

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: ¥ million)

	As of March 31, 2014	As of December 31, 2014
Assets		
Current assets		
Cash and deposits	180,430	205,749
Notes and accounts receivable - trade	344,221	322,149
Lease receivables and investment assets	19,166	16,170
Securities	2,000	6,500
Inventories	22,645	53,187
Deferred tax assets	27,518	26,654
Other	76,344	85,940
Allowance for doubtful accounts	(3,120)	(3,254)
Total current assets	669,206	713,096
Non-current assets		
Property, plant and equipment		
Data communication facilities, net	92,656	79,572
Buildings and structures, net	94,475	92,489
Machinery, equipment and vehicles, net	19,474	19,318
Tools, furniture and fixtures, net	15,129	17,284
Land	50,209	59,188
Construction in progress	36,142	40,595
Other, net	4,609	3,852
Total property, plant and equipment	312,697	312,301
Intangible assets		
Software	260,458	246,707
Software in progress	48,638	56,307
Goodwill	177,536	183,894
Other	75,543	74,563
Total intangible assets	562,177	561,472
Investments and other assets		
Investment securities	46,085	102,123
Net defined benefit asset	1,331	1,760
Deferred tax assets	61,239	36,392
Other	37,932	41,782
Allowance for doubtful accounts	(730)	(715)
Total investments and other assets	145,858	181,343
Total non-current assets	1,020,733	1,055,118
Total assets	1,689,940	1,768,214

Consolidated Balance Sheets-continued

(Unit: ¥ million)

	As of March 31, 2014	As of December 31, 2014
Liabilities		
Current liabilities		
Accounts payable - trade	97,837	76,710
Short-term loans payable	66,387	48,246
Current portion of long-term loans payable	1,950	983
Current portion of bonds	—	39,999
Income taxes payable	22,490	5,378
Advances received	151,781	142,727
Provision for loss on order received	4,609	2,464
Other	109,657	138,108
Total current liabilities	454,714	454,618
Non-current liabilities		
Bonds payable	250,040	210,050
Long-term loans payable	87,298	141,757
Deferred tax liabilities	20,952	23,101
Net defined benefit liability	145,653	139,938
Provision for directors' retirement benefits	919	851
Other	20,543	21,948
Total non-current liabilities	525,407	537,646
Total liabilities	980,121	992,264
Net assets		
Shareholders' equity		
Capital stock	142,520	142,520
Capital surplus	139,300	139,300
Retained earnings	384,922	397,928
Total shareholders' equity	666,742	679,748
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,872	39,184
Deferred gains or losses on hedges	38	(258)
Foreign currency translation adjustment	35,056	52,549
Remeasurements of defined benefit plans	(10,224)	(11,143)
Other	(17,661)	(17,083)
Total accumulated other comprehensive income	10,081	63,248
Minority interests	32,993	32,952
Total net assets	709,818	775,949
Total liabilities and net assets	1,689,940	1,768,214

(2) Consolidated Statements of Income and Comprehensive Income

(Unit: ¥ million)

	Nine months ended December 31, 2013	Nine months ended December 31, 2014
Net sales	942,517	1,067,058
Cost of sales	733,811	810,070
Gross profit	208,706	256,987
Selling, general and administrative expenses	182,992	208,394
Operating income	25,713	48,593
Non-operating income		
Interest income	417	732
Dividend income	972	1,123
Foreign exchange gains	6,086	86
Other	3,424	2,978
Total non-operating income	10,901	4,921
Non-operating expenses		
Interest expenses	3,932	4,234
Compensation for damage	2,721	291
Other	1,535	3,648
Total non-operating expenses	8,189	8,174
Ordinary income	28,426	45,340
Extraordinary losses		
Loss on restructuring of subsidiaries and affiliates	2,034	—
Total extraordinary losses	2,034	—
Income before income taxes and minority interests	26,391	45,340
Income taxes	15,330	22,548
Income before minority interests	11,061	22,791
Minority interests in income (loss)	930	1,053
Net income	10,130	21,738
Minority interests in income (loss)	930	1,053
Income before minority interests	11,061	22,791
Other comprehensive income		
Valuation difference on available-for-sale securities	1,742	36,318
Deferred gains or losses on hedges	1,401	(297)
Foreign currency translation adjustment	25,298	17,631
Pension liability adjustments	42	—
Remeasurements of defined benefit plans, net of tax	—	(880)
Share of other comprehensive income of entities accounted for using equity method	31	(103)
Other	(2,832)	578
Total other comprehensive income	25,683	53,247
Comprehensive income	36,744	76,039
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	35,558	74,905
Comprehensive income attributable to minority interests	1,185	1,133

(3) Notes to quarterly consolidated financial statements

(Notes to Going Concern Assumptions)

N/A

(Notes to Significant Changes in Shareholder's Equity)

Resolution	Stock Type	Total amount of Dividend	Dividends per share	Record Date	Effective Date	Dividend Sources
Ordinary General Meeting of Shareholders on June 18, 2014	Common stock	8,415 Million Yen	30 Yen	March 31, 2014	June 19, 2014	Retained earnings
Board of Directors Meeting on October 30, 2014	Common stock	8,415 Million Yen	30 Yen	September 30, 2014	December 1, 2014	Retained earnings