JVCKENWOOD

January 31, 2017

Company	JVCKENWOOD Corporation
Representative	Takao Tsuji, President & CEO (Code: 6632; First Section of the Tokyo Stock Exchange)
Contact	Shinichiro Nishishita, General Executive, Corporate Communication Division (TEL: 81-45-444-5232)

Partial Revisions to "Accounting Report for the First Quarter of Fiscal Year Ending March 2015"

JVCKENWOOD Corporation hereby announces that it has partially corrected the "Accounting Report for the First Quarter of Fiscal Year Ending March 2015."

1. Background and Reason for Corrections

For the details and reason for the corrections, please refer to the "Notice Regarding Corrections to Earnings Results of the Company" released on January 31, 2017.

2. Details of Corrections

Corrected parts are underlined. Please note that corrections have been made to numerous items, and therefore only corrected figures are provided in this document.

TRANSLATION - FOR REFERENCE ONLY -

JVCKENWOOD

July 31, 2014

Company:	JVC KENWOOD Corporation
Representative:	Haruo Kawahara, Chairman and CEO (Code: 6632; First Section of the Tokyo Stock Exchange)
Contact:	Seiichi Tamura, Director of the Board and Chief Strategy Officer (CSO) (Tel: +81-45-444-5232) (E-mail: prir@jvckenwood.com)

Accounting Report for the First Quarter of Fiscal Year Ending March 2015
(April 1, 2014 – June 30, 2014)

Consolidated Financial Highlights for the First Quarter of Fiscal Year Ending March 2015 (April 1, 2014 – June 30, 2014)

Operating Results

(Millions of yen, except net income per share)

	1st Quarter of FYE 3/2015 April 1, 2014 to June 30, 2014	1st Quarter of FYE 3/2014 April 1, 2013 to June 30, 2013
Net sales	66,502	69,808
Operating income (loss)	(386)	(987)
Ordinary income (loss)	3	(1,513)
Net income (loss)	(2,607)	(1,935)
Net income (loss) per share	(18.80) yen	(13.96) yen

FYE: Fiscal year ended / ending

Net Sales and Operating Income by Business Segments

(Millions of yen)

Business Segment		1st Quarter of FYE 3/2015	1st Quarter of FYE 3/2014	Year-on-year comparison
Car Electronics	Net sales	26,942	23,827	+3,115
	Operating income (loss)	577	(527)	+1,105
Professional Systems	Net sales	19,044	20,885	(1,841)
	Operating income (loss)	(320)	(77)	(243)
Optical & Audio	Net sales	13,715	17,126	(3,411)
	Operating income (loss)	(290)	(576)	+286
Entertainment Software	Net sales	7,490	8,121	(631)
	Operating income (loss)	600	492	+108
Others	Net sales	2,162	2,318	(156)
	Operating income (loss)	(180)	(298)	+118
Intersegment Sales or Transfer	Net sales	(2,852)	(2,471)	(381)
Total	Net sales	66,502	69,808	(3,306)
	Operating income (loss)	386	(987)	+1,374
	Ordinary income (loss)	3	(1,513)	+1,517
	Net income (loss)	(2,607)	(1,935)	(672)

Major Products in Each Segment

Car Electronics	Car Audio, Car AV Systems and Car Navigation Systems
Professional Systems	Land Mobile Radio Equipment, Video Surveillance Equipment, Commercial Audio, Video and Display Equipment
Optical & Audio	Video Cameras, LCD TVs, Projectors, Pure Audio and AV Accessories, Optical Pickups for Car-mounted Equipment
Entertainment Software	Music and video software, such as CDs and DVDs
Others	Radio Frequency ID Systems, Weather Satellite Data Reception Systems, Other Electronic Devices, Recording Media, Interior Furniture, etc.

1. Qualitative Information on 1Q Operating Results

(1) Qualitative Information Concerning the Operating Results

(Overview of the First Quarter of the Current Fiscal Year)

Taking a look at global economic conditions during the first three months of the fiscal year ending March 2015, we saw a gradual economic recovery in the U.S. as indicated by signs of improvement in many sectors, including the employment and housing markets, and expansion of consumer spending. On the other hand, the European economy remained sluggish while China and other emerging countries experienced economic slowdowns. In Japan, the impact from reduced consumption after the rush of demand before the consumption tax rise was expected to be limited and the economy continued to be on a moderate recovery path as reflected in improved capital spending by companies, among other factors. Meanwhile, the outlook for the global economy on the whole remained uncertain.

Under these circumstances, net sales of the JVCKENWOOD Group for the first three months of the fiscal year ending March 2015 decreased from a year earlier. Meanwhile, in terms of profit and loss, the Group managed to turn around and post operating income as a result of achieving a significant decline in losses from the previous fiscal year, thanks to the results of the fixed cost reduction efforts implemented as part of the Group's structural reforms that had been carried out since the third quarter of the previous fiscal year in addition to the effects of the business restructuring measures such as overall cost reforms and sales reforms.

Profit-and-loss exchange rates used when preparing the financial statements for the first three months of the fiscal year ending March 2015 are as follows.

		1st Quarter
Profit-and-loss exchange rates	U.S. dollar	About 102 yen
	Euro	About 140 yen
FY2013 (for reference)	U.S. dollar	About 99 yen
	Euro	About 129 yen

*Net Sales

Net sales for the first three months of the fiscal year ending March 2015 were 66,502 million yen, a decrease of about 3.3 billion yen, or 4.7%, from a year earlier. This decline was due to several key factors. Earnings fell in the Professional Systems Segment caused primarily by the sale of all shares of Kenwood Geobit Corporation ("Geobit"), which had been engaged mainly in the distribution of mobile phones in March 2014. Earnings also fell significantly in the Optical & Audio Segment due to reduced consumption following the rush of demand before the consumption tax rise and a major curtailment of the overseas market, while earnings in the Entertainment Software Segment dropped as a result of altering compositions of titles and postponing launches of some major titles. These factors could not be covered by the growth in earnings in the Car Electronics Segment, which was supported by the contribution of performance of Shinwa International Holdings Limited ("Shinwa") which became a consolidated subsidiary in June 2013 to the operating results for the first three months of the fiscal year ending March 2015 and the favorable sales in overseas markets.

*Operating income

Operating income for the first three months of the fiscal year ending March 2015 was 386 million yen, up approximately 1.4 billion yen from a year earlier. The Group managed to turn around into the black mainly because both the Consumer Division and the OEM Division of the Car Electronics Segment swung back into positive figures after having posted losses in the same period of the previous fiscal year, thanks to the effects of business restructuring measures, such as overall cost reforms and sales reforms, and to the effects of consolidating Shinwa. In addition, the Imaging Division of the Optical & Audio Segment, which is a consumer product business, was able to considerably reduce its losses, and positive outcomes of efforts to reduce fixed costs as part of the structural reform implemented in the previous fiscal year were realized in each Segment.

*Ordinary income

Ordinary income for the first three months of the fiscal year ending March 2015 improved approximately 1.5

billion yen from a year earlier mainly due to the growth in operating income, and amounted to an ordinary income of 3 million yen.

During the first three months of the fiscal year ending March 2015, non-operating income and expenses improved by about 0.1 billion yen year on year due mainly to an increase in dividends income.

*Net income

Net income for the first three months of the fiscal year ending March 2015 decreased approximately 0.7 billion yen from a year earlier and came to an operating loss of 2,607 million yen. This was mainly due to the posting of roughly 1.1 billion yen in extraordinary loss for the loss on sales of stocks of subsidiaries and affiliates in conjunction with the transfer of shares of JVC America, Inc. in the U.S. ("JAI"), an increase of roughly 0.7 billion yen year on year in income taxes, and an increase of roughly 0.2 billion yen in minority interests in income, despite a decline in ordinary loss.

(Net Sales, Profits and Losses by Business Segment)

Net sales and operating income (loss) by business segment are as follows.

In conjunction with the transfer of JAI shares, the Company made a change to its business segments. JAI, which had conventionally been included in the Entertainment Software Segment, was moved to be part of "Others" effective the first three months of the fiscal year ending March 2015. Segment information for the first three months of the previous fiscal year reflects the information prepared on reportable segments after this change.

The total amount of operating income (loss) by business segment is consistent with the operating income (loss) of the quarterly consolidated statements of income.

Net sales by business segment include inter-segment sales or transfer.

First three months of the fiscal year ending March 2015 (from April 1, 2014, to June 30, 2014)

(Millions of yen)

Business Segment		First three months of FYE3/'15	First three months of FYE3/'14	YoY comparison
Car Electronics Segment	Net sales	26,942	23,827	+3,115
	Operating income	577	(527)	+1,105
Professional Systems Segment	Net sales	19,044	20,885	(1,841)
	Operating income	(320)	(77)	(243)
Optical & Audio Segment	Net sales	13,715	17,126	(3,411)
	Operating income	(290)	(576)	+286
Entertainment Software Segment	Net sales	7,490	8,121	(631)
	Operating income	600	492	+108
Others	Net sales	2,162	2,318	(156)
	Operating income	(180)	(298)	+118
Inter-segment elimination	Net sales	(2,852)	(2,471)	(381)
Total	Net sales	66,502	69,808	(3,306)
	Operating income	386	(987)	+1,374
	Ordinary income	3	(1,513)	+1,517
	Net income	(2,607)	(1,935)	(672)

*Car Electronics Segment

Net sales in the Car Electronics Segment for the first three months of the fiscal year ending March 2015 increased approximately 3.1 billion yen, or 13.1%, year on year to 26,942 million yen, and operating income rose approximately 1.1 billion yen from a year earlier to 577 million yen.

(Net sales)

Looking at the consumer business, in the domestic market, sales of Saisoku Navi, an SSD-type car navigation system, were affected by a drop in consumption after the rush of demand prior to the raising of the consumption tax rate. On the other hand, in overseas, sales were robust in Asia and signs of recovery in sales were evident in the

Americas. Consequently, sales in the consumer business were comparable to the results of the same period in the previous fiscal year

In the OEM sector, sales increased mainly since the performance of Shinwa, which became a consolidated subsidiary in June 2013, contributed to the overall operating results throughout the first three months of the fiscal year ending March 2015 despite falls in sales of Saisoku-Navi, an SSD-type car navigation systems and CD/DVD mechanisms for car AV equipment.

(Operating income)

Operating income in the Car Electronics Segment turned into the black after having posted an operating loss a year earlier. This was primarily because the consumer business improved significantly after losses were recorded in the same period of the previous fiscal year and swung into profitability as a result of effects the achieved from business restructuring measures, such as overall cost reforms and sales reforms, that have been implemented since the third quarter of the previous fiscal year and also because the OEM business was positively impacted from the consolidation of Shinwa.

*Professional Systems Segment

In the Professional Systems Segment, net sales for the first three months of the fiscal year ending March 2015 declined roughly 1.8 billion yen, or 8.8%, to 19,044 million yen due mainly to the effects of selling Geobit (roughly 2.9 billion yen), and operating income fell approximately 0.2 billion yen, resulting in an operating loss of 320 million yen.

(Net sales)

In the communications business, sales increased from a year earlier mainly due to recovery trends in North America, the largest market for the business, and to the addition of sales of EFJohnson Technologies, Inc. (“EFJT”), which became a consolidated subsidiary in March 2014.

In the professional systems business, sales were comparable to the results of a year earlier, since sales in the domestic market covered the drop in sales in overseas markets. In the healthcare business, no sales were posted in the same period of the previous fiscal year, because the business was mainly related to the information equipment business took over from TOTOKU Electric Co., Ltd. in July 2013, and hence sales in the first three months of the fiscal year ending March 2015 were fully incremental.

(Operating income)

Operating income in the communications business declined due to posting of losses caused by a temporary drop in shipments by Zetron, Inc., which distributes radio systems, and a gap in the timing of shipment of EFJT although signs of recovery in sales of wireless radios were evident in North America. Meanwhile, the professional systems business managed to reduce its losses thanks mainly to a recovery in domestic sales.

*Optical & Audio Segment

In the Optical & Audio Segment, net sales decreased roughly 3.4 billion yen, or 19.9%, to 13,715 million yen and operating income increased about 0.3 billion yen, resulting in an operating loss of 290 million yen.

(Net sales)

In the audio business, sales fell overall due to lower sales in the AV accessory segment caused by difficulties faced in selling products in Europe and to lower sales in the home audio segment caused by the effects of sluggish sales overseas, although earnings increased in the home theater segment (the former display segment) thanks to robust sales.

In the imaging business, sales fell significantly mainly due to the streamlining of products in the camcorder segment in conjunction with the curtailment of overseas markets and the effects of reduced consumption after the rush of demand before the consumption tax increase in the Japanese market.

In the image/optical business, sales fell mainly due to the temporary fall in sales of high-definition 4K models in the projector segment.

(Operating income)

The audio business and the image/optical business posted lower operating income due to the effects of slump in sales. Meanwhile, the imaging business managed to significantly reduce its losses as a result of efforts made through business restructuring measures that have been implemented since the third quarter of the previous fiscal year.

*** Entertainment Software Segment**

In the Entertainment Software Segment, net sales for the first three months of the fiscal year ending March 2015 dropped approximately 0.6 billion yen, or 7.8%, year on year to 7,490 million yen while operating income rose roughly 0.1 billion yen, or 22.0%, to 600 million yen.

(Net sales)

The content business posted lower sales mainly due to changes in compositions of titles and postponement of launches of some leading titles.

In the OEM business, sales decreased mainly due to the postponing of launches of products entrusted from external parties and the effects of sluggish sales of earlier titles.

(Operating income)

The content business posted higher operating income thanks to the effects of improvements made to product mixes. On the other hand, the OEM business posted lower income due to lower sales.

Major hit-making titles in the first three months of the fiscal year ending March 2015 were as follows.

[Major hits of Victor Entertainment]

・”Yes we are/Kokokara,” a single from SMAP
・”Crazy Crazy/Sakura no Mori,” a single from Gen Hoshino
・”Reshiki,” an album from Rekishi
・”OVERTONE,” an album from KEYTALK

[Major hits of Teichiku Entertainment]

・”KANJANI∞ LIVE TOUR JUKE BOX,” a Blue-ray/DVD from KANJANI∞
・”Ariakekai,” a single from Takeshi Kitayama
・”Izakaya Hotaru,” a single from Kaori Uesugi
・”Anya no Shinjutate,” a single from Sayuri Ishikawa

(2) Analysis of Financial Position

(Analysis of Assets, Liabilities and Net Assets)

***Assets**

Total assets at the end of the first quarter of the fiscal year ending March 2015 declined 19.5 billion yen from the end of the previous fiscal year to 247,917 million yen. This was due to a decrease in cash and deposits as a result of repaying borrowings from banks in addition to a decrease in trade notes and accounts receivable caused by seasonal factors, although inventories including merchandise and finished goods increased.

***Liabilities**

Liabilities at the end of the first quarter of the fiscal year ending March 2015 decreased approximately 16.2 billion yen from the end of the previous fiscal year to 190,946 million yen. This was due to a decline in other accounts payable in conjunction with payments of employment structural reform expenses made in the previous fiscal year and the curtailment of interest-bearing debts by repaying borrowings from banks before maturity.

Interest-bearing debts (sum of loans payable and bonds payable) decreased 4.1 billion yen from the end of the previous fiscal year to 77,519 million yen. Net debt (amount obtained by subtracting cash and deposits from interest-bearing debts) increased roughly 2.8 billion yen from the end of the previous fiscal year to 29,310 million yen due to a decrease in cash and deposits.

***Net Assets**

Retained earnings as of the end of the first quarter of the fiscal year ending March 2015 declined approximately 2.8 billion yen from the end of the previous fiscal year to 15,018 million yen, mainly due to the recording of a net loss for the first three months of the fiscal year under review. Total shareholders’ equity also decreased roughly 2.8 billion yen to 70,356 million yen.

Total net assets fell approximately 3.3 billion yen from the end of the previous fiscal year to 56,971 million yen because shareholders’ equity decreased. However, the capital adequacy ratio increased by 0.4% from the end of the previous fiscal year to 19.9%, due to a decline in total assets.

(Cash Flow Analysis)

*Cash flow from operating activities

Net cash used in operating activities for the first three months of the fiscal year ending March 2015 was 105 million yen, reflecting an increase in cash spent of about 2.8 billion yen from a year earlier. This was primarily due to a decline in other accounts payable as a result of payments of employment structural reform expenses made in the previous fiscal year despite an increase of inflows in line with the decline in accounts receivable.

*Cash flow from investing activities

Net cash used in investing activities for the first three months of the fiscal year ending March 2015 was 2,156 million yen, reflecting an increase in cash spent of roughly 1.0 billion yen year on year. This was mainly due to no inflows on purchase of stocks of subsidiaries and affiliates in conjunction with the change in the scope of consolidation and an increase in cash used for the purchase of investment securities.

*Cash flow from financing activities

Net cash used in financing activities for the first three months of the fiscal year ending March 2015 was 4,401 million yen, reflecting an increase in cash spent of roughly 2.6 billion yen year on year. This was mainly due to repayment of long-term loans payable.

Cash and cash equivalents at the end of the first quarter of the fiscal year ending March 2015 decreased about 10.5 billion yen from the end of the previous fiscal year to 47,740 million yen.

(3) Qualitative Information Concerning the Consolidated Earnings Forecast

Net sales of the Group for the first three months of the fiscal year ending March 2015 were generally close to the expected level thanks to clear signs of recovery in the Car Electronics Segment even with the effects from the rise in the consumption tax rate and despite lower earnings due to the sale of Geobit in the Professional Systems Segment and the curtailment of the consumer market in the Optical & Audio Segment. In addition, the Group's operating income and ordinary income exceeded expectations owing to the definitive effects generated from efforts to reduce fixed costs and measures to improve the cost structure implemented as part of the structural reforms in the previous fiscal year.

In the second quarter and beyond, the recovery in the Car Electronics Segment is expected to continue supporting the Group's operating income. We also anticipate seeing the effects of the production and sales collaboration pursued with EFJT, which became a consolidated subsidiary, in the Professional Systems Segment. Furthermore, the regional CEO system introduced on May 14, 2014 is in full operation as the Group strives to expand sales in each region. However, in expectation that the global economic conditions will remain uncertain on the whole, we have decided not to amend the full-year consolidated earnings forecast announced at the beginning of the fiscal year.

2. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(JPY in Million)

	Previous Fiscal Year (as of Mar. 31, 2014)	End of current consolidated first quarter (as of Jun. 30, 2014)
Assets		
Current assets		
Cash and cash equivalents	55,191	48,208
Trade notes and accounts receivable	57,387	45,544
Merchandise and finished goods	22,767	25,329
Work in process	3,414	3,685
Raw materials and supplies	8,406	8,271
Deferred tax assets	3,560	3,524
Other current assets	9,427	9,715
Allowance for doubtful accounts	(1,556)	(1,523)
Total current assets	158,598	142,755
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	13,625	13,260
Machinery and equipment, net	6,871	6,547
Tools, furniture and fixtures, net	4,274	3,860
Land	28,216	27,851
Construction in progress	1,432	1,311
Total property, plant and equipment	54,420	52,831
Intangible fixed assets		
Goodwill	10,057	9,957
Software	7,000	6,972
Other intangible fixed assets	4,617	4,527
Total intangible fixed assets	21,675	21,457
Investments and other assets		
Investment securities	3,843	4,681
Net defined benefit asset	24,720	22,579
Other investments	5,193	4,690
Allowance for doubtful receivables	(1,119)	(1,096)
Total investments and other assets	32,637	30,854
Total fixed assets	108,733	105,144
Deferred assets	49	18
Total assets	267,380	247,917

(JPY in Million)

	Previous Fiscal Year (as of Mar. 31, 2014)	End of current consolidated first quarter (as of Jun. 30, 2014)
Liabilities		
Current liabilities		
Trade notes and accounts payable	27,947	27,667
Short term loans payable	17,310	17,056
Current portion of long-term loans payable	9,906	6,596
Other accounts payable	14,462	7,722
Accrued expenses	18,318	16,424
Income taxes payable	1,227	1,610
Warranty reserves	1,742	1,645
Sales return reserves	1,432	1,314
Other current liabilities	8,329	7,673
Total current liabilities	100,676	87,711
Long term liabilities		
Bonds payable	5,812	5,845
Long-term loans payable	48,635	48,020
Deferred tax liabilities for land revaluation	1,772	1,772
Deferred tax liabilities	12,979	11,723
Net defined benefit liability	34,166	33,204
Other long-term liabilities	3,112	2,668
Total long-term liabilities	106,479	103,235
Total liabilities	207,156	190,946
Net assets		
Shareholders' equity		
Paid-in capital	10,000	10,000
Capital surplus	45,875	45,875
Retained earnings	17,821	15,018
Treasury stock	(537)	(537)
Total shareholders' equity	73,159	70,356
Accumulated other comprehensive income		
Net unrealized gain on available-for-sale securities	205	345
Land revaluation surplus	3,209	3,209
Foreign currency translation adjustments	(13,440)	(14,189)
Remeasurements of defined benefit plans	(11,010)	(10,503)
Total accumulated other comprehensive income	(21,036)	(21,138)
Stock acquisition rights	806	806
Minority interests	7,294	6,947
Total net assets	60,224	56,971
Total liabilities and net assets	267,380	247,917

(2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Accumulated period for consolidated first quarter)

(JPY in Million)

	Accumulated period for previous consolidated first quarter (Apr.1, 2013 - Jun.30, 2013)	Accumulated period for current consolidated first quarter (Apr.1, 2014 - Jun.30, 2014)
Net sales	69,808	66,502
Cost of sales	50,518	46,789
Gross profit	19,289	19,712
Selling, general and administrative expenses	20,277	19,326
Operating income(loss)	(987)	386
Non-operating income		
Interest income	44	37
Dividends income	59	200
Foreign exchange gain	25	-
Dividends income of insurance	122	101
Equity in earnings of unconsolidated subsidiaries and associated companies	32	-
Other non-operating income	135	239
Total non-operating income	420	579
Non-operating expense		
Interest expense	594	501
Foreign exchange loss	-	145
Other non-operating expenses	351	315
Total non-operating expense	946	962
Ordinary income(loss)	(1,513)	3
Extraordinary profit		
Gain on sales of property, plant and equipment	5	37
Gain on sales of investment securities	-	21
Gain on bargain purchase	257	-
Total extraordinary profit	262	59
Extraordinary loss		
Loss on sales of property, plant and equipment	1	7
Loss on disposal of property, plant and equipment	14	12
Loss on sales of shares of subsidiaries and associated companies	-	1,105
Business structure improvement expenses	124	26
Employment structure improvement expenses	134	130
Other extraordinary loss	1	5
Total extraordinary loss	276	1,287
Loss before income taxes and minority interests	(1,527)	(1,224)
Income taxes - current	336	1,088
Income taxes - deferred	14	3
Total income taxes	351	1,091
Net loss before minority interests	(1,878)	(2,316)
Minority interests in net income	57	290
Net loss	(1,935)	(2,607)

(Consolidated Statements of Comprehensive Income)

(JPY in Million)

	Accumulated period for previous consolidated first quarter (Apr.1, 2013 - Jun.30, 2013)	Accumulated period for current consolidated first quarter (Apr.1, 2014 - Jun.30, 2014)
Net loss before minority interests	(1,878)	(2,316)
Other comprehensive income		
Unrealized gain on available-for-sale securities	87	140
Foreign currency translation adjustments	2,015	(850)
Remeasurements of defined benefit plans	-	506
Share of other comprehensive income of unconsolidated subsidiaries and associated companies accounted for by the equity method	(579)	-
Total other comprehensive income	1,523	(203)
Comprehensive income	(354)	(2,519)
Total comprehensive income attributable to:		
Owners of the parent	(336)	(2,709)
Minority interests	(18)	189

(3) Quarterly Consolidated Statement of Cash Flows

(JPY in Million)

	Accumulated period for previous consolidated first quarter (Apr.1, 2013 - Jun.30, 2013)	Accumulated period for current consolidated first quarter (Apr.1, 2014 - Jun.30, 2014)
Cash flows from operating activities:		
Loss before income taxes and minority interests	(1,527)	(1,224)
Depreciation	2,712	2,467
Amortization of goodwill	80	158
Increase in liability for retirement benefits	803	-
Increase in net defined benefit liability	-	1,035
Increase in net defined benefit asset	-	(657)
Decrease in allowance for doubtful accounts	(73)	(14)
Interest and dividend income	(104)	(238)
Interest expense	594	501
Gain on sales of investment securities	-	(21)
Loss on sales of shares of subsidiaries and associated companies	-	1,105
Equity in earnings of unconsolidated subsidiaries and associated companies	(32)	-
Loss on disposal of property, plant and equipment	14	12
Gain on sales of property, plant and equipment	(4)	(30)
Decrease in trade notes and accounts receivable	12,036	10,022
Increase in inventories	(1,694)	(3,406)
Increase (decrease) in trade notes and accounts payable	(6,758)	46
Decrease in other accounts payable	(824)	(6,416)
Decrease in accrued expenses	(2,819)	(1,672)
Other	1,039	(1,079)
Sub-total	3,442	586
Interest and dividends received	104	188
Interest paid	(449)	(409)
Income taxes paid	(400)	(471)
Net cash provided by operating activities	2,697	(105)
Cash flows from investing activities:		
Purchases of property, plant and equipment	(1,427)	(830)
Proceeds from sales of property, plants and equipment	6	16
Purchase of intangible fixed assets	(1,175)	(951)
Purchase of investment securities	(1)	(654)
Proceeds from purchases of investments in subsidiaries resulting in change of scope of consolidation	1,424	-
Proceeds from sales of investments in subsidiaries resulting in change of scope of consolidation	-	567
Proceeds from sales of investment securities	-	22
Other	(9)	(324)
Net cash used in investing activities	(1,181)	(2,156)

(JPY in Million)

	Accumulated period for previous consolidated first quarter (Apr.1, 2013 - Jun.30, 2013)	Accumulated period for current consolidated first quarter (Apr.1, 2014 - Jun.30, 2014)
Cash flows from financing activities:		
Increase (decrease) in short-term loans payable, net	1,334	(225)
Proceeds from long-term loans payable	-	1,300
Repayment of long-term loans payable	(1,966)	(5,217)
Cash dividends paid	(693)	-
Other	(506)	(258)
Net cash used in financing activities	(1,831)	(4,401)
Effect of exchange rate changes on cash and cash equivalents	1,070	(334)
Net increase (decrease) in cash and cash equivalents	754	(6,996)
Cash and cash equivalents at beginning of year	57,526	54,737
Cash and cash equivalents at end of quarter	58,280	47,740