

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2013 (Based on Japanese GAAP)

February 7, 2014

Company name IRISO ELECTRONICS CO., LTD.
 Stock exchange listing Tokyo
 Stock Code 6908 URL <http://www.iriso.co.jp>
 Representative President & CEO Toshiyuki Imazu
 Director & Executive Officer / General Keiji Takeda
 Inquiries Manager of Administration Division TEL 045-478-3111
 Scheduled date to file Quarterly Securities Report February 7, 2014
 Scheduled date to commence dividend payments -
 Preparation of supplementary material on quarterly earnings yes
 Holding of quarterly earnings performance review yes -

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2013 (from April 1, 2013 to December 31, 2013)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2013	24,215	32.5	4,054	86.4	4,820	105.6	3,354	123.0
Nine months ended December 31, 2012	18,282	5.0	2,175	19.5	2,344	32.6	1,504	21.8

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended December 31, 2013	293.09	-
Nine months ended December 31, 2012	131.42	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2013	37,353	29,457	78.9	2,573.64
As of March 31, 2013	32,810	24,548	74.8	2,143.97

2. Cash dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2013	-	0.00	-	20.00	20.00
Year ending March 31, 2014	-	0.00	-	-	-
Year ending March 31, 2014 (Forecast)	-	-	-	30.00	30.00

3. Forecast for the year ending March 31, 2014 (from April 1, 2013 to March 31, 2014)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	32,000	29.1	5,150	101.0	5,400	76.4	3,500	90.1	305.79

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2013
 (changes in specified subsidiaries resulting in the change in scope of consolidation): no
- (2) Application of special accounting for preparing quarterly consolidated financial statements: no
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections
- Changes in accounting policies due to revisions to accounting standards and other regulations: no
 - Changes in accounting policies due to other reasons: no
 - Changes in accounting estimates: no
 - Restatement of prior period financial statements after error corrections: no

(4) Number of issued shares

Total number of issued shares at the end of the period (including treasury stock)

As of December 31, 2013	12,291,849 shares	As of March 31, 2013	12,291,849 shares
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Number of shares of treasury stock at the end of the period

As of December 31, 2013	846,123 shares	As of March 31, 2013	846,123 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2013	11,445,726 shares	Nine months ended December 31, 2012	11,445,755 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2013	As of December 31, 2013
Assets		
Current assets		
Cash and deposits	5,773	6,472
Notes and accounts receivable-trade	6,973	8,960
Merchandise and finished goods	3,235	3,743
Work in process	93	149
Raw materials and supplies	1,276	1,395
Deferred tax assets	246	332
Other	536	688
Allowance for doubtful accounts	(15)	(18)
Total current assets	18,119	21,723
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	3,607	3,822
Accumulated depreciation	(1,721)	(1,910)
Buildings and structures, net	1,885	1,912
Machinery, equipment and vehicles	12,275	14,344
Accumulated depreciation	(5,542)	(6,814)
Machinery, equipment and vehicles, net	6,733	7,530
Tools, furniture and fixtures	10,170	11,278
Accumulated depreciation	(7,372)	(8,221)
Tools, furniture and fixtures, net	2,798	3,056
Land	827	827
Construction in progress	1,110	1,124
Total property, plant and equipment	13,355	14,451
Intangible assets		
Software	523	345
Other	78	85
Total intangible assets	601	430
Investments and other assets		
Investment securities	306	340
Other	482	462
Allowance for doubtful accounts	(56)	(56)
Total investments and other assets	733	747
Total noncurrent assets	14,690	15,630
Total assets	32,810	37,353

(Millions of yen)

	As of March 31, 2013	As of December 31, 2013
Liabilities		
Current liabilities		
Notes and accounts payable-trade	2,560	3,315
Short-term loans payable	2,212	526
Current portion of long-term loans payable	61	61
Income taxes payable	479	600
Provision for bonuses	204	130
Other	1,668	2,172
Total current liabilities	7,187	6,808
Noncurrent liabilities		
Long-term loans payable	407	364
Provision for retirement benefits	505	554
Provision for directors' retirement benefits	154	162
Other	7	7
Total noncurrent liabilities	1,074	1,088
Total liabilities	8,261	7,896
Net assets		
Shareholders' equity		
Capital stock	5,640	5,640
Capital surplus	6,781	6,781
Retained earnings	12,579	15,702
Treasury stock	(602)	(602)
Total shareholders' equity	24,398	27,522
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(4)	16
Foreign currency translation adjustment	144	1,918
Total accumulated other comprehensive income	140	1,935
Minority interests	8	-
Total net assets	24,548	29,457
Total liabilities and net assets	32,810	37,353

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2012	Nine months ended December 31, 2013
Net sales	18,282	24,215
Cost of sales	12,397	15,725
Gross profit	5,884	8,490
Selling, general and administrative expenses	3,709	4,435
Operating income	2,175	4,054
Non-operating income		
Interest income	3	6
Dividends income	6	3
Foreign exchange gains	238	789
Insurance income	10	-
Other	7	15
Total non-operating income	266	814
Non-operating expenses		
Interest expenses	19	15
PenaltyForContractBreach	45	-
LossOnDisposalOfSupplies	13	6
Compensation expenses	-	15
Other	19	10
Total non-operating expenses	96	48
Ordinary income	2,344	4,820
Extraordinary income		
Gain on sales of noncurrent assets	4	-
Other	0	-
Total extraordinary income	4	-
Extraordinary loss		
Loss on retirement of noncurrent assets	13	286
Special retirement expenses	5	-
Impairment loss	209	-
Total extraordinary losses	229	286
Income before income taxes and minority interests	2,120	4,534
Income taxes-current	774	1,257
Income taxes-deferred	(147)	(69)
Total income taxes	627	1,188
Income before minority interests	1,492	3,345
Minority interests in loss	(12)	(8)
Net income	1,504	3,354

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2012	Nine months ended December 31, 2013
Income before minority interests	1,492	3,345
Other comprehensive income		
Valuation difference on available-for-sale securities	7	21
Foreign currency translation adjustment	665	1,773
Total other comprehensive income	673	1,794
Comprehensive income	2,165	5,140
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	2,189	5,149
Comprehensive income attributable to minority interests	(24)	(8)