



Financial Announcement for Year Ended March 31, 2015 [Japan standard] (Consolidated)

May 11, 2015

Company name TOLI Corporation Stock Exchanges: Tokyo Stock Exchange
 Code number 7971 URL <http://www.toli.co.jp>
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 Official responsible (Position) Executive Officer (Name) Yoza Araki TEL 06-6494-6691
 for inquiries General Manager, Accounting and Finance Department

Scheduled date for ordinary general meeting of shareholders June 24, 2015 Scheduled date for start of dividend payments June 25, 2015
 Scheduled date for submission of financial statements June 24, 2015

Preparation of supplementary explanatory materials for the financial announcement: Yes
 Holding of a briefing on the financial announcement: Yes (for securities analysts)

(Amounts of less than 1 million yen are rounded off)

1. Consolidated results for year ended March 2015 (April 1, 2014 to March 31, 2015)

(1) Consolidated results (% shows change from previous term)

	Net sales		Operating profit		Ordinary profit		Net profit for this term	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 2015	90,806	1.2	3,152	23.5	3,281	24.6	1,978	47.7
Year ended March 2014	89,707	5.6	2,552	32.2	2,633	36.9	1,339	28.9

(Note) Comprehensive profit Year ended March 2015 3,050 million yen (118.7%) Year ended March 2014 1,394 million yen (1.1%)

	Net profit per share	Diluted net profit per share	Return on equity capital	Return on total assets	Operating profit on sales
	Yen	Yen	%	%	%
Year ended March 2015	32.07	-	7.3	4.7	3.5
Year ended March 2014	21.55	-	5.2	3.9	2.8

(Reference) Investment gain or loss under equity method Year ended March 2015 5 million yen Year ended March 2014 13 million yen

(2) Consolidated assets

	Total assets	Net assets	Capital-to-asset ratio	Net asset per share
	Million yen	Million yen	%	Yen
Year ended March 2015	72,049	28,681	39.6	462.90
Year ended March 2014	68,800	26,043	37.7	420.29

(Reference) Equity capital Year ended March 2015 28,561 million yen Year ended March 2014 25,936 million yen

(3) State of consolidated cash flows

	Cash flows from operating activities	Cash flows from investment activities	Cash flows from financing activities	Term-end balance of cash and cash equivalents
	Million yen	Million yen	Million yen	Million yen
Year ended March 2015	3,324	(1,671)	(1,207)	8,276
Year ended March 2014	4,000	(1,283)	(1,152)	7,792

2. Dividend payments

	Annual dividend						Dividend payments (total)	Dividend payout ratio (consolidated)	Dividend ratio to net assets (consolidated)
	End 1st quarter	End 2nd quarter	End 3rd quarter	End of year	Total				
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%	
Year ended March 2014	-	0.00	-	5.00	5.00	308	23.2	1.2	
Year ended March 2015	-	0.00	-	7.00	7.00	431	21.8	1.6	
Year ending March 2016 (forecast)	-	0.00	-	7.00	7.00		19.6		

3. Consolidated forecasts for year ending March 2016 (April 1, 2015 to March 31, 2016)

(% shows the change for the full term against the previous full term and change for the quarter against the same quarter of the previous year)

	Net sales		Operating profit		Ordinary profit		Net profit for this term for shareholders of the parent company		Net profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
2nd quarter (cumulative)	42,500	1.4	650	18.6	750	16.4	420	19.2	6.81
Full term	92,000	1.3	3,300	4.7	3,400	3.6	2,200	11.2	35.66

* Notes

- (1) Significant changes to subsidiaries during the current term (changes for a specified subsidiary entailing a change in the scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, representation of amendments
- [1] Changes in accounting policies accompanying revisions to accounting standards: Yes
- [2] Changes to accounting policies other than [1]: None
- [3] Changes in accounting estimates: None
- [4] Representation of amendments: None

(Note) For details, please see "5. Consolidated financial statements (5) Notes on consolidated financial statements" on page 14 of the supplementary material.

(3) Number of outstanding shares (ordinary shares)

[1] Number of outstanding shares at end of year (including treasury stock)	Year ended March 2015	66,829,249 shares	Year ended March 2014	66,829,249 shares
[2] Number of shares in treasury stock at end of year	Year ended March 2015	5,127,520 shares	Year ended March 2014	5,117,509 shares
[3] Average number of shares during the term	Year ended March 2015	61,706,625 shares	Year ended March 2014	62,175,102 shares

(Reference) Outline of Non-Consolidated business performance

Non-consolidated business performance for year ended March 2015 (April 1, 2014 to March 31, 2015)

(1) Non-consolidated management performance

(% shows change from previous term)

	Net sales		Operating profit		Ordinary profit		Net profit for this term	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 2015	56,034	2.8	1,921	55.6	2,173	58.7	1,391	91.3
Year ended March 2014	54,509	5.7	1,234	39.9	1,369	36.5	727	27.7

	Net profit per share		Diluted net profit per share	
	Yen	Yen	Yen	Yen
Year ended March 2015	22.56	-	-	-
Year ended March 2014	11.70	-	-	-

(2) Non-consolidated financial state

	Total assets		Net assets		Capital-to-asset ratio	Net asset per share
	Million yen	Million yen	Million yen	Million yen	%	Yen
Year ended March 2015	60,858	22,342	22,342	20,708	36.7	362.10
Year ended March 2014	58,304	20,708	20,708	19,100	35.5	335.56

(Reference) Equity capital Year ended March 2015 22,342 million yen Year ended March 2014 20,708 million yen

* Statement concerning the implementation of audit procedures

This financial announcement is not subject to the audit procedures based on the Financial Instruments and Exchange Act and the audit procedures for financial statements based on the Financial Instruments and Exchange Act were not completed at the time of presentation of this financial announcement.

* Explanation of the appropriate use of performance projections and other special instructions

These performance projections were prepared based on the information available as of the time of presentation, and actual business performance figures may differ from the projections due to various factors.

For matters pertaining to these business performance projections, please refer to "1. Discussion and analysis of the management performance/the financial situation (1) Discussion and analysis of the management performance" on page 2 of the supplementary materials.

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1. Discussion and analysis of the management performance/financial situation

(1) Discussion and analysis of the management performance

Whereas there was a weakness in individual consumption throughout the domestic economy as a reaction following the last-minute surge in demand before the increase in consumption tax, there continued to be a gentle recovery as a result of increased corporate performance and improvement in the employment situation during current consolidated fiscal year. In the interior industry, with the reaction against the last-minute surge in demand before the increase in consumption tax, we saw weakness from the 2nd quarter particularly in the housing field, but with the strength in new construction starts in the previous period, firm demand was also seen in non-residential fields.

Within this environment, the TOLI Group strove to develop original products, expand sales of high value-added products, reduce costs, and raise sales price, realizing sales for the current consolidated fiscal year of 90,806 million yen (increase of 1.2% against previous period), operating profit of 3,152 million yen (increase of 23.5% against the previous period), ordinary profit of 3,281 million yen (increase of 24.6% against the previous period), and net profit for this term of 1,978 million yen (increase of 47.7% against previous term).

Business performance by segment for each business area was as follows. This information includes business between segments.

<Product business>

For vinyl flooring, sales of vinyl sheet “HOSPILEUM NW” and “SF FLOOR NW” for medical and welfare facilities that do not require waxing maintenance due to their high durability and stain-proof performance increased, in addition to steady growth for “ROYAL WOOD” wood pattern vinyl tiles. For carpets, sales of carpet tiles “GA-100W” with a high level of design for ordinary offices increased, and sales were steady for newly released carpet tiles “SOKOITARI GRANDAIR” for which the Good Design Award for 2014 was received. In terms of wallpaper materials, “Power 1000” series, appropriate to a variety applications, such as housing, commercial facilities and medical/welfare facilities has increased together with high design non-flammable finishing material “REAL DECO” have increased, but sales of curtains decreased from the previous term due to the decrease in number of housing starts. The result of this was that sales for the product business were 56,179 million yen (increase of 2.7% compared to the previous term), and the segment profit was 2,311 million yen (increase of 54.7% compared to the previous term).

<Interior Wholesaling and Installation Business>

The interior wholesaling business tended to be weak with the housing field, which is shown by the slowdown of window ornament materials such as curtains, curtain rails and blinds, being affected by the consumption tax rate hike. On the other hand, in the installation business, installation sales were steady due to the increase in orders for medical/welfare facilities and offices. The results were net sales of 58,905 million yen (0.4% down on previous term) in the interior wholesaling and installation business, with segment profit of 1,088 million yen (down 9.0% on the previous term).

(Outlook for the next term)

In terms of future prospects, as the domestic economy is expected to continue in a gentle recovery, architectural starts continue to decrease, so the market environment for the interior industry is expected to remain severe. In addition, the future situation is expected to remain unclear in regard to both the procurement environment for raw materials and power costs. Within this situation, the TOLI Group are working to strengthen our product power as well as our technical and development prowess, thus improving the sales force and sales efficiency of the group as a whole. Further, we are also promoting an approach to increase our business overseas.

Taking the above factors into consideration, we expect consolidated net sales of 92,000 million yen, consolidated operating profit of 3,300 million yen, consolidated ordinary profit of 3,400 million yen and consolidated net profit for this term of 2,200 million yen for the fiscal year ending March 31, 2016 (full term).

(2) Discussion and analysis of the financial situation

[1] State of assets, liabilities and net assets

Net assets for the current consolidated fiscal year, with the increase in tangible fixed assets, such as land and construction in progress and investment securities from the rise in current stock price, increased by 3,249 million yen compared to the end of the previous term, to 72,049 million yen.

Liabilities, with the increase in equipment-related notes payable, increased 611 million yen in comparison to the end of the previous term to 43,368 million yen.

Net assets increased by 2,637 million yen compared to the end of the previous year to finish at 28,681 million yen due to factors such as an increase in earned surplus and other unrealized gain on securities.

[2] State of cash flows

Cash and cash equivalents during the current consolidated fiscal year increased 483 million yen compared to the end of the previous year to finish at 8,276 million yen (7,792 million yen at the end of the previous term).

The respective cash flows for the current consolidated fiscal year and their causes are as shown below.

Cash flows from operating activities involved income of 3,324 million yen (income of 4,000 million yen for the previous term). Income decreased compared to the previous term, due to an increase in inventory assets and decrease in accounts payable.

Cash flows from investment activities ended with outgoings of 1,671 million yen (outgoings of 1,283 million yen for the previous term). With the increase in expenditure on the acquisition of tangible fixed assets, expenditure increased compared to the previous term.

Cash flows from financing activities ended with outgoings of 1,207 million yen (outgoings of 1,152 million yen during the previous year). With the decrease in long-term borrowings, expenditure increased compared to the previous term.

Cash flow indices for the Group are shown below.

	Period ended March 2012	Period ended March 2013	Period ended March 2014	Period ended March 2015
Capital-to-asset ratio (%)	37.2	37.9	37.7	39.6
Capital-to-asset ratio on market value basis (%)	16.9	20.1	18.4	23.6
Cash flow-to-interest-bearing debt ratio (years)	3.4	5.7	2.5	2.8
Interest coverage ratio	16.5	11.9	32.9	29.3

(Note) Capital-to-asset ratio: Equity capital/total assets

Capital-to-asset ratio on market value basis: Market capitalization for stock/total assets

Cash flow-to-interest-bearing debt ratio: Interest-bearing debts/cash flows from operating activities

Interest coverage ratio: Cash flows from operating activities/interest payments

- Each of the indexes above was calculated based on the financial data on a consolidated basis.
- Market capitalization for stock was calculated as follows: Term-end closing price for shares x Term-end number of shares outstanding (after deduction for treasury stock).
- For the cash flows from operating activities, the data for cash flows from operating activities as stated in the consolidated statements of cash flows was used. Interest bearing debt covers all types of debt with interest payment among the debt stated in the consolidated balance sheet. For interest payments, the data for interest paid shown in the consolidated statements of cash flows was used.

(3) Basic policy regarding dividend payment, and dividend payments for the current term and next term

With respect to dividend payments, TOLI understands that returning profits to its shareholders is an important mission, and its basic policy is to continue paying dividends using a stable approach. To this end, we believe that we need to bolster and stabilize our operating foundations over the long term. The Company decides the amounts and frequency of its dividend payments by taking into consideration the overall management environment with a medium- and long-term outlook, as well as considering the Company's financial situation for each fiscal term. Decision-making bodies for the Company with respect to term-end dividends and interim dividends are the general meetings of shareholders and the Board of Directors, respectively. For the fiscal year under review, we plan to pay a term-end dividend of 7 yen per share. For the next term, we plan to pay a term-end dividend of 7 yen per share.

2. The TOLI Group

The TOLI Group is comprised of 20 companies: the Company, 17 subsidiaries and 2 affiliates, and conducts business in two segments, “Product business” including the manufacture of interior products centered on interior decoration materials and other related operations and “Interior wholesaling and installation business” including the purchase and sale of interior related materials and interior decoration work, etc.

The positioning of the Company and its related companies, and relations with segments are as follows. The Group's business categories are the same classifications as the segments.

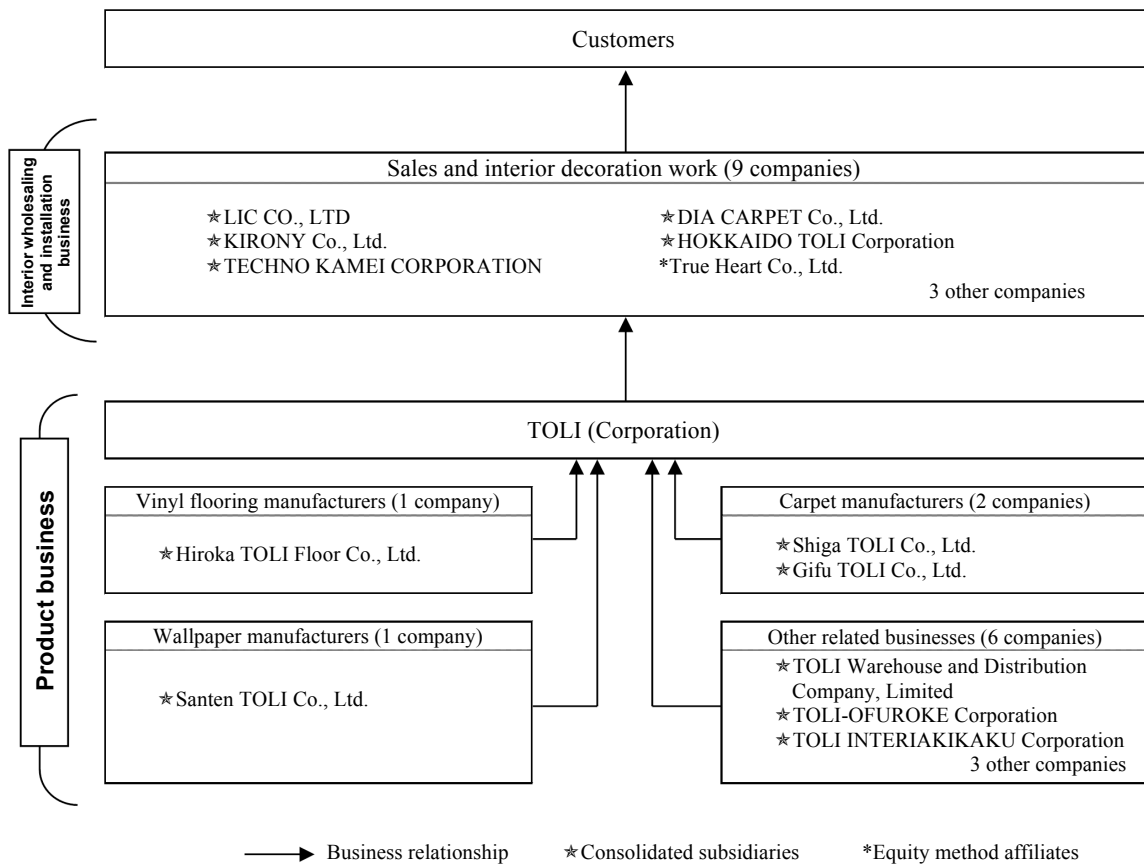
<Product business>

The Company and Hiroka TOLI Floor Co., Ltd. manufacture vinyl flooring products such as vinyl tiles and vinyl sheets, Shiga TOLI Co., Ltd. and Gifu TOLI Co., Ltd. manufacture carpets, and Santen TOLI Co., Ltd. manufactures wallpaper under the control of the Company’s Manufacturing Headquarters. In addition, companies including TOLI INTERIAKIKAKU Corporation, etc., carry out curtain planning and sewing production, and TOLI-OFUROKE Corporation carries out maintenance of interior decorating materials as other related business. TOLI Warehouse and Distribution Company, Limited, carries out product inventory management and distribution work for the TOLI Group.

<Interior Wholesaling and Installation Business>

Various sales companies such as LIC CO., LTD, KIRONY Co., Ltd., TECHNO KAMEI CORPORATION, DIA CARPET CO., LTD., HOKKAIDO TOLI Corporation and True Heart Co., Ltd., etc., purchase and sell interior-related materials and carry out interior decoration work, etc.

The main roles and business relationships of each of the group companies listed above are as shown in the illustration below.



3. Management policy

(1) Basic management policy

The TOLI Group operates its business activities based on the following three management principles: “We will contribute to improving lifestyles and culture through our interior decoration business;” “Customer-first thinking is our code of conduct;” and “We seek to become the leader in the total interior business.” With “Everything is for the customer” as our action guideline, we aim to provide products and services that can bring quality to every kind of residential, commercial and other space that people encounter in their daily lives, including houses and residential buildings, office buildings, schools, medical and welfare facilities and commercial facilities. Through these activities, we seek to continually raise our corporate value. We will strictly observe all laws and ordinances, and we will always conduct ourselves as a good corporate citizen, fulfilling our responsibility toward society, for example by preserving the global environment. Our goal is to be a corporate group that society will trust, with great expectations.

(2) Target management indicators

The management goal for the TOLI Group is to be a true leader in the interior decoration industry, and to earn the trust and support of our customers. To achieve this goal, we will improve operational efficiency throughout the corporate group, bolster our earnings foundation and increase asset efficiency in order to achieve steady profits and maximize the shareholder value. As part of the new medium term business plan “SHINKA-100” (phase I), the consolidated business targets for FY2017 are net sales of 95,000 million yen, ordinary profits of 4,000 million yen, ROA (return on total assets) of 5% or above and ROE (return on equity) of 8% or above.

(3) The Company's medium-term business management strategy and issues to be tackled

The TOLI Group promoted our previous medium term business plan “Innovation and Growth 2014” until FY2014, and achieved targets for net sales, ordinary profit and ROA as management indicators for the final year.

In addition to promoting the reorganization of our flooring and carpeting businesses to raise efficiency, we have developed high value-added products, such as vinyl flooring “NW series” with high durability anti-fouling performance, “BATHNA series” interior decoration materials for bathrooms and the high level design print tile carpet “EXCHROME series.” Further, for overseas, we have established Chinese sales subsidiaries and promoted the establishment of foundations for business expansion, such as product development conforming to local needs.

Further, at this time, the TOLI Group have established the new 6-year medium term business plan “SHINKA-100,” with phase I as the 3 years from FY2015 to FY2017, and the 3 years from FY2018, through FY2019, our “hundred anniversary year” to FY2020 as phase II. Through this plan, we are aiming to reform our business structure, combining flexibility and toughness, adopting the following three priority strategies.

[1] SHINKA 1 “Evolution” - the growth and development of core businesses -

Work to strengthen product power, as well as technical and development prowess in the TOLI Group core flooring and carpet businesses, working for the further evolution in our approach from that of the previous medium term 3 years. Further, we are promoting the optimization of bases for improving operational efficiency. On the sales front, in addition to strengthening the sales force and improving sales efficiency in the group as a whole, we are focusing our sales promotions on fields where we can expect growth, in order to increase our market share.

[2] SHINKA 2 “Deeping” - expanding our global business development -

In addition to establishing and promoting a sales network for expanding business in overseas countries, such as Asia, Middle-East and the U.S, we are working to develop products matching the overseas market and establish a supply structure. Additionally, while promoting a global approach to internal resources and support structure, we are exploring the potential for global business development from various viewpoints, such as raw materials, procurement and production.

[3] SHINKA 3 “True value” - establishment of business foundations for the purpose of growth and development -

We are working to strength human resource nurturing and the essential nature of finance, as well as improving business processes, promoting the establishment of business foundations for the growth and development of the TOLI Group. Further, we are improving our ability to produce profit, through the development of high value-added products, optimization of the supply chain and a reduction in production cost.

The TOLI Group has established “TOLI ECO SPIRIT 2015-2017” as a new objective for further contribution to an environmentally harmonious society. We are promoting an approach that will lower the burden on the environment, such as the expansion of recycling and promotion of zero emissions.

The TOLI Group recognizes ensuring suitable corporate governance is another important management issue. We are promoting an approach to the corporate governance code and working to achieve a sound, highly transparent company.

4. Basic thinking concerning selection of accounting standards

The TOLI Group, in consideration of the potential for comparing periods and the potential for comparison between companies on the consolidated financial statements, aim to create consolidated financial statements according to the Japan standard for the time being.

Moving forward, we aim to investigate the application of international accounting standards, in consideration of domestic and international circumstances.

5. Consolidated financial statements

(1) Consolidated financial statements

(Unit: million yen)

	Previous consolidated fiscal year (March 31, 2014)	Current consolidated fiscal year (March 31, 2015)
Assets		
Current assets		
Cash and deposits	7,139	7,619
Notes and accounts receivable	27,446	27,597
Securities	716	716
Goods and products	6,788	7,299
Work-in-progress	902	991
Raw materials and stored goods	1,476	1,434
Deferred tax assets	408	448
Others	890	853
Allowance for doubtful receivables	(280)	(263)
Total current assets	45,488	46,698
Fixed assets		
Tangible fixed assets		
Buildings and structures	18,728	18,570
Cumulative depreciation	(13,937)	(13,863)
Accumulated impairment loss	(32)	-
Buildings and structures (Net amount)	4,758	4,707
Machinery devices and vehicles	22,228	22,784
Cumulative depreciation	(20,615)	(20,951)
Machinery and vehicles (Net amount)	1,612	1,833
Equipment	2,325	2,151
Cumulative depreciation	(2,034)	(1,922)
Equipment (Net amount)	290	229
Land	8,371	9,089
Construction in progress	206	1,044
Others	95	114
Cumulative depreciation	(59)	(59)
Others (net amount)	36	55
Total tangible fixed assets	15,276	16,958
Intangible fixed assets		
Software	581	422
Others	50	70
Total intangible fixed assets	632	493
Investments and other assets		
Investment securities	4,091	5,185
Long-term loans receivable	127	98
Assets related to retirement allowance	36	524
Deferred tax assets	1,201	545
Others	2,292	1,731
Allowance for doubtful receivables	(345)	(185)
Total investment and other assets	7,403	7,899
Total fixed assets	23,312	25,351
Total assets	68,800	72,049

(Unit: million yen)

	Previous consolidated fiscal year (March 31, 2014)	Current consolidated fiscal year (March 31, 2015)
Liabilities		
Current liabilities		
Notes and accounts payable	23,715	23,675
Short-term borrowings	1,219	1,900
Accrued corporation taxes	684	751
Accrued expenses	1,657	1,571
Reserve for bonus payable	620	678
Equipment-related notes payable	140	920
Others	1,387	1,674
Total current liabilities	29,423	31,171
Fixed liabilities		
Long-term borrowings	6,800	5,650
Liabilities related to retirement allowance	4,127	4,147
Asset retirement obligations	98	100
Long-term guarantee deposits	1,809	1,876
Others	497	421
Total fixed liabilities	13,332	12,196
Total liabilities	42,756	43,368
Net assets		
Shareholders' equity		
Capital	6,855	6,855
Capital surplus	6,423	6,423
Earned surplus	13,466	15,035
Treasury stock	(1,115)	(1,118)
Total shareholders' equity	25,629	27,196
Accumulated other comprehensive profit		
Unrealized gain (loss) on securities	817	1,596
Remeasurements of defined benefit plans	(510)	(231)
Total accumulated other comprehensive profit	306	1,364
Minority interests	107	119
Total net assets	26,043	28,681
Total liabilities and net assets	68,800	72,049

(2) Consolidated statement of profit and consolidated statement of comprehensive profit
(Consolidated statement of profit)

(Unit: million yen)

	Previous consolidated fiscal year (April 1, 2013 - March 31, 2014)	Current consolidated fiscal year (April 1, 2014 - March 31, 2015)
Net sales	89,707	90,806
Cost of sales	65,902	66,064
Gross profit	23,805	24,741
Selling and general administrative expenses	21,252	21,588
Operating profit	2,552	3,152
Non-operating profit		
Interest profit	10	6
Dividends profit	88	102
Purchase discount	79	77
Investment gain on equity method	13	5
Foreign currency profit	17	48
Real estate rental charges	60	57
Insurance dividends	41	49
Others	81	101
Total non-operating profit	391	448
Non-operating expenses		
Interest expense	122	112
Sales discounts	123	132
Others	65	75
Total non-operating expenses	310	320
Ordinary profit	2,633	3,281
Extraordinary profit		
Gain on sale of fixed assets	11	2
Total extraordinary profit	11	2
Extraordinary loss		
Loss on disposal of fixed assets	73	21
Loss on business restructuring	300	-
Total extraordinary loss	373	21
Net profit before taxes and other adjustments	2,271	3,262
Corporation tax, local inhabitants taxes, and enterprise taxes	865	1,076
Deferred corporation tax	159	193
Total corporation and other taxes	1,024	1,270
Net profit before minority interests	1,247	1,992
Minority interests	(92)	14
Net profit for this term	1,339	1,978

(Consolidated statement of comprehensive profit)

(Unit: million yen)

	Previous consolidated fiscal year (April 1, 2013 - March 31, 2014)	Current consolidated fiscal year (April 1, 2014 - March 31, 2015)
Net profit before minority interests	1,247	1,992
Other comprehensive profit		
Unrealized gain (loss) on securities	147	778
Remeasurements of retirement allowance	-	278
Total other comprehensive profit	147	1,057
Comprehensive profit	1,394	3,050
(Breakdown)		
Comprehensive profit related to shareholders of the parent company	1,487	3,036
Comprehensive profit related to minority shareholders	(92)	14

(3) Consolidated Statement of Changes in Shareholders' Equity, etc.

Previous consolidated fiscal year (April 1, 2013 - March 31, 2014)

(Unit: million yen)

	Shareholders' equity				
	Capital	Capital surplus	Earned surplus	Treasury stock	Total shareholders' equity
Balance at start of current term	6,855	6,423	12,437	(1,017)	24,699
Cumulative effect due to changes in accounting policies					-
Balance at start of term reflecting changes in accounting policies	6,855	6,423	12,437	(1,017)	24,699
Change during current term					
Distribution of surplus			(311)		(311)
Net profit for this term			1,339		1,339
Acquisition of treasury stock				(98)	(98)
Change during current term in items other than shareholders' equity (net)					
Total change during current term	-	-	1,028	(98)	930
Balance at end of current term	6,855	6,423	13,466	(1,115)	25,629

	Accumulated other comprehensive profit			Minority interests	Total net assets
	Unrealized gain (loss) on securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive profit		
Balance at start of current term	670	-	670	205	25,575
Cumulative effect due to changes in accounting policies					-
Balance at start of term reflecting changes in accounting policies	670	-	670	205	25,575
Change during current term					
Distribution of surplus					(311)
Net profit for this term					1,339
Acquisition of treasury stock					(98)
Change during current term in items other than shareholders' equity (net)	147	(510)	(363)	(98)	(461)
Total change during current term	147	(510)	(363)	(98)	468
Balance at end of current term	817	(510)	306	107	26,043

Current consolidated fiscal year (April 1, 2014 - March 31, 2015)

(Unit: million yen)

	Shareholders' equity				
	Capital	Capital surplus	Earned surplus	Treasury stock	Total shareholders' equity
Balance at start of current term	6,855	6,423	13,466	(1,115)	25,629
Cumulative effect due to changes in accounting policies			(100)		(100)
Balance at start of term reflecting changes in accounting policies	6,855	6,423	13,365	(1,115)	25,529
Change during current term					
Distribution of surplus			(308)		(308)
Net profit for this term			1,978		1,978
Acquisition of treasury stock				(2)	(2)
Change during current term in items other than shareholders' equity (net)					
Total change during current term	-	-	1,670	(2)	1,667
Balance at end of current term	6,855	6,423	15,035	(1,118)	27,196

	Accumulated other comprehensive profit			Minority interests	Total net assets
	Unrealized gain (loss) on securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive profit		
Balance at start of current term	817	(510)	306	107	26,043
Cumulative effect due to changes in accounting policies					(100)
Balance at start of term reflecting changes in accounting policies	817	(510)	306	107	25,943
Change during current term					
Distribution of surplus					(308)
Net profit for this term					1,978
Acquisition of treasury stock					(2)
Change during current term in items other than shareholders' equity (net)	778	278	1,057	12	1,070
Total change during current term	778	278	1,057	12	2,737
Balance at end of current term	1,596	(231)	1,364	119	28,681

(4) Consolidated statements of cash flows

(Unit: million yen)

	Previous consolidated fiscal year (April 1, 2013 - March 31, 2014)	Current consolidated fiscal year (April 1, 2014 - March 31, 2015)
Cash flows from operating activities		
Net profit before taxes and other adjustments	2,271	3,262
Depreciation	1,230	1,236
Goodwill amortization	15	2
Long-term prepaid expenses depreciation	445	455
Loss on disposal of fixed assets	73	21
Loss (gain) on sale of fixed assets (brackets denote a gain)	(11)	(2)
Loss on business restructuring	300	-
Change in allowance for doubtful receivables (brackets denote a decrease)	(58)	(177)
Change in liabilities for retirement allowance (brackets denote a decrease)	(33)	(141)
Equity in earnings or loss of subsidiary or affiliated company (brackets denote an increase)	(13)	(5)
Interest and dividend profit	(98)	(108)
Interest expense	122	112
Foreign currency gain or loss (brackets denote a gain)	(9)	(37)
Change in trade receivables (brackets denote an increase)	(1,286)	(64)
Change in value of inventory assets (brackets denote an increase)	711	(557)
Change in trade payables (brackets denote a decrease)	1,200	(39)
Others	(113)	387
Subtotal	4,746	4,343
Interest and dividend received	98	108
Interest paid	(121)	(113)
Payment or refund of company tax, etc. (brackets denote a payment)	(722)	(1,013)
Cash flows from operating activities	4,000	3,324
Cash flows from investment activities		
Payments into time deposits	(62)	(60)
Proceeds from withdrawal of time deposits	62	62
Expenditure on the acquisition of tangible fixed assets	(888)	(1,948)
Proceeds from the sale of tangible fixed assets	75	9
Expenditure on the acquisition of intangible fixed assets	(387)	(38)
Expenditure on the acquisition of investment securities	(103)	(3)
Expenditure due to acquisition of shares in subsidiaries	(5)	-
Expenditure on loans	(900)	(8)
Proceeds from collection of loans receivable	973	37
Others	(47)	278
Cash flows from investment activities	(1,283)	(1,671)

(Unit: million yen)

	Previous consolidated fiscal year (April 1, 2013 - March 31, 2014)	Current consolidated fiscal year (April 1, 2014 - March 31, 2015)
Cash flows from financing activities		
Net changes in short-term borrowings (brackets denote a decrease)	(0)	(9)
Extension of long-term borrowings	1,100	450
Repayment of long-term borrowings	(1,300)	(910)
Expenditures due to repayment of lease liabilities	(159)	(21)
Expenditures due to repayment of accrued liabilities	(381)	(404)
Payments for acquisition of treasury stock	(98)	(2)
Dividends paid	(311)	(308)
Dividends paid to minority shareholders	(1)	(1)
Cash flows from financing activities	(1,152)	(1,207)
Effect of exchange rate changes on cash and cash equivalents	9	37
Change in cash and cash equivalents (brackets denote a decrease)	1,573	483
Cash and cash equivalents at beginning of year	6,218	7,792
Cash and cash equivalents at end of year	7,792	8,276

(5) Notes on consolidated financial statements

(Notes on the assumption of the company as a going concern)

No corresponding item exists.

(Changes in accounting policies)

“Accounting standards, etc. regarding retirement allowance” (Corporate accounting standards no. 26, May 17, 2012. Hereinafter referred to as “Retirement allowance accounting standards”) and “Guidance on accounting standards regarding retirement allowance” (Guidance on application of corporate accounting standards no. 25, March 26, 2015. Hereinafter referred to as “Guidance on application of retirement allowance”) shall apply to the current consolidated accounting period based on the determinations of the main section of no. 35 of Retirement allowance accounting standards and the main section of no. 67 of Guidance on application of retirement allowance, and with the revision to the method of calculating retirement allowance liabilities and work costs, and change of the retirement benefit predicted amount period attribution method from a straight line attribution to retirement benefit formula, the method of determining the discount rate will change from a discount rate based on an approximate number of years in the average remaining work period of the employees to the use of a single weighed average discount rate method that reflects the retirement allowance payment forecast period and the amount for each retirement allowance payment forecast period.

Application of the Retirement allowance accounting standards, etc. follows the transitional treatment determined in no.37 of the Retirement allowance accounting standards, and at the beginning of this current consolidated fiscal year, the amount influenced by changes to the method of calculating retirement allowance liabilities and work costs was added to or subtracted from the earned surplus.

As a result, liabilities related to retirement allowance at the beginning of the current consolidated fiscal year rose by 200 million yen, and assets related to retirement allowance rose by 44 million yen, while earned surplus decreased by 100 million yen.

Its impact on operating profits, ordinary profits and net profit before taxes and other adjustment, during the current consolidated fiscal year is low.

(Segment information, etc.)

a. Segment information

1. Outline of reporting segments

The Company's reporting segments are those of the TOLI Group's constituent units for which segregated financial information can be obtained and are subject to the Board of Directors conducting regular investigations in order to determine the allocation of management resources and evaluate performance.

The TOLI Group manufactures, purchases, sells and installs interior products centered on interior decoration materials, and also performs interior-related decoration work, and has 2 reporting segments: "Product business" and "Interior wholesaling and installation business."

In regard to "Product business," apart from the Company, related companies under the control of the Company's Manufacturing Headquarters manufacture interior products such as vinyl flooring and carpets, etc., and carry out services related to that such as interior decoration material maintenance, product warehouse management and distribution, etc.

In regard to "Interior wholesaling and installation business," related companies that manage sales and marketing operations purchase and sell interior-related materials, and carry out interior decoration-related work, etc.

2. Method of calculating amount of net sales, profit, assets and other items for each reporting segment

The method of accounting for the reported industry segment is a method that conforms to the accounting principles and procedures adopted in order to create the consolidated balance sheet.

Reporting segment profit is a figure based on ordinary profit.

The internal revenue and transfers within the segment are based on the market price.

3. Information on net sales, profit or loss, assets and other items for each reporting segment.

Previous consolidated fiscal year (April 1, 2013 - March 31, 2014)

(Unit: million yen)

	Reporting segment			Adjustment (Note) 1	Value posted in the consolidated financial statements (Note) 2
	Product business	Interior wholesaling and installation business	Subtotal		
Net sales					
Sales to external customers	31,029	58,678	89,707	-	89,707
Internal sales or transfers among segments	23,659	484	24,143	(24,143)	-
Subtotal	54,688	59,163	113,851	(24,143)	89,707
Segment profit	1,494	1,195	2,689	(55)	2,633
Segment assets	59,148	26,629	85,778	(16,977)	68,800
Other items					
Depreciation	1,169	59	1,228	2	1,230
Goodwill amortization	7	10	17	(2)	15
Interest profit	9	35	44	(34)	10
Interest expense	149	6	156	(34)	122
Investment profit on equity method	12	-	12	1	13
Value of investment in equity method affiliates	200	-	200	(3)	197
Total tangible fixed assets and increase in intangible fixed assets	1,050	14	1,064	0	1,064

(Note) 1 The adjustment of segment profit of -55 million yen and the adjustment of segment assets of -16,977 million yen are due to the elimination of transactions between segments

2 Segment profit has been adjusted with ordinary profit in the consolidated statement of profit.

Current consolidated fiscal year (April 1, 2014 - March 31, 2015)

(Unit: million yen)

	Reporting segment			Adjustment (Note) 1	Value posted in the consolidated financial statements (Note) 2
	Product business	Interior wholesaling and installation business	Subtotal		
Net sales					
Sales to external customers	32,311	58,494	90,806	-	90,806
Internal sales or transfers among segments	23,867	410	24,278	(24,278)	-
Subtotal	56,179	58,905	115,084	(24,278)	90,806
Segment profit	2,311	1,088	3,399	(118)	3,281
Segment assets	62,581	27,112	89,693	(17,643)	72,049
Other items					
Depreciation	1,182	54	1,236	-	1,236
Goodwill amortization	0	1	2	-	2
Interest profit	5	41	46	(40)	6
Interest expense	147	5	153	(40)	112
Investment profit on equity method	3	-	3	1	5
Value of investment in equity method affiliates	203	-	203	(1)	201
Total tangible fixed assets and increase in intangible fixed assets	2,836	73	2,910	-	2,910

(Note) 1 The adjustment of segment profit of -118 million yen and the adjustment of segment assets of -17,643 million yen are due to the elimination of transactions between segments.

2 Segment profit has been adjusted with ordinary profit in the consolidated statement of profit.

b. Information related to the depreciation of fixed assets for each reported segment

Previous consolidated fiscal year (April 1, 2013 - March 31, 2014)

(Unit: million yen)

	Reporting segment			Group-wide businesses or elimination	Total
	Product business	Interior wholesaling and installation business	Subtotal		
Impairment losses	233	-	233	-	233

(Note) These impairment losses are included in the loss on business restructuring in the Consolidated Statements of Profit.

Current consolidated fiscal year (April 1, 2014 - March 31, 2015)

No corresponding item exists.

(Per-share data)

Previous consolidated fiscal year (April 1, 2013 - March 31, 2014)		Current consolidated fiscal year (April 1, 2014 - March 31, 2015)	
Net assets per share	420.29 yen	Net assets per share	462.90 yen
Net profit for this term per share	21.55 yen	Net profit for this term per share	32.07 yen

(Note) 1 Diluted net profit per share is omitted because there was no potential dilution.

2 The basis for calculation of net profit per share is as follows.

	Previous consolidated fiscal year (April 1, 2013 - March 31, 2014)	Current consolidated fiscal year (April 1, 2014 - March 31, 2015)
Net profit for this term per share		
Net profit as stated in the Consolidated Statement of Profit (million yen)	1,339	1,978
Amount not belonging to common stockholders (million yen)	-	-
Net profit pertaining to common stock (million yen)	1,339	1,978
Average number of common stock shares during the period (1,000 shares)	62,175	61,706

(Important post-balance sheet events)

No corresponding item exists.

6. Non-consolidated financial statements

(1) Balance sheets

(Unit: million yen)

	Previous fiscal year (March 31, 2014)	Current fiscal year (March 31, 2015)
Assets		
Current assets		
Cash and deposits	5,359	5,604
Notes receivable	6,455	6,966
Accounts receivable	14,968	15,116
Securities	716	716
Goods and products	6,735	7,240
Work-in-progress	225	231
Raw materials and stored goods	1,005	943
Prepaid expenses	355	317
Deferred tax assets	195	230
Others	2,186	2,413
Allowance for doubtful receivables	(139)	(118)
Total current assets	38,064	39,663
Fixed assets		
Tangible fixed assets		
Buildings	3,715	3,581
Structures	210	206
Machinery and equipment	1,007	1,065
Motor vehicles and transport equipment	24	26
Equipment	250	195
Land	5,937	6,720
Construction in progress	136	650
Others	7	23
Total tangible fixed assets	11,290	12,470
Intangible fixed assets		
Software	560	406
Others	15	12
Total intangible fixed assets	575	418
Investments and other assets		
Investment securities	3,502	4,481
Shares in affiliated companies	1,145	1,145
Affiliated company financing	40	40
Long-term loans receivable	1,248	766
Long-term advance charges	331	180
Deferred tax assets	618	240
Others	1,680	1,469
Allowance for doubtful receivables	(192)	(19)
Total investment and other assets	8,374	8,305
Total fixed assets	20,240	21,194
Total assets	58,304	60,858

(Unit: million yen)

	Previous fiscal year (March 31, 2014)	Current fiscal year (March 31, 2015)
Liabilities		
Current liabilities		
Notes payable	3,139	3,549
Accounts payable	12,127	12,167
Short-term borrowings	300	300
Current portion of long-term borrowings	910	1,600
Arrears	953	929
Accrued expenses	1,370	1,322
Accrued corporation taxes	313	423
Deposits	6,353	7,119
Reserve for bonus payable	309	359
Others	10	13
Total current liabilities	25,788	27,784
Fixed liabilities		
Long-term borrowings	6,800	5,650
Reserve for retirement allowance	2,913	3,045
Asset retirement obligations	54	55
Others	2,040	1,981
Total fixed liabilities	11,808	10,732
Total liabilities	37,596	38,516
Net assets		
Shareholders' equity		
Capital	6,855	6,855
Capital surplus		
Capital reserve	1,789	1,789
Other capital surplus	4,633	4,633
Total capital surplus	6,423	6,423
Earned surplus		
Other earned surplus		
Special reserves	5,000	5,000
Earned surplus carried forward	2,791	3,724
Total earned surplus	7,791	8,724
Treasury stock	(1,115)	(1,118)
Total shareholders' equity	19,954	20,885
Unrealized gain (loss) and equity adjustment from currency translation		
Unrealized gain (loss) on securities	753	1,456
Total unrealized gain (loss) and equity adjustment from currency translation	753	1,456
Total net assets	20,708	22,342
Total liabilities and net assets	58,304	60,858

(2) Statements of profit

(Unit: million yen)

	Previous fiscal year (April 1, 2013 - March 31, 2014)	Current fiscal year (April 1, 2014 - March 31, 2015)
Net sales	54,509	56,034
Cost of sales	38,409	39,006
Gross profit	16,100	17,028
Selling and general administrative expenses	14,865	15,107
Operating profit	1,234	1,921
Non-operating profit		
Interest profit and dividends	179	228
Others	290	379
Total non-operating profit	469	608
Non-operating expenses		
Interest expense	149	148
Others	185	207
Total non-operating expenses	335	355
Ordinary profit	1,369	2,173
Extraordinary profit		
Gain on sale of fixed assets	11	-
Others	1	-
Total extraordinary profit	13	-
Extraordinary loss		
Loss on disposal of fixed assets	59	18
Loss on business restructuring	100	-
Total extraordinary loss	160	18
Net profit before taxes and other adjustments	1,222	2,155
Corporation tax, local inhabitants taxes, and enterprise taxes	401	614
Deferred corporation tax	93	149
Total corporation and other taxes	494	763
Net profit for this term	727	1,391

(3) Statement of changes in shareholders' equity, etc.

Previous fiscal year (April 1, 2013 - March 31, 2014)

(Unit: million yen)

	Shareholders' equity								
	Capital	Capital surplus			Earned surplus			Treasury stock	Total shareholders' equity
		Capital reserve	Other capital surplus	Total capital surplus	Other earned surplus		Total earned surplus		
					Special reserves	Earned surplus carried forward			
Balance at start of current term	6,855	1,789	4,633	6,423	5,000	2,374	7,374	(1,017)	19,636
Cumulative effect due to changes in accounting policies							-		-
Balance at start of term reflecting changes in accounting policies	6,855	1,789	4,633	6,423	5,000	2,374	7,374	(1,017)	19,636
Change during current term									
Distribution of surplus						(311)	(311)		(311)
Net profit for this term						727	727		727
Acquisition of treasury stock								(98)	(98)
Change during current term in items other than shareholders' equity (net)									
Total change during current term	-	-	-	-	-	416	416	(98)	318
Balance at end of current term	6,855	1,789	4,633	6,423	5,000	2,791	7,791	(1,115)	19,954

	Unrealized gain (loss) and equity adjustment from currency translation		Total net assets
	Unrealized gain (loss) on securities	Total unrealized gain (loss) and equity adjustment from currency translation	
Balance at start of current term	613	613	20,249
Cumulative effect due to changes in accounting policies			-
Balance at start of term reflecting changes in accounting policies	613	613	20,249
Change during current term			
Distribution of surplus			(311)
Net profit for this term			727
Acquisition of treasury stock			(98)
Change during current term in items other than shareholders' equity (net)	140	140	140
Total change during current term	140	140	458
Balance at end of current term	753	753	20,708

Current fiscal year (April 1, 2014 - March 31, 2015)

(Unit: million yen)

	Shareholders' equity								
	Capital	Capital surplus			Earned surplus			Treasury stock	Total shareholders' equity
		Capital reserve	Other capital surplus	Total capital surplus	Other earned surplus		Total earned surplus		
					Special reserves	Earned surplus carried forward			
Balance at start of current term	6,855	1,789	4,633	6,423	5,000	2,791	7,791	(1,115)	19,954
Cumulative effect due to changes in accounting policies						(150)	(150)		(150)
Balance at start of term reflecting changes in accounting policies	6,855	1,789	4,633	6,423	5,000	2,641	7,641	(1,115)	19,804
Change during current term									
Distribution of surplus						(308)	(308)		(308)
Net profit for this term						1,391	1,391		1,391
Acquisition of treasury stock								(2)	(2)
Change during current term in items other than shareholders' equity (net)									
Total change during current term	-	-	-	-	-	1,083	1,083	(2)	1,081
Balance at end of current term	6,855	1,789	4,633	6,423	5,000	3,724	8,724	(1,118)	20,885

	Unrealized gain (loss) and equity adjustment from currency translation		Total net assets
	Unrealized gain (loss) on securities	Total unrealized gain (loss) and equity adjustment from currency translation	
Balance at start of current term	753	753	20,708
Cumulative effect due to changes in accounting policies			(150)
Balance at start of term reflecting changes in accounting policies	753	753	20,557
Change during current term			
Distribution of surplus			(308)
Net profit for this term			1,391
Acquisition of treasury stock			(2)
Change during current term in items other than shareholders' equity (net)	703	703	703
Total change during current term	703	703	1,784
Balance at end of current term	1,456	1,456	22,342