

CONSOLIDATED STATEMENT OF INCOME

TOA CORPORATION and its consolidated subsidiaries
For the years ended March 31, 2014 and 2013

	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 1)
	2014	2013	2014
Net sales (Note 7)	¥ 192,607	¥ 160,984	\$ 1,888,307
Cost of sales (Note 7)	180,709	148,551	1,771,661
Gross profit	11,897	12,433	116,645
Selling, general and administrative expenses (Note 7)	9,695	9,981	95,057
Operating income	2,201	2,451	21,587
Other income (expenses):			
Interest and dividend income	290	283	2,846
Interest expense	(564)	(472)	(5,533)
Additional severance payment	(53)	(45)	(526)
Provision for doubtful accounts, non-trade	(5)	(57)	(50)
Loss on impairment of fixed assets (Note 7)	(166)	(47)	(1,629)
Gain on insurance claims	15	170	150
Gain on sale of fixed assets (Note 7)	86	100	849
Gain on sale of investment in securities	310	186	3,042
Compensation for damage	(1)	(5)	(17)
Loss on litigation	(35)	(12)	(351)
Loss on disaster	(12)	(169)	(117)
Loss on valuation of investment in securities	—	(309)	—
Exchange loss, net	(117)	(23)	(1,153)
Loss on disposal of fixed assets (Note 4)	(65)	(4)	(644)
Gain on contribution of securities to retirement benefit trust	428	—	4,196
Other, net (Note 4)	(77)	(141)	(759)
	30	(547)	301
Income before income taxes and minority interests	2,232	1,904	21,889
Income taxes (Note 16):			
Current	2,624	1,676	25,731
Deferred	(1,243)	15	(12,186)
	1,381	1,692	13,545
Income before minority interests	851	212	8,344
Minority interests	31	2	307
Net income	¥ 819	¥ 209	\$ 8,037

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