

Financial Report for the Fiscal Year ended March 31, 2015

May 15, 2015

The following statements are an English translation of the original Japanese document.

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

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 Stock Exchange····· First Section of Tokyo Stock Exchange
 Code·········· 1979
 Representative····· Satoru Kamiyama, President and Representative Director
 Contact·········· Koji Kato, Director and Executive Corporate Officer, Administrative Management Headquarters
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 Scheduled date for annual general meeting of shareholders : June 26, 2015
 Scheduled date to commence dividend payments : June 29, 2015
 Scheduled date to submit securities report : June 26, 2015
 Supplemental materials prepared for financial results : Yes
 Briefing session of financial results : Yes (for institutional investors and analysts)

(Round down to one million yen)

1. Consolidated Operating Performance (April 1, 2014 through March 31, 2015)

(1) Consolidated operating results

(% indicates increase ratio over previous year)

Year ended	Sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
March 31, 2015	183,648	(1.0)	8,669	7.2	9,579	3.1	6,084	46.4
March 31, 2014	185,421	(14.2)	8,083	(17.6)	9,292	(13.4)	4,155	(33.0)

(Note) Comprehensive income
 Year ended March 31, 2015 14,320 million yen 32.0 %
 Year ended March 31, 2014 10,852 million yen (1.4) %

Year ended	Net income per share	Net income per share after potential share adjustment	Net Income - Shareholders' Equity Ratio	Ordinary Income - Total Assets Ratio	Operating Income - Net Sales Ratio
	yen	yen	%	%	%
March 31, 2015	172.64	—	6.9	5.4	4.7
March 31, 2014	116.08	—	5.3	5.6	4.4

(Note) Equity in earnings of affiliates
 Year ended March 31, 2015 52 million yen
 Year ended March 31, 2014 58 million yen

(2) Consolidated financial position

As of	Total assets	Net assets	Equity capital ratio	Net assets per share
	million yen	million yen	%	yen
March 31, 2015	188,283	99,669	50.4	2,690.76
March 31, 2014	166,680	84,712	48.3	2,282.56

(Note) Shareholders' Equity
 As of March 31, 2015 94,832 million yen
 As of March 31, 2014 80,448 million yen

(3) Consolidated cash flows

Year ended	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
March 31, 2015	1,401	(3,900)	1,264	40,505
March 31, 2014	7,532	(1,194)	(3,290)	39,861

2. Dividends

Year ended	Dividend per share					Dividend Paid (Total)	Dividend Payout Ratio (Consolidated)	Dividend - Net Asset Ratio (Consolidated)
	1Q	2Q	3Q	Year End	Total (annually)			
	yen	yen	yen	yen	yen	million yen	%	%
March 31, 2014	—	20.00	—	25.00	45.00	1,602	38.8	2.1
March 31, 2015	—	20.00	—	32.00	52.00	1,832	30.1	2.1
Year ending March 31, 2016 (Forecast)	—	25.00	—	25.00	50.00		30.9	

3. Consolidated Earnings Forecast for Fiscal Year Ending March 31, 2016 (April 1, 2015 through March 31, 2016)

(% indicates increase ratio over previous year)

	Sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share yen
	million yen	%	million yen	%	million yen	%	million yen	%	
Half year	92,000	8.1	2,500	5.2	3,000	5.2	1,600	(18.9)	45.40
Full year	205,000	11.6	9,700	11.9	10,600	10.7	5,700	(6.3)	161.73

4. Others

- (1) Changes in significant subsidiaries during the period
(Changes in specified subsidiaries accompanying changes in scope of consolidation) : None
- (2) Changes in accounting policies, changes in accounting estimates and restatements
- (i) Changes in accounting policies due to revisions of accounting standards etc. : Yes
- (ii) Changes in accounting policies other than (i) : None
- (iii) Changes in accounting estimates : None
- (iv) Restatements : None
- (3) Number of shares issued (common shares)
- (i) Number of shares issued at end of period (including treasury shares)
- As of March 31, 2015 36,782,009 shares
- As of March 31, 2014 36,782,009 shares
- (ii) Number of treasury shares at end of period
- As of March 31, 2015 1,538,406 shares
- As of March 31, 2014 1,537,054 shares
- (iii) Average number of shares during the period
- Year ended March 31, 2015 35,244,380 shares
- Year ended March 31, 2014 35,800,537 shares

(Reference) Summary of Non-Consolidated Operating Performance

1. Non-Consolidated Operating Performance (April 1, 2014 through March 31, 2015)

(1) Non-Consolidated operating result

(% indicates increase ratio over previous year)

Year ended	Sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
March 31, 2015	93,297	8.2	2,510	451.6	6,224	36.7	5,114	108.1
March 31, 2014	86,200	(19.5)	455	—	4,552	4.7	2,458	(33.9)

Year ended	Net income per share yen	Net income per share after potential share adjustment yen
March 31, 2015	145.10	—
March 31, 2014	68.69	—

(2) Non-Consolidated financial position

	Total assets	Net assets	Equity capital ratio	Net assets per share
As of	million yen	million yen	%	yen
March 31, 2015	116,687	75,014	64.3	2,128.47
March 31, 2014	105,973	65,273	61.6	1,851.98

(Note) Shareholders' Equity

As of March 31, 2015

75,014 million yen

As of March 31, 2014

65,273 million yen

2. Non-Consolidated Earnings Forecast for Fiscal Year Ending March 31, 2016 (April 1, 2015 through March 31, 2016)

(% indicates increase ratio over previous year)

	Sales		Operating income		Ordinary income		Net income		Net income per share yen
	million yen	%	million yen	%	million yen	%	million yen	%	
Half year	43,000	1.0	500	—	2,300	36.6	1,600	43.5	45.40
Full year	97,000	4.0	1,800	(28.3)	5,500	(11.6)	3,800	(25.7)	107.82

※ Notice of status of implementation for audit procedures

This financial report is not subject to audit procedures based upon the Financial Instruments and Exchange Act. Audit procedures for the consolidated financial statements in accordance with the Financial Instruments and Exchange Act have not been completed as at the time of disclosure of this financial report.

※ Explanation about the proper use of consolidated forecasts and other notes

Data and forward-looking statements disclosed herein are based on current information as of today, and may change depending upon various factors. The data and assumptions do not mean guaranteeing accomplishment of goals and projections, and may be changed at any time without notice. Consequently, the Company ask you to use this information at your discretion based upon your own judgment and information you may obtain through other sources. The company will not be liable for any damages that result from the use of this information.

1 Consolidated Financial Statements

(1) Consolidated Balance Sheets

Millions of yen

	As of March 31, 2014	As of March 31, 2015
Assets		
Current assets		
Cash and deposits	39,831	43,819
Notes receivable, accounts receivable from completed construction contracts and other	73,298	78,607
Securities	6,009	4,500
Costs on uncompleted construction contracts	3,741	3,109
Raw materials and supplies	410	332
Deferred tax assets	1,704	1,625
Other	6,919	9,573
Allowance for doubtful accounts	(301)	(546)
Total current assets	131,613	141,022
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	8,504	7,352
Machinery, vehicles, tools, furniture and fixtures	7,034	7,838
Land	2,860	2,109
Other	412	551
Accumulated depreciation	(10,041)	(9,808)
Total property, plant and equipment	8,769	8,043
Intangible assets		
Goodwill	2,779	3,481
Other	936	1,165
Total intangible assets	3,715	4,647
Investments and other assets		
Investment securities	19,634	26,385
Deferred tax assets	300	464
Net defined benefit asset	—	4,810
Other	2,678	3,047
Allowance for doubtful accounts	(31)	(136)
Total investments and other assets	22,582	34,571
Total noncurrent assets	35,067	47,261
Total assets	166,680	188,283
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	44,600	45,693
Short-term loans payable	5,850	9,892
Income taxes payable	950	1,416
Deferred tax liabilities	66	1
Advances received on uncompleted construction contracts	13,029	11,438
Provision for warranties for completed construction	759	710
Provision for loss on construction contracts	1,010	298
Provision for directors' bonuses	78	88
Provision for loss on Anti-Monopoly Act	592	207
Other	6,436	8,312
Total current liabilities	73,375	78,060

Millions of yen

	As of March 31, 2014	As of March 31, 2015
Noncurrent liabilities		
Long-term loans payable	491	536
Deferred tax liabilities	3,938	7,755
Provision for directors' retirement benefits	99	89
Reserve for loss on dissolution of employees' pension fund	651	251
Net defined benefit liability	2,625	1,551
Other	786	369
Total noncurrent liabilities	8,592	10,553
Total liabilities	81,968	88,614
Net assets		
Shareholders' equity		
Capital stock	6,455	6,455
Capital surplus	7,344	7,344
Retained earnings	61,908	68,851
Treasury shares	(2,915)	(2,919)
Total shareholders' equity	72,792	79,731
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,765	10,577
Deferred gains or losses on hedges	(6)	(5)
Foreign currency translation adjustment	1,158	3,742
Remeasurements of defined benefit plans	(261)	786
Total accumulated other comprehensive income	7,656	15,100
Minority interests	4,263	4,837
Total net assets	84,712	99,669
Total liabilities and net assets	166,680	188,283

(2) Consolidated Income Statements and Consolidated Statements of Comprehensive Income
Consolidated Income Statements

	Millions of yen	
	Year ended March 31, 2014	Year ended March 31, 2015
	Apr. 1, 2013 - Mar. 31, 2014	Apr. 1, 2014 - Mar. 31, 2015
Net sales of completed construction contracts	185,421	183,648
Cost of sales of completed construction contracts	159,079	156,430
Gross profit on completed construction contracts	<u>26,341</u>	<u>27,218</u>
Selling, general and administrative expenses		
Directors' compensations	811	785
Employees' salaries and allowances	7,091	7,247
Provision for directors' bonuses	78	88
Retirement benefit expenses	608	491
Provision for directors' retirement benefits	17	16
Correspondence and transportation expenses	1,347	1,267
Provision of allowance for doubtful accounts	(39)	289
Rents	1,314	1,416
Depreciation	1,019	1,002
Amortization of goodwill	143	175
Other	5,864	5,770
Total selling, general and administrative expenses	<u>18,258</u>	<u>18,549</u>
Operating income	<u>8,083</u>	<u>8,669</u>
Non-operating income		
Interest income	409	460
Dividends income	317	392
Dividends income of insurance	166	142
Real estate rent	147	137
Foreign exchange gains	333	—
Reversal of allowance for doubtful accounts	25	28
Share of profit of entities accounted for using equity method	58	52
Other	291	319
Total non-operating income	<u>1,749</u>	<u>1,533</u>
Non-operating expenses		
Interest expenses	237	222
Sales discounts	17	26
Rent expenses on real estates	72	39
Foreign exchange losses	—	238
Other	214	94
Total non-operating expenses	<u>541</u>	<u>622</u>
Ordinary income	<u>9,292</u>	<u>9,579</u>

	Millions of yen	
	Year ended	Year ended
	March 31, 2014	March 31, 2015
	Apr. 1, 2013 - Mar. 31, 2014	Apr. 1, 2014 - Mar. 31, 2015
Extraordinary income		
Gain on disposal of noncurrent assets	74	1,162
Gain on sales of investment securities	1,219	0
Reversal of reserve for loss on dissolution of employees' pension fund	—	400
Surrender value of insurance	29	0
Total extraordinary income	1,324	1,563
Extraordinary loss		
Loss on disposal of noncurrent assets	50	842
Impairment loss	22	96
Loss on sales of investment securities	1	0
Loss on valuation of investment securities	—	0
Loss on sales of shares of subsidiaries and associates	73	—
Provision for loss on Anti-Monopoly Act	592	38
Provision of reserve for loss on dissolution of employees' pension fund	651	—
Loss on insurance cancellation	4	0
Total extraordinary losses	1,396	978
Income before income taxes and minority interests	9,219	10,164
Income taxes-current	2,865	2,796
Income taxes-deferred	1,244	580
Total income taxes	4,110	3,376
Income before minority interests	5,109	6,787
Minority interests in income	954	703
Net income	4,155	6,084

Consolidated Statements of Comprehensive Income

	Millions of yen	
	Year ended March 31, 2014	Year ended March 31, 2015
	Apr. 1, 2013 - Mar. 31, 2014	Apr. 1, 2014 - Mar. 31, 2015
Income before minority interests	5,109	6,787
Other comprehensive income		
Valuation difference on available-for-sale securities	1,520	3,811
Deferred gains or losses on hedges	(6)	0
Foreign currency translation adjustment	4,106	2,597
Remeasurements of defined benefit plans	—	1,043
Share of other comprehensive income of entities accounted for using equity method	122	79
Total other comprehensive income	5,742	7,532
Comprehensive income	10,852	14,320
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	9,197	13,528
Comprehensive income attributable to minority interests	1,655	791

(3) Consolidated Statements of Changes in Net Assets

Year ended March 31, 2014 (Apr. 1, 2013 - Mar. 31, 2014)

Millions of yen

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	6,455	7,344	59,735	(1,173)	72,361
Cumulative effects of changes in accounting policies					
Restated balance	6,455	7,344	59,735	(1,173)	72,361
Changes of items during the period					
Dividends of surplus			(1,982)		(1,982)
Net income			4,155		4,155
Purchase of treasury shares				(1,741)	(1,741)
Disposal of treasury shares					—
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	—	2,172	(1,741)	431
Balance at the end of current period	6,455	7,344	61,908	(2,915)	72,792

Millions of yen

	Accumulated other comprehensive income					Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	5,245	(11)	(2,358)	—	2,875	3,300	78,537
Cumulative effects of changes in accounting policies							
Restated balance	5,245	(11)	(2,358)		2,875	3,300	78,537
Changes of items during the period							
Dividends of surplus							(1,982)
Net income							4,155
Purchase of treasury shares							(1,741)
Disposal of treasury shares							—
Net changes of items other than shareholders' equity	1,520	4	3,517	(261)	4,780	963	5,743
Total changes of items during the period	1,520	4	3,517	(261)	4,780	963	6,174
Balance at the end of current period	6,765	(6)	1,158	(261)	7,656	4,263	84,712

Year ended March 31, 2015 (Apr. 1, 2014 - Mar. 31, 2015)

Millions of yen

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	6,455	7,344	61,908	(2,915)	72,792
Cumulative effects of changes in accounting policies			2,444		2,444
Restated balance	6,455	7,344	64,352	(2,915)	75,236
Changes of items during the period					
Dividends of surplus			(1,586)		(1,586)
Net income			6,084		6,084
Purchase of treasury shares				(3)	(3)
Disposal of treasury shares		0		0	0
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	0	4,498	(3)	4,495
Balance at the end of current period	6,455	7,344	68,851	(2,919)	79,731

Millions of yen

	Accumulated other comprehensive income					Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	6,765	(6)	1,158	(261)	7,656	4,263	84,712
Cumulative effects of changes in accounting policies						3	2,447
Restated balance	6,765	(6)	1,158	(261)	7,656	4,267	87,159
Changes of items during the period							
Dividends of surplus							(1,586)
Net income							6,084
Purchase of treasury shares							(3)
Disposal of treasury shares							0
Net changes of items other than shareholders' equity	3,811	0	2,583	1,047	7,444	570	8,014
Total changes of items during the period	3,811	0	2,583	1,047	7,444	570	12,509
Balance at the end of current period	10,577	(5)	3,742	786	15,100	4,837	99,669

(4) Consolidated Statements of Cash Flows

	Millions of yen	
	Year ended March 31, 2014 Apr. 1, 2013 - Mar. 31, 2014	Year ended March 31, 2015 Apr. 1, 2014 - Mar. 31, 2015
Cash flows from operating activities		
Income before income taxes and minority interests	9,219	10,164
Depreciation and amortization	1,290	1,257
Amortization of goodwill	143	175
Increase (decrease) in allowance for doubtful accounts	(191)	301
Increase (decrease) in provision for warranties for completed construction	(245)	(107)
Increase (decrease) in provision for loss on construction contracts	(708)	(740)
Increase (decrease) in provision for loss on Anti-Monopoly Act	592	(384)
Increase (decrease) in provision for retirement benefits	(2,826)	—
Increase (decrease) in provision for directors' retirement benefits	(24)	(9)
Increase (decrease) in provision of reserve for loss on dissolution of employees' pension fund	651	(400)
Increase (decrease) in net defined benefit asset and liability	2,312	(661)
Interest and dividends income	(726)	(853)
Interest expenses	237	222
Share of (profit) loss of entities accounted for using equity method	(51)	(43)
Loss (gain) on disposal of non-current assets	(24)	(319)
Loss (gain) on sales of investment securities	(1,218)	0
Loss (gain) on valuation of investment securities	—	0
Loss (gain) on sales of shares of subsidiaries and associates	73	—
Decrease (increase) in notes and accounts receivable-trade	12,986	(1,825)
Decrease (increase) in inventories	(1,466)	1,049
Decrease (increase) in advances paid	(24)	(3)
Decrease (increase) in non-operating notes receivable	117	0
Decrease (increase) in accounts receivable-other	114	(37)
Increase (decrease) in notes and accounts payable-trade	(5,997)	(786)
Increase (decrease) in advances received on uncompleted construction contracts	(2,739)	(2,321)
Increase (decrease) in non-operating notes payable	(83)	19
Increase (decrease) in accrued consumption taxes	(104)	666
Increase (decrease) in deposits received	(753)	(90)
Increase (decrease) in accrued expenses	(122)	(56)
Other, net	(1,205)	(2,138)
Subtotal	9,224	3,078
Interest and dividends income received	726	853
Interest expenses paid	(244)	(222)
Income taxes paid	(2,174)	(2,308)
Net cash provided by (used in) operating activities	7,532	1,401

	Millions of yen	
	Year ended	Year ended
	March 31, 2014 Apr. 1, 2013 - Mar. 31, 2014	March 31, 2015 Apr. 1, 2014 - Mar. 31, 2015
Cash flows from investing activities		
Payments into time deposits	(3,446)	(11,308)
Proceeds from withdrawal of time deposits	882	9,589
Purchase of securities	(5,500)	(4,000)
Proceeds from redemption of securities	6,500	3,000
Purchase of property, plant and equipment and intangible assets	(1,734)	(1,247)
Proceeds from sales of property, plant and equipment and intangible assets	176	1,427
Purchase of investment securities	(1,014)	(1,497)
Proceeds from sales of investment securities	2,263	9
Proceeds from redemption of investment securities	508	1,010
Purchase of shares of subsidiaries	(127)	—
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(744)
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	4	—
Payments of long-term loans receivable	(78)	(74)
Collection of long-term loans receivable	68	105
Purchase of insurance funds	(2)	(2)
Proceeds from maturity of insurance funds	118	61
Purchase of long-term prepaid expenses	(38)	(38)
Other, net	225	(188)
Net cash provided by (used in) investing activities	<u>(1,194)</u>	<u>(3,900)</u>
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	866	2,007
Proceeds from long-term loans payable	402	1,876
Repayment of long-term loans payable	(391)	(474)
Repayments of lease obligations	(59)	(29)
Proceeds from stock issuance to minority shareholders	35	—
Net decrease (increase) in treasury stock	(1,741)	(3)
Cash dividends paid	(1,974)	(1,586)
Cash dividends paid to minority shareholders	(427)	(524)
Net cash provided by (used in) financing activities	<u>(3,290)</u>	<u>1,264</u>
Effect of exchange rate change on cash and cash equivalents	<u>3,185</u>	<u>1,878</u>
Net increase (decrease) in cash and cash equivalents	<u>6,233</u>	<u>644</u>
Cash and cash equivalents at beginning of period	<u>33,627</u>	<u>39,861</u>
Cash and cash equivalents at end of period	<u>39,861</u>	<u>40,505</u>

(Segment information)

1. Sales and profits or losses by reportable segments

Year ended March 31, 2014 (Apr. 1, 2013 - Mar. 31, 2014)

Millions of yen

	Reportable segments			Eliminations/ Corporate	Consolidated
	Green Technology System Division	Paint Finishing System Division	Total		
Sales					
Sales to customers	115,444	69,976	185,421	—	185,421
Intersegment	2	69	71	(71)	—
Total	115,447	70,046	185,493	(71)	185,421
Segment profit	4,449	4,506	8,955	336	9,292
Segment assets	73,201	50,890	124,091	42,588	166,680
Other items					
Depreciation expenses	479	803	1,283	6	1,290
Amortization of goodwill	—	143	143	—	143
Interest income	177	204	381	27	409
Interest expenses	66	160	227	9	237
Equity in earnings of affiliates	—	58	58	—	58
Investments in associates accounted for using the equity method	—	647	647	—	647
Increase in tangible and intangible assets	169	1,300	1,469	390	1,860

(Note) 1. The amount of Eliminations/ Corporate is as follows:

(1) Eliminations/ Corporate of Segment profit of 336 million yen includes non-allocatable common costs of 337 million yen and other adjustment of -0 million yen.

Non-allocatable common costs is mainly dividend income etc. those are not attributed to any reportable segments.

(2) Eliminations/ Corporate of Segment assets of 42,588 million yen is elimination of receivable and payable etc.

of -2,704 million yen and non-allocatable common assets that is not allocated to any segments of 45,292 million yen.

Non-allocatable common assets is mainly cash and deposit, securities, property, plant and equipment, investment securities and deferred tax assets etc. those are not attributed to any reportable segments.

(3) Eliminations/ Corporate of increase in tangible and intangible assets of 390 million yen is building and structure, machinery, equipment, vehicles, tools, furniture and fixtures and software etc. those are not attributed to any reportable segments.

2. Segment profit (loss) were adjusted in the ordinary income of the consolidated income statement.

Year ended March 31, 2015 (Apr. 1, 2014 - Mar. 31, 2015)

Millions of yen

	Reportable segments			Eliminations/ Corporate	Consolidated
	Green Technology System Division	Paint Finishing System Division	Total		
Sales					
Sales to customers	116,134	67,513	183,648	—	183,648
Intersegment	15	100	116	(116)	—
Total	116,150	67,614	183,764	(116)	183,648
Segment profit	5,991	3,260	9,252	327	9,579
Segment assets	80,697	57,449	138,147	50,136	188,283
Other items					
Depreciation expenses	429	814	1,244	13	1,257
Amortization of goodwill	—	175	175	—	175
Interest income	232	217	449	10	460
Interest expenses	46	163	210	12	222
Equity in earnings of affiliates	—	52	52	—	52
Investments in associates accounted for using the equity method	—	770	770	—	770
Increase in tangible and intangible assets	295	837	1,132	318	1,450

(Note) 1. The amount of Eliminations/ Corporate is as follows:

(1) Eliminations/ Corporate of Segment profit of 327 million yen includes non-allocatable common costs of 331 million yen and other adjustment of -3 million yen.

Non-allocatable common costs is mainly dividend income etc. those are not attributed to any reportable segments.

(2) Eliminations/ Corporate of Segment assets of 50,136 million yen is elimination of receivable and payable etc.

of -2,581 million yen and non-allocatable common assets that is not allocated to any segments of 52,718 million yen.

Non-allocatable common assets is mainly cash and deposit, securities, property, plant and equipment, investment securities and net defined benefit asset etc. those are not attributed to any reportable segments.

(3) Eliminations/ Corporate of increase in tangible and intangible assets of 318 million yen is building and structure, machinery, equipment, vehicles, tools, furniture and fixtures and software etc. those are not attributed to any reportable segments.

2. Segment profit (loss) were adjusted in the ordinary income of the consolidated income statement.

2. Sales by regions

Year ended March 31, 2014 (Apr. 1, 2013 - Mar. 31, 2014)

Millions of yen

Japan	North America	South East Asia		East Asia		India	Other	Total
		Thailand	Other South East Asia	China	Other East Asia			
71,206	12,798	29,980	30,793	19,045	2,750	5,229	13,617	185,421

Year ended March 31, 2015 (Apr. 1, 2014 - Mar. 31, 2015)

Millions of yen

Japan	North America	South East Asia		East Asia		India	Other	Total
		Thailand	Other South East Asia	China	Other East Asia			
82,303	7,669	22,896	23,719	15,805	1,365	3,123	26,765	183,648

3. Property, plant and equipment

As of March 31, 2014

Millions of yen

Japan	Thailand	Indonesia	China	India	Italy	Other	Total
4,290	484	344	1,300	1,270	842	238	8,769

As of March 31, 2015

Millions of yen

Japan	Thailand	Indonesia	China	India	Italy	Other	Total
2,978	493	375	1,213	1,833	872	277	8,043

4. Impairment loss of the noncurrent assets by reportable segments

Year ended March 31, 2014 (Apr. 1, 2013 - Mar. 31, 2014)

Millions of yen

	Reportable segments			Eliminations/Corporate	Consolidated
	Green Technology System Division	Paint Finishing System Division	Total		
Impairment loss	22	—	22	—	22

(Note) Impairment loss is not allocated to reportable segments. The detail of impairment loss is the impairment loss on expected to be sold assets and expected to be removed assets for business restructuring.

Year ended March 31, 2015 (Apr. 1, 2014 - Mar. 31, 2015)

Millions of yen

	Reportable segments			Eliminations/Corporate	Consolidated
	Green Technology System Division	Paint Finishing System Division	Total		
Impairment loss	0	85	86	9	96

(Note) Impairment loss is not allocated to reportable segments. The detail of impairment loss is the impairment loss on expected to be removed assets for relocation of headquarters.

5. Amortization of goodwill and the unamortized balance by reportable segments

As of March 31, 2014

Millions of yen

	Reportable segments			Eliminations/Corporate	Consolidated
	Green Technology System Division	Paint Finishing System Division	Total		
Balance as of March 31, 2014	—	2,779	2,779	—	2,779

(Note) Amortization of goodwill is omitted because this information is already disclosed in "Sales and profits or losses by reportable segments".

As of March 31, 2015

Millions of yen

	Reportable segments			Eliminations/Corporate	Consolidated
	Green Technology System Division	Paint Finishing System Division	Total		
Balance as of March 31, 2015	—	3,481	3,481	—	3,481

(Note) Amortization of goodwill is omitted because this information is already disclosed in "Sales and profits or losses by reportable segments".

2 Non-consolidated Financial Statements

(1) Balance Sheets

Millions of yen

	As of March 31, 2014	As of March 31, 2015
Assets		
Current assets		
Cash and deposits	14,133	17,240
Notes receivable-trade	858	1,275
Accounts receivable from completed construction contracts	45,562	44,742
Securities	6,009	4,500
Costs on uncompleted construction contracts	289	461
Raw materials and supplies	132	132
Prepaid expenses	271	280
Deferred tax assets	1,126	1,023
Accounts receivable-other	2,067	2,066
Other	1,254	815
Total current assets	71,706	72,538
Noncurrent assets		
Property, plant and equipment		
Buildings	5,962	4,552
Accumulated depreciation	(4,334)	(3,336)
Buildings, net	1,628	1,215
Structures	248	162
Accumulated depreciation	(223)	(144)
Structures, net	24	18
Machinery and equipment	734	701
Accumulated depreciation	(678)	(660)
Machinery and equipment, net	55	41
Vehicles	0	0
Accumulated depreciation	(0)	(0)
Vehicles, net	0	0
Tools, furniture and fixtures	831	808
Accumulated depreciation	(654)	(656)
Tools, furniture and fixtures, net	177	151
Land	2,281	1,437
Lease assets	57	57
Accumulated depreciation	(26)	(38)
Lease assets, net	30	19
Total property, plant and equipment	4,198	2,883
Intangible assets		
Leasehold right	0	0
Software	519	731
Other	18	12
Total intangible assets	538	744

Millions of yen

	As of March 31, 2014	As of March 31, 2015
Investments and other assets		
Investment securities	18,946	25,579
Shares of subsidiaries and associates	8,476	9,752
Investments in capital	1	1
Long-term loans receivable	16	1
Long-term loans receivable from employees	11	37
Long-term accounts receivable from subsidiaries and associates	227	76
Lease and guarantee deposits	1,219	1,337
Long-term prepaid expenses	284	240
Prepaid pension cost	—	3,234
Insurance funds	396	338
Claims provable in bankruptcy, claims provable in rehabilitation and other	105	71
Other	163	3
Allowance for doubtful accounts	(322)	(154)
Total investments and other assets	29,528	40,521
Total noncurrent assets	34,266	44,149
Total assets	105,973	116,687
Liabilities		
Current liabilities		
Notes payable-trade	4,472	5,945
Electronically recorded obligations - operating	—	3,890
Accounts payable for construction contracts	22,835	17,178
Short-term loans payable	2,008	2,032
Lease obligations	12	12
Accounts payable-other	2,805	3,138
Accrued expenses	413	388
Income taxes payable	122	1,001
Advances received on uncompleted construction contracts	1,168	940
Deposits received	252	158
Unearned revenue	10	6
Provision for warranties for completed construction	285	157
Provision for loss on construction contracts	595	56
Provision for directors' bonuses	78	85
Provision for loss on Anti-Monopoly Act	592	207
Other	8	523
Total current liabilities	35,660	35,721
Noncurrent liabilities		
Long-term loans payable	114	155
Lease obligations	20	7
Deferred tax liabilities	2,471	5,398
Provision for retirement benefits	1,359	77
Provision for loss on guarantees of subsidiaries and affiliates	79	—
Reserve for loss on dissolution of employees' pension fund	592	228
Other	402	82
Total noncurrent liabilities	5,039	5,951
Total liabilities	40,700	41,672

Millions of yen

	As of March 31, 2014	As of March 31, 2015
Net assets		
Shareholders' equity		
Capital stock	6,455	6,455
Capital surplus		
Legal capital surplus	7,297	7,297
Other capital surplus	47	47
Total capital surpluses	7,344	7,344
Retained earnings		
Legal retained earnings	1,613	1,613
Other retained earnings		
Reserve for reduction entry	0	0
Reserve for investment on information technology	1,600	1,800
General reserve	35,720	35,720
Retained earnings brought forward	8,694	14,429
Total retained earnings	47,628	53,562
Treasury shares	(2,915)	(2,919)
Total shareholders' equity	58,512	64,443
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	6,765	10,577
Deferred gains or losses on hedges	(5)	(5)
Total valuation and translation adjustments	6,760	10,571
Total net assets	65,273	75,014
Total liabilities and net assets	105,973	116,687

(2) Income Statements

	Millions of yen	
	Year ended	Year ended
	March 31, 2014 Apr. 1, 2013 - Mar. 31, 2014	March 31, 2015 Apr. 1, 2014 - Mar. 31, 2015
Net sales of completed construction contracts	86,200	93,297
Cost of sales of completed construction contracts	74,834	79,974
Gross profit on completed construction contracts	11,365	13,323
Selling, general and administrative expenses		
Directors' compensations	363	293
Employees' salaries and allowances	4,710	4,970
Provision for directors' bonuses	78	85
Retirement benefit expenses	494	347
Legal welfare expenses	679	732
Welfare expenses	338	331
Repair and maintenance	148	163
Stationery expenses	486	430
Correspondence and transportation expenses	679	674
Power utilities expenses	58	67
Research study expenses	238	258
Advertising expenses	186	75
Entertainment expenses	126	93
Contribution	10	12
Rents	705	730
Depreciation	447	335
Taxes and dues	170	187
Insurance expenses	14	17
Miscellaneous expenses	972	1,003
Total selling, general and administrative expenses	10,910	10,812
Operating income	455	2,510
Non-operating income		
Interest income	8	6
Interest on securities	26	8
Dividends income	2,900	1,915
Dividends income of insurance	162	142
Real estate rent	215	204
Foreign exchange gains	37	—
Technical advisory fee	768	1,554
Reversal of allowance for doubtful accounts	53	28
Other	62	29
Total non-operating income	4,235	3,891
Non-operating expenses		
Interest expenses	17	17
Sales discounts	17	26
Rent expenses on real estates	72	68
Foreign exchange losses	—	31
Other	30	34
Total non-operating expenses	138	178
Ordinary income	4,552	6,224

	Millions of yen	
	Year ended	Year ended
	March 31, 2014	March 31, 2015
	Apr. 1, 2013 - Mar. 31, 2014	Apr. 1, 2014 - Mar. 31, 2015
Extraordinary income		
Gain on disposal of noncurrent assets	52	1,154
Gain on sales of investment securities	1,219	0
Reversal of allowance for doubtful accounts for subsidiaries and associates	—	37
Reversal of provision for loss on guarantees of subsidiaries and associates	—	79
Reversal of reserve for loss on dissolution of employees' pension fund	—	363
Surrender value of insurance	29	0
Total extraordinary income	1,302	1,637
Extraordinary loss		
Loss on disposal of noncurrent assets	38	838
Impairment loss	17	9
Loss on sales of investment securities	1	0
Loss on sales of shares of subsidiaries and associates	8	—
Loss on valuation of shares of subsidiaries and associates	389	—
Provision of allowance for doubtful accounts for subsidiaries and associates	211	—
Provision for loss on Anti-Monopoly Act	592	38
Provision for loss on guarantees of subsidiaries and affiliates	79	—
Provision of reserve for loss on dissolution of employees' pension fund	592	—
Provision for contract loss	83	—
Loss on insurance cancellation	4	0
Total extraordinary losses	2,021	887
Income before income taxes	3,833	6,974
Income taxes-current	585	1,486
Income taxes-deferred	789	373
Total income taxes	1,374	1,860
Net income	2,458	5,114

(3) Statements of Changes in Net Assets

Year ended March 31, 2014 (Apr. 1, 2013 - Mar. 31, 2014)

Millions of yen

	Shareholders' equity							
	Capital stock	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total Capital surplus	Legal retained earnings	Other retained earnings		
						Reserve for reduction entry	Reserve for investment on information technology	General reserve
Balance at the beginning of current period	6,455	7,297	47	7,344	1,613	6	1,400	35,720
Cumulative effects of changes in accounting policies								
Restated balance	6,455	7,297	47	7,344	1,613	6	1,400	35,720
Changes of items during the period								
Reversal of reserve for reduction entry						(6)		
Reserve of reserve for investment on information technology							200	
Dividends of surplus								
Net income								
Purchase of treasury shares								
Disposal of treasury shares								
Net changes of items other than shareholders' equity								
Total changes of items during the period	—	—	—	—	—	(6)	200	—
Balance at the end of current period	6,455	7,297	47	7,344	1,613	0	1,600	35,720

Millions of yen

	Shareholders' equity				Valuation and translation adjustments			Total Net assets
	Retained earnings		Treasury shares	Total Shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Valuation and translation adjustments	
	Other retained earnings	Total Retained earnings						
	Retained earnings brought forward							
Balance at the beginning of current period	8,411	47,152	(1,173)	59,778	5,245	(31)	5,214	64,993
Cumulative effects of changes in accounting policies								
Restated balance	8,411	47,152	(1,173)	59,778	5,245	(31)	5,214	64,993
Changes of items during the period								
Reversal of reserve for reduction entry	6			—				—
Reserve of reserve for investment on information technology	(200)			—				—
Dividends of surplus	(1,982)	(1,982)		(1,982)				(1,982)
Net income	2,458	2,458		2,458				2,458
Purchase of treasury shares			(1,741)	(1,741)				(1,741)
Disposal of treasury shares				—				—
Net changes of items other than shareholders' equity					1,519	25	1,545	1,545
Total changes of items during the period	282	476	(1,741)	(1,265)	1,519	25	1,545	279
Balance at the end of current period	8,694	47,628	(2,915)	58,512	6,765	(5)	6,760	65,273

Year ended March 31, 2015 (Apr. 1, 2014 - Mar. 31, 2015)

Millions of yen

	Shareholders' equity							
	Capital stock	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total Capital surplus	Legal retained earnings	Other retained earnings		
						Reserve for reduction entry	Reserve for investment on information technology	General reserve
Balance at the beginning of current period	6,455	7,297	47	7,344	1,613	0	1,600	35,720
Cumulative effects of changes in accounting policies								
Restated balance	6,455	7,297	47	7,344	1,613	0	1,600	35,720
Changes of items during the period								
Reversal of reserve for reduction entry						(0)		
Reserve of reserve for investment on information technology							200	
Dividends of surplus								
Net income								
Purchase of treasury shares								
Disposal of treasury shares			0	0				
Net changes of items other than shareholders' equity								
Total changes of items during the period	—	—	0	0	—	(0)	200	—
Balance at the end of current period	6,455	7,297	47	7,344	1,613	0	1,800	35,720

Millions of yen

	Shareholders' equity				Valuation and translation adjustments			Total Net assets
	Retained earnings		Treasury shares	Total Shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Valuation and translation adjustments	
	Other retained earnings	Total Retained earnings						
	Retained earnings brought forward							
Balance at the beginning of current period	8,694	47,628	(2,915)	58,512	6,765	(5)	6,760	65,273
Cumulative effects of changes in accounting policies	2,406	2,406		2,406				2,406
Restated balance	11,100	50,034	(2,915)	60,918	6,765	(5)	6,760	67,679
Changes of items during the period								
Reversal of reserve for reduction entry	0			—				—
Reserve of reserve for investment on information technology	(200)			—				—
Dividends of surplus	(1,586)	(1,586)		(1,586)				(1,586)
Net income	5,114	5,114		5,114				5,114
Purchase of treasury shares			(3)	(3)				(3)
Disposal of treasury shares			0	0				0
Net changes of items other than shareholders' equity					3,811	(0)	3,811	3,811
Total changes of items during the period	3,328	3,527	(3)	3,524	3,811	(0)	3,811	7,335
Balance at the end of current period	14,429	53,562	(2,919)	64,443	10,577	(5)	10,571	75,014

(Supplementary information)

1. Statement for orders-received, net sales of completed construction contracts, and construction carried forward by each division
(consolidated)

Millions of yen

	Year ended March 31, 2014 (Apr. 1, 2013 - Mar. 31, 2014)		Year ended March 31, 2015 (Apr. 1, 2014 - Mar. 31, 2015)		Increase (decrease)	
	Amounts	%	Amounts	%	Amounts	%
Orders-received						
Green Technology System Division						
HVAC for buildings	53,842	28.5	44,896	24.0	(8,946)	(16.6)
Industrial HVAC	72,216	38.2	81,093	43.3	8,877	12.3
Total	126,058	66.7	125,989	67.3	(69)	(0.1)
[Overseas]	[45,138]	[23.9]	[42,798]	[22.8]	[(2,340)]	[(5.2)]
Paint Finishing System Division	62,967	33.3	61,321	32.7	(1,646)	(2.6)
[Overseas]	[54,367]	[28.7]	[50,573]	[27.0]	[(3,794)]	[(7.0)]
Total	189,026	100.0	187,311	100.0	(1,715)	(0.9)
[Overseas]	[99,506]	[52.6]	[93,371]	[49.8]	[(6,135)]	[(6.2)]
Net sales of completed construction contracts						
Green Technology System Division						
HVAC for buildings	36,455	19.7	40,827	22.2	4,372	12.0
Industrial HVAC	78,989	42.6	75,307	41.0	(3,682)	(4.7)
Total	115,444	62.3	116,134	63.2	690	0.6
[Overseas]	[51,695]	[27.9]	[40,150]	[21.9]	[(11,545)]	[(22.3)]
Paint Finishing System Division	69,976	37.7	67,513	36.8	(2,463)	(3.5)
[Overseas]	[62,519]	[33.7]	[61,194]	[33.3]	[(1,325)]	[(2.1)]
Total	185,421	100.0	183,648	100.0	(1,773)	(1.0)
[Overseas]	[114,214]	[61.6]	[101,344]	[55.2]	[(12,870)]	[(11.3)]
Construction carried forward						
Green Technology System Division						
HVAC for buildings	45,412	32.4	49,481	33.0	4,069	9.0
Industrial HVAC	34,677	24.7	41,666	27.7	6,989	20.2
Total	80,089	57.1	91,147	60.7	11,058	13.8
[Overseas]	[25,261]	[18.0]	[29,111]	[19.4]	[3,850]	[15.2]
Paint Finishing System Division	60,065	42.9	59,131	39.3	(934)	(1.6)
[Overseas]	[57,513]	[41.1]	[52,150]	[34.7]	[(5,363)]	[(9.3)]
Total	140,155	100.0	150,278	100.0	10,123	7.2
[Overseas]	[82,775]	[59.1]	[81,262]	[54.1]	[(1,513)]	[(1.8)]

(Note) 1. The amounts of orders received, net sales of completed construction contracts, and carried forward are the transacted amount with external customers.

2. In the previous year, there is 2 million yen difference between net sales of completed construction contracts of 115,444 million yen and total sales of 115,447 million yen in the segment information by the Green Technology System Division.

There is 69 million yen difference between net sales of completed construction contracts of 69,976 million yen and total sales of 70,046 million yen in the segment information by Paint Finishing System Division.

Above differences are due to intersegment sales.

3. In the fiscal year, there is 15 million yen difference between net sales of completed construction contracts of 116,134 million yen and total sales of 116,150 million yen in the segment information by the Green Technology System Division.

There is 100 million yen difference between net sales of completed construction contracts of 67,513 million yen and total sales of 67,614 million yen in the segment information by Paint Finishing System Division.

Above differences are due to intersegment sales.

4. Regarding foreign exchange translation of contracts brought forward from previous year in foreign subsidiaries, fluctuation amount because of foreign exchange is adjusted in the beginning balance of construction contracts brought forward.

In this fiscal year, construction contracts of Encore Automation LLC is included in the beginning balance of construction contracts because this company has become included in the scope of consolidation.

Beginning balance of construction contracts brought forward after adjustment in the fiscal year is as follows.

Green Technology System Division			
HVAC for buildings	45,412 million yen		
Industrial HVAC	35,879	[overseas	26,464 million yen]
Sub total	81,292	[overseas	26,464
Paint Finishing System Division	65,323	[overseas	62,771
Total	146,615	[overseas	89,235

2. Statement for orders-received, net sales of completed construction contracts, and construction carried forward by each division

(Non-consolidated)

Millions of yen

	Year ended March 31, 2014 (Apr. 1, 2013 - Mar. 31, 2014)		Year ended March 31, 2015 (Apr. 1, 2014 - Mar. 31, 2015)		Increase (decrease)	
	Amounts	%	Amounts	%	Amounts	%
Orders-received						
Green Technology System Division						
HVAC for buildings	51,477	49.2	42,832	42.6	(8,645)	(16.8)
Industrial HVAC	27,478	26.3	38,482	38.3	11,004	40.0
Total	78,956	75.5	81,315	80.9	2,359	3.0
[Overseas]	[507]	[0.5]	[252]	[0.3]	[(255)]	[(50.3)]
Paint Finishing System Division	25,620	24.5	19,164	19.1	(6,456)	(25.2)
[Overseas]	[18,714]	[17.9]	[10,195]	[10.1]	[(8,519)]	[(45.5)]
Total	104,576	100.0	100,479	100.0	(4,097)	(3.9)
[Overseas]	[19,221]	[18.4]	[10,448]	[10.4]	[(8,773)]	[(45.6)]
Net sales of completed construction contracts						
Green Technology System Division						
HVAC for buildings	34,532	40.1	38,530	41.3	3,998	11.6
Industrial HVAC	28,041	32.5	35,386	37.9	7,345	26.2
Total	62,573	72.6	73,916	79.2	11,343	18.1
[Overseas]	[871]	[1.0]	[293]	[0.3]	[(578)]	[(66.4)]
Paint Finishing System Division	23,626	27.4	19,381	20.8	(4,245)	(18.0)
[Overseas]	[17,830]	[20.7]	[14,758]	[15.8]	[(3,072)]	[(17.2)]
Total	86,200	100.0	93,297	100.0	7,097	8.2
[Overseas]	[18,702]	[21.7]	[15,051]	[16.1]	[(3,651)]	[(19.5)]
Construction carried forward						
Green Technology System Division						
HVAC for buildings	44,850	66.1	49,152	65.5	4,302	9.6
Industrial HVAC	9,475	14.0	12,572	16.8	3,097	32.7
Total	54,326	80.1	61,724	82.3	7,398	13.6
[Overseas]	[62]	[0.1]	[22]	[0.0]	[(40)]	[(64.5)]
Paint Finishing System Division	13,470	19.9	13,253	17.7	(217)	(1.6)
[Overseas]	[11,192]	[16.5]	[6,629]	[8.9]	[(4,563)]	[(40.8)]
Total	67,796	100.0	74,978	100.0	7,182	10.6
[Overseas]	[11,254]	[16.6]	[6,651]	[8.9]	[(4,603)]	[(40.9)]