Financial Summary for Fiscal 2015
[Japanese GAAP] [Consolidated]

May 8, 2015

Name of listed company: **ZENRIN Co., Ltd.**
Stock exchange listings: Tokyo and Fukuoka
Securities code: 9474
URL: http://www.zenrin.co.jp/
Representative: [Title] President and CEO
[Name] Zenshi Takayama
TEL: +81-93-882-9050
Contact: [Title] Executive Officer, and Head of Corporate Management Division
[Name] Masami Matsuo

Scheduled date of holding of ordinary general meeting of shareholders: June 18, 2015
Scheduled date of submission of annual securities report: June 19, 2015
Scheduled date of commencement of dividend payouts: June 19, 2015
Preparation of supplementary explanatory materials on financial results: Yes
Holding of briefing session on financial results: Yes (briefing for institutional investors and analysts)

[Amounts are rounded down to the nearest million yen]

1. Consolidated Results of Operations in Fiscal 2015

ZENRIN's fiscal 2015 is the period from April 1, 2014 to March 31, 2015.

(1) Consolidated Business Performance

[% figures represent the increase (decrease) compared to the previous fiscal year]

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal 2015	52,286	(2.4)	2,389	(24.9)	2,751	(24.9)	1,464	15.1
Fiscal 2014	53,589	(2.6)	3,180	(43.1)	3,663	(27.8)	1,272	(30.7)

[Note] Comprehensive income Fiscal 2015: 3,502 million yen [73.1%] Fiscal 2014: 2,023 million yen [(25.8%)]

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	yen	yen	%	%	%
Fiscal 2015	40.61	–	3.9	4.6	4.6
Fiscal 2014	34.77	–	3.5	6.4	5.9

[Reference] Equity in earnings (losses) of affiliates Fiscal 2015: 12 million yen Fiscal 2014: 1 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Ratio of equity to total assets	Net assets per share
	million yen	million yen	%	yen
Fiscal 2015	61,322	41,963	64.4	1,094.70
Fiscal 2014	57,989	37,939	61.7	992.03

[Reference] Equity Fiscal 2015: 39,478 million yen Fiscal 2014: 35,777 million yen

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Fiscal 2015	7,122	(4,761)	(2,931)	6,393
Fiscal 2014	4,136	(7,703)	1,612	6,456

2. Dividends

	Annual dividend					Total dividends	Payout ratio [Consolidated]	Ratio of dividends to net assets [Consolidated]
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total			
	yen	yen	yen	yen	yen	million yen	%	%
Fiscal 2015	–	15.00	–	15.00	30.00	1,092	86.3	3.0
Fiscal 2014	–	15.00	–	16.00	31.00	1,117	76.3	3.0
Fiscal 2016 [forecast]	–	15.50	–	15.50	31.00		74.5	

3. Forecast for Consolidated Results of Operations in Fiscal 2016

ZENRIN's fiscal 2016 is the period from April 1, 2015 to March 31, 2016.

[% figures for the fiscal year represent the increase (decrease) compared to the previous fiscal year; % figures for the first 2 quarters [cumulative] represent the increase (decrease) compared to the same period of the previous fiscal year]

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
First 2 quarters [cumulative]	24,700	9.5	(300)	–	(100)	–	(300)	–	(8.32)
Fiscal year	55,500	6.1	2,500	4.6	2,800	1.8	1,500	2.4	41.59

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1. Analysis of Business Performance and Financial Position

(1) Analysis of Business Performance

1) Business Performance for Fiscal 2015

In fiscal 2015 (from April 1, 2014 to March 31, 2015), the Japanese economy continued to be on a moderate recovery trend due to improvement in employment, etc. However, factors such as some downside risks to the economy, such as downward swings in overseas economies in addition to the temporary decline in personal spending from the rebound of the last-minute surge in demand ahead of the consumption tax hike in April 2014, still pose downside risks to the economy and future uncertainties remain.

In such an environment, decrease in sales of services for smartphones and other factors led to net sales of 52,286 million yen (decreased 1,303 million yen, or down 2.4%, compared to the previous fiscal year), operating income of 2,389 million yen (decreased 791 million yen, or down 24.9%, compared to the previous fiscal year) and ordinary income of 2,751 million yen (decreased 912 million yen, or down 24.9%, compared to the previous fiscal year). In addition, decrease in income taxes – current to 809 million yen due to impact from loss carried forward of subsidiaries following restructuring, etc. led to net income of 1,464 million yen (increased 192 million yen, or up 15.1%, compared to the previous fiscal year).

[Segment Results of Operations]

① Map Database Segment

The Map Database segment, which is the ZENRIN Group’s core business, saw robust sales related to GIS utilizing residential map databases although sales of printed residential maps decreased. On the other hand, in addition to continuous decrease in the number of fee-paying subscribers to services for smartphones related to ICT, sales of data for both Japanese and overseas in-car navigation systems also decreased.

The above resulted in Map Database segment net sales of 44,718 million yen (decreased 1,557 million yen, or down 3.4%, compared to the previous fiscal year) and segment income of 1,996 million yen (decreased 759 million yen, or down 27.6%, compared to the previous fiscal year).

② General Printing Segment

The results of the General Printing segment were net sales of 3,754 million yen (decreased 153 million yen, or down 3.9%, compared to the previous fiscal year) and segment income of 76 million yen (decreased 59 million yen, or down 43.5%, compared to the previous fiscal year).

③ Other

The results of other that of the Map Database segment and General Printing segment were, despite a withdrawal from the selling of sales promotion products and commissioned CAD processing operations, net sales of 3,812 million yen (increased 408 million yen, or up 12.0%, compared to the previous fiscal year) and segment income of 176 million yen (increased 42 million yen, or up 31.6%, compared to the previous fiscal year) due to effect from a subsidiary, which engages in in-ship (enclosing mail/packages) advertising, etc., included in the scope of consolidation starting from the first 3 quarters of fiscal 2015 and other factors.

[Reportable Segment Information]

(a) Overview of Reportable Segments

Reportable segments of the ZENRIN Group are components of the ZENRIN Group for which discrete financial information is available and which are regularly reviewed by ZENRIN's board of directors in deciding how to allocate resources and in assessing performance.

The ZENRIN Group engages in the business of manufacturing and selling various maps, map databases, contents, etc., and the business activities of primarily planning and designing as well as manufacturing and selling commercial printing goods.

Accordingly, the ZENRIN Group is comprised of segments classified by product and service based on the manufacturing and selling structure, and thereby sets two segments – the Map Database segment and the General Printing segment – as its reportable segments.

The Map Database segment manufactures and sells printed residential maps, special-purpose maps, residential map databases, map data for internet services, data for in-car navigation systems, etc., and provides services for smartphone. The General Printing segment manufactures and sells general printing goods.

(b) Basis for Calculating Reportable Segment Net Sales, Income or Loss, Assets, Liabilities and Other Account Items

Reportable segment income is the value on an operating income basis.
Intersegment sales or transfers are based on actual market price.

(c) Information on Reportable Segment Net Sales, Income or Loss, Assets, Liabilities and Other Account Items

Fiscal 2014 (from April 1, 2013 to March 31, 2014)

[Unit: million yen]

	Reportable segments			Other [Note]	Total
	Map Database segment	General Printing segment	Total		
Net sales					
Net sales to external customers	46,276	3,908	50,185	3,403	53,589
Intersegment net sales or transfers	72	458	531	113	645
Total	46,349	4,367	50,716	3,517	54,234
Segment income (loss)	2,756	136	2,892	134	3,026
Segment assets	41,099	4,137	45,236	846	46,083
Other account items					
Depreciation and amortization	4,312	146	4,458	17	4,476
Amortization of goodwill	29	–	29	0	29
Investments in affiliates accounted for by equity method	408	–	408	–	408
Additions to property, plant and equipment and intangible assets	5,714	113	5,828	20	5,848

[Note] The "Other" item encompasses the selling of purchased products, commissioned CAD processing and other business activities that are not attributable to reportable segments.

Fiscal 2015 (from April 1, 2014 to March 31, 2015)

[Unit: million yen]

	Reportable segments			Other [Note]	Total
	Map Database segment	General Printing segment	Total		
Net sales					
Net sales to external customers	44,718	3,754	48,473	3,812	52,286
Intersegment net sales or transfers	70	522	592	87	680
Total	44,789	4,276	49,066	3,900	52,967
Segment income (loss)	1,996	76	2,073	176	2,250
Segment assets	43,325	4,683	47,964	2,390	50,354
Other account items					
Depreciation and amortization	4,670	153	4,824	42	4,866
Amortization of goodwill	78	–	78	147	226
Investments in affiliates accounted for by equity method	471	–	471	–	471
Additions to property, plant and equipment and intangible assets	6,134	287	6,421	59	6,480

[Note] The “Other” item encompasses the selling of purchased products, direct mail delivery services and other business activities that are not attributable to reportable segments.

(d) Difference between Total for Reportable Segments and Amount on Consolidated Financial Statements, and Principal Components of the Difference in Amount (Matters Concerning Reconciliation of Differences)

[Unit: million yen]

Net sales	Fiscal 2014	Fiscal 2015
Total for reportable segments	50,716	49,066
Net sales of “Other” item	3,517	3,900
Eliminations of intersegment transactions	(645)	(680)
Net sales on consolidated financial statements	53,589	52,286

[Unit: million yen]

Income	Fiscal 2014	Fiscal 2015
Total for reportable segments	2,892	2,073
Income of “Other” item	134	176
Eliminations of intersegment transactions	153	138
Operating income on consolidated financial statements	3,180	2,389

[Unit: million yen]

Assets	Fiscal 2014	Fiscal 2015
Total for reportable segments	45,236	47,964
Assets of “Other” item	846	2,390
Corporate assets [Note]	12,119	11,293
Eliminations of intersegment transactions	(213)	(324)
Total assets on consolidated financial statements	57,989	61,322

[Note] Corporate assets are primarily surplus management funds (cash and deposits), long-term investment funds (investment securities) and assets related to administrative departments that are not attributable to reportable segments.

[Unit: million yen]

Other account items	Total for reportable segments		Other		Reconciliation		Amount on consolidated financial statements	
	Fiscal 2014	Fiscal 2015	Fiscal 2014	Fiscal 2015	Fiscal 2014	Fiscal 2015	Fiscal 2014	Fiscal 2015
Depreciation and amortization	4,458	4,824	17	42	68	138	4,544	5,005
Amortization of goodwill	29	78	–	147	–	–	29	226
Investments in affiliates accounted for by equity method	408	471	–	–	–	–	408	471
Additions to property, plant and equipment and intangible assets	5,828	6,421	20	59	2,465	38	8,314	6,519

[Note] Reconciliation of additions to property, plant and equipment and intangible assets is for capital investments in buildings, etc. that are not attributable to reportable segments.

(e) Related Information

Fiscal 2014 (from April 1, 2013 to March 31, 2014)

1. **Information by Product and Service**
   Disclosure is omitted because the product and service categories are the same as reportable segments.
2. **Information by Geographic Location**
   (1) Net Sales
   Disclosure is omitted because net sales to external customers in Japan account for over 90% of the net sales on consolidated statements of income.
   (2) Property, Plant and Equipment
   Disclosure is omitted because the amount of property, plant and equipment located in Japan accounts for over 90% of the amount of property, plant and equipment on consolidated balance sheets.
3. **Information by Major Customer**

[Unit: million yen]

Name of customer	Net sales	Name of related segment
NTT DOCOMO, INC.	9,018	Map Database segment

Fiscal 2015 (from April 1, 2014 to March 31, 2015)

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   (2) Property, Plant and Equipment
   Disclosure is omitted because the amount of property, plant and equipment located in Japan accounts for over 90% of the amount of property, plant and equipment on consolidated balance sheets.

3. Information by Major Customer

[Unit: million yen]

Name of customer	Net sales	Name of related segment
NTT DOCOMO, INC.	7,389	Map Database segment

(f) Information on Impairment Loss on Noncurrent Assets by Reportable Segment

Fiscal 2014 (from April 1, 2013 to March 31, 2014)

[Unit: million yen]

	Map Database segment	General Printing segment	Other	Eliminations and/or corporate	Total
Impairment loss	18	–	–	7	25

[Note] The amount of “Eliminations and/or corporate” is the impairment loss associated with corporate assets that are not attributable to a specific segment.

Fiscal 2015 (from April 1, 2014 to March 31, 2015)

[Unit: million yen]

	Map Database segment	General Printing segment	Other	Eliminations and/or corporate	Total
Impairment loss	236	–	–	1	238

[Note] The amount of “Eliminations and/or corporate” is the impairment loss associated with corporate assets that are not attributable to a specific segment.

(g) Information on Amortization of Goodwill and Unamortized Balance by Reportable Segment

Fiscal 2014 (from April 1, 2013 to March 31, 2014)

[Unit: million yen]

	Map Database segment	General Printing segment	Other	Eliminations and/or corporate	Total
Amortization during the period	29	–	–	–	29
Balance at the end of current period	365	–	1	–	367

[Note] The amount of “Other” is the amount associated with the selling of purchased products and other business activities.

Fiscal 2015 (from April 1, 2014 to March 31, 2015)

[Unit: million yen]

	Map Database segment	General Printing segment	Other	Eliminations and/or corporate	Total
Amortization during the period	78	–	147	–	226
Balance at the end of current period	308	–	1,040	–	1,348

[Note] The amounts in “Other” are amounts for direct mail delivery services and other business activities.

(h) Information on Gain on Negative Goodwill by Reportable Segment

Not applicable.

2) Forecast for Fiscal 2016

In the Japanese economy ahead, although careful attention should be paid to downward swings on overseas economies as well as to recovery trend of personal spending, the recovery trend is expected to continue.

Under such an environment, the forecast of consolidated results for fiscal 2016 expects net sales of 55,500 million yen (increase of 3,213 million yen, or up 6.1%, compared to fiscal 2015), operating income of 2,500 million yen (increase of 110 million yen, or up 4.6%, compared to fiscal 2015), ordinary income of 2,800 million yen (increase of 48 million yen, or up 1.8%, compared to fiscal 2015) and Profit attributable to owners of parent of 1,500 million yen (increase of 35 million yen, or up 2.4%, compared to fiscal 2015).

(2) Analysis of Financial Position

1) Overview of Fiscal 2015

Total assets at the end of fiscal 2015 stood at 61,322 million yen (increased 3,333 million yen, or up 5.7%, compared to at the end of fiscal 2014). This was attributable to decrease in land buildings and structures in the amount of 1,453 million yen and 545 million yen respectively due to sales, etc., being offset by increase in software and software in progress in amount of 574 million yen and 936 million yen, respectively, in addition to recording of 3,299 million yen for net defined benefit asset by applying the Accounting Standard for Retirement Benefits, etc. and increase in goodwill in the amount of 981 million yen due to acquisition of ZENRIN BIZNEXUS CO., LTD. (former SEPTENI DIRECT MARKETING CO., LTD.) shares and other factors.

Liabilities stood at 19,359 million yen (decreased 690 million yen, or down 3.4%, compared to at the end of fiscal 2014). This was attributable to increase in long-term loans payable in amount of 428 million yen, being offset by decrease of net defined benefit liability in amount of 1,564 million yen due to application of the Accounting Standard for Retirement Benefits, etc., and decrease of short-term loans in the amount of 1,337 million yen due to repayment.

Net assets stood at 41,963 million yen (increased 4,024 million yen, or up 10.6%, compared to at the end of fiscal 2014). This was attributable to decrease in amount of 1,081 million yen due to dividends from surplus being offset by increase in retained earnings due to application of the Accounting Standard for Retirement Benefit, etc. in amount of 1,377 million yen and increase in remeasurements of defined benefit plans due to changes and such in retirement benefit program in amount of 1,096 million yen, in addition to net income in amount of 1,464 million yen.

As a result, the ratio of equity to total assets at the end of fiscal 2015 was up 2.7 points compared to at the end of fiscal 2014 to 64.4%.

The following outlines the status of cash flows in fiscal 2015.

Cash and cash equivalents at the end of fiscal 2015 decreased 62 million yen (1.0%) compared to at the end of fiscal 2014 to 6,393 million yen.

Cash Flows from Operating Activities

Net cash provided by operating activities amounted to 7,122 million yen (increased 2,986 million yen compared to the previous fiscal year). This was attributable to income before income taxes and minority interests in the amount of 2,616 million yen, income taxes paid in the amount of 1,304 million yen and other factors of decrease being offset by depreciation and amortization in the amount of 5,005 million yen, increase in accrued expenses in the amount of 804 million yen and other factors of increase.

Cash Flows from Investing Activities

Net cash used in investing activities amounted to 4,761 million yen (decreased 2,941 million yen compared to the previous fiscal year). This was mainly attributable to proceeds from sales of property, plant and equipment and intangible assets in the amount of 2,172 million yen being offset by purchase of property, plant and equipment and intangible assets in amount of 5,737 million yen, purchase of investments in subsidiaries resulting in change in scope of consolidation in the amount of 1,255 million yen.

Cash Flows from Financing Activities

Net cash used in financing activities amounted to 2,931 million yen (net cased provided by financing activities of 1,612 million yen in the previous fiscal year). This was mainly attributable to proceeds from long-term loans payable in the amount of 900 million yen being offset by net decrease in short-term loans payable in the amount of 1,340 million yen, cash dividends paid in the amount of 1,081 million yen, repayments of lease obligations in the amount of 871 million yen and repayment of long-term loans payable in the amount of 492 million yen.

2) Changes in Cash Flow Indicators

	Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015
Ratio of equity to total assets [%]	65.9	65.8	63.9	61.7	64.4
Ratio of equity to total assets [%] (market value basis)	64.0	58.2	83.4	64.8	87.2
Ratio of interest-bearing liabilities to operating cash flows [years]	0.6	0.6	0.3	1.7	0.9
Interest coverage ratio [times]	127.4	134.2	254.8	137.5	189.6

[Notes] Each indicator is calculated in accordance with the following formulas, using consolidated financial figures.

- Ratio of equity to total assets: Equity ÷ Total assets
- Ratio of equity to total assets (market value basis): Market capitalization ÷ Total assets
  *Market capitalization is calculated by multiplying the number of shares issued and outstanding at the end of the fiscal year (excluding treasury shares) by the closing price per share at the end of the fiscal year.
- Ratio of interest-bearing liabilities to operating cash flows: Interest-bearing liabilities ÷ Operating cash flows
  *Operating cash flows are the net cash provided by (used in) operating activities recorded on consolidated statements of cash flows.
  *Interest-bearing liabilities include all liabilities recorded on consolidated balance sheets on which interest is paid.
- Interest coverage ratio: Operating cash flows ÷ Interest paid
  *Interest paid is the interest expenses paid recorded on consolidated statements of cash flows.

(3) Basic Policy on Distribution of Income, and Payment of Dividends in Fiscal 2014 and 2015

Positioning the returning of income to shareholders as a top priority, ZENRIN strives for sustainable corporate value enhancement, while adopting a basic policy of realizing stable, uninterrupted payments of dividends derived from income growth based on the medium-term business plan on a consolidated basis. Under this policy, ZENRIN will aim for a dividend equity (DOE) [Note] on a consolidated basis of 3% or higher while maintaining dividends at the current level.

In addition, by continuing to consider purchasing treasury shares and other undertakings with the aim of ensuring an agile capital policy and enhancing capital efficiency, ZENRIN will return income to shareholders in accordance with the level of income on a consolidated basis while taking into account the maintaining of an adequate amount of internal reserves.

The internal reserves will be used for capital investment, research and development investment and other expenditures that are indispensable for business development in the future in order to keep pace with the rapid market changes.

ZENRIN expects 16 yen as the year-end dividend per share in fiscal 2015 based on the above policy. Combined with 15 yen already paid as the interim dividend per share, annual dividend per share is expected to be 31 yen.

Please note that this matter will be decided by resolution at ZENRIN's 55th ordinary general meeting of shareholders that is scheduled to be held on June 18, 2015.

Moreover, ZENRIN expects 31 yen as the annual dividend per share in fiscal 2016, with 15.5 yen as both the interim dividend per share and the year-end dividend per share.

[Note] DOE = Total amount of dividends ÷ Shareholders' equity
Shareholders' equity is the amount arrived at when the amount of treasury shares is subtracted from the sum total of common stock, capital surplus and retained earnings.

(4) Business and Other Risks

The following is a compilation of business and other risks to the ZENRIN Group that could materially impact the judgment of investors. The ZENRIN Group recognizes the existence of these risks, and is determined to do our utmost to prevent them from occurring and to respond appropriately should they occur. Furthermore, the following contains forward-looking statements, which are based on our judgment as of the end of fiscal 2015.

1) Risks Specific to Management Policies

(a) Securing and Nurturing Human Resources

The Map Database segment, which is the ZENRIN Group's core business, requires such human resources as highly-capable engineers and management personnel in charge of development to commercialize products, as top-flight skills are needed to link map databases and computer systems for developing databases and software tailored to customer specifications.

The map databases of the ZENRIN Group, which are based on highly detailed surveys conducted throughout Japan, also requires human resources who can efficiently manage a large number of surveyors working throughout the country, appropriately grasp revised information collected and delivered centrally to the production department and accurately incorporate it into the production process, thereby shortening the updating cycle and securing the accuracy of map data as expected of map databases.

Accordingly, failure to secure or nurture such human resources may adversely impact the ZENRIN Group's future growth, operating results and/or business development.

(b) Management of Personal Information

In addition to information on the ZENRIN Group's customers and employees, we handle names, addresses and other personal information relating to residents to be published or recorded on our residential maps and other products. Accordingly, we recognize the appropriate management of personal information as one of the fundamental principles of our business activities, as well as a social responsibility we bear.

With this recognition, the ZENRIN Group establishes regulations, procedures and other internal rules to govern the collection, use, storage and disposal of personal information, provides training for employees, and implements facility access control and other physical measures as well as computer system access control and other information security measures.

In the unlikely event of a personal information leak from a ZENRIN Group company or a contracted supplier, however, there is the possibility that our operations may be restricted and that costs may increase to ensure compliance with applicable laws and regulations. Moreover, should a claim for damages and/or charge of insufficient management of personal information be brought against us resulting in a decline in public trust, there is a possibility that it may materially impact the ZENRIN Group's operating results and/or business development.

(c) Obstacles in Overseas Markets

The ZENRIN Group has expanded into overseas markets in the fields of in-car navigation systems, GIS and data distribution, and has operations in North America, Europe and Asia. Although due consideration is given to such risks as those listed below, the respective region's various political, economic or legal barriers may adversely impact the ZENRIN Group's operating results and/or business development.

In addition, such factors as changes in the business strategies and development schedules of manufacturers in these regions may also result in failure to achieve operations as planned and thereby failure to secure revenue-generating potential.

1) Unfavorable political or economic factors
2) Legal and regulatory changes
3) Restrictions on financing and the transmission of funds to Japan
4) Difficulties in recruiting and retaining excellent human resources
5) Terrorism, wars, epidemics, natural disasters, etc.
6) Religious and cultural differences
7) International currency fluctuations

(d) Expansion into Emerging Markets

The ZENRIN Group has expanded our business into emerging markets overseas where economic growth and market size are expected to expand.

Demand in emerging markets is susceptible to social and political risks, such as internal legislative changes and financial conditions, and may differ significantly from demand in Japan and other developed countries in such aspects as social infrastructure, consumer preferences and consumption behavior.

Due in part to such factors, going forward, if we fail to accurately grasp market trends or fail to maintain good relationships with business partners, we may be unable to recover our investment to expand in emerging markets, adversely impacting the ZENRIN Group’s operating results and/or business development.

(e) Production by Subsidiaries in the PRC

With the aim of reducing production costs, the ZENRIN Group has established subsidiaries in the People’s Republic of China (PRC). These subsidiaries are responsible for inputting data, a part of the map database production process. There is a possibility that data input work at these subsidiaries may be disrupted by political developments in the PRC, legal and regulatory changes, labor strikes and other unforeseen events.

In addition, large-scale earthquakes, floods or other natural disasters, epidemics, fires, power failures or political factors could force these companies to suspend work. Such an occurrence would delay data input and thus may adversely impact the ZENRIN Group’s efforts to expand the Map Database segment.

2) Unusual Fluctuations in Financial Position or Operating Results

(a) Seasonal Fluctuations in Operating Results

The Map Database segment, which is the ZENRIN Group’s core business, is subject to significant seasonal demand fluctuations, and net sales tend to be concentrated in the second half of the fiscal year. The average breakdown of annual net sales for the past three fiscal years is 45.0% in the first half and 55.0% in the second half.

(b) Fluctuations in Retirement Benefit Obligations

The ZENRIN Group’s employee retirement benefit obligations and retirement benefit expenses are calculated based on assumptions regarding discount rates, future compensation levels and retirement rates, among others. The differences between these assumptions and actual figures are immediately recognized as obligations and, in principle, expensed over future accounting periods. Although we believe such assumptions to be appropriate, differences between actual figures and the assumptions or changes in the assumptions themselves, particularly further decline in discount rates and deterioration of investment yields, impact retirement benefit liabilities and retirement benefit expenses and, as a consequence, may adversely impact the ZENRIN Group’s operating results.

3) Dependence on Particular Business Partners

(a) Dependence on Particular Client Companies

Of the ZENRIN Group’s net sales, sales to particular telecommunications carriers in the field of data distribution, such as those for smartphones, account for a high proportion. In addition, in-car navigation sales are also primarily to companies that are affiliated with automobile manufacturers.

We have long-standing business relationships with these client companies and have mutual collaborative relationships with them to determine product specifications, develop technologies and improve map databases, among others. The ZENRIN Group intends to continue maintaining and developing solid collaborative relationships by keeping up efforts to satisfy customer needs through these client companies.

At the same time, however, we recognize that sales to these client companies are affected by their business policies and performance trends, etc. Should such client companies demand price reductions, terminate contracts, seek to amend contract terms, etc., the ZENRIN Group's operating results and/or business development may be adversely impacted. Furthermore, there are inherent risks of potential decrease in end-consumers arising from changes in the market environment.

(b) Dependence on Particular Suppliers

Products provided by the ZENRIN Group in the Map Database segment include data for overseas in-car navigation systems. While we develop basic map databases in-house in the case of data for Japanese in-car navigation systems, we depend on particular suppliers for basic map databases in the case of data for overseas in-car navigation systems. The suspension of supplies may disrupt our continuous provision of data for overseas in-car navigation systems to our existing client companies and, as a result, the ZENRIN Group's operating results and/or business development may be adversely impacted.

4) Dependence on Particular Products and Technologies

(a) Dependence on Products Derived from Map Databases

To a significant degree, the ZENRIN Group's sales are dependent on sales of products derived from map databases. We are confident that sales of products derived from residential map databases and data for in-car navigation systems (hereafter, "map database-derived products") and from selling these map databases themselves will continue to grow, and we recognize that our future growth will depend primarily on the development of technologies and the enrichment of new content for the Map Database segment.

Going forward, the ZENRIN Group will continue working to develop new products that respond to the needs of the times. However, the production of map database-derived products necessitates specific technologies, while the planning of new content requires originality. In addition, a sophisticated and complex management approach is needed in future business development, including response to increasingly diverse customer needs.

As a consequence, we recognize the following inherent risks:

1) There is no guarantee that advance investments to facilitate the development of new services and content will enable us to respond to customer needs and yield significant results.
2) The increasing prevalence of PCs and the enhanced network environment are driving the diversification of customer needs. Failure to accurately and promptly provide the products and services that customers are seeking may place us in a situation that is disadvantageous to the ZENRIN Group's business development.
3) Despite our efforts to develop new products and technologies, there is no guarantee such products and technologies will be protected legally as intellectual property unique to ZENRIN, or that their competitive advantages will be secured long term.
4) As rapid technological innovation and drastic changes in customer needs occur, newly established production methods may rapidly become obsolete.
5) New entrants into the market for map database-derived products are increasing, and increased alternatives for customers may lead to intensified competition.

In addition to the above-mentioned risks, the ZENRIN Group's future growth, operating results and/or business development may be adversely impacted if the ZENRIN Group is unable to respond effectively to the increasing diversification of the Map Database segment and falls behind in the development of new products utilizing map databases.

(b) Potential for Recovering Costs of Surveying Necessary to Maintain the Accuracy and Freshness of Map Databases

Recent advances in the network environment are spurring the need for map database-derived products provided by the ZENRIN Group to have up-to-date map data. Recognizing that our ability to respond accurately to market needs is one of the major factors that have a significant impact on the ZENRIN Group's business development prospects, we continuously make substantial investments every fiscal year to cover the cost of surveying efforts to ensure map databases are updated. Surveying costs for developing map databases, which are the basis of our businesses, will continue to account for a large, fixed portion of cost of production, regardless of increases or decreases in net sales.

Accordingly, if we are unable to launch a steady stream of products that earn the support of customers, there is a possibility we may be unable to fully recover surveying costs, and this may adversely impact our operating results.

(c) Business Alliances with Other Companies

As part of our product development strategy, the ZENRIN Group is working to further enhance partnerships and business relations through business alliances with companies affiliated with automobile manufacturers, software developers, etc. Our aim is to realize synergies with external management resources and enhance management efficiency by concentrating technologies in high-priority businesses, thereby assisting our efforts to develop new technologies in the area of map databases, enhance content and expand into new business fields.

Should business strategies, trade terms or other factors prevent the establishment of such business alliances, etc., or result in their suspension, we may not reap the benefits of strong collaborations, which may adversely impact the ZENRIN Group's operating results and/or business development.

5) Laws and Regulations

(a) Infringement of Intellectual Property Rights

The ZENRIN Group files and registers patents and trademarks as needed for proprietary production technologies, newly developed products and other intellectual property eligible for protection by such rights. However, there is a possibility that we may fail to secure such rights. Should the ZENRIN Group's technologies, know-how or product names, etc. not be protected by patents and trademarks and used by other companies before us, the ZENRIN Group's product development and selling may be impeded.

The ZENRIN Group also conducts thorough studies and exercises caution to ensure that we do not infringe on the intellectual property rights of third parties. However, there is no guarantee that such scope of studies of the ZENRIN Group will be sufficient and complete. Furthermore, it would be difficult to completely and accurately predict how patents and other intellectual property rights will be applied to the ZENRIN Group's operations. In the unlikely event that the ZENRIN Group were to infringe on third party intellectual property rights, there is a possibility that we would be sued for damages, suspension of use exacted, etc. by said third party, and that we would be forced to compensate for the right in question.

Accordingly, this may adversely impact the ZENRIN Group's operating results and/or business development.

(b) Violation of the Antimonopoly Act

The ZENRIN Group recognizes compliance with Japan's Antimonopoly Act as a basic policy of operations. To ensure compliance, we have organized a committee and are promoting employee education, internal audits, etc.

In the unlikely event that a violation of the Antimonopoly Act occurs, however, it may result not only in legal sanctions, but also in a decline in public trust, both of which may adversely impact the ZENRIN Group's operating results and/or business development.

6) Other

(a) Possibility of Fluctuations in Market Share

Since launching ZENRIN Navisoft data for in-car navigation systems in 1992, the ZENRIN Group has expanded business to command a top market share in Japan in the area of data for in-car navigation systems. Today, our in-car navigation business is evolving further and is expected to develop even more.

In IT-related businesses, companies from industries other than mapping, such as computers, telecommunications and content providers, are emerging as new market entrants. In the area of data for in-car navigation systems in which the ZENRIN Group strives, in particular, there is a possibility that other in-car navigation data producers, map database companies and in-car navigation system manufacturers may newly enter the market or expand their presence. Among these are companies that are larger than the ZENRIN Group and/or have more abundant management resources.

Going forward, should other companies capitalize on technological innovation to release new data for in-car navigation systems and gain market share, or should business alliances or other arrangements be established among competing companies, there is no guarantee the ZENRIN Group will be able to maintain our current market share. Such a situation may adversely impact the ZENRIN Group's operating results and/or business development.

(b) Risks of Product Defects and the Need for Recall

The products of the ZENRIN Group represent the integration of information gathered through in-house surveys, various information procured from external sources and production know-how, among others. The commercialization of such products requires sophisticated technologies and information processing capabilities.

The ZENRIN Group takes the utmost care in production of these products and conducts stringent quality inspections at each stage of the production process to ensure no defective products, including purchased products, are shipped. However, these efforts do not guarantee that defective products never make it into the market.

Should a defect be discovered in any product provided by the ZENRIN Group, additional costs may be incurred to implement a recall of the product, and in some cases we may be required to pay compensation to customers who have purchased the product in question. Such an incident may also result in a loss of trust and in public sanctions against the ZENRIN Group.

Furthermore, any occurrence of a defect that might lead to huge compensations or a loss of trust may adversely impact the ZENRIN Group's operating results and/or business development.

(c) Risks of Natural Disasters

If natural disasters, fires, epidemics or other incidents damage the ZENRIN Group's marketing and production bases, there is a possibility that our operations may be affected.

ZENRIN has taken precautions for disasters. These include preparing disaster prevention manuals on large-scale earthquakes and other natural disasters. However, these precautions may not fully protect us from damage caused by natural disasters and other incidents. If any damage occurs, it may adversely impact the ZENRIN Group's operating results and/or business development.

2. Management Policy

(1) Basic Policy on Corporate Management

Since its founding, ZENRIN has expanded the scope of its operations while ceaselessly contributing to society through the provision of map-related information as a leading company in the mapping business as the basis of its activities. The ZENRIN Group operates its businesses by setting the corporate philosophy of "Making a Difference in People's Lives by Creating '4D Geospatial Information'" and adopting the mission of creating the future with map information under the slogan of "Maps to the Future." By also offering "better suited value" in these times when the value and needs demanded of map information keep changing significantly with the development of the information society, we aspire to be the "world's leading company in the mapping of information."

As a result of these endeavors, the ZENRIN Group will enhance corporate value in pursuit to be a corporate group that is attractive to shareholders as well as in the hopes to be a corporate group that keeps taking good care of its customers and employees and ceaselessly contributing to society.

(2) Medium- to Long-Term Corporate Management Strategy, and Tasks

[Year 2015-2019 ZENRIN Group Medium- to Long-Term Business Plan (announced on May 8, 2015)]

The ZENRIN group established “ZENRIN GROWTH PLAN 2020” (ZGP2020), a medium- to long-term business plan for the 5 years of year 2015 through year 2019 (fiscal year ending March, 2016 to fiscal year ending March 2020) in order to realize ZENRIN’s management vision of becoming the "world's leading company in the mapping of information."

Under ZGP2020, ZENRIN aims to “make all maps in Japan based on ZENRIN” by achieving information differentiation and cost leadership to accommodate diversifying use of map information, such as expansion of location information service, response to heightening awareness of disaster prevention/mitigation and safety support of driving.

(Theme of ZGP2020)
“Make all maps in Japan based on ZENRIN”

(Basic structure)
Under ZGP2020, ZENRIN will put forth efforts based on the following three basic structures centering on the shift from “goods” to “activities” with an aim of not only providing services to accommodate needs but also creating new utility value of map information.

I. Earnings expansion through development of application by creating “scenes for using”
II. Stable operation of 4D Geospatial Information pursuing “QCDDS” (*1)
III. Reduction of the fixed cost ratio by realizing “productivity reform”
(*1) QCDDS: Quality, Cost, Delivery, Diversity, Scalability

(Basic policy for capital policy)
In an aim for sustainable corporate value enhancement, the ZENRIN Group will strive to improve return on equity (ROE), setting as a priority the task of increasing the operating margin by focusing on maintenance and business development of map DB, which is the earnings base, while also taking into account the balance between capital efficiency and financial soundness.

ROE of 8% will be set as the target until fiscal 2018 (year ending March 31, 2018) in light of ongoing prior maintenance and business development of map DB, and ROE of 12% or higher will be aimed in fiscal 2020 (year ending March 31, 2020).

(3) Target Management Indicators

The following are the numerical targets (on a consolidated basis) of ZGP2020.

	Fiscal 2016 Forecast (Year Ending March 31, 2016)	Fiscal 2018 Target (Year Ending March 31, 2018)	Fiscal 2020 Target (Year Ending March 31, 2020)
Net sales	55.5 billion yen	60.0 billion yen	70.0 billion yen
Operating income	2.5 billion yen	5.0 billion yen	10.0 billion yen
Operating margin	4.5%	8.3%	14.2%
ROE	4%	8%	12% or higher
DOE (*2)	3% or higher	3% or higher	3% or higher

(*2) DOE: Dividend on equity on a consolidated basis=Total amount of dividends÷Shareholders' equity
Shareholders' equity is the amount arrived at when the amount of treasury shares is subtracted from the sum total of common stock, capital surplus and retained earnings.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

[Unit: million yen]

	Fiscal 2014 As of March 31, 2014	Fiscal 2015 As of March 31, 2015
Assets		
Current assets		
Cash and deposits	6,631	6,627
Notes and accounts receivable – trade	12,070	12,155
Electronically recorded monetary claims – operating	24	61
Securities	–	2
Merchandise and finished goods	979	1,011
Work in process	277	406
Raw materials and supplies	52	64
Deferred tax assets	1,541	1,547
Other	1,041	1,280
Allowance for doubtful accounts	(12)	(9)
Total current assets	22,607	23,147
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	6,140	5,595
Machinery, equipment and vehicles, net	151	118
Land	8,199	6,745
Lease assets, net	1,701	1,841
Construction in progress	1	1
Other, net	715	746
Total property, plant and equipment	16,910	15,048
Intangible assets		
Goodwill	367	1,348
Software	8,388	8,963
Software in progress	4,030	4,967
Lease assets	16	12
Other	1	1
Total intangible assets	12,804	15,293
Investments and other assets		
Investment securities	3,031	3,150
Long-term loans receivable	10	9
Net defined benefit asset	–	3,299
Deferred tax assets	1,307	141
Other	1,454	1,346
Allowance for doubtful accounts	(137)	(113)
Total investments and other assets	5,666	7,833
Total noncurrent assets	35,381	38,175
Total assets	57,989	61,322

[Unit: million yen]

	Fiscal 2014	Fiscal 2015
	As of March 31, 2014	As of March 31, 2015
Liabilities		
Current liabilities		
Accounts payable – trade	2,278	2,514
Short-term loans payable	5,774	4,436
Lease obligations	723	806
Income taxes payable	853	483
Provision for directors' bonuses	84	99
Other	5,915	6,640
Total current liabilities	15,630	14,983
Noncurrent liabilities		
Long-term loans payable	1,304	1,732
Lease obligations	1,078	1,128
Deferred tax liability	6	122
Provision for directors' retirement benefits	127	132
Net defined benefit liability	1,797	233
Asset retirement obligations	20	36
Other	85	990
Total noncurrent liabilities	4,419	4,376
Total liabilities	20,050	19,359
Net assets		
Shareholders' equity		
Capital stock	6,557	6,557
Capital surplus	13,111	13,111
Retained earnings	19,061	21,068
Treasury shares	(2,840)	(2,842)
Total shareholders' equity	35,890	37,894
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	144	478
Foreign currency translation adjustment	(82)	183
Remeasurements of defined benefit plans	(174)	921
Total accumulated other comprehensive income	(112)	1,583
Minority interests	2,161	2,484
Total net assets	37,939	41,963
Total liabilities and net assets	57,989	61,322

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

Consolidated Statements of Income

[Unit: million yen]

	Fiscal 2014 From: April 1, 2013 To: March 31, 2014	Fiscal 2015 From: April 1, 2014 To: March 31, 2015
Net sales	53,589	52,286
Cost of sales	31,554	30,824
Gross profit	22,034	21,462
Selling, general and administrative expenses		
Personnel expenses	10,345	10,449
Provision for directors' bonuses	85	99
Retirement benefit expenses	343	288
Provision of allowance for doubtful accounts	35	–
Other	8,044	8,235
Selling, general and administrative expenses	18,854	19,072
Operating income	3,180	2,389
Non-operating income		
Interest income	11	24
Dividends income	89	179
Equity in earnings of affiliates	1	12
Real estate rent	133	88
Gain on investments in silent partnership	188	–
Other	178	172
Total non-operating income	604	477
Non-operating expenses		
Interest expenses	30	38
Depreciation of assets for rent	25	17
Foreign exchange losses	42	49
Other	22	10
Total non-operating expenses	120	115
Ordinary income	3,663	2,751
Extraordinary income		
Gain on sales of noncurrent assets	100	417
Gain on sales of investment securities	168	–
Other	–	0
Total extraordinary income	268	417
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	192	244
Impairment loss	25	238
Loss on liquidation of subsidiaries	121	–
Restructuring loss	79	–
Other	89	68
Total extraordinary losses	508	551
Income before income taxes and minority interests	3,424	2,616
Income taxes – current	1,511	809
Income taxes – deferred	169	18
Total income taxes	1,680	828
Income before minority interests	1,743	1,788
Minority interests in income	471	323
Net income	1,272	1,464

Consolidated Statements of Comprehensive Income

[Unit: million yen]

	Fiscal 2014 From: April 1, 2013 To: March 31, 2014	Fiscal 2015 From: April 1, 2014 To: March 31, 2015
Income before minority interests	1,743	1,788
Other comprehensive income		
Valuation difference on available-for-sale securities	10	332
Foreign currency translation adjustment	274	234
Remeasurements of defined benefit plans, net of tax	–	1,096
Share of other comprehensive income of entities accounted for using equity method	(4)	50
Total other comprehensive income	279	1,714
Comprehensive income	2,023	3,502
[Comprehensive income attributable to]		
Comprehensive income attributable to owners of the parent	1,547	3,160
Comprehensive income attributable to minority interests	475	342

(3) Consolidated Statements of Changes in Net Assets

Fiscal 2014 (from April 1, 2013 to March 31, 2014)

[Unit: million yen]

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the period	6,557	13,111	18,892	(2,323)	36,237
Changes of items during the period					
Dividends from surplus			(1,102)		(1,102)
Net income			1,272		1,272
Purchase of treasury shares				(703)	(703)
Disposal of treasury shares				187	187
Net changes of items other than shareholders' equity					
Total changes of items during the period	–	–	169	(516)	(347)
Balance at the end of the period	6,557	13,111	19,061	(2,840)	35,890

	Accumulated other comprehensive income				Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the period	128	(341)	–	(213)	1,639	37,663
Changes of items during the period						
Dividends from surplus						(1,102)
Net income						1,272
Purchase of treasury shares						(703)
Disposal of treasury shares						187
Net changes of items other than shareholders' equity	16	259	(174)	100	522	623
Total changes of items during the period	16	259	(174)	100	522	275
Balance at the end of the period	144	(82)	(174)	(112)	2,161	37,939

Fiscal 2015 (from April 1, 2014 to March 31, 2015)

[Unit: million yen]

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the period	6,557	13,111	19,061	(2,840)	35,890
Cumulatively affected amount due to changes in accounting policies			1,377		1,377
Balance at the beginning of the period reflecting changes in accounting policies	6,557	13,111	20,439	(2,840)	37,267
Changes of items during the period					
Dividends from surplus			(1,081)		(1,081)
Net income			1,464		1,464
Changes in scope of consolidation			246		246
Purchase of treasury shares				(1)	(1)
Net changes of items other than shareholders' equity					
Total changes of items during the period	–	–	628	(1)	627
Balance at the end of the period	6,557	13,111	21,068	(2,842)	37,894

	Accumulated other comprehensive income				Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the period	144	(82)	(174)	(112)	2,161	37,939
Cumulatively affected amount due to changes in accounting policies						1,377
Balance at the beginning of the period reflecting changes in accounting policies	144	(82)	(174)	(112)	2,161	39,316
Changes of items during the period						
Dividends from surplus						(1,081)
Net income						1,464
Changes in scope of consolidation						246
Purchase of treasury shares						(1)
Net changes of items other than shareholders' equity	333	266	1,096	1,696	322	2,019
Total changes of items during the period	333	266	1,096	1,696	322	2,646
Balance at the end of the period	478	183	921	1,583	2,484	41,963

(4) Consolidated Statements of Cash Flows

[Unit: million yen]

	Fiscal 2014 From: April 1, 2013 To: March 31, 2014	Fiscal 2015 From: April 1, 2014 To: March 31, 2015
Cash flows from operating activities		
Income before income taxes and minority interests	3,424	2,616
Depreciation and amortization	4,544	5,005
Impairment loss	25	238
Amortization of goodwill	29	226
Increase (decrease) in provision for retirement benefits	(1,562)	–
Increase (decrease) in net defined benefit asset	–	156
Increase (decrease) in net defined benefit liability	1,527	(1,382)
Loss (gain) on investments in silent partnership	(188)	–
Interest and dividends income	(101)	(203)
Interest expenses	30	38
Equity in (earnings) losses of affiliates	(1)	(12)
Loss (gain) on sales and retirement of noncurrent assets	92	(172)
Loss (gain) on sales of investment securities	(168)	–
Decrease (increase) in notes and accounts receivable – trade	(16)	312
Decrease (increase) in inventories	149	(123)
Increase (decrease) in notes and accounts payable – trade	(235)	85
Increase (decrease) in accrued consumption taxes	(162)	804
Other	(819)	648
Subtotal	6,565	8,238
Interest and dividends income received	77	226
Interest expenses paid	(30)	(37)
Income taxes paid	(2,476)	(1,304)
Net cash provided by (used in) operating activities	4,136	7,122
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(8,478)	(5,737)
Proceeds from sales of property, plant and equipment and intangible assets	231	2,172
Purchase of investment securities	184	–
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(126)	(1,255)
Other	485	58
Net cash provided by (used in) investing activities	(7,703)	(4,761)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	3,568	(1,340)
Proceeds from long-term loans payable	1,400	900
Repayment of long-term loans payable	(767)	(492)
Repayments of lease obligations	(841)	(871)
Proceeds from sales of treasury shares	164	–
Cash dividends paid	(1,102)	(1,081)
Cash dividends paid to minority shareholders	(105)	(39)
Other	(703)	(7)
Net cash provided by (used in) financing activities	1,612	(2,931)
Effect of exchange rate change on cash and cash equivalents	255	178
Net increase (decrease) in cash and cash equivalents	(1,698)	(391)
Cash and cash equivalents at beginning of period	8,154	6,456
Increase in cash and cash equivalents due to new consolidation	–	329
Cash and cash equivalents at end of period	6,456	6,393

(5) Notes to Consolidated Financial Statements

Notes on the Going Concern Assumption

Not applicable.

Changes in Accounting Policies

Application of Accounting Standard for Retirement Benefits, Etc.

ZENRIN has applied the “Accounting Standard for Retirement Benefits” (Accounting Standards Board of Japan (ASBJ) Statement No. 26; issued on May 17, 2012) and “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25; issued on March 26, 2015) for the provisions of the main clause of Paragraph 35 of the Accounting Standard for Retirement Benefits and the main clause of Paragraph 67 of the Guidance on Accounting Standard for Retirement Benefits, starting from fiscal 2015. Accordingly, the calculation method for retirement benefit obligations and service costs was revised, and the method of attributing expected retirement benefits to periods was changed from the straight-line basis to the benefit formula basis. In addition, the method for determining the discount rate was changed from the method using the discount rate based on the number of years approximate to the expected average remaining working life of employees to the method using the single weighted average discount rate reflecting the estimated timing of retirement benefit payment and amount per estimated timing of retirement benefit payment.

Application of the Accounting Standard for Retirement Benefits, etc. is in accordance with the transitional treatment provided in Paragraph 37 of the Accounting Standard for Retirement Benefits, based on which, at the beginning of fiscal 2015, the amount of the effect accompanying the change in the calculation method for retirement benefit obligations and service costs is added to or deducted from retained earnings.

As a result, at the beginning of fiscal 2015, net defined benefit asset of 1,675 million yen was recorded and net defined benefit liability decreased by 458 million yen, while retained earnings increased by 1,377 million yen. The impact on income (loss), segment information and net income per share in fiscal 2015 is minimal.

Net assets per share increased by 38.25 yen.

Significant Subsequent Events

Not applicable.

4. Other

Sales Turnover based on Business Composition under Medium-Term Business Plan ZGP2015

Business composition	Fiscal 2014	Fiscal 2015	Amount of increase (decrease)	Rate of increase (decrease)	Main items
	million yen	million yen	million yen	%	
Advertising business	952	1,127	174	18.4	Various media
Publishing business	8,474	7,832	(642)	(7.6)	Printed residential maps, special-purpose maps, and purchased products
GIS business	10,238	11,426	1,187	11.6	Residential map databases
ICT business	14,184	12,469	(1,714)	(12.1)	Services for smartphones / mobile phones, and map data provision for internet services
ITS business	11,369	10,978	(390)	(3.4)	Data for Japanese in-car navigation systems
Global business	2,353	2,254	(98)	(4.2)	Data for overseas in-car navigation systems, and various overseas content
Other business	6,016	6,196	180	3.0	General printing goods, direct mail delivery services, in-ship (enclosing in mail/packages) advertising, commissioned CAD processing*1, sales promotion products*2, etc.
Total	53,589	52,286	(1,303)	(2.4)	

*1 ZENRIN withdrew from commissioned CAD processing in the previous fiscal year and no longer conducts the business.
*2 ZENRIN withdrew from sales promotion products in the previous fiscal year and no longer conducts the sales.