

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2015 (Based on Japanese GAAP)

July 31, 2015

Company name: IRISO ELECTRONICS CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 6908 URL <http://www.iriso.co.jp>  
 Representative: President & CEO Ikuo Yuki  
 Director & Executive Officer / General Manager of Administration Division Kenichi Ooe  
 Inquiries: TEL 045-478-3111  
 Scheduled date to file Quarterly Securities Report: July 31, 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 three months ended June 30, 2015 (from April 1, 2015 to June 30, 2015)

#### (1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2015	9,701	7.9	1,460	(12.2)	1,596	2.2	1,188	2.5
Three months ended June 30, 2014	8,987	21.7	1,664	44.1	1,561	6.3	1,159	8.3

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2015	103.81	–
Three months ended June 30, 2014	101.31	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2015	47,499	39,011	81.9	3,397.75
As of March 31, 2015	45,684	37,997	82.9	3,310.07

### 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, 2015	–	0.00	–	60.00	60.00
Year ending March 31, 2016	–	–	–	–	–
Year ending March 31, 2016 (Forecast)	–	0.00	–	60.00	60.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2015	19,000	4.7	3,500	2.5	3,500	1.9	2,600	0.6	227.16
Full year	39,000	4.8	7,200	4.8	7,200	4.2	5,200	2.6	454.32

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2015  
 (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 June 30, 2015	12,291,849 shares	As of March 31, 2015	12,291,849 shares
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Number of treasury shares at the end of the period

As of June 30, 2015	846,151 shares	As of March 31, 2015	846,151 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2015	11,445,698 shares	Three months ended June 30, 2014	11,445,698 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2015	As of June 30, 2015
Assets		
Current assets		
Cash and deposits	11,089	11,329
Notes and accounts receivable - trade	9,728	9,744
Merchandise and finished goods	3,884	4,120
Work in process	59	45
Raw materials and supplies	1,376	1,544
Deferred tax assets	325	362
Other	1,047	1,214
Allowance for doubtful accounts	(18)	(3)
Total current assets	27,492	28,357
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,065	4,081
Accumulated depreciation	(2,183)	(2,217)
Buildings and structures, net	1,882	1,864
Machinery, equipment and vehicles	17,235	18,056
Accumulated depreciation	(8,746)	(9,199)
Machinery, equipment and vehicles, net	8,489	8,856
Tools, furniture and fixtures	12,487	12,764
Accumulated depreciation	(9,192)	(9,462)
Tools, furniture and fixtures, net	3,295	3,301
Land	827	827
Construction in progress	2,695	3,297
Total property, plant and equipment	17,189	18,148
Intangible assets		
Software	232	212
Other	94	95
Total intangible assets	327	308
Investments and other assets		
Investment securities	294	310
Other	436	429
Allowance for doubtful accounts	(55)	(55)
Total investments and other assets	674	684
Total non-current assets	18,191	19,141
Total assets	45,684	47,499

(Millions of yen)

	As of March 31, 2015	As of June 30, 2015
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	2,898	3,054
Short-term loans payable	390	411
Current portion of long-term loans payable	56	56
Income taxes payable	360	446
Provision for bonuses	414	357
Other	2,632	3,293
Total current liabilities	6,753	7,621
Non-current liabilities		
Long-term loans payable	293	279
Provision for directors' retirement benefits	173	138
Net defined benefit liability	453	435
Other	11	11
Total non-current liabilities	932	865
Total liabilities	7,686	8,487
<b>Net assets</b>		
Shareholders' equity		
Capital stock	5,640	5,640
Capital surplus	6,781	6,781
Retained earnings	21,367	21,868
Treasury shares	(602)	(602)
Total shareholders' equity	33,186	33,687
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	52	63
Foreign currency translation adjustment	4,558	5,045
Remeasurements of defined benefit plans	88	92
Total accumulated other comprehensive income	4,699	5,201
Non-controlling interests	111	122
Total net assets	37,997	39,011
Total liabilities and net assets	45,684	47,499

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015
Net sales	8,987	9,701
Cost of sales	5,690	6,394
Gross profit	3,296	3,306
Selling, general and administrative expenses	1,632	1,845
Operating income	1,664	1,460
Non-operating income		
Interest income	1	4
Dividend income	1	1
Foreign exchange gains	–	128
Other	4	5
Total non-operating income	7	140
Non-operating expenses		
Interest expenses	2	1
Foreign exchange losses	102	–
Other	5	2
Total non-operating expenses	110	4
Ordinary income	1,561	1,596
Extraordinary income		
Gain on sales of non-current assets	0	–
Total extraordinary income	0	–
Extraordinary losses		
Loss on retirement of non-current assets	4	14
Other	0	–
Total extraordinary losses	4	14
Income before income taxes and minority interests	1,557	1,582
Income taxes - current	295	366
Income taxes - deferred	77	14
Total income taxes	372	381
Profit	1,184	1,201
Profit attributable to non-controlling interests	24	13
Profit attributable to owners of parent	1,159	1,188

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015
Profit	1,184	1,201
Other comprehensive income		
Valuation difference on available-for-sale securities	0	11
Foreign currency translation adjustment	(281)	484
Remeasurements of defined benefit plans, net of tax	(2)	4
Total other comprehensive income	(283)	499
Comprehensive income	900	1,700
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	876	1,690
Comprehensive income attributable to non-controlling interests	23	10