

Brief Financial Report for the Year Ended March 31, 2015 [Based on Japanese Accounting Standards] (Consolidated)

Listed Company Name: PIOLAX Inc. Listing Exchanges: Tokyo Stock Exchange (First Section)
 Code No.: 5988 URL: <http://www.piolax.co.jp>
 Representative: President Yukihiko Shimazu
 Contact: Accounting Group Leader Management & Planning Dept. Shinichi Gohara Phone: 045-731-1211
 Date scheduled for general meeting of shareholders: June 25, 2015 Date scheduled to start dividend payment: June 26, 2015
 Date scheduled to submit asset securities report: June 26, 2015
 Preparation of supplementary materials for quarterly financial results: Yes
 Information meeting for financial results to be held: Yes (For institutional investor and investment analyst)

(Amounts are rounded to the nearest million yen.)

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

(1) Consolidated business results

(Percentage changes from previous period.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY3/15	59,507	8.8	8,080	6.8	9,209	9.1	6,300	10.1
FY3/14	54,712	12.9	7,566	45.8	8,441	46.1	5,722	52.3

(Note) Comprehensive income FY3/15 10,046 million yen (13.2%) FY3/14 8,873 million yen (55.4%)

	Net income per share	Net income per share-diluted	Net income to treasury shares	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
FY3/15	511.31	-	9.7	11.6	13.6
FY3/14	460.06	-	9.9	12.1	13.8

(Reference) Investment profit (loss) arising from equity method FY3/15 915 million yen FY3/14 609 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity capital ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY3/15	82,794	69,877	82.9	5,747.00
FY3/14	75,865	62,737	81.2	4,955.31

(Reference) Shareholders' equity FY3/15 68,610 million yen FY3/14 61,637 million yen

(3) Consolidated cash flows

	Net cash flows from operating activities	Net cash flows from investing activities	Net cash flows from financing activities	Cash and cash equivalents at ending of the term
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY3/15	7,746	-5,001	-2,476	16,356
FY3/14	8,014	-6,992	-293	15,818

2. Dividends

(Record date)	Annual dividends					Total dividend amount (annual)	Payout ratio (consolidated)	Dividend on net assets (consolidated)
	End of first quarter	End of second quarter	End of third quarter	Term end	Full year			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY3/14	-	22.50	-	22.50	45.00	577	9.8	1.0
FY3/15	-	27.50	-	32.50	60.00	754	11.7	1.1
FY3/16 (forecast)	-	35.00	-	35.00	70.00		14.2	

3. Consolidated performance forecast for the year ending March 31, 2016 (April 1, 2015 to March 31, 2016)

(Percentage changes from previous period, and changes from the previous first half term for the same term)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half (total sum)	31,000	5.3	3,900	-10.1	4,100	-13.9	2,800	-16.1	234.54
Annual	63,000	5.9	8,300	2.7	8,800	-4.4	5,900	-6.4	494.20

4. Consolidated financial statement
 (1) Consolidated balance sheet

(Millions of yen)

	FY 2013 (As of March 31, 2014)	FY 2014 (As of March 31, 2015)
Assets		
Current assets		
Cash and cash equivalents	16,767	16,438
Notes and accounts receivable-trade	13,661	13,377
Electronically recorded monetary claims-operating	101	974
Marketable securities	187	287
Goods and finished products	3,933	4,251
Material in progress	1,574	1,738
Raw materials and inventory goods	1,521	1,788
Deferred income taxes	773	693
Other current assets	1,427	1,616
Allowance for bad loans	-48	-61
Total current assets	39,900	41,104
Fixed assets		
Tangible fixed assets		
Buildings and structures	12,307	16,018
Accumulated depreciation	-7,288	-7,900
Buildings and structures (net)	5,019	8,118
Machinery equipment, and vehicles	22,381	24,769
Accumulated depreciation	-14,808	-16,629
Machinery equipment and vehicles (net)	7,572	8,140
Tools, furniture and fixture	26,376	27,096
Accumulated depreciation	-24,487	-24,505
Tools, furniture and fixture (net)	1,888	2,590
Land	5,159	5,222
Lease asset	91	97
Accumulated depreciation	-21	-19
Lease asset (net)	70	78
Construction in progress	1,768	1,387
Total tangible fixed assets	21,478	25,538
Intangible fixed assets		
Goodwill	9	7
Other	904	869
Total intangible fixed assets	913	876
Investments and other assets		
Investment securities	*1 12,278	*1 13,946
Deferred income taxes	46	51
Other assets	1,248	1,276
Allowance for bad loans	-0	-0
Total investments and other assets	13,573	15,274
Total fixed assets	35,965	41,689
Total assets	75,865	82,794

(Millions of yen)

	FY 2013 (As of March 31, 2014)	FY 2014 (As of March 31, 2015)
Liabilities		
Current liabilities		
Accounts payable-trade	3,467	3,027
Short-term borrowings	778	1,228
Lease obligation	8	9
Accrued income taxes	1,847	1,038
Accrued bonuses to employees	775	804
Accrued bonuses to directors	4	4
Reserve for environmental measures	31	2
Other current liabilities	3,373	3,693
Total current liabilities	10,286	9,807
Long-term liabilities		
Lease obligation	23	26
Deferred tax liabilities	2,259	2,464
Net defined benefit liability	109	174
Asset removal liabilities	18	18
Other long-term liabilities	430	425
Total long-term fixed liabilities	2,842	3,109
Total liabilities	13,128	12,916
Total equity		
Equity		
Common stock	2,960	2,960
Capital surplus	2,696	2,696
Retained earnings	54,426	59,973
Treasury stock	-710	-2,836
Total shareholders' equity	59,373	62,794
Accumulated other comprehensive income		
Valuation difference on available-for-sale	1,084	1,675
Foreign currency translation adjustments	1,427	4,281
Remeasurements of defined benefit plans	-248	-140
Total accumulated other comprehensive income	2,263	5,815
Minority interests in consolidated subsidiaries	1,099	1,266
Total equity	62,737	69,877
Total liabilities and equity	75,865	82,794

(2) Consolidated statements of income and Consolidated comprehensive income
 (Consolidated statements of income)

(Millions of yen)

	FY 2013 (April 1, 2013 to March 31, 2014)	FY 2014 (April 1, 2014 to March 31, 2015)
Net sales	54,712	59,507
Cost of sales	^{*2} ^{*3} 39,004	^{*2} ^{*3} 42,454
Gross profit	15,707	17,052
Selling, general and administrative expenses	^{*1} 8,141	^{*1} 8,972
Operating income	7,566	8,080
Non-operating income		
Interest income	50	65
Dividend income	30	40
Equity method investment gain	609	915
Other	273	296
Total non-operating income	963	1,317
Non-operating expenses		
Interest expense	35	59
Loss on disposal of property and equipment	14	33
Leases	10	10
Foreign exchange loss	-	14
Commission for purchase of treasury stock	-	20
Other	29	49
Total non-operating expenses	89	188
Ordinary income	8,441	9,209
Extraordinary income		
Compensation income	334	-
Total extraordinary income	334	-
Net income before taxes and other adjustments	8,775	9,209
Corporate taxes	2,809	2,738
Income taxes-deferred	184	102
Total corporate taxes	2,993	2,840
Net income before minority interests in income or loss of minority shareholders adjustments	5,782	6,369
Minority interests in income of minority shareholders	59	68
Current net income	5,722	6,300