

West Japan Railway Company  
Non-Consolidated Balance Sheet

As of March 31, 2015

	<i>Millions of yen</i>		<i>Millions of U.S. dollars (Note 1)</i>
	2015	2014	2015
<b>Assets</b>			
Current assets:			
Cash and deposits	¥ 27,313	¥ 42,013	\$ 227
Short-term investments	32,000	18,000	266
Accounts receivable	94,026	74,023	783
Less allowance for doubtful accounts	(494)	(484)	(4)
Inventories	15,566	13,124	129
Deferred income taxes (Note 5)	12,126	13,014	101
Prepaid expenses and other current assets	54,748	48,105	456
Total current assets	235,287	207,797	1,960
Investments and advances:			
Subsidiaries and affiliates (Note 3)	211,762	207,138	1,764
Other securities	14,716	13,017	122
Total investments	226,478	220,156	1,887
Property, plant and equipment, at cost (Note 4):			
Railway	4,418,879	4,384,840	36,823
Other operations	217,943	217,584	1,816
Construction in progress	58,652	72,946	488
	4,695,475	4,675,371	39,128
Less accumulated depreciation	(2,867,401)	(2,856,059)	(23,895)
Property, plant and equipment, net	1,828,074	1,819,312	15,233
Deferred income taxes (Note 5)	113,644	105,899	947
Other assets	40,966	39,459	341
Total assets	¥ 2,444,451	¥ 2,392,624	\$ 20,370

	<i>Millions of yen</i>		<i>Millions of U.S. dollars (Note 1)</i>
	2015	2014	2015
<b>Liabilities and net assets</b>			
Current liabilities:			
Short-term loans ( <i>Note 3</i> )	¥ 170,263	¥ 165,199	\$ 1,418
Current portion of long-term debt	46,124	43,403	384
Current portion of long-term payables	33,613	38,321	280
Accounts payable	140,518	128,728	1,170
Prepaid railway fares received	38,218	50,794	318
Deposits and advances received	32,497	48,132	270
Accrued expenses	21,095	20,325	175
Income taxes payable ( <i>Note 5</i> )	11,718	19,111	97
Accrued bonuses for employees	26,765	26,748	223
Provision for customer point programs	551	541	4
Other current liabilities	10,318	3,414	85
Total current liabilities	<u>531,684</u>	<u>544,718</u>	<u>4,430</u>
Long-term liabilities:			
Long-term debt	779,839	718,761	6,498
Long-term payables	138,140	171,795	1,151
Accrued retirement benefits	349,894	295,013	2,915
Provision for environmental safety measures	9,462	10,047	78
Other long-term liabilities	3,845	12,797	32
Total long-term liabilities	<u>1,281,182</u>	<u>1,208,416</u>	<u>10,676</u>
Contingent liabilities ( <i>Note 6</i> )			
Net assets:			
Shareholders' equity ( <i>Note 7</i> ):			
Common stock:			
Authorized – 800,000,000 shares at March 31, 2015 and 2014			
Issued and outstanding – 193,735,000 shares at March 31, 2015 and 2014	100,000	100,000	833
Capital surplus	55,000	55,000	458
Retained earnings ( <i>Note 9</i> )	472,435	481,629	3,936
Less treasury stock, at cost – 606 shares at March 31, 2015 and 2014	(2)	(2)	(0)
Total shareholders' equity	<u>627,432</u>	<u>636,626</u>	<u>5,228</u>
Valuation and translation adjustments:			
Net unrealized holding gain on securities	4,152	2,863	34
Total valuation and translation adjustments	<u>4,152</u>	<u>2,863</u>	<u>34</u>
Total net assets	<u>631,584</u>	<u>639,490</u>	<u>5,263</u>
Total liabilities and net assets	<u>¥ 2,444,451</u>	<u>¥ 2,392,624</u>	<u>\$ 20,370</u>

# West Japan Railway Company

## Non-Consolidated Statement of Income

Year ended March 31, 2015

	<i>Millions of yen</i>		<i>Millions of U.S. dollars (Note 1)</i>
	2015	2014	2015
Operating revenues:			
Transportation	¥ 797,013	¥ 780,625	\$ 6,641
Transportation incidentals	18,472	19,138	153
Other operations	23,658	23,125	197
Miscellaneous	51,795	50,761	431
	890,940	873,651	7,424
Operating expenses:			
Personnel	233,047	235,495	1,942
Energy	45,334	43,108	377
Maintenance	146,776	139,016	1,223
Depreciation	126,020	129,392	1,050
Rent	18,781	23,625	156
Miscellaneous taxes	32,011	31,688	266
Other	176,940	169,551	1,474
	778,914	771,878	6,490
Operating income	112,026	101,773	933
Other income (expenses):			
Interest and dividend income	1,454	1,459	12
Interest expense	(25,791)	(27,836)	(214)
Gain on contributions received for construction (Note 4)	52,395	15,955	436
Loss on deduction of contributions received for construction from acquisition costs of property, plant and equipment (Note 4)	(51,975)	(13,972)	(433)
Gain on sales of property, plant and equipment	2,314	1,850	19
Loss on sales of property, plant and equipment	(5,131)	(94)	(42)
Other, net (Note 4)	2,292	2,062	19
	(24,441)	(20,575)	(203)
Income before income taxes	87,584	81,198	729
Income taxes (Note 5):			
Current	28,995	35,793	241
Deferred	11,206	(3,275)	93
	40,202	32,517	335
Net income	¥ 47,382	¥ 48,680	\$ 394

*See accompanying notes to non-consolidated financial statements.*

# West Japan Railway Company

## Non-Consolidated Statement of Changes in Net Assets

Year ended March 31, 2015

*Millions of yen*

	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity	Net unrealized holding gain on securities	Total valuation and translation adjustments	Total net assets
Balance at April 1, 2013	¥ 100,000	¥ 55,000	¥475,909	¥(21,651)	¥609,257	¥2,352	¥2,352	¥611,609
Net income for the year	-	-	48,680	-	48,680	-	-	48,680
Cash dividends	-	-	(21,310)	-	(21,310)	-	-	(21,310)
Purchases of treasury stock	-	-	-	(0)	(0)	-	-	(0)
Cancellation of treasury stock	-	-	(21,649)	21,649	-	-	-	-
Net changes in items other than shareholders' equity	-	-	-	-	-	511	511	511
Balance at April 1, 2014	100,000	55,000	481,629	(2)	636,626	2,863	2,863	639,490
Cumulative effect of change in accounting principle	-	-	(33,328)	-	(33,328)	-	-	(33,328)
Balance at April 1, 2014, as adjusted	100,000	55,000	448,301	(2)	603,298	2,863	2,863	606,161
Net income for the year	-	-	47,382	-	47,382	-	-	47,382
Cash dividends	-	-	(23,248)	-	(23,248)	-	-	(23,248)
Net changes in items other than shareholders' equity	-	-	-	-	-	1,289	1,289	1,289
Balance at March 31, 2015	¥ 100,000	¥ 55,000	¥ 472,435	¥ (2)	¥ 627,432	¥ 4,152	¥ 4,152	¥ 631,584

*Millions of U.S. dollars (Note 1)*

	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity	Net unrealized holding gain on securities	Total valuation and translation adjustments	Total net assets
Balance at April 1, 2014	\$ 833	\$ 458	\$ 4,013	\$ (0)	\$ 5,305	\$ 23	\$ 23	\$ 5,329
Cumulative effect of change in accounting principle	-	-	(277)	-	(277)	-	-	(277)
Balance at April 1, 2014, as adjusted	833	458	3,735	(0)	5,027	23	23	5,051
Net income for the year	-	-	394	-	394	-	-	394
Cash dividends	-	-	(193)	-	(193)	-	-	(193)
Net changes in items other than shareholders' equity	-	-	-	-	-	10	10	10
Balance at March 31, 2015	\$ 833	\$ 458	\$ 3,936	\$ (0)	\$ 5,228	\$ 34	\$ 34	\$ 5,263

# West Japan Railway Company

## Notes to Non-Consolidated Financial Statements

March 31, 2015

### **1. Basis of Presentation of Financial Statements and Summary of Significant Accounting Policies**

#### **Basis of Presentation of Financial Statements**

The accompanying non-consolidated financial statements of West Japan Railway Company (the “Company”) are prepared on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards, and are compiled from the non-consolidated financial statements prepared by the Company as required by the Financial Instruments and Exchange Act of Japan. In addition, the notes to the non-consolidated financial statements include information which is not required under accounting principles generally accepted in Japan but is presented herein as additional information.

The accompanying non-consolidated financial statements relate to the Company only, with investments in subsidiaries and affiliates being stated at cost based on the moving average method.

Certain reclassifications of previously reported amounts have been made to conform the accompanying non-consolidated financial statements for the year ended March 31, 2014 to the 2015 presentation. Such reclassifications had no effect on non-consolidated net income or net asset.

The accompanying non-consolidated financial statements are stated in yen, the currency of the country in which the Company is incorporated and operates. The translation of yen amounts into U.S. dollar amounts is included solely for the convenience of readers outside Japan and has been made at ¥120 = U.S. \$1.00, the exchange rate prevailing on March 31, 2015. This translation should not be construed as a representation that yen can be converted into U.S. dollars at the above or any other rate.

As permitted, amounts of less than one million yen have been omitted. As a result, the totals shown in the accompanying non-consolidated financial statements (both in yen and in U.S. dollars) do not necessarily agree with the sum of the individual amounts.

#### **Summary of Significant Accounting Policies**

##### *(1) Short-term investments and investments in securities*

Investments in subsidiaries and affiliates are stated at cost based on the moving average method. Investments in marketable securities are stated at fair value, and net unrealized holding gain or loss on such securities is accounted for as a separate component of net assets. Cost of securities sold is determined by the moving average method. Investments in non-marketable securities are stated at cost based on the moving average method.

# West Japan Railway Company

## Notes to Non-Consolidated Financial Statements (continued)

### **1. Basis of Presentation of Financial Statements and Summary of Significant Accounting Policies (continued)**

#### *(2) Inventories*

The Company's inventories consist of rails, materials and supplies and they are stated at lower of cost or net selling value, cost being determined by the moving average method.

#### *(3) Property, plant and equipment (excluding leased assets)*

Property, plant and equipment are stated at cost (see Note 4). Depreciation is determined by the declining-balance method at rates based on the estimated useful lives of the respective assets, except for certain railway fixtures whose initial acquisition costs have been depreciated to a book value of 50% of their original costs, with the proviso that any replacement costs be charged to income.

#### *(4) Intangible assets*

Amortization of intangible assets included in other assets is calculated by the straight-line method over the estimated useful lives of the respective assets.

Expenditures relating to the development of computer software intended for internal use are charged to income when incurred, except if they are deemed to contribute to the generation of future income or cost savings. Any such expenditures are capitalized as assets and are amortized by the straight-line method over their estimated useful lives, a period of five years.

#### *(5) Research and development costs*

Research and development costs are charged to income as incurred.

#### *(6) Leases*

Leased assets under finance lease transactions which do not transfer ownership to the lessee are capitalized and depreciated over the respective lease terms to a nil residual value by the straight-line method.

Finance lease transactions commencing on or before March 31, 2008 other than those in which the ownership of the leased assets is transferred to the lessee are accounted for as operating leases.

## West Japan Railway Company

### Notes to Non-Consolidated Financial Statements (continued)

#### **1. Basis of Presentation of Financial Statements and Summary of Significant Accounting Policies (continued)**

##### *(7) Income taxes*

Deferred income taxes are recognized by the asset and liability method. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial reporting and the tax bases of the assets and liabilities and are measured using the enacted tax rates and laws which will be in effect when the differences are expected to reverse.

##### *(8) Allowance for doubtful accounts*

Allowance for doubtful accounts is computed based on the actual historical percentage of bad debts and an estimate of uncollectible amounts determined after an analysis of specific individual receivables.

##### *(9) Accrued bonuses for employees*

Accrued bonuses for employees are provided at an expected payment amount of the bonuses to employees.

##### *(10) Provision for customer point programs*

Provision for customer point programs is provided, at a reasonably estimated amount, for expected expenditures corresponding to the points granted to J-West card members, which are expected to be utilized by the card members in the following periods.

##### *(11) Accrued retirement benefits*

Accrued retirement benefits for employees are provided at the retirement benefit obligation, as adjusted for the unrecognized actuarial gain or loss.

The retirement benefit obligation is attributed to each period by the benefit formula method.

Prior service cost is charged to income when incurred.

Actuarial gain or loss is amortized commencing the year following the year in which the gain or loss is recognized by the straight-line method over a period of ten years, which is shorter than the average remaining years of service of the eligible employees.

The accounting policies on unrecognized actuarial gain or loss is different with those applied in preparing consolidated financial statements of the Company and its consolidated subsidiaries.

## West Japan Railway Company

### Notes to Non-Consolidated Financial Statements (continued)

#### **1. Basis of Presentation of Financial Statements and Summary of Significant Accounting Policies (continued)**

##### *(12) Provision for environmental safety measures*

To meet expenditures for the disposal of polychlorinated biphenyl and other wastes held by the Company, a provision at an amount reasonably estimated has been provided.

##### *(13) Recognition of revenue derived from finance lease transactions as a lessor*

Revenue from finance lease transactions and its related cost are recognized upon receipt of lease payments.

##### *(14) Hedge accounting*

Gain or loss on derivatives designated as hedging instruments is deferred until the loss or gain on the underlying hedged items is recognized. The Company enters into currency swap contracts to reduce the foreign currency exchange risk arising from trade payables denominated in foreign currencies. The Company also enters into interest-rate swap contracts to reduce the risk arising from interest rates on financial liabilities. Currency swap contracts which meet certain conditions are accounted for by the allocation method which requires that recognized foreign currency receivables or payables be translated at the corresponding currency swap contract rates. Interest-rate swaps which meet certain conditions are accounted for as if the interest rates applied to the interest-rate swaps had originally been applied to the underlying debt.

The Company hedges foreign currency exchange rate risk and interest rate risk on hedged items within certain ranges based on its internal rules for derivative transactions.

The relationship between the hedging instruments and the underlying hedged items is evaluated at each balance sheet date to confirm the effectiveness of hedging activities. However, an evaluation of effectiveness is omitted for currency swaps which meet certain conditions for applying the allocation method and interest-rate swaps which meet certain conditions for applying the special treatment.



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## Notes to Non-Consolidated Financial Statements (continued)

### **2. Accounting Change**

The Company adopted the main clause of Section 35 of “Accounting Standard for Retirement Benefits” (Accounting Standards Board of Japan (“ASBJ”) Statement No.26 of May 17, 2012) and the main clause of Section 67 of “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No.25 of March 26, 2015) effective from April 1, 2014. As a result, the methods for calculating the retirement benefit obligation and service cost have been revised in the following respects: the method for attributing projected benefits to each period has been changed from the straight-line method to the benefit formula method, and the method for determining the discount rate has been changed.

The cumulative effect of changing the methods for calculating the retirement benefit obligation and service cost was recognized by adjusting retained earnings at April 1, 2014, in accordance with the transitional treatment provided in Section 37 of Accounting Standard for Retirement Benefits.

As a result, the liability for retirement benefits increased by ¥51,784 million (\$431 million) and retained earnings decreased by ¥33,328 million (\$277 million) at April 1, 2014, and operating income and income before income taxes for the year ended March 31, 2015 increased by ¥2,989 million (\$24 million), respectively. Further information regarding the impact on per share amounts can be found in Note 8 “Amounts per share.”

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### Notes to Non-Consolidated Financial Statements (continued)

#### 3. Balances with Subsidiaries and Affiliates

Investments in and advances to subsidiaries and affiliates at March 31, 2015 and 2014 consisted of the following:

	<i>Millions of yen</i>		<i>Millions of U.S. dollars</i>
	2015	2014	2015
Investments in:			
Subsidiaries	¥ 123,856	¥ 111,659	\$ 1,032
Affiliates	26,439	28,650	220
Advances to subsidiaries	61,466	66,828	512
	¥ 211,762	¥ 207,138	\$ 1,764

Investments in affiliates whose fair value is determinable at March 31, 2015 and 2014 are summarized as follows:

	<i>Millions of yen</i>					
	2015			2014		
	Carrying value	Estimated fair value	Difference	Carrying value	Estimated fair value	Difference
Investments in affiliates	¥ 1,593	¥ 2,141	¥ 548	¥1,593	¥1,814	¥221

	<i>Millions of U.S. dollars</i>		
	2015		
	Carrying value	Estimated fair value	Difference
Investments in affiliates	\$ 13	\$ 17	\$ 4

At March 31, 2015 and 2014, investments in subsidiaries and affiliates for which it is extremely difficult to determine the fair value are summarized as follows:

	<i>Millions of yen</i>		<i>Millions of U.S. dollars</i>
	2015	2014	2015
Investments in:			
Subsidiaries	¥ 123,856	¥ 111,659	\$ 1,032
Affiliates	24,846	27,057	207
	¥ 148,702	¥ 138,717	\$ 1,239

Because no quoted market prices are available for the above securities, it is extremely difficult to determine the fair value.

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### Notes to Non-Consolidated Financial Statements (continued)

#### 3. Balances with Subsidiaries and Affiliates (continued)

Amounts due to subsidiaries and affiliates at March 31, 2015 and 2014 are presented in the accompanying non-consolidated balance sheets as follows:

	<i>Millions of yen</i>		<i>Millions of U.S. dollars</i>
	2015	2014	2015
Due to subsidiaries and affiliates:			
Short-term loans	¥ 169,640	¥ 164,480	\$ 1,413

#### 4. Property, Plant and Equipment

Property, plant and equipment at March 31, 2015 and 2014 consisted of the following:

	<i>Millions of yen</i>		<i>Millions of U.S. dollars</i>
	2015	2014	2015
Land	¥ 640,211	¥ 639,504	\$ 5,335
Buildings	431,951	423,080	3,599
Railway fixtures	2,177,415	2,211,341	18,145
Rolling stock and other vehicles	992,086	946,680	8,267
Ships	4	4	0
Machinery and equipment	319,795	310,943	2,664
Furniture and fixtures	73,739	69,363	614
Leases	1,618	1,507	13
Construction in progress	58,652	72,946	488
	4,695,475	4,675,371	39,128
Less accumulated depreciation	(2,867,401)	(2,856,059)	(23,895)
Property, plant and equipment, net	¥ 1,828,074	¥ 1,819,312	\$ 15,233

Contributions for the construction of railway facilities granted by national and municipal governments and others are recognized as gain on contributions received for construction upon receipt. These contribution amounts are deducted directly from the acquisition costs of the related fixed assets upon completion as stipulated in the Corporation Tax Law of Japan. Compensation for the expropriation of properties received from national and municipal governments and others, in accordance with the Corporation Tax Law, is also recognized as other income upon receipt. These compensation amounts are deducted directly from the acquisition costs of the properties acquired to replace the properties expropriated.

The contributions deducted from the acquisition costs of property, plant and equipment for the years ended March 31, 2015 and 2014 totaled ¥51,975 million (\$433 million) and ¥13,972 million, respectively. The accumulated contributions deducted from the

## West Japan Railway Company

### Notes to Non-Consolidated Financial Statements (continued)

acquisition costs of property, plant and equipment at March 31, 2015 and 2014 were ¥673,410 million (\$5,611 million) and ¥670,229 million, respectively.

#### 4. Property, Plant and Equipment (continued)

The compensation deducted from the acquisition costs of property, plant and equipment to replace the properties expropriated for the years ended March 31, 2015 and 2014 totaled ¥1,662 million (\$13 million) and ¥4,908 million, respectively.

#### 5. Income Taxes

The aggregate statutory tax rates applicable to the Company were 35.64% and 38.01% for the years ended March 31, 2015 and 2014, respectively.

A reconciliation of the statutory tax rates and effective tax rates for the years ended March 31, 2015 and 2014 as a percentage of income before income taxes was as follows:

	2015	2014
Statutory tax rates	35.64 %	38.01 %
Effect of:		
Decrease in deferred tax assets resulting from changes in statutory tax rates	14.64	1.62
Per capita portion of inhabitants' taxes	0.36	0.39
Special deduction for R&D costs	(0.66)	(0.77)
Change in valuation allowance	(3.89)	0.00
Other	(0.18)	0.79
Effective tax rates	45.90 %	40.05 %

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### Notes to Non-Consolidated Financial Statements (continued)

#### 5. Income Taxes (continued)

The significant components of the Company's deferred tax assets and liabilities at March 31, 2015 and 2014 are summarized as follows:

	<i>Millions of yen</i>		<i>Millions of U.S. dollars</i>
	2015	2014	2015
Deferred tax assets:			
Accrued bonuses for employees	¥ 8,848	¥ 9,533	\$ 73
Accrued social insurance premiums included in accrued expenses	1,327	1,414	11
Accrued enterprise taxes included in income taxes payable	1,120	1,590	9
Accrued retirement benefits	113,063	105,142	942
Provision for environmental safety measures	3,054	3,599	25
Other	19,079	22,298	158
Gross deferred tax assets	146,493	143,577	1,220
Valuation allowance	(6,855)	(10,978)	(57)
Total deferred tax assets	139,638	132,598	1,163
Deferred tax liabilities:			
Unrealized holding gain on securities	(1,977)	(1,585)	(16)
Contributions received for construction deducted from acquisition costs of property, plant and equipment	(11,881)	(12,090)	(99)
Other	(7)	(8)	(0)
Total deferred tax liabilities	(13,867)	(13,685)	(115)
Deferred tax assets, net	¥ 125,771	¥ 118,913	\$ 1,048

The “Act for Partial Amendment of the Income Tax Act, etc.” (Act No. 9 of 2015) and the “Act for Partial Amendment of the Local Tax Act, etc.” (Act No.2 of 2015) were promulgated on March 31, 2015. As a result, the effective statutory tax rate used to measure the Company's deferred tax assets and liabilities was changed from 35.64% to 33.06% and 32.26% for the temporary differences expected to be realized or settled in the year beginning April 1, 2015 and for the temporary differences expected to be realized or settled from April 1, 2016, respectively. The effect of the announced reduction of the effective statutory tax rate was to decrease deferred tax assets, after offsetting deferred tax liabilities, by ¥12,612 million (\$105 million) and increase deferred income tax expense by ¥12,820 million (\$106 million) as of and for the year ended March 31, 2015.

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## Notes to Non-Consolidated Financial Statements (continued)

### **6. Contingent Liabilities**

At March 31, 2015, the Company was contingently liable for guarantees of loans to subsidiaries and an affiliate and prepaid hotel vouchers issued by certain subsidiaries, which are recorded as a component of deposits and advances received, in the aggregate amount of ¥13,417 million (\$111 million).

The Company expects further expenditures to be incurred in subsequent years relating to the payment of compensation for a train accident on the Fukuchiyama Line, which occurred on April 25, 2005, as well as other related costs; however, it is unable to estimate the amounts of such expenditures on a reasonable basis at the present time.

### **7. Shareholders' Equity**

The Company Act of Japan provides that an amount equal to 10% of the amount to be disbursed as distributions of capital surplus (other than the capital reserve) and retained earnings (other than the legal reserve) be transferred to the capital reserve and the legal reserve, respectively, until the sum of the capital reserve and the legal reserve equals 25% of the capital stock account. Such distributions can be made at any time by resolution of the shareholders, or by the Board of Directors if certain conditions are met.

Additional paid-in capital is presented as capital surplus and the legal reserve is included in retained earnings in the accompanying non-consolidated balance sheets and non-consolidated statements of changes in net assets. The Company's legal reserve included in retained earnings at March 31, 2015 and 2014 amounted to ¥11,327 million (\$94 million).

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### Notes to Non-Consolidated Financial Statements (continued)

#### 8. Amounts per Share

Amounts per share at March 31, 2015 and 2014 and for the years then ended were as follows:

	<i>Yen</i>		<i>U.S. dollars</i>
	2015	2014	2015
Net assets	¥ 3,260.05	¥ 3,300.86	\$ 27
Net income	244.57	251.28	2
Cash dividends	125.00	115.00	1

Net assets per share have been computed based on the number of shares of common stock outstanding at each balance sheet date.

Net income per share has been computed based on the net income available for distribution to shareholders of common stock and the weighted-average number of shares of common stock outstanding during each year. Diluted net income per share has not been presented for the years ended March 31, 2015 and 2014 since the Company had no potentially dilutive stock at March 31, 2015 and 2014.

As described in Note 2 “Accounting Change,” effective the year ended March 31, 2015, revised accounting standards for retirement benefits were adopted. As a result, net assets per share decreased by ¥156.60 (\$1.30) as of March 31, 2015 and net income per share increased by ¥15.43 (\$0.12) for the year ended March 31, 2015.

Cash dividends per share represent the cash dividends proposed by the Board of Directors as applicable to the respective fiscal years together with the interim cash dividends paid.

#### 9. Subsequent Event

The following distribution of retained earnings of the Company, which has not been reflected in the accompanying non-consolidated financial statements for the year ended March 31, 2015, was to be approved at a meeting of the shareholders of the Company to be held on June 23, 2015:

	<i>Millions of yen</i>	<i>Millions of U.S. dollars</i>
Cash dividends (¥65 = U.S.\$0.54 per share)	¥ 12,592	\$ 104