

**Translation**

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**Summary of Consolidated Financial Results  
for the Year Ended March 31, 2015  
(Based on Japanese GAAP)**

May 1, 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  
 Inquiries: President & CEO Ikuo Yuki TEL 045-478-3111  
 Scheduled date of ordinary general meeting of shareholders: June 25, 2015  
 Scheduled date to file Securities Report: June 25, 2015  
 Scheduled date to commence dividend payments: June 26, 2015  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

(1) Consolidated financial results

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	%
Year ended March 31, 2015	37,214	13.3	6,872	21.9	6,909	10.8	5,068	15.2
Year ended March 31, 2014	32,838	32.5	5,635	119.9	6,233	103.6	4,399	139.0

	Net income per share	Diluted net income per share	Net income/equity	Ordinary income/total assets	Operating income/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2015	442.87	–	14.9	16.6	18.5
Year ended March 31, 2014	384.37	–	16.1	17.8	17.2

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2015	45,684	37,997	82.9	3,310.07
As of March 31, 2014	37,336	29,960	80.2	2,616.15

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2015	7,726	(4,287)	(610)	11,089
Year ended March 31, 2014	6,218	(2,469)	(2,167)	7,634

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2014	–	0.00	–	40.00	40.00	457	10.4	1.7
Year ended March 31, 2015	–	0.00	–	60.00	60.00	686	13.5	2.0
Year ending March 31, 2016 (Forecast)	–	0.00	–	60.00	60.00		13.2	

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		Net income 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 year ended March 31, 2015

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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 after error corrections: No

(3) Number of issued shares (common shares)

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

As of March 31, 2015	12,291,849 shares	As of March 31, 2014	12,291,849 shares
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Number of treasury shares at the end of the period

As of March 31, 2015	846,151 shares	As of March 31, 2014	846,151 shares
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Average number of shares during the period

Year ended March 31, 2015	11,445,698 shares	Year ended March 31, 2014	11,445,724 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
Assets		
Current assets		
Cash and deposits	7,634	11,089
Notes and accounts receivable - trade	8,434	9,728
Merchandise and finished goods	3,775	3,884
Work in process	134	59
Raw materials and supplies	1,190	1,376
Deferred tax assets	364	325
Other	677	1,047
Allowance for doubtful accounts	(20)	(18)
Total current assets	22,189	27,492
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,770	4,065
Accumulated depreciation	(1,915)	(2,183)
Buildings and structures, net	1,854	1,882
Machinery, equipment and vehicles	13,895	17,235
Accumulated depreciation	(6,945)	(8,746)
Machinery, equipment and vehicles, net	6,950	8,489
Tools, furniture and fixtures	10,998	12,487
Accumulated depreciation	(8,096)	(9,192)
Tools, furniture and fixtures, net	2,901	3,295
Land	827	827
Construction in progress	1,422	2,695
Total property, plant and equipment	13,955	17,189
Intangible assets		
Software	320	232
Other	83	94
Total intangible assets	403	327
Investments and other assets		
Investment securities	330	294
Other	512	436
Allowance for doubtful accounts	(56)	(55)
Total investments and other assets	787	674
Total non-current assets	15,146	18,191
Total assets	37,336	45,684

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	2,819	2,898
Short-term loans payable	514	390
Current portion of long-term loans payable	56	56
Income taxes payable	614	360
Provision for bonuses	247	414
Other	2,007	2,632
Total current liabilities	6,261	6,753
Non-current liabilities		
Long-term loans payable	350	293
Provision for directors' retirement benefits	165	173
Net defined benefit liability	591	453
Other	6	11
Total non-current liabilities	1,113	932
Total liabilities	7,375	7,686
<b>Net assets</b>		
Shareholders' equity		
Capital stock	5,640	5,640
Capital surplus	6,781	6,781
Retained earnings	16,747	21,367
Treasury shares	(602)	(602)
Total shareholders' equity	28,566	33,186
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9	52
Foreign currency translation adjustment	1,376	4,558
Remeasurements of defined benefit plans	(8)	88
Total accumulated other comprehensive income	1,376	4,699
Minority interests	17	111
Total net assets	29,960	37,997
Total liabilities and net assets	37,336	45,684

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Net sales	32,838	37,214
Cost of sales	21,172	23,628
Gross profit	11,665	13,586
Selling, general and administrative expenses		
Haulage expenses	1,060	1,047
Directors' compensations	93	95
Salaries and allowances	1,440	1,640
Provision for bonuses	128	165
Retirement benefit expenses	79	67
Provision for directors' retirement benefits	10	12
Welfare expenses	308	373
Traveling and transportation expenses	221	294
Communication expenses	87	94
Rent expenses	171	207
Supplies expenses	35	46
Research and development expenses	841	911
Other	1,550	1,757
Total selling, general and administrative expenses	6,029	6,713
Operating income	5,635	6,872
Non-operating income		
Interest income	7	13
Dividend income	3	3
Foreign exchange gains	631	31
Other	25	9
Total non-operating income	668	58
Non-operating expenses		
Interest expenses	17	10
Loss on valuation of golf club membership	8	3
Other	44	8
Total non-operating expenses	70	22
Ordinary income	6,233	6,909
Extraordinary income		
Land Subsidy	9	9
Total extraordinary income	9	9
Extraordinary losses		
Loss on retirement of non-current assets	362	313
Impairment loss	122	—
Total extraordinary losses	484	313
Income before income taxes and minority interests	5,758	6,605
Income taxes - current	1,489	1,363
Income taxes - deferred	(138)	89
Total income taxes	1,350	1,452
Income before minority interests	4,407	5,152
Minority interests in income	8	83
Net income	4,399	5,068

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Income before minority interests	4,407	5,152
Other comprehensive income		
Valuation difference on available-for-sale securities	14	42
Foreign currency translation adjustment	1,230	3,193
Remeasurements of defined benefit plans, net of tax	–	97
Total other comprehensive income	1,245	3,333
Comprehensive income	5,653	8,486
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,644	8,391
Comprehensive income attributable to minority interests	8	94

## Consolidated statements of changes in net assets

Fiscal year ended March 31, 2014

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	5,640	6,781	12,579	(602)	24,398
Cumulative effects of changes in accounting policies					–
Restated balance	5,640	6,781	12,579	(602)	24,398
Changes of items during period					
Dividends of surplus			(228)		(228)
Net income			4,399		4,399
Other			(2)		(2)
Purchase of treasury shares				(0)	(0)
Net changes of items other than shareholders' equity					
Total changes of items during period	–	–	4,168	(0)	4,168
Balance at end of current period	5,640	6,781	16,747	(602)	28,566

	Accumulated other comprehensive income				Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	(4)	144	–	140	8	24,548
Cumulative effects of changes in accounting policies						–
Restated balance	(4)	144	–	140	8	24,548
Changes of items during period						
Dividends of surplus						(228)
Net income						4,399
Other						(2)
Purchase of treasury shares						(0)
Net changes of items other than shareholders' equity	14	1,231	(8)	1,236	8	1,244
Total changes of items during period	14	1,231	(8)	1,236	8	5,412
Balance at end of current period	9	1,376	(8)	1,376	17	29,960

Fiscal year ended March 31, 2015

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	5,640	6,781	16,747	(602)	28,566
Cumulative effects of changes in accounting policies			11		11
Restated balance	5,640	6,781	16,758	(602)	28,577
Changes of items during period					
Dividends of surplus			(457)		(457)
Net income			5,068		5,068
Other			(2)		(2)
Purchase of treasury shares					-
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	4,608	-	4,608
Balance at end of current period	5,640	6,781	21,367	(602)	33,186

	Accumulated other comprehensive income				Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	9	1,376	(8)	1,376	17	29,960
Cumulative effects of changes in accounting policies						11
Restated balance	9	1,376	(8)	1,376	17	29,972
Changes of items during period						
Dividends of surplus						(457)
Net income						5,068
Other						(2)
Purchase of treasury shares						-
Net changes of items other than shareholders' equity	42	3,182	97	3,322	94	3,417
Total changes of items during period	42	3,182	97	3,322	94	8,025
Balance at end of current period	52	4,558	88	4,699	111	37,997



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Cash flows from operating activities		
Income before income taxes and minority interests	5,758	6,605
Depreciation	2,743	2,920
Increase (decrease) in allowance for doubtful accounts	4	(1)
Increase (decrease) in provision for bonuses	41	59
Increase (decrease) in provision for directors' retirement benefits	10	8
Increase (decrease) in net defined benefit liability	72	(50)
Interest and dividend income	(11)	(17)
Interest expenses	17	10
Foreign exchange losses (gains)	150	(145)
Loss on retirement of non-current assets	362	313
Impairment loss	122	–
Loss (gain) on sales of non-current assets	–	(1)
Decrease (increase) in notes and accounts receivable - trade	(696)	(40)
Decrease (increase) in inventories	(102)	239
Increase (decrease) in notes and accounts payable - trade	(774)	(661)
Decrease (increase) in consumption taxes refund receivable	(190)	(28)
Other, net	102	35
Subtotal	7,613	9,246
Interest and dividend income received	11	17
Interest expenses paid	(17)	(10)
Income taxes paid	(1,388)	(1,526)
Net cash provided by (used in) operating activities	6,218	7,726
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,427)	(4,270)
Purchase of intangible assets	(50)	(101)
Purchase of investment securities	(1)	(0)
Proceeds from redemption of investment securities	–	100
Other, net	9	(15)
Net cash provided by (used in) investing activities	(2,469)	(4,287)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(1,875)	(93)
Repayments of long-term loans payable	(61)	(56)
Purchase of treasury shares	(0)	–
Cash dividends paid	(228)	(457)
Repayments of lease obligations	(1)	(3)
Net cash provided by (used in) financing activities	(2,167)	(610)
Effect of exchange rate change on cash and cash equivalents	279	627
Net increase (decrease) in cash and cash equivalents	1,860	3,455
Cash and cash equivalents at beginning of period	5,773	7,634
Cash and cash equivalents at end of period	7,634	11,089