In the fiscal year under review, the Japanese economy was affected by a reactionary decline from the last-minute demand accompanying the consumption tax hike and in certain emerging economies, such as Thailand and Brazil, where economic growth was slowing. Sales volumes increased in the U.S. thanks to buoyant personal consumption, in China where motorization made progress due to rising incomes, and in Europe due to the continuing economic recovery. As a result, worldwide auto sales volumes increased from the previous year.

In these circumstances, we worked to ensure quality throughout the Group, reinforce manufacturing globally, develop next-generation products, establish a strong earnings base, and strengthen the Group’s global sites. As specific initiatives, for quality and manufacturing, we focused on building quality in processes and preparation for production at our global sites and at suppliers in order to smoothly ramp up production of products for our customer’s global strategic model whose production is expected to continue growing at a modest pace.

With regard to the world economy, the pace of growth in emerging economies will likely slow in view of China’s excess production capacity and Brazil’s light fiscal and monetary policies. On the other hand, in the U.S., personal consumption remained robust, and the Japanese economy is expected to recover owing to improvement of household incomes through wage increases and expansion of employment as corporate earnings improve. Recovery of the economy in Europe is expected to continue, supported by large-scale quantitative easing. Therefore, the world economy is expected to continue growing at a modest pace.

In automotive, although auto sales volumes were lower than the previous year in Japan due to the reactionary decline from the last-minute demand accompanying the consumption tax hike and in certain emerging economies, the Company established a strong earnings base.

Review of Operations

In the fiscal year under review, the Japanese economy was affected by a reactionary decline from the last-minute demand accompanying the consumption tax hike and in certain emerging economies, such as China, Thailand, and Brazil, slowing in the U.S., personal consumption was robust, while in Europe, the economy continued to recover. As such, the world economy maintained moderate growth, despite results to the contrary tax year.

In the automotive industry, although auto sales volumes were lower than the previous year in Japan due to the reactionary decline from the last-minute demand accompanying the consumption tax hike and in certain emerging economies, such as China, India, and the Philippines, we strengthened the production structure and expanded product capabilities to enhance competitiveness through these initiatives, we pursued establishment of a strong earnings base.

Regarding new product development, we received commendations from customers for the development of Japan’s first touchpad remote control device for vehicles, which is adopted for Lexus NX and RC of Toyota Motor Corporation and enhances product attractiveness in the electronics business. With regards to strengthening of global sites, with the start of operation of a new factory at our subsidiary, in order to strengthen software development subsidiaries in Japan, India, and the Philippines, we strengthened our production structure and expanded product capabilities to enhance competitiveness through these initiatives, we pursued establishment of a strong earnings base.

Challenge and Opportunities

With regard to the world economy, the pace of growth in emerging economies will likely slow in view of China’s excess production capacity and Brazil’s light fiscal and monetary policies. On the other hand, in the U.S., personal consumption remained robust, and the Japanese economy is expected to recover owing to improvement of household incomes through wage increases and expansion of employment as corporate earnings improve. Recovery of the economy in Europe is expected to continue, supported by large-scale quantitative easing. Therefore, the world economy is expected to continue growing at a modest pace.

In these endeavors, we request our shareholders to favor us with their continued support and guidance.
Net sales decreased 9,715 million yen (3.4%) year on year to 278,782 million yen. Operating income decreased 2,458 million yen (14.3%) to 14,772 million yen owing to a decrease in sales despite rationalization efforts and the impact of a weaker yen.

Net sales increased 6,561 million yen (7.1%) year on year to 99,589 million yen. Operating income decreased 1 million yen (0.0%) to 9,138 million yen owing to the adverse impact of a decrease in facility utilization in China and Thailand.

Net sales rose 20,197 million yen (23.2%) year on year to 107,143 million yen. Operating income increased 3,601 million yen (135.1%) to 6,265 million yen owing to increased sales.

Net sales rose 1,906 million yen (7.3%) year on year to 28,089 million yen. Operating income increased 556 million yen (48.7%) to 1,697 million yen mainly as a result of increased sales.

Results by Geographical Region

Japan
Composition of Net Sales
54.2%

Asia
Composition of Net Sales
19.4%

North America
Composition of Net Sales
20.9%

Europe and elsewhere
Composition of Net Sales
5.5%

*Net sales include intersegment sales.
Precise operability accurately conveying the drivers’ commands, simplicity, and functional elegance are the hallmarks of our products. Our safety devices include seatbelts to protect drivers and passengers in the event of collision, stylish steering wheels optimized for excellent handling, and mirrors that enhance visibility.

We offer products for function control and status detection as well as various types of connectors in response to the ongoing computerization of automobile controls. Applying technologies originally employed in automotive applications, we offer convenient products meeting today’s housing-security needs.

Sophisticated mechanical and electronic anti-theft functions ensure both security and ease of use.

New Factory of Filipino Subsidiary TRP Starts Operation

In February 2015, TRP, Inc., our subsidiary in Laguna, the Philippines, held a ceremony inaugurating its new factory. TRP, a manufacturer of switches, which is our mainstay product, will celebrate its 20th anniversary this year. The new factory is TRP’s fourth expansion project and it is expected to increase TRP’s production capacity by 30%. TRP will help meet the expected increase in demand for parts for the Tokai Rika Group companies in ASEAN and elsewhere.

Moreover, the Company received the best partner award from Suzuki Motor Corporation, which is an award for suppliers that contributed throughout the year, and a transaction performance superior award from Mazda Motor Corporation. Recently, overseas subsidiaries received seven commendations from local customers, and our technological capabilities and manufacturing capabilities in diverse fields are highly evaluated by our customers.

New Company to be Established in Mexico

In April 2015, Tokai Rika decided to establish a new company in Nuevo Leon, Mexico. The name of new company is TOKAI RIIKA MEXICO, S.A. DE C.V. (TRMX) and it will be our first base in Mexico. TRMX will produce Tokai Rika’s principal products, such as switches, key sets and seatbelts, and preparation is underway for the start of operation in fall 2016. Our aim is to strengthen our business foundation in North America where the market is expected to show sustained growth.

In addition, hologram wood-grain pattern, a new decorative technology for steering wheels adopted for the new models ALPHARD and VELLFIRE produced at Toyota Auto Body Co., Ltd., received a project commendation (CE special mention) and a metallic door mirror visor using the indium evaporation method, which was adopted for Aqua produced at Toyota Motor East Japan, Inc., received a technology development award (parts category).

Highly Evaluated by Customers in Diverse Fields

At the global supplier conference of Toyota Motor Corporation in February 2015, Tokai Rika received the Toyota New Global Architecture (TNGA) Promotion Superior Award, which is part of Toyota’s initiatives to create ever-better cars. The Company’s contribution to promotion of TNGA initiatives through the development of an automatic transmission shift lever was recognized.

We are a source of vehicle décor with design flair. These products allow owners to enhance the appeal of their vehicles through customization.
### Consolidated Balance Sheets (Yen millions)

<table>
<thead>
<tr>
<th></th>
<th>As of March 31, 2015</th>
<th>As of March 31, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>56,385</td>
<td>68,110</td>
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<tr>
<td>Other electronically recorded monetary claims (operating)</td>
<td>17,386</td>
<td>419</td>
</tr>
<tr>
<td>Notes and accounts payable</td>
<td>22,856</td>
<td>22,856</td>
</tr>
<tr>
<td>Common stock</td>
<td>22,856</td>
<td>22,856</td>
</tr>
<tr>
<td>Treasury stock at cost</td>
<td>2,615</td>
<td>2,615</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>2,615</td>
<td>2,615</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>110,566</td>
<td>114,666</td>
</tr>
<tr>
<td>Notes and accounts payable</td>
<td>40,407</td>
<td>39,018</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td>239,216</td>
<td>206,667</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND NET ASSETS</strong></td>
<td>375,195</td>
<td>338,935</td>
</tr>
</tbody>
</table>

### Consolidated Financial Statements

#### Stock Information/Dividends

- **Total number of shares**
  - Number of shares authorized to be issued: 200,000,000
  - Number of shares issued and outstanding: 94,234,171
  - Number of shareholders: 6,521

#### Major Shareholders (Top 10)

- **Toyota Motor Corporation**
  - Number of shares: 29,367
  - Percentage of total shares: 32.28%

##### Composition of Shareholders by Shareholder Type

- **Individuals**: 9.8%
- **Corporations in Japan**: 45.0%
- **Foreign entities**: 26.6%
- **Financial institutions**: 14.4%

##### Cash Dividends

- **Year-end cash dividend**: 33 yen per share
- **Effective date for year-end dividend (payment commencement date)**: June 11, 2015

At the 68th annual general meeting of shareholders held on June 10, 2015, The Company’s proposal to pay the year-end dividend to shareholders on the record date of March 31, 2015, was approved.
Global Network

Tokai Rika is establishing globally standardized business processes in a manufacturing system consistent from development through to production and quality assurance.

Corporate overview

Company name: TOKAI RIKA CO., LTD.

Establishment: August 30, 1948

Paid-in capital: 22.8 billion yen

Number of employees: 17,348 (consolidated) 6,051 (non-consolidated)

Head office: 3-260 Toyota, Oguchi-cho, Naka-gun, Aichi 480-0195, Japan
Tel: +81-587-96-5211

Consolidated subsidiaries: 35

Affiliates accounted for by the equity method: 5

Executive Management

*President Kenji Miura
Senior Managing Director Kouji Buma

Executive Vice President Yoshihiro Obayashi
Managing Director Koki Sato

Executive Vice President Tadashi Wakiya
Managing Director Yoshitaka Tanaka

Senior Managing Director Tadanari Hamamoto
Managing Director Kazuhiro Naguchi

Senior Managing Director Kansuke Kawaguchi
Managing Director Tohru Yamamoto

Senior Managing Director Hiroyuki Nakamura
Director Yasushi Yamakawa

Senior Managing Director Masaharu Tanino

Audit & Supervisory Board Member Mikihiko Morii
Audit & Supervisory Board Member Kyoto Inaba

Audit & Supervisory Board Member Masakazu Goto
Audit & Supervisory Board Member Takahiko Ijichi

Corporate Officer (with Senior Managing Director status) Mikio Kato
Corporate Officer Kiyumasa Hayashi

Corporate Officer Shigeru Hayashi
Corporate Officer Koki Imaeda

Corporate Officer Isaki Sugihara
Corporate Officer Masami Nagaya

Corporate Officer Kazuhiro Ikai
Corporate Officer Masato Hotta

Corporate Officer Toshiki Nogami
Corporate Officer Hoshin Nishida

Corporate Officer Toshiki Akita
Corporate Officer Yaujika Watanabe

Note: Persons marked with an asterisk (*) are representative directors.
### Shareholder Information

<table>
<thead>
<tr>
<th>Business year</th>
<th>From April 1 to March 31 of the following year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual general meeting of shareholders</td>
<td>June</td>
</tr>
</tbody>
</table>
| Record date for distribution of surplus | Year-end dividend: March 31  
Interim dividend: September 30 |
| Number of shares constituting one unit of stock | 100 shares |
| Stock code | 6995 |
| Transfer agent | Sumitomo Mitsui Trust Bank, Ltd.  
1-4-1 Marunouchi, Chiyoda-ku, Tokyo |
| Agency administration office | Stock Transfer Agent Department, Sumitomo Mitsui Trust Bank, Ltd.  
3-15-33 Sakae, Naka-ku, Nagoya  
2-8-4 Izumi, Suginami-ku, Tokyo 168-0063  
Tel: 0120-782-031 (toll free in Japan) |
| For inquiry/postal address | Stock Transfer Agent Department, Sumitomo Mitsui Trust Bank, Ltd.  
2-8-4 Izumi, Suginami-ku, Tokyo 168-0063  
Tel: 0120-782-031 (toll free in Japan)  
Website:  
http://www.smtb.jp/personal/agency/index.html |
| Listing stock exchanges | Tokyo Stock Exchange, Nagoya Stock Exchange |
| Method of public notice | Electronic public notice at http://www.tokai-rika.co.jp/  
If electronic public notice is unavailable, the Company shall post a public notice in the Nihon Keizai Shimbun. |

### Notice

1. **Receipt of uncollected dividends**  
   Please contact the transfer agent Sumitomo Mitsui Trust Bank, Ltd.  
   Please note that under the Articles of Incorporation of the Company, the Company is not obliged to pay dividends that are unclaimed for three full years from the date on which they first became payable. You are requested to collect your dividends at your earliest convenience.

2. **Address change, purchase and sale of shares constituting less than one trading unit, and specification of the method of receiving dividends**  
   Please contact the securities firm with which you have your securities account. If you have a special account, please contact Sumitomo Mitsui Trust Bank, Ltd., which is the agent for managing special accounts.

3. **Dividend Statement**  
   A dividend statement sent by the Company to shareholders upon payment of dividends also serves as the payment advice pursuant to the Act on Special Measures concerning Taxation. It may be used as evidence when filing a final tax return.  
   *Please retain the dividend statement for your final tax return.*

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Visit Our Website

The Tokai Rika Website provides a range of information on the Company. Public notices are also posted on the website. We encourage you to visit us online.

http://www.tokai-rika.co.jp/