

**Brief Financial Report for the First Quarter Ending March 2015**  
**[Based on Japanese Accounting Standards] (Consolidated)**

Listed Company: PIOLAX Inc.

Code No.: 5988 (URL <http://www.piolax.co.jp>)

Representative: President Yukihiko Shimazu

Contact person in charge: Accounting Group Leader Management & Planning Dept. Shinichi Gohara (Tel. 045-731-1211)

Estimated submission date of quarterly report: August 8, 2014

Date scheduled to start dividend payment: -

Preparation of supplementary materials for quarterly financial results: No

Information meeting for quarterly financial results to be held: No

(Amounts are rounded to the nearest million yen.)

**1. Consolidated performance for the first quarter ending March 31, 2015 (April 1, 2014 to June 30, 2014)**

**(1) Consolidated business results (Total sum)**

(Percentage changes from the same period the previous year.)

	Net sales		Operating income		Ordinary income		Quarter net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY3/15 1Q	14,733	16.8	2,241	48.5	2,434	39.2	1,718	28.4
FY3/14 1Q	12,614	-1.2	1,509	-11.7	1,749	-8.7	1,339	11.3

Note: Comprehensive income FY3/15 1Q 1,447 million yen (-43.6%), FY 3/14 1Q 2,566 million yen (40.6%)

	Quarter net income per share	Quarter net income per share-diluted
	Yen	Yen
FY3/15 1Q	138.19	-
FY3/14 1Q	107.65	-

**(2) Consolidate financial position**

	Total assets	Net assets	Equity capital ratio
	Millions of yen	Millions of yen	%
FY3/15 1Q	76,290	63,773	82.2
FY3/14	75,865	62,737	81.2

(Reference) Equity capital: FY3/15 1Q 62,687 million yen, FY 3/14 61,637 million yen

**2. Cash dividends**

	Annual dividends				
	End of first quarter	End of second quarter	End of third quarter	Term end	Full year
	Yen	Yen	Yen	Yen	Yen
FY3/14	-	22.50	-	22.50	45.00
FY3/15	-	-	-	-	-
FY3/15 (Forecast)	-	22.50	-	22.50	45.00

Note: Changes in the latest forecasts released: No

**3. Forecast consolidated performance for the year ending March 31, 2015 (April 1, 2014 to March 31, 2015)**

(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)	27,700	5.2	3,300	-3.5	3,600	-6.7	2,300	-17.6	184.91
Annual	56,600	3.4	6,900	-8.8	7,500	-11.2	4,600	-19.6	369.82

Note: Changes in the latest forecasts released: No

## 3. Quarterly consolidated financial statement

## (1) Quarterly consolidated balance sheet

(Millions of Yen)

	Previous consolidated FY (March 31, 2014)	Current first quarter (June 30, 2014)
<b>Assets</b>		
Current assets		
Cash and cash equivalents	16,767	16,563
Notes and accounts receivable-trade	13,763	14,082
Marketable securities	187	187
Goods and Finished products	3,933	3,957
Material in progress	1,574	1,548
Raw materials and inventory goods	1,521	1,532
Other	2,200	2,257
Allowance for bad loans	-48	-61
Total current assets	39,900	40,066
Fixed assets		
Tangible fixed assets		
Buildings and structures (net)	5,019	4,936
Machinery equipment and vehicles (net)	7,572	7,235
Tools, furniture and fixture (net)	1,888	2,089
Land	5,159	5,146
Lease asset (net)	70	68
Construction in progress	1,768	2,168
Total tangible fixed assets	21,478	21,643
Intangible fixed assets		
Goodwill	9	8
Other	904	922
Total intangible fixed assets	913	930
Investments and other assets		
Investment account securities	12,278	12,391
Other	1,294	1,258
Allowance for bad loans	-0	-0
Total investments and other assets	13,573	13,649
Total fixed assets	35,965	36,224
Total assets	75,865	76,290

	Previous consolidated FY (March 31, 2014)	Current first quarter (June 30, 2014)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	3,467	3,162
Short-term borrowings	778	960
Accrued income taxes	1,847	687
Allowance reserve	811	421
Other	3,381	4,378
<b>Total current liabilities</b>	<b>10,286</b>	<b>9,610</b>
<b>Long-term liabilities</b>		
Allowance reserve	109	133
Asset removal liabilities	18	18
Other	2,714	2,754
<b>Total long-term liabilities</b>	<b>2,842</b>	<b>2,906</b>
<b>Total liabilities</b>	<b>13,128</b>	<b>12,517</b>
<b>Total equity</b>		
<b>Equity</b>		
Common stock	2,960	2,960
Capital surplus	2,696	2,696
Retained earnings	54,426	55,734
Treasury stock	-710	-710
<b>Total shareholders' equity</b>	<b>59,373</b>	<b>60,681</b>
<b>Accumulated other comprehensive income</b>		
Unrealized gain on available-for-sale securities	1,084	1,176
Foreign currency translation adjustments	1,427	1,071
Remeasurements of defined benefit plans	-248	-242
<b>Total accumulated other comprehensive income</b>	<b>2,263</b>	<b>2,006</b>
Minority interests in consolidated subsidiaries	1,099	1,086
<b>Total equity</b>	<b>62,737</b>	<b>63,773</b>
<b>Total liabilities and equity</b>	<b>75,865</b>	<b>76,290</b>

(2) Quarterly Consolidated Statements of Income  
[FY2015 first quarter]

(Millions of Yen)

	Previous first quarter (April 1, 2012 to June 30, 2013)	Current first quarter (April 1, 2013 to June 30, 2014)
Net sales	12,614	14,733
Cost of sales	9,223	10,336
Gross profit	3,391	4,396
Selling, general and administrative expenses	1,881	2,154
Operating income	1,509	2,241
Non-operating income		
Interest income	7	7
Dividend income	15	20
Equity method investment gain	142	188
Other	84	57
Total non-operating income	250	274
Non-operating expenses		
Interest expense	1	20
Foreign exchange loss	-	42
Loss on disposal of property and equipment	1	9
Cost of lease revenue	2	1
Other	5	6
Total non-operating expenses	10	81
Ordinary income	1,749	2,434
Extraordinary income		
Compensation received	334	-
Total extraordinary income	334	-
Quarterly net income before taxes and other adjustments	2,083	2,434
Corporate taxes	737	695
Quarterly net income before minority interests	1,345	1,738
Minority interests in income	6	19
Quarterly net income	1,339	1,718