February 4, 2016

Consolidated Financial Results for the Nine Months Ended December 31, 2015

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Stock exchange listing: Tokyo Stock Exchange
Stock code: 7947 URL: http://www.fpco.co.jp/
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Scheduled date to submit the Quarterly Securities Report (Shihanki Houkokusho): February 5, 2016
Scheduled date for commencement of dividend payments: –
Supplementary documents for quarterly results: None
Quarterly results briefing: None

(Amounts of less than one million yen are truncated.)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2015 (April 1, 2015 – December 31, 2015)

(1) Consolidated Results of Operations (Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Period ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2015	131,469	3.2	11,168	47.1	11,864	40.9	7,999	48.2
December 31, 2014	127,363	1.6	7,592	(13.3)	8,418	(6.5)	5,399	(1.3)

(Note) Comprehensive income: Period ended December 31, 2015: 8,165 million yen (34.3%)
Period ended December 31, 2014: 6,081 million yen (6.7%)

	Net income per share (basic)	Net income per share (diluted)
Period ended	Yen	Yen
December 31, 2015	193.24	–
December 31, 2014	130.43	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
December 31, 2015	215,443	90,856	42.0	2,185.26
March 31, 2015	196,629	85,133	43.1	2,047.04

(Reference) Equity: As of December 31, 2015: 90,458 million yen
As of March 31, 2015: 84,737 million yen

2. Dividends

	Dividend per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2015	–	24.00	–	26.00	50.00
Year ending March 31, 2016	–	33.00	–		
Year ending March 31, 2016 (forecast)				32.00	65.00

Note: Revisions to dividend forecasts published most recently: No

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2016 (April 1, 2015 – March 31, 2016)

(Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year ending March 31, 2016	171,000	3.7	12,900	40.4	13,500	33.6	8,500	34.3	205.34

Note: Revisions to consolidated business performance forecasts published most recently: No

* Notes

(1) Changes in significant subsidiaries during the period
(changes in specified subsidiaries accompanying changes in scope of consolidation): No

(2) Application of particular accounting treatment concerning preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies and accounting estimates, and restatement

(i) Changes in accounting policies accompanying amendments to accounting standards, etc.:	Yes
(ii) Changes in accounting policies other than (i):	Yes
(iii) Changes in accounting estimates:	Yes
(iv) Restatement:	No

(Note) For details, please refer to (3) Changes in Accounting Policies and Accounting Estimates, and Restatement of 2. Matters Relating to Summary Information (Notes) on page 5.

(4) Number of shares outstanding (common shares):

(i) Number of shares outstanding at end of period (including treasury shares)

As of December 31, 2015:	44,284,212 shares
As of March 31, 2015:	44,284,212 shares

(ii) Number of treasury shares at end of period:

As of December 31, 2015:	2,889,258 shares
As of March 31, 2015:	2,889,159 shares

(iii) Average number of shares outstanding during the period (consolidated cumulative period)

Nine Months ended December 31, 2015:	41,395,001 shares
Nine Months ended December 31, 2014:	41,395,204 shares

* Status of a quarterly review

This financial summary does not need to undergo a quarterly review under the Financial Instruments and Exchange Act. The quarterly consolidated financial statements have not been reviewed at the time of the announcement of this financial summary.

* Explanations and other special notes concerning the appropriate use of business performance forecasts

The forecasts and other forward-looking statements presented in this material are based on information available to the Company as of the date of publication of this material. Actual performance may differ from the forecast figures due to a variety of factors. Refer to "1. Qualitative Information Relating to Consolidated Results of Operations for the First Three Quarters Ended December 31, 2015; (3) Explanation of Information on Future Forecasts, Including the Forecast of Consolidated Results" on page 4 of the "Accompanying Materials" for the assumptions underlying the forecasts, notes to the use of forecasts and other related matters.

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1. Qualitative Information Relating to Consolidated Results of Operations for the First Three Quarters Ended December 31, 2015

(1) Explanation of Financial Results

During the first nine months under review, the Japanese economy stayed on a moderate recovery path, with continued improvements in corporate earnings and the employment environment thanks to the government's stimulus package and the BOJ's monetary policy.

However, the economic outlook remained uncertain, given factors such as the effect of rising import prices due to the weaker yen, the impact of slower growth in the Chinese economy and other economies overseas, and stagnant consumer spending in Japan.

In this environment, in terms of sales at the Group, containers with new designs and functions, especially the original products of the Company (Multi FP containers, Multi Solid containers, OPET transparent containers, and new transparent PP containers), were appreciated by customers not only for their functionality as containers but also for their superiority in terms of material functions such as oil and heat resistance, and their sales volumes rose. Sales volumes of products using recycled raw materials (Eco Tray and Eco APET) also increased. In particular, the multi FP containers, which are used for pot containers and chilled lunchbox containers, as well as the new transparent polypropylene (PP) containers were more widely popular alongside proposals for the creation of new sales space at retailers, thanks to an innovation that allows the containers to be heated in a microwave. In the field of transparent containers, including transparent lids and hood packs, the Group was replacing conventional OPS containers with new products and enhancing its OPET products and new transparent PP product lineup. As more and more customers emphasize quality, sales volumes of lunchbox containers that look like thin wooden boxes and differentiate themselves from other products, sales of containers with a cover for dressed meat, and sales of containers for making prepared foods look better on sales floors all increased.

Moreover, sales volumes of general-purpose products rose. Sales volumes of products manufactured by the Group in the first nine months under review rose 5.6% from a year ago, and sales of products manufactured by the Group increased 3.0% year on year.

During the peak season at the end of the year, when there is a concentration of sales, the number of distribution vehicles increased by 9% year on year. The Group was able to handle shipments without any delay thanks to the distribution network that it has expanded in the past five years, including the Fukuyama Cross-Docking Center and the Hachioji Distribution Center, which began operating in the previous fiscal year.

Meanwhile, sales of products purchased from outside the Group in the first nine months under review rose 3.8% year on year, attributable to efforts to strengthen our ability to source products and to increase the volume of products handled, as well as the review of unprofitable transactions.

As a result, net sales for the first nine months under review set a record high, rising to 131,469 million yen, an increase of 4,105 million yen (up 3.2%) from the previous year.

In terms of income, costs climbed around 1,360 million yen, reflecting the commencement of operations of new bases and facilities and an increase in distribution costs. However, income improved by around 4,800 million yen in total, reflecting a decline in prices of raw materials, strong sales of the Company's original products and new products, and steps taken by the entire Group to improve costs. Ordinary income for the first nine months under review increased 3,446 million yen, or 40.9%, year on year, to 11,864 million yen. Profit attributable to owners of parent stood at a record 7,999 million yen (up 48.2% from a year earlier). Ordinary income before depreciation and amortization came to 18,899 million yen, up 14.8% year on year.

In terms of sales, the Company is seeking to boost sales and to improve profitability by increasing the speed of the development of new high value-added products and product line expansion and by raising the ratio of sales of the Company's original products. Meanwhile, the Company took steps to reduce carbon emissions and proposed to improve work productivity in reaction to a shortage of labor. The Company also took steps to expand sales of products made from recycled materials and general-purpose products. In addition, the Company entered into a tie-up in September 2015 with COOKPAD, the largest cooking recipe website in Japan, and set up a special page on the website for its original product that can steam food in a microwave (renji pakku muserundesu). The Company aims to raise brand recognition through online reviews on this page as well as to expand the market for microwave-based food menus by increasing the number of recipe postings. On top of that, the Company is preparing to hold the FPCO Fair 2016 "Charming Consumers through Creation," with "sales space that charms consumers by creating new products and ways to sell" as the main theme, on March 29, 30, and 31. The purpose of this fair is to provide leading food manufacturers and other customers with information on the Company's latest products.

As for logistics facilities, the Fukuyama Cross-Docking Center and the Hachioji Distribution Center commenced shipping in the previous fiscal year. In September 2015, the second phase of construction work at the Hachioji Distribution Center was completed in preparation for future expansion in demand. Through capital expenditures on these logistics facilities, the Company will construct a robust and flexible nationwide logistics network and will thereby offer customers stable supply and curb costs through the entire distribution process for delivering merchandise to customers. The Group's use of IT, including its unique distribution system, was recognized, and in May 2015, the Company was selected as a Competitive IT Strategy Company in the Competitive IT Strategy Company Stock Selection program launched jointly by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange.

In production, the Hachioji PW Plant began operating in December 2015 at the Hachioji Distribution Center. This new plant produces conventional *Oribako*-type containers. The Company is also building a new plant on land adjacent to Chubu PET Recycling Plant, with the aim of starting operation in March 2016. The new plant will be engaged in integrated production, producing recycled PET flakes from collected transparent PET containers and PET bottles and using these as raw materials to mold Eco APET products through sheet extrusion. It will also have sheet extrusion equipment for OPET transparent containers (No. 3 machine and No. 4 machine) and product molding machines and will function as a production base for OPET transparent containers. In December 2015, the Company received the Minister of the Environment's 2015 Commendation for Global Warming Prevention Activity in recognition of the strong track record of the FPCO recycling method the Company has been working on for many years.

FPCO Research Center was completed in the previous fiscal year. The center is researching new materials and new products and is expediting and enhancing product development. The research institute is intended to function as a training facility and the Company will put more emphasis on the development of personnel.

With respect to the employment of disabled workers, part of the Group's corporate social responsibility, as of December 31, 2015, the Group provided employment opportunities for 371 individuals (642 disabled workers employed) and 57 at its tie-up partners. In recognition for its efforts, the Group was selected by the Ministry of Economy, Trade and Industry as a winner of the FY2014 Diversity Management Selection 100 project in March 2015. The Company came at the top in a ranking of companies that hire those with disability announced by Toyo Keizai Inc. in September 2015.

(Explanations of terms)

Multi FP (MFP) container:	An formed PS (polystyrene) container with cold and heat resistance to temperatures between -40ºC and +110ºC and with superior oil and acid resistance and thermal insulation.
Multi Solid (MSD) container:	A non-formed PS (polystyrene) container with a heat resistance temperature of +110ºC that is able to create sharp figures by using scraps of materials from the Multi FP, while maintaining the characteristics of the Multi FP.
OPET transparent container:	A polyethylene terephthalate transparent container with a heat resistance temperature of +80ºC that is molded from bi-axially oriented PET sheets, with superior oil and acid resistance and transparency, achieving the same thermal insulation as the OPS.
New transparent PP container:	A transparent PP container with a heat resistance temperature of +110ºC, which has achieved the same transparency as OPS using standard-grade polypropylene raw material.
OPS transparent container:	A conventional transparent container with a heat resistance temperature of +80ºC that is molded from the bi-axially oriented polystyrene sheets.
Eco Tray:	A recycled expanded polystyrene container for which polystyrene containers collected at supermarket shop counters and scrap pieces collected within plants are used as raw materials (sales commenced in 1992).
Eco APET container:	A recycled PET transparent container for which PET transparent containers collected at supermarket shop counters, PET bottles and scrap pieces collected within plants are used as raw materials (sales commenced in 2012).
Hood pack:	A general-purpose transparent container having a hood connected to the main body, which is used, for example, at a sales space for fried foods at a supermarket.
Cross-docking center:	A center that achieves a cross-docking method of gathering all the products to be shipped in one place, and loading them in order of delivery after an all-in assortment by each delivery route, replacing the method of loading products sent to customers using individual delivery trucks making rounds of visits to warehouses.
COOKPAD:	A food recipe community website operated by COOKPAD Inc.
Renji pakku muserundesu:	A packaged product that contains individually wrapped snap-lock hood packs made from a transparent PP container that conveniently steam food and allow households to steam fresh ingredients from scratch in a microwave. The heat resistance temperature is +110ºC.

(2) Explanation of Financial Situation

1) State of assets, liabilities and net assets

Assets for the Group totaled 215,443 million yen at the end of the first nine months under review, up 18,813 million yen from the end of the previous fiscal year.

The major factors in this increase were rises in notes and accounts receivable-trade of 13,275 million yen and property, plant and equipment of 9,735 million yen, as well as decreases of 1,724 million yen in merchandise and finished goods and 600 million yen in raw materials and supplies.

Consolidated liabilities amounted to 124,586 million yen, up 13,090 million yen from the end of the previous fiscal year.

This is chiefly attributable to increases in accounts payable-trade of 2,104 million yen, short-term and long-term loans payable of 5,646 million yen, and other current liabilities of 6,640 million yen.

Consolidated net assets reached 90,856 million yen, up 5,723 million yen from the end of the previous fiscal year. This change mainly reflected an increase in retained earnings of 5,556 million yen.

2) State of cash flows

Cash and cash equivalents (hereinafter "cash") totaled 13,294 million yen at the end of the nine months under review, down 416 million yen from the end of the previous fiscal year.

(Cash flows from operating activities)

Cash provided by operating activities amounted to 10,281 million yen (6,498 million yen in cash was provided a year earlier). Key factors were income before income taxes and non-controlling interests of 11,796 million yen, depreciation of 7,035 million yen, a decrease in inventories of 2,359 million yen, a decline in accounts receivable - other of 1,492 million yen and an increase in notes and accounts payable-trade of 2,104 million yen among other cash inflows, which offset cash outflows, including an increase in notes and accounts receivable-trade of 13,275 million yen and income taxes paid of 3,241 million yen.

(Cash flows from investing activities)

Net cash used in investing activities reached 10,742 million yen (12,132 million yen in cash was used a year earlier).

The main factor was 10,524 million yen used for the purchase of property, plant and equipment, including payments at the completion of FPCO Research Center, the acquisition of APET extrusion equipment at the Chikusei Plant and Kagoshima Plant, the acquisition of buildings at the East Japan Hub Center and Chubu Distribution Center, payments for the second phase of construction work for the Hachioji Distribution Center as well as the acquisition of equipment to increase the capacity of production lines of multi FP, PSP, and transparent PP, etc.

(Cash flows from financing activities)

Net cash provided by financing activities came to 45 million yen (3,513 million yen in cash was provided a year earlier).

Key factors included proceeds from long-term loans payable of 12,000 million yen and a net increase in short-term loans payable of 1,100 million yen, which offset the repayment of long-term loans payable amounting to 7,453 million yen, cash dividends paid equaling 2,414 million yen, and repayments of 3,185 million yen in lease obligations.

(3) Explanation of Information on Future Forecasts, Including the Forecast of Consolidated Results

As to the future outlook, unpredictable conditions, such as consumer trends and changes in raw material costs and electricity charges attributable to the foreign exchange rate and crude oil price fluctuations, are expected to persist in the operating environment surrounding the Group.

Looking at the current environment surrounding domestic companies, the employment situation has improved, and labor costs are rising significantly due to a labor shortage. Companies are having difficulty securing human resources.

In this environment, the Group is building company housing consisting of 150 studio units in Chikusei, Ibaraki Prefecture in order to respond to personnel shortage in the Kanto region and to secure personnel from a wider area. It also plans to build a similar facility in the Chubu area, where securing personnel is difficult. The Group is promoting labor saving and improving work productivity, promoting the introduction of industrial robots in production, a voice-activated picking system and introducing automatic sorter systems in distribution. The Group will continue to take steps to curb production and distribution costs. Further, the Group will develop a system to achieve stable profits in the medium to long term by increasing the speed of development of new products, especially the Company's original products, and product line expansion, curbing costs throughout the distribution system by using its nationwide distribution network, and expanding sales of products using recycled materials. The Group is also considering constructing a new PET recycling plant in the Kanto area to enhance the production capacity of recycled products.

In terms of new initiatives and as part of Business Continuity Plan (BCP), in distribution, the Group plans to install emergency power-generating equipment for major facilities, which have automatic sorter systems and other machinery, by March 2016 in order to have the ability to continue important business activities, such as during an electric outage due to a disaster, among other events. It plans to install the equipment at all 21 locations nationwide by September 2016 to store fuels in order to secure electric supply of 72 hours (three days). With this measure, the Group will contribute to customers' business continuity and further reinforce a structure that would deliver electricity when needed.

The results forecasts for the full year that were announced in the Consolidated Financial Results for the Fiscal Year Ended March 31, 2015 on May 11, 2015 remain unchanged.

2. Matters Relating to Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Period

Not applicable

(2) Application of Particular Accounting Treatment Concerning Preparation of Quarterly Consolidated Financial Statements

Not applicable

(3) Changes in Accounting Policies and Accounting Estimates, and Restatement

Changes in Accounting Policies

(Application of Accounting Standard for Business Combinations)

From the first quarter of the fiscal year ending March 31, 2016, the Company is applying the Accounting Standard for Business Combinations (ASBJ Statement No. 21; September 13, 2013), the Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22; September 13, 2013), and the Accounting Standard for Business Divestitures (ASBJ Statement No. 7; September 13, 2013). Under these accounting standards, the Company shall post a gain or loss on change in the Company's equity in subsidiaries that the Company continues to control in capital surplus and shall post expenses related to acquisitions as expenses in a consolidated fiscal year when they are incurred. Any review of the allocation of the acquisition cost in provisional accounting of a business combination from the beginning of the first quarter of the fiscal year ending March 31, 2016 shall be reflected in quarterly consolidated financial statements for the quarter in which the date of the business combination belongs. In addition, the Company changed the presentation of the quarterly net income as well as the presentation from minority interests to non-controlling interests. To reflect these changes in presentations, the Company implemented the reclassification of the quarterly consolidated financial statements and consolidated financial statements for the previous consolidated first nine months and previous consolidated fiscal year.

The application of the Accounting Standard for Business Combinations, etc. follows the transitional treatment set forth in Paragraph 58-2 (4) of the Accounting Standard for Business Combinations, Paragraph 44-5 (4) of the Accounting Standard for Consolidated Financial Statements, and Paragraph 57-4 (4) of the Accounting Standard for Business Divestitures, and the accounting standards are applied from the beginning of the first quarter of the fiscal year ending March 31, 2016.

The application of the accounting standards has no impact on the Group's earnings.

(Change in depreciation method)

The Company and its consolidated subsidiaries applied the declining-balance method for depreciating property, plant and equipment, excluding leased assets (however, the straight-line method has been applied to buildings, excluding equipment attached to buildings, acquired from April 1, 1998). However, from the first quarter of the fiscal year ending March 31, 2016, the Company is applying the straight-line method instead of the declining-balance method.

In recent years, the food container industry has needed to promote the recycling of used containers for the effective use of resources and the curbing of CO_2 emissions, develop containers to be heated in a microwave in association with the growing shift to home meal replacements, and react to rising shipping costs.

In response to this business environment, the Group is making investments for manufacturing eco-friendly products through the recycling of plastic bottles, manufacturing new heat- and oil-resistant products in earnest, and completing a nationwide distribution network.

In association with these capital expenditures, the Group has examined its use of property, plant and equipment and has found that its facilities are expected to be used constantly for long periods of time. The Group has thus determined that the rational method for depreciating property, plant and equipment (excluding buildings) is the straight-line method.

Because of this change in depreciation method, compared with the case where the declining-balance method continues to be used, depreciation is 1,987 million yen lower at the end of the first nine months under review. Operating income is 1,689 million yen higher. Ordinary income and income before income taxes and non-controlling interests are each 1,705 million yen higher.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	Previous consolidated fiscal year (As of March 31, 2015)	First three quarters of the current consolidated fiscal year (As of December 31, 2015)
Assets		
Current assets		
Cash and deposits	13,710	13,294
Notes and accounts receivable - trade	32,876	46,152
Merchandise and finished goods	17,804	16,080
Work in process	94	60
Raw materials and supplies	3,770	3,170
Other	5,893	4,699
Allowance for doubtful accounts	(30)	(32)
Total current assets	74,120	83,424
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	51,347	55,087
Machinery, equipment and vehicles, net	10,959	15,346
Lands	33,256	33,502
Lease assets, net	13,095	11,300
Other, net	4,893	8,049
Total property, plant and equipment	113,551	123,286
Intangible assets		
Goodwill	1,605	1,285
Other	1,077	1,085
Total intangible assets	2,683	2,371
Investments and other assets	6,274	6,360
Total non-current assets	122,509	132,018
Total assets	196,629	215,443
Liabilities		
Current liabilities		
Accounts payable - trade	21,163	23,267
Short-term loans payable	10,702	14,679
Commercial papers	15,000	15,000
Income taxes payable	1,686	2,522
Provision for bonuses	1,565	901
Provision for directors' bonuses	44	49
Other	14,052	20,693
Total current liabilities	64,214	77,114
Non-current liabilities		
Long-term loans payable	33,084	34,753
Provision for directors' retirement benefits	1,206	1,192
Provision for executive officers' retirement benefits	7	12
Net defined benefit liability	2,716	2,826
Other	10,267	8,687
Total non-current liabilities	47,282	47,472
Total liabilities	111,496	124,586

(Million yen)

	Previous consolidated fiscal year (As of March 31, 2015)	First three quarters of the current consolidated fiscal year (As of December 31, 2015)
Net assets		
Shareholders' equity		
Capital stock	13,150	13,150
Capital surplus	15,843	15,843
Retained earnings	59,600	65,157
Treasury shares	(4,941)	(4,942)
Total shareholders' equity	83,653	89,209
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,288	1,417
Remeasurements of defined benefit plans	(204)	(167)
Total accumulated other comprehensive income	1,084	1,249
Non-controlling interests	395	397
Total net assets	85,133	90,856
Total liabilities and net assets	196,629	215,443

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income

(Quarterly Consolidated Statement of Income)

(First three quarters period)

(Million yen)

	First three quarters period of previous fiscal year (April 1, 2014 - December 31, 2014)	First three quarters period of current fiscal year (April 1, 2015 - December 31, 2015)
Net sales	127,363	131,469
Cost of sales	91,807	90,591
Gross profit	35,556	40,877
Selling, general and administrative expenses	27,963	29,708
Operating income	7,592	11,168
Non-operating income		
Interest income	3	1
Dividends income	74	82
Subsidy income	660	492
Gain on sale of scraps	164	139
Other	245	265
Total non-operating income	1,148	981
Non-operating expenses		
Interest expenses	227	192
Other	96	93
Total non-operating expenses	323	285
Ordinary income	8,418	11,864
Extraordinary income		
Gain on sales of non-current assets	1	–
Gain on bargain purchase	36	–
Total extraordinary income	38	–
Extraordinary losses		
Loss on sales and retirement of non-current assets	74	68
Loss on step acquisitions	80	–
Total extraordinary losses	154	68
Income before income taxes and non-controlling interests	8,301	11,796
Income taxes - current	3,056	4,034
Income taxes - deferred	(157)	(239)
Total income taxes	2,898	3,795
Net income	5,402	8,000
Profit attributable to non-controlling interests	3	1
Profit attributable to owners of parent	5,399	7,999

(Quarterly Consolidated Statement of Comprehensive Income)

(First three quarters period)

(Million yen)

	First three quarters period of previous fiscal year (April 1, 2014 - December 31, 2014)	First three quarters period of current fiscal year (April 1, 2015 - December 31, 2015)
Net income	5,402	8,000
Other comprehensive income		
Valuation difference on available-for-sale securities	664	129
Remeasurements of defined benefit plans, net of tax	14	36
Total other comprehensive income	678	165
Comprehensive income	6,081	8,165
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,077	8,164
Comprehensive income attributable to non-controlling interests	3	1

(3) Quarterly Consolidated Statement of Cash Flows

(Million yen)

	First three quarters period of previous fiscal year (April 1, 2014 - December 31, 2014)	First three quarters period of current fiscal year (April 1, 2015 - December 31, 2015)
Cash flows from operating activities		
Income before income taxes and non-controlling interests	8,301	11,796
Depreciation	8,039	7,035
Increase (decrease) in provision for bonuses	(712)	(663)
Increase (decrease) in provision for directors' bonuses	(23)	4
Increase (decrease) in allowance for doubtful accounts	(9)	4
Increase (decrease) in provision for directors' retirement benefits	(55)	(13)
Increase (decrease) in provision for executive officers' retirement benefits	–	5
Increase (decrease) in net defined benefit liability	65	110
Loss (gain) on sales and retirement of non-current assets	73	60
Interest and dividends income	(78)	(83)
Interest expenses	227	192
Decrease (increase) in notes and accounts receivable - trade	(14,808)	(13,275)
Decrease (increase) in inventories	180	2,359
Decrease (increase) in accounts receivable - other	300	1,492
Increase (decrease) in notes and accounts payable - trade	5,518	2,104
Other	2,957	2,498
Subtotal	9,976	13,627
Interest and dividend income received	78	83
Interest expenses paid	(213)	(187)
Proceeds from insurance income	164	–
Payments for loss on disaster	(126)	–
Income taxes paid	(3,382)	(3,241)
Net cash provided by (used in) operating activities	6,498	10,281
Cash flows from investing activities		
Purchase of property, plant and equipment	(11,801)	(10,524)
Other	(331)	(218)
Net cash provided by (used in) investing activities	(12,132)	(10,742)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(684)	1,100
Proceeds from long-term loans payable	15,500	12,000
Repayment of long-term loans payable	(5,926)	(7,453)
Repayments of lease obligations	(3,060)	(3,185)
Cash dividends paid	(2,313)	(2,414)
Other	(1)	(0)
Net cash provided by (used in) financing activities	3,513	45
Net increase (decrease) in cash and cash equivalents	(2,121)	(416)
Cash and cash equivalents at beginning of period	16,153	13,710
Cash and cash equivalents at end of period	14,032	13,294

(4) Notes to Quarterly Consolidated Financial Statements

Note to Going Concern Assumption

Not applicable

Notes on Any Significant Change in the Value of Shareholders' Equity

Not applicable