

## Highlights of Consolidated Financial Results for the Fiscal Year Ending March 2017 (IFRS)

### ■ Operating profit increased, but profit attributable to owners of the parent decreased.

◇ Operating profit	22.6 billion yen	20.6% Up
◇ Profit attributable to owners of the parent	8.0 billion yen	10.2% Down

### ■ Shareholders' equity exceeded 100 billion yen.

### Assets and Liabilities

(Unit: billion yen)	3/2016	3/2017	Comparison with 3/2016	
			Change	Change(%)
Total assets	443.6	479.7	36.1	8.1%
Gross interest-bearing debt	136.9	133.8	(3.0)	(2.2%)
Net interest-bearing debt	48.8	55.4	6.6	13.6%
Shareholders' equity (Note 1)	91.6	100.4	8.8	9.6%
Retained earnings	29.1	34.6	5.5	18.8%
Other components of equity	8.5	11.4	2.9	34.5%
Equity ratio (Note 2)	20.6%	20.9%	0.3pt up	-
Net debt-equity ratio (Note 3)	0.53times	0.55times	Almost same	-

【Interest-bearing debt】  
Net interest-bearing debt rose 6.6 billion yen, chiefly reflecting increases in funds for investment.

【Shareholders' equity】  
Shareholders' equity (equity attributable to owners of the parent) rose 8.8 billion yen, reflecting an increase in retained earnings and a rise in other capital composition factors resulting mainly from higher share prices.

As a result, the equity ratio stood at 20.9%.  
Net DER was 0.55 times.

(Note 1) Shareholder's equity = Total equity attribute to owners of the parent (Note 2) Equity ratio = Shareholder's equity / Total assets  
(Note 3) Net debt-equity ratio = Net interest-bearing debt / Equity capital

### Cash Flows

(Unit: billion yen)	FY2016	FY2017
CF from operating activities	33.0	11.9
CF from investing activities	(4.2)	(14.7)
Free cash flows	28.8	(2.8)
CF from financing activities	(6.7)	(6.9)
Increase (decrease) in cash and cash equivalents	22.1	(9.7)

【CF from operating activities】  
Net cash provided by operating activities stood at 11.9 billion yen. This was primarily a reflection of the accumulation of operating income.

【CF from investing activities】  
Net cash used in investing activities was 14.7 billion yen. This chiefly reflected funds for acquiring Diamondtelecom, Inc.

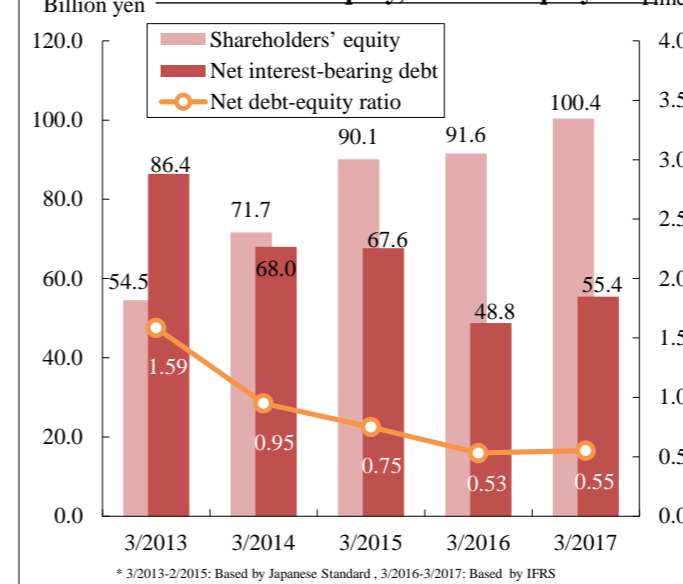
【CF from financing activities】  
Net cash used for the payment of dividends and the repayment of borrowings was 6.9 billion yen.

### Dividends

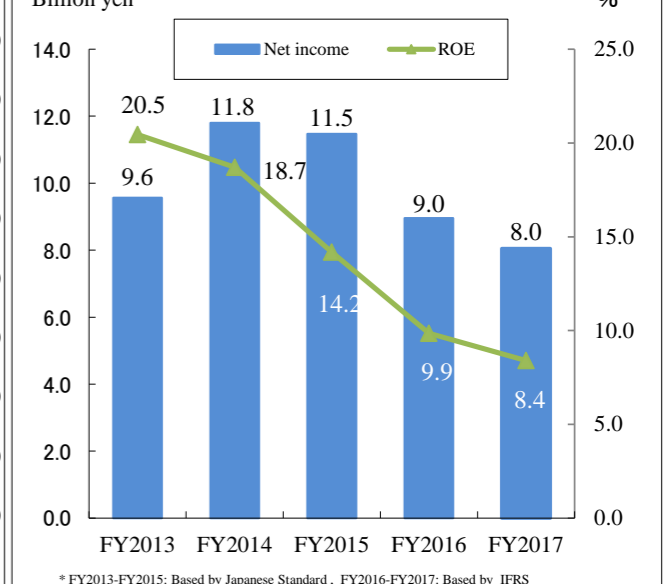
【FY2017】	
Interim	3.0 yen per share
Year-end (plan)	3.0 yen per share
Annual (plan)	6.0 yen per share
【FY2018】	
Interim(plan)	3.5 yen per share
Year-end (plan)	3.5 yen per share
Annual(plan)	7.0 yen per share

Annual	FY2016	FY2017	FY2018 (plan)
Consolidated payout ratio	23.5%	31.4%	24.5%

### Shareholder's equity, Net debt-equity ratio



### Net income, ROE



\* The forward-looking statements, including results forecasts, included in this material are based on information that the Company has obtained and certain assumptions that the Company considers reasonable. The Company does not promise to achieve them. Actual results might differ materially from the forecasts due to a number of factors.  
\* Since the figures above are rounded off to the nearest 100 million yen, the sum of each item and the total may differ.  
\* FY2016 (the fiscal year ended March 31, 2016)  
\* FY2017 (the fiscal year ended March 31, 2017)

### Profit & loss statement

(Unit: billion yen)	FY2016	FY2017	Year-on-year		FY2018	
			Change	Change(%)	Forecast	YoY Change (%)
Revenue	668.4	675.6	7.2	1.1%	700.0	3.6%
Gross profit	86.2	100.1	13.9	16.1%	-	-
Selling, general and administrative expenses	(68.6)	(76.2)	(7.6)	-	-	-
Other income (expenses)	1.1	(1.3)	(2.5)	-	-	-
Operating profit	18.8	22.6	3.9	20.6%	25.0	10.5%
Interest income (expenses)	(1.9)	(1.9)	0.0	-	-	-
Dividend income	0.9	1.1	0.2	-	-	-
Other finance income (costs)	(0.3)	(2.0)	(1.7)	-	-	-
Finance income (costs)	(1.3)	(2.8)	(1.4)	-	-	-
Share of profit (loss) of investments accounted for using the equity method	0.7	(2.0)	(2.7)	-	-	-
Profit before tax	18.1	17.9	(0.2)	(1.4%)	23.5	31.5%
Income tax expense	(7.3)	(7.6)	(0.3)	-	-	-
Profit for the period	10.8	10.3	(0.5)	(4.8%)	-	-
Profit attributable to owners of the parent	9.0	8.0	(0.9)	(10.2%)	12.0	49.1%
Earnings per share	21.29	19.13	(2.16)	(10.1%)	28.52	49.1%

【Revenue】  
Increased 7.2 billion yen driven by the Electronics and Devices segment.

【Operating profit】  
Increased 3.9 billion yen, attributable mainly to the Electronics & Devices and Foods & Grain segments.

【Profit attributable to owners of the parent】  
Decreased 0.9 billion yen, mainly due to an increase in other financial expenses, deterioration in the share of profit (loss) of investments accounted for using the equity method, and an increase in tax expenses.

### Segment information

(Unit: billion yen)	Revenue			Operating profit		
	FY2016	FY2017	Change	FY2016	FY2017	Change
Electronics & Devices	235.0	254.3	19.3	10.7	14.3	3.7
Foods & Grain	222.6	227.8	5.2	1.4	2.5	1.1
Steel, Materials & Plant	135.3	131.2	(4.1)	3.4	2.8	(0.6)
Motor Vehicles & Aerospace	63.8	50.4	(13.4)	3.0	2.2	(0.7)
Total for reportable segments	656.7	663.7	7.0	18.4	21.9	3.4
Other (including adjustment)	11.7	11.9	0.2	0.3	0.8	0.4
Grand total	668.4	675.6	7.2	18.8	22.6	3.9

【Electronics&Devices】 An increase in revenue and profit  
In the ICT solutions business, transactions with manufacturers remained strong. The mobile business remained solid on the back of market recoveries during the second part of the fiscal year. The semiconductor business faced tough conditions.

【Foods&Grain】 An increase in revenue and profit  
The food business turned in a solid performance. The recovery of the market enabled the meat products business to recover from the slump in the previous fiscal year. The feedstuff business faced difficult conditions because of lower domestic sales prices.

【Steel, Materials & Plant】 A decline in revenue and profit  
The energy business remained steady due to solid demand for kerosene and heavy oil during winter. In the plant business, transactions involving machine tools and industrial machinery were steady. In the steel business, the mainstay oilfield tubing business faced tough conditions due to sluggish crude oil prices.

【Motor Vehicles & Aerospace】 A decline in revenue and profit  
The motor vehicles and parts business performed well. Profit in the aerospace business declined as transactions of aircraft parts were in an in-between season.