For the Fiscal Year Ended March 31, 2013

Annual Select® 2013

TOKYO KEIKI INC.

2-16-46 Minami-Kamata, Ohta-ku, Tokyo

(Securities Code: 7721)

+81-3-3732-2111

Corporate Profile

Established in 1896 as Japan's first manufacturer of measuring instruments, TOKYO KEIKI INC. (the "Company") had its start as a producer of pressure gauges. For 117 years, we have embraced the themes of world-class technology, quality that responds to the expectations of our customers and creation of new value in the development and manufacture of numerous new products that are reflective of the times and dramatic advances in technology.

TOKYO KEIKI INC. is organized into five companies. The Marine Systems Company provides products to the marine market. The Measurement Systems Company provides products to the fluid measurement market. The Fluid Power & Control Systems Company provides products to the hydraulics and pneumatics market for industrial and mobile applications. It also designs and manufactures RFID systems equipment and dynamically reconfigurable processors for various commercial applications. With a primary focus on the defense market, the Electronics Systems Company manufactures systems that meet demand for advanced avionics and navigational equipment as well as maritime traffic systems that enhance safety and efficiencies, both critical functions in offshore transportation management. It also provides microwave devices that are the core components of commercial wireless communication equipment, helicopter broadcast systems that optimize television relay circuits, measurement control equipment for road and tunnel construction, and inertial sensors used in antenna stabilization systems on fast moving ground vehicles and aircraft. The Inspection Systems Company manufactures and supplies inspection systems for printing equipment.

I. Summary of Selected Financial Data (Consolidated)

	78th fiscal year From April 1, 2008 to March 31, 2009	79th fiscal year From April 1, 2009 to March 31, 2010	80th fiscal year From April 1, 2010 to March 31, 2011	81st fiscal year From April 1, 2011 to March 31, 2012	82nd fiscal year From April 1, 2012 to March 31, 2013
Net sales (Million yen)	45,546	39,243	37,247	41,055	40,217
Ordinary income (Million yen)	1,423	1,082	476	2,190	1,944
Net income (loss) (Million yen)	417	573	(898)	1,314	1,360
Comprehensive income (Million yen)	–	–	(1,070)	1,367	1,581
Net assets (Million yen)	19,737	20,385	19,055	19,997	21,319
Total assets (Million yen)	49,672	47,778	45,166	45,986	47,314
Net assets per share (Yen)	229.27	236.61	220.79	235.19	251.21
Net income (loss) per share (Yen)	4.89	6.73	(10.54)	15.58	16.20
Fully diluted net income per share (Yen)	–	–	–	–	–
Equity ratio (%)	39.34	42.21	41.66	42.92	44.56
Return on equity (ROE) (%)	2.09	2.89	(4.61)	6.82	6.66
Price earnings ratio (PER) (Times)	21.1	18.0	–	11.7	11.5
Net cash provided by (used in) operating activities (Million yen)	2,651	3,797	705	(108)	2,110
Net cash provided by (used in) investing activities (Million yen)	(815)	(527)	(390)	(263)	(679)
Net cash provided by (used in) financing activities (Million yen)	4,120	(2,227)	(1,796)	(1,300)	352
Cash and cash equivalents at end of period (Million yen)	10,832	11,876	10,387	8,713	10,515
Number of employees [Separately, average number of temporary employees] (Persons)	1,400 [336]	1,409 [320]	1,372 [350]	1,364 [362]	1,371 [364]

Notes: 1. Net sales do not include consumption taxes.

2. Fully diluted net income per share for the 78th, the 79th, the 81st, and the 82nd fiscal years is not described because no dilutive shares exist.

   Fully diluted net income per share for the 80th fiscal year is not described since the Company posted net loss per share, and no dilutive shares exist.

3. Price earnings ratio for the 80th fiscal year is not described since the Company posted net loss.

(Source: Annual Securities Report)

II. To Our Stakeholders

Kenichi WAKI
President & CEO

I would like to preface my comments in this annual select by extending my sincerest appreciation for your patronage of TOKYO KEIKI.

In fiscal 2012 (ended March 31, 2013), conditions in the Japanese economy remained challenging due to declining exports and production caused by a slowdown in the global economy and the persistently strong yen. However, after the new government came to power, the economy showed signs of recovery, with the yen weakening and stock markets rising on expectations associated with the government's economic policies, known as "Abenomics."

Against this backdrop, consolidated net sales for the fiscal year under review declined ¥0.84 billion (down 2.0%) year on year to ¥40.2 billion. Sales in the Fluid Measurement Equipment Business were supported by firm public sector demand in Japan, while sales in the Defense and Communications Equipment Business were strong, with increased orders of ship-related instruments in the defense market and other factors offsetting the impact of deferred deliveries of equipment for F-15 upgrades and the discontinuance of PHS base station equipment deliveries. However, sales in the Marine Systems Business were impacted by weak commercial ship markets both in Japan and overseas, while sales in the Hydraulics and Pneumatics Business were affected by the weak machine tool market and poor demand from overseas. Regarding consolidated profits, operating income declined ¥0.21 billion (down 10.2%) year on year to ¥1.83 billion and ordinary income dropped ¥0.25 billion (down 11.3%) to ¥1.94 billion. This reflected the decline in sales and an increase in selling, general and administrative expenses, which outweighed a slight improvement in the cost of sales. Net income increased ¥0.05 billion (up 3.5%) year on year to ¥1.36 billion due to a drop in income taxes–deferred.

Net cash provided by operating activities totaled ¥2.11 billion, compared with net cash used of ¥0.11 billion in the previous fiscal year. This mainly reflected income before income taxes and minority interests of ¥1.92 billion, depreciation and amortization of ¥0.78 billion, decrease in notes and accounts receivable–trade of ¥1.20 billion, decrease in notes and accounts payable–trade of ¥0.67 billion, decrease in provision for retirement benefits of ¥0.52 billion, increase in inventories of ¥0.34 billion, and income taxes paid of ¥0.43 billion. Cash and cash equivalents at the end of the fiscal year under review totaled ¥10.51 billion, an increase of ¥1.80 billion compared with the end of the previous fiscal year. The main factors behind the increase were net cash provided by operating activities of ¥2.11 billion, net cash used in investing activities of ¥0.68 billion, mainly due to the purchase of noncurrent assets, and net cash provided by financing activities of ¥0.35 billion, reflecting proceeds from long-term loans payable, repayment of long-term loans payable, and cash dividends paid.

Shareholders' equity increased ¥1.34 billion (up 6.8%) compared with the end of the previous fiscal year to ¥21.08 billion, due to a rise in retained earnings of ¥1.11 billion, while total assets increased only ¥1.33 billion (up 2.9%) from the end of the previous fiscal year. As a result, the equity ratio improved about 1.6 percentage points, from 42.9% to 44.6%. The debt-to-equity ratio was essentially unchanged from the level in the previous fiscal year (0.61 times). Although shareholders' equity rose due to the increase in retained earnings, this was offset by an increase in loans of ¥0.69 billion (up 5.7%) compared with the end of the previous fiscal year.

The Company has ten consolidated subsidiaries. In the fiscal year under review, TOKYO KEIKI TECHNOPORT INC. reported strong results on the back of higher sales of fire extinguishing system valve parts and inspection services. Meanwhile, sales from TOKYO KEIKI POWER SYSTEMS INC. and TOKYO KEIKI RAIL TECHNO INC. were weak, reflecting a decline in new demand for hatch cover systems and delays to new orders for rail flaw detection vehicles, respectively. In October 2012, the Company established wholly owned subsidiary TOKYO KEIKI PRECISION TECHNOLOGY CO., LTD. in Da Nang City in the Socialist Republic of Vietnam. This move is aimed at improving the Company's international price competitiveness and at creating a more dispersed global operating framework to mitigate procurement and supply risks. One of the key goals of our growth strategy is to become a more global company. As part of these efforts, in the current fiscal year (fiscal 2013), we began production of solenoid valves for the global market, mainly targeting customers in Asia. Sales are primarily being handled by our Fluid Power & Control Systems Company, which has already started work on expanding sales.

In the Japanese economy in fiscal 2013, conditions in foreign exchange and equities markets have become very unstable, with the yen rising and share prices fluctuating sharply. Against this backdrop, the government has announced an outline of its growth strategy, also called the "third arrow" of Abenomics. This growth strategy is expected to stimulate corporate capital investment in Japan, helping to generate new demand. However, with the government yet to implement measures to reduce corporate taxes and deregulate the labor market, Japan is unlikely to see an immediate improvement in its competitive position as an attractive business location, leading to lingering concerns about prospects for a self-sustaining recovery and regeneration. The risk of a slowdown in the global economy also persists, with recovery in Europe sluggish, the upturn in the U.S. lacking strength, and the pace of recovery slowing in China.

Amid these uncertain economic conditions, we are forecasting fiscal 2013 consolidated net sales of ¥46.5 billion, an increase of ¥6.28 billion (up 15.6%) from the fiscal year under review, with growth mainly coming from the Defense and Communications Equipment Business, Hydraulics and Pneumatics Business, and Fluid Measurement Equipment Business. We also project growth, albeit modest, in consolidated profits. We forecast operating income of ¥2.18 billion, up ¥0.35 billion (up 19.2%) year on year, ordinary income of ¥2.15 billion, up ¥0.21 billion (up 10.6%), and net income of ¥1.40 billion, up ¥0.04 billion (up 2.9%).

To achieve these goals, we will continue to focus on "strengthening existing businesses" by improving efficiency and shifting to high value-added products and services, while also further improving our crisis management capabilities to prepare for any eventuality. However, there are limits to the profits and funds that can be generated solely by "strengthening existing businesses," even by actively improving efficiency and shifting to higher value. We would not be able to make upfront investments and raise the satisfaction of all our stakeholders without generating a higher level of profits and funds. With this in mind, in April 2013 we introduced a company-based system with a view to responding to far-reaching changes in the external environment and overcoming increasingly intense global competition. The transformation to a more autonomous and efficient company-based structure will speed up business management, enabling timely and appropriate resource investments in people, goods and money. Each company's closer proximity to their markets and customers will also promote faster decision making and enhance flexibility in responses. While striving to firmly establish this new company-based system, we will enhance our international competitiveness by further consolidating our unified control system that encompasses development, manufacturing, sales and services, by developing a more global workforce and by reinforcing the Group's organizational strength. While avoiding prioritizing sales above all else, we will still pursue sales, a driving force of employment, as a means to expand earnings. Specifically, we will implement the "company-wide strategy," which includes launching new products, expanding markets, developing new customers, strengthening sales channels, upgrading our service support network, and reducing manufacturing costs. At the same time, we will step up our "second stage growth strategies," centered on "promoting globalization" and "expanding business areas", and our "individual strategies" for each business.

"Second stage growth strategies"

"Promoting globalization": Although we expect domestic demand to improve temporarily in the public sector due to the emergency economic stimulus package, there are concerns that underlying demand will contract going forward. Consequently, we plan to increase the Group's overseas sales ratio in businesses such as hydraulics and pneumatics, fluid measurement equipment, and communications equipment, centered on emerging markets. Although growth in these markets has slowed recently, we see potential for sustained growth over the medium- and long-term.

"Expanding business areas": The Abe government's growth strategy will not necessarily lead to a positive cycle of growth in the real economy. Consequently, rather than waiting aimlessly for a recovery in the economy and relying on the outcome of economic stimulus measures, we plan to proactively generate new demand and expand our business areas on an ongoing basis. To this end, in addition to utilizing the Group's own technologies and expertise, where necessary, we will form tie-ups with other companies to develop and launch new technologies and products that will contribute in areas such as the environment, energy saving, safety and security, in order to help resolve some of the issues of our time and society, including global warming and aging social infrastructure.

In parallel, we will implement the following "individual strategies" in each business:

1) *Marine Systems Business*
   The number of new ships being built is on the sharp decline due to the slump in the shipping market and excess tonnage. In response, we will strengthen and improve our overseas bases while also, in the conventional ship market, promoting the installation of additional equipment such as the electronic chart display and information system (ECDIS), equipment retrofits and upgrades, and preventative maintenance to address fleet aging and legal requirements. We will also seek to forge a distinctive position in the shipbuilding market by developing and launching products such as new autopilot systems with ship handling guidance functions that reduce novice ship crew workload, still a relatively undeveloped area of the shipbuilding market. We will also move into new markets, such as coastal vessels and fishing boats for China, offshore facilities, and marine resources. In addition, we will work to the expand the business further by developing new products (such as flow meters to measure bunker mass) that push the boundaries of existing nautical instruments and wireless equipment. Meanwhile, there are growing signs that the so-called "2014 crisis" of a bottoming in ship orders in the Japanese shipbuilding industry is now starting to materialize. Rather than relying on sales growth alone, we will respond to these conditions by lowering the breakeven point through improvements to efficiency and reductions to overhead costs, in helping us to deliver stable earnings.

2) *Hydraulics and Pneumatics Business*
   Demand for hydraulics is decreasing in the plastics processing machinery market due to the shift toward electric alternatives, while demand in the domestic market for machine tools is also shrinking due to globalization. In response, we will launch new products such as highly energy efficient speed control systems for plastics processing machinery and competitively priced solenoid valves. In addition to the

domestic market, we will use these products to target China and other markets in Asia, as well as North America, where the automotive sector is now booming. In addition, in the machine tool market, we will develop and launch products such as compact power units that feature high energy efficiency and low noise, based on the concept of so-called “market-in” or “market-oriented” product development. In the construction machinery market, we aim to boost profits by expanding the reach of our business with such new products, such as high-pressure piston pumps that integrate hydraulics and controls and monitor controllers that incorporate non-hydraulics technologies.

3) *Fluid Measurement Equipment Business*
Amid prospects of growth in public works spending spurred by economic stimulus measures, we will strengthen our position in the domestic market (public sector demand) in areas such as water level and tide level monitoring systems, which help to prevent natural disasters. In overseas markets, particularly Southeast Asia, where countries are upgrading their water resource management infrastructure, we will improve and strengthen our sales channels to cultivate new customers. Working with our partners OVAL Corporation, NAGANO KEIKI CO., LTD., and CHINO Corporation, we will also work to raise awareness of our new BLUEDGE brand while expanding sales of our original and highly competitive instrumentation system packages. In markets other than the water-related market as well, we will utilize our partner companies’ unique technologies and long track records in the oil and gas flow measurement markets and leverage shorter product development times made possible by our tie-ups with these companies to jointly develop products such as new precision ultrasonic flowmeters and high frequency radio wave level gauges. We will rapidly launch these products to cultivate demand in domestic and overseas private sector markets such as oil, gas, chemicals, air conditioning and energy efficiency in order to boost profits.

4) *Defense and Communications Equipment Business*
In the defense market, we plan to maintain and strengthen our position in areas such as upgrading and repairing existing equipment, while also offering new proposals to the Ministry of Defense for new equipment for domestically produced next-generation fighter aircraft, such as radar warning systems - the equipment which we have a strong track record in and enjoy reputation for. In the maritime traffic market, we are targeting upgrade or replacement demand for the Japan Coast Guard’s vessel traffic services (VTS; a maritime traffic monitoring system that analyzes and processes visual information from radars and other various information and provide it to a traffic controller, etc. to ensure the safety of vessel traffic), centered on our new Ku-band semiconductor radar, which is already on the market. We plan to offer a next-generation VTS system with vastly improved capabilities, develop the private sector marine monitoring market in Japan for oil reserves and other areas, and cultivate the overseas market, centered on ODA projects. In addition, in the sensor equipment market, we have developed AG-RiDER, a hybrid agricultural tractor guidance device for the vehicle control field. We plan to launch this product overseas while building up our track record in the domestic market. In the motion measurement field, we will continue to focus on accelerometers for seismic systems, an area where we have already seen considerable success with substantial track record of sales in the domestic local government market. We will also focus on monitoring systems used for preventative maintenance and repairs of aging social infrastructure such as expressways, tunnels and bridges, demand for which is likely to expand. Also, in the key communications equipment market, which offers the best prospects for growth of all our target markets, we will develop applications for our solid state power amplifiers (SSPA), which are semiconductor-based microwave amplifier devices. We are targeting a wide range of applications, such as plasma light sources, ultraviolet sterilization, dielectric heating, automotive electronics, and home electronics. In the plasma light source market, which is estimated to be worth roughly ¥16 billion annually in lighting equipment alone, we are stepping up the commercialization of plasma lighting devices that utilize high-power microwaves. As part of these efforts, we are creating a volume production system for GaN FET devices, which are highly cost-competitive. We plan to market the products in Japan and overseas. In the broadcasting equipment market, where we continue to maintain a high market share, we will target demand for the replacement and upgrade of automatic antenna tracking systems. We

will also develop and launch vehicular vibration control cameras based on models for aircraft applications, and antenna stabilizers for new mobile satellite communications applications. We plan to leverage our long track record in defense technologies to target private sector demand. Our goal is to improve profits further by shifting our main source of earnings from domestic government demand to markets for communications equipment and sensors in the private sector in Japan and overseas.

On behalf of the senior management and workforce at TOKYO KEIKI, I would like to close by asking all investors for your ongoing support and cooperation.

Kenichi WAKI
President & CEO

III. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2012	As of March 31, 2013
Assets		
Current assets		
Cash and deposits	8,718	10,515
Notes and accounts receivable-trade	14,860	13,666
Merchandise and finished goods	1,088	1,177
Work in process	5,831	6,370
Raw materials and supplies	4,892	4,604
Deferred tax assets	661	824
Accounts receivable-other	146	163
Other	341	215
Allowance for doubtful accounts	(5)	(1)
Total current assets	36,532	37,533
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	12,707	12,707
Accumulated depreciation	(10,815)	(10,901)
Buildings and structures, net	1,892	1,806
Machinery, equipment and vehicles	14,180	14,149
Accumulated depreciation	(13,351)	(13,380)
Machinery, equipment and vehicles, net	829	769
Tools, furniture and fixtures	10,317	10,378
Accumulated depreciation	(9,744)	(9,630)
Tools, furniture and fixtures, net	573	748
Land	1,926	1,926
Lease assets	94	94
Accumulated depreciation	(28)	(47)
Lease assets, net	65	47
Construction in progress	48	358
Total property, plant and equipment	5,334	5,654
Intangible assets		
Goodwill	20	4
Software	36	42
Other	206	146
Total intangible assets	262	192
Investments and other assets		
Investment securities	1,759	2,092
Deferred tax assets	1,370	1,127
Guarantee deposits	639	636
Other	150	132
Allowance for doubtful accounts	(62)	(53)
Total investments and other assets	3,858	3,935
Total noncurrent assets	9,453	9,781
Total assets	45,986	47,314

(Million yen)

	As of March 31, 2012	As of March 31, 2013
Liabilities		
Current liabilities		
Notes and accounts payable-trade	5,697	5,030
Short-term loans payable	8,654	8,675
Accounts payable-other	504	692
Income taxes payable	278	404
Provision for bonuses	927	996
Other	1,636	1,789
Total current liabilities	17,696	17,585
Noncurrent liabilities		
Long-term loans payable	3,411	4,080
Provision for retirement benefits	3,598	3,077
Provision for directors' retirement benefits	289	334
Asset retirement obligations	786	791
Other	209	128
Total noncurrent liabilities	8,294	8,409
Total liabilities	25,989	25,994
Net assets		
Shareholders' equity		
Capital stock	7,218	7,218
Capital surplus	14	14
Retained earnings	12,590	13,698
Treasury stock	(193)	(193)
Total shareholders' equity	19,628	20,736
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	280	448
Foreign currency translation adjustment	(169)	(102)
Total accumulated other comprehensive income	111	346
Minority interests	258	237
Total net assets	19,997	21,319
Total liabilities and net assets	45,986	47,314

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

Consolidated Statements of Income

(Million yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Net sales	41,055	40,217
Cost of sales	30,401	29,649
Gross profit	10,654	10,568
Selling, general and administrative expenses	8,618	8,739
Operating income	2,036	1,829
Non-operating income		
Interest income	12	11
Dividends income	46	46
Dividends income of life insurance	37	37
Rent income on facilities	10	11
Equity in earnings of affiliates	22	44
Subsidy income	25	23
Reversal of allowance for doubtful accounts	44	12
Foreign exchange gains	1	10
Other	113	72
Total non-operating income	310	264
Non-operating expenses		
Interest expenses	126	113
Rent expenses on facilities	16	16
Other	13	21
Total non-operating expenses	155	150
Ordinary income	2,190	1,944
Extraordinary income		
Gain on sales of investment securities	3	–
Total extraordinary income	3	–
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	15	18
Loss on sales of investment securities	–	1
Loss on valuation of investment securities	3	4
Total extraordinary losses	18	23
Income before income taxes and minority interests	2,175	1,920
Income taxes-current	472	557
Income taxes-deferred	364	18
Total income taxes	836	575
Income before minority interests	1,340	1,345
Minority interests in income (loss)	26	(15)
Net income	1,314	1,360

Consolidated Statements of Comprehensive Income

(Million yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Income before minority interests	1,340	1,345
Other comprehensive income		
Valuation difference on available-for-sale securities	34	168
Foreign currency translation adjustment	(7)	67
Share of other comprehensive income of associates accounted for using equity method	1	0
Total other comprehensive income	27	236
Comprehensive income	1,367	1,581
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	1,341	1,596
Comprehensive income attributable to minority interests	26	(15)

(3) Consolidated Statements of Changes in Net Assets

(Million yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	7,218	7,218
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of current period	7,218	7,218
Capital surplus		
Balance at the beginning of current period	14	14
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of current period	14	14
Retained earnings		
Balance at the beginning of current period	11,531	12,590
Changes of items during the period		
Dividends from surplus	(256)	(252)
Net income	1,314	1,360
Total changes of items during the period	1,058	1,108
Balance at the end of current period	12,590	13,698
Treasury stock		
Balance at the beginning of current period	(28)	(193)
Changes of items during the period		
Purchase of treasury stock	(165)	(0)
Total changes of items during the period	(165)	(0)
Balance at the end of current period	(193)	(193)
Total shareholders' equity		
Balance at the beginning of current period	18,735	19,628
Changes of items during the period		
Dividends from surplus	(256)	(252)
Net income	1,314	1,360
Purchase of treasury stock	(165)	(0)
Total changes of items during the period	893	1,108
Balance at the end of current period	19,628	20,736

(Million yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	246	280
Changes of items during the period		
Net changes of items other than shareholders' equity	34	168
Total changes of items during the period	34	168
Balance at the end of current period	280	448
Foreign currency translation adjustment		
Balance at the beginning of current period	(163)	(169)
Changes of items during the period		
Net changes of items other than shareholders' equity	(6)	67
Total changes of items during the period	(6)	67
Balance at the end of current period	(169)	(102)
Total accumulated other comprehensive income		
Balance at the beginning of current period	83	111
Changes of items during the period		
Net changes of items other than shareholders' equity	27	236
Total changes of items during the period	27	236
Balance at the end of current period	111	346
Minority interests		
Balance at the beginning of current period	237	258
Changes of items during the period		
Net changes of items other than shareholders' equity	21	(21)
Total changes of items during the period	21	(21)
Balance at the end of current period	258	237
Total net assets		
Balance at the beginning of current period	19,055	19,997
Changes of items during the period		
Dividends from surplus	(256)	(252)
Net income	1,314	1,360
Purchase of treasury stock	(165)	(0)
Net changes of items other than shareholders' equity	49	215
Total changes of items during the period	942	1,323
Balance at the end of current period	19,997	21,319

(4) Consolidated Statements of Cash Flows

(Million yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	2,175	1,920
Depreciation and amortization	1,029	785
Amortization of goodwill	16	16
Amortization of guarantee deposits	12	12
Increase (decrease) in allowance for doubtful accounts	(45)	(13)
Increase (decrease) in provision for retirement benefits	(677)	(521)
Increase (decrease) in provision for bonuses	81	69
Increase (decrease) in provision for directors' retirement benefits	(10)	44
Interest and dividends income	(58)	(57)
Interest expenses	126	113
Equity in (earnings) losses of affiliates	(22)	(44)
Loss (gain) on sales of investment securities	(3)	1
Loss (gain) on valuation of investment securities	3	4
Loss (gain) on sales and retirement of noncurrent assets	15	18
Decrease (increase) in notes and accounts receivable-trade	(2,853)	1,199
Decrease (increase) in inventories	(737)	(338)
Increase (decrease) in notes and accounts payable-trade	861	(669)
Decrease (increase) in other assets	108	(36)
Increase (decrease) in other liabilities	196	94
Other, net	19	17
Subtotal	237	2,615
Interest and dividends income received	60	59
Interest expenses paid	(145)	(131)
Income taxes paid	(260)	(433)
Net cash provided by (used in) operating activities	(108)	2,110
Net cash provided by (used in) investing activities		
Proceeds from withdrawal of time deposits	–	5
Purchase of investment securities	(5)	(25)
Proceeds from sales of investment securities	17	2
Purchase of noncurrent assets	(497)	(816)
Proceeds from sales of noncurrent assets	0	1
Collection of loans receivable	5	157
Payments for lease and guarantee deposits	(9)	(17)
Proceeds from collection of lease and guarantee deposits	219	10
Other, net	8	5
Net cash provided by (used in) investing activities	(263)	(679)

(Million yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Net cash provided by (used in) financing activities		
Proceeds from long-term loans payable	2,050	1,500
Repayment of long-term loans payable	(2,845)	(809)
Repayments of lease obligations	(80)	(81)
Purchase of treasury stock	(165)	(0)
Cash dividends paid	(256)	(252)
Cash dividends paid to minority shareholders	(4)	(6)
Net cash provided by (used in) financing activities	(1,300)	352
Effect of exchange rate change on cash and cash equivalents	(4)	19
Net increase (decrease) in cash and cash equivalents	(1,675)	1,802
Cash and cash equivalents at beginning of period	10,387	8,713
Cash and cash equivalents at end of period	8,713	10,515

IV. Company Information / Stock Information

Company Information (as of March 31, 2013)

Trade name:	TOKYO KEIKI INC.
Date of establishment:	May 1896
Listing date:	May 1949
Business year:	From April 1 to March 31
Paid-in capital:	¥7,218 million
Number of employees:	1,371 (excluding those seconded out of the Group and including those seconded into the Group) (Consolidated)
Head office:	2-16-46 Minami-Kamata, Ohta-ku, Tokyo
Telephone:	+81-3-3732-2111
Consolidated subsidiaries:	TOKYO KEIKI AVIATION INC. TOKYO KEIKI CUSTOMER SERVICE INC. TOKYO KEIKI POWER SYSTEMS INC. TOKYO KEIKI INFORMATION SYSTEMS INC. TOKYO KEIKI TECHNOPORT INC. TOKYO KEIKI RAIL TECHNO INC. MOCOS JAPAN CO., LTD. TOKYO KEIKI U.S.A., INC. TOKYO KEIKI (SHANGHAI) CO., LTD TOKYO KEIKI PRECISION TECHNOLOGY CO., LTD.

Directors and Corporate Auditors (as of June 28, 2013)

President	Kenichi WAKI	Corporate Auditor	Chiaki TAKANASHI
Senior Executive Director	Yoshisuke AKITA	Corporate Auditor	Haruki KAWAHIGASHI
Executive Director	Hidemitsu YAMADA	Corporate Auditor**	Hiroshi SASA
Director	Motoshi MITOBE	Corporate Auditor**	Ryotaro KUGIMIYA
Director	Tsuyoshi ANDO		
Director	Yukitoshi ATSUMI	* Outside Director	** Outside Corporate Auditor
Director	Yasuo ABE		
Director	Makoto TSUCHIYA		
Director	Naoto OKAYASU		
Director*	Kenichi HORI		

Stock Status (as of March 31, 2013)

Total number of authorized shares:	250,000,000 shares
Total number of shares issued:	85,382,196 shares
Number of shareholders:	7,897

Major shareholders (Top 10)

Shareholder name	Number of shares held (Thousands)	Share-holding ratio (%)
Japan Trustee Services Bank, Ltd.	5,623	6.59
TOKYO KEIKI ASSOCIATION	4,468	5.23
Sumitomo Mitsui Banking Corporation	4,179	4.89
TOKYO KEIKI EMPLOYEE SHAREHOLDING ASSOCIATION	3,255	3.81
Nippon Life Insurance Company	2,861	3.35
TOKYO KEIKI TRADING-PARTNER SHAREHOLDING ASSOCIATION	2,535	2.97
The Bank of Yokohama, Ltd.	2,329	2.73
Mitsubishi UFJ Trust and Banking Corporation	2,117	2.48
Aioi Nissay Dowa Insurance Co., Ltd.	1,894	2.22
KEIHANSHIN KOUGYOU	1,805	2.11

(Source: Annual Securities Report)