

Financial Summary**Consolidated Financial Results for the Nine Months Ended Dec 31, 2016 (Q3 FY2016)**

Jan 26, 2017

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

1. Consolidated Financial Results for Q3 FY2016 (Apr. 1, 2016 - Dec. 31, 2016)**(1) Consolidated Operating Results (Cumulative)**

(Percentage shows year-on-year changes)

	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine Months Ended								
Dec. 31, 2016	13,100	0.3	1,858	(3.6)	1,939	(8.6)	1,416	(7.9)
Dec. 31, 2015	13,055	6.0	1,928	62.5	2,123	54.3	1,537	67.0

(Note) Comprehensive income ;

Nine months ended Dec. 31, 2016 : 1,398 million yen (9.3%) Nine months ended Dec. 31, 2015 : 1,541 million yen 48.0%

	Net Income per Share	Net Income per Share
	(basic)	(diluted)
Nine Months Ended	Yen	Yen
Dec. 31, 2016	44.80	44.54
Dec. 31, 2015	48.21	47.94

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
As of	Million yen	Million yen	%
Dec. 31, 2016	36,282	27,133	74.0
Mar. 31, 2016	35,346	27,062	75.9

(Reference) Shareholders' Equity ; As of Dec. 31, 2016 : 26,846 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	—	10.00	—		
FY 2016 (Forecast)				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
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 Dec. 31, 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 Dec. 31, 2016 857,862 shares As of Mar. 31, 2016 620,044 shares
 - ③ Average number of shares outstanding during the period :
Apr. -Dec. 2016 31,614,646 shares Apr. -Dec. 2015 31,893,599 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 March 31, 2016	As of Dec 31, 2016
Assets		
Current assets		
Cash and deposits	1,948,605	3,355,678
Notes and accounts receivable - trade	5,384,377	6,176,227
Securities	1,926,989	233,043
Merchandise and finished goods	1,582,482	1,795,753
Work in process	1,135,086	1,544,732
Raw materials and supplies	4,625,293	5,317,274
Other	1,763,403	1,076,207
Allowance for doubtful accounts	(3)	—
Total current assets	18,366,235	19,498,917
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,544,593	4,738,000
Land	3,882,338	3,882,338
Construction in progress	396,177	224,129
Other, net	2,621,879	2,687,254
Total property, plant and equipment	11,444,988	11,531,722
Intangible assets	83,996	74,498
Investments and other assets		
Investment securities	4,247,640	4,015,200
Other	1,226,848	1,184,704
Allowance for doubtful accounts	(22,915)	(22,915)
Total investments and other assets	5,451,573	5,176,989
Total non-current assets	16,980,559	16,783,211
Total assets	35,346,794	36,282,128
Liabilities		
Current liabilities		
Notes and accounts payable - trade	783,372	967,650
Short-term loans payable	1,760,280	1,735,285
Income taxes payable	764,170	55,858
Provision for bonuses	481,266	275,895
Provision for directors' bonuses	76,520	57,390
Other	2,201,440	2,016,298
Total current liabilities	6,067,049	5,108,377

(Continued)

Yen in thousands

Consolidated Balance Sheets	As of March 31, 2016	As of Dec 31, 2016
Non-current liabilities		
Long-term loans payable	646,800	2,621,600
Provision for loss on guarantees	358,519	345,421
Net defined benefit liability	566,341	570,370
Other	645,343	503,086
Total non-current liabilities	2,217,003	4,040,477
Total liabilities	8,284,052	9,148,855
Net assets		
Shareholders' equity		
Capital stock	9,061,866	9,061,866
Capital surplus	10,961,049	10,965,894
Retained earnings	6,930,146	7,702,545
Treasury shares	(781,615)	(1,513,281)
Total shareholders' equity	26,171,447	26,217,024
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	587,933	646,553
Foreign currency translation adjustment	205,840	90,626
Remeasurements of defined benefit plans	(145,560)	(107,223)
Total accumulated other comprehensive income	648,213	629,956
Subscription rights to shares	242,323	285,414
Non-controlling interests	757	878
Total net assets	27,062,741	27,133,273
Total liabilities and net assets	35,346,794	36,282,128

(2) Consolidated Statements of Income

Yen in thousands

	Nine months ended December 31, 2015	Nine months ended December 31, 2016
Net sales	13,055,270	13,100,818
Cost of sales	4,600,996	4,134,189
Gross profit	8,454,274	8,966,629
Selling, general and administrative expenses		
Total selling, general and administrative expenses	6,525,985	7,108,114
Operating income	1,928,288	1,858,514
Non-operating income		
Interest income	21,275	13,653
Dividend income	23,307	20,682
Foreign exchange gains	—	53,152
Gain on redemption of securities	79,453	—
Subsidy income	98,224	29,056
Other	22,441	18,604
Total non-operating income	244,702	135,148
Non-operating expenses		
Interest expenses	24,919	22,054
Foreign exchange losses	6,096	—
Commission for purchase of treasury shares	—	16,846
Other	18,903	15,197
Total non-operating expenses	49,919	54,098
Ordinary income	2,123,071	1,939,564
Extraordinary income		
Reversal of provision for loss on guarantees	12,215	13,098
Total extraordinary income	12,215	13,098
Extraordinary losses		
Loss on disposal of non-current assets	147	2,182
Total extraordinary losses	147	2,182
Profit before income taxes	2,135,138	1,950,480
Income taxes - current	601,907	383,120
Income taxes - deferred	(4,578)	150,801
Total income taxes	597,329	533,921
Profit	1,537,809	1,416,558
Profit attributable to non-controlling interests	139	120
Profit attributable to owners of parent	1,537,669	1,416,438

(3) Consolidated Statements of Comprehensive Income

	Yen in thousands	
	Nine months ended December 31, 2015	Nine months ended December 31, 2016
Profit	1,537,809	1,416,558
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,485)	58,619
Deferred gains or losses on hedges	(11,077)	—
Foreign currency translation adjustment	(10,979)	(115,214)
Remeasurements of defined benefit plans, net of tax	29,054	38,337
Total other comprehensive income	3,512	(18,257)
Comprehensive income	1,541,321	1,398,301
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,541,182	1,398,181
Comprehensive income attributable to non-controlling interests	139	120