

Summary Report of Consolidated Business Results  
for the Full-Year of Fiscal Year 2015  
(January 1, 2015 – December 31, 2015)

OSAKA, JAPAN –February 15, 2016 – Toyo Tire & Rubber Co., Ltd. (“the Company”; President: Takashi Shimizu) announces its Consolidated Business Results for the Full Year of Fiscal Year 2015 (January 1, 2015 through December 31, 2015) as follows:

Qualitative information about the quarter financial result

1. Business Results

- Net Sales : 407,789 million yen (an increase of 14,007 million yen or 3.6% from the same period of for FY2014)
- Operating Income : 63,381 million yen (an increase of 15,871 million yen or 33.4% from the same period of for FY2014)
- Ordinary Income : 56,814 million yen (an increase of 10,270 million yen or 22.1% from the same period for FY2014)
- Net Income : 1,674 million yen ( a decrease of 29,565 million yen or 94.6% from the same period for FY2014)

Results by Business Units were as follows:

(1) Tire Business Unit

The tire business unit posted net sales of 325,539 million yen (an increase of 13,330 million yen or 4.3% from the same period for FY2014) and operating income of 58,004 million yen (an increase of 12,685 million yen or 28.0% from the same period for FY2014)

(Original Equipment Tires)

In Japan, unit sales and net sales exceeded those of the same period last year on healthy sales of cars equipped with company products despite a decline in the number of automobiles produced in Japan due to the consumption tax increase and tax hike on light cars. Overseas unit sales and net sales also exceeded those of the same period last year as a result of acquiring new business. As a result, unit sales and net sales of original equipment tires overall exceeded the performance of the same period a year ago.

(Replacement Tires: for the Japanese Domestic Market)

The company concentrated on expanding sales through the release of the new Proxes CF2 SUV and Proxes CF2 models in the company's Proxes series global flagship ultra-high-performance (UHP) tire brand, but due to the consumption tax increase and tax hike on light cars as well as sluggish sales of studless tires accompanying a warm winter, both unit sales and net sales declined year on year.

(Replacement Tires: for Overseas Markets)

In North America, unit sales remained unchanged compared with the same period a year ago amid favorable North American automobile sales bolstered by a gentle economic recovery, but thanks to healthy sales of the company's core Open Country A/T II, Nitto

brand Terra Grappler and next-generation Terra Grappler G2 tires in the high-value-added SUV product category, net sales increased over last year. In Europe, unit sales equaled those of the previous year with the introduction of the new Open Country A/T Plus to meet demand for SUVs and 4x4s, but worsening market conditions caused net sales to decline from the same period a year ago.

As a result, for the overseas market overall unit sales declined compared to last year while net sales exceeded the performance of the same period a year ago.

## (2) DiverTech Business Units (Non-Tire Business Units)

The DiverTech units posted net sales of 82,038 million yen (an increase of 529 million yen or 0.6 % from the same period for FY2014) and an operating income of 3,955 million yen (an increase of 1,887 million yen or 91.2% from the same period for FY2014).

### (Transportation)

For domestic sales of anti-vibration rubber and seat cushions for automobiles, due in part to a decline in the number of automobiles produced in Japan caused by a rebound drop following rush demand prior to the consumption tax increase and other factors, sales in Japan declined compared to the same period a year ago, but thanks to steady sales of anti-vibration rubber overseas, overall net sales exceeded the performance of the same period last year. Demand for new railway cars declined in Japan, but net sales of air springs for railway cars remained at the same level as the previous year on robust sales for new railway cars overseas.

### (Thermal Insulation & Waterproof Materials)

In the thermal insulation materials segment, despite robust unit sales of materials to the agricultural sector net sales declined year on year due to sluggish sales of rigid polyurethane products to insulation material manufacturers. In the waterproofing materials segment, while sales in the water shielding sector remained steady, due to sluggish market conditions overall net sales declined compared with the same period last year.

### (Industrial & Building Materials)

In the industrial & building materials segment, sales of hoses increased, but due to suspension of sales of anti-vibration rubber for construction, net sales declined compared with the same period a year ago.

## (3) Status of provision of reserve for product warranties and allowance for product reparations pertaining to the company's anti-vibration rubber issue

Some products shipped by the company did not conform to certification performance standards of the Ministry of Land, Infrastructure, Transport and Tourism, and when applying for ministry certification for anti-vibration rubber for construction, in some cases the certification was based on applications lacking technical grounds. In light of this matter, the company posted a provision of reserve for product warranties and allowance for product reparations as an extraordinary loss, the details of which are as follows.

(Unit : Million yen)

|  | 1Q of<br>FY2015<br>(A) | 2Q of<br>FY2015<br>(B) | 3Q of<br>FY2015<br>(C) | 4Q of<br>FY2015<br>(D) | Full Year<br>of FY2015<br>(A+B+C+D) |
|--|------------------------|------------------------|------------------------|------------------------|-------------------------------------|
| 1) Loss on provision for<br>product compensation |                        |                        |                        |                        |                                     |
| For 55 buildings                                 | 8,208                  | 13,364                 | (432)                  | (2,912)                | 18,227                              |
| For 99 buildings                                 | 4,356                  | 400                    | 1,306                  | 703                    | 6,766                               |
| Charges  | 1,436                  | 818                    | 2,700                  | 2,167                  | 7,122                               |
| Compensation Cost, etc.                          | -                      | 416                    | 1,725                  | (758)                  | 1,383                               |
| Sub. Total                                       | 14,000                 | 15,000                 | 5,300                  | (800)                  | 33,500                              |
| 2) Loss on product<br>compensation               |                        |                        |                        |                        |                                     |
| For 55 buildings                                 | -                      | 40                     | 865                    | 3,930                  | 4,836                               |
| For 99 buildings                                 | -                      | -                      | 17                     | 602                    | 620                                 |
| Charges  | -                      | 1,240                  | 2,117                  | 1,625                  | 4,982                               |
| Compensation Cost, etc.                          | -                      | 105                    | 815                    | 1,814                  | 2,735                               |
| Sub. Total                                       | -                      | 1,386                  | 3,814                  | 7,973                  | 13,174                              |
| Total  |                        |                        |                        |                        |                                     |
| For 55 buildings                                 | 8,208                  | 13,405                 | 432                    | 1,018                  | 23,063                              |
| For 99 buildings                                 | 4,356                  | 400                    | 1,323                  | 1,306                  | 7,386                               |
| Charges  | 1,436                  | 2,058                  | 4,818                  | 3,792                  | 12,104                              |
| Compensation Cost, etc.                          | -                      | 522                    | 2,540                  | 1,056                  | 4,119                               |
| Grand Total                                      | 14,000                 | 16,386                 | 9,114                  | 7,173                  | 46,674                              |

In the first quarter of the year ending December 2015, the company posted a 14 billion yen provision of reserve for product warranties as an extraordinary loss estimating the costs of measures based on anticipated replacement of 3,000 units in all 154 structures, including for replacement anti-vibration rubber products, repairs, structural re-calculation, miscellaneous expenses and development of replacement products

In the second quarter, the company posted an additional 16.386 billion yen extraordinary loss (15 billion yen for provision of reserve for product warranties and 1.386 billion yen allowance for product reparations) based on a change of assumed replacement in 55 structures using company products to other companies' products, for a cumulative second-quarter extraordinary loss of 30.386 billion yen.

In the third quarter, the company posted an additional 9.114 billion yen extraordinary loss (5.3 billion yen for provision of reserve for product warranties and 3.814 billion yen allowance for product reparations) having re-estimated the costs of measures, including replacement anti-vibration rubber products, repairs, structural re-calculation, miscellaneous expenses and development of replacement products, based on the same anticipated replacement of 3,000 units in all 154 structures as in the two quarters, as well as costs directly required for repairs, for a cumulative total third quarter extraordinary loss of 39,501 billion yen.

For the fourth quarter, the company posted an additional 7.173 billion yen extraordinary loss ((0.8 billion yen) for provision of reserve for product warranties and 7.973 billion yen allowance for product reparations) resulting from factors for which there has been progress that can be calculated (1.5 billion yen for insurance following seismic isolation rubber

replacement work, 1.1 billion yen for structural recalculation, and 0.8 billion yen for compensations); 1.2 billion to need using other companies' products in some of the 99 structures; 1.0 billion yen for the cost of repairs and replacement of seismic isolation products for 55 structures; 0.4 billion yen in payroll for the seismic isolation rubber task force; 0.2 billion yen for the cost of trial manufacturing of replacement products using the company's own products; for a cumulative fourth quarter extraordinary loss of 46.674 billion yen. As it is difficult to reasonably estimate the amount at this point in time, in the event that costs arise in the future, an additional reserve for product warranties may be posted depending upon the progress of measures from FY2016 onward.

#### (4) Outlook for the Forthcoming Term

As for the outlook for 2016, while a gentle economic recovery is anticipated for North America, Europe and Japan, with the speed of economic growth declining in China and other emerging nations the environment surrounding the company group is expected to remain uncertain. Within this business environment, the Company will continue to promote its new three-year "2014 Mid-term Business Plan" growth strategy initiated in FY2014.

In the tire segment, backed by expanded production capacity at Toyo Tire North America Manufacturing Inc., Toyo's North American tire production subsidiary, the company will focus on further increasing sales of tires for light trucks and SUVs, which continue to sell well. Furthermore, the company will utilize its Malaysian tire production base, which expanded supply capacity last year, to increase exports to countries taking advantage of free trade agreements in the growing Southeast Asian region while continuing to increase sales in North America, Europe, Russia and other key markets.

In the DiverTech Business segment, as part of reevaluating its business the company will build a foundation for deploying strategic growth businesses and generating stable revenue by selecting and concentrating on automotive parts, polyurethane, components for railway cars and other profitable businesses in which it has technological advantages.

Outline of Consolidated Business Outlook for the Year Ended December 31, 2016 (FY2016) will be as follows,

|                  |   |                 |
|------------------|---|-----------------|
| Net Sales        | : | 420 Billion Yen |
| Operating Income | : | 56 Billion Yen  |
| Ordinary Income  | : | 52 Billion Yen  |
| Net Income       | : | 31 Billion Yen  |

The projected exchange rate will be 1 US dollar = 117 yen, and 1 euro = 130 yen.

### Consolidated Cash Flows (million yen)

|        | Net cash provided by operating activities | Net cash used in investing activities | Net cash provided by (used in) financing activities | Cash and cash equivalents at the end of year |
|--------|---|---------------------------------------|---|--|
| FY2015 | 41,049                                    | (45,753)                              | 19,051  | 44,431                                       |
| FY2014 | 37,789                                    | (30,122)                              | (12,680)  | 32,395                                       |

### (3) Basic Policy on Profit Allocation and Dividends for the Current and Forthcoming

The Company's basic policy on profit allocation is to return an appropriate dividend based on a stable earnings structure with a view toward the long term upon securing internal reserves in order to fortify the company's financial strength and growth. Based on the aforementioned basic policy and full-year results, the company plans to pay a dividend of 45 yen per share for the current term. For the forthcoming term, based on the business results forecast for the period ending December 2015, the Company expects to pay a dividend of total 45 yen per share (interim; 20 yen per share, year-end; 25 yen per share)

### 2. Qualitative data on consolidated financial position

Total assets for the end of the full year of consolidated FY2015 were 522,937 million yen, an increase of 40,971 million yen compared to the end of the prior consolidated accounting period. Liabilities were 347,572 million yen, an increase of 50,245 million yen compared to the previous consolidated year-end. And the interest-bearing liabilities were 162,035 million yen, an increase of 30,255 million yen compared to the previous consolidated year-end accounting terms.

Net assets as of the end of the third quarters consolidated accounting term were 175,364 million yen, a decrease of 9,273 million yen compared to the previous consolidated year-end accounting term.

As a result, the capital ratio decreased 4.6 % compared with the previous consolidated year-end accounting term, to 32.9 %.

### 3. Notes on consolidated financial statements (Note on consolidated balance sheet)

#### Contingency liabilities

- 1)The Company had been manufacturing and selling seismic isolation rubber itself and through its subsidiary Toyo Chemical Industrial Products, Ltd. that was certified by Japan's Ministry of Land, Infrastructure, Transport and Tourism. However, it was discovered that some delivered products did not conform to ministry certification performance standards, and on March 12, 2015, the Company voluntarily reported this fact to the ministry. Additionally, several times in the past the Company had received ministry certification for seismic isolation rubber, but it was also discovered that in some cases, the certification was based on applications lacking technical grounds. With respect to this matter, the company has envisaged every possibility and considered

future handling and measures, and as a policy has decided in principal to replace all units of the concerned products with products that conform to the performance standards required in the initial design phase provided there is no objection from the concerned parties including owners, tenants, clients and construction firms.

Furthermore, on April 21, 2015, it was discovered that in addition to the cases reported in March 2015, there were additional buildings to which non-conforming seismic isolation rubber was shipped (678 units in 90 structures. For 177 units in nine structures, it has not been determined if they are conforming with ministry performance standards.), and that in addition to the buildings for which ministry certification as already revoked in May 2015, among 17 other certifications there may have been other applications lacking technical grounds. For these newly discovered non-conforming buildings as well, upon verifying structural safety the Company will promptly contact building owners, residents, and other concerned parties and plans to replace or repair the products as necessary so that they fulfill the originally required performance standards.

Based on the aforementioned incident, a provision for product warranties was posted in the third quarters consolidated accounting term for an amount that can be reasonably estimated for the cost of repair work and other measures. Depending upon the progress status from fourth quarters consolidated accounting term, the Company's consolidated business results may be impacted by posting additional allowances, but it is difficult to make a reasonable estimate at this point in time.

- 2) The Company announced that falsification of data on anti-vibration rubber components for general industry announced on October 14. The company carefully examined the details of the facts and causes in a report from an internal investigation team (which included external legal counsel), and based on recommendations on measures to prevent recurrence compiled by the external legal counsel the company established "measures to prevent recurrence of the series of issues," which were announced on December 25, 2015. The company group is currently working to implement full-fledged measures to prevent recurrence. These include restructuring its quality assurance and control systems, reinforcing governance and compliance, establishing a crisis management system, thoroughly reeducating employees, and drastically reforming its corporate culture.
- 3) On November 26, 2013 (U.S. time), the company agreed with the U.S. the Department of Justice to pay a fine for breach of U.S. antitrust law pertaining to sales of automotive anti-vibration rubber parts and joint boots. The company negotiated, reached and paid a settlement for compensation to some of the car manufacturers regarding this matter. This paid settlement amount has been posted as an extraordinary loss for losses related to antitrust law.

Class action concerning this matter has been brought against the company and its subsidiaries in the U.S. and Canada, which may impact the company's consolidated results, but at this stage it is difficult to make a reasonable estimate of any such result.

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## Consolidated Balance Sheets

(Unit: Millions of yen)

|  | End of current fiscal year<br>December 31, 2014 | End of current fiscal year<br>December 31, 2015 |
|--|---|---|
| <b>Assets</b>                              |   |   |
| <b>Current Assets</b>                      |   |   |
| Cash and deposits                          | 32,403  | 44,510  |
| Notes and accounts receivable – trade      | 91,239  | 81,873  |
| Merchandise and finished goods             | 49,362  | 56,041  |
| Work in process                            | 3,358   | 4,335   |
| Raw materials and supplies                 | 12,681  | 9,955   |
| Deferred tax assets                        | 7,503   | 16,538  |
| Other                                      | 10,167  | 13,465  |
| Allowance for doubtful accounts            | (165)   | (505)   |
| <b>Total current assets</b>                | <b>206,550</b>                                  | <b>226,214</b>                                  |
| <b>Fixed Assets</b>                        |   |   |
| Property, plant and equipment              |   |   |
| Buildings and structures                   | 101,674   | 107,773   |
| Accumulated depreciation                   | (46,165)  | (48,565)  |
| Buildings and structures, net              | 55,509  | 59,208  |
| Machinery, equipment and vehicles          | 280,907   | 301,376   |
| Accumulated depreciation                   | (193,035)                                       | (200,180)                                       |
| Machinery, equipment and vehicles, net     | 87,871  | 101,196   |
| Tools, furniture and fixtures              | 70,619  | 71,770  |
| Accumulated depreciation                   | (61,754)  | (62,787)  |
| Tools, furniture and fixtures, net         | 8,864   | 8,982   |
| Land                                       | 21,046  | 20,978  |
| Lease assets                               | 1,179   | 1,078   |
| Accumulated depreciation                   | (775)   | (630)   |
| Lease assets, net                          | 404   | 448   |
| Construction in progress                   | 22,047  | 20,248  |
| <b>Total property, plant and equipment</b> | <b>195,744</b>                                  | <b>211,062</b>                                  |
| Intangible Assets                          |   |   |
| Software                                   | 2,637   | 3,086   |
| Goodwill                                   | 2,924   | 2,234   |
| Other                                      | 3,891   | 3,049   |
| <b>Total intangible assets</b>             | <b>9,453</b>                                    | <b>8,370</b>                                    |
| Investments and other assets               |   |   |
| Investment securities                      | 58,562  | 60,668  |
| Long-term loans receivable                 | 381   | 323   |
| Net defined benefit asset                  | —   | 1,060   |
| Deferred tax assets                        | 3,161   | 2,553   |
| Other                                      | 8,322   | 12,859  |
| Allowance for doubtful accounts            | (212)   | (175)   |
| <b>Total investments and other assets</b>  | <b>70,217</b>                                   | <b>77,290</b>                                   |
| <b>Total fixed assets</b>                  | <b>275,415</b>                                  | <b>296,723</b>                                  |
| <b>Total assets</b>                        | <b>481,966</b>                                  | <b>522,937</b>                                  |

## Consolidated Balance Sheets

(Unit: Millions of yen)

|   | End of current fiscal year<br>December 31, 2014 | End of current fiscal year<br>December 31, 2015 |
|---|---|---|
| <b>Liabilities</b>                                    |   |   |
| Current liabilities                                   |   |   |
| Notes and accounts payable – trade                    | 72,035  | 70,040  |
| Short-term loans payable                              | 39,884  | 50,353  |
| Current portion of bonds                              | —   | 10,000  |
| Accounts payable – other                              | 20,675  | 19,748  |
| Income taxes payable                                  | 10,578  | 4,304   |
| Provision for directors' bonuses                      | 79  | 30  |
| Provision for sales returns                           | 266   | 181   |
| Provision for product compensation                    | —   | 33,500  |
| Other   | 23,339  | 21,090  |
| <b>Total current liabilities</b>                      | <b>166,861</b>                                  | <b>209,248</b>                                  |
| Noncurrent liabilities                                |   |   |
| Bonds payable   | 20,000  | 10,000  |
| Long-term loans payable                               | 71,527  | 91,204  |
| Provision for directors' retirement benefits          | 10  | 10  |
| Provision for environmental measures                  | 48  | 37  |
| Net defined benefit liability                         | 9,829   | 8,565   |
| Deferred tax liabilities                              | 27,686  | 27,190  |
| Other   | 1,363   | 1,316   |
| <b>Total noncurrent liabilities</b>                   | <b>130,466</b>                                  | <b>138,324</b>                                  |
| <b>Total liabilities</b>                              | <b>297,327</b>                                  | <b>347,572</b>                                  |
| <b>Net assets</b>                                     |   |   |
| Shareholders' equity                                  |   |   |
| Common stock  | 30,484  | 30,484  |
| Capital surplus                                       | 28,507  | 28,507  |
| Retained earnings                                     | 76,389  | 71,255  |
| Treasury stock  | (130)   | (141)   |
| <b>Total shareholders' equity</b>                     | <b>135,249</b>                                  | <b>130,105</b>                                  |
| Accumulated other comprehensive income                |   |   |
| Valuation difference on available-for-sale securities | 25,372  | 28,070  |
| Deferred gains or losses on hedges                    | (29)  | 32  |
| Foreign currency translation adjustment               | 18,011  | 11,460  |
| Remeasurements of defined benefit plans               | 1,971   | 2,182   |
| <b>Total accumulated other comprehensive income</b>   | <b>45,326</b>                                   | <b>41,745</b>                                   |
| Minority interests                                    | 4,062   | 3,513   |
| <b>Total net assets</b>                               | <b>184,638</b>                                  | <b>175,364</b>                                  |
| <b>Total liabilities and net assets</b>               | <b>481,966</b>                                  | <b>522,937</b>                                  |



## Consolidated Statements of Income

(Unit: Millions of yen)

|   | Previous fiscal year                                     | Current fiscal year                                      |
|---|--|--|
|   | FY2014<br>(From January 1, 2014<br>to December 31, 2014) | FY2015<br>(From January 1, 2015<br>to December 31, 2015) |
| Net sales                                     | 393,782  | 407,789  |
| Cost of sales                                 | 260,870  | 254,288  |
| Gross profit                                  | 132,911  | 153,500  |
| Selling, general and administrative expenses  | 85,401   | 90,119   |
| Operating income                              | 47,510   | 63,381   |
| Non-operating income                          |  |  |
| Interest income                               | 388  | 452  |
| Dividends income                              | 1,237  | 1,565  |
| Foreign exchange gains                        | 1,944  | —  |
| Equity in earnings of affiliates              | 345  | 356  |
| Rent income                                   | 173  | 174  |
| Other   | 1,044  | 1,092  |
| Total non-operating income                    | 5,132  | 3,641  |
| Non-operating expenses                        |  |  |
| Interest expenses                             | 2,899  | 3,121  |
| Foreign exchange losses                       | —  | 3,825  |
| Loss from liquidation of receivables          | 138  | 172  |
| Other   | 3,061  | 3,087  |
| Total non-operating expenses                  | 6,098  | 10,208   |
| Ordinary income                               | 46,543   | 56,814   |
| Extraordinary income                          |  |  |
| Gain on sales of noncurrent assets            | 4,663  | —  |
| Total extraordinary income                    | 4,663  | —  |
| Extraordinary loss                            |  |  |
| Loss on retirement of noncurrent assets       | 538  | 662  |
| Loss on product compensation                  | —  | 13,174   |
| Loss on provision for product compensation    | —  | 33,500   |
| Loss on alleged U.S. anti-trust law violation | —  | 4,209  |
| Total extraordinary loss                      | 538  | 51,546   |
| Income before income taxes                    | 50,668   | 5,267  |
| Income taxes - current                        | 16,462   | 12,036   |
| Income taxes - deferred                       | 2,273  | (8,680)  |
| Total income taxes                            | 18,736   | 3,355  |
| Income before minority interests              | 31,932   | 1,911  |
| Minority interests in income                  | 692  | 237  |
| Net income                                    | 31,240   | 1,674  |

## Consolidated Statements of comprehensive income

(Unit: Millions of yen)

|   | Previous fiscal year                                     | Current fiscal year                                      |
|---|--|--|
|   | FY2014<br>(From January 1, 2014<br>to December 31, 2014) | FY2015<br>(From January 1, 2015<br>to December 31, 2015) |
| Income before minority interests  | 31,932   | 1,911  |
| Other comprehensive income  |  |  |
| Valuation difference on available-for-sale securities                               | 3,142  | 2,697  |
| Deferred gains or losses on hedges  | 76   | 62   |
| Foreign currency translation adjustment   | 9,343  | (6,988)  |
| Remeasurements of defined benefit plans, net of tax                                 | —  | 211  |
| Share of other comprehensive income of associates accounted for using equity method | 182  | (57)   |
| Total other comprehensive income  | 12,745   | (4,074)  |
| Comprehensive income  | 44,677   | (2,162)  |
| (Comprehensive income attributable to)  |  |  |
| Owners of the parent  | 43,963   | (1,905)  |
| Minority interests  | 714  | (256)  |

## Consolidated Statements of Cash Flows

(Unit: Millions of yen)

|   | Previous fiscal year                                     | Current fiscal year                                      |
|---|--|--|
|   | FY2014<br>(From January 1, 2014<br>to December 31, 2014) | FY2015<br>(From January 1, 2015<br>to December 31, 2015) |
| Cash flows from operating activities  |  |  |
| Income before income taxes and minority interests   | 50,668   | 5,267  |
| Depreciation and amortization   | 21,858   | 24,828   |
| Increase (decrease) in provision for retirement benefits  | (13,231)   | —  |
| Increase (decrease) in net defined benefit liability  | 9,333  | (1,949)  |
| Increase (decrease) in provision for product compensation   | —  | 33,500   |
| Interest and dividends income   | (1,625)  | (2,017)  |
| Interest expenses   | 2,899  | 3,121  |
| Foreign exchange losses (gains)   | (65)   | (692)  |
| Equity in (earnings) losses of affiliates   | (345)  | (356)  |
| Loss on retirement of noncurrent assets   | 538  | 662  |
| Loss (gain) on sales of noncurrent assets   | (4,663)  | —  |
| Loss on product compensation  | —  | 13,174   |
| Loss on alleged U.S. anti-trust law violation   | —  | 4,209  |
| Decrease (increase) in notes and accounts receivable-trade  | (5,087)  | 7,143  |
| Decrease (increase) in inventories  | (3,262)  | (7,574)  |
| Increase (decrease) in notes and accounts payable-trade   | 2,905  | 390  |
| Other, net  | 8,097  | 1,026  |
| Sub-total   | 68,018   | 80,733   |
| Interest and dividends income received  | 1,599  | 2,021  |
| Interest expenses paid  | (3,193)  | (3,572)  |
| Payments of product compensation  | —  | (13,911)   |
| Payments of alleged U.S. anti-trust law violation   | (12,272)   | (4,209)  |
| Income taxes paid   | (16,362)   | (19,755)   |
| Net cash provided by (used in) operating activities   | 37,789   | 41,305   |
| Cash flows from investing activities  |  |  |
| Additions to property, plant and equipment  | (35,277)   | (45,110)   |
| Proceeds from sales of property, plant and equipment  | 6,379  | 139  |
| Additions to intangible assets  | (1,391)  | (1,118)  |
| Proceeds from sales of intangible assets  | —  | 4  |
| Additions to investments in securities  | (265)  | (218)  |
| Proceeds from sales and redemption of investment securities   | 3  | 211  |
| Payments for additions to investments in subsidiaries resulting in change in scope of consolidation | 93   | —  |
| Other, net  | 335  | 82   |
| Net cash provided by (used in) investing activities   | (30,122)   | (46,009)   |
| Cash flows from financing activities  |  |  |
| Net increase (decrease) in short-term bank loans  | (2,535)  | 17,657   |
| Payments for installment payables-property and equipment  | (1,406)  | (4,322)  |
| Proceeds from long-term debt  | 15,356   | 44,277   |
| Payments of long-term debt  | (12,495)   | (29,290)   |
| Payments of redemption of bonds   | (8,000)  | —  |
| Cash dividends paid   | (3,044)  | (8,244)  |
| Dividends paid to minority shareholders   | (244)  | (369)  |
| Other, net  | (309)  | (656)  |
| Net cash provided by (used in) financing activities   | (12,680)   | 19,051   |
| Effect of exchange rate change on cash and cash equivalents   | 1,057  | (2,311)  |
| Net Increase (decrease) in cash and cash equivalents  | (3,956)  | 12,036   |
| Cash and cash equivalents at beginning of the year  | 36,352   | 32,395   |
| Cash and cash equivalents at end of the period  | 32,395   | 44,431   |