

**Consolidated Financial Results  
Briefing Materials  
for 1<sup>st</sup> Quarter of  
Fiscal Year Ending March 31, 2016**

**IRISO ELECTRONICS CO., LTD.  
*Stock Code: 6908*  
(Aug 19, 2015)**

# 1. Consolidated Results for 1Q Fiscal Year Ending March 31, 2016 (YoY Change)



Unit: Millions of yen

|   | 1Q Year Ended<br>March 31, 2015   | 1Q Year Ending<br>March 31, 2016 | YoY change              |
|---|-----------------------------------|----------------------------------|-------------------------|
| Net sales                               | 8,987                             | 9,701                            | 714<br>7.9%             |
| Operating income                        | 1,664                             | 1,460                            | (204)<br>(12.2)%        |
| Ordinary income                         | 1,561                             | 1,596                            | 35<br>2.2%              |
| Net income                              | 1,159                             | 1,188                            | 28<br>2.5%              |
| EPS                                     | 101.31 yen                        | 103.81 yen                       |                         |
| Average exchange rate during the period | USD 102.14 yen<br>EURO 140.01 yen | 121.34 yen<br>133.86 yen         | 19.20 yen<br>(6.15) yen |

## 2. Breakdown of Net Sales (by Market)

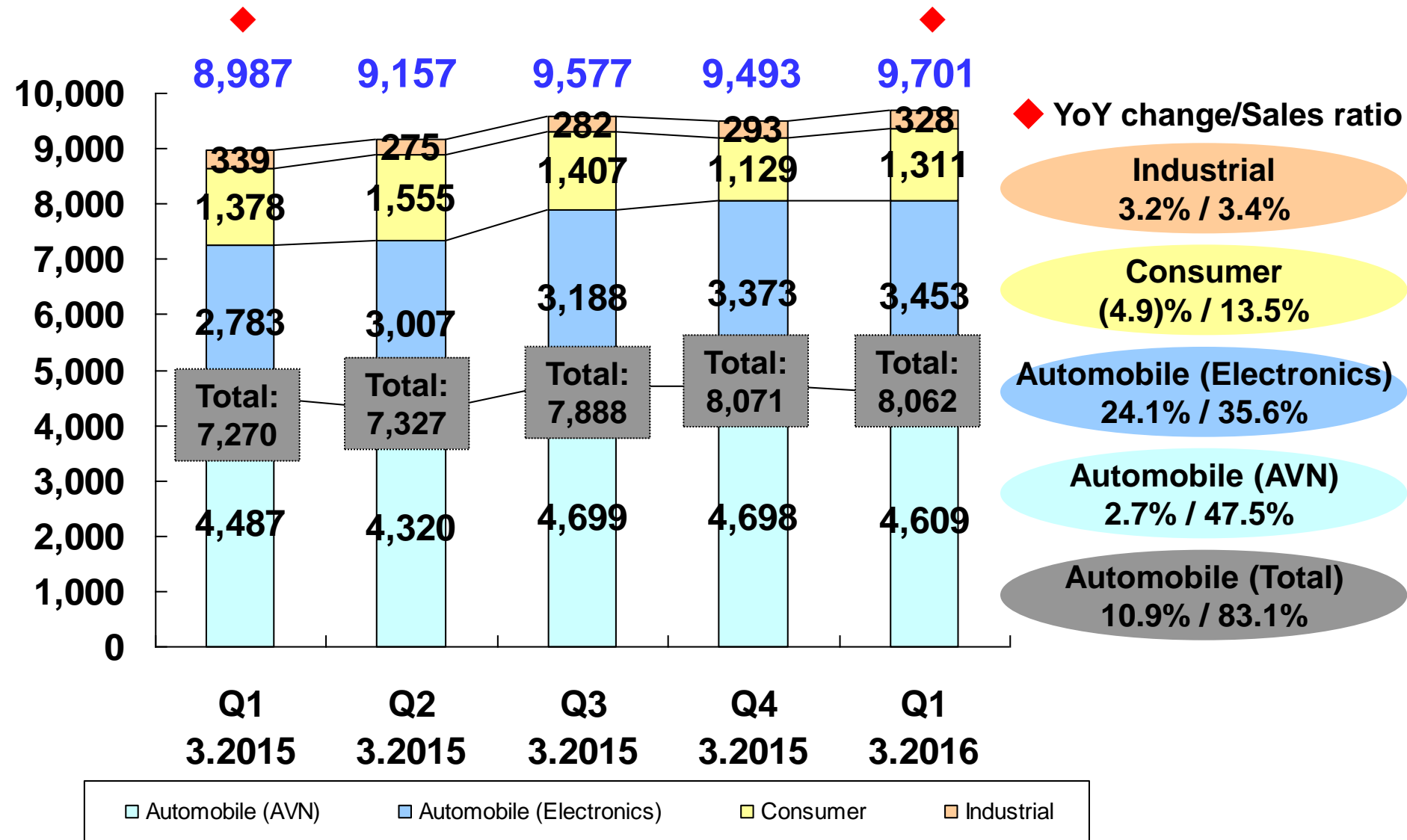
Unit: Millions of yen

|  |  | 1Q Year Ending<br>March 31, 2016 | YoY<br>change | Sales ratio | Factors for<br>increase/decrease  |
|--|--|----------------------------------|---------------|-------------|---|
| <b>Automotive (Automobile)</b>   |  | 8,062                            | 10.9%         | 83.1%       |   |
| <b>Category</b>  | <b>AVN</b><br>(Car audio, visual,<br>navigation systems, etc.) | 4,609                            | 2.7%          | 47.5%       | <ul style="list-style-type: none"> <li>Overseas 84.8%<br/>YoY Change in sales 16.1 %</li> <li>Strong results primarily in U.S.A.</li> </ul>                                     |
|  | <b>Electronics</b><br>(Other electric components)              | 3,453                            | 24.1%         | 35.6%       |   |
| <b>Consumer</b><br>(Digital cameras, cellular<br>telephones, televisions, OA,<br>game equipment, etc.) |  | 1,311                            | (4.9)%        | 13.5%       | <ul style="list-style-type: none"> <li>Sales in the game equipment decreased that had been towing the past two years.</li> <li>Sales in the OA equipment was strong.</li> </ul> |
| <b>Industrial</b><br>(Industrial equipment, etc.)  |  | 328                              | (3.2)%        | 3.4%        | <ul style="list-style-type: none"> <li>Reduction of the mounting number by the model change, etc</li> </ul>   |
| <b>Total</b>   |  | 9,701                            | 7.9%          | 100.0%      | <ul style="list-style-type: none"> <li>The highest past sales</li> </ul>  |

Note: AVN is an abbreviation of Audio Visual Navigator, and refers to general car audio equipment, navigation systems, etc.

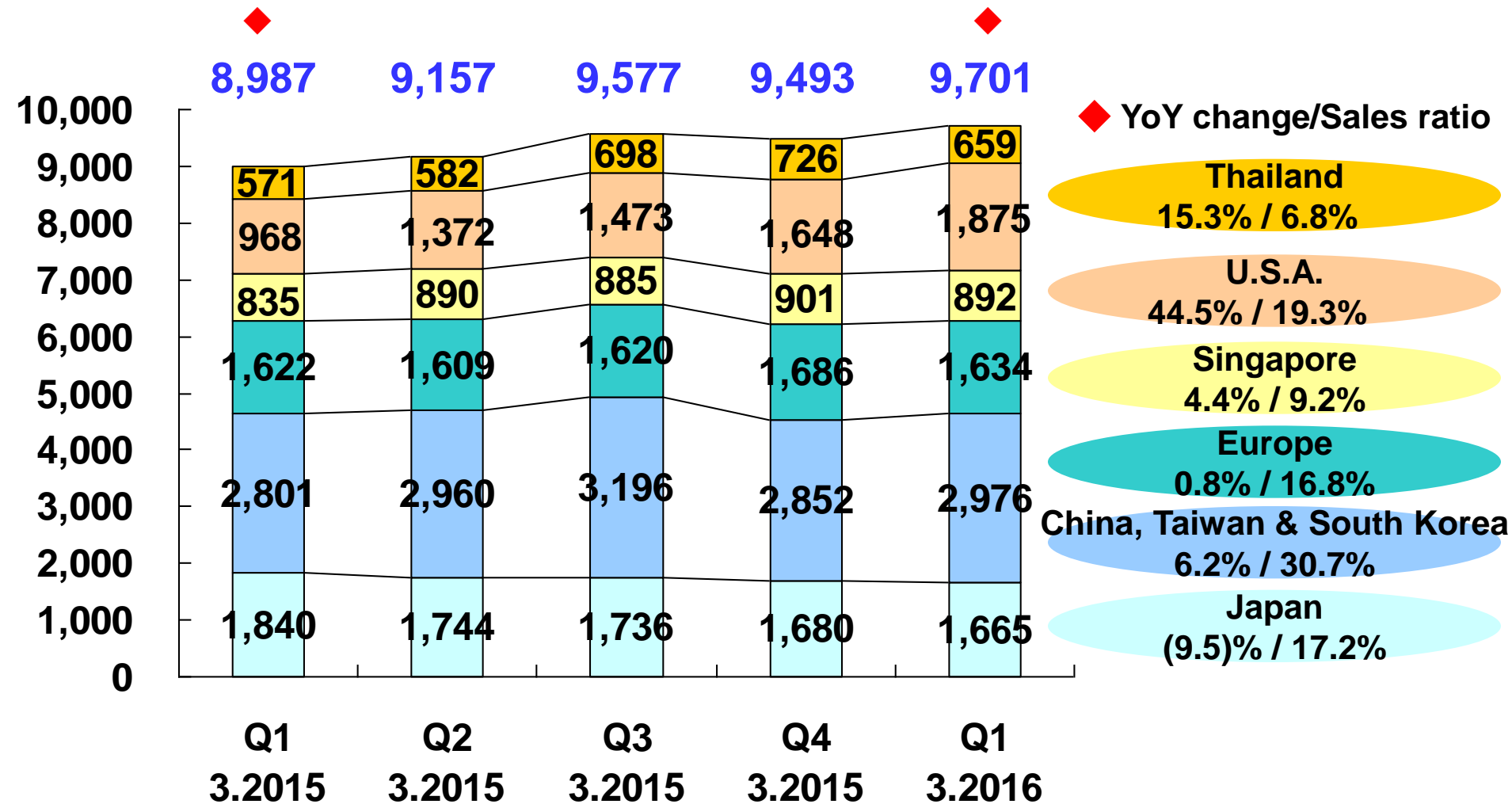
### 3. Net Sales by Market (Quarterly Trends)

Unit: Millions of yen



# 4. Net Sales by Area (Quarterly Trends)

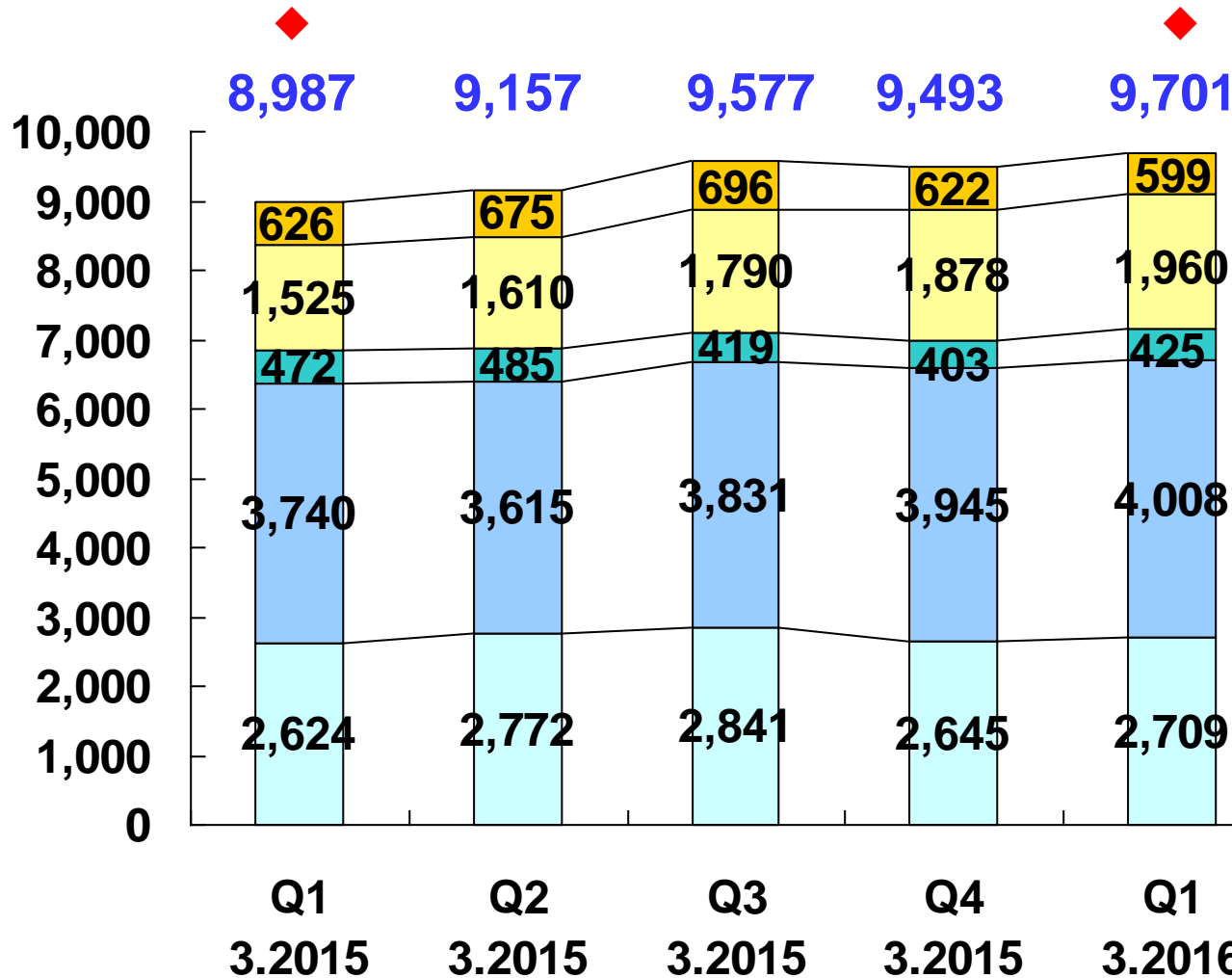
Unit: Millions of yen



□ Domestic □ China, Taiwan and South Korea □ Europe □ Singapore □ U.S.A □ Thailand

# 5. Net Sales by Product (Quarterly Trends)

Unit: Millions of yen



◆ YoY change/Sales ratio

Other \*  
(4.4)% / 6.2%

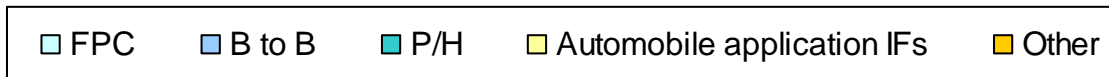
Automobile application IFs  
28.5% / 20.2%

P/H  
(9.9)% / 4.4%

B to B  
7.2% / 41.3%

FPC  
3.3% / 27.9%

\* Including Compression



## 6. Consolidated Statements of Income (Cumulative) (YoY Change)



Unit: Millions of yen

|  | 1Q Year Ended<br>March 31, 2015 |        | 1Q Year Ending<br>March 31, 2016 |        | YoY<br>change            |         |
|--|---------------------------------|--------|----------------------------------|--------|--------------------------|---------|
| <b>Net sales</b>                       | 8,987                           | 100.0% | 9,701                            | 100.0% | 714                      | 7.9%    |
| <b>Cost of sales</b>                   | 5,690                           | 63.3%  | 6,394                            | 65.9%  | 704                      | 12.4%   |
| <b>Gross profit</b>                    | 3,296                           | 36.7%  | 3,306                            | 34.1%  | 10                       | 0.3%    |
| <b>SG &amp; A</b>                      | 1,632                           | 18.2%  | 1,845                            | 19.0%  | 213                      | 13.1%   |
| <b>Operating income</b>                | 1,664                           | 18.5%  | 1,460                            | 15.0%  | (204)                    | (12.3)% |
| <b>Non-operating<br/>income</b>        | 7                               | 0.1%   | 140                              | 1.4%   | 133                      | 2000.0% |
| <b>Non-operating<br/>expenses</b>      | 110                             | 1.2%   | 4                                | 0.0%   | (106)                    | 3.6%    |
| <b>Ordinary income</b>                 | 1,561                           | 17.4%  | 1,596                            | 16.5%  | 35                       | 2.2%    |
| <b>Extraordinary<br/>income (loss)</b> | (4)                             | (0.0)% | (14)                             | (0.1)% | (10)                     | —       |
| <b>Pretax income</b>                   | 1,557                           | 17.3%  | 1,582                            | 16.3%  | 25                       | 1.6%    |
| <b>Net income</b>                      | 1,159                           | 12.9%  | 1,188                            | 12.2%  | 29                       | 2.5%    |
| <b>EPS</b>                             | 101.31                          |        | 103.81                           |        | —                        |         |
| <b>Exchange rate<br/>(USD/EURO)</b>    | 102.14 Yen/<br>140.01 Yen       |        | 121.34 Yen/<br>133.86 Yen        |        | 19.20 Yen/<br>(6.15) Yen |         |

## 7. Consolidated Balance Sheets (compared to the end of the previous year)



Unit: Millions of yen

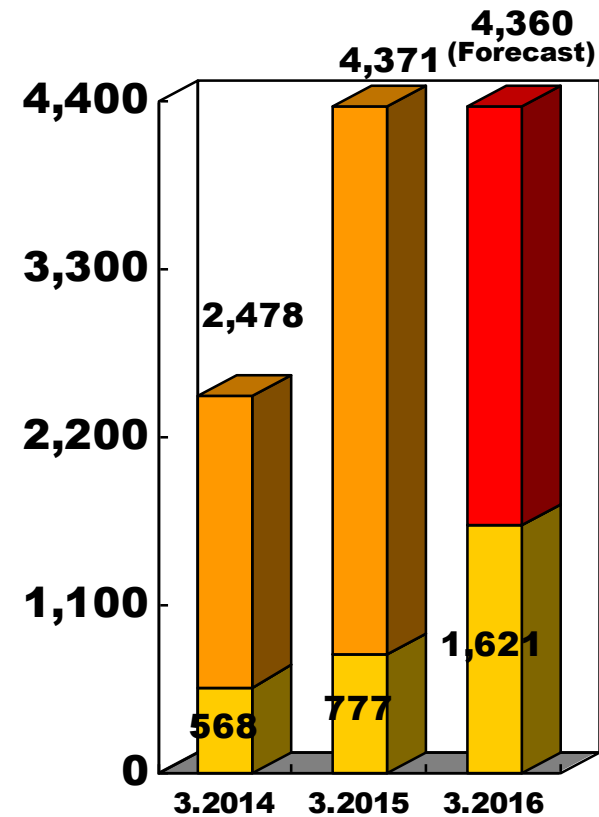
|   | As of<br>March 31, 2015 |        | As of<br>June 30, 2016 |        | Compared to<br>the end of the<br>previous year | Factors for<br>increase/decrease  |
|---|-------------------------|--------|------------------------|--------|--|---|
| <b>Current assets</b>                       | 27,492                  | 60.2%  | 28,357                 | 59.7%  | 865  | Cash and deposits 240<br>Notes and accounts<br>Products 241<br>Raw materials 191            |
| <b>Noncurrent<br/>assets</b>                | 18,191                  | 39.8%  | 19,141                 | 40.3%  | 950  | Machinery 364<br>Construction in progress<br>602  |
| <b>Total assets</b>                         | 45,684                  | 100.0% | 47,499                 | 100.0% | 1,815  |   |
| <b>Current liabilities</b>                  | 6,753                   | 14.8%  | 7,621                  | 16.0%  | 868  | Notes and accounts<br>payable-trade 156<br>Other accounts payable 332<br>Other expenses 328 |
| <b>Noncurrent<br/>liabilities</b>           | 932                     | 2.0%   | 865                    | 1.8%   | (67)   | Retirement bonuses for<br>directors (35)  |
| <b>Total liabilities</b>                    | 7,686                   | 16.8%  | 8,487                  | 17.9%  | 801  |   |
| <b>Shareholders'<br/>equity</b>             | 33,186                  | 72.6%  | 33,687                 | 70.9%  | 501  | Retained earnings 501   |
| <b>Valuation/translation<br/>difference</b> | 4,699                   | 10.3%  | 5,201                  | 10.9%  | 502  | Foreign currency<br>translation adjustment 486  |
| <b>Minority interests</b>                   | 111                     | 0.2%   | 122                    | 0.3%   | 11   |   |
| <b>Total net assets</b>                     | 37,997                  | 83.2%  | 39,011                 | 82.1%  | 1,014  | Net assets per share<br>3,397.75 yen<br>(previous period 3,310.07 yen)                      |
| <b>Total liabilities and<br/>net assets</b> | 45,684                  | 100.0% | 47,499                 | 100.0% | 1,815  |   |



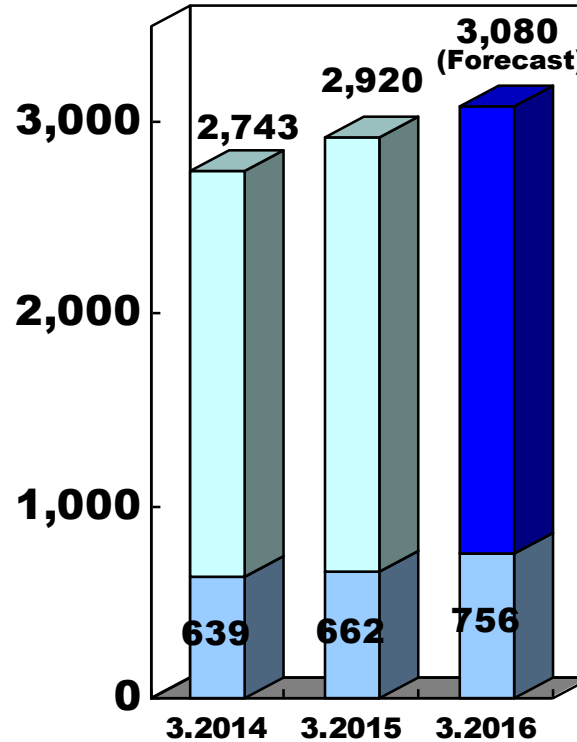
# 8. Capital Investment, Depreciation & Amortization and Research & Development



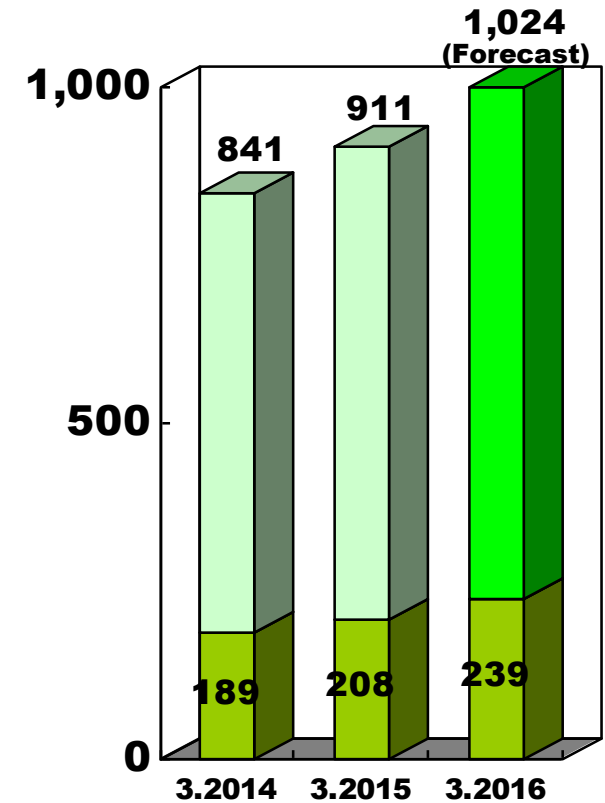
Unit: Millions of yen



Capital Investment



Depreciation & Amortization



Research & Development

## Relations between exchange rate fluctuations and non-operating income

Exchange rate fluctuations affect the valuation of assets (stock base)

Exchange rate movements during 1Q of year ending March 31, 2016

**USD** ( valuation of dollar-denominated assets:11 million dollar)

| March         | Apr.          | May           | Jun.          | Compared to the end of March in previous year |
|---------------|---------------|---------------|---------------|---|
| <b>120.17</b> | <b>119.00</b> | <b>123.73</b> | <b>122.45</b> | <b>2.28yen loss</b>                           |

**EURO** ( valuation of euro-denominated assets:12 million euro)

| March         | Apr.          | May           | Jun.          | Compared to the end of March in previous year |
|---------------|---------------|---------------|---------------|---|
| <b>130.32</b> | <b>132.29</b> | <b>135.61</b> | <b>137.23</b> | <b>6.91yen loss</b>                           |



Foreign exchange gain (loss)

**128 million yen**

# 10. Revised 1<sup>st</sup> Half Targets (comparison with initial targets)



Unit: Millions of yen

|   | 1st Half<br>initial targets       | 1st Half<br>revised targets | Comparison with<br>initial targets |
|---|-----------------------------------|-----------------------------|------------------------------------|
| Net sales                                     | 19,000                            | 19,200                      | 200<br>1.1%                        |
| Operating<br>income                           | 3,500                             | 3,000                       | (500)<br>(14.3)%                   |
| Ordinary<br>income                            | 3,500                             | 3,100                       | (400)<br>(11.4)%                   |
| Net income                                    | 2,600                             | 2,200                       | (400)<br>(15.4)%                   |
| Average<br>exchange rate<br>during the period | USD 110.00 yen<br>EURO 125.00 yen | 120.00 yen<br>130.00 yen    | 10.00 yen<br>5.00 yen              |

# 11. Revised Full-Year Targets (comparison with initial targets)

Unit: Millions of yen

|   | Full-year FY2016<br>initial targets | Full Year<br>revised targets | Comparison with<br>initial targets |
|---|-------------------------------------|------------------------------|------------------------------------|
| Net sales                                     | 39,000                              | 40,000                       | 1,000<br>2.6%                      |
| Operating<br>income                           | 7,200                               | 7,200                        | —<br>0.0%                          |
| Ordinary<br>income                            | 7,200                               | 7,200                        | —<br>0.0%                          |
| Net income                                    | 5,200                               | 5,200                        | —<br>0.0%                          |
| Average<br>exchange rate<br>during the period | USD 110.00 yen<br>EURO 125.00 yen   | 120.00 yen<br>130.00 yen     | 10.00 yen<br>5.00 yen              |

|                                   |   |
|-----------------------------------|---|
| <b>Company name</b>               | <b>IRISO ELECTRONICS CO., LTD.</b>  |
| <b>Business description</b>       | <b>Manufacture and sales of various types of connectors</b>   |
| <b>Establishment</b>              | <b>December 1966</b>  |
| <b>Number of employees</b>        | <b>Domestic 344; overseas 3,630 (as of March 31, 2014)</b>  |
| <b>Capital</b>                    | <b>5,640 million yen (as of March 31, 2015)</b>   |
| <b>Headquarters</b>               | <b>2-13-8, Shinyokohama, Kohoku-ku, Yokohama, Kanagawa</b>  |
| <b>Operations</b>                 |   |
| <b>Domestic</b>                   | <b>Headquarters, Iwate, Ibaraki, Aichi, Osaka</b>   |
| <b>Overseas</b>                   | <b>Singapore, Hong Kong, U.S.A., Germany, Thailand, South Korea, China (Shanghai, Dalian, Tianjin, Suzhou), Malaysia, Taiwan, India</b> |
| <b>Research &amp; development</b> | <b>Headquarters (IRISO Technology Park), Kawasaki(Production Technology Development Center),Shanghai R&amp;D Center</b>                 |
| <b>Manufacturing plants</b>       | <b>Ibaraki, China (Shanghai), Philippines, Vietnam (Hanoi)</b>  |