

# CONSOLIDATED BALANCE SHEETS (1/2)

(Millions of Yen)

	As of Mar. 31, 2015	As of Sep. 30, 2015
<b><u>ASSETS</u></b>		
<b>Current assets:</b>		
Cash and deposits	367,415	326,122
Trade receivables	1,291,278	1,123,710
Merchandise and finished products	182,281	194,379
Work in process	985,570	1,091,871
Raw materials and supplies	157,010	158,221
Deferred income taxes	150,939	152,998
Others	429,027	467,131
Allowance for doubtful accounts	(11,519)	(10,403)
<b>Total current assets</b>	<b>3,552,002</b>	<b>3,504,033</b>
<b>Fixed assets:</b>		
Property, plant and equipment:		
Buildings and structures	377,804	377,356
Machinery and transportation equipment	259,358	252,014
Tools, equipment and furniture	49,451	50,899
Land	184,691	184,222
Leased assets	4,856	4,510
Construction in progress	78,635	81,899
Subtotal	954,797	950,903
Intangible assets:		
Goodwill	95,588	93,033
Others	145,925	133,326
Subtotal	241,513	226,360
Investments and advances:		
Investment securities	583,496	566,823
Long-term loans and advances	19,422	21,375
Asset for retirement benefits	67,377	87,180
Deferred income taxes	15,495	11,850
Others	97,808	106,527
Allowance for doubtful accounts	(11,558)	(11,178)
Subtotal	772,043	782,577
<b>Total fixed assets</b>	<b>1,968,354</b>	<b>1,959,841</b>
<b>TOTAL ASSETS</b>	<b>5,520,357</b>	<b>5,463,875</b>

# CONSOLIDATED BALANCE SHEETS (2/2)

(Millions of Yen)

	As of Mar. 31, 2015	As of Sep. 30, 2015
<b><u>LIABILITIES</u></b>		
<b>Current liabilities:</b>		
Trade payables	794,780	702,102
Electronically recorded obligations	74,430	75,713
Short-term borrowings	177,780	293,921
Current portion of long-term borrowings	54,985	87,995
Commercial papers	95,000	60,000
Current portion of bonds	-	20,000
Income taxes payable	30,113	22,240
Reserve for product warranties	15,796	15,344
Reserve for loss on construction contracts	59,529	57,508
Reserve for loss on passenger vessel construction business	105,280	88,257
Reserve for stock benefits	-	53
Advance payments received on contracts	663,176	634,449
Others	358,359	356,899
<b>Total current liabilities</b>	<b>2,429,232</b>	<b>2,414,486</b>
<b>Long-term liabilities:</b>		
Bonds	245,000	245,000
Long-term borrowings	402,822	377,253
Deferred income taxes	105,536	90,582
Reserve for stock benefits	-	1,150
Reserve for treatment of PCB waste	9,845	9,026
Liability for retirement benefits	129,008	138,748
Others	78,896	82,872
<b>Total long-term liabilities</b>	<b>971,109</b>	<b>944,634</b>
<b>TOTAL LIABILITIES</b>	<b>3,400,342</b>	<b>3,359,120</b>
<b><u>NET ASSETS</u></b>		
<b>Stockholders' equity:</b>		
Common stock	265,608	265,608
Capital surplus	204,039	204,145
Retained earnings	1,148,268	1,171,719
Treasury stock	(5,249)	(5,025)
<b>Total stockholders' equity</b>	<b>1,612,668</b>	<b>1,636,448</b>
<b>Accumulated other comprehensive income (loss)</b>		
Net unrealized gains (losses) on investment securities	81,499	61,769
Deferred gains (losses) on hedges	802	(541)
Foreign currency translation adjustments	68,413	44,715
Remeasurements of defined benefit plans	17,383	19,817
<b>Total accumulated other comprehensive income (loss)</b>	<b>168,100</b>	<b>125,760</b>
<b>Share subscription rights</b>	<b>3,129</b>	<b>2,872</b>
<b>Non-controlling interests</b>	<b>336,117</b>	<b>339,671</b>
<b>TOTAL NET ASSETS</b>	<b>2,120,014</b>	<b>2,104,754</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>5,520,357</b>	<b>5,463,875</b>

# CONSOLIDATED STATEMENTS OF INCOME

(Millions of Yen)

	FY2014 First 6 Months (From Apr.1 to Sep.30, 2014)	FY2015 First 6 Months (From Apr.1 to Sep.30, 2015)
<b>Net sales</b>	<b>1,759,121</b>	<b>1,882,067</b>
Cost of sales	1,387,523	1,495,252
<b>Gross profit</b>	<b>371,597</b>	<b>386,814</b>
<b>Selling, general and administrative expenses:</b>		
Provision of allowance for doubtful accounts	(18)	(630)
Directors' compensations, salaries and allowances	90,574	98,123
Research and development expenses	32,744	36,949
Expenses for inquiries	21,049	22,057
Others	108,978	114,344
<b>Total selling, general and administrative expenses</b>	<b>253,328</b>	<b>270,844</b>
<b>Operating income</b>	<b>118,269</b>	<b>115,970</b>
<b>Non-operating income:</b>		
Interest income	3,770	3,613
Dividend income	3,498	5,476
Income from equity method investments	3,469	4,757
Foreign exchange gain	13,561	-
Others	2,768	3,993
<b>Total non-operating income</b>	<b>27,068</b>	<b>17,840</b>
<b>Non-operating expenses:</b>		
Interest expense	7,862	6,974
Foreign exchange loss	-	4,868
Loss on disposal of fixed assets	2,352	2,679
Others	7,180	7,404
<b>Total non-operating expenses</b>	<b>17,394</b>	<b>21,926</b>
<b>Ordinary income</b>	<b>127,943</b>	<b>111,884</b>
<b>Extraordinary gain:</b>		
Gain on sales of fixed assets	-	4,223
<b>Total extraordinary gain</b>	<b>-</b>	<b>4,223</b>
<b>Extraordinary loss:</b>		
Loss on passenger vessel construction business reserve	39,841	30,953
Business structure improvement expenses	-	3,353
Loss on sales of investment securities	-	2,751
<b>Total extraordinary loss</b>	<b>39,841</b>	<b>37,058</b>
<b>Income before income taxes</b>	<b>88,102</b>	<b>79,049</b>
Income taxes	33,506	30,989
<b>Profit</b>	<b>54,596</b>	<b>48,060</b>
Profit attributable to non-controlling interests	16,578	4,707
<b>Profit attributable to owners of parent</b>	<b>38,017</b>	<b>43,352</b>

# CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Millions of Yen)

	FY2014 First 6 Months (From Apr. 1 to Sep 30, 2014)	FY2015 First 6 Months (From Apr. 1 to Sep 30, 2015)
<b>Profit</b>	<b>54,596</b>	<b>48,060</b>
<b>Other comprehensive income (loss)</b>		
Net unrealized gains (losses) on investment securities	11,448	(20,827)
Deferred gains (losses) on hedges	707	(1,856)
Foreign currency translation adjustments	10,521	(15,278)
Remeasurements of defined benefit plans	5,094	3,895
Share of other comprehensive income (loss) of entities accounted for using the equity method	1,178	(4,773)
<b>Total other comprehensive income (loss)</b>	<b>28,949</b>	<b>(38,841)</b>
<b>Comprehensive income (loss)</b>	<b>83,545</b>	<b>9,218</b>
<b>Comprehensive income (loss) attributable to</b>		
Owners of the parent	64,345	1,013
Non-controlling interests	19,200	8,204

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Millions of Yen)

	FY2014 First 6 Months (From Apr.1 to Sep.30,2014)	FY2015 First 6 Months (From Apr.1 to Sep.30,2015)
<b>Cash flows from operating activities:</b>		
Income before income taxes and minority interests	88,102	79,049
Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities:		
Depreciation and amortization of intangible assets	75,318	75,517
Amortization of goodwill	6,000	5,669
Increase (decrease) in liability for retirement benefit	(2,399)	(3,688)
Interest and dividend income	(7,269)	(9,089)
Interest expense	7,862	6,974
(Income) loss from equity method investments	(3,469)	(4,757)
(Gain) loss on sales of investment securities	(1,451)	2,751
(Gain) loss on sales of fixed assets	-	(4,223)
Loss on disposal of fixed assets	2,352	2,679
Business structure improvement expenses	-	3,353
Loss on passenger vessel construction business reserve	39,841	30,953
(Increase) decrease in receivables	138,703	158,884
(Increase) decrease in inventories and advances to suppliers	(144,777)	(136,679)
(Increase) decrease in other assets	(36,496)	(66,379)
Increase (decrease) in payables	(95,403)	(87,215)
Increase (decrease) in advance payments received on contracts	42,283	(25,229)
Increase (decrease) in other liabilities	(31,748)	(44,305)
Others	1,620	1,628
Subtotal	<b>79,068</b>	<b>(14,108)</b>
Interest and dividends received	10,530	10,373
Interest paid	(8,194)	(6,966)
Income taxes paid	(75,457)	(16,416)
Net cash provided by (used in) operating activities	<b>5,948</b>	<b>(27,117)</b>
<b>Cash flows from investing activities:</b>		
Net (increase) decrease in time deposits	(858)	(2,208)
Purchases of property, plant, equipment and intangible assets	(81,182)	(74,450)
Proceeds from sales of property, plant, equipment and intangible assets	7,921	5,753
Purchases of investment securities	(29,857)	(10,137)
Proceeds from sales and redemption of investment securities	14,989	2,896
Payment for sales of investments in subsidiaries resulting in change in scope of consolidation	-	(6,352)
Disbursement of long-term loans	(19,455)	(3,122)
Collection of long-term loans	9,480	2,335
Others	(1,489)	(1,633)
Net cash used in investing activities	<b>(100,451)</b>	<b>(86,919)</b>
<b>Cash flows from financing activities:</b>		
Net increase (decrease) in short-term borrowings and commercial papers	50,803	89,465
Proceeds from long-term borrowings	23,733	5,742
Repayment of long-term borrowings	(114,306)	(2,743)
Proceeds from issuance of bonds	70,000	20,000
Payment for redemption of bonds	(20,000)	-
Proceeds from issuance of stock to minority stockholders of subsidiaries	11,482	3,246
Dividends paid to stockholders	(13,394)	(20,086)
Dividends paid to minority stockholders of subsidiaries	(1,930)	(7,992)
Purchase of investments in subsidiaries resulting in no change in scope of consolidation	-	(570)
Others	(1,473)	1,581
Net cash provided by (used in) financing activities	<b>4,914</b>	<b>88,641</b>
Effect of exchange rate changes on cash and cash equivalents	<b>6,481</b>	<b>(15,248)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(83,107)</b>	<b>(40,643)</b>
Cash and cash equivalents at beginning of year	<b>370,710</b>	<b>357,349</b>
Increase in cash and cash equivalents due to changes in scope of consolidation	-	433
Decrease in cash and cash equivalents due to changes in scope of consolidation	<b>(10,845)</b>	<b>(1,590)</b>
Cash and cash equivalents at end of period	<b>276,758</b>	<b>315,548</b>