

Consolidated Financial Results for the Fiscal Year Ended March 31, 2015
[Japanese GAAP]

Company name: **C. Uyemura & Co., Ltd.** Listing: Second Section of the Tokyo Stock Exchange
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 Scheduled date of annual general meeting of shareholders: June 26, 2015
 Scheduled date of filing of annual securities report: June 26, 2015
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 Holding of financial results meeting: Yes (for institutional investors and analysts)

Note: The original disclosure in Japanese was released on May 15, 2015 at 13:20 (GMT +9).

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2015 (April 1, 2014 – March 31, 2015)

(1) Results of operations (Percentages for sales and incomes represent year-over-year changes)

	Sales		Operating income		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2015	46,254	10.0	6,460	18.7	6,944	18.4	3,789	122.2
Fiscal year ended Mar. 31, 2014	42,049	10.9	5,443	26.3	5,867	26.8	1,705	(40.7)

Note: Comprehensive income (million yen)

Fiscal year ended Mar. 31, 2015: 7,286 (up 26.6%)

Fiscal year ended Mar. 31, 2014: 5,756 (down 0.6%)

	Net income per share (basic)	Net income per share (diluted)	ROE	Ordinary profit on total assets	Operating income to sales
	Yen	Yen	%	%	%
Fiscal year ended Mar. 31, 2015	416.28	-	8.4	10.8	14.0
Fiscal year ended Mar. 31, 2014	187.38	-	4.3	10.5	12.9

Reference: Equity in earnings of unconsolidated subsidiaries (million yen)

Fiscal year ended Mar. 31, 2015: -

Fiscal year ended Mar. 31, 2014: -

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2015	69,679	49,392	69.3	5,306.44
As of Mar. 31, 2014	59,189	43,286	70.8	4,605.64

Reference: Shareholders' equity (million yen)

As of Mar. 31, 2015: 48,309

As of Mar. 31, 2014: 41,929

(3) Cash flows

	Net cash provided by (used in)			Cash and cash equivalents at the end of period
	operating activities	investing activities	financing activities	
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Mar. 31, 2015	5,668	(1,983)	(1,319)	19,686
Fiscal year ended Mar. 31, 2014	5,603	(3,241)	(225)	16,511

2. Dividends

	Dividend per share					Total dividends	Payout ratio (Consolidated)	Dividend on equity (Consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended Mar. 31, 2014	-	0.00	-	90.00	90.00	819	48.0	2.1
Fiscal year ended Mar. 31, 2015	-	0.00	-	100.00	100.00	910	24.0	2.0
Fiscal year ending Mar. 31, 2016 (forecast)	-	0.00	-	100.00	100.00		18.3	

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2016 (April 1, 2015 – March 31, 2016)

(Percentages represent year-over-year changes)

	Sales		Operating income		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	26,040	21.3	3,630	19.2	3,740	16.1	2,520	34.3	276.80
Full year	54,640	18.1	7,840	21.4	8,020	15.5	4,980	31.4	547.02

*** Notes**

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None

Newly added: -

Excluded: -

(2) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: Yes

2) Changes in accounting policies other than 1) above: Yes

3) Changes in accounting-based estimates: None

4) Restatements: None

Note: Please refer to “5. Consolidated Financial Statements, (5) Notes to Consolidated Financial Statements (Changes in Accounting Policies)” on page 21 of the attachments for further information.

(3) Number of shares outstanding (common stock)

1) Number of shares outstanding at the end of period (including treasury stock shares)

As of Mar. 31, 2015: 9,878,040 shares As of Mar. 31, 2014: 9,878,040 shares

2) Number of treasury stock shares at the end of period

As of Mar. 31, 2015: 774,191 shares As of Mar. 31, 2014: 774,080 shares

3) Average number of shares outstanding during the period

Fiscal year ended Mar. 31, 2015: 9,103,913 shares Fiscal year ended Mar. 31, 2014: 9,104,052 shares

(Reference) Summary of Non-consolidated Financial Results

Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2015 (April 1, 2014 – March 31, 2015)

(1) Results of operations

(Percentages represent year-over-year changes)

	Sales		Operating income		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2015	25,261	13.2	2,508	26.4	4,836	30.8	3,288	208.1
Fiscal year ended Mar. 31, 2014	22,306	(1.1)	1,984	(20.2)	3,698	0.3	1,067	(58.5)

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Fiscal year ended Mar. 31, 2015	361.23	-
Fiscal year ended Mar. 31, 2014	117.25	-

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2015	39,931	28,710	71.9	3,153.71
As of Mar. 31, 2014	33,979	25,761	75.8	2,829.70

Reference: Shareholders' equity (million yen) As of Mar. 31, 2015: 28,710 As of Mar. 31, 2014: 25,761

***Indication of audit procedure implementation status**

This summary report is not subject to the audit procedures based on the Financial Instruments and Exchange Act. It is under the audit procedure process at the time of disclosure of this report.

*** Cautionary statement with respect to forward-looking statements and other special items**

Forecasts of future performance in this report are based on assumptions judged to be valid and information currently available to the Company, but are not promises by the Company regarding future performance. Actual results are affected by various factors and may differ substantially. For discussion of the assumptions and notes of caution for usage, please refer to “1. Analysis of Business Performance and Financial Position, (1) Analysis of Business Performance” on page 2 of the attachments.

Contents of Attachments

1. Analysis of Business Performance and Financial Position	2
(1) Analysis of Business Performance	2
(2) Analysis of Financial Position	4
(3) Profit Allocation Policy and Dividends for the Current and Next Fiscal Years	5
(4) Business Risks	6
2. Corporate Group	7
3. Management Policies	9
(1) Fundamental Management Policies	9
(2) Management Benchmarks	9
(3) Mid-Term to Long-Term Business Strategies	9
(4) Challenges	9
(5) Other Important Management Items	10
4. Basic Approach to the Selection of Accounting Standards	10
5. Consolidated Financial Statements	11
(1) Consolidated Balance Sheets	11
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	13
(3) Consolidated Statements of Change in Shareholders' Equity	15
(4) Consolidated Statements of Cash Flows	17
(5) Notes to Consolidated Financial Statements	19
Going Concern Assumption	19
Basis for Presentation of the Consolidated Financial Statements	19
Changes in Accounting Policies	21
Reclassifications	22
Notes to Consolidated Balance Sheets	23
Notes to Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	23
Notes to Consolidated Statements of Changes in Shareholders' Equity	25
Notes to Consolidated Statements of Cash Flows	26
Lease Transactions	26
Financial Instruments	26
Securities	30
Retirement Benefit	31
Deferred Income Taxes	36
Investment and Rental Property	37
Segment and Other Information	38
Related Party Information	42
Per Share Data	44
Material Subsequent Events	44
6. Others	44
Changes in Directors	44

1. Analysis of Business Performance and Financial Position

(1) Analysis of Business Performance

Results Overview

1. Overall results

The Japanese economy for the fiscal year under review remained on track to modest recovery as a result of the effects of the economic policy by the government and the monetary policy by the Bank of Japan. However, there still remained uncertainty over the future economic prospects given a number of concerns including the prolonged weakness in consumer spending associated with the consumption tax rate hike, a rise in the cost of imported raw materials caused by the weak yen, and the political unrest overseas.

In the electronic devices market, which is the Uyemura Group's main market area, the growth of smartphones and tablet terminals continued to be strong enough to drive the market. On the other hand, however, the PC production remained quite sluggish as there is a continued trend to shift to the mobile devices.

In this management environment, the Group has focused its management efforts on thorough cost reductions, development of high value-added products, and aggressive proposal and sales activities so as to make its operations more profitable.

As a result, consolidated sales in the fiscal year under review amounted to 46,254 million yen (up 10.0% year-over-year), operating income 6,460 million yen (up 18.7%), ordinary profit 6,944 million yen (up 18.4%), and net income 3,789 million yen (up 122.2%).

Performance by business segment is shown as below.

1) Surface finishing materials business

Sales of the mainstay plating chemicals for printed wiring boards (PWBs) and package PWBs increased due to continued strong demand for smartphones and tablet terminals. Notably as China is rapidly putting the high-speed communication infrastructure in place, an increase in production of the smartphones that support high-speed communication has led to an increase in sales of the plating chemicals applied to PWBs for those types of smartphones. In addition, sales of the plating chemicals in Taiwan also increased thanks to robust demand from semiconductor manufacturers in that region. Furthermore, sales of plating chemicals for hard disks remained solid due to strong demand for servers for cloud computing.

Sales in the surface finishing materials business increased 11.8% year-over-year to 37,598 million yen, and segment profit increased 30.2% to 6,605 million yen.

2) Surface finishing machinery business

Although the improved environment for new contracts of machines contributed to an increase in sales as electronics device and automobile component manufacturers home and abroad were taking a positive attitude toward capital investments. However, profits declined year over year notably due to an endeavor of the anticipatory investment in prototyping a machine that is compatible with the customers' next generation models.

Sales in the surface finishing machinery business increased 6.9% year-over-year to 4,576 million yen, and there was a segment loss of 404 million yen (a segment loss of 176 million yen in the previous fiscal year).

3) Plating job business

The plant operation-related expenses were incurred by a new factory of the consolidated subsidiary in Indonesia, which started productions during the fiscal year under review. Furthermore, the performance of the consolidated subsidiary in Thailand was affected by the sluggish domestic automobile production due to the country's political instability as well as a reactionary decrease in demand caused by termination of the government's subsidy program for vehicle purchases.

Sales in the plating job business increased 6.7% year-over-year to 3,971 million yen, and there was a segment loss of 68 million yen (a segment profit of 167 million yen in the previous fiscal year).

4) Real estate rental business

While sales of this segment have increased year over year in association with an increase in the occupancy rate of the office buildings, segment profit resulted in a slight decrease mainly due to an increase in utilities expenses.

Sales in the real estate rental business increased 0.8% year-over-year to 705 million yen, and segment profit decreased 1.8% to 373 million yen.

Please note that intersegment sales and transfers are included in the above results for segment.

Forecast for the next fiscal year

Regarding the economic prospects for the next fiscal year, the domestic economy is expected to stay strong as corporate earnings will show a moderate recovery from the consumption-tax induced downturn thanks mainly to the weak yen and a drop in crude oil prices, and the recovery of private consumption is also expected due to the improvement in employment and income environment.

On the other hand, regarding the prospects of the world economy, we can expect the U.S. economy to remain on a recovery track but there is a growing concern over an impact of raising interest rates as the U.S. exit strategy for its quantitative easing policy. Furthermore, it is expected that the emerging economies will continue to be exposed to a downside risk as the depressed oil prices will put pressure on the fiscal soundness of the resource-rich countries.

In our mainstay electronic devices market, which has been driven by smartphones, local Chinese manufacturers with low price models are increasing their shares in the global smartphone market and this trend has changed the business model of the electronic device manufacturers. While the smartphone manufacturers in the advanced countries will continue to supply certain quantities of high-end models going forward, we should pay close attention to their trend.

In response, Uyemura will aim for continued growth in the 21st century. We will optimize the collective strength of our group in order to get well-prepared to take immediate proactive measures in response to business globalization, and we will improve our competitive position by emphasizing innovation at the factory level.

We will proactively engage in marketing and technological development by strengthening development and sales capabilities for the plating chemicals which are used in the semiconductor and car electronics industries and also for those which meet environmental regulations, and at the same time by establishing the machinery business that can deliver new functions to the customers and win the competition for lower cost.

By taking these measures, we forecast sales of 54,640 million yen (an increase of 18.1% year-over-year), operating income of 7,840 million yen (an increase of 21.4%), ordinary profit of 8,020 million yen (an increase of 15.5%), and net income of 4,980 million yen (an increase of 31.4%) for the fiscal year ending March 31, 2016.

(2) Analysis of Financial Position

Analysis of assets, liabilities, net assets and cash flows

Consolidated financial position

	As of Mar. 31, 2014	As of Mar. 31, 2015	Differences
Total assets (thousands of yen)	59,189,978	69,679,013	10,489,034
Net assets (thousands of yen)	43,286,203	49,392,251	6,106,047
Equity ratio (%)	70.8	69.3	(1.5)
Net assets per share (yen)	4,605.64	5,306.44	700.80

(Thousands of yen)

	FY3/2014	FY3/2015	Differences
Net cash provided by operating activities	5,603,225	5,668,276	65,050
Net cash used in investing activities	(3,241,733)	(1,983,338)	1,258,394
Net cash used in financing activities	(225,910)	(1,319,710)	(1,093,799)
Effect of exchange rate changes on cash and cash equivalents	1,031,669	809,359	(222,309)
Increase (decrease) in cash and cash equivalents	3,167,251	3,174,587	7,335
Cash and cash equivalents at the end of period	16,511,873	19,686,460	3,174,587

1) Balance sheet position

Total assets increased 10,489 million yen from the end of the previous fiscal year to 69,679 million yen at the end of the current fiscal year. This was primarily attributable to a 4,333 million yen increase in cash and deposits with banks, a 2,155 million yen increase in notes and accounts receivable-trade, an 823 million yen increase in work in process, and a 641 million yen increase in machinery and vehicles, net. On the other hand, we posted a 438 million yen decrease in construction in progress and an 88 million yen decrease in lease assets, net.

Liabilities increased 4,382 million yen to 20,286 million yen. This was primarily attributable to a 3,630 million yen increase in electronically recorded obligations-operating, an 864 million yen increase in income taxes payable, an 810 million yen increase in deferred tax liabilities (non-current). On the other hand, we posted a 2,230 million yen decrease in notes and accounts payable-trade, and a 77 million yen decrease in net defined benefit liability.

Net assets increased 6,106 million yen to 49,392 million yen. This was primarily attributable to a 3,124 million yen increase in retained earnings and a 2,912 million yen increase in foreign currency translation adjustments.

As a result, equity ratio decreased from 70.8% at the end of the previous fiscal year, to 69.3%.

2) Cash flows

Cash and cash equivalents at the end of the current fiscal year increased 3,174 million yen from the end of the previous fiscal year to 19,686 million yen.

A summary of cash flows is as follows:

(Cash flows from operating activities)

Net cash provided by operating activities was 5,668 million yen (5,603 million yen in the previous fiscal year). Positive factors included net income before income taxes and minority interests of 6,983 million yen, depreciation and amortization of 1,785 million yen, and a 784 million yen increase in notes and accounts payable, while negative factors included income taxes paid of 1,969 million yen, a 1,271 million yen increase in inventories, a 1,222 million yen increase in notes and accounts receivable.

(Cash flows from investing activities)

Net cash used in investing activities was 1,983 million yen (3,241 million yen in the previous fiscal year). A positive

factor was the proceeds from withdrawal of time deposits of 1,303 million yen, while negative factors included payment for acquisition of fixed assets of 1,434 million yen and payments into time deposits of 1,931 million yen.

(Cash flows from financing activities)

Net cash used in financing activities was 1,319 million yen (225 million yen in the previous fiscal year). A positive factor was the proceeds from long-term loans payable of 220 million yen, while negative factors included cash dividends paid of 819 million yen, payment for acquisition of treasury stock of subsidiaries of 469 million yen and repayments for long-term loans payable of 296 million yen.

The following table illustrates the movements of cash flow-related indicators

	FY3/2011	FY3/2012	FY3/2013	FY3/2014	FY3/2015
Shareholders' equity ratio (%)	70.0	69.7	70.8	70.8	69.3
Shareholders' equity ratio based on market prices (%)	80.9	64.0	60.9	78.4	77.9
Cash flows to debt ratio (years)	0.3	0.3	0.4	0.4	0.4
Interest coverage ratio (x)	135.4	109.4	110.0	177.1	127.3

Notes: Shareholders' equity ratio: Shareholders' equity / Total assets

Shareholders' equity ratio based on market prices: Market capitalization / Total assets

Cash flows to debt ratio: Interest-bearing liabilities / Operating cash flow

Interest coverage ratio: Operating cash flow / Interest payments

1. These indicators are calculated on a consolidated basis.

2. Market capitalization: Closing price of stock on the balance sheet date x Number of shares outstanding (deduction treasury stock) on the balance sheet date.

3. Net cash provided by operating activities on the consolidated statements of cash flows is used as operating cash flow. Interest-bearing liabilities include all liabilities on the consolidated balance sheets that incur interest. Interests paid on the consolidated statements of cash flows are used as interest payments.

(3) Profit Allocation Policy and Dividends for the Current and Next Fiscal Years

As we recognize profit distribution to our shareholders as an important management issue, we will continue stable payment of dividends with the amount linked to operating results as our basic policy while striving to establish a solid management foundation and to increase return on equity.

In accordance with the policy above, we have set the medium to long-term dividend payout target of at least 25% on a consolidated basis after considering various financial ratios in a comprehensive manner.

We plan to pay a year-end dividend of 100 yen per share (consolidated dividend payout ratio of 24.0%) for the current fiscal year in line with initial plan.

Regarding the dividend policy, at this moment we plan to pay a regular dividend of 100 yen per share for the fiscal year ending March 31, 2016. However, the final decision will be made based on an overall consideration of financial position and operating results.

(4) Business Risks

We list below those risks that could impact our group's business development. Note that future risks are based on management's judgment as of the end of the fiscal year under review.

1) Technological innovation

Our group's products are constantly affected by technological innovation in demand industries. A reduction in the weight of surface finishing processes due to the development of new technologies, the adoption of new production methods, or the emergence of new competing products, could decrease demand for our group's products.

2) Securing a stable supply of rare raw materials

Some of our group's products use rare raw materials to maintain an advantage over competitors. Our group's competitiveness would be impacted if production of these rare raw materials were to be halted due to a change in strategy at raw materials makers, or legal restrictions, and we were unable to find suitable substitutes.

3) Restrictions on certain raw materials use

The raw materials used in our products, or plating film applications using our group's products, may be restricted by some companies or the government for environmental reasons. This would impact our product sales.

4) Surging materials prices

The prices of all kinds of materials, including raw materials, continue to rise due in large part to growth of the Chinese economy. We may not be able to increase prices to fully match sharp or long-term rises in the prices of mainstay raw materials used in our mainstay products, and this would impact the profitability of these products.

5) Foreign exchange rate fluctuation

Some of our group's transactions, and assets and liabilities, are denominated in foreign currencies. Foreign exchange rate volatility could adversely impact our group's earnings. We are trying to minimize foreign exchange risks by using forward foreign exchange contracts. However, it is not possible to completely eliminate foreign exchange risks.

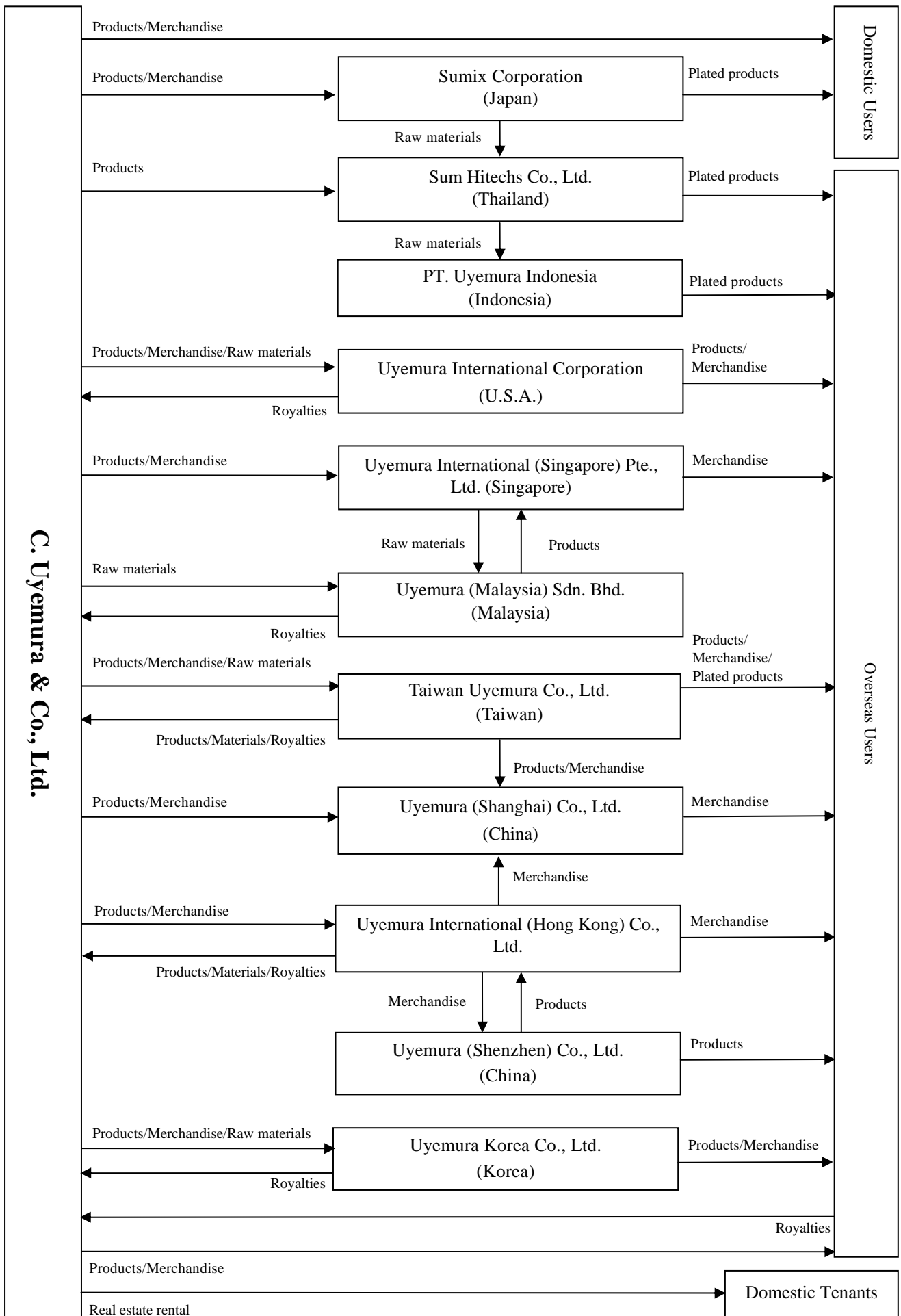
2. Corporate Group

Our group consists of C. Uyemura & Co., Ltd. and 11 subsidiaries which are engaged primarily in the surface finishing materials business (manufacture and marketing of plating chemicals; procurement and marketing of industrial chemicals and non-ferrous metals), the surface finishing machinery business (manufacture and marketing of surface finishing machinery as well as procurement and marketing of surface finishing machinery), the plating job business, and the real estate rental business.

The nature of each business, the positioning of our company and related companies in each particular business, and segmentation of business by category are as follows.

Category	Major products and merchandise	Major company
Surface finishing materials business	Plating chemicals for PWBs (printed wiring boards), plating chemicals for aluminum magnetic disks, industrial chemicals, non-ferrous metals, and others	C. Uyemura & Co., Ltd. Uyemura International Corporation Uyemura International (Singapore) Pte., Ltd. Taiwan Uyemura Co., Ltd. Uyemura (Malaysia) Sdn. Bhd. Uyemura International (Hong Kong) Co., Ltd. Uyemura (Shenzhen) Co., Ltd. Uyemura (Shanghai) Co., Ltd. Uyemura Korea Co., Ltd. PT. Uyemura Indonesia (Total 10 companies)
Surface finishing machinery business	Plating machinery for PWBs, plating machinery for aluminum magnetic disks, and others	C. Uyemura & Co., Ltd. Uyemura International Corporation Uyemura International (Singapore) Pte., Ltd. Taiwan Uyemura Co., Ltd. Uyemura International (Hong Kong) Co., Ltd. Uyemura (Shenzhen) Co., Ltd. Uyemura (Shanghai) Co., Ltd. (Total 7 companies)
Plating job business	Plastic plating services and PWB plating services	Sumix Corporation Sum Hitechs Co., Ltd. Taiwan Uyemura Co., Ltd. PT. Uyemura Indonesia (Total 4 companies)
Real estate rental business	Rental of office buildings and apartment houses	C. Uyemura & Co., Ltd. (Total 1 company)

The following chart depicts in visual form the business relationships outlined in the table above.



3. Management Policies

(1) Fundamental Management Policies

Our group aims to grow along with customers, and this is reflected in our slogan “Growing together with U,” which also emphasizes our intent to carry out a coordinated business strategy on a consolidated basis. To achieve this goal, we aim to leverage the comprehensive strength of our group by establishing a corporate structure that enables us to swiftly and efficiently meet our customers’ needs, and we provide total solutions both hardware and software through development of surface finishing technologies for the latest technology applications. Furthermore, through transparent management, it is an important policy of ours to contribute to society and return profits to shareholders.

(2) Management Benchmarks

Our group will strive to make further efforts to build a globally integrated structure of production, sales and development to create and deliver products that suit market needs, and to ultimately establish the Uyemura Group brand as an internationally recognized group of companies. Also as a leading company in the surface finishing industry we will further expand our business through improving earnings, strengthening efforts to address environmental problems and allocating management resources in a more efficient and concentrated manner.

(3) Mid-Term to Long-Term Business Strategies

We aim for continued growth in the 21st century as a leading company in the surface finishing industry. With emphasis on ‘Selection, concentration, and speed’, we plan to aggressively develop new products, and increase our presence in new markets, particularly in China. Furthermore, we will work on reconstruction of the Central Research Laboratory, our technology development core.

In our business divisions such as chemicals, machinery, controllers, plating job and overseas business development, we will focus on improvement of our collective strength.

On the other hand, we will continue to make efforts to improve operational efficiency and thoroughly reduce costs in each business segment.

We plan to unify the entire Uyemura group, including consolidated subsidiaries, under one vision for the direction of our company, and to solve the various obstacles that lie before us.

(4) Challenges

As technology demanded by the electronic devices market is advancing day by day, it is essential for us to develop new technologies continuously and provide our products in the timing that the market requires. We are resolute in keeping pace with the speed of technological innovation and continuing providing the market with high value-added products that incorporate our unparalleled technology and know-how. The growing importance of plating technology is widely recognized in the cutting-edge technology sectors, the electronics industry and the industry sectors to support the automotive industry. As a member of companies in these industries, we will provide customers in Japan and overseas with advanced total solutions both hardware and software for plating technologies, and develop our business globally.

Under these circumstances, we are now working on following challenges.

- 1) Ensure thorough safety and eco-friendliness
- 2) Ensure thorough compliance
- 3) Put a better research and development environment in place to accelerate its progress
- 4) Implement the initiatives over the next ten and twenty years
- 5) Establish a total solutions business model
- 6) Improve synergies among group companies and divisions
- 7) Explore and examine new overseas manufacturing and sales bases with an eye to the future
- 8) Ensure a quick response to changes in business environment

(5) Other Important Management Items

Not applicable.

4. Basic Approach to the Selection of Accounting Standards

The Group has a policy of preparing its consolidated financial statements using Japanese GAAP for the time being so as to ensure cross-sectional as well as inter-temporal comparability of the consolidated financial statements.

We will nevertheless consider applying International Financial Reporting Standards (IFRS) in light of trends in our foreign investor ownership ratio and application of IFRS by our industry peers.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

	(Thousands of yen)	
	FY3/2014	FY3/2015
	(As of Mar. 31, 2014)	(As of Mar. 31, 2015)
Assets		
Current assets		
Cash and deposits with banks	22,327,138	26,660,261
Notes and accounts receivable-trade	10,640,322	12,795,700
Marketable securities	35,215	40,728
Merchandise and finished goods	1,726,327	2,217,019
Work in process	744,462	1,567,892
Raw materials and supplies	1,214,591	1,601,812
Deferred tax assets	442,628	648,810
Other current assets	2,049,651	2,778,319
Allowance for doubtful accounts	(41,943)	(53,181)
Total current assets	39,138,392	48,257,362
Fixed assets		
Tangible fixed assets		
Buildings and structures	*1 19,372,418	*1 20,448,929
Accumulated depreciation	(9,075,537)	(9,971,717)
Buildings and structures, net	10,296,880	10,477,211
Machinery and vehicles	7,647,824	9,122,082
Accumulated depreciation	*2 (5,737,184)	*2 (6,570,326)
Machinery and vehicles, net	1,910,640	2,551,756
Land	*1 3,538,183	*1 3,751,386
Lease assets	298,502	216,538
Accumulated depreciation	(124,404)	(130,535)
Lease assets, net	174,098	86,002
Construction in progress	927,399	488,671
Other tangible fixed assets	3,454,768	3,840,866
Accumulated depreciation	*2 (2,657,091)	*2 (2,866,697)
Other tangible fixed assets, net	797,677	974,169
Total tangible fixed assets	17,644,879	18,329,199
Intangible assets	353,565	394,764
Investments and other assets		
Investment securities	1,105,867	1,575,920
Net defined benefit asset	-	104,310
Deferred tax assets	47,079	77,710
Other investments and other assets	927,989	967,542
Allowance for doubtful accounts	(27,796)	(27,796)
Total investments and other assets	2,053,140	2,697,687
Total fixed assets	20,051,585	21,421,651
Total assets	59,189,978	69,679,013

	(Thousands of yen)	
	FY3/2014 (As of Mar. 31, 2014)	FY3/2015 (As of Mar. 31, 2015)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	4,691,806	2,461,631
Electronically recorded obligations-operating	-	3,630,403
Short-term loans payable	*1 776,934	*1 954,422
Current portion of long-term loans payable	291,819	392,838
Lease obligations	60,175	48,989
Income taxes payable	1,351,034	2,215,422
Accrued bonuses	144,966	146,384
Allowance for directors' bonuses	94,600	119,600
Other current liabilities	3,268,556	4,414,390
Total current liabilities	10,679,894	14,384,082
Long-term liabilities		
Long-term loans payable	899,157	846,782
Long-term guarantee deposit	527,812	578,463
Lease obligations	160,357	92,273
Deferred tax liabilities	2,903,798	3,714,496
Allowance for directors' retirement benefits	163,867	166,387
Net defined benefit liability	497,357	419,559
Other long-term liabilities	71,530	84,718
Total long-term liabilities	5,223,881	5,902,679
Total liabilities	15,903,775	20,286,762
Net assets		
Shareholders' equity		
Common stock	1,336,936	1,336,936
Capital surplus	1,644,653	1,613,659
Retained earnings	39,338,168	42,462,559
Treasury stock	(2,826,190)	(2,826,784)
Total shareholders' equity	39,493,568	42,586,371
Accumulated other comprehensive income		
Cumulative securities holding gain	363,908	695,369
Foreign currency translation adjustments	2,114,541	5,027,244
Remeasurements of defined benefit plans	(42,488)	71
Total accumulated other comprehensive income	2,435,961	5,722,686
Minority interests	1,356,673	1,083,194
Total net assets	43,286,203	49,392,251
Total liabilities and net assets	59,189,978	69,679,013

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

	(Thousands of yen)	
	FY3/2014	FY3/2015
	(Apr. 1, 2013 – Mar. 31, 2014)	(Apr. 1, 2014 – Mar. 31, 2015)
Sales	42,049,829	46,254,631
Cost of goods sold	*1 27,918,377	*1 30,652,831
Gross profit	14,131,452	15,601,800
Selling, general and administrative expenses		
Packing and transportation	437,219	484,721
Provision of allowance for doubtful accounts	6,787	14,901
Salaries and wages	2,244,915	2,382,691
Bonuses	448,425	473,183
Provision of accrued bonuses	68,774	69,982
Provision of allowance for directors' bonuses	94,600	119,400
Retirement benefit expenses	180,002	177,100
Provision for directors' retirement benefits	13,880	13,350
Telecommunication and traveling expenses	379,085	411,035
Depreciation	354,490	425,584
Tax and public charges	110,515	98,978
R&D expenses	*2 1,947,027	*2 2,013,827
Others	2,401,976	2,456,853
Total selling, general and administrative expenses	8,687,699	9,141,609
Operating income	5,443,752	6,460,191
Non-operating income		
Interests received	124,007	146,529
Dividends received	22,446	30,041
Gains on valuable resources recovery	86,702	48,624
Exchange gains	141,156	205,550
Other non-operating income	114,974	125,285
Total non-operating income	489,287	556,030
Non-operating expenses		
Interest expense	31,240	42,582
Sales discounts	6,263	8,874
Commission fee	14,742	15,107
Other non-operating expenses	13,667	5,093
Total non-operating expenses	65,913	71,657
Ordinary profit	5,867,127	6,944,564

	(Thousands of yen)	
	FY3/2014	FY3/2015
	(Apr. 1, 2013 – Mar. 31, 2014)	(Apr. 1, 2014 – Mar. 31, 2015)
Extraordinary income		
Gains on sales of fixed assets	*3 15,177	*3 62,687
Insurance income	34,932	-
Total extraordinary income	50,110	62,687
Extraordinary loss		
Loss on disposal and sales of fixed assets	*4 9,792	*4 16,528
Loss on disaster	29,609	-
Others	4,144	6,970
Total extraordinary losses	43,547	23,498
Net income before income taxes and minority interests	5,873,690	6,983,752
Income taxes-current	2,285,307	2,755,236
Income taxes for prior periods	*5 1,338,522	-
Income taxes-deferred	405,202	333,387
Total income taxes	4,029,031	3,088,624
Income before minority interests	1,844,659	3,895,128
Minority interests in income	138,740	105,360
Net income	1,705,918	3,789,768
Minority interests in income	138,740	105,360
Income before minority interests	1,844,659	3,895,128
Other comprehensive income		
Cumulative securities holding gain	104,875	331,461
Foreign currency translation adjustments	3,806,789	3,017,191
Remeasurements of defined benefit plans, net of tax	-	42,560
Total other comprehensive income	*6 3,911,664	*6 3,391,213
Comprehensive income	5,756,323	7,286,342
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,432,964	7,076,493
Comprehensive income attributable to minority interests	323,358	209,848

(3) Consolidated Statements of Change in Shareholders' Equity

FY3/2014 (Apr. 1, 2013 – Mar. 31, 2014)

(Thousands of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current period	1,336,936	1,644,653	38,132,977	(2,825,400)	38,289,167
Cumulative effects of changes in accounting policies					
Restated balance	1,336,936	1,644,653	38,132,977	(2,825,400)	38,289,167
Changes of items during period					
Dividends of surplus			(500,727)		(500,727)
Net income			1,705,918		1,705,918
Purchase of treasury stock				(789)	(789)
Purchase of shares of consolidated subsidiaries					
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	1,205,190	(789)	1,204,401
Balance at end of current period	1,336,936	1,644,653	39,338,168	(2,826,190)	39,493,568

	Accumulated other comprehensive income				Minority interests	Total net assets
	Cumulative securities holding gain	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	259,033	(1,507,629)	-	(1,248,596)	1,116,925	38,157,496
Cumulative effects of changes in accounting policies						
Restated balance	259,033	(1,507,629)	-	(1,248,596)	1,116,925	38,157,496
Changes of items during period						
Dividends of surplus						(500,727)
Net income						1,705,918
Purchase of treasury stock						(789)
Purchase of shares of consolidated subsidiaries						
Net changes of items other than shareholders' equity	104,875	3,622,171	(42,488)	3,684,557	239,747	3,924,305
Total changes of items during period	104,875	3,622,171	(42,488)	3,684,557	239,747	5,128,707
Balance at end of current period	363,908	2,114,541	(42,488)	2,435,961	1,356,673	43,286,203

FY3/2015 (Apr. 1, 2014 – Mar. 31, 2015)

(Thousands of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current period	1,336,936	1,644,653	39,338,168	(2,826,190)	39,493,568
Cumulative effects of changes in accounting policies			153,978		153,978
Restated balance	1,336,936	1,644,653	39,492,147	(2,826,190)	39,647,547
Changes of items during period					
Dividends of surplus			(819,356)		(819,356)
Net income			3,789,768		3,789,768
Purchase of treasury stock				(594)	(594)
Purchase of shares of consolidated subsidiaries		(30,993)			(30,993)
Net changes of items other than shareholders' equity					
Total changes of items during period	-	(30,993)	2,970,411	(594)	2,938,823
Balance at end of current period	1,336,936	1,613,659	42,462,559	(2,826,784)	42,586,371

	Accumulated other comprehensive income				Minority interests	Total net assets
	Cumulative securities holding gain	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	363,908	2,114,541	(42,488)	2,435,961	1,356,673	43,286,203
Cumulative effects of changes in accounting policies						153,978
Restated balance	363,908	2,114,541	(42,488)	2,435,961	1,356,673	43,440,182
Changes of items during period						
Dividends of surplus						(819,356)
Net income						3,789,768
Purchase of treasury stock						(594)
Purchase of shares of consolidated subsidiaries						(30,993)
Net changes of items other than shareholders' equity	331,461	2,912,703	42,560	3,286,725	(273,479)	3,013,245
Total changes of items during period	331,461	2,912,703	42,560	3,286,725	(273,479)	5,952,068
Balance at end of current period	695,369	5,027,244	71	5,722,686	1,083,194	49,392,251

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

	FY3/2014 (Apr. 1, 2013 – Mar. 31, 2014)	FY3/2015 (Apr. 1, 2014 – Mar. 31, 2015)
Cash flows from operating activities		
Net income before income taxes and minority interests	5,873,690	6,983,752
Depreciation and amortization	1,629,684	1,785,077
Increase (decrease) in allowance for doubtful accounts	6,787	14,901
Increase (decrease) in allowance for directors' bonuses	-	25,000
Increase (decrease) in net defined benefit liability	87,571	70,897
Decrease (increase) in net defined benefit asset	-	9,453
Increase (decrease) in allowance for directors' retirement benefits	3,180	2,520
Interests and dividends income	(146,454)	(176,570)
Interest expense	31,240	42,582
Losses (gains) on disposal and sales of fixed assets	(5,385)	(46,158)
Insurance income	(34,932)	-
Loss on disaster	29,609	-
Decrease (increase) in notes and accounts receivable	1,524,205	(1,222,621)
Decrease (increase) in inventories	673,732	(1,271,928)
Increase (decrease) in notes and accounts payable	(793,012)	784,875
Others	(146,883)	505,359
Subtotal	8,733,034	7,507,142
Interests and dividends received	143,424	175,171
Interests paid	(31,635)	(44,526)
Proceeds from insurance income	34,932	-
Payments for loss on disaster	(29,609)	-
Income taxes paid	(1,908,492)	(1,969,509)
Income taxes for prior periods paid	(1,338,428)	-
Net cash provided by operating activities	5,603,225	5,668,276
Cash flows from investing activities		
Payments into time deposits	(540,482)	(1,931,043)
Proceeds from withdrawal of time deposits	295,118	1,303,783
Payments into long-term deposits with banks	(500,000)	-
Payment for acquisition of fixed assets	(2,533,953)	(1,434,022)
Proceeds from sales of fixed assets	43,095	139,488
Payment for acquisition of investment securities	(7,454)	(7,219)
Others	1,943	(54,325)
Net cash used in investing activities	(3,241,733)	(1,983,338)

	(Thousands of yen)	
	FY3/2014	FY3/2015
	(Apr. 1, 2013 – Mar. 31, 2014)	(Apr. 1, 2014 – Mar. 31, 2015)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	37,581	164,354
Proceeds from long-term loans payable	578,977	220,068
Repayments for long-term loans payable	(198,360)	(296,455)
Repayments for lease obligations	(56,204)	(61,768)
Payment for acquisition of treasury stock	(789)	(594)
Payment for acquisition of treasury stock of subsidiaries	(27,952)	(469,001)
Cash dividends paid	(500,727)	(819,356)
Payment for dividends to minority shareholders	(58,436)	(32,980)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-	(23,976)
Net cash used in financing activities	(225,910)	(1,319,710)
Effect of exchange rate changes on cash and cash equivalents	1,031,669	809,359
Increase (decrease) in cash and cash equivalents	3,167,251	3,174,587
Cash and cash equivalents at beginning of period	13,344,622	16,511,873
Cash and cash equivalents at end of period	*1 16,511,873	*1 19,686,460

(5) Notes to Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Basis for Presentation of the Consolidated Financial Statements

1. Scope of consolidation

The number of consolidated subsidiaries: 11

Names of consolidated subsidiaries

Sumix Corporation
Taiwan Uyemura Co., Ltd.
Uyemura International Corporation
Uyemura (Shanghai) Co., Ltd.
Sum Hitechs Co., Ltd.
Uyemura (Malaysia) Sdn. Bhd.
Uyemura International (Singapore) Pte., Ltd.
Uyemura International (Hong Kong) Co., Ltd.
Uyemura (Shenzhen) Co., Ltd.
Uyemura Korea Co., Ltd.
PT. Uyemura Indonesia

2. Application of equity method

The Company has no subsidiaries and affiliates accounted for by the equity method.

3. Closing date of consolidated subsidiaries

At the consolidated subsidiaries, overseas subsidiaries' fiscal year end on December 31. Therefore, the financial statements of the overseas subsidiaries as of their closing date are used herein with necessary adjustments applied for consolidation purposes regarding the important transactions that have occurred between the said closing date, December 31 and the consolidation closing date, March 31.

4. Accounting standards

(1) Valuation standards and method for major assets

1. Marketable securities

1) Trading securities

Valued at the market price, cost of sales being determined by the moving average method.

2) Other securities

Securities with market quotations

Valued at the market price, using a market value at the end of the fiscal year, differences in valuation to be included in net assets, and cost of securities sold being determined by the moving average method.

Securities without market quotations

Valued at cost being determined by the moving average method.

2. Inventories

1) Merchandise

Primarily valued at cost being determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).

2) Finished goods and work in process

Plating chemicals

Primarily valued at cost being determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).

Surface finishing machinery

Primarily valued at cost being determined by the identification method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).

3) Raw materials and supplies

Primarily valued at cost being determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).

(2) Depreciation method for major depreciable assets

1) Tangible fixed assets (excluding lease assets)

The declining balance method is used in the Company and its domestic consolidated subsidiary, while the straight-line method is primarily used in overseas consolidated subsidiaries.

Useful life of principle assets is as follows.

Buildings and structures: 15-50 years

Machinery and vehicles: 2-15 years

2) Lease assets

Lease assets associated with finance lease transactions where there is no transfer of ownership

The straight-line method with no residual value is applied with the lease period used as the useful life of the asset.

(3) Recognition of major reserves

1) Allowance for doubtful accounts

To prepare for credit losses on accounts receivable, allowances equal to the estimated amount of uncollectible receivables are accounted for based on historical write-off ratio for general receivables, and based on case-by-case determination of collectibility for bad receivables and claims in bankruptcy.

2) Accrued bonuses

In the Company and its domestic consolidated subsidiary, to prepare for the payment of bonus to employees, an allowance is accounted for a portion accrued for the current fiscal year of the estimated amount of future payment.

3) Allowance for directors' bonuses

In the Company and its domestic consolidated subsidiary, to prepare for the payment of bonus to directors, an allowance is accounted for the estimated bonus obligations in the current fiscal year.

4) Allowance for directors' retirement benefits

In the Company and its domestic consolidated subsidiary, to prepare for the payment of retirement benefits to directors, an allowance is accounted for in the aggregate amount payable at the end of the fiscal year pursuant to the company's rules on directors' retirement benefits.

(4) Accounting method for retirement benefit obligations

i. Method of attributing estimated retirement benefit obligations to periods

In calculation of retirement benefit obligations, the Company uses the straight-line method for attributing estimated retirement benefit obligations to periods.

ii. Amortization of actuarial differences

The actuarial differences are mainly amortized and charged to expense in the year following the fiscal year in which such actuarial differences are recognized by the straight-line method over a certain period (12 years) which is within the average length of remaining work period of employees.

(5) Translation of the important assets or liabilities in foreign currency into Japanese currency

The monetary assets and liabilities in foreign currency are translated into Japanese currency based on the spot exchange rate as of the closing date of the current fiscal year, with the conversion difference to be accounted for as profit or loss. The assets and liabilities of overseas subsidiaries are translated into Japanese currency based on the spot exchange rate as of their closing date respectively, and revenue and expenses into Japanese currency based on the average conversion rate throughout the entire period, with the conversion difference to be accounted for so as to be included in foreign currency translation adjustments and minority interests in the net assets section.

(6) Amortization method and amortization period of goodwill

Goodwill is amortized by the straight-line method over a period of five years. Negative goodwill recorded on or before March 31, 2010 is amortized by the straight-line method over a period of five years.

(7) Definition of cash and cash equivalents in the consolidated statements of cash flows

Cash and cash equivalents in the consolidated statements of cash flows is composed of 1) cash on hand, 2) bank deposit payable on demand, and 3) short-term investments readily redeemable within six months from the acquisition that has little risk on changes in valuation.

(8) Other important principles for presentation of consolidated financial statements

Consumption taxes

All amounts stated are exclusive of consumption taxes.

Changes in Accounting Policies

Application of the accounting standard for retirement benefits

The Company has applied the “Accounting Standard for Retirement Benefits (Accounting Standards Board of Japan (ASBJ) Statement No. 26, May 17, 2012)” and the “Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, March 26, 2015)” from the current fiscal year, for provisions set forth in the main clauses of Paragraph 35 of the Accounting Standard for Retirement Benefits and Paragraph 67 of the Guidance on Accounting Standard for Retirement Benefits. Accordingly, the Company reviewed the methods for calculating retirement benefit obligations and service costs, and revised the method of attributing estimated retirement benefit obligations to periods from the straight-line basis to the benefit formula basis, and revised the method of determining the discount rate, for the period of bonds used for the basis of determining the discount rate, from the method using the approximate number of years of expected average length of the remaining service period of employees to the method using a single weighted average discount rate reflecting the estimated period and amount of benefit payment.

For the application of these accounting standards, etc. in accordance with the transitional accounting treatments set forth in Paragraph 37 of the Accounting Standard for Retirement Benefits, the adjustments associated with the change in calculation methods of retirement benefit obligations and service costs are recorded in retained earnings at the beginning of the current fiscal year.

The result was a decrease in net defined benefit liability of 179,537 thousand yen, and increases of 59,708 thousand yen in net defined benefit asset and 153,978 thousand yen in retained earnings at the beginning of the current fiscal year. The effect of this change on profit or loss in the current fiscal year is insignificant.

The effect of this change on net assets per share and net income per share in the current fiscal year is also insignificant.

Application of the accounting standards for business combinations

The “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, September 13, 2013), “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, September 13, 2013), “Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, September 13, 2013) and other standards shall be applied from the fiscal year that begins on or after April 1, 2014. Accordingly, the Company has applied these accounting standards (excluding the provisions set forth in Article 39 of the Accounting Standard for Consolidated Financial Statements) from the first quarter of the current fiscal year. Under these accounting standards, the Company revised the method to record gains or losses arising from a change in the Company’s equity in subsidiaries in cases where control is retained to that recognizing such gains or losses as capital surplus and the acquisition costs in connection with business combinations as expenses in the fiscal year in which they arise. Regarding business combinations that take place on or after the beginning of the current fiscal year, the Company revised the method to reflect changes in the allocation of the acquisition costs arising from confirmation of the provisional accounting treatment on the consolidated financial statements that includes the acquisition date.

The Company has adopted these accounting standards, etc. from the beginning of the current fiscal year, in accordance with the transitional accounting treatments set forth in Article 58-2 (4) of the Accounting Standard for Business Combinations, Article 44-5 (4) of the Accounting Standard for Consolidated Financial Statements, and Article 57-4 (4) of the Accounting Standard for Business Divestitures.

The effect of these changes on profit or loss in the current fiscal year and capital surplus at the end of the same period is insignificant.

As for the consolidated statements of cash flows in the current fiscal year, cash flows associated with the sales or acquisition of shares of subsidiaries that does not result in changes in scope of consolidation are included to “Net cash provided by (used in) financing activities”. On the other hand, cash flows that result in changes in scope of consolidation or cash flows associated with expenses for sales or acquisition of shares of subsidiaries that does not result in changes in scope of consolidation are included to “Net cash provided by (used in) operating activities”.

The effect of this change on net assets per share in the current fiscal year is insignificant.

Reclassifications

Retirement benefit

Following the revision of “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, March 26, 2015), the Company has changed the method of presentation in the notes with regard to the retirement benefits under the multi-employer pension plan and, accordingly, reclassified the consolidated financial statements for the previous fiscal year.

The detail of the reclassification of the consolidated financial statements and the amounts of major line items in the consolidated financial statements for the previous fiscal year are described in applicable section.

Notes to Consolidated Balance Sheets

*1. Assets pledged as collateral and liabilities with collateral

(Thousands of yen)		
	FY3/2014 (As of Mar. 31, 2014)	FY3/2015 (As of Mar. 31, 2015)
Assets pledged as collateral		
Buildings and structures	1,768,541	1,679,698
Land	47,200	47,200
Total	1,815,741	1,726,898
(Thousands of yen)		
	FY3/2014 (As of Mar. 31, 2014)	FY3/2015 (As of Mar. 31, 2015)
Liabilities with collateral		
Short-term loans payable	400,000	500,000
Total	400,000	500,000

*2. Accumulated depreciation

Amounts of accumulated depreciation include accumulated impairment losses.

Notes to Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

*1. The ending inventory is the amount written down to reflect the effect of lower profit margins. The following loss on valuation of inventories is included in cost of sales.

(Thousands of yen)		
	FY3/2014 (Apr. 1, 2013 – Mar. 31, 2014)	FY3/2015 (Apr. 1, 2014 – Mar. 31, 2015)
	274,390	687,860

*2. R&D expenses included in selling, general and administrative expenses

(Thousands of yen)		
	FY3/2014 (Apr. 1, 2013 – Mar. 31, 2014)	FY3/2015 (Apr. 1, 2014 – Mar. 31, 2015)
	1,947,027	2,013,827

*3. Gains on sales of fixed assets

(Thousands of yen)		
	FY3/2014 (Apr. 1, 2013 – Mar. 31, 2014)	FY3/2015 (Apr. 1, 2014 – Mar. 31, 2015)
Buildings and structures	-	6,204
Machinery and vehicles	14,329	18,380
Land	-	23,856
Others	848	14,245
Total	15,177	62,687

*4. Losses on disposal and sales of fixed assets

(Thousands of yen)		
	FY3/2014 (Apr. 1, 2013 – Mar. 31, 2014)	FY3/2015 (Apr. 1, 2014 – Mar. 31, 2015)
Buildings and structures	320	1,844
Machinery and vehicles	6,431	1,244
Retirement cost	260	7,073
Others	2,780	6,366
Total	9,792	16,528

*5. Income taxes for prior periods

FY3/2014 (Apr. 1, 2013 – Mar. 31, 2014)

The Company received, on June 28, 2013, the reassessment notice with respect to transfer pricing taxation from Osaka Regional Taxation Bureau, which had determined that profits allocated to the Company in transactions with its overseas subsidiaries for the six year period from the fiscal year ended March 31, 2007 to the fiscal year ended March 31, 2012 were too small.

*6. Re-classification adjustments and tax effect with respect to other comprehensive income

	(Thousands of yen)	
	FY3/2014 (Apr. 1, 2013 – Mar. 31, 2014)	FY3/2015 (Apr. 1, 2014 – Mar. 31, 2015)
Cumulative securities holding gain		
Amount incurred during the year	163,039	462,874
Re-classification adjustments	-	-
Before tax effect adjustments	163,039	462,874
Tax effect	(58,163)	(131,412)
Cumulative securities holding gain	104,875	331,461
Foreign currency translation adjustments		
Amount incurred during the year	3,806,789	3,017,191
Remeasurements of defined benefit plans, net of tax		
Amount incurred during the year	-	54,055
Re-classification adjustments	-	12,073
Before tax effect adjustments	-	66,129
Tax effect	-	(23,568)
Remeasurements of defined benefit plans, net of tax	-	42,560
Total other comprehensive income	3,911,664	3,391,213

Notes to Consolidated Statements of Changes in Shareholders' Equity

FY3/2014 (Apr. 1, 2013 – Mar. 31, 2014)

1. Types and total number of outstanding shares and treasury stock

	Number of shares as of Apr. 1, 2013 (Shares)	Increase (Shares)	Decrease (Shares)	Number of shares as of Mar. 31, 2014 (Shares)
Outstanding shares				
Common shares	9,878,040	-	-	9,878,040
Total	9,878,040	-	-	9,878,040
Treasury stock				
Common shares	773,901	179	-	774,080
Total	773,901	179	-	774,080

Note: The number of common shares of treasury stock was increased due to the purchase of odd-lot share (179 shares).

2. Dividends

(1) Dividend payment

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 27, 2013	Common shares	500,727	55	Mar. 31, 2013	Jun. 28, 2013

(2) Dividends with a record date in the current fiscal year but an effective date in the following fiscal year

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Source of dividend	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 27, 2014	Common shares	819,356	Retained earnings	90	Mar. 31, 2014	Jun. 30, 2014

FY3/2015 (Apr. 1, 2014 – Mar. 31, 2015)

1. Types and total number of outstanding shares and treasury stock

	Number of shares as of Apr. 1, 2014 (Shares)	Increase (Shares)	Decrease (Shares)	Number of shares as of Mar. 31, 2015 (Shares)
Outstanding shares				
Common shares	9,878,040	-	-	9,878,040
Total	9,878,040	-	-	9,878,040
Treasury stock				
Common shares	774,080	111	-	774,191
Total	774,080	111	-	774,191

Note: The number of common shares of treasury stock was increased due to the purchase of odd-lot share (111 shares).

2. Dividends

(1) Dividend payment

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 27, 2014	Common shares	819,356	90	Mar. 31, 2014	Jun. 30, 2014

(2) Dividends with a record date in the current fiscal year but an effective date in the following fiscal year

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Source of dividend	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 26, 2015	Common shares	910,384	Retained earnings	100	Mar. 31, 2015	Jun. 29, 2015

Notes to Consolidated Statements of Cash Flows

*1. Reconciliation of the balance of cash and cash equivalents at the end of the fiscal year and the amount of each period stated in the consolidated balance sheets

	(Thousands of yen)	
	FY3/2014 (Apr. 1, 2013 – Mar. 31, 2014)	FY3/2015 (Apr. 1, 2014 – Mar. 31, 2015)
Cash and deposits with banks	22,327,138	26,660,261
Time deposits maturing with deposit period of more than 6 months	(5,815,264)	(6,973,801)
Cash and cash equivalents	16,511,873	19,686,460

Lease Transactions

Finance lease transaction

Finance leases where there is no transfer of ownership

1) Breakdown of lease assets

Machinery and vehicles

Other tangible fixed assets

2) The depreciation method of lease assets

As described in the section “Basis for Presentation of the Consolidated Financial Statements, 4. Accounting standards, (2)

Depreciation method for major depreciable assets.”

Financial Instruments

1. Conditions of financial instruments

(1) Management policy for financial instruments

It is the Group’s policy that investments of funds are limited to bank deposits and other equivalents, and financing is obtained through bank borrowings. Derivatives are used only for the purpose of avoiding risks of certain assets and liabilities exposed to market fluctuations, and speculative transactions are not carried out.

(2) Details of financial instruments and their risks

Notes and accounts receivable-trade (“operating receivables”) are exposed to the credit risk of clients, while foreign currency denominated operating receivables at foreign operations are exposed also to the foreign exchange risk.

Marketable securities and investment securities are primarily stock shares of companies with which the Group has a business relationship, and are exposed to the risk of fluctuating market prices.

Notes and accounts payable-trade (“operating debt”) are due for payment within one year. Some of this operating debt are denominated in foreign currencies associated with importing raw materials, etc., and exposed to the risk of fluctuations in exchange rates. However, outstanding balance always remains not more than that of accounts receivable-trade denominated in the same foreign currencies.

Short-term loans payable are undertaken primarily to finance working capital, and long-term loans payable primarily to finance capital investment.

Derivatives transactions consist of forward exchange contracts to avoid the risk of future exchange rate fluctuations related to foreign denominated operating receivables and payable that arise during the course of regular operations. They are subject to market risks of fluctuations in exchange rates and interest rates, and also credit risks of non-performance by a counterparty of a transaction.

(3) Risk management system

1) Management of credit risk (risk of default by customers)

Operating receivables are regularly monitored by the Sales Department and Accounting Department in accordance with Credit Control Rules and Sales Control Rules. Specifically, the both departments control the customer-specific payment dates and credit balance, through which the departments can detect and reduce the concern over collectability caused by deterioration of certain customers' financial position at the earliest possible time. Consolidated subsidiaries also manage risks in a similar way and in reference to the Company's Receivables Control Rules and Sales Control Rules.

Regarding the derivatives transactions, we consider that there is no significant credit risk arising from the transactions because we have a policy to deal with highly-rated banks only.

2) Management of market risk (risks associated with fluctuations in foreign exchange and interest rates)

The Company tracks exchange gains and losses on foreign currency denominated operating receivables and payables on a monthly basis, and estimate possible gains and losses based on various foreign exchange scenarios. And thereby preparing for changes in the markets, we manage market risks of foreign exchange fluctuations. Furthermore, an update on market risks is reported, as necessary, to the Board of Directors in order to minimize impacts of fluctuations in exchange rates, interest rates and commodity prices on the performance of the entire group or a specific segment.

Regarding market risks inherent in marketable securities and investment securities, we regularly monitor the securities for the market prices.

Derivatives transactions are controlled by the Accounting Department of the Company based on regular reporting from the departments that involve in relevant transactions.

3) Management of liquidity risk associated with financing activities (risk of failing to meet payment obligation on the maturity date)

The Company effectively manages liquidity risk by having the Accounting Department prepare and update cash flow projections on a timely manner based on reports from other operating divisions of the Company and consolidated subsidiaries as well as by maintaining a certain level of liquidity on hand.

(4) Supplemental explanation concerning fair value of financial instruments

Fair value of the financial instrument is measured at a quoted market price, if available, or reasonably assessed value if a quoted market price is not available. As the calculation of the reasonably assessed value incorporates varying factors, the amount may vary if different assumptions are used.

2. Fair value of financial instruments

The carrying value, fair value, and their differences are shown as follows. However, financial instruments, whose fair value is deemed to be extremely difficult to measure, are not included. (Please refer to Note 2 below.)

FY3/2014 (As of Mar. 31, 2014)

(Thousands of yen)

	Carrying value	Fair value	Unrealized gain (loss)
(1) Cash and deposits with banks	22,327,138	22,327,138	-
(2) Notes and accounts receivable-trade	10,640,322	10,640,322	-
(3) Marketable securities and investment securities	1,130,549	1,130,549	-
Assets total	34,098,009	34,098,009	-
(1) Notes and accounts payable-trade	4,691,806	4,691,806	-
(2) Electronically recorded obligations-operating	-	-	-
(3) Short-term loans payable	776,934	776,934	-
(4) Income taxes payable	1,351,034	1,351,034	-
(5) Long-term loans payable*	1,190,977	1,223,615	32,638
(6) Long-term guarantee deposit	527,812	355,579	(172,233)
Liabilities total	8,538,566	8,398,971	(139,594)

* "(5) Long-term loans payable" include current portions of long-term loans payable.

FY3/2015 (As of Mar. 31, 2015)

(Thousands of yen)

	Carrying value	Fair value	Unrealized gain (loss)
(1) Cash and deposits with banks	26,660,261	26,660,261	-
(2) Notes and accounts receivable-trade	12,795,700	12,795,700	-
(3) Marketable securities and investment securities	1,606,116	1,606,116	-
Assets total	41,062,078	41,062,078	-
(1) Notes and accounts payable-trade	2,461,631	2,461,631	-
(2) Electronically recorded obligations-operating	3,630,403	3,630,403	-
(3) Short-term loans payable	954,422	954,422	-
(4) Income taxes payable	2,215,422	2,215,422	-
(5) Long-term loans payable*	1,239,621	1,248,366	8,745
(6) Long-term guarantee deposit	578,463	435,862	(142,601)
Liabilities total	11,079,963	10,946,108	(133,855)

*“(5) Long-term loans payable” include current portions of long-term loans payable.

Note 1: Matters concerning determination of fair value of financial instruments and marketable securities

Assets

(1) Cash and deposits with banks, (2) Notes and accounts receivable-trade

Fair value of the financial instruments in these categories is deemed to be equal to their carrying amount because they are settled within a short period of time.

(3) Marketable securities and investment securities

For fair value of the financial instruments in these categories, stocks are valued based on their prices on securities exchanges.

Liabilities

(1) Notes and accounts payable-trade, (2) Electronically recorded obligations-operating, (3) Short-term loans payable, (4) Income taxes payable

Fair value of the financial instruments in this category is deemed to be equal to their carrying amount because they are settled within a short period of time.

(5) Long-term loans payable

Fair value of long-term loans payable in this category is determined by calculating present value obtained by discounting the combined value of principal and interest by the interest rate assumed were the Company to borrow new money.

(6) Long-term guarantee deposit

Fair value of long-term guarantee deposit is determined by calculating present value that is obtained by discounting the face amount based on a reasonably estimated date of repayment using the risk free rate adjusted to reflect the credit risk.

Note 2: Financial instruments whose fair value is deemed to be extremely difficult to measure.

(Thousands of yen)

Item	FY3/2014 (As of Mar. 31, 2014)	FY3/2015 (As of Mar. 31, 2015)
Unlisted stock	10,533	10,533

These instruments are not included in “(3) Marketable securities and investment securities” because there is no market price and the fair value is deemed to be extremely difficult to determine.

3. The amount of money claims scheduled to be redeemed in the subsequent years

FY3/2014 (As of Mar. 31, 2014)

(Thousands of yen)

	Due within one year	Due after one year through five years	Due after five years through ten years	Due after ten years
Cash and deposits with banks	22,327,138	-	-	-
Notes and accounts receivable-trade	10,640,322	-	-	-
Total	32,967,460	-	-	-

FY3/2015 (As of Mar. 31, 2015)

(Thousands of yen)

	Due within one year	Due after one year through five years	Due after five years through ten years	Due after ten years
Cash and deposits with banks	26,660,261	-	-	-
Notes and accounts receivable-trade	12,795,700	-	-	-
Total	39,455,961	-	-	-

4. The amounts of short-term loans payable and long-term loans payable scheduled to be redeemed in the subsequent years

FY3/2014 (As of Mar. 31, 2014)

(Thousands of yen)

	Due within one year	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Short-term loans payable	776,934	-	-	-	-	-
Long-term loans payable	291,819	318,590	301,390	149,840	105,390	23,947
Total	1,068,753	318,590	301,390	149,840	105,390	23,947

FY3/2015 (As of Mar. 31, 2015)

(Thousands of yen)

	Due within one year	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Short-term loans payable	954,422	-	-	-	-	-
Long-term loans payable	392,838	390,722	228,702	179,896	47,462	-
Total	1,347,260	390,722	228,702	179,896	47,462	-

Securities

1. Securities for trade purposes

(Thousands of yen)

	FY3/2014 (As of Mar. 31, 2014)	FY3/2015 (As of Mar. 31, 2015)
Unrealized gain (loss) included in profit/loss	4,221	807

2. Other securities

FY3/2014 (As of Mar. 31, 2014)

(Thousands of yen)

	Type	Carrying value	Acquisition costs	Unrealized gain (loss)
Securities with carrying value exceeds acquisition costs	(1) Shares	968,234	417,575	550,658
	(2) Bonds			
	1) Government bonds, municipal bonds, etc.	-	-	-
	2) Corporate bonds	-	-	-
	3) Others	-	-	-
	(3) Others	85,480	63,185	22,295
	Subtotal	1,053,714	480,760	572,953
Securities with carrying value not exceeding acquisition costs	(1) Shares	41,620	48,941	(7,321)
	(2) Bonds			
	1) Government bonds, municipal bonds, etc.	-	-	-
	2) Corporate bonds	-	-	-
	3) Others	-	-	-
	(3) Others	-	-	-
	Subtotal	41,620	48,941	(7,321)
Total		1,095,334	529,702	565,632

FY3/2015 (As of Mar. 31, 2015)

(Thousands of yen)

	Type	Carrying value	Acquisition costs	Unrealized gain (loss)
Securities with carrying value exceeds acquisition costs	(1) Shares	1,432,934	447,228	985,705
	(2) Bonds			
	1) Government bonds, municipal bonds, etc.	-	-	-
	2) Corporate bonds	-	-	-
	3) Others	-	-	-
	(3) Others	108,844	63,145	45,699
	Subtotal	1,541,778	510,373	1,031,404
Securities with carrying value not exceeding acquisition costs	(1) Shares	23,609	26,508	(2,898)
	(2) Bonds			
	1) Government bonds, municipal bonds, etc.	-	-	-
	2) Corporate bonds	-	-	-
	3) Others	-	-	-
	(3) Others	-	-	-
	Subtotal	23,609	26,508	(2,898)
Total		1,565,387	536,881	1,028,506

Note: Acquisition costs in the table represent book values after impairment.

Unlisted stocks (carrying value of 10,533 thousand yen) are not included in the above table reporting the status of other securities because there is no market price and the fair value is deemed to be extremely difficult to determine.

Retirement Benefit

FY3/2014 (Apr. 1, 2013 – Mar. 31, 2014)

1. Retirement benefit plans

The Company has a defined benefit pension plan and a defined contribution pension plan, and other than those plans, Welfare Pension Fund is adopted, too. One of the domestic consolidated subsidiaries has a funded pension plan entrusted to an outside third party. Retirement lump sum plan is also applicable to certain employees. Also, some overseas consolidated subsidiaries have adopted a pension plan that complies with their country's social retirement benefit plan.

Following is the information regarding the multi-employer pension plan under which the amount to be contributed to plan assets is accounted for as retirement benefit expenses. The most recent date as of which funding status of the plan as a whole is available is March 31, 2013.

(1) Information regarding funding status of the plan as a whole (Millions of yen)

Amount of plan assets	257,829
Total amount of actuarial liability and minimum actuarial reserve for calculating pension plan financing (note)	354,524
Difference	(96,695)

Note: Presented as "Amount of actuarially computed benefit obligation" in the previous fiscal year.

(2) The percentage of contribution by the Company out of the total contribution to the plan
1.00% (Apr. 1, 2012 – Mar. 31, 2013)

(3) Supplemental information

The difference shown in the above information (1) was caused by 51,990 million yen of actuarially computed value of present value of special contributions and 44,704 million yen of deficit carryforward.

The present value of special contributions represents the amount of expected cash inflows to amortize the past actuarial deficit over the future periods, and the Company has already made necessary fund arrangements for special contribution based on the contribution rate predetermined by the employees' pension fund regulation.

In addition, the amortization method under the plan is equal installments of principal and interest, and the remaining amortization period of special contributions was 18 years. The Company accounted for the special contribution of 36,221 thousand yen as expense in the consolidated financial statements.

The percentage shown in the above information (2) does not correspond to the actual percentage borne by the Company because the amount of special contribution is computed by multiplying the amount of standard salary at the time of contribution by the predetermined contribution rate.

2. Defined benefit plan

(1) Reconciliation of beginning and ending balances of retirement benefit obligation

	(Thousands of yen)
Retirement benefit obligation at beginning of period	1,614,741
Service cost	146,291
Interest cost	17,614
Actuarial differences	12,877
Benefits paid	(89,992)
Foreign exchange translation gains or losses	84,314
Retirement benefit obligation at end of period	1,785,847

(2) Reconciliation of beginning and ending balances of fair value of plan assets

	(Thousands of yen)
Fair value of plan assets at beginning of period	1,186,821
Expected return on plan assets	4,801
Actuarial differences	48,676
Contributions by the employer	85,875
Benefits paid	(84,534)
Foreign exchange translation gains or losses	46,849
Fair value of plan assets at end of period	1,288,489

(3) Reconciliation of ending balances of retirement benefit obligation and plan assets against net defined benefit liability and net defined benefit asset recognized in the consolidated financial statements

	(Thousands of yen)
Retirement benefit obligation of contributory plan	1,747,029
Plan assets at fair value	(1,288,489)
	458,539
Retirement benefit obligation of non-contributory plan	38,817
Net liability / asset recognized in the consolidated balance sheet	497,357
Net defined benefit liability	497,357
Net defined benefit asset	-
Net liability / asset recognized in the consolidated balance sheet	497,357

(4) Components of retirement benefit expenses

	(Thousands of yen)
Service cost	146,291
Interest cost	17,614
Expected return on plan assets	(4,801)
Amortization of actuarial differences	19,689
Retirement benefit expenses for defined benefit plan	178,794

(5) Remeasurements of defined benefit plans

Components of remeasurements of defined benefit plans, net of tax, are as follows.

	(Thousands of yen)
Actuarial differences	-
Total	-

(6) Accumulated remeasurements of defined benefit plans

Components of accumulated remeasurements of defined benefit plans, net of tax, are as follows.

	(Thousands of yen)
Unrecognized actuarial differences	66,017
Total	66,017

(7) Relevant information on plan assets

1) Portfolio structure of plan assets

The allocation percentage by major investment category to the total amount of plan assets is presented as follows.

	(%)
Insurance assets	40
Domestic receivables	16
Domestic stocks	7
Foreign receivables	6
Foreign stocks	17
Cash and deposits with banks	7
Others	7
Total	100

2) Method of determining expected long-term return on plan assets

The expected long-term return on plan assets is determined by considering the current and expected portfolio structure of the plan assets as well as the current and expected future long-term rate of return on various investments that comprise the plan assets.

(8) Assumptions for actuarial calculation

Principal assumptions for actuarial calculation at the end of the current fiscal year

Discount rate:	Mainly 0.8%
Expected long-term return on plan assets:	Mainly 0.0%

3. Other relevant information on retirement benefits

(Thousands of yen)

Defined contribution pension fund	30,304
Contribution of Welfare Pension Fund	96,871

FY3/2015 (Apr. 1, 2014 – Mar. 31, 2015)

1. Retirement benefit plans

The Company has a defined benefit pension plan and a defined contribution pension plan, and other than those plans, Welfare Pension Fund is also adopted. One of the domestic consolidated subsidiaries has a funded pension plan entrusted to an outside third party. Retirement lump sum plan is also applicable to certain employees. Also, some overseas consolidated subsidiaries have adopted a pension plan that complies with their country's social retirement benefit plan.

Following is the information regarding the multi-employer pension plan under which the amount to be contributed to plan assets is accounted for as retirement benefit expenses. The most recent date as of which funding status of the plan as a whole is available is March 31, 2014.

(1) Information regarding funding status of the plan as a whole (Millions of yen)

Amount of plan assets	292,416
Total amount of actuarial liability and minimum actuarial reserve for calculating pension plan financing (note)	366,867
Difference	(74,450)

Note: Presented as "Amount of actuarially computed benefit obligation" in the previous fiscal year.

(2) The percentage of contribution by the Company out of the total contribution to the plan

0.95% (Apr. 1, 2013 – Mar. 31, 2014)

(3) Supplemental information

The difference shown in the above information (1) was caused by 50,581 million yen of actuarially computed value of present value of special contributions and 23,869 million yen of deficit carryforward.

The present value of special contributions represents the amount of expected cash inflows to amortize the past actuarial deficit over the future periods, and the Company has already made necessary fund arrangements for special contribution based on the contribution rate predetermined by the employees' pension fund regulation.

In addition, the amortization method under the plan is equal installments of principal and interest, and the remaining amortization period of special contributions was 17 years. The Company accounted for the special contribution of 36,291 thousand yen as expense in the consolidated financial statements.

The percentage shown in the above information (2) does not correspond to the actual percentage borne by the Company because the amount of special contribution is computed by multiplying the amount of standard salary at the time of contribution by the predetermined contribution rate.

2. Defined benefit plan

(1) Reconciliation of beginning and ending balances of retirement benefit obligation

(Thousands of yen)

Retirement benefit obligation at beginning of period	1,785,847
Cumulative effects of changes in accounting policies	(239,246)
Restated balance	1,546,601
Service cost	153,817
Interest cost	16,600
Actuarial differences	34,760
Benefits paid	(114,181)
Foreign exchange translation gains or losses	54,960
Retirement benefit obligation at end of period	1,692,558

(2) Reconciliation of beginning and ending balances of fair value of plan assets

	(Thousands of yen)
Fair value of plan assets at beginning of period	1,288,489
Expected return on plan assets	9,505
Actuarial differences	63,582
Contributions by the employer	90,636
Benefits paid	(99,481)
Foreign exchange translation gains or losses	24,575
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Fair value of plan assets at end of period	1,377,309

(3) Reconciliation of ending balances of retirement benefit obligation and plan assets against net defined benefit liability and net defined benefit asset recognized in the consolidated financial statements

	(Thousands of yen)
Retirement benefit obligation of contributory plan	1,641,497
Plan assets at fair value	(1,377,309)
<hr/>	
	264,187
Retirement benefit obligation of non-contributory plan	51,061
<hr/>	
Net liability / asset recognized in the consolidated balance sheet	315,249
Net defined benefit liability	419,559
Net defined benefit asset	(104,310)
<hr/>	
Net liability / asset recognized in the consolidated balance sheet	315,249

(4) Components of retirement benefit expenses

	(Thousands of yen)
Service cost	153,817
Interest cost	16,600
Expected return on plan assets	(9,505)
Amortization of actuarial differences	37,306
<hr/>	
Retirement benefit expenses for defined benefit plan	198,218

(5) Remeasurements of defined benefit plans

Components of remeasurements of defined benefit plans, net of tax, are as follows.

	(Thousands of yen)
Actuarial differences	(66,129)
<hr/>	
Total	(66,129)

(6) Accumulated remeasurements of defined benefit plans

Components of accumulated remeasurements of defined benefit plans, net of tax, are as follows.

	(Thousands of yen)
Unrecognized actuarial differences	(111)
<hr/>	
Total	(111)

(7) Relevant information on plan assets

1) Portfolio structure of plan assets

The allocation percentage by major investment category to the total amount of plan assets is presented as follows.

	(%)
Insurance assets	38
Domestic receivables	16
Domestic stocks	8
Foreign receivables	8
Foreign stocks	18
Cash and deposits with banks	6
Others	6
<hr/>	
Total	100

2) Method of determining expected long-term return on plan assets

The expected long-term return on plan assets is determined by considering the current and expected portfolio structure of the plan assets as well as the current and expected future long-term rate of return on various investments that comprise the plan assets.

(8) Assumptions for actuarial calculation

Principal assumptions for actuarial calculation at the end of the current fiscal year

Discount rate: Mainly 0.5%

Expected long-term return on plan assets: Mainly 0.4%

3. Other relevant information on retirement benefits

(Thousands of yen)

Defined contribution pension fund	29,851
Contribution of Welfare Pension Fund	98,774

Deferred Income Taxes

1. Significant components of deferred tax assets and liabilities

	FY3/2014 (As of Mar. 31, 2014)	(Thousands of yen) FY3/2015 (As of Mar. 31, 2015)
Deferred tax assets		
Accrued enterprise tax	34,689	56,016
Unrealized income	121,462	155,021
Accrued bonuses	51,732	48,603
Others	266,958	424,638
Subtotal	474,842	684,279
Valuation allowance	(17,117)	(21,046)
Internal offset to deferred tax liabilities (current)	(15,096)	(14,422)
Total deferred tax assets (current)	442,628	648,810
Deficit carried forward	250,076	235,225
Net defined benefit liability	127,091	74,685
Allowance for directors' retirement benefits	58,535	54,178
Investment securities	131,778	103,237
Tangible fixed assets	152,786	172,345
Others	27,342	29,071
Subtotal	747,610	668,743
Valuation allowance	(276,850)	(268,847)
Internal offset to deferred tax liabilities (non-current)	(423,680)	(322,184)
Total deferred tax assets (non-current)	47,079	77,710
Deferred tax liabilities		
Others	(15,096)	(14,422)
Internal offset to deferred tax assets (current)	15,096	14,422
Total deferred tax liabilities (current)	-	-
Undistributed earnings of consolidated subsidiaries	(2,952,561)	(3,483,206)
Cumulative securities holding gain	(201,724)	(333,136)
Deferred gain on sale of investments in subsidiaries and affiliates under the group taxation system	(90,120)	(85,835)
Net defined benefit asset	-	(33,737)
Others	(83,073)	(100,764)
Subtotal	(3,327,479)	(4,036,681)
Internal offset to deferred tax assets (non-current)	423,680	322,184
Total deferred tax liabilities (non-current)	(2,903,798)	(3,714,496)

2. Significant components of differences between the statutory tax and effective tax rate

(%)

	FY3/2014 (As of Mar. 31, 2014)	FY3/2015 (As of Mar. 31, 2015)
Statutory tax rate	38.0	35.6
Adjustments		
Permanent difference	1.5	1.5
Differences in tax rates at subsidiaries	(11.3)	(9.6)
R&D tax credit	(2.7)	(1.6)
Increase (decrease) in valuation allowance	(0.2)	1.0
Foreign withholding taxes	3.2	3.4
Undistributed earnings of consolidated subsidiaries	8.8	7.6
Transfer pricing taxation	29.4	4.3
Reductions of deferred tax assets at year end for adjustment due to tax rate change	0.3	1.1
Others	1.5	0.9
Effective tax rate	68.6	44.2

3. Revised amount of deferred tax assets and deferred tax liabilities following the change in the corporate tax rate, etc.

Following the promulgation on March 31, 2015 of the “Act for Partial Revision of the Income Tax Act, etc.” (Act No. 9 of 2015) and “Act for Partial Revision of the Local Tax Act, etc.” (Act No. 2 of 2015), corporate tax rate, etc. have been lowered for the fiscal years beginning on or after April 1, 2015. Consequently, the statutory effective tax rate for the calculation of deferred tax assets and deferred tax liabilities will be lowered from 35.6% to 33.1% for temporary differences expected to be covered for the fiscal year beginning from April 1, 2015 and to 32.3% for temporary differences expected to be covered for the fiscal year beginning from April 1, 2016.

Due to this change, there were a decrease of 2,179 thousand yen in deferred tax assets (after deducting deferred tax liabilities) and increases of 35,799 thousand yen and 33,620 thousand yen in Income taxes-deferred and Cumulative securities holding gain respectively.

Investment and Rental Property

The Company owns office buildings for rent and apartment houses (including land) for rent in Osaka. In the fiscal year ended March 31, 2014, the Company’s net profit on investment and rental property was 380,239 thousand yen (700,140 thousand yen rent revenue was posted to sales while 319,900 thousand yen rent expenses to cost of sales.) In the fiscal year ended March 31, 2015, the Company’s net profit on investment and rental property was 373,296 thousand yen (705,798 thousand yen rent revenue was posted to sales while 332,501 thousand yen rent expenses to cost of sales.)

Carrying value, differences and fair value of investment and rental property are as follows.

(Thousands of yen)

		FY3/2014 (Apr. 1, 2013– Mar. 31, 2014)	FY3/2015 (Apr. 1, 2014– Mar. 31, 2015)
Carrying value	Balance at beginning of period	2,470,329	2,370,756
	Differences	(99,572)	55,178
	Balance at end of period	2,370,756	2,425,934
Fair value at end of period		7,534,075	7,749,729

Notes: 1. The carrying value is the amount of acquisition costs, net of accumulated depreciation.

2. The fair value for major properties at end of period is based on the amount determined by inspection reports prepared by an independent, external real-estate appraiser.

However, if there has been no significant change in appraised amounts or indicators that are deemed to reflect the market price appropriately since the most recent date of appraisal, those appraised amounts or amounts adjusted in accordance with the indicators are used as the fair value.

Segment and Other Information

Segment Information

Segment information

1. Overview of reportable segment

Segments used for financial reporting are the Company's constituent units for which separate financial information is available and for which the Board of Directors performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.

The Company has established individual sales divisions that oversee specific product, merchandise and service categories. Each division conducts its business in line with the comprehensive strategy it has devised for products, merchandise and services in both domestic and overseas markets.

The Company's business activities thus comprise of four reportable business segments classified by type and nature of the products, merchandise and services; the surface finishing materials business, the surface finishing machinery business, the plating job business and the real estate rental business.

The surface finishing materials business handles the sale of plating chemicals for PWBs, plating chemicals for aluminum magnetic disks, industrial chemicals, non-ferrous metals and others. The surface finishing machinery business mainly deals with plating machinery for PWBs and plating machinery for aluminum magnetic disks. The plating job business is mainly engaged in plastic plating services and PWB plating services. The real estate rental business generates revenue by renting out office buildings and apartment houses.

2. Calculation method for sales, profit or loss, assets or liabilities, and other items for each reportable segment

The accounting method used for reportable business segments is the same as the methods listed in "Basis for Presentation of the Consolidated Financial Statements."

Intersegment sales and transfer sum are based on market prices.

3. Information related to sales, profit or loss, assets or liabilities, and other items for each reportable segment

FY3/2014 (Apr. 1, 2013 – Mar. 31, 2014)

(Thousands of yen)

	Reportable segment					Other (Note 1)	Total	Adjustment (Note 2)	Amounts shown on consolidated financial statements (Note 3)
	Surface Finishing Materials	Surface Finishing Machinery	Plating Job	Real Estate Rental	Subtotal				
Sales									
Sales to third parties	33,425,878	4,243,242	3,674,021	700,140	42,043,282	6,547	42,049,829	-	42,049,829
Intersegment sales and transfers	217,174	35,831	49,007	-	302,012	-	302,012	(302,012)	-
Total	33,643,052	4,279,073	3,723,029	700,140	42,345,295	6,547	42,351,842	(302,012)	42,049,829
Segment profit (loss)	5,073,056	(176,896)	167,942	380,239	5,444,342	5,241	5,449,583	(5,831)	5,443,752
Segment assets	33,170,117	5,862,367	7,414,782	2,107,310	48,554,577	-	48,554,577	10,635,400	59,189,978
Other items									
Depreciation	1,038,010	100,977	362,321	128,374	1,629,684	-	1,629,684	-	1,629,684
Amortization of goodwill	16,472	6,484	121	-	23,077	-	23,077	-	23,077
Increase in tangible fixed assets and intangible assets	770,516	377,530	1,130,503	29,172	2,307,721	-	2,307,721	-	2,307,721

Notes: 1. The "Other" business segment consists of activities that are not included in any of the four reportable segments, and its sales include loyalty revenues.

2. The 10,635,400 thousand yen adjustment of segment assets includes -115,739 thousand yen in elimination of inter-segment transactions and corporate assets of 10,751,140 thousand yen. Corporate assets mainly include excess funds (cash and deposits with banks), and long-term invested assets (investment securities) of the parent company.
3. Segment profit (loss) is adjusted to be consistent with operating income shown on the consolidated financial statements.

FY3/2015 (Apr. 1, 2014 – Mar. 31, 2015)

(Thousands of yen)

	Reportable segment					Other (Note 1)	Total	Adjustment (Note 2)	Amounts shown on consolidated financial statements (Note 3)
	Surface Finishing Materials	Surface Finishing Machinery	Plating Job	Real Estate Rental	Subtotal				
Sales									
Sales to third parties	37,403,150	4,168,008	3,970,793	705,798	46,247,751	6,880	46,254,631	-	46,254,631
Intersegment sales and transfers	195,132	408,205	375	-	603,713	-	603,713	(603,713)	-
Total	37,598,282	4,576,214	3,971,169	705,798	46,851,465	6,880	46,858,345	(603,713)	46,254,631
Segment profit (loss)	6,605,274	(404,481)	(68,781)	373,296	6,505,308	5,651	6,510,960	(50,769)	6,460,191
Segment assets	36,894,286	6,940,251	9,101,211	2,161,488	55,097,237	-	55,097,237	14,581,776	69,679,013
Other items									
Depreciation	1,026,590	97,459	540,301	120,725	1,785,077	-	1,785,077	-	1,785,077
Amortization of goodwill	16,291	6,981	-	-	23,273	-	23,273	-	23,273
Increase in tangible fixed assets and intangible assets	703,688	134,361	599,661	161,204	1,598,916	-	1,598,916	-	1,598,916

Notes: 1. The "Other" business segment consists of activities that are not included in any of the four reportable segments, and its sales include loyalty revenues.

2. The 14,581,776 thousand yen adjustment of segment assets includes -133,222 thousand yen in elimination of inter-segment transactions and corporate assets of 14,714,998 thousand yen. Corporate assets mainly include excess funds (cash and deposits with banks) and long-term invested assets (investment securities) of the parent company.
3. Adjustment of segment profit (loss) includes elimination of inter-segment transactions.
4. Total segment profit (loss) is adjusted with operating income shown on the consolidated financial statements.

Related information

FY3/2014 (Apr. 1, 2013 – Mar. 31, 2014)

1. Information by product or service

Omitted because the same information is presented in the segment information section.

2. Information by region

(1) Sales

(Thousands of yen)

Japan	Taiwan	China	Other	Total
15,840,067	6,829,832	6,599,300	12,780,629	42,049,829

(2) Tangible fixed assets

(Thousands of yen)

Japan	Taiwan	Thailand	Other	Total
8,890,856	3,150,353	1,937,574	3,666,094	17,644,879

3. Information about specific customers

Omitted because no single external customer accounts for 10% or more of sales shown on the consolidated statements of income and consolidated statements of comprehensive income.

FY3/2015 (Apr. 1, 2014 – Mar. 31, 2015)

1. Information by product or service

Omitted because the same information is presented in the segment information section.

2. Information by region

(1) Sales

(Thousands of yen)

Japan	Taiwan	China	Other	Total
18,313,242	7,498,555	6,504,444	13,938,389	46,254,631

(2) Tangible fixed assets

(Thousands of yen)

Japan	Taiwan	Thailand	Other	Total
8,499,987	3,553,957	2,360,165	3,915,089	18,329,199

3. Information about specific customers

Omitted because no single external customer accounts for 10% or more of sales shown on the consolidated statements of income and consolidated statements of comprehensive income.

Information related to impairment losses of fixed assets for each reportable segment

Not applicable.

Information related to goodwill amortization and the unamortized balance for each reportable segment

FY3/2014 (Apr. 1, 2013 – Mar. 31, 2014)

(Thousands of yen)

	Surface Finishing Materials	Surface Finishing Machinery	Plating Job	Real Estate Rental	Other (Note)	Elimination or Corporate	Total
Amortization for the period	16,472	6,484	121	-	-	-	23,077
Balance at the end of period	60,867	26,086	-	-	-	-	86,954

Note: The "Other" business segment consists of activities that are not included in any of the four reportable segments and its sales include loyalty revenues.

Amortization and the unamortized balance of negative goodwill as a result of the additional acquisition of shares of subsidiaries that completed before April 1, 2010 are as follows.

(Thousands of yen)

	Surface Finishing Materials	Surface Finishing Machinery	Plating Job	Real Estate Rental	Other (Note)	Elimination or Corporate	Total
Amortization for the period	-	-	2,304	-	-	-	2,304
Balance at the end of period	-	-	2,304	-	-	-	2,304

Note: The "Other" business segment consists of activities that are not included in any of the four reportable segments and its sales include loyalty revenues.

FY3/2015 (Apr. 1, 2014 – Mar. 31, 2015)

(Thousands of yen)

	Surface Finishing Materials	Surface Finishing Machinery	Plating Job	Real Estate Rental	Other (Note)	Elimination or Corporate	Total
Amortization for the period	16,291	6,981	-	-	-	-	23,273
Balance at the end of period	51,041	21,874	-	-	-	-	72,916

Note: The "Other" business segment consists of activities that are not included in any of the four reportable segments and its sales include loyalty revenues.

Amortization and the unamortized balance of negative goodwill as a result of the additional acquisition of shares of subsidiaries that completed before April 1, 2010 are as follows.

(Thousands of yen)

	Surface Finishing Materials	Surface Finishing Machinery	Plating Job	Real Estate Rental	Other (Note)	Elimination or Corporate	Total
Amortization for the period	-	-	2,304	-	-	-	2,304
Balance at the end of period	-	-	-	-	-	-	-

Note: The "Other" business segment consists of activities that are not included in any of the four reportable segments and its sales include loyalty revenues.

Information related to negative goodwill profits for each reportable segment

Not applicable.

Related Party Information

Transaction with related parties

Transaction between the Company and related parties

Directors of the Company, major individual shareholders, etc.

FY3/2014 (Apr. 1, 2013 – Mar. 31, 2014)

Type	Name	Address	Capital contribution (Thousands of yen)	Business or occupation	Voting power	Relationships	Type of transaction	Transaction amount (Thousands of yen)	Account	Year-end balance (Thousands of yen)
Company, etc. with majority voting rights owned by director or his immediate relatives	Naniwa Shokusan Co., Ltd. (Note 1)	Tennouji-ku, Osaka	40,000	Casualty insurance service	(Owned) Direct 25.00%	Payment of casualty insurance, receipt of real estate leasing, concurrent directors	Payment of casualty insurance (Note 2)	87,313	Prepaid expenses	60,784
							Income from real estate leasing (Note 2)	887	Advances received	79
							Other (Note 2)	240	-	-
Director or his immediate relatives	Kazuyo Uyemura	-	-	-	(Owned) Direct 0.00%	Immediate relative of the President of the Company	Purchase of real estate (Note 3)	12,700	Land	10,340
									Buildings	2,288
Director or his immediate relatives	Akemi Uyemura	-	-	-	(Owned) Direct 1.26%	Immediate relative of the President of the Company	Purchase of real estate (Note 3)	16,400	Land	13,352
									Buildings	2,954

Notes: Transaction conditions and policies regarding transaction conditions

1. Naniwa Shokusan Co., Ltd. is a company wholly and directly owned by the Company's director Hiroya Uyemura and his immediate relatives.
2. Refer to market price.
3. Regarding the real estate purchased from immediate relative of the President of the Company, the acquisition cost is based on the appraisal value determined by a real-estate appraiser.

FY3/2015 (Apr. 1, 2014 – Mar. 31, 2015)

Type	Name	Address	Capital contribution (Thousands of yen)	Business or occupation	Voting power	Relationships	Type of transaction	Transaction amount (Thousands of yen)	Account	Year-end balance (Thousands of yen)
Company, etc. with majority voting rights owned by director or his immediate relatives	Naniwa Shokusan Co., Ltd. (Note 1)	Tennouji-ku, Osaka	40,000	Casualty insurance service	(Owned) Direct 25.00%	Payment of casualty insurance, receipt of real estate leasing, concurrent directors	Payment of casualty insurance (Note 2)	89,642	Prepaid expenses	57,252
							Income from real estate leasing (Note 2)	861	Advances received	57
							Other (Note 2)	240	-	-

Notes: Transaction conditions and policies regarding transaction conditions

1. Naniwa Shokusan Co., Ltd. is a company wholly and directly owned by the Company's director Hiroya Uyemura and his immediate relatives.
2. Refer to market price.

Per Share Data

(Yen)

	FY3/2014 (Apr. 1, 2013– Mar. 31, 2014)	FY3/2015 (Apr. 1, 2014– Mar. 31, 2015)
Net assets per share	4,605.64	5,306.44
Net income per share (basic)	187.38	416.28

Notes: 1. Net income per share (diluted) is not disclosed since there is no dilutive share.

2. Basis for calculation of net assets per share

(Thousands of yen)

	FY3/2014 (As of Mar. 31, 2014)	FY3/2015 (As of Mar. 31, 2015)
Total net assets on balance sheets	43,286,203	49,392,251
Deduction from total net assets	1,356,673	1,083,194
[Minority interests]	[1,356,673]	[1,083,194]
Net assets applicable to common stock	41,929,529	48,309,057
Number of shares outstanding (common stock)	9,878,040 shares	9,878,040 shares
Number of treasury stock (common stock)	774,080 shares	774,191 shares
Number of common stock used in calculation of net assets per share	9,103,960 shares	9,103,849 shares

3. Basis for calculation of net income per share (basic)

(Thousands of yen)

	FY3/2014 (Apr. 1, 2013 – Mar. 31, 2014)	FY3/2015 (Apr. 1, 2014 – Mar. 31, 2015)
Net income	1,705,918	3,789,768
Amount not available to common shareholders	-	-
Net income applicable to common stock	1,705,918	3,789,768
Average number of shares outstanding during period	9,104,052 shares	9,103,913 shares

Material Subsequent Events

Not applicable.

6. Others**Changes in Directors**

1) Changes in Representative

Not applicable.

2) Changes in other directors

Candidates for Directors

Director: Akihiko Takahashi (currently a certified tax accountant)

Note: Mr. Akihiko Takahashi is a candidate for an external director.

3) Effective date

June 26, 2015

Note: This report of consolidated financial results is solely a translation of summary of Japanese “Kessan Tanshin” (including the attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer English translation. All readers are recommended to refer to the original version in Japanese of the report for complete information.