Disclaimer: This is a Japanese-English translation of the summary of financial statements of the Company produced for your convenience. Since no auditor audited this report, officially only the Japanese version is assumed to be the summary of financial statements of the Company. This summary does not constitute any guarantee and the Company will not compensate any losses and/or damage stemming from actions taken based on these statements. Should there be any discrepancy between the Japanese and English versions, the Japanese version is assumed to be correct. The "Notice of Consolidated Earnings Forecast" mentioned in this statement is disclosed in Japanese only. Please instead refer to the "First quarter of fiscal year ending March 31, 2016 Financial Results Supplementary Materials," which is similar to the above document and is available in English.

Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2016 (April 1, 2015 to September 30, 2015) [Japanese GAAP]

November 9, 2015

Company Name: **NICHIAS Corporation**
Stock Exchange Listing: Tokyo Stock Exchange (Code number 5393)
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Representative: Toshiyuki Takei, President and Chief Executive Officer
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Scheduled date of filing of quarterly consolidated financial statements: November 12, 2015
Supplementary materials for financial results: Available
Organization of financial results briefing: Available (for institutional investors and analysts)
Scheduled date of commencement of dividend payment: December 4, 2015

(Fractional amounts of less than ¥1 million are discarded.)

1. Consolidated financial results for the second quarter of the fiscal year ending March 31, 2016 (April 1 to September 30, 2015)

(1) Operating results (cumulative) (Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Second Quarter of Fiscal Year Ending March 31, 2016	81,320	9.2	6,708	33.4	7,117	29.3	4,501	45.8
Second Quarter of Fiscal Year Ended March 31, 2015	74,499	7.1	5,029	2.0	5,506	2.5	3,086	(4.0)

Note: Comprehensive income
Second Quarter of Fiscal Year Ending March 31, 2016..... ¥3,911million / 6.2%
Second Quarter of Fiscal Year Ended March 31, 2015..... ¥3,683 million / (29.8%)

	Net income per share	Net income per share (Fully diluted)
	Yen	Yen
Second Quarter of Fiscal Year Ending March 31, 2016	36.01	32.76
Second Quarter of Fiscal Year Ended March 31, 2015	25.83	22.44

(2) Financial status

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
Second Quarter of Fiscal Year Ending March 31, 2016	158,866	88,263	55.1
As of March 31, 2015	156,234	78,893	50.0

(Reference) Shareholders' Equity

Second Quarter of Fiscal Year Ending March 31, 2016.....¥87,491 million

Fiscal year ended March 31, 2015 .....¥78,132 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Annual total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2015	—	8.00	—	9.00	17.00
Fiscal year ending March 31, 2016	—	9.00			
Fiscal year ending March 31, 2016 (Forecast)			—	9.00	18.00

Note: Adjustments from the most recently released dividend forecast: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2016 (April 1, 2015 to March 31, 2016)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	170,000	7.0	13,600	18.4	13,800	6.9	8,500	12.8	70.43

Note: Adjustments from the most recently released consolidated results forecast: None

* Notes

(1) Changes in significant subsidiaries during the consolidated quarter under review: None

(Change in the scope of consolidation for a significant subsidiary)

(2) Application of specific accounting methods in the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates and restatements

1) Changes in accounting policies due to revision of accounting standards: Yes

2) Changes other than those in 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(4) Number of shares outstanding (ordinary shares)

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

Fiscal year ending March 31, 2016 2Q	131,916,709 shares	As of March 31, 2015	125,057,344 shares

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

Fiscal year ending March 31, 2016 2Q	295,234 shares	As of March 31, 2015	4,364,774 shares

3) Average number of shares outstanding during the period (quarterly cumulative)

Fiscal year ending March 31, 2016 2Q	124,983,334 shares	Fiscal year ended March 31, 2015 2Q	119,481,393 shares

* Items related to the conduct of quarterly review procedures

These quarterly financial results are not subject to quarterly review based on the Financial Instrument and Exchange Act.

* Information concerning proper use of financial forecasts and other special notes

Forward-looking statements concerning financial forecasts contained in these materials are based on certain assumptions judged to be reasonable and on the information available when the forecasts were made. However, the Company makes no guarantee that these forecasts will be achieved. Actual results may differ significantly from the forecasts due to a variety of factors.

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1. Qualitative information on the quarter under review

(1) Explanation of operating results

During the first two quarters of the fiscal year under review (April 1, 2015 to September 30, 2015), the Japanese economy remained on a path of moderate recovery overall as a result of improvement in corporate earnings and a more favorable employment environment. Meanwhile, overseas economies remained on a modest growth trajectory due in part to increasing consumer spending and housing investment in the US, despite concerns of an economic slowdown in China.

Against this backdrop, net sales increased primarily in the Advanced Products Division and the Autoparts Division, with the former experiencing rebounding demand with respect to products for semiconductor production equipment, and the latter benefitting from solid overseas demand. As a result, net sales for the NICHIAS Group overall increased 9.2% year on year to ¥81,320 million.

In terms of profits, operating income increased 33.4% year on year to ¥6,708 million, ordinary income increased 29.3% year on year to ¥7,117 million, and profit attributable to owners of parent increased 45.8% year on year to ¥4,501 million.

Net sales by segment for the second quarter of the year ending March 31, 2016 are as follows.

Sales in the **Energy and Industrial Plants Division** increased 7.5% year on year to ¥24,238 million, due to an increase in construction work.

Sales in the **Industrial Products Division** increased 9.5% year on year to ¥19,983 million. This was due to the fact that demand has grown for sealing material products, inorganic insulation material products and fluoropolymer products, triggered by the recent gentle recovery in the economy.

Sales in the **Advanced Products Division** increased 15.9% year on year to ¥7,504 million. This was due to recovery in demand with respect to products for semiconductor and liquid crystal production equipment.

Sales in the **Autoparts Division** increased 14.1% year on year to ¥17,460 million. This was due to solid overseas demand particularly in North America and Europe, along with an increase in overseas sales.

Sales in the **Building Materials Division** increased 1.8% year on year to ¥12,133 million. This was due to solid demand for fire-proofing covering materials.

(2) Explanation of financial position

1) Assets, liabilities and net assets

Total assets at the end of the second quarter of the year ending March 31, 2016 were ¥158,866 million, up ¥2,632 million year on year. This was largely a result of year-on-year decreases in accounts receivable from completed construction contracts of ¥1,294 million being outweighed by year-on-year increases in cash and deposits of ¥2,166 million and costs on uncompleted construction contracts of ¥1,974 million.

Liabilities at the end of the second quarter of the year ending March 31, 2016 were ¥70,602 million, down ¥6,737 million year on year. This was largely due to a ¥6,045 million year-on-year decrease in bonds with subscription rights to shares.

Net assets at the end of the second quarter of the fiscal year ending March 31, 2016 were ¥88,263 million, up ¥9,369 million year on year. This can be attributed to year-on-year increases in capital stock of ¥1,892 million, capital surplus of ¥2,779 million, retained earnings of ¥3,654 million and a year-on-year decrease in treasury stock of ¥1,353 million.

2) Cash flows

Cash and cash equivalents at the end of the second quarter of the year ending March 31, 2016 (hereinafter, "cash") increased by ¥2,055 million to ¥16,515 million year on year. Cash flows and factors affecting cash flows are as follows:

(Net cash provided by (used in) operating activities)

Net cash provided by operating activities was ¥6,412 million (compared to receipts of ¥5,099 million in the same period of the previous fiscal year).

This was due to outflows of cash from an increase in inventories of ¥1,941 million and income taxes paid of ¥2,550 million, while income before income taxes totaled ¥7,088 million and notes and accounts receivable–trade decreased ¥3,215 million.

(Net cash provided by (used in) investing activities)

Net cash used in investing activities was ¥2,282 million (compared to expenditures of ¥2,151 million in the same period of the previous fiscal year).

This was due to outflows of cash that included expenditures of ¥2,149 million for purchases of property, plant and equipment.

(Net cash provided by (used in) financing activities)

Net cash used in financing activities was ¥2,405 million (compared to receipts of ¥112 million in the same period of the previous fiscal year).

This was due to outflows of cash primarily attributable to ¥1,086 million in cash dividends paid, ¥550 million yen in expenditures to repayment of long-term loans payable and a ¥552 million net decrease in short-term loans payable.

(3) Explanation of information relating to future prospects including consolidated results forecasts

The results for the second quarter of the fiscal year ending March 31, 2016 were largely in line with expectations. Therefore, the forecasts released on May 11, 2015 for the entire fiscal year ending March 31, 2016 remain unchanged at this point in time.

Note that the earnings forecasts are based on information that was currently available at the time this report was announced and are judgments of the Group. Actual results may differ from the forecasts due to a variety of factors.

2. Summary information (Notes)

Changes in accounting policies, changes in accounting estimates and restatements

(Changes in accounting policies)

Effective from the first quarter of the consolidated fiscal year ending March 31, 2016, the Company has applied the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, September 13, 2013), the "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, September 13, 2013), the "Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, September 13, 2013) and other accounting standards. Under these accounting changes, the Company now records gains or losses resulting from a change in the Company's equity in subsidiaries subject to ongoing control as capital surplus, and records acquisition-related costs as expenses in the fiscal year in which they occurred. The Company also changed its method of accounting for business combinations that take place on or after the beginning of the first quarter of the current fiscal year to a method that reflects changes in the allocation of the acquisition costs arising from confirmation of the provisional accounting treatment on the quarterly consolidated financial statements that includes the acquisition date. In addition, changes have been made in the presentation of quarterly net income and other amounts, and changes have also been made in nomenclature from "minority interests" to "non-controlling interests." The consolidated financial statements for the second quarter of the previous fiscal year and those for the entire previous fiscal year have been reclassified to reflect these changes in presentation.

The Company has adopted these accounting standards from the beginning of the first quarter of the fiscal year ending in March 2016 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.

These changes had no effect on the quarterly financial statements in the second quarter of this fiscal year.

3. Quarterly consolidated financial statements
(1) Quarterly consolidated balance sheets

(Millions of yen)

	Fiscal year ended March 31, 2015	Second Quarter of Fiscal Year Ending March 31, 2016 (September 30, 2015)
Assets		
Current assets		
Cash and deposits	14,905	17,071
Notes and accounts receivable-trade	38,521	37,514
Accounts receivable from completed construction contracts	15,420	14,126
Merchandise and finished goods	9,772	9,418
Work in process	1,371	1,357
Raw materials and supplies	5,779	6,372
Costs on uncompleted construction contracts	3,634	5,608
Deferred tax assets	1,654	1,692
Other	2,674	2,646
Allowance for doubtful accounts	(14)	(14)
Total current assets	93,719	95,793
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	41,282	41,877
Accumulated depreciation and impairment loss	(26,984)	(27,379)
Buildings and structures, net	14,298	14,498
Machinery, equipment and vehicles	65,325	65,383
Accumulated depreciation and impairment loss	(55,747)	(56,431)
Machinery, equipment and vehicles, net	9,577	8,952
Land	13,514	13,666
Lease assets	288	313
Accumulated depreciation	(143)	(177)
Lease assets, net	145	135
Construction in progress	758	1,881
Other	7,239	7,521
Accumulated depreciation and impairment loss	(6,645)	(6,902)
Other, net	593	619
Total property, plant and equipment	38,889	39,753
Intangible assets		
Software	1,896	1,734
Other	998	948
Total intangible assets	2,894	2,682
Investments and other assets		
Investment securities	13,386	12,380
Net defined benefit asset	3,355	4,110
Deferred tax assets	462	573
Other	3,598	3,621
Allowance for doubtful accounts	(71)	(49)
Total investments and other assets	20,730	20,636
Total noncurrent assets	62,514	63,072
Total assets	156,234	158,866

(Millions of yen)

	Fiscal year ended March 31, 2015	Second Quarter of Fiscal Year Ending March 31, 2016 (September 30, 2015)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	24,776	25,427
Current portion of bonds	450	—
Short-term loans payable	11,956	11,951
Accounts payable-other	4,754	4,571
Income taxes payable	2,449	2,124
Advances received on uncompleted construction contracts	867	1,019
Provision for bonuses	2,239	2,729
Other	3,014	2,337
Total current liabilities	50,507	50,160
Noncurrent liabilities		
Bonds payable	8,000	8,000
Bonds with subscription rights to shares	9,230	3,185
Long-term loans payable	3,500	2,700
Deferred tax liabilities	1,807	2,111
Net defined benefit liability	3,172	3,208
Other	1,123	1,237
Total noncurrent liabilities	26,832	20,442
Total liabilities	77,340	70,602
Net assets		
Shareholders' equity		
Capital stock	9,283	11,176
Capital surplus	10,249	13,029
Retained earnings	53,642	57,297
Treasury stock	(1,455)	(101)
Total shareholders' equity	71,720	81,400
Total other cumulative comprehensive income		
Valuation difference on available-for-sale securities	4,768	4,458
Foreign currency translation adjustment	1,527	1,485
Remeasurements of defined benefit plans	115	147
Total other cumulative comprehensive income	6,411	6,091
Non-controlling interests	761	771
Total net assets	78,893	88,263
Total liabilities and net assets	156,234	158,866

(2) Quarterly consolidated statements of income and consolidated statements of comprehensive income

Quarterly consolidated statements of income

Second quarter of consolidated fiscal year

(Millions of yen)

	Second Quarter of Fiscal Year Ended March 31, 2015 (April 1, 2014 to September 30, 2014)	Second Quarter of Fiscal Year Ending March 31, 2016 (April 1, 2015 to September 30, 2015)
Net sales		
Net sales of merchandise and finished goods	53,319	59,429
Net sales of completed construction contracts	21,179	21,891
Total net sales	74,499	81,320
Cost of sales		
Cost of merchandise and finished goods sold	39,897	44,061
Cost of sales of completed construction contracts	18,630	18,804
Total cost of sales	58,528	62,866
Gross profit	15,971	18,454
Selling, general and administrative expenses		
Selling expenses	3,467	3,792
General and administrative expenses	7,474	7,953
Total selling, general and administrative expenses	10,942	11,746
Operating income	5,029	6,708
Non-operating income		
Interest income	137	19
Dividends income	337	192
Foreign exchange gains	20	112
Rent income	147	140
Equity in earnings of affiliates	—	24
Other	95	122
Total non-operating income	738	611
Non-operating expenses		
Interest expenses	112	96
Equity in losses of affiliates	18	—
Other	129	106
Total non-operating expenses	260	202
Ordinary income	5,506	7,117
Extraordinary income		
Gain on sales of noncurrent assets	6	1
Gain on sale of investment securities	50	—
Subsidy income	379	—
Gains on liquidation of subsidiaries	41	35
Total extraordinary income	477	36
Extraordinary loss		
Impairment loss	298	—
Loss on sales and retirement of noncurrent assets	46	66
Loss on reduction of noncurrent assets	329	—
Dismantlement cost	428	—
Total extraordinary losses	1,102	66
Income before income taxes	4,881	7,088

(Millions of yen)

	Second Quarter of Fiscal Year Ended March 31, 2015 (April 1, 2014 to September 30, 2014)	Second Quarter of Fiscal Year Ending March 31, 2016 (April 1, 2015 to September 30, 2015)
Income taxes-current	1,963	2,187
Income taxes-deferred	(194)	366
Total income taxes	1,769	2,554
Net income	3,112	4,533
Profit attributable to non-controlling interests	25	32
Profit attributable to owners of parent	3,086	4,501

Quarterly consolidated statements of comprehensive income
Second quarter of consolidated fiscal year

(Millions of yen)

	Second Quarter of Fiscal Year Ended March 31, 2015 (April 1, 2014 to September 30, 2014)	Second Quarter of Fiscal Year Ending March 31, 2016 (April 1, 2015 to September 30, 2015)
Net income	3,112	4,533
Other comprehensive income		
Valuation difference on available-for-sale securities	721	(310)
Foreign currency translation adjustment	(308)	(344)
Remeasurements of defined benefit plans	157	31
Total other comprehensive income	571	(622)
Comprehensive income	3,683	3,911
(Breakdown)		
Comprehensive income attributable to owners of the parent company	3,664	3,892
Comprehensive income attributable to minority interests	18	19

(3) Quarterly consolidated statements of cash flows

(Millions of yen)

	Second Quarter of Fiscal Year Ended March 31, 2015 (April 1, 2014 to September 30, 2014)	Second Quarter of Fiscal Year Ending March 31, 2016 (April 1, 2015 to September 30, 2015)
Net cash provided by (used in) operating activities		
Income before income taxes	4,881	7,088
Depreciation and amortization	2,230	2,246
Impairment loss	298	—
Increase (decrease) in allowance for doubtful accounts	(66)	(21)
Increase (decrease) in provision for retirement benefits	120	35
Increase (decrease) in provision for bonuses	225	487
Interest and dividends income received	(474)	(212)
Interest expenses	112	96
Foreign exchange losses (gains)	(52)	1
Decrease (increase) in notes and accounts receivable-trade	971	3,215
Decrease (increase) in inventories	(2,197)	(1,941)
Increase (decrease) in notes and accounts payable-trade	278	(608)
Increase (decrease) in accounts payable-other	(52)	(671)
Increase (decrease) in accrued expenses	253	74
Increase (decrease) in advances received on uncompleted construction contracts	374	153
Loss on reduction of noncurrent assets	329	—
Dismantlement cost	428	—
Subsidy income	(379)	—
Loss (gain) on liquidation of subsidiaries	(41)	(35)
Decrease (increase) in net defined benefit asset	(565)	(755)
Other	(302)	(310)
Subtotal	6,372	8,841
Interest and dividends income received	354	212
Interest expenses paid	(112)	(96)
Proceeds from subsidy income	379	—
Income taxes paid	(1,904)	(2,550)
Income taxes refund	9	6
Net cash provided by (used in) operating activities	5,099	6,412
Net cash provided by (used in) investing activities		
Net decrease (increase) in time deposits	(101)	(98)
Purchase of investments in subsidiaries	(166)	—
Proceeds from liquidation of subsidiaries	61	38
Proceeds from redemption of securities	100	—
Purchase of property, plant and equipment	(2,140)	(2,149)
Proceeds from sales of property, plant and equipment	10	14
Purchase of intangible assets	(59)	(102)
Proceeds from sales of investment securities	73	1
Payments of loans receivable	(129)	(22)
Collection of loans receivable	193	23
Other	5	13

(Millions of yen)

	Second Quarter of Fiscal Year Ended March 31, 2015 (April 1, 2014 to September 30, 2014)	Second Quarter of Fiscal Year Ending March 31, 2016 (April 1, 2015 to September 30, 2015)
Net cash provided by (used in) investing activities	(2,151)	(2,282)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	1,818	(552)
Proceeds from long-term loans payable	—	300
Repayment of long-term loans payable	(250)	(550)
Proceeds from issuance of bonds	5,000	—
Redemption of bonds	(5,450)	(450)
Cash dividends paid	(957)	(1,086)
Dividends paid to non-controlling interests	(7)	(9)
Other	(41)	(56)
Net cash provided by (used in) financing activities	112	(2,405)
Effect of exchange rate change on cash and cash equivalents	7	(54)
Net increase (decrease) in cash and cash equivalents	3,068	1,669
Cash and cash equivalents at beginning of period	11,335	14,460
Increase in cash and cash equivalents from newly consolidated subsidiary	—	385
Cash and cash equivalents at end of period	14,403	16,515

(4) Notes regarding quarterly consolidated financial results statements

(Notes regarding going concern assumption)

Not applicable

(Notes regarding significant changes in shareholders' equity (if any))

As a result of the conversion of Japanese yen-denominated convertible bond-type bonds with subscription rights to shares maturing in 2017, in the first two quarters of the fiscal year ending in March 2016 capital stock and capital surplus increased ¥1,892 million and ¥2,779 million, respectively, and ¥1,373 million in treasury stock was sold. As a result, the balance of capital stock, capital surplus and treasury stock was ¥11,176 million, ¥13,029 million and ¥101 million at the end of the first two quarters of the fiscal year.

(Segment information)

I. Second quarter of fiscal year ended March 31, 2015 (April 1, 2014 to September 30, 2014)

1. Information on net sales and income (loss) by reporting segments

(Millions of yen)

	Reporting segments						Adjust-ments	Amount stated in quarterly consolidated financial statements
	Energy and Industrial Plants	Industrial Products	Advanced Products	Autoparts	Building Materials	Total		
Net sales								
Net sales to external customers	22,548	18,246	6,474	15,308	11,922	74,499	—	74,499
Intersegment sales or transfers	—	2,991	—	—	—	2,991	(2,991)	—
Total	22,548	21,237	6,474	15,308	11,922	77,490	(2,991)	74,499
Segment profit or loss	1,428	2,178	550	1,520	(648)	5,029	—	5,029

2. Information relating to impairment loss of noncurrent assets and goodwill by reporting segments:
(Significant impairment loss on noncurrent assets)

Because the decision was made to tear down the former head office building during the first half of the fiscal year under review, an impairment loss was recorded on corporate assets not included in a reporting segment. Note that the impairment loss posted during the first half of the fiscal year under review was ¥298 million.

II. Second quarter of fiscal year ending March 31, 2016 (April 1, 2015 to September 30, 2015)

1. Information on net sales and income (loss) by reporting segments

(Millions of yen)

	Reporting segments						Adjust-ments	Amount stated in quarterly consolidated financial statements
	Energy and Industrial Plants	Industrial Products	Advanced Products	Autoparts	Building Materials	Total		
Net sales								
Net sales to external customers	24,238	19,983	7,504	17,460	12,133	81,320	—	81,320
Intersegment sales or transfers	—	3,789	—	—	—	3,789	(3,789)	—
Total	24,238	23,772	7,504	17,460	12,133	85,110	(3,789)	81,320
Segment profit or loss	1,659	2,700	1,059	2,319	(1,031)	6,708	—	6,708

2. Information relating to impairment loss of noncurrent assets and goodwill by reporting segments:
Not applicable

3. Matters Relating to Changes in Reporting Segments

As of April 1, 2015, a portion of NICHIAS Corporation has been transferred from the Industrial Products Division to the Energy and Industrial Plants Division. In accordance with this reorganization, the entities that had been part of the Industrial Products Division have been re-categorized as part of the Energy and Industrial Plants Division, effective from the first quarter of the year ending March 31, 2016.

Segment information presented for the second quarter of the previous fiscal year has been prepared on the basis of the classification subsequent to the change.

4. Supplementary materials

November 9, 2015

Financial results briefing supplementary materials for the second quarter of the fiscal year ending March 31, 2016

NICHIAS Corporation

(1) Key consolidated figures

(Millions of yen)

	Half year			Full year					
	Fiscal year 2015	Fiscal year 2016		Fiscal year 2012	Fiscal year 2013	Fiscal year 2014	Fiscal year 2015	Fiscal year 2016	
	Second quarter (cumulative)	Second quarter (cumulative) forecast	Year-on-year change					Forecast	Year-on-year change
Net sales	74,499	81,320	9.2%	144,258	137,008	147,118	158,939	170,000	7.0%
Operating income	5,029	6,708	33.4%	11,140	9,414	10,216	11,490	13,600	18.4%
Operating income margin (%)	6.8%	8.2%		7.7%	6.9%	6.9%	7.2%	8.0%	
Ordinary income	5,506	7,117	29.3%	11,151	9,752	11,057	12,913	13,800	6.9%
Ordinary income margin (%)	7.4%	8.8%		7.7%	7.1%	7.5%	8.1%	8.1%	
Profit attributable to owners of parent	3,086	4,501	45.8%	6,914	5,936	6,317	7,532	8,500	12.8%
Net income (loss) margin (%)	4.1%	5.5%		4.8%	4.3%	4.3%	4.7%	5.0%	
Net income (loss) per share (yen)	25.83	36.01	39.4%	58.14	49.81	52.89	62.84	70.43	12.1%
Total assets	145,792	158,866	9.0%	125,601	135,401	141,311	156,234	—	—
Net assets	71,028	88,263	24.3%	55,241	62,299	67,956	78,893	—	—
Shareholders' equity	70,337	87,491	24.4%	54,296	61,291	67,276	78,132	—	—
Equity ratio (%)	48.2%	55.1%		43.2%	45.3%	47.6%	50.0%	—	
Interest-bearing debt	34,665	26,538	△ 23.4%	31,574	36,289	33,825	33,830	—	—
Interest-bearing debt ratio (%)	23.8%	16.7%		25.1%	26.8%	23.9%	21.7%	—	
Capital expenditures	1,173	2,622	123.6%	4,355	6,537	8,299	2,788	5,200	86.5%
Depreciation and amortization	2,230	2,246	0.7%	3,796	3,260	3,802	4,659	4,100	△ 12.0%
Research and development expenses	2,666	2,582	△ 3.1%	5,335	5,189	5,545	5,602	5,500	△ 1.8%

(2) Quarterly consolidated financial results

(Millions of yen)

	Fiscal year 2015				Fiscal year 2016		
	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter	Year-on-year change
Net sales	34,800	39,698	39,969	44,470	38,648	42,672	7.5%
Operating income	2,518	2,510	2,949	3,512	3,140	3,567	42.1%
Operating income margin (%)	7.2%	6.3%	7.4%	7.9%	8.1%	8.4%	
Ordinary income	2,776	2,729	3,551	3,854	3,416	3,701	35.6%
Ordinary income margin (%)	8.0%	6.9%	8.9%	8.7%	8.8%	8.7%	
Profit attributable to owners of parent	1,805	1,281	2,245	2,200	2,071	2,429	89.6%
Net income (loss) margin (%)	5.2%	3.2%	5.6%	4.9%	5.4%	5.7%	

*The statements contained in this material, which refer to current plans and projections, other than historical facts, represent forward-looking statements made at the discretion of top management based on information currently available.
Therefore, please note that the actual results may considerably differ from those projected due to various factors.