

Flash Report Consolidated Basis Results for the First Half of Fiscal 2015 (April 1, 2015-September 30, 2015) <under Japanese GAAP>

October 29, 2015

Company name: OSAKA STEEL CO., LTD.

Stock listing: Tokyo,1st section

Code number: 5449

URL:http://www.osaka-seitetu.co.jpRepresentative:Junji Uchida, PRESIDENT

Contact: Tetsuya Konno,

EXECUTIVE COUNSELLOR & GENERAL MANAGER,

ACCOUNTING & FINANCE DIV.

Telephone: +81-6-6204-0163

(Figures of less than ¥1 million have been omitted.)

1. Consolidated Financial and Operating Results for the First Half of Fiscal 2015 (April 1, 2015-September 30, 2015)

(1)Consolidated Operating Results

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First half of Fiscal 2015	28, 877	(16. 2)	3, 706	(3. 0)	3, 843	(1.7)	2, 088	(17. 1)
First half of Fiscal 2014	34, 452	6. 7	3, 820	81.8	3, 909	73.8	2, 517	92. 6

(Reference) Comprehensive income: First half of Fiscal 2015 ¥2,163 Million (14.4)% First half of Fiscal 2014 ¥2,528 million 84.4%

	Earnings per share	Earnings per share after full dilution
	Yen	Yen
First half of Fiscal 2015	53. 65	_
First half of Fiscal 2014	64. 69	_

(2)Consolidated Financial Results

	Total assets	Net assets	Ratio of shareholders' equity to total assets	
	Millions of yen	Millions of yen	%	
First half of Fiscal 2015	145, 398	131, 121	89. 0	
Fiscal 2014	147, 328	129, 337	87. 0	

(Reference) Shareholders' equity: First half of Fiscal 2015 ¥129,470 million Fiscal 2014 ¥128,192 million

2. Dividends

Z. Dividende								
		Dividends per share						
	End of first quarter	End of second	End of third	End of fiscal year	Total			
	Life of first quarter	quarter	quarter	Life of fiscal year	lotai			
	Yen	Yen	Yen	Yen	Yen			
Fiscal 2014	_	12.50	_	22.50	35.00			
Fiscal 2015	_	12.50						
Fiscal 2015 (Forecasts)			_	_	_			

(Note) Whether the dividend forecasts under review have been revised : No

The dividend forecasts of end of fiscal year for fiscal 2015 are not decided.

3. Consolidated Financial Forecasts for Fiscal 2015(April 1, 2015-March 31, 2016)

	Net s	sales	Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal 2015	58,000	(14.3)	6,800	(25.2)	7,000	(23.4)	4,200	(32.4)	107.91

(Note) Whether the consolidated financial forecasts for fiscal 2015 under review have been revised : Yes

1. Quarterly Consolidated Financial Statements

(1)Quarterly Consolidated Balance Sheets

Assets			Millions of yen
Current assets 2,547 4,458 Cash and deposits 2,547 4,458 Notes and accounts receivable - trade 11,534 9,093 Finished goods 6,723 6,043 Work in process 241 171 Raw materials and supplies 4,219 3,935 Deferred tax assets 616 447 Accounts receivable - other 8,035 8,022 Short-term loans receivable from subsidiaries and associates 10,000 10,000 Deposits paid 55,543 55,748 Other 30 46 Allowance for doubtful accounts (3) (2) Total current assets 99,487 97,964 Non-current assets 99,487 97,964 Non-current assets 4,655 4,546 Machinery, plant and equipment 4,655 4,546 Machinery, equipment and vehicles, net 7,443 6,533 Tools, furniture and fixtures, net 814 877 Land 31,552 31,607 Construction in p		March 31, 2015	September 30, 2015
Cash and deposits 2,547 4,458 Notes and accounts receivable - trade 11,534 9,093 Finished goods 6,723 6,043 Work in process 241 171 Raw materials and supplies 4,219 3,935 Deferred tax assets 616 447 Accounts receivable - other 8,035 8,022 Short-term loans receivable from subsidiaries and associates 10,000 10,000 Deposits paid 55,543 55,748 Other 30 46 Allowance for doubtful accounts (3) (2) Total current assets 99,487 97,964 Non-current assets 99,487 97,964 Non-current assets 4,655 4,546 Machinery, equipment and vehicles, net 7,443 6,533 Tools, furniture and fixtures, net 4,655 4,546 Machinery, equipment and vehicles, net 7,443 6,533 Total property, plant and equipment 46,180 45,835 Intargible assets 1,51 15 </td <td>Assets</td> <td></td> <td></td>	Assets		
Notes and accounts receivable - trade 11,534 9,093 Finished goods 6,723 6,043 Work in process 241 1771 Raw materials and supplies 4,219 3,935 Deferred tax assets 616 447 Accounts receivable - other 8,035 8,022 Short-term loans receivable from subsidiaries and associates 10,000 10,000 Deposits paid 55,543 55,748 Other 30 46 Allowance for doubtful accounts (3) (2) Total current assets 99,487 97,964 Non-current assets 99,487 97,964 Non-current assets 4,655 4,546 Machinery, equipment and equipment 4,655 4,546 Machinery, equipment and vehicles, net 7,443 6,533 Tools, furniture and fixtures, net 814 877 Land 31,552 31,607 Construction in progress 1,714 2,270 Total property, plant and equipment 46,180 45,835	Current assets		
Finished goods 6,723 6,043 Work in process 241 171 Raw materials and supplies 4,219 3,935 Deferred tax assets 616 447 Accounts receivable - other 8,035 8,022 Short-term loans receivable from subsidiaries and associates 10,000 10,000 Deposits paid 55,543 55,748 Other 30 46 Allowance for doubful accounts (3) (2) Total current assets 99,487 97,964 Non-current assets 99,487 97,964 Non-current assets 4,655 4,546 Machinery, equipment and equipment 4,655 4,546 Machinery, equipment and vehicles, net 7,443 6,533 Tools, furniture and fixtures, net 814 877 Land 31,552 31,607 Construction in progress 1,714 2,270 Total property, plant and equipment 46,180 45,835 Intangible assets 15 15 Total intan	Cash and deposits	2,547	4,458
Work in process 241 171 Raw materials and supplies 4,219 3,935 Deferred tax assets 616 447 Accounts receivable - other 8,035 8,022 Short-term loans receivable from subsidiaries and associates 10,000 10,000 Deposits paid 55,543 55,748 Other 30 46 Allowance for doubtful accounts (3) (2) Total current assets 99,487 97,964 Non-current assets 99,487 97,964 Non-current assets 4,655 4,546 Machinery, equipment 4,655 4,546 Machinery, equipment and vehicles, net 7,443 6,533 Tools, furniture and fixtures, net 814 877 Land 31,552 31,607 Construction in progress 1,714 2,270 Total property, plant and equipment 46,180 45,835 Intangible assets 15 15 Investments and other assets 15 15 Total intangible	Notes and accounts receivable - trade	11,534	9,093
Raw materials and supplies 4,219 3,935 Deferred tax assets 616 447 Accounts receivable - other 8,035 8,022 Short-term loans receivable from subsidiaries and associates 10,000 10,000 Deposits paid 55,543 55,748 Other 30 46 Allowance for doubtful accounts (3) (2) Total current assets 99,487 97,964 Non-current assets 99,487 97,964 Non-current assets 4,655 4,546 Machinery, equipment and equipment 4,655 4,546 Machinery, equipment and vehicles, net 7,443 6,533 Tools, furniture and fixtures, net 814 877 Land 31,552 31,607 Construction in progress 1,714 2,270 Total property, plant and equipment 46,180 45,835 Intangible assets 15 15 Other 15 15 Total intangible assets 15 15 Investments and oth	Finished goods	6,723	6,043
Deferred tax assets 616 447 Accounts receivable - other 8,035 8,022 Short-term loans receivable from subsidiaries and associates 10,000 10,000 Deposits paid 55,543 55,748 Other 30 46 Allowance for doubtful accounts (3) (2) Total current assets 99,487 97,964 Non-current assets Property, plant and equipment 4,655 4,546 Non-current assets 4,655 4,546 4,546 4,655 4,546 Machinery, equipment and vehicles, net 7,443 6,533 1,607 1,744 8,77 1,607 1,714 2,270 1,714 2,270 1,714 2,270 1,714 2,270 1,714 2,270 1,714 2,270 1,714 2,270 1,714 2,270 1,714 2,270 1,714 2,270 1,714 2,270 1,55 1,55 1,55 1,55 1,55 1,55 1,55 1,55 1,55 1,52 1,52 1,52	Work in process	241	171
Accounts receivable - other 8,035 8,022 Short-term loans receivable from subsidiaries and associates 10,000 10,000 Deposits paid 55,543 55,748 Other 30 46 Allowance for doubtful accounts (3) (2) Total current assets 99,487 97,964 Non-current assets 99,487 97,964 Non-current assets 4,655 4,546 Machinery, plant and equipment 4,655 4,546 Machinery, equipment and vehicles, net 7,443 6,533 Tools, furniture and fixtures, net 814 877 Land 31,552 31,607 Construction in progress 1,714 2,270 Total property, plant and equipment 46,180 45,835 Intangible assets 15 15 Other 15 15 Total intangible assets 15 15 Investments and other assets 1,364 1,277 Long-term loans receivable 2 2 Net defined benefi	Raw materials and supplies	4,219	3,935
Short-term loans receivable from subsidiaries and associates 10,000 10,000 Deposits paid 55,543 55,748 Other 30 46 Allowance for doubtful accounts (3) (2) Total current assets 99,487 97,964 Non-current assets 99,487 97,964 Non-current assets 80,465 4,546 Buildings and structures, net 4,655 4,546 Machinery, equipment and vehicles, net 7,443 6,533 Tools, furniture and fixtures, net 814 877 Land 31,552 31,607 Construction in progress 1,714 2,270 Total property, plant and equipment 46,180 45,835 Intangible assets 15 15 Other 15 15 Total intangible assets 15 15 Investments and other assets 15 15 Investments securities 1,364 1,277 Long-term loans receivable 2 2 2 Net define	Deferred tax assets	616	447
Deposits paid 55,543 55,748 Other 30 46 Allowance for doubtful accounts (3) (2) Total current assets 99,487 97,964 Non-current assets 870 7,964 Property, plant and equipment 4,655 4,546 Machinery, equipment and vehicles, net 7,443 6,533 Tools, furniture and fixtures, net 814 877 Land 31,552 31,607 Construction in progress 1,714 2,270 Total property, plant and equipment 46,180 45,835 Intangible assets 15 15 Other 15 15 Total intangible assets 15 15 Investments and other assets 1,364 1,277 Long-term loans receivable 2 2 Net defined benefit asset 5 — Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) <t< td=""><td>Accounts receivable - other</td><td>8,035</td><td>8,022</td></t<>	Accounts receivable - other	8,035	8,022
Other 30 46 Allowance for doubtful accounts (3) (2) Total current assets 99,487 97,964 Non-current assets 99,487 97,964 Non-current assets 99,487 97,964 Non-current assets 8 4,655 4,546 Buildings and structures, net 4,655 4,546 Machinery, equipment and vehicles, net 7,443 6,533 Tools, furniture and fixtures, net 814 877 Land 31,552 31,607 Construction in progress 1,714 2,270 Total property, plant and equipment 46,180 45,835 Intangible assets 15 15 Other 15 15 Total intangible assets 1,364 1,277 Long-term loans receivable 2 2 Net defined benefit asset 5 — Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts 2(22) (Short-term loans receivable from subsidiaries and associates	10,000	10,000
Allowance for doubtful accounts (3) (2) Total current assets 99,487 97,964 Non-current assets 7,964 7,964 Property, plant and equipment 8 4,655 4,546 Buildings and structures, net 4,655 4,546 Machinery, equipment and vehicles, net 7,443 6,533 Tools, furniture and fixtures, net 814 877 Land 31,552 31,607 Construction in progress 1,714 2,270 Total property, plant and equipment 46,180 45,835 Intangible assets 15 15 Other 15 15 Total intangible assets 15 15 Investments and other assets 1,364 1,277 Long-term loans receivable 2 2 Net defined benefit asset 5 — Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other asse	Deposits paid	55,543	55,748
Total current assets 99,487 97,964 Non-current assets Property, plant and equipment 4,655 4,546 Buildings and structures, net 7,443 6,533 Tools, furniture and fixtures, net 814 877 Land 31,552 31,607 Construction in progress 1,714 2,270 Total property, plant and equipment 46,180 45,835 Intangible assets 15 15 Other 15 15 Total intangible assets 15 15 Investments and other assets 1 1,364 1,277 Long-term loans receivable 2 2 2 Net defined benefit asset 5 — Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,840 47,434	Other	30	46
Non-current assets Property, plant and equipment 4,655 4,546 Buildings and structures, net 7,443 6,533 Tools, furniture and fixtures, net 814 877 Land 31,552 31,607 Construction in progress 1,714 2,270 Total property, plant and equipment 46,180 45,835 Intangible assets 15 15 Other 15 15 Total intangible assets 15 15 Investments and other assets 15 15 Investment securities 1,364 1,277 Long-term loans receivable 2 2 Net defined benefit asset 5 — Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,434	Allowance for doubtful accounts	(3)	(2)
Property, plant and equipment Buildings and structures, net 4,655 4,546 Machinery, equipment and vehicles, net 7,443 6,533 Tools, furniture and fixtures, net 814 877 Land 31,552 31,607 Construction in progress 1,714 2,270 Total property, plant and equipment 46,180 45,835 Intangible assets 15 15 Other 15 15 15 Total intangible assets 15 15 15 Investments and other assets 1,364 1,277 1,277 1,364 1,277 1,277 1,364 1,277 1,277 1,364 1,277 1,364 1,364 1,364 1,364 1,364 1,364 1,364 1,364 1,364 1,364 1,364 1,364 1,364 1,364 1,582 1,582 1,644 1,582 1,582 1,544 1,582 1,544 1,582 1,544 1,582 1,544 1,582 1,582 1,584 1,584 1,582 1,582 1,584 1,582 1,582 1,582 <td>Total current assets</td> <td>99,487</td> <td>97,964</td>	Total current assets	99,487	97,964
Buildings and structures, net 4,655 4,546 Machinery, equipment and vehicles, net 7,443 6,533 Tools, furniture and fixtures, net 814 877 Land 31,552 31,607 Construction in progress 1,714 2,270 Total property, plant and equipment 46,180 45,835 Intangible assets 15 15 Other 15 15 Total intangible assets 15 15 Investments and other assets 15 15 Investment securities 1,364 1,277 Long-term loans receivable 2 2 Net defined benefit asset 5 — Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,840 47,434	Non-current assets		
Machinery, equipment and vehicles, net 7,443 6,533 Tools, furniture and fixtures, net 814 877 Land 31,552 31,607 Construction in progress 1,714 2,270 Total property, plant and equipment 46,180 45,835 Intangible assets 15 15 Other 15 15 Total intangible assets 15 15 Investments and other assets 1 1 Investment securities 1,364 1,277 Long-term loans receivable 2 2 Net defined benefit asset 5 - Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,840 47,434	Property, plant and equipment		
Tools, furniture and fixtures, net 814 877 Land 31,552 31,607 Construction in progress 1,714 2,270 Total property, plant and equipment 46,180 45,835 Intangible assets 5 15 Other 15 15 Total intangible assets 15 15 Investments and other assets 15 15 Investment securities 1,364 1,277 Long-term loans receivable 2 2 Net defined benefit asset 5 - Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,840 47,434	Buildings and structures, net	4,655	4,546
Land 31,552 31,607 Construction in progress 1,714 2,270 Total property, plant and equipment 46,180 45,835 Intangible assets 15 15 Other 15 15 Total intangible assets 15 15 Investments and other assets 1,364 1,277 Long-term loans receivable 2 2 Net defined benefit asset 5 — Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,840 47,434	Machinery, equipment and vehicles, net	7,443	6,533
Construction in progress 1,714 2,270 Total property, plant and equipment 46,180 45,835 Intangible assets 5 15 Other 15 15 Total intangible assets 15 15 Investments and other assets 1,364 1,277 Long-term loans receivable 2 2 Net defined benefit asset 5 - Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,840 47,434	Tools, furniture and fixtures, net	814	877
Total property, plant and equipment 46,180 45,835 Intangible assets 15 15 Other 15 15 Total intangible assets 15 15 Investments and other assets 1,364 1,277 Long-term loans receivable 2 2 Net defined benefit asset 5 — Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,840 47,434	Land	31,552	31,607
Intangible assets 15 15 Other 15 15 Total intangible assets 15 15 Investments and other assets 1,364 1,277 Long-term loans receivable 2 2 Net defined benefit asset 5 — Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,840 47,434	Construction in progress	1,714	2,270
Other 15 15 Total intangible assets 15 15 Investments and other assets 1,364 1,277 Long-term loans receivable 2 2 Net defined benefit asset 5 — Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,840 47,434	Total property, plant and equipment	46,180	45,835
Total intangible assets 15 15 Investments and other assets 1,364 1,277 Long-term loans receivable 2 2 Net defined benefit asset 5 — Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,840 47,434			
Investments and other assets 1,364 1,277 Long-term loans receivable 2 2 Net defined benefit asset 5 — Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,840 47,434	Other	15	15
Investments and other assets 1,364 1,277 Long-term loans receivable 2 2 Net defined benefit asset 5 — Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,840 47,434	Total intangible assets	15	15
Long-term loans receivable 2 2 Net defined benefit asset 5 — Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,840 47,434	Investments and other assets		
Net defined benefit asset 5 — Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,840 47,434	Investment securities	1,364	1,277
Net defined benefit asset 5 — Deferred tax assets 164 189 Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,840 47,434	Long-term loans receivable	2	2
Other 131 136 Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,840 47,434		5	-
Allowance for doubtful accounts (22) (22) Total investments and other assets 1,644 1,582 Total non-current assets 47,840 47,434	Deferred tax assets	164	189
Total investments and other assets1,6441,582Total non-current assets47,84047,434	Other	131	136
Total investments and other assets1,6441,582Total non-current assets47,84047,434	Allowance for doubtful accounts	(22)	(22)
Total non-current assets 47,840 47,434	Total investments and other assets	\ /	
	Total non-current assets		
	Total assets		

Millions of yen

		Millions of yen
	March 31, 2015	September 30, 2015
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,304	4,673
Accounts payable - other	2,597	2,823
Income taxes payable	2,993	1,213
Provision for repairs	572	500
Other	1,689	1,170
Total current liabilities	14,158	10,382
Non-current liabilities		
Deferred tax liabilities	1,930	1,713
Net defined benefit liability	1,714	1,695
Provision for business structure improvement	_	265
Provision for loss on dissolution of the employees' pension fund	_	60
Other	187	162
Total non-current liabilities	3,832	3,895
Total liabilities	17,990	14,277
Net assets	·	
Shareholders' equity		
Capital stock	8,769	8,769
Capital surplus	10,648	10,648
Retained earnings	112,450	113,663
Treasury shares	(4,532)	(4,533)
Total shareholders' equity	127,336	128,548
Accumulated other comprehensive income	·	
Valuation difference on available-for-sale securities	565	516
Foreign currency translation adjustment	502	598
Remeasurements of defined benefit plans	(211)	(192)
Total accumulated other comprehensive income	856	922
Non-controlling interests	1,144	1,650
Total net assets	129,337	131,121
Total liabilities and net assets	147,328	145,398

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

Quartely Consolidated Statements of Operations

		Millions of yen
	First half of	First half of
	fiscal 2014	fiscal 2015
Net sales	34,452	28,877
Cost of sales	28,527	22,864
Gross profit	5,925	6,012
Selling, general and administrative expenses		
Haulage expenses	1,210	1,136
Salaries and bonuses	410	446
Retirement benefit expenses	18	22
Depreciation	13	11
Other	452	689
Total selling, general and administrative expenses	2,105	2,306
Operating profit	3,820	3,706
Non-operating profit		
Interest income	96	96
Dividend income	14	14
Rent income on non-current assets	76	76
Other	19	55
Total non-operating profit	206	242
Non-operating loss		
Loss on retirement of non-current assets	95	28
Taxes and dues	11	8
Provision for loss on dissolution of the employees' pension fund	_	60
Other	10	9
Total non-operating loss	117	106
Ordinary profit	3,909	3,843
Extraordinary loss		
Business structure improvement expenses	_	651
Total extraordinary loss		651
Profit before income taxes	3,909	3,192
Income taxes - current	1,773	1,179
Income taxes - deferred	(381)	(60)
Total income taxes	1,392	1,118
Profit	2,517	2,073
Loss attributable to non-controlling interests		(14)
Profit attributable to owners of parent	2,517	2,088
·		•

Quartely Consolidated Statements of Comprehensive Income

		Millions of yen
	First half of	First half of
	fiscal 2014	fiscal 2015
Profit	2,517	2,073
Other comprehensive income		
Valuation difference on available-for-sale securities	15	(49)
Foreign currency translation adjustment	(30)	120
Remeasurements of defined benefit plans, net of tax	25	19
Total other comprehensive income	10	90
Comprehensive income	2,528	2,163
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,542	2,154
Comprehensive income attributable to non-controlling interests	(14)	9

(4) Consolidated Statements of Cash Flows

Cash flows from operating activities Income before income taxes and minority interests 3,909 3,192 1,195 1		First half of fiscal 2014	First half of fiscal 2015
Income before income faxes and minority interests 3,909 3,192 Depreciation 1,045 1,155 Business structure improvement expenses — 655 Increase (decrease) in allowance for doubtful accounts (9) (1) Increase (decrease) in provision for repairs (77) (72) Increase (decrease) in provision for loss on dissolution of the employees' pension fund — 60 Interest and dividend income (110) (110) Loss on retirement of non-current assets 95 28 Loss (gain) on sales of investment securities — (32) Decrease (increase) in investment securities — (32) Decrease (increase) in investment securities — (32) Decrease (increase) in investment securities 112 983 Decrease (increase) in investment securities 112 983 Decrease (increase) in interest decrease) (1,630) Increase (decrease) in notes and accounts receivable - trade (535) (1,630) Increase (decrease) in net defined benefit liability 229 (19) Increase (decrease) in net defined benefit asset 82 5 Other, net 197 (398) Subtotal 6,270 6,253 Interest and dividend income received 110 110 Income taxes paid (1,165) (2,947) Net cash provided by (used in) operating activities 5,215 3,416 Cash flows from investing activities (956) (1,005) Proceeds from sales of non-current assets 3 — Purchase of non-current assets 956 (1,005) Proceeds from sales of investment securities (941) (962) Cash flows from financing activities (941) (962) Cash dividends paid (194) (875) Proceeds from share issuance to non-controlling shareholders — 496 Net cash provided by (used in) investing activities (195) (380) Cash dividends paid (194) (875) Proceeds from share issuance to non-controlling shareholders — 496 Net cash provided by (used in) financing activities (195) (380) Effect of exchange rate change on cash and cash equivalents (195) (195) (195) (1	Cash flows from operating activities		
Business structure improvement expenses — 651 Increase (decrease) in allowance for doubtful accounts (9) (1) Increase (decrease) in provision for repairs (777) (72) Increase (decrease) in provision for loss on dissolution of the employees' pension fund (110) (110) Loss on retirement of non-current assets 95 28 Loss (gain) on sales of non-current assets (0) — Loss (gain) on sales of investment securities — (32) Decrease (increase) in inventories 112 983 Decrease (increase) in notes and accounts receivable - trade (535) (1,630) Increase (decrease) in accounts receivable - trade (535) (1,630) Increase (decrease) in notes and accounts payable - trade (535) (1,630) Increase (decrease) in note and accounts payable - trade (535) (1,630) Increase (decrease) in note defined benefit iability (229 (19) Increase (decrease) in net defined benefit asset (32 (29 (19) (29 (19) (29 (29 (29 (29 (29 (29 (29 (29 (29 (29		3,909	3,192
Increase (decrease) in allowance for doubtful accounts (9) (1) Increase (decrease) in provision for repairs (77) (72) (72) (72) Increase (decrease) in provision for loss on dissolution of the employees' pension fund — 60 60 60 60 60 60 60	Depreciation	1,045	1,155
Increase (decrease) in provision for repairs (77) (72) Increase (decrease) in provision for loss on dissolution of the employees' pension fund (110) (110) Interest and dividend income (110) (110) Loss on retirement of non-current assets 95 28 Loss (gain) on sales of non-current assets (0) — Loss (gain) on sales of non-current assets (0) — Loss (gain) on sales of investment securities — (32) Decrease (increase) in notes and accounts receivable - trade 707 2,440 Decrease (increase) in inventories 112 983 Decrease (increase) in inventories 112 983 Decrease (increase) in notes and accounts payable - trade (535) (1,630) Increase (decrease) in net defined benefit liability 229 (19) Increase (decrease) in net defined benefit asset 82 5 Other, net 197 (398) Subtotal (5270 6,253 Interest and dividend income received 110 110 Income taxes paid (1,165) (2,947) Net cash provided by (used in) operating activities 5,215 3,416 Cash flows from investing activities 13 — Purchase of non-current assets (956) (1,005) Proceeds from sales of investment securities — 46 Other payments (0) (5) Net cash provided by (used in) investing activities (941) (962) Cash flows from financing activities (941) (975) Purchase of treasury shares (0) (0) Cash dividends paid (194) (875) Proceeds from sale so finvestment activities (195) (380) Cash dividends paid (194) (875) Proceeds from share issuance to non-controlling shareholders (195) (380) Proceeds from share issuance to non-controlling shareholders (195) (380) Cash dividends paid (194) (875) Proceeds from share issuance to non-controlling shareholders (195) (380) Cash and cash equivalents (195) (380) Cash and cash equivalents (195) (380)	Business structure improvement expenses	_	651
Increase (decrease) in provision for loss on dissolution of the employees' pension fund Carlo Ca	Increase (decrease) in allowance for doubtful accounts	(9)	(1)
employees' pension fund — 600 Interest and dividend income (110) (1110) Loss (gain) on sales of non-current assets 95 28 Loss (gain) on sales of investment securities — (32) Decrease (increase) in notes and accounts receivable - trade 707 2,440 Decrease (increase) in inventories 112 983 Decrease (increase) in inventories 112 983 Decrease (increase) in notes and accounts payable - trade 624 2 Increase (decrease) in notes and accounts payable - trade (535) (1,630) Increase (decrease) in net defined benefit liability 229 (19) Increase (decrease) in net defined benefit asset 82 5 Other, net 6,270 6,253 Interest and dividend income received 110 110 Income taxes paid (1,165) (2,947) Net cash provided by (used in) operating activities 5,215 3,416 Cash flows from investing activities 95 (1,005) Proceeds from sales of non-current assets 13 —	Increase (decrease) in provision for repairs	(77)	(72)
Employees' pension fund Interest and dividend income (110) (110) (110) Loss on retirement of non-current assets 95 28 Loss (gain) on sales of non-current assets (0) — (32) Loss (gain) on sales of investment securities — (32) (32)	Increase (decrease) in provision for loss on dissolution of the		60
Loss on retirement of non-current assets 95 28 Loss (gain) on sales of non-current assets (0) — Loss (gain) on sales of investment securities — (32) Decrease (increase) in notes and accounts receivable - trade 707 2,440 Decrease (increase) in inventories 112 983 Decrease (increase) in inventories 624 2 Increase (decrease) in notes and accounts payable - trade (535) (1,630) Increase (decrease) in net defined benefit liability 229 (19) Increase (decrease) in net defined benefit asset 82 5 Other, net 197 (398) Subtotal 6,270 6,253 Interest and dividend income received 110 110 Increase apaid (1,165) (2,947) Net cash provided by (used in) operating activities 5,215 3,416 Cash flows from investing activities 13 — Proceeds from sales of non-current assets (956) (1,005) Proceeds from sales of investment securities — 46 Other paym	employees' pension fund	-	00
Loss (gain) on sales of non-current assets (0) — Loss (gain) on sales of investment securities — (32) Decrease (increase) in notes and accounts receivable - trade 707 2,440 Decrease (increase) in inventories 112 983 Decrease (increase) in accounts receivable - other 624 2 Increase (decrease) in notes and accounts payable - trade (535) (1,630) Increase (decrease) in notes and accounts payable - trade (535) (1,630) Increase (decrease) in notes and accounts payable - trade (535) (1,630) Increase (decrease) in notes and accounts payable - trade (535) (1,630) Increase (decrease) in notes and accounts payable - trade (535) (1,630) Increase (decrease) in notes and accounts payable - trade (535) (1,630) Increase (decrease) in notes and accounts payable - trade 82 5 Other, net 197 (398) Subtotal 6,270 6,253 Increase (decrease) in cash and cash equivalents 5,275 3,215 Subtotal 1,100 110 Increase	Interest and dividend income	(110)	(110)
Loss (gain) on sales of investment securities — (32) Decrease (increase) in notes and accounts receivable - trade 707 2,440 Decrease (increase) in inventories 112 983 Decrease (increase) in accounts receivable - other 624 2 Increase (decrease) in notes and accounts payable - trade (535) (1,630) Increase (decrease) in net defined benefit liability 229 (19) Increase (decrease) in net defined benefit asset 82 5 Other, net 197 (398) Subtotal 6,270 6,253 Interest and dividend income received 110 110 Income taxes paid (1,165) (2,947) Net cash provided by (used in) operating activities 5,215 3,416 Cash flows from investing activities 13 — Purchase of non-current assets 956 (1,005) Proceeds from sales of investment securities — 46 Other payments (0) (5) Proceeds from sales of investment securities — 46 Other payments	Loss on retirement of non-current assets	95	28
Decrease (increase) in notes and accounts receivable - trade 707 2,440 Decrease (increase) in inventories 112 983 Decrease (increase) in accounts receivable - other 624 2 Increase (decrease) in accounts payable - trade (535) (1,630) Increase (decrease) in net defined benefit liability 229 (19) Increase (decrease) in net defined benefit asset 82 5 Other, net 197 (398) Subtotal 6,270 6,253 Interest and dividend income received 110 110 Income taxes paid (1,165) (2,947) Net cash provided by (used in) operating activities 5,215 3,416 Cash flows from investing activities 13 — Proceeds from sales of non-current assets (956) (1,005) Proceeds from sales of investment securities — 46 Other payments (0) (5) Net cash provided by (used in) investing activities (941) (962) Cash flows from financing activities (941) (962) Purchase of tr	Loss (gain) on sales of non-current assets	(0)	_
Decrease (increase) in inventories 112 983 Decrease (increase) in accounts receivable - other 624 2 Increase (decrease) in notes and accounts payable - trade (535) (1,630) Increase (decrease) in net defined benefit liability 229 (19) Increase (decrease) in net defined benefit asset 82 5 Other, net 197 (398) Subtotal 6,270 6,253 Interest and dividend income received 110 110 Income taxes paid (1,165) (2,947) Net cash provided by (used in) operating activities 5,215 3,416 Cash flows from investing activities 7 4 Proceeds from sales of non-current assets 13 - Purchase of non-current assets 956 (1,005) Proceeds from sales of investment securities - 46 Other payments (0) (5) Net cash provided by (used in) investing activities (941) (962) Cash flows from financing activities (941) (962) Cash dividends paid (194)	Loss (gain) on sales of investment securities	_	
Decrease (increase) in accounts receivable - other 624 2 Increase (decrease) in notes and accounts payable - trade (535) (1,630) Increase (decrease) in net defined benefit liability 229 (19) Increase (decrease) in net defined benefit asset 82 5 Other, net 197 (398) Subtotal 6,270 6,253 Interest and dividend income received 110 110 Income taxes paid (1,165) (2,947) Net cash provided by (used in) operating activities 5,215 3,416 Cash flows from investing activities 13 — Proceeds from sales of non-current assets 956) (1,005) Proceeds from sales of investment securities 956) (1,005) Proceeds from sales of investment securities 2 0 Other proceeds 2 0 Other payments (0) (5) Net cash provided by (used in) investing activities (941) (962) Cash flows from financing activities (0) (0) Cash dividends paid (194)	Decrease (increase) in notes and accounts receivable - trade	707	2,440
Increase (decrease) in notes and accounts payable - trade (535) (1,630) Increase (decrease) in net defined benefit liability 229 (19) Increase (decrease) in net defined benefit asset 82 5 Other, net 197 (398) Subtotal 6,270 6,253 Interest and dividend income received 110 110 Income taxes paid (1,165) (2,947) Net cash provided by (used in) operating activities 5,215 3,416 Cash flows from investing activities 7 46 Proceeds from sales of non-current assets (956) (1,005) Proceeds from sales of investment securities - 46 Other proceeds 2 0 Other payments (0) (55) Net cash provided by (used in) investing activities (941) (962) Cash flows from financing activities (941) (962) Cash dividends paid (194) (875) Proceeds from share issuance to non-controlling shareholders - 496 Net cash provided by (used in) financing activities	Decrease (increase) in inventories	112	983
Increase (decrease) in net defined benefit liability 229 (19) Increase (decrease) in net defined benefit asset 82 5 Other, net 197 (398) Subtotal 6,270 6,253 Interest and dividend income received 110 110 Income taxes paid (1,165) (2,947) Net cash provided by (used in) operating activities 5,215 3,416 Cash flows from investing activities - - Proceeds from sales of non-current assets (956) (1,005) Proceeds from sales of investment securities - 46 Other proceeds 2 0 Other payments (0) (5) Net cash provided by (used in) investing activities (941) (962) Cash flows from financing activities (941) (962) Cash dividends paid (194) (875) Proceeds from sales of investment securities - 496 Cash dividends paid (194) (875) Proceeds from financing activities (0) (0) C	Decrease (increase) in accounts receivable - other	624	2
Increase (decrease) in net defined benefit asset 82 5 Other, net 197 (398) Subtotal 6,270 6,253 Interest and dividend income received 110 110 Income taxes paid (1,165) (2,947) Net cash provided by (used in) operating activities 5,215 3,416 Cash flows from investing activities 13 — Proceeds from sales of non-current assets (956) (1,005) Proceeds from sales of investment securities — 46 Other proceeds 2 0 Other payments (0) (5) Net cash provided by (used in) investing activities (941) (962) Cash flows from financing activities (941) (962) Cash dividends paid (194) (875) Proceeds from share issuance to non-controlling shareholders — 496 Net cash provided by (used in) financing activities — 496 Effect of exchange rate change on cash and cash equivalents (0) 42 Net increase (decrease) in cash and cash equivalents	Increase (decrease) in notes and accounts payable - trade	(535)	(1,630)
Other, net 197 (398) Subtotal 6,270 6,253 Interest and dividend income received 110 110 Income taxes paid (1,165) (2,947) Net cash provided by (used in) operating activities 5,215 3,416 Cash flows from investing activities 13 — Proceeds from sales of non-current assets (956) (1,005) Proceeds from sales of investment securities — 46 Other proceeds 2 0 Other payments (0) (5) Net cash provided by (used in) investing activities (941) (962) Cash flows from financing activities (941) (962) Cash dividends paid (194) (875) Proceeds from share issuance to non-controlling shareholders — 496 Net cash provided by (used in) financing activities (195) (380) Effect of exchange rate change on cash and cash equivalents (0) 42 Net increase (decrease) in cash and cash equivalents 4,079 2,115 Cash and cash equivalents at beginning of period<	Increase (decrease) in net defined benefit liability	229	(19)
Subtotal 6,270 6,253 Interest and dividend income received 110 110 Income taxes paid (1,165) (2,947) Net cash provided by (used in) operating activities 5,215 3,416 Cash flows from investing activities - - Proceeds from sales of non-current assets 13 - Purchase of non-current assets (956) (1,005) Proceeds from sales of investment securities - 46 Other proceeds 2 0 Other payments (0) (5) Net cash provided by (used in) investing activities (941) (962) Cash flows from financing activities (0) (0) Purchase of treasury shares (0) (0) Cash dividends paid (194) (875) Proceeds from share issuance to non-controlling shareholders - 496 Net cash provided by (used in) financing activities (195) (380) Effect of exchange rate change on cash and cash equivalents (0) 42 Net increase (decrease) in cash and cash equivalents <t< td=""><td>Increase (decrease) in net defined benefit asset</td><td>82</td><td>5</td></t<>	Increase (decrease) in net defined benefit asset	82	5
Interest and dividend income received 110 110 Income taxes paid (1,165) (2,947) Net cash provided by (used in) operating activities 5,215 3,416 Cash flows from investing activities 13 — Proceeds from sales of non-current assets (956) (1,005) Proceeds from sales of investment securities — 46 Other proceeds 2 0 Other payments (0) (5) Net cash provided by (used in) investing activities (941) (962) Cash flows from financing activities (0) (0) Cash dividends paid (194) (875) Proceeds from share issuance to non-controlling shareholders — 496 Net cash provided by (used in) financing activities — 496 Net cash provided by (used in) financing activities — 496 Net cash provided by (used in) financing activities (195) (380) Effect of exchange rate change on cash and cash equivalents (0) 42 Net increase (decrease) in cash and cash equivalents 4,079 2,115			
Income taxes paid (1,165) (2,947) Net cash provided by (used in) operating activities 5,215 3,416 Cash flows from investing activities			
Net cash provided by (used in) operating activities 5,215 3,416 Cash flows from investing activities Texast provided by (used in) activities 13 — Proceeds from sales of non-current assets (956) (1,005) Proceeds from sales of investment securities — 46 Other proceeds 2 0 Other payments (0) (5) Net cash provided by (used in) investing activities (941) (962) Cash flows from financing activities (941) (962) Purchase of treasury shares (0) (0) Cash dividends paid (194) (875) Proceeds from share issuance to non-controlling shareholders — 496 Net cash provided by (used in) financing activities (195) (380) Effect of exchange rate change on cash and cash equivalents (0) 42 Net increase (decrease) in cash and cash equivalents 4,079 2,115 Cash and cash equivalents at beginning of period 50,920 58,090			
Cash flows from investing activities Proceeds from sales of non-current assets Purchase of non-current assets Proceeds from sales of investment securities Proceeds from sales of investment securities Proceeds from sales of investment securities Other proceeds Other payments Other payments Other payments Net cash provided by (used in) investing activities Purchase of treasury shares Purchase of treasury shares Purchase of treasury shares Proceeds from share issuance to non-controlling shareholders Net cash provided by (used in) financing activities Proceeds from share issuance to non-controlling shareholders Net cash provided by (used in) financing activities Effect of exchange rate change on cash and cash equivalents Other payments Other payment	Income taxes paid	(1,165)	(2,947)
Proceeds from sales of non-current assets 13 — Purchase of non-current assets (956) (1,005) Proceeds from sales of investment securities — 46 Other proceeds 2 0 Other payments (0) (5) Net cash provided by (used in) investing activities (941) (962) Cash flows from financing activities (0) (0) Purchase of treasury shares (0) (0) Cash dividends paid (194) (875) Proceeds from share issuance to non-controlling shareholders — 496 Net cash provided by (used in) financing activities (195) (380) Effect of exchange rate change on cash and cash equivalents (0) 42 Net increase (decrease) in cash and cash equivalents 4,079 2,115 Cash and cash equivalents at beginning of period 50,920 58,090		5,215	3,416
Purchase of non-current assets (956) (1,005) Proceeds from sales of investment securities — 46 Other proceeds 2 0 Other payments (0) (5) Net cash provided by (used in) investing activities (941) (962) Cash flows from financing activities (0) (0) Purchase of treasury shares (0) (0) Cash dividends paid (194) (875) Proceeds from share issuance to non-controlling shareholders — 496 Net cash provided by (used in) financing activities (195) (380) Effect of exchange rate change on cash and cash equivalents (0) 42 Net increase (decrease) in cash and cash equivalents 4,079 2,115 Cash and cash equivalents at beginning of period 50,920 58,090			
Proceeds from sales of investment securities Other proceeds Other payments Other	Proceeds from sales of non-current assets	• •	_
Other proceeds20Other payments(0)(5)Net cash provided by (used in) investing activities(941)(962)Cash flows from financing activities(0)(0)Purchase of treasury shares(0)(0)Cash dividends paid(194)(875)Proceeds from share issuance to non-controlling shareholders—496Net cash provided by (used in) financing activities(195)(380)Effect of exchange rate change on cash and cash equivalents(0)42Net increase (decrease) in cash and cash equivalents4,0792,115Cash and cash equivalents at beginning of period50,92058,090		(956)	(1,005)
Other payments(0)(5)Net cash provided by (used in) investing activities(941)(962)Cash flows from financing activities(0)(0)Purchase of treasury shares(0)(0)Cash dividends paid(194)(875)Proceeds from share issuance to non-controlling shareholders—496Net cash provided by (used in) financing activities(195)(380)Effect of exchange rate change on cash and cash equivalents(0)42Net increase (decrease) in cash and cash equivalents4,0792,115Cash and cash equivalents at beginning of period50,92058,090		_	46
Net cash provided by (used in) investing activities(941)(962)Cash flows from financing activities(0)(0)Purchase of treasury shares(0)(875)Cash dividends paid(194)(875)Proceeds from share issuance to non-controlling shareholders—496Net cash provided by (used in) financing activities(195)(380)Effect of exchange rate change on cash and cash equivalents(0)42Net increase (decrease) in cash and cash equivalents4,0792,115Cash and cash equivalents at beginning of period50,92058,090	·		•
Cash flows from financing activities Purchase of treasury shares Cash dividends paid Cash dividends paid Proceeds from share issuance to non-controlling shareholders Net cash provided by (used in) financing activities Cash and cash equivalents Cash and cash equivalents Cash and cash equivalents at beginning of period (0) (194) (875) (195) (195) (380) (195)	• •		
Purchase of treasury shares(0)(0)Cash dividends paid(194)(875)Proceeds from share issuance to non-controlling shareholders—496Net cash provided by (used in) financing activities(195)(380)Effect of exchange rate change on cash and cash equivalents(0)42Net increase (decrease) in cash and cash equivalents4,0792,115Cash and cash equivalents at beginning of period50,92058,090		(941)	(962)
Cash dividends paid(194)(875)Proceeds from share issuance to non-controlling shareholders—496Net cash provided by (used in) financing activities(195)(380)Effect of exchange rate change on cash and cash equivalents(0)42Net increase (decrease) in cash and cash equivalents4,0792,115Cash and cash equivalents at beginning of period50,92058,090			
Proceeds from share issuance to non-controlling shareholders Net cash provided by (used in) financing activities Effect of exchange rate change on cash and cash equivalents Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of period 7 496 (195) (380) 42 4,079 2,115 50,920 58,090	•	` ,	
Net cash provided by (used in) financing activities(195)(380)Effect of exchange rate change on cash and cash equivalents(0)42Net increase (decrease) in cash and cash equivalents4,0792,115Cash and cash equivalents at beginning of period50,92058,090	·	(194)	
Effect of exchange rate change on cash and cash equivalents(0)42Net increase (decrease) in cash and cash equivalents4,0792,115Cash and cash equivalents at beginning of period50,92058,090			
Net increase (decrease) in cash and cash equivalents4,0792,115Cash and cash equivalents at beginning of period50,92058,090	· · · · · · · · · · · · · · · · · · ·	(195)	(380)
Cash and cash equivalents at beginning of period 50,920 58,090			
Cash and cash equivalents at end of period 55,000 60,206			
	Cash and cash equivalents at end of period	55,000	60,206