

**For the Fiscal Year Ended March 31, 2014**

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**Annual Select<sup>®</sup> 2014**

# **SUN-WA TECHNOS CORPORATION**

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**Fukuoka Building, 2-8-7, Yaesu,  
Chuo-ku, Tokyo 104-0028, Japan**

**(Securities Code: 8137)**

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## **Corporate Profile**

Sun-Wa Technos Corporation is a technology products trading company with a proud history of over 60 years during which it has constantly striven to conduct its business in a manner that fulfills its corporate philosophy of “Serving society by nurturing the human talent to build new companies.” Today, Sun-Wa Technos is the core of a global group that uses its ability to quickly and accurately grasp market trends to respond to customer needs. By providing customers with the latest information, products that create value, and maintenance services that ensure the safe and stable operation of supplied products and by working closely with our suppliers, we will continue to grow our business.

Toward that end, the Sun-Wa Group supplies customers with technology products in three core categories: electrical machinery, electronics, and general machinery. In each category, our product offerings range from components to individual machines, equipment, and entire systems. We also provide full product support, including customized adjustments and after-sales maintenance. Befitting our positioning as a “technology trading company,” our wide range of products and services is provided by an organization that possesses the expertise required in each of our product categories and the adaptability to provide complex solutions across those categories. Leveraging our global network, our marketing efforts also focus on proposing complete solutions for customers.

Going forward, the Sun-Wa Group will continue to supply products to our markets, with customer satisfaction as our highest priority. Leveraging the expertise accumulated over our long history as a technology products trading company, we will constantly endeavor to strengthen our business foundations and ability to contribute to our customers’ success as well as to society as a whole.

## I. Summary of Selected Financial Data (Consolidated)

	62 <sup>nd</sup> fiscal year From April 1, 2009 to March 31, 2010	63 <sup>rd</sup> fiscal year From April 1, 2010 to March 31, 2011	64 <sup>th</sup> fiscal year From April 1, 2011 to March 31, 2012	65 <sup>th</sup> fiscal year From April 1, 2012 to March 31, 2013	66 <sup>th</sup> fiscal year From April 1, 2013 to March 31, 2014
Net sales (Millions of yen)	55,386	85,283	89,706	88,264	101,378
Ordinary income (loss) (Millions of yen)	(107)	2,875	3,403	2,519	3,438
Net income (loss) (Millions of yen)	(409)	1,694	1,975	1,520	2,168
Comprehensive income (Millions of yen)	—	1,593	1,835	2,033	3,368
Net assets (Millions of yen)	9,655	10,992	12,571	14,349	18,654
Total assets (Millions of yen)	36,866	41,254	42,539	47,256	53,698
Net assets per share (Yen)	750.99	855.27	978.57	1,117.07	1,299.29
Net income (loss) per share (Yen)	(31.97)	132.33	154.22	118.71	162.98
Diluted net income per share (Yen)	—	—	—	—	—
Equity ratio (%)	26.1	26.6	29.5	30.3	34.7
Return on equity (ROE) (%)	(4.2)	16.5	16.8	11.3	13.2
Price earnings ratio (PER) (Times)	—	5.4	5.4	6.8	5.3
Net cash provided by (used in) operating activities (Millions of yen)	954	45	1,297	3,652	(1,374)
Net cash provided by (used in) investing activities (Millions of yen)	(65)	(94)	(215)	(110)	(127)
Net cash provided by (used in) financing activities (Millions of yen)	675	(985)	(472)	(415)	769
Cash and cash equivalents at end of period (Millions of yen)	4,236	3,126	3,687	6,949	6,453
Number of employees [Separately, average number of temporary employees] (Persons)	724 [48]	738 [18]	776 [23]	784 [13]	812 [10]

- Notes: 1. Net sales does not include consumption taxes.  
2. Diluted net income per share is not provided since there are no potential shares. Furthermore, there was a net loss per share in the 62nd fiscal year.  
3. Price earnings ratio for the 62nd fiscal year is not provided since there was a net loss per share in that fiscal year.

## II. MESSAGE

### **Strengthening our engineering capabilities and implementing organizational reform to provide high-quality global services**



Sei Yamamoto  
President and Representative Director

#### **To Our Shareholders,**

I would like to preface my comments in this Annual Select by extending my sincerest appreciation to all Sun-Wa Group shareholders for your understanding and constant support of our Group's endeavors.

In the year ended March 31, 2014, the Sun-Wa Group posted record-high results for net sales, ordinary income and net income. Thanks to the hard efforts of all employees, who were the key contributors to the strength and collaboration of our global network and our three departments of electrical machinery, electronics and general machinery, and the support of our business partners, we were able to achieve ¥100 billion consolidated net sales that we were unable to realize in the previous management plan. It was a favorable first-year start to our eighth medium-term management plan (JUMP 1200) currently in deployment.

I am pleased to announce that, in appreciation of our shareholders' constant support, we decided to pay a year-end dividend of ¥12 per share, in addition to the interim dividend of ¥10 per share, bringing the annual dividend to ¥22 per share.

### **Actively expanding a composite business with added engineering capabilities**

Currently our overseas business is seeing signs of recovery in the previously sluggish Chinese market, and the ASEAN market is growing firmly. Our employees are out on the frontline, proactively developing business proposals based on accurate information collection. Since last year, we have opened business offices in Vietnam (Hanoi) and Taiwan (Taichung), and aim to further strengthen sales through locally based sales offices.

Meanwhile in Japan's domestic market, where customers are shifting production of mass-produced items to overseas, we are steadily growing businesses in the robot systems field, aimed at automation and production efficiency improvement in response to Japan's declining birthrate and aging society, as well as the environment and energy field to meet the demand for lower energy and electric power consumption, which has grown since the Great East Japan Earthquake.

In the second year of JUMP 1200, all employees are working toward fulfilling the management plan by strengthening internal control systems to boost our unique sales proposal capabilities and improve business efficiency, and introducing work policies that enable swifter and more accurate provision of products. In particular, we are adding engineering capabilities to our composite business of electric machinery, electronics and general machinery which we are proactively promoting, with the aim of entering into new business fields and improving our value as a technology trading company.

Overseas also, we are building on past achievements in the United States by developing equipment related business that includes demonstrations in Thailand and at the Shanghai Mechatronics Centre as one model for improving our engineering capabilities and developing and strengthening our service framework in the entire Group.

## **Our challenge to reform sales activities to propose functions and application technology**

Our corporate mission is to provide systems with the best hardware and software solutions for all our customers' issues and needs by proposing systems that are comprised of our suppliers' excellent products. However, our future vision is to provide more than just the individual product functions. We wish to reform our sales activities to better contribute to improving production efficiency and product performance for our customers by proposing functions and application technology.

For example, in the environment and energy conservation, medical, food, and infrastructure markets, as well as other growth areas, it is important to consider how to apply technology to make peoples' lives more comfortable such as by finding new applications for robotic technology currently playing a central role in the automotive manufacturing industry. We wish to build a new business pillar that stays abreast of the advancements in these growth markets and propose our own original ideas that utilize component technology possessed by our suppliers. Already, we are receiving positive reception at expositions and the like where we propose actual application examples and usage formats that incorporate a wide range of our suppliers' products.

Moreover, in projects such as photovoltaic power generation, we are bringing together personnel knowledgeable about these technologies and systems to create new sales methods and business models that offer profitable outcomes for our customers.

## **Global-minded efforts to implement organizational reform and interchange personnel**

Meanwhile, aiming to develop an environment conducive for the next-generation younger senior managers to tackle new initiatives, we are implementing organizational reform and interchanging personnel as a response to the changes in the business environment such as introducing three new director positions and optimizing the work duties of each director.

On the sales front, we are responding to the current business environment in which customers spread their production bases throughout the world and businesses are transgressing areas and globalizing. By horizontally transferring engineers and other technical employees, we are building an organizational structure that will provide the same quality of technological service throughout our global operations. We are also strengthening the functions of our sales division to achieve overall optimization of our businesses from a broad perspective by introducing a global manager system to disseminate shared customer-centric information and combining this with our existing area-centric locally based sales.

We also aim to improve our customers' SCM (supply chain management) using global logistics centered at our Hong Kong Logistics Center. Through procurement-agent services and other services designed to improve our customers' business efficiency, we are able to provide services with even further added value and develop this knowhow as our shared business base that can be shared among customers.

In addition to spearheading our ongoing CSR efforts, our administration division will more actively implement the interchange of personnel to strengthen the capabilities of local subsidiaries and build a system that can support sales from a global perspective that includes our nine overseas local subsidiaries.

## **To be a company more highly recognized for its group-wide total capability**

Our human resources comprise the business base of the Sun-Wa Technos Group. In addition to the manufacturer training that we have always provided, our proactive efforts in human resource development includes “third-year-employee go-it-alone” training, one-on-one leader training that implements a development plan to turn novice employees into valuable members of society, and improvement activities (various campaigns) aimed at improving employee motivation.

Looking forward, we will continue to steadily develop our management base to further boost our corporate value based on our corporate precept of “creating the people, building the company, serving the society.” In this way, next year we will begin formulating the next medium-term management plan, which will be led by our next-generation senior managers. Guided by all employees, we will draw up a grand design of how the Sun-Wa Technos Group will be in ten years from now. We shall develop as a company that uses its group-wide total capability to raise its value as a technological trading company and earn long-standing support and recognition from all shareholders.

## Eighth Medium-Term Management Plan (JUMP 1200)

Targeting a giant leap forward for the Sun-Wa Technos Group to consolidated sales of ¥120 billion

### ◆ Managerial Goal

**Consolidated** (Millions of yen)

	66 <sup>th</sup> Fiscal Year (ended March 2014)	67 <sup>th</sup> Fiscal Year (ending March 2015)	68 <sup>th</sup> Fiscal Year (ending March 2016)
Net sales	98,000	110,000	120,000
Operating income	3,100	3,700	4,400
Ordinary income	3,400	4,000	4,700
Net income	2,000	2,500	2,850
Ratio of ordinary income to net sales	3.5%	3.6%	3.9%

We aim to be a truly global company that is active around the world and provides services as a constantly growing technology products trading company.



- ¥120 billion in consolidated sales in the plan's final year (ending March 2016)
- Sustain a ratio of ordinary income to net sales of 3.5 % or more

### ◆ Policy

Further expand business via global expansion

Enhance corporate value via proprietary proposals and technological capabilities

Pursue higher levels of customer satisfaction by being the first to grasp market trends and responding quickly to those changes

Raise profitability by building a leaner, stronger company

Promote adherence to the best CSR practices

### ◆ Priority Measures

Build an organization that will enable us to display to the maximum extent the strength of our integrated electrical machinery, electronics, and general machinery business as well as our overall engineering capabilities

Further expand overseas business, including in emerging countries

Aggressively develop new growth markets with the aim of establishing new businesses

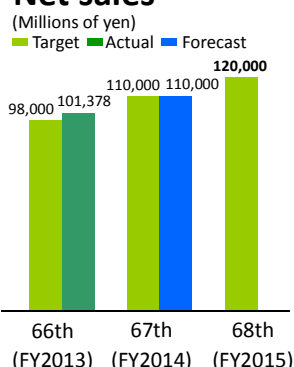
Strengthen and expand our global logistics function

Upgrade the Sun-Wa Group's administrative structure

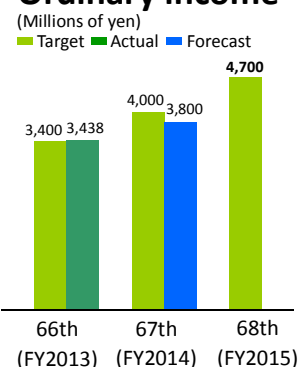
Establish a human resources development system based on our corporate philosophy

### ◆ Progress

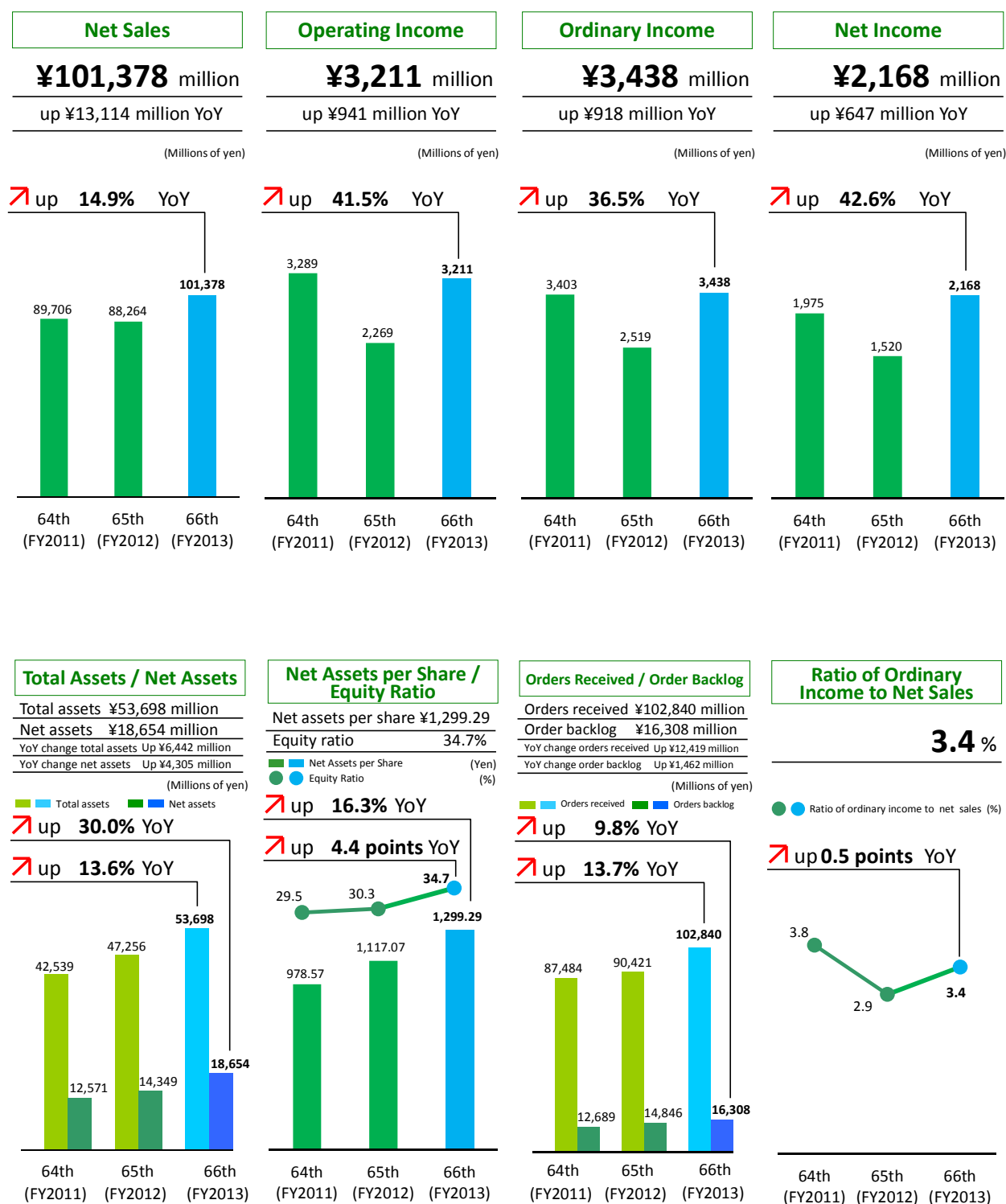
#### Net sales



#### Ordinary income



### III. Financial Highlights



## Financial Highlights

In the fiscal year under review, the Japanese economy followed a track of gradual recovery, benefitting from the government's economic measures and financial measures. However the slump in overseas economic activity due to the impact of the US' curtailment of monetary easing, and uncertainty as to the future outlook of the emerging economies poses the risk of suppressing economic activity in the Japanese economy, leaving Japan's economic outlook uncertain.

In the industrial electronics and mechatronics industries that are serviced by the Sun-Wa Group, signs of recovery were observed in the previously sluggish Chinese market. Moreover with rises in smartphone demand and demand related to new energy sources, the environment is becoming more conducive to receiving orders from the electronic component related and the industrial machinery sectors.

In this environment, the Sun-Wa Group newly started the initiatives of JUMP 1200, its eighth medium-term plan in its first year. As a result, the operating results for the fiscal year under review rose significantly higher than the previous fiscal year and set new record-highs.

## Outlook for the Fiscal Year ending March 31, 2015

In the new fiscal year, we expect economic activity to gradually recovery due to the beneficial effect of the government's economic measures and fiscal measures, despite risks including a reactive lull in demand accompanying a rise in the consumption tax, the impact of the US' curtailment of monetary easing and uncertainty as to the future outlook of the emerging economies. In the semiconductor and the industrial mechatronics sectors that are serviced by the Sun-Wa Group, we expect to maintain gradual growth on the back of capital investment continuing to improve mainly due to booming demand for smartphones and improved corporate earnings.

## Consolidated earnings forecasts for the year ending March 31, 2015

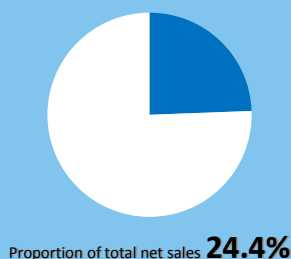
Net sales	¥110,000 million	(up 8.5% year-on-year)
Operating income	¥3,600 million	(up 12.1% year-on-year)
Ordinary income	¥3,800 million	(up 10.5% year-on-year)
Net income	¥2,350 million	(up 8.4% year-on-year)
Net income per share	¥163.68	

Note: Earnings projections are based on information available to the Company as of May 8, 2014. Actual results may differ from the projections presented here due to various factors.



## IV. Business Segment Information

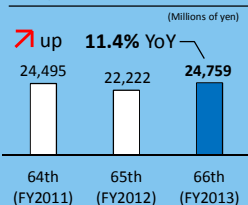
### Electrical Machinery



Net Sales

**¥24,759** million

up ¥2,536 million YoY



The Electrical Machinery Department saw the trend of increasing demand related to new energy sources continue and a sharp increase in sales of control equipment and other equipment for photovoltaic power generation systems. Also, there was a trend of increasing sales of motors and other electrical equipment used in industrial machinery. However, sales of vacuum chamber robots fell back from the previous year due to a drop in demand for EL production equipment.

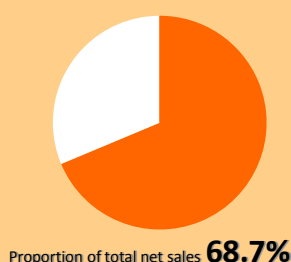


AC servo motors

#### Main Products

AC servo motors, linear motors and various other motors, inverters, machine controllers, machine vision systems, clean room robots and vacuum chamber robots for semiconductor manufacturing devices, power conditioners, power substations and other facility works, etc.

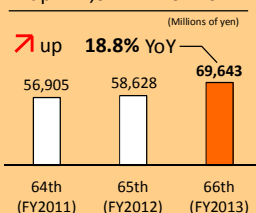
### Electronics



Net Sales

**¥69,643** million

up ¥11,014 million YoY



The Electronics Department saw increases in sales of electronic components used in the machine tool industry, automobile-related equipment, POS systems and vending machines. However, sales of electronic components for infrastructure equipment in mobile phone base stations were lower compared with the previous year.

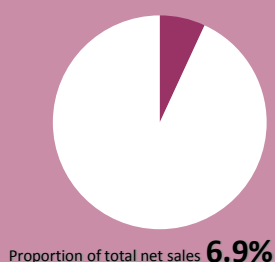


LED light module

#### Main Products

Various electronic components and equipment including power supplies, connectors, semiconductors, sensors, miniature fans, LEDs (Light Emitting Diodes), LCDs (Liquid Crystal Displays), industrial PCs, CPU boards, memory modules, etc.

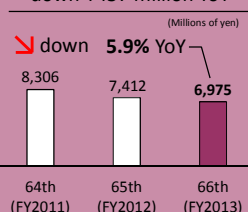
### General Machinery



Net Sales

**¥6,975** million

down ¥437 million YoY



The General Machinery Department's sales were supported by increased capital investment in some sectors such as the automobile industry, and it saw an increase in sales for some equipment, such as robots. Overall, however, capital investment was weak.



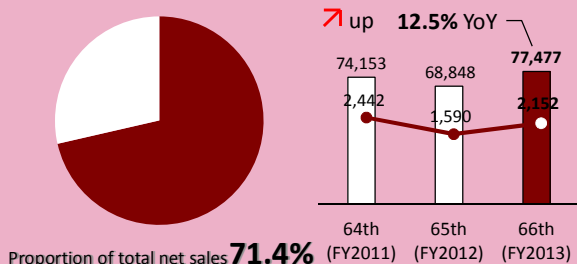
Double arm robot

#### Main Products

Semiconductor-related manufacturing equipment, industrial robots, clean room robots for conveying liquid crystal panels, substrate-related devices, conveying devices for logistics, valve control devices, wind- and hydro-power equipment, air conditioners and kitchen facilities, environmental protection equipment and devices, various inspection devices, medical equipment, etc.

## V. Reportable Segment Information

### Japan

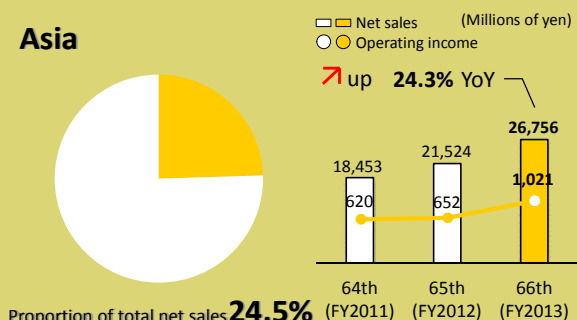


**Net sales ¥77,477 million (up ¥8,629 million YoY)**

**Operating income ¥2,152 million (up ¥562 million YoY)**

In Japan, although capital investment was weak, sales of control equipment for photovoltaic power generation systems in the growing new energy market increased, as did sales of electronic components for sectors such as the machine tools industry, automobile-related industry, and POS systems and vending machine industry.

### Asia

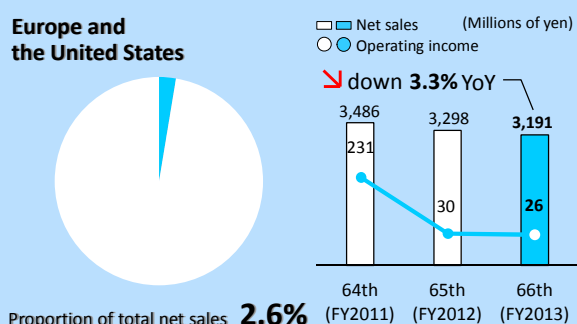


**Net sales ¥26,756 million (up ¥5,232 million YoY)**

**Operating income ¥1,021 million (up ¥368 million YoY)**

In the Asian region, sales of electronic components for PLC, inverters, servo motors and photovoltaic power generation systems increased. Sales of electronic components used in smartphone manufacturing equipment, however, declined temporarily due to inventory adjustments, among other reasons.

### Europe and the United States

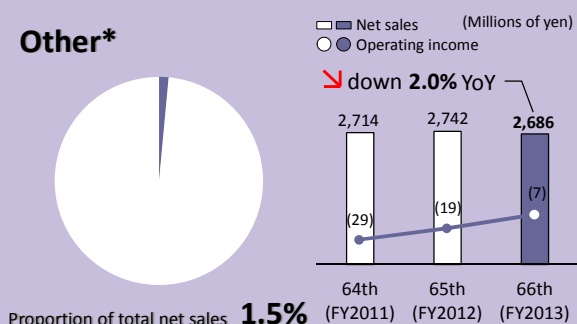


**Net sales ¥3,191 million (down ¥107 million YoY)**

**Operating income ¥26 million (down ¥4 million YoY)**

In Europe and the United States, sales of electronic components used in inverters and servo motors increased, but sales declined for control equipment used in electric power infrastructure as well as for production equipment and machinery.

### Other\*



**Net sales ¥2,686 million (down ¥55 million YoY)**

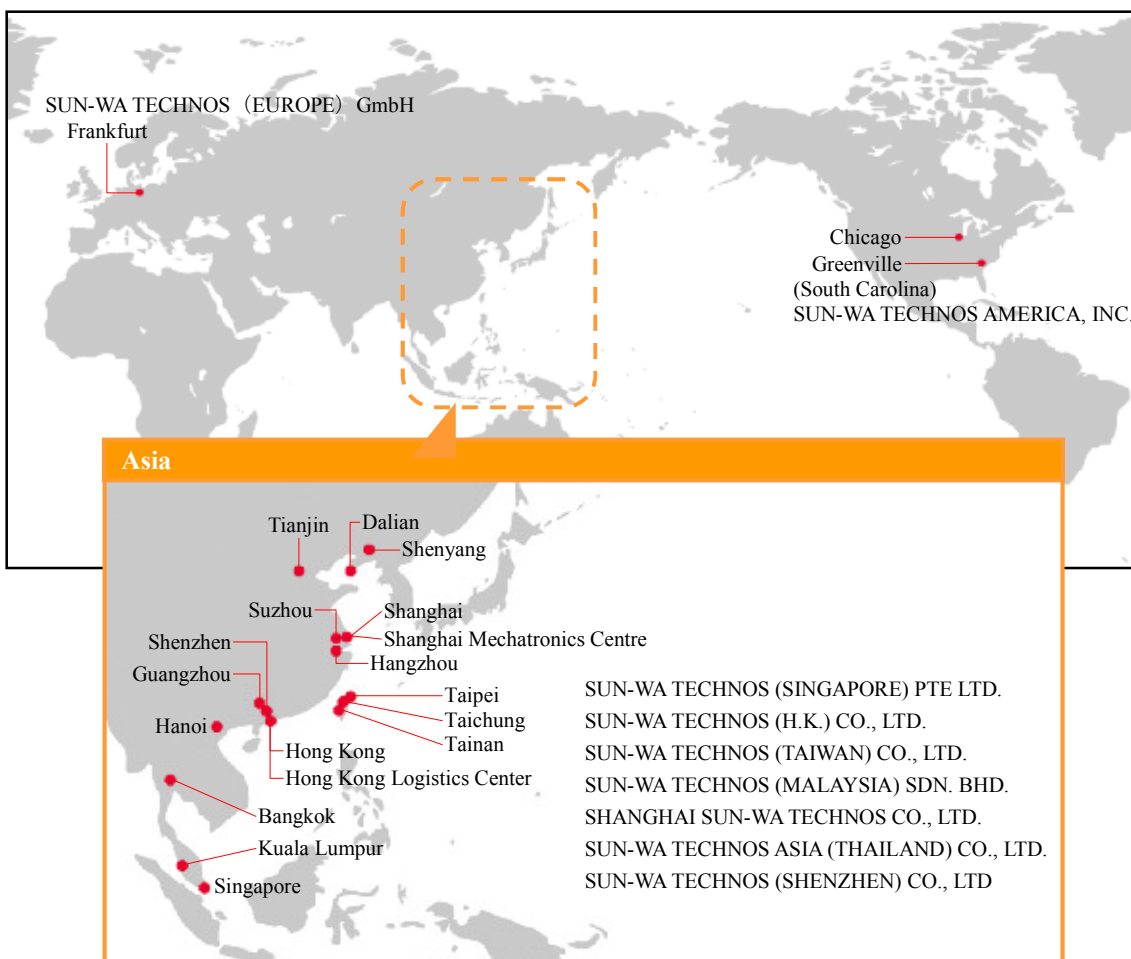
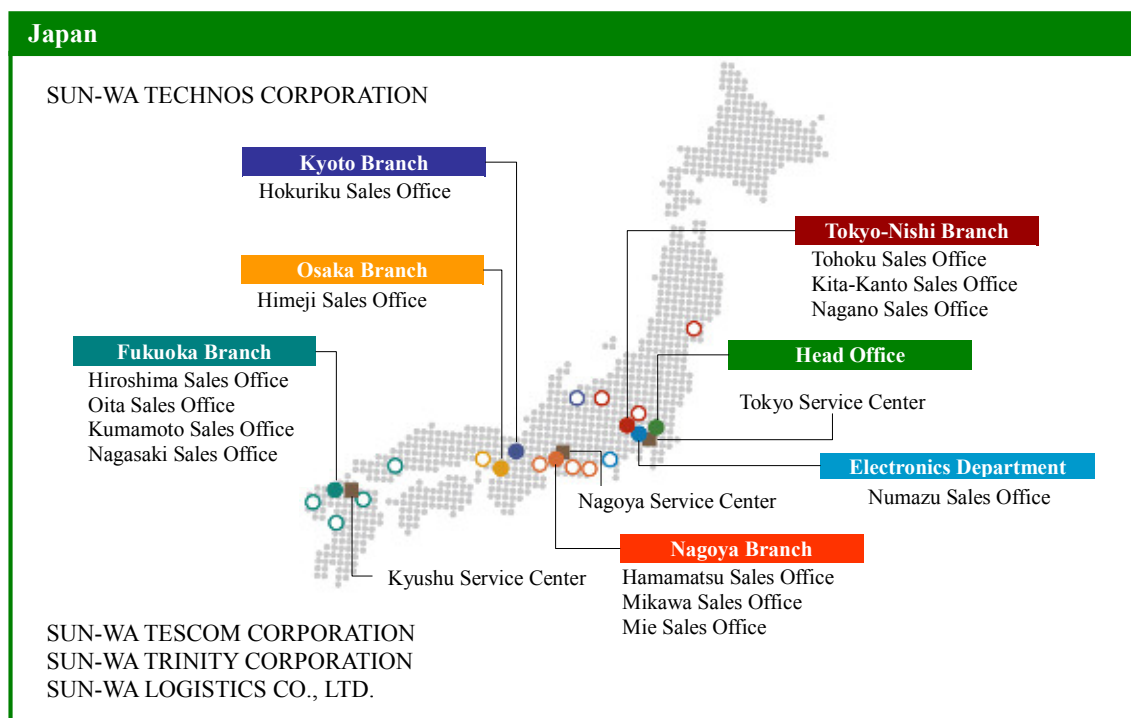
**Operating loss ¥7 million (up ¥11 million YoY)**

\* The "Other" segment includes businesses not included in reportable segments, including the operations of some domestic subsidiaries.

Note 1: Each proportion of total net sales is based on sales to external customers.

Note 2: Regional segment sales shown above include internal sales among segments as well as amounts transferred to other segments.

## VI. Sun-Wa Global Network



For addresses and contact details of each business base above, please refer to the network page of our website below.

<http://www.sunwa.co.jp/eng>

## VII. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014
<b>Assets</b>		
Current assets		
Cash and deposits	7,433	6,937
Notes and accounts receivable - trade	27,866	33,075
Merchandise and finished goods	3,869	4,356
Work in process	56	48
Raw materials and supplies	0	0
Deferred tax assets	232	307
Other	375	691
Allowance for doubtful accounts	(75)	(87)
Total current assets	39,758	45,329
Non-current assets		
Property, plant and equipment		
Buildings and structures	2,551	2,559
Accumulated depreciation	(1,542)	(1,596)
Buildings and structures, net	1,008	963
Land	2,636	2,636
Leased assets	585	573
Accumulated depreciation	(207)	(198)
Leased assets, net	378	375
Other	395	421
Accumulated depreciation	(344)	(358)
Other, net	50	63
Total property, plant and equipment	4,074	4,038
Intangible assets		
Other	42	76
Total intangible assets	42	76
Investments and other assets		
Investment securities	2,625	3,469
Other	847	869
Allowance for doubtful accounts	(92)	(84)
Total investments and other assets	3,381	4,254
Total non-current assets	7,497	8,369
Total assets	47,256	53,698

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	24,784	25,917
Short-term loans payable	1,650	1,328
Current portion of long-term loans payable	600	1,200
Lease obligations	95	122
Income taxes payable	327	921
Accrued expenses	843	977
Other	346	267
Total current liabilities	28,648	30,735
Non-current liabilities		
Long-term loans payable	2,486	2,205
Lease obligations	302	274
Deferred tax liabilities	116	408
Provision for retirement benefits	739	—
Provision for directors' retirement benefits	614	671
Net defined benefit liability	—	749
Total non-current liabilities	4,258	4,309
Total liabilities	32,907	35,044
<b>Net assets</b>		
Shareholders' equity		
Capital stock	1,935	2,553
Capital surplus	1,341	1,958
Retained earnings	10,437	12,350
Treasury shares	(53)	(53)
Total shareholders' equity	13,660	16,807
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	678	1,207
Foreign currency translation adjustment	(31)	639
Total accumulated other comprehensive income	646	1,847
Minority interests	41	—
Total net assets	14,349	18,654
Total liabilities and net assets	47,256	53,698

## (2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

### (Consolidated Statements of Income)

(Millions of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Net sales	88,264	101,378
Cost of sales	77,295	88,697
Gross profit	10,968	12,680
Selling, general and administrative expenses	8,699	9,469
Operating income	2,269	3,211
Non-operating income		
Interest income	3	3
Dividend income	41	47
Purchase discounts	69	55
House rent income	112	107
Other	136	158
Total non-operating income	363	371
Non-operating expenses		
Interest expenses	55	49
Loss on sales of notes payable	0	0
Loss on sales of accounts receivable	34	7
Share issuance cost	—	16
Foreign exchange losses	6	57
Other	17	12
Total non-operating expenses	114	144
Ordinary income	2,519	3,438
Extraordinary income		
Gain on sales of investment securities	—	4
Gain on bargain purchase	—	37
Total extraordinary income	—	41
Extraordinary losses		
Loss on valuation of membership	0	—
Provision of allowance for doubtful accounts	—	1
Total extraordinary losses	0	1
Income before income taxes and minority interests	2,518	3,478
Income taxes - current	966	1,385
Income taxes - deferred	29	(73)
Total income taxes	995	1,311
Income before minority interests	1,523	2,166
Minority interests in income (loss)	2	(1)
Net income	1,520	2,168

**(Consolidated Statements of Comprehensive Income)**

(Millions of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Income before minority interests	1,523	2,166
Other comprehensive income		
Valuation difference on available-for-sale securities	240	530
Foreign currency translation adjustment	269	671
Total other comprehensive income	510	1,201
Comprehensive income	2,033	3,368
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,029	3,368
Comprehensive income attributable to minority interests	3	(0)

### (3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2013

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	1,935	1,341	9,173	(53)	12,396
Changes of items during period					
Dividends of surplus			(256)		(256)
Net income			1,520		1,520
Purchase of treasury shares				(0)	(0)
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	1,264	(0)	1,264
Balance at end of current period	1,935	1,341	10,437	(53)	13,660

	Accumulated other comprehensive income			Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of current period	438	(301)	137	37	12,571
Changes of items during period					
Dividends of surplus					(256)
Net income					1,520
Purchase of treasury shares					(0)
Net changes of items other than shareholders' equity	239	269	509	3	513
Total changes of items during period	239	269	509	3	1,777
Balance at end of current period	678	(31)	646	41	14,349



Fiscal year ended March 31, 2014

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	1,935	1,341	10,437	(53)	13,660
Changes of items during period					
Issuance of new shares	618	616			1,234
Dividends of surplus			(256)		(256)
Net income			2,168		2,168
Purchase of treasury shares				(0)	(0)
Net changes of items other than shareholders' equity					
Total changes of items during period	618	616	1,912	(0)	3,146
Balance at end of current period	2,553	1,958	12,350	(53)	16,807

	Accumulated other comprehensive income			Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of current period	678	(31)	646	41	14,349
Changes of items during period					
Issuance of new shares					1,234
Dividends of surplus					(256)
Net income					2,168
Purchase of treasury shares					(0)
Net changes of items other than shareholders' equity	528	671	1,200	(41)	1,158
Total changes of items during period	528	671	1,200	(41)	4,305
Balance at end of current period	1,207	639	1,847	–	18,654

#### (4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Cash flows from operating activities		
Income before income taxes and minority interests	2,518	3,478
Depreciation	167	205
Gain on bargain purchase	—	(37)
Increase (decrease) in provision for retirement benefits	110	(739)
Increase (decrease) in allowance for doubtful accounts	61	4
Increase (decrease) in net defined benefit liability	—	749
Interest and dividend income	(44)	(50)
Interest expenses	55	49
Foreign exchange losses (gains)	66	46
Loss (gain) on sales of investment securities	—	(4)
Decrease (increase) in notes and accounts receivable - trade	(375)	(4,259)
Decrease (increase) in inventories	219	(84)
Decrease (increase) in other assets	(71)	(279)
Increase (decrease) in notes and accounts payable - trade	2,244	273
Increase (decrease) in accrued consumption taxes	(65)	2
Increase (decrease) in other liabilities	71	19
Other, net	(2)	65
Subtotal	4,955	(560)
Interest and dividend income received	45	50
Interest expenses paid	(56)	(49)
Income taxes paid	(1,292)	(814)
Net cash provided by (used in) operating activities	3,652	(1,374)
Cash flows from investing activities		
Purchase of property, plant and equipment	(33)	(36)
Purchase of investment securities	(29)	(31)
Proceeds from sales of investment securities	—	12
Other, net	(47)	(72)
Net cash provided by (used in) investing activities	(110)	(127)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(173)	(394)
Proceeds from long-term loans payable	1,286	900
Repayments of long-term loans payable	(1,200)	(600)
Repayments of lease obligations	(71)	(114)
Proceeds from issuance of common shares	—	1,234
Purchase of treasury shares	(0)	(0)
Cash dividends paid	(256)	(256)
Net cash provided by (used in) financing activities	(415)	769
Effect of exchange rate change on cash and cash equivalents	135	236
Net increase (decrease) in cash and cash equivalents	3,262	(496)
Cash and cash equivalents at beginning of period	3,687	6,949
Cash and cash equivalents at end of period	6,949	6,453

## VIII. Corporate Data

### Company Information (as of March 31, 2014)

Trade name:	SUN-WA TECHNOS CORPORATION
Established:	November 4, 1949
Business year:	From April 1 to March 31 of the following year
Paid-in capital:	2,553 million yen
Number of employees:	812 (consolidated)
Head office:	Fukuoka Building, 2-8-7, Yaesu, Chuo-ku, Tokyo 104-0028, Japan
Telephone:	+81-3-5202-4011
Consolidated subsidiaries:	SUN-WA TESCOM CORPORATION SUN-WA TRINITY CORPORATION SUN-WA LOGISTICS CO., LTD. SUN-WA TECHNOS (SINGAPORE) PTE LTD. SUN-WA TECHNOS (H.K.) CO., LTD. SUN-WA TECHNOS (EUROPE) GmbH SUN-WA TECHNOS AMERICA, INC. SUN-WA TECHNOS (TAIWAN) CO., LTD. SUN-WA TECHNOS (MALAYSIA) SDN. BHD. SHANGHAI SUN-WA TECHNOS CO., LTD. SUN-WA TECHNOS ASIA (THAILAND) CO., LTD. SUN-WA TECHNOS (SHENZHEN) CO., LTD.
URL:	<a href="http://www.sunwa.co.jp/eng">http://www.sunwa.co.jp/eng</a>

### Directors and Corporate Auditors (as of June 26, 2014)

Chairman and Representative Director	Masujiro Yamada
President and Representative Director	Sei Yamamoto
Senior Managing Director	Hiroyuki Tanaka
Managing Director	Hitoshi Fukuda
Managing Director	Masanori Igarashi
Managing Director	Shoichiro Mine
Director	Toshihiko Makino
Director	Kazuya Hanayama
Director	Shinya Murakami
Director	Kiyoshi Goto
Director	Yaeko Tanaka
Standing Corporate Auditor	Shigeru Aoyagi
(Outside) Corporate Auditor	Isao Ishikawa
(Outside) Corporate Auditor	Hajime Yasukuni
(Outside) Corporate Auditor	Jun Kobayashi

### Stock Information (as of March 31, 2014)

Stock exchange listing:	Tokyo Stock Exchange, 1st Section (Code: 8137)
Listing date:	May 19, 1982
Total number of shares authorized:	33,380,000 shares
Total number of shares issued:	14,438,000 shares
Number of shareholders:	3,587
Major (top 10) shareholders:	

Shareholder name	Number of shares held (Thousands)	Share-holding ratio (%)
YASKAWA Electric Corporation	797	5.55
The Dai-ichi Life Insurance Company, Limited	729	5.08
Resona Bank, Limited	545	3.79
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	545	3.79
Origin Electric Co., Ltd.	498	3.46
Okuma Corporation	435	3.03
Sompo Japan Insurance Inc.	396	2.75
Masujiro Yamada	392	2.73
JPMCC CLIENT SAFEKEEPING ACCOUNT	377	2.63
OMRON Corporation	355	2.47

\*Note: Share-holding ratio is calculated after deducting the treasury shares (80,570 shares).