Highlights of Consolidated Financial Results for the First Three Months of the Fiscal Year Ending March 2016

■ Net sales and gross trading profit rose year on year, but net income declined 0.3 billion yen.

Net sales 263.6 billion ven 4.7% Up 2.7 billion yen 29.4% Down **Operating income** 3.0 billion yen 16.5% Down **Ordinary income** 1.8 billion yen 15.5% Down Net income attributable to owners of the parent

	Inco	me Statement				
	Q1 of FY2015 Q1 of FY2016		Year-on-year		FY2016	
(Unit: billion yen)	Q1 01 FY 2015 Q1 01 F Y 2016	Change	Change (%)	Forecasts	Progress	
Net sales	251.8	263.6	11.8	4.7%	1,200	22.09
Gross trading profit	20.0	20.5	0.6	2.8%	95	21.69
SG&A expenses	16.1	17.8	1.7	10.6%	-	
Operating income	3.9	2.7	Δ 1.1	Δ29.4%	24	11.4
Dividends received	0.2	0.3	0.1	-	_	
Interest	Δ 0.7	Δ 0.5	0.2	-	-	
Equity in earnings of affiliated companies	0.2	0.0	Δ 0.1	-	_	
Foreign exchange gains/losses	0.1	0.5	0.5	-	-	
Others	0.0	Δ 0.1	Δ 0.1	-	-	
	Δ 0.2	0.3	0.5	-	-	
Ordinary income	3.6	3.0	Δ 0.6	Δ16.5%	23	13.2
Extraordinary gains/loss	Δ 0.0	Δ 0.0	0.0	-	-	
Income (loss) before income taxes and minority interests	3.6	3.0	Δ 0.6	Δ16.2%	-	
Income taxes and profit attributable to non-controlling interests	1.4	1.2	Δ 0.2	-	-	
Net income attributable to owners of the parent	2.1	1.8	Δ 0.3	Δ15.5%	12.5	14.5
Net income per share (yen)	5.10	4.30	Δ 0.80	Δ15.7%	29.75	14.5

[Net sales]

Consolidated net sales increased 11.8 billion yen year on year due to increases in sales in the Motor Vehicles & Aerospace Division, Foods & Grain Division, and Electronics & Devices Division.

[Operating income]

Consolidated operating income declined 1.1 billion yen, reflecting the low tone in the Foods & Grain Division, mainly because of the weaker yen.

[Ordinary income]

Despite an improvement in foreign exchange losses (gains) and interest income and expenses, consolidated ordinary income fell 0.6 billion yen due to the decrease in operating income.

[Net income]

Net income attributable to owners of the parent decreased 0.3 billion yen in association with the decline in ordinary income.

Assets, Liabilities and Net Assets					
			Comparison with 3/2015		
(Unit: billion yen)	3/2015	6/2015	Change	Change(%)	
Total assets	459.0	452.8	Δ 6.2	Δ1.4%	
Gross interest-bearing debt	136.1	137.6	1.5		
Net interest-bearing debt	67.6	74.2	6.5	9.7%	
Equity capital	99.9	101.1	1.2	1.2%	
Accumulated other comprehensive income	Δ 9.8	Δ 8.2	1.6		
Minority interests	28.6	28.4	Δ 0.2	Δ0.9%	
Total net assets	118.7	121.2	2.5		
Shareholders' equity (Note 1)	90.1	92.8	2.7	3.0%	
Net assets per share (yen)	21.4	22.1	0.7	3.2%	
Equity ratio (Note 2)	19.6%	20.5%	0.9pt improved		
Net debt-equity ratio (Note 3)	0.8times	0.8times	+0.0pt	-	

ss interest-bearing debt increased 1.5 billion yen. interest-bearing debt rose 6.5 billion ven, reflecting eases in operating assets and funds for investment.

assets]

assets rose 2.5 billion yen mainly due to the tion of net income to retained earnings and an rovement in valuation difference on available-for-

reholders' equity, obtained by subtracting minority rests from net assets, increased 2.7 billion yen.

result, the equity ratio improved to 20.5%. DER was 0.8 times.

(Note 1)Shareholder's equity = Total net assets - Minority interests (Note 2) Equity ratio = Shareholder's equity / Total assets

(Note 3) Net debt-equity ratio = Net interest-bearing debt / Equity capital

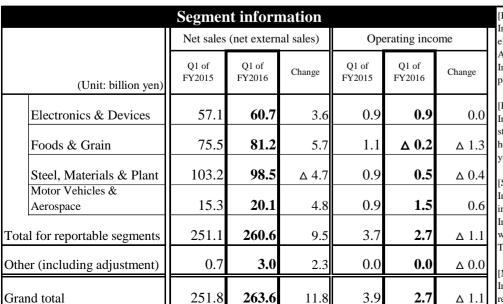
(110to 2) 110t deot equity ratio 110t	interest cearing dect	Equity eupitur	
Ca	[CF from operating activities] Net cash used in operating ac		
(Unit: billion yen)	Q1 of FY2015	Q1 of FY2016	stood at 3.0 billion yen, primar reflecting an increase in invent
CF from operating activities	1.9	Δ 3.0	and a decrease in notes and ac payable.
CF from investing activities	Δ 0.5	Δ 2.8	[CF from investing activities] Net cash used in investing acti
Free cash flows	1.3	Δ 5.8	was 2.8 billion yen, chiefly ref payments for acquisition of
Cash flows from financing activities	Δ 3.6	0.5	investment securities.
Effect of exchange rate changes	Δ 0.3	0.1	[CF from financing activities] Net cash provided by financing
			activities came to 0.5 billion ye chiefly due to an increase in sh
Increase (decrease) in cash			term loans payable.
and cash equivalents	Δ 2.6	Δ 5.2	

F from operating activities] t cash used in operating activities ood at 3.0 billion yen, primarily flecting an increase in inventories l a decrease in notes and accounts

t cash used in investing activities as 2.8 billion yen, chiefly reflecting vments for acquisition of estment securities. F from financing activities] t cash provided by financing

ivities came to 0.5 billion yer efly due to an increase in shortm loans payable.

	yen per :	,			
	yen per :				
1.5		snare			
	1.5 yen per share				
4.0 yen per share					
* A breakdown of interim dividends					
Common dividend of 1.5 yen					
nemorative	dividend	of 1.0yen			
2.5 yen per share					
2.5 yen per share					
5.0 y	yen per s	hare			
FY2014	FY2015	FY2016			
	reakdown of Common memorative 2.5 y 5.0 y	4.0 yen per s reakdown of interim Common dividend of memorative dividend 2.5 yen per s 2.5 yen per s 5.0 yen per s			



Electronics & Devices] An increase in net sales and income

n the electronic components and materials business and semiconductors business, in-car lectronics, components for smartphones for China, and imaging equipment exported to North America and Asia all performed well.

In the ICT solutions business, corporate IT spending was steady. The mobile business also performed well

[Food] A rise in net sales and a decline in income

In the food business, agricultural products were strong. In the feedstuff business, sales were steady, and income including foreign exchange gains, was strong. However, losses on futures hedges emerged temporarily. The meat products business declined from the previous fiscal

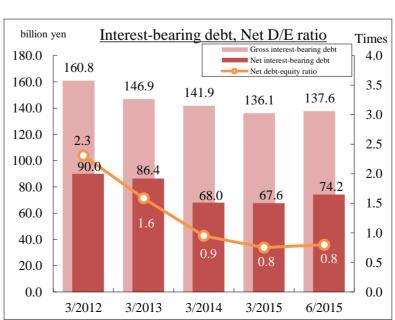
[Steel, Materials & Plant] A decline in net sales and income

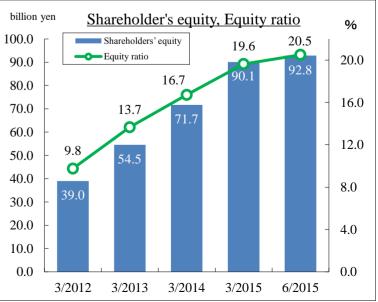
In the plant business, machine tools and industrial machinery performed well. However, income in the business declined, reflecting large-scale projects in the previous fiscal year. In the iron and steel business, performance in the oilfield tubing business was slowing due to weak demand.

he energy business struggled, reflecting low market prices.

[Motor Vehicle & Aerospace] An increase in net sales and income

In the aerospace business, aircraft parts remained stable. The motor vehicles and parts busines mained stable, mainly the motor vehicle parts business





- * The forward-looking statements, including results forecasts, included in this material are based on information that the Company has obtained and certain assumptions that the Company considers reasonable. The Company does not promise to achieve them. Actual results might differ materially from the forecasts due to a number of factors
- * Since the figures above are rounded off to the nearest 100 million yen, the sum of each item and the total may differ * FY2014 (the fiscal year ended March 31, 2014)
- * FY2015 (the fiscal year ended March 31, 2015)