

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2014 (Based on Japanese GAAP)

February 2, 2015

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 & Senior Executive Officer /
 Inquiries: General Manager of Administration Division Ikuro Yuki TEL 045-478-3111
 Scheduled date to file Quarterly Securities Report: February 2, 2015
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2014 (from April 1, 2014 to December 31, 2014)

(1) Consolidated financial 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, 2014	27,721	14.5	5,195	28.1	5,484	13.8	4,004	19.4
Nine months ended December 31, 2013	24,215	32.5	4,054	86.4	4,820	105.6	3,354	123.0

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended December 31, 2014	349.85	–
Nine months ended December 31, 2013	293.09	–

(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, 2014	45,385	36,842	81.0	3,210.20
As of March 31, 2014	37,336	29,960	80.2	2,616.15

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2014	–	0.00	–	40.00	40.00
Year ending March 31, 2015	–	0.00	–	–	–
Year ending March 31, 2015 (Forecast)	–	–	–	40.00	40.00

3. Forecast of consolidated financial results for the year ending March 31, 2015 (from April 1, 2014 to March 31, 2015)

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	36,000	9.6	6,700	18.9	6,700	7.5	4,800	9.1	419.37

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2014
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of December 31, 2014	12,291,849 shares	As of March 31, 2014	12,291,849 shares
-------------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of December 31, 2014	846,151 shares	As of March 31, 2014	846,151 shares
-------------------------	----------------	----------------------	----------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2014	11,445,698 shares	Nine months ended December 31, 2013	11,445,726 shares
-------------------------------------	-------------------	-------------------------------------	-------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2014	As of December 31, 2014
Assets		
Current assets		
Cash and deposits	7,634	10,865
Notes and accounts receivable - trade	8,434	9,890
Merchandise and finished goods	3,775	3,996
Work in process	134	57
Raw materials and supplies	1,190	1,415
Deferred tax assets	364	326
Other	677	1,178
Allowance for doubtful accounts	(20)	(22)
Total current assets	22,189	27,706
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,770	4,066
Accumulated depreciation	(1,915)	(2,149)
Buildings and structures, net	1,854	1,917
Machinery, equipment and vehicles	13,895	16,701
Accumulated depreciation	(6,945)	(8,451)
Machinery, equipment and vehicles, net	6,950	8,249
Tools, furniture and fixtures	10,998	12,219
Accumulated depreciation	(8,096)	(8,891)
Tools, furniture and fixtures, net	2,901	3,328
Land	827	827
Construction in progress	1,422	2,286
Total property, plant and equipment	13,955	16,608
Intangible assets		
Software	320	162
Other	83	95
Total intangible assets	403	257
Investments and other assets		
Investment securities	330	383
Other	512	485
Allowance for doubtful accounts	(56)	(56)
Total investments and other assets	787	812
Total non-current assets	15,146	17,679
Total assets	37,336	45,385

(Millions of yen)

	As of March 31, 2014	As of December 31, 2014
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,819	3,487
Short-term loans payable	514	439
Current portion of long-term loans payable	56	61
Income taxes payable	614	386
Provision for bonuses	247	384
Other	2,007	2,703
Total current liabilities	6,261	7,462
Non-current liabilities		
Long-term loans payable	350	307
Provision for directors' retirement benefits	165	170
Net defined benefit liability	591	588
Other	6	13
Total non-current liabilities	1,113	1,080
Total liabilities	7,375	8,543
Net assets		
Shareholders' equity		
Capital stock	5,640	5,640
Capital surplus	6,781	6,781
Retained earnings	16,747	20,286
Treasury shares	(602)	(602)
Total shareholders' equity	28,566	32,105
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9	42
Foreign currency translation adjustment	1,376	4,596
Remeasurements of defined benefit plans	(8)	(2)
Total accumulated other comprehensive income	1,376	4,637
Minority interests	17	99
Total net assets	29,960	36,842
Total liabilities and net assets	37,336	45,385

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, 2013	Nine months ended December 31, 2014
Net sales	24,215	27,721
Cost of sales	15,725	17,547
Gross profit	8,490	10,174
Selling, general and administrative expenses	4,435	4,979
Operating income	4,054	5,195
Non-operating income		
Interest income	6	9
Dividend income	3	3
Foreign exchange gains	789	275
Other	15	14
Total non-operating income	814	303
Non-operating expenses		
Interest expenses	15	6
Compensation expenses	15	0
LossOnDisposalOfSupplies	6	-
Other	10	7
Total non-operating expenses	48	14
Ordinary income	4,820	5,484
Extraordinary income		
Gain on sales of non-current assets	-	0
Total extraordinary income	-	0
Extraordinary losses		
Loss on retirement of non-current assets	286	218
Loss on sales of non-current assets	-	0
Other	-	0
Total extraordinary losses	286	218
Income before income taxes and minority interests	4,534	5,265
Income taxes - current	1,257	1,111
Income taxes - deferred	(69)	78
Total income taxes	1,188	1,189
Income before minority interests	3,345	4,075
Minority interests in income (loss)	(8)	71
Net income	3,354	4,004

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2013	Nine months ended December 31, 2014
Income before minority interests	3,345	4,075
Other comprehensive income		
Valuation difference on available-for-sale securities	21	33
Foreign currency translation adjustment	1,773	3,231
Remeasurements of defined benefit plans, net of tax	–	6
Total other comprehensive income	1,794	3,271
Comprehensive income	5,140	7,346
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,149	7,264
Comprehensive income attributable to minority interests	(8)	81