

CONSOLIDATED STATEMENT OF INCOME

TOA CORPORATION and its consolidated subsidiaries
For the years ended March 31, 2013 and 2012

	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 1)
	2013	2012	2013
Net sales (Note 5)	¥ 160,985	¥ 136,008	\$ 1,712,605
Cost of sales (Note 5)	148,551	124,264	1,580,334
Gross profit	12,434	11,744	132,271
Selling, general and administrative expenses (Note 5)	9,982	10,310	106,187
Operating income	2,452	1,434	26,084
Other income (expenses):			
Interest and dividend income	284	496	3,019
Interest expense	(473)	(553)	(5,028)
Additional severance payment	(45)	(79)	(481)
Provision for doubtful accounts, non-trade	(57)	191	(607)
Loss on impairment of fixed assets (Note 5)	(48)	(31)	(508)
Gain on insurance claims	171	28	1,818
Gain on sale of fixed assets (Note 5)	101	336	1,074
Gain on sale of marketable securities and investment in securities	187	20	1,986
Gain on negative goodwill (Note 19)	—	597	—
Compensation for damage	(6)	(174)	(59)
Loss on litigation	(13)	(144)	(137)
Loss on disaster	(169)	—	(1,799)
Loss on valuation of investment in securities	(310)	(45)	(3,297)
Exchange loss, net	(24)	(549)	(252)
Loss from disaster caused by the Great East Japan Earthquake (Note 5)	—	(152)	—
Other, net	(146)	(25)	(1,554)
	(548)	(84)	(5,825)
Income before income taxes and minority interests	1,904	1,350	20,259
Income taxes (Note 15):			
Current	1,676	818	17,836
Deferred	16	(164)	167
	1,692	654	18,003
Income before minority interests	212	696	2,256
Minority interests	2	17	27
Net income	¥ 210	¥ 679	\$ 2,229

The accompanying notes are an integral part of these financial statements.