

Financial Summary**Consolidated Financial Results for the Three Months Ended June 30, 2016 (Q1 FY2016)**

July 26, 2016

(Amounts of less than one million yen are rounded down to the nearest million yen.)

1. Consolidated Financial Results for Q1 FY2016 (Apr. 1, 2016 - Jun. 30, 2016)**(1) Consolidated Operating Results (Cumulative)**

(Percentage shows year-on-year changes)

	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three Months Ended								
Jun. 30, 2016	3,801	(8.4)	362	(20.5)	374	(33.9)	279	(37.8)
Jun. 30, 2015	4,148	8.8	455	114.1	566	66.8	448	66.8

(Note) Comprehensive income ;

Three months ended Jun. 30, 2016 : 156 million yen Three months ended Jun. 30, 2015 : 440 million yen

	Net Income per Share	Net Income per Share
	(basic)	(diluted)
Three Months Ended	Yen	Yen
Jun. 30, 2016	8.80	8.76
Jun. 30, 2015	14.08	14.01

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
As of	Million yen	Million yen	%
Jun. 30, 2016	36,422	26,422	72.0
Mar. 31, 2015	35,346	27,062	75.9

(Reference) Shareholders' Equity ; As of Jun. 30, 2016 : 26,211 Million yen As of Mar. 31, 2016 : 26,819 Million yen

2. Dividends

	Dividend per Share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Annual
(Base date)	Yen	Yen	Yen	Yen	Yen
FY 2015	—	10.00	—	12.00	22.00
FY 2016	—				
FY 2016 (Forecast)		10.00	—	10.00	20.00

(Note) Revisions of the latest forecast of dividends : None

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2017 (Apr. 1, 2016 - Mar. 31, 2017)

(Percentage figures for the fiscal year represent the changes from the previous 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
Six months ending Sep. 30, 2016	9,200	4.8	1,540	21.0	1,570	7.3	1,130	6.6	35.76
Year ending Mar. 31, 2017	18,700	7.2	2,580	19.8	2,690	10.1	1,980	10.6	62.76

(Note) Revisions of the latest forecast of consolidated operating performance : None

4. Others

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in consolidation scope) : None
- (2) Application of the accounting method peculiar to quarterly consolidated financial statements : None
- (3) Changes and revisions/restatements in accounting principles and accounting estimates
- ① Changes associated with changes in accounting standards : Yes
 - ② Changes in accounting principles other than ① : None
 - ③ Changes in accounting estimates : None
 - ④ Revisions/restatements : None
- (4) Number of shares outstanding (common stock)
- ① Number of shares outstanding at the end of the period (including treasury stocks) :
As of Jun. 30, 2016 32,421,577 shares As of Mar. 31, 2016 32,421,577 shares
 - ② Number of shares of treasury stock at the end of the period :
As of Jun. 30, 2016 761,484 shares As of Mar. 31, 2016 620,044 shares
 - ③ Average number of shares outstanding during the period :
Apr. -Jun. 2016 31,702,547 shares Apr. -Jun. 2015 31,887,262 shares

※ Information regarding the implementation of quarterly review procedures

These quarterly financial results are not subject to quarterly review procedures. At the time of disclosure of these financial results, the quarterly consolidated Financial statement review procedures based on the Financial Instruments and Exchange Law of Japan are in progress.

※ Explanations and other special notes concerning the appropriate use of business performance forecasts

The forward-looking statements such as a result forecasts in this document are based on the information available to the Company at the time of the announcement and on certain assumptions considered reasonable, which are inherently speculative and cannot be guaranteed by the Company. Actual results may differ materially from the forecast depending on various factors.

2. Consolidated Financial Statements**(1) Consolidated Balance Sheets**

Yen in thousands

Consolidated Balance Sheets	As of Mar. 31, 2016	As of Jun. 30, 2016
Assets		
Current assets		
Cash and deposits	1,948,605	4,955,590
Notes and accounts receivable-trade	5,384,377	4,846,829
Short-term investment securities	1,926,989	213,265
Merchandise and finished goods	1,582,482	1,709,114
Work in process	1,135,086	1,260,044
Raw materials and supplies	4,625,293	5,005,975
Other	1,763,403	1,369,809
Allowance for doubtful accounts	(3)	—
Total current assets	18,366,235	19,360,628
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	4,544,593	4,914,371
Land	3,882,338	3,882,338
Construction in progress	396,177	75,915
Other, net	2,621,879	2,777,946
Total property, plant and equipment	11,444,988	11,650,571
Intangible assets	83,996	79,497
Investments and other assets		
Investment securities	4,247,640	4,120,768
Other	1,226,848	1,234,337
Allowance for doubtful accounts	(22,915)	(22,915)
Total investments and other assets	5,451,573	5,332,190
Total noncurrent assets	16,980,559	17,062,258
Total assets	35,346,794	36,422,887
Liabilities		
Current liabilities		
Notes and accounts payable-trade	783,372	693,725
Short-term loans payable	1,760,280	1,783,615
Income taxes payable	764,170	189,379
Provision for bonuses	481,266	763,238
Provision for directors' bonuses	76,520	95,650
Other	2,201,440	2,351,198
Total current liabilities	6,067,049	5,876,806
Noncurrent liabilities		
Long-term loans payable	646,800	2,638,400
Provision for loss on guarantees	358,519	354,655
Provision for retirement benefits	566,341	568,888
Other	645,343	561,231
Total noncurrent liabilities	2,217,003	4,123,175
Total liabilities	8,284,052	9,999,982

(Continued)

Yen in thousands

Consolidated Balance Sheets	As of Mar. 31, 2016	As of Jun. 30, 2016
Net assets		
Shareholders' equity		
Capital stock	9,061,866	9,061,866
Capital surplus	10,961,049	10,963,740
Retained earnings	6,930,146	6,881,198
Treasury stock	(781,615)	(1,220,735)
Total shareholders' equity	26,171,447	25,686,070
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	587,933	486,758
Deferred gains or losses on hedge	—	—
Foreign currency translation adjustments	205,840	171,574
Remeasurements of defined benefit plans	(145,560)	(132,781)
Total accumulated other comprehensive income	648,213	525,551
Subscription rights to shares	242,323	210,496
Minority interests	757	787
Total net assets	27,062,741	26,422,905
Total liabilities and net assets	35,346,794	36,422,887

(2) Consolidated Statements of Income

Yen in thousands

Consolidated Statements of Income	Three months ended Jun. 30, 2015	Three months ended Jun. 30, 2016
Net sales	4,148,052	3,801,341
Cost of sales	1,623,418	1,229,810
Gross profit	2,524,633	2,571,530
Selling, general and administrative expenses	2,069,385	2,209,499
Operating income	455,248	362,031
Non-operating income		
Interest income	6,143	4,837
Dividends income	12,402	11,208
Foreign exchange gain	2,726	5,382
Subsidy income	98,224	—
Other	2,735	2,035
Total non-operating income	122,232	23,465
Non-operating expenses		
Interest expenses	8,599	7,175
Other	2,678	3,820
Total non-operating expenses	11,277	10,996
Ordinary income	566,203	374,500
Extraordinary income		
Reversal of provision for loss on guarantees	3,490	3,864
Total extraordinary income	3,490	3,864
Extraordinary loss		
Loss on disposal of noncurrent assets	17	919
Total extraordinary loss	17	919
Income before income taxes	569,675	377,445
Income taxes-current	244,121	155,146
Income taxes-deferred	(123,441)	(56,870)
Total income taxes	120,680	98,276
Profit	448,995	279,168
Profit attributable to non-controlling interests	40	29
Profit attributable to owners of parent	448,955	279,138

(3) Consolidated Statements of Comprehensive Income

Yen in thousands

Consolidated Statements of Comprehensive Income	Three months ended	Three months ended
	Jun. 30, 2015	Jun. 30, 2016
Profit	448,995	279,168
Other comprehensive income		
Valuation difference on available-for-sale securities	(20,883)	(101,175)
Deferred gains or losses on hedges	1,896	—
Foreign currency translation adjustment	890	(34,265)
Remeasurements of defined benefit plans	9,684	12,779
Total other comprehensive income	(8,411)	(122,661)
Comprehensive income	440,583	156,506
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	440,543	156,476
Comprehensive income attributable to minority interests	40	29