<b>Intangibles and deferred charges</b>	<b>1,093</b>	Retained earnings	53,580
Goodwill	86	Treasury stock	-1,441
Other	1,006	<b>Valuation and translation adjustments</b>	<b>12,450</b>
<b>Investments and other assets</b>	<b>33,844</b>	Net unrealized gain on securities	4,054
Investments in securities	25,422	Foreign currency translation adjustments	8,508
Long-term loans	60	Remeasurements of defined benefit plans	-112
Deferred income taxes	3,258	<b>Non-controlling interests</b>	<b>4,824</b>
Net defined benefit assets	47		
Other assets	5,064	<b>Total net assets</b>	<b>87,701</b>
Allowance for bad debts	-8	<b>Total liabilities and net assets</b>	<b>163,826</b>
<b>Total assets</b>	<b>163,826</b>		

# Consolidated Statement of Income

(From April 1, 2015 to March 31, 2016)

(Unit: Millions of yen)

Account Name	Amount	
<b>Net sales</b>		<b>283,662</b>
<b>Cost of sales</b>		<b>260,110</b>
<b>Gross profit</b>		<b>23,552</b>
<b>Selling, general and administrative expenses</b>		<b>16,668</b>
<b>Operating income</b>		<b>6,883</b>
<b>Non-operating income</b>		
Interest income	272	
Dividend income	250	
Equity in earnings of subsidiaries and affiliates	2,862	
Other non operating income	148	3,533
<b>Non-operating expenses</b>		
Interest expenses	166	
Exchange losses	2,469	
Other non operating expenses	28	2,665
<b>Ordinary income</b>		<b>7,752</b>
<b>Extraordinary income</b>		
Gain on sales of fixed assets	19	19
<b>Extraordinary loss</b>		
Loss on disposal of fixed assets	101	
Impairment loss	817	
Loss on valuation of investments in capital of subsidiaries and affiliates	31	950
<b>Net income before taxes and adjustments</b>		<b>6,821</b>
Income taxes	3,454	
Income taxes-deferred	-478	2,975
<b>Net income</b>		<b>3,846</b>
Net income attributable to non-controlling interests		2,160
<b>Net income attributable to owners of parent</b>		<b>1,685</b>

## Consolidated Statement of Changes in Net Assets

(From April 1, 2015 to March 31, 2016)

(Unit: Millions of yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance at April 1, 2015	9,040	9,529	52,499	-1,440	69,628
Change of items during the period					
Cash dividends			-567		-567
Net income attributable to owners of parent			1,685		1,685
Treasury stock purchased				-0	-0
Change in treasury shares of parent arising from transactions with non-controlling shareholders		-281			-281
Others			-37		-37
Net changes of items other than shareholders' equity					
Total of changes during the fiscal year	-	-281	1,080	-0	798
Balance at March 31, 2016	9,040	9,247	53,580	-1,441	70,427

(Unit: Millions of yen)

	Valuation and translation adjustments				Non-controlling interests	Total net assets
	Net unrealized gain on securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total valuation and translation adjustments		
Balance at April 1, 2015	4,832	10,466	182	15,482	4,178	89,289
Change of items during the period						
Cash dividends						-567
Net income attributable to owners of parent						1,685
Treasury stock purchased						-0
Change in treasury shares of parent arising from transactions with non-controlling shareholders						-281
Others						-37
Net changes of items other than shareholders' equity	-778	-1,958	-295	-3,031	645	-2,386
Total of changes during the fiscal year	-778	-1,958	-295	-3,031	645	-1,588
Balance at March 31, 2016	4,054	8,508	-112	12,450	4,824	87,701

# Non-consolidated Balance Sheet

(As of March 31, 2016)

(Unit: Millions of yen)

Account Name	Amount	Account Name	Amount
<b>(Assets)</b>		<b>(Liabilities)</b>	
<b>Total current assets</b>	<b>42,202</b>	<b>Total current liabilities</b>	<b>29,640</b>
Cash, time deposits and other cash equivalents	11,600	Notes payable	854
Notes receivable	84	Electronically recorded monetary claims - operating	1,356
Electronically recorded monetary claims-operating	3,981	Accounts payable	19,561
Accounts receivable	19,283	Current portion of long-term loans payable	3,000
Goods and merchandises	379	Subsidiaries' and affiliates' funds entrusted for investment	993
Work in process	1,231	Accounts payable-other	412
Raw materials and supplies	2,570	Accrued expenses	2,491
Advance payments	1,236	Income taxes payable	80
Deferred income taxes	431	Deposits received	399
Other current assets	1,436	Notes payable-facilities	103
Allowance for bad debts	-32	Unearned revenue	336
<b>Fixed assets</b>	<b>47,134</b>	Reserve for directors' bonuses	50
<b>Property, plant and equipment</b>	<b>13,542</b>	Other current liabilities	0
Buildings	5,992	<b>Total fixed liabilities</b>	<b>6,686</b>
Structures	151	Long-term debt	3,500
Machinery	1,869	Deferred income taxes	1,453
Vehicles	2	Reserve for retirement benefits	623
Equipment	591	Other fixed liabilities	1,109
Land	4,924	<b>Total liabilities</b>	<b>36,327</b>
Construction in progress	11	<b>(Net assets)</b>	
<b>Intangibles and deferred charges</b>	<b>728</b>	<b>Total shareholders' equity</b>	<b>48,957</b>
Software	712	<b>Common stock</b>	<b>9,040</b>
Other intangible assets	16	<b>Additional paid-in capital</b>	<b>9,193</b>
<b>Investments and other assets</b>	<b>32,863</b>	Legal capital surplus	8,592
Investments in securities	9,194	Other additional paid-in capital	601
Stock of subsidiaries and affiliates	15,530	<b>Retained earnings</b>	<b>32,164</b>
Investments in capital	132	Legal retained earnings	480
Investments in subsidiaries and affiliates	7,561	Other retained earnings	31,683
Long-term loans receivable from employees	20	Reserve for advanced depreciation of	21
Long-term prepaid expenses	7	General reserve	15,000
Other assets	425	Retained earnings brought forward	16,661
Allowance for bad debts	-8	<b>Treasury stock</b>	<b>-1,441</b>
		<b>Total valuation, translation adjustments and others</b>	<b>4,052</b>
		<b>Net unrealized gain on securities</b>	<b>4,052</b>
		<b>Total net assets</b>	<b>53,009</b>
<b>Total assets</b>	<b>89,337</b>	<b>Total liabilities and net assets</b>	<b>89,337</b>

## Non-consolidated Statement of Income

(From April 1, 2015 to March 31, 2016)

(Unit: Millions of yen)

Account Name	Amount	
<b>Net sales</b>		<b>118,858</b>
<b>Cost of sales</b>		<b>111,163</b>
<b>Gross profit</b>		<b>7,694</b>
<b>Selling, general and administrative expenses</b>		<b>6,968</b>
<b>Operating income</b>		<b>726</b>
<b>Non-operating income</b>		
Interest and dividend income	2,415	
Other non operating income	73	2,488
<b>Non-operating expenses</b>		
Interest expenses	59	
Other non operating expenses	85	145
<b>Ordinary income</b>		<b>3,069</b>
<b>Extraordinary income</b>		
Gain on sales of fixed assets	0	0
<b>Extraordinary loss</b>		
Loss on disposal of fixed assets	11	
Loss on valuation of investments in capital of subsidiaries and affiliates	1,120	1,131
<b>Net income before taxes</b>		<b>1,939</b>
Income taxes	485	
Income taxes-deferred	147	633
<b>Net income</b>		<b>1,305</b>

## Non-consolidated Statement of Changes in Net Assets

(From April 1, 2015 to March 31, 2016)

(Unit: Millions of yen)

	Shareholders' equity					
	Common stock	Additional paid-in capital			Retained earnings	
		Legal capital surplus	Other additional paid-in capital	Total additional paid-in capital	Legal retained earnings	Other retained earnings Reserve for advanced depreciation of fixed assets
Balance as of April 1, 2015	9,040	8,592	601	9,193	480	21
Change of items during the period						
Cash dividends						
Net income						
Provision of reserve for reduction entry						0
Reversal of reserve for advanced depreciation of fixed assets						-0
Treasury stock purchased						
Net changes of items other than shareholders' equity						
Total of changes during the fiscal year	-	-	-	-	-	0
Balance as of March 31, 2016	9,040	8,592	601	9,193	480	21

(Unit: Millions of yen)

	Shareholders' equity					Evaluation, exchange differences		Total net assets
	Retained earnings			Treasury stock	Total shareholders' equity	Net unrealized gain on securities	Total evaluation, exchange differences	
	Other retained earnings		Total retained earnings					
	Special reserve	Retained earnings brought forward						
Balance as of April 1, 2015	15,000	15,923	31,425	-1,440	48,218	4,830	4,830	53,048
Change of items during the period								
Cash dividends		-567	-567		-567			-567
Net income		1,305	1,305		1,305			1,305
Provision of reserve for reduction entry		-0	-		-			-
Reversal of reserve for advanced depreciation of fixed assets		0	-		-			-
Treasury stock purchased				-0	-0			-0
Net changes of items other than shareholders' equity						-777	-777	-777
Total of changes during the fiscal year	-	738	738	-0	738	-777	-777	-38
Balance as of March 31, 2016	15,000	16,661	32,164	-1,441	48,957	4,052	4,052	53,009