Translation

Notice: This English version is a translation of the original disclosure in Japanese released on February 3, 2016 at 15:00 (GMT+9) and is only for reference purposes. In the case where any differences occur between the English version and the original Japanese version, the Japanese version will prevail.

Member of the Financial Accounting Standards Foundation

February 3, 2016

CONSOLIDATED FINANCIAL RESULTS for the Year Ended December 31, 2015 (Unaudited) <under Japanese GAAP>

Company name: **Nippon Electric Glass Co., Ltd.**
Listing: First Section of the Tokyo Stock Exchange
Securities identification code: 5214
URL: http://www.neg.co.jp/
Representative: Motoharu Matsumoto, President and Representative Director
Inquiries: Koichi Tsuda, Director and Senior Vice President
TEL: +81-77-537-1700 (from overseas)

Scheduled date of ordinary general meeting of shareholders: March 30, 2016
Scheduled date to commence dividend payments: March 31, 2016
Scheduled date to file securities report: March 31, 2016
Supplementary material on financial results: Yes
Financial results presentation meeting: Yes (for institutional investors and analysts)

(in millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated performance for the year ended December 31, 2015 (From January 1, 2015 to December 31, 2015)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
For the year ended		%		%		%		%
December 31, 2015	251,177	-	22,034	-	14,272	-	9,636	-
December 31, 2014	192,692	-	5,223	-	6,883	-	5,938	-

Note: Comprehensive income:
For the year ended December 31, 2015: 6,295 million yen [-%]
For the year ended December 31, 2014: 17,120 million yen [-%]

	Net income per share	Diluted net income per share	Net income/ equity	Ordinary income/ total assets	Operating income/ net sales
For the year ended	Yen	yen	%	%	%
December 31, 2015	19.38	-	1.9	2.0	8.8
December 31, 2014	11.94	-	1.2	1.0	2.7

Reference: Equity in earnings of affiliates:
For the year ended December 31, 2015: None
For the year ended December 31, 2014: None

Note: The Company has changed its fiscal year-end (last date of its business year) from March 31 to December 31, effective from the year ended December 31, 2014 (previous fiscal year). Accordingly, year-on-year changes are not noted since the corresponding period for comparison differs for the current fiscal year (January 1 to December 31, 2015) and the previous fiscal year (April 1 to December 31, 2014), an irregular period during which the fiscal year was changed. In addition, the figures for net income per share, net income/equity, ratio of ordinary income to total assets, and operating income/net sales for the previous fiscal year all refer to income for the nine-month period.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of			%	yen
December 31, 2015	726, 937	519,801	70.6	1,031.86
December 31, 2014	731, 184	522,577	70.2	1,032.66

Reference: Equity:
As of December 31, 2015: 513,218 million yen
As of December 31, 2014: 513,633 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Period-end cash and cash equivalents
For the year ended				
December 31, 2015	46,797	(32,638)	(7,892)	133,856
December 31, 2014	38,837	(29,264)	1,698	129,823

2. Cash dividends

	Annual dividends					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total			
	yen	yen	yen	yen	yen		%	%
For the year ended								
December 31, 2014	-	8.00	-	4.00	12.00	5,968	100.5	1.2
December 31, 2015	-	8.00	-	8.00	16.00	7,958	82.6	1.5
For the year ending December 31, 2016 (Forecasts)	-	8.00	-	8.00	16.00	——	49.7	——

Note: The Company plans to pay annual dividends of 16 yen per share (interim dividend of 8 yen and year-end dividend of 8 yen), equivalent to the dividend paid in the previous nine-month fiscal period adjusted to a twelve-month period.

3. Consolidated earnings forecasts for the year ending December 31, 2016 (From January 1, 2016 to December 31, 2016)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
		%		%		%		%	yen
For the six months ending June 30, 2016	125,000	0.9	10,000	8.0	9,000	38.6	7,000	433.8	14.07
For the year ending December 31, 2016	256,000	1.9	22,000	(0.2)	20,000	40.1	16,000	66.0	32.17

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

A. Changes in accounting policies due to revisions to accounting standards: None
B. Changes in accounting policies due to other reasons: None
C. Changes in accounting estimates: None
D. Restatement of prior period financial statements after error corrections: None

(3) Number of issued shares (common stock)

A. Total number of issued shares at the end of the period (including treasury stock)

As of December 31, 2015	497,616,234 shares
As of December 31, 2014	497,616,234 shares

B. Number of treasury shares at the end of the period

As of December 31, 2015	243,750 shares
As of December 31, 2014	228,870 shares

C. Average number of shares during the period

For the year ended December 31, 2015	497,381,650 shares
For the year ended December 31, 2014	497,391,512 shares

SUMMARY OF NON-CONSOLIDATED FINANCIAL RESULTS (Reference)

Non-consolidated performance for the year ended December 31, 2015 (From January 1, 2015 to December 31, 2015)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
For the year ended		%		%		%		%
December 31, 2015	159,848	-	1,020	-	15,551	-	13,551	-
December 31, 2014	125,260	-	(4,811)	-	2,798	-	6,029	-

	Net income per share	Diluted net income per share
For the year ended	yen	yen
December 31, 2015	27.25	-
December 31, 2014	12.12	-

Note: As the corresponding period for comparison differs for this fiscal period and the previous fiscal period when the fiscal year was changed, the year-on-year changes are not noted. Net income per share for the previous period refers to income for the nine-month period.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of			%	yen
December 31, 2015	652,528	459,020	70.3	922.89
December 31, 2014	637,161	446,129	70.0	896.95

Reference: Equity:
As of December 31, 2015: 459,020 million yen
As of December 31, 2014: 446,129 million yen

* Indication regarding execution of audit procedures

At the time of disclosure of this financial results report, the audit procedures for the consolidated financial statements and non-consolidated financial statements in accordance with the Financial Instruments and Exchange Act were incomplete.

* Proper use of earnings forecasts, and other special directions

The forward-looking statements, including earnings forecasts, contained in these materials are based on certain assumptions deemed to be reasonable by the Company and its subsidiaries ("the NEG Group") and include risks and contingencies. Actual business results may differ substantially due to a number of factors. For more details, please refer to the section of "(iii) Outlook for the year ending December 31, 2016 of (1) Analysis regarding operating results in Operating results: analysis regarding financial position" on page 6.

Operating results: analysis regarding financial position

(1) Analysis regarding operating results

(i) Overview of the fiscal year under review (from January 1, 2015 to December 31, 2015)

The global economy recovered on the back of solid personal consumption and improved employment conditions in Europe and the US, as well as other factors. However, there were growing signs of a slowdown in China due to factors such as a decline in exports and fixed asset investments. The Japanese economy continued to sustain a modest recovery, as indicated by improvements in corporate earnings and employment conditions amid solid personal consumption.
In this environment, in the year ended December 31, 2015 (January 1 to December 31, 2015), decline in prices for the substrate glass for liquid crystal displays (LCDs) narrowed and shipments remained stable. However, sales began to slow in the fourth quarter (October 1 to December 31, 2015). Sales of glass fiber were generally firm, despite some discrepancies between regions, and shipments of glass for optical devices remained strong.
On the profit/loss side, improved productivity and cost-cutting ensured stable operating income throughout the fiscal year. At the same time, ordinary income was pushed down by foreign exchange losses. In addition, although the reversal of deferred tax assets following tax system revisions, as well as loss on closure of the Fujisawa Plant, pushed down net income, it was supported by gains on the reversal of provisions for special repairs and gains on sales of investment securities.

(ii) Operating results for the fiscal year under review

(Billions of yen)

	Year ended December 31, 2014 (Nine Months)	Year ended December 31, 2015 (Twelve Months)
Net sales	192.6	251.1
Operating income	5.2	22.0
Ordinary income	6.8	14.2
Net income	5.9	9.6

Note: Amounts less than 100 million yen are omitted.

(Sales by products)

Reporting segment	Category	Year ended December 31, 2014 (Nine Months)		Year ended December 31, 2015 (Twelve Months)	
		billions of yen	(%)	billions of yen	(%)
Glass Business	Glass for electronic and information devices	133.6	69	167.0	67
	Glass for others	59.0	31	84.1	33
Total		192.6	100	251.1	100

Note: Amounts less than 100 million yen are omitted.

(Net sales)
Glass for electronic and information devices:
The decline in prices for substrate glass for LCDs narrowed and shipments remained stable, but sales slowed in response to the impact of sluggish demand for LCD panels in the fourth quarter. Shipments of cover glass for mobile devices (specialty glass for chemical strengthening) recovered as the result of an expansion in models adopted. Sales of glass for optical devices

remained strong due to growing demand for communications infrastructure. In glass for electronic devices, sales of cover glass for image sensors were steady, despite the impact of seasonal fluctuations. Sales of substrate glass for solar cells were generally firm.

Glass for others:
Although glass fiber applications in high-function plastics for auto parts were affected by slower demand in Asia, sales increased due to solid performance in other regions. And while sales of glass for building materials were weak from the second quarter (April 1 to June 30, 2015), sales recovered in the fourth quarter. In the area of heat-resistant glass and glass for pharmaceutical and medical use, sales were generally firm, primarily overseas.

(Profit/loss)
Improved productivity, cost-cutting, lower energy costs, and other factors offset the impact of lower prices for substrate glass for LCDs, enabling the Company to secure stable operating income throughout the fiscal year. However, ordinary income was pulled down primarily by foreign exchange losses related to foreign currency-denominated loans taken out by an overseas subsidiary, while net income was pushed down by the reversal of deferred tax assets following fiscal 2015 revisions to the tax system (lowering of income and other tax rates) and the cost of removing facilities and buildings following the closure of the Fujisawa Plant. Despite these factors, net income was supported by gains on the reversal of provisions for special repairs in the absence of plans to repair the glass-melting furnace, as well as gain on sales of investment securities resulting from a review of shareholdings.

(iii) Outlook for the year ending December 31, 2016

(Billions of yen)

	Six months ending June 30, 2016	Year ending December 31, 2016
Net sales	125.0	256.0
Operating income	10.0	22.0
Ordinary income	9.0	20.0
Profit attributable to owners of parent	7.0	16.0

Notes: Amounts less than 100 million yen are omitted.

The outlook for the global economy is increasingly uncertain, given China's economic trends, US monetary policy, conditions in the Middle East, and crude oil price trends. However, despite anxiety over the impact of overseas economies, we expect the Japanese economy to continue making a modest recovery on the back of improvements in the employment and income environment and the effect of various government measures.
Given these conditions, in the category of Electronics and Information Technology, we expect shipments of substrate glass for LCDs to start weak as a result of lower demand from the start of the next fiscal year, but to gradually increase during the fiscal year as the market grows. The Company will adapt to higher demand in China, a growth market, by improving productivity and improving its supply system with the start of operations at Electric Glass (Xiamen) Co., Ltd. and Electric Glass (Nanjing) Co., Ltd. Shipments of glass for optical devices are expected to be driven by robust demand for communications infrastructure in emerging economies. Glass for electronic devices will benefit from growth in a wide range of markets, such as home appliances and autos. In the category of Performance Materials and Others, we expect higher shipments for glass fiber due to solid demand for use in applications in high-function plastics for auto parts. The Company is aggressively expanding sales of glass for building materials, heat-resistant glass and glass for pharmaceuticals and medical use in overseas markets, as well as in Japan.
On the profit/loss side, we expect product prices and facility repairs to affect profits, but initiatives to improve productivity and cut costs, among others, should improve profitability.
Beginning in the next fiscal year, the Group will change its disclosure categories for sales by product so that "Glass for electronic and information devices" will be "Electronics and Information

Technology", and "Glass for others" will be "Performance Materials and Others". In conjunction with this, the method for disclosing consolidated financial results forecasts will be changed so that a specific figure, rather than a range, is disclosed for forecasts for the first half of the fiscal period and the full year.
In light of these considerations, the Group's earnings forecasts for the next fiscal year are as shown in the table above.

The forward-looking statements, including earnings forecasts, contained in these materials are based on certain assumptions deemed to be reasonable by the NEG Group and include risks and contingencies. Actual business results may differ substantially due to a number of factors. Factors that may impact actual business results include the economic conditions of global markets, various rules and regulations such as those concerning trade, significant fluctuation of supply and demand of products in principal markets as well as the financial situation showing extensive changes in prices on capital markets, exchange rates between the yen and other major currencies such as the U.S. dollar and the Euro, and interest rates, in addition to rapid technological advancement. Factors not mentioned here also could have a significant impact on business results.

(2) Analysis regarding financial position

(i) Overview of consolidated financial position for the fiscal year under review

(Billions of yen)

	As of December 31, 2014	As of December 31, 2015	Change
Total assets	731.1	726.9	(4.2)
Liabilities	208.6	207.1	(1.4)
Net assets	522.5	519.8	(2.7)

Note: Amounts less than 100 million yen are omitted.

(Total assets)
In current assets, although merchandise and finished goods increased, cash and deposits decreased due to the acquisition of the non-current assets in an overseas subsidiary and the payment of dividends. In non-current assets, despite the aforementioned acquisition of assets, the value of foreign currency-denominated assets fell due to the yen appreciation against some currencies, and property, plants, and equipment decreased due to depreciation and other factors. Moreover, despite the reversal of deferred tax assets following tax system revisions, investments and other assets rose due to an increase in investment securities in line with the recovery in the stock market.

(Liabilities)
In current liabilities, the Group posted loss reserves following the closure of the Fujisawa plant. In addition, the current portion of long-term loans payable and the current portion of bonds were transferred from non-current liabilities. In non-current liabilities, long-term loans payable and bonds decreased due to the aforementioned transfer to current liabilities. In addition, the provision for special repairs decreased due to the absence of plans to repair a glass-melting furnace.

(Net assets)
Foreign currency translation adjustment decreased as a result of yen appreciation against some currencies, however valuation difference on available-for-sale securities increased due to a recovery in the stock market.

(ii) Overview of consolidated cash flows for the fiscal year under review

(Billions of yen)

	Year ended December 31, 2014 (Nine Months)	Year ended December 31, 2015 (Twelve Months)
Cash flows from operating activities	38.8	46.7
Cash flows from investing activities	(29.2)	(32.6)
Cash flows from financing activities	1.6	(7.8)
Period-end cash and cash equivalents	129.8	133.8

Note: Amounts less than 100 million yen are omitted.

(Cash flows from operating activities)
Income before income taxes and minority interests increased, and depreciation was high due to capital investments made in recent years. On the other hand, inventories increased.

(Cash flows from investing activities)
Capital outflows increased, primarily due to the expansion of a Malaysian subsidiary's glass fiber production facility and capital investments in Electric Glass (Xiamen) Co., Ltd.

(Cash flows from financing activities)
Dividends were paid to shareholders and minority shareholders.

(iii) Trends of cash-flow related indices

Year ended	March 31, 2012	March 31, 2013	March 31, 2014	December 31, 2014	December 31, 2015
Equity ratio (%)	68.4	70.1	71.2	70.2	70.6
Market value-based equity ratio (%)	52.1	34.1	37.4	37.1	41.9
Interest-bearing debt to cash flows ratio (years)	1.0	1.9	2.1	2.8	2.3
Interest coverage ratio (times)	86.3	74.6	77.1	68.1	44.1

Equity ratio: Shareholders' equity / Total assets
Market value-based equity ratio: Market capitalization / Total assets
Interest-bearing debt to cash flows ratio: Interest-bearing debt / Operating cash flow
Interest coverage ratio: Operating cash flow / Interest paid
Notes: 1. All calculations are based on consolidated financial figures.
2. Market capitalization was calculated based on the number of issued shares excluding treasury stock.
3. For operating cash flows and interest paid, calculations use "cash flows from operating activities" and "interest expenses paid," respectively, in the consolidated statement of cash flows. Moreover, interest-bearing debt corresponds to long- and short-term loans payable, bonds payable and commercial papers(Current liabilities Other) included in liabilities presented in the consolidated balance sheet.
4. As the fiscal year ended December 31, 2014, a transitional period in the change to the fiscal year-end, was a nine-month fiscal period, figures are calculated using cash flows from operating activities and interest expenses paid for the nine-month period.

(3) Basic policy on allocation of profits and cash dividends for this fiscal year and next fiscal year

(Basic policy)

The Company views returning profits to shareholders as an important issue for management. Based on a basic policy of maintaining a long-term and stable return of profits to shareholders that is not significantly affected by fluctuations in earnings, the Company decides on dividend payments while taking into account its financial situation. The Company also considers flexible profit-sharing as opportunities present. At the same time, the Company aims to fulfill the expectations of shareholders by boosting its corporate value through the effective use of funds for forward-thinking research and development, investment in growth, and reinforcement of the Company's financial base.

(Year-end dividend)

The Company shall present the year-end dividend payment of 8 yen per share, which, combined with the 8 yen per share interim dividend, equals an annual dividend of 16 yen per share. This would be the same as the dividend payment of 12 yen per share made in the previous nine-month fiscal year converted to a full year (12 months), for approval at the Ordinary General Meeting of Shareholders scheduled to be held on March 30, 2016.

(Dividend forecast for the next fiscal year)

Both the interim dividend and the year-end dividend are expected to be 8 yen per share, for an annual dividend of 16 yen per share.

Consolidated financial statements

(1) Consolidated balance sheet

(Millions of yen)

	As of December 31, 2014	As of December 31, 2015
Assets		
Current assets		
Cash and deposits	149,742	144,345
Notes and accounts receivable - trade	48,026	47,391
Merchandise and finished goods	33,603	40,084
Work in process	1,620	1,631
Raw materials and supplies	20,837	22,459
Deferred tax assets	3,703	5,029
Other	6,537	6,562
Allowance for doubtful accounts	(71)	(75)
Total current assets	264,001	267,429
Non-current assets		
Property, plant and equipment		
Buildings and structures	143,979	154,609
Accumulated depreciation	(68,727)	(71,921)
Buildings and structures, net	75,252	82,687
Machinery, equipment and vehicles	706,890	682,347
Accumulated depreciation	(419,910)	(414,415)
Machinery, equipment and vehicles, net	286,979	267,932
Land	13,191	12,656
Construction in progress	19,870	21,216
Other	20,808	20,374
Accumulated depreciation	(18,828)	(18,855)
Other, net	1,979	1,519
Total property, plant and equipment	397,273	386,012
Intangible assets	2,948	4,185
Investments and other assets		
Investment securities	48,723	55,314
Deferred tax assets	16,344	12,560
Other	1,958	1,502
Allowance for doubtful accounts	(62)	(67)
Total investments and other assets	66,962	69,309
Total non-current assets	467,183	459,507
Total assets	731,184	726,937

(Millions of yen)

	As of December 31, 2014	As of December 31, 2015
Liabilities		
Current liabilities		
Notes and accounts payable - trade	32,180	29,587
Short-term loans payable	15,340	29,230
Current portion of bonds	—	10,000
Income taxes payable	1,301	3,428
Provision for loss on plant closing	—	1,035
Other provision	49	78
Other	33,827	32,039
Total current liabilities	82,700	105,399
Non-current liabilities		
Bonds payable	50,000	40,000
Long-term loans payable	40,800	27,500
Provision for special repairs	32,854	31,650
Other provision	62	27
Net defined benefit liability	1,217	1,202
Other	971	1,357
Total non-current liabilities	125,906	101,736
Total liabilities	208,607	207,136
Net assets		
Shareholders' equity		
Capital stock	32,155	32,155
Capital surplus	34,350	34,350
Retained earnings	423,763	427,431
Treasury shares	(280)	(289)
Total shareholders' equity	489,989	493,648
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	17,882	23,290
Deferred gains or losses on hedges	(763)	(205)
Foreign currency translation adjustment	6,525	(3,515)
Total accumulated other comprehensive income	23,644	19,570
Minority interests	8,943	6,582
Total net assets	522,577	519,801
Total liabilities and net assets	731,184	726,937

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

	Year ended December 31, 2014 (Nine Months)	Year ended December 31, 2015 (Twelve Months)
Net sales	192,692	251,177
Cost of sales	164,694	198,171
Gross profit	27,997	53,005
Selling, general and administrative expenses	22,773	30,971
Operating income	5,223	22,034
Non-operating income		
Interest income	204	357
Dividend income	1,102	1,226
Foreign exchange gains	2,672	―
Subsidy income	20	312
Other	821	871
Total non-operating income	4,822	2,767
Non-operating expenses		
Interest expenses	486	1,118
Depreciation of inactive non-current assets	1,836	2,149
Foreign exchange losses	―	5,742
Other	840	1,520
Total non-operating expenses	3,162	10,529
Ordinary income	6,883	14,272
Extraordinary income		
Reversal of provision for special repairs	5,736	3,868
Gain on sales of investment securities	―	2,131
Other	453	28
Total extraordinary income	6,190	6,029
Extraordinary losses		
Loss on sales and retirement of non-current assets	841	495
Impairment loss	3,042	1,485
Loss on closing of plants	―	1,255
Other	6	265
Total extraordinary losses	3,890	3,502
Income before income taxes and minority interests	9,183	16,799
Income taxes - current	2,457	5,672
Income taxes - deferred	44	780
Total income taxes	2,501	6,453
Income before minority interests	6,681	10,345
Minority interests in income	743	708
Net income	5,938	9,636

Consolidated statement of comprehensive income

(Millions of yen)

	Year ended December 31, 2014 (Nine Months)	Year ended December 31, 2015 (Twelve Months)
Income before minority interests	6,681	10,345
Other comprehensive income		
Valuation difference on available-for-sale securities	4,211	5,408
Deferred gains or losses on hedges	(847)	558
Foreign currency translation adjustment	7,074	(10,017)
Total other comprehensive income	10,438	(4,050)
Comprehensive income	17,120	6,295
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,309	5,562
Comprehensive income attributable to minority interests	810	732

(3) Consolidated statement of changes in equity

Year ended December 31, 2014(Nine Months)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	32,155	34,351	422,893	(276)	489,124
Changes of items during period					
Dividends of surplus			(7,958)		(7,958)
Net income			5,938		5,938
Purchase of treasury shares				(4)	(4)
Disposal of treasury shares		(0)		0	0
Increase in retained earnings in subsidiaries due to changes in accounting period			2,889		2,889
Net changes of items other than shareholders' equity					
Total changes of items during period	—	(0)	869	(4)	865
Balance at end of current period	32,155	34,350	423,763	(280)	489,989

	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	Total accumulated other comprehensive income		
Balance at beginning of current period	13,670	84	214	13,969	7,714	510,807
Changes of items during period						
Dividends of surplus						(7,958)
Net income						5,938
Purchase of treasury shares						(4)
Disposal of treasury shares						0
Increase in retained earnings in subsidiaries due to changes in accounting period						2,889
Net changes of items other than shareholders' equity	4,211	(847)	6,310	9,674	1,229	10,904
Total changes of items during period	4,211	(847)	6,310	9,674	1,229	11,769
Balance at end of current period	17,882	(763)	6,525	23,644	8,943	522,577

Year ended December 31, 2015(Twelve Months)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	32,155	34,350	423,763	(280)	489,989
Changes of items during period					
Dividends of surplus			(5,968)		(5,968)
Net income			9,636		9,636
Purchase of treasury shares				(9)	(9)
Disposal of treasury shares		(0)		0	0
Net changes of items other than shareholders' equity					
Total changes of items during period	—	(0)	3,668	(8)	3,659
Balance at end of current period	32,155	34,350	427,431	(289)	493,648

	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	Total accumulated other comprehensive income		
Balance at beginning of current period	17,882	(763)	6,525	23,644	8,943	522,577
Changes of items during period						
Dividends of surplus						(5,968)
Net income						9,636
Purchase of treasury shares						(9)
Disposal of treasury shares						0
Net changes of items other than shareholders' equity	5,408	558	(10,040)	(4,073)	(2,361)	(6,435)
Total changes of items during period	5,408	558	(10,040)	(4,073)	(2,361)	(2,775)
Balance at end of current period	23,290	(205)	(3,515)	19,570	6,582	519,801

(4) Consolidated statement of cash flows

(Millions of yen)

	Year ended December 31, 2014 (Nine Months)	Year ended December 31, 2015 (Twelve Months)
Cash flows from operating activities		
Income before income taxes and minority interests	9,183	16,799
Depreciation	28,419	37,153
Impairment loss	3,042	1,485
Loss on closing of plants	—	1,255
Loss (gain) on sales of investment securities	—	(2,131)
Increase (decrease) in provision for special repairs	(3,082)	(1,204)
Interest and dividend income	(1,306)	(1,583)
Interest expenses	486	1,118
Foreign exchange losses (gains)	(594)	6,081
Decrease (increase) in notes and accounts receivable - trade	292	(2,133)
Decrease (increase) in inventories	(469)	(9,330)
Increase (decrease) in notes and accounts payable - trade	2,468	(1,541)
Other, net	3,818	3,159
Subtotal	42,258	49,127
Interest and dividend income received	1,257	1,553
Interest expenses paid	(570)	(1,061)
Income taxes paid	(4,109)	(2,822)
Net cash provided by (used in) operating activities	38,837	46,797
Cash flows from investing activities		
Net decrease (increase) in time deposits	(5,082)	9,541
Proceeds from sales of investment securities	—	3,153
Purchase of non-current assets	(25,642)	(44,599)
Other, net	1,460	(733)
Net cash provided by (used in) investing activities	(29,264)	(32,638)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	463	1,214
Repayments of long-term loans payable	(1,048)	(499)
Proceeds from issuance of bonds	20,000	—
Redemption of bonds	(10,000)	—
Cash dividends paid	(7,958)	(5,969)
Cash dividends paid to minority shareholders	—	(2,565)
Other, net	241	(72)
Net cash provided by (used in) financing activities	1,698	(7,892)
Effect of exchange rate change on cash and cash equivalents	1,045	(2,234)
Net increase (decrease) in cash and cash equivalents	12,316	4,032
Cash and cash equivalents at beginning of period	123,887	129,823
Decrease in cash and cash equivalents due to changes in accounting period	(6,381)	—
Cash and cash equivalents at end of period	129,823	133,856