Flash Report

LIXIL GROUP CORPORATION

Link to Good Living

February 1, 2016

Consolidated Financial Results for the Third Quarter ended December 31, 2015 (Japanese Accounting Standard)

Company Name: LIXIL GROUP CORPORATION
Stock Listings: Tokyo, Nagoya
Code Number: 5938
URL: http://www.lixil-group.co.jp/e/ir/
Representative: Yoshiaki Fujimori, President & CEO
Telephone: +81-3-6268-8806
Contact: Takashi Tsutsui, Executive Officer & Executive Vice President, Investor Relations
Scheduled date of issue of quarterly financial report: February 5, 2016
Date of scheduled payment of dividends: -
Preparation of supplementary materials for quarterly financial results: Yes
Information meeting for quarterly financial results to be held: Yes (For investment analysts and institutional investors)

(Amounts less than one million yen are omitted)

1. Consolidated Financial Results for the Q3 of FY Ending March 2016 (April 1 through December 31, 2015)

(1) Consolidated Operating Results (% indicate changes from the figures of corresponding period of the previous fiscal year)

	Net sales		Operating income		Ordinary income	
	Million yen	%	Million yen	%	Million yen	%
FY 2016 Q3	**1,357,257**	**11.2**	**59,648**	**74.6**	**54,200**	**60.8**
FY 2015 Q3	1,220,812	5.1	34,162	-32.9	33,710	-39.9

	Profit attributable to owners of parent		Earnings per share	
	Million yen	%	-basic	-diluted
			yen	yen
FY 2016 Q3	**-8,725**	**-174.9**	**-30.45**	**-**
FY 2015 Q3	11,645	**-68.4**	39.79	39.65

(Note) Comprehensive income
FY 2016 Q3 -20,726 million yen (-%) FY 2015 Q3 17,898 million yen (-68.4%)
(Reference) Profit attributable to owners of parent excluding amortization of goodwill
FY 2016 Q3 841 million yen (-95.6%) FY 2015 Q3 19,248 million yen (-51.8%)
(Reference) Earnings per share excluding amortization of goodwill
FY 2016 Q3 2.94 yen (-95.5%) FY 2015 Q3 65.77 yen (-52.1%)

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY 2016 Q3	**2,215,722**	**659,982**	**25.6**	**1,975.80**
FY 2015	1,875,249	613,651	32.1	2,104.27

(Reference) Equity capital at end of period
FY 2016 Q3 566,795 million yen FY 2015 Q3 602,563 million yen

2. Cash Dividends

	Dividends per share				
	End of Q1	End of Q2	End of Q3	End of Q4	For the year
	Yen	Yen	Yen	Yen	Yen
FY 2015	-	30.00	-	30.00	60.00
FY 2016	-	30.00	-		
FY 2016 (forecast)				30.00	60.00

(Note) Revision of cash dividend forecast during this period: None

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

(% indicate changes from the figures of corresponding period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY 2016	1,855,000	10.9	62,000	20.0	57,000	-1.5	5,000	-77.3	17.45

(Note) Revision of consolidated operating performance forecast during this period: None
(Reference) Profit attributable to owners of parent excluding amortization of goodwill (forecast)
FY 2016 17,919 million yen (-81.8%)
(Reference) Earnings per share excluding amortization of goodwill (forecast)
FY 2016 62.51 yen (-44.0%)
(Reference) Consolidated Forecast of the IFRS
Net sales 1,910,000 million yen Core earnings 85,000 million yen

4. Others

(1) Changes in significant subsidiaries, which affected the scope of consolidation during this period: Yes
Newly consolidated company: 5 (Name of the company) GraceA Co., Ltd., Grace B S.a r.l., GROHE Group S.a r.l., Grohe AG, Grohe, Luxemburg Four S.A.
Excluded company: None

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

(3) Changes in accounting principle, accounting estimation and restatement
1. Changes due to revisions in accounting standards: Yes
2. Changes other than the above: None
3. Changes to accounting estimates: None
4. Restatement of accounts: None

(4) Outstanding shares (common shares)

i) Number of shares outstanding at end of period (including treasury stocks)

Nine months ended December 31, 2015	313,054,255 shares	FY ended March 31, 2015	313,054,255	shares

ii) Number of treasury stock at end of period

Nine months ended December 31, 2015	26,185,289 shares	FY ended March 31, 2015	26,702,156	shares

iii) Average number of shares outstanding during the period

Nine months ended December 31, 2015	286,549,224 shares	Nine months ended December 31, 2015	292,640,466	shares

Note: Indication of quarterly review procedures implementation status
This quarterly financial results report is exempt from quarterly review procedures under Japan's Financial Instruments and Exchange Law.
The review procedure is not completed at the time of disclosure of this report.

Note: Appropriate use of business forecasts; other special items
(Cautionary statements with respect to forward-looking statements)
Performance forecast and other forward-looking statements contained in this report are based on information currently available and on certain assumptions deemed rational at the time of this report's release. Due to various circumstances, however, actual results may differ significantly from such statements.

Note: Regarding presentation material to supplement the financial results' announcement has been posted on TDnet and the Company's website.

5. Consolidated Financial Statements

(1) Consolidated Quarterly Balance Sheets

(Unit: million yen)

	As of March 31, 2015	End of Q3 (As of December 31, 2015)
Assets:		
Current assets	**Y 1,005,974**	**Y 1,000,979**
Cash and deposits	257,288	203,775
Notes and accounts receivable-trade	443,855	457,233
Merchandise and finished goods	139,666	160,769
Work in process	20,155	22,641
Raw materials and supplies	47,492	50,037
Other inventories	20,307	19,505
Short-term loans receivable	6,325	7,860
Deferred tax assets	17,960	12,117
Other	57,883	75,103
Allowance for doubtful accounts	-4,959	-8,064
Non-current assets	**869,274**	**1,214,742**
Property, plant and equipment	**502,129**	**522,670**
Buildings and structures	503,849	512,419
Accumulated depreciation	-324,230	-328,916
Buildings and structures, net	179,619	183,502
Machinery, equipment and vehicles	358,862	369,733
Accumulated depreciation	-261,200	-265,709
Machinery, equipment and vehicles, net	97,661	104,024
Land	188,560	190,248
Leased assets	15,609	15,579
Accumulated depreciation	-8,889	-7,784
Leased assets, net	6,719	7,794
Construction in progress	11,345	15,166
Other	103,744	109,796
Accumulated depreciation	-85,522	-87,862
Other, net	18,222	21,933
Intangible assets	**147,365**	**526,547**
Goodwill	49,461	203,165
Other	97,904	323,381
Investments and other assets	**219,778**	**165,523**
Investment securities	149,496	83,907
Long-term loans receivable	2,954	2,967
Deferred tax assets	18,070	24,714
Net defined benefit asset	7,220	7,594
Other	56,745	86,456
Allowance for doubtful accounts	-14,709	-40,117
Total assets	**Y 1,875,249**	**Y 2,215,722**

(Unit: million yen)

	As of March 31, 2015	End of Q3 (As of December 31, 2015)
Liabilities:		
Current liabilities	**Y 685,991**	**Y 882,447**
Notes and accounts payable - trade	232,971	272,778
Short-term loans payable	176,025	257,009
Commercial papers	-	4,000
Lease obligations	2,955	2,864
Accrued expenses	78,519	88,057
Income taxes payable	12,752	10,156
Provision for bonuses	20,771	11,865
Allowance for loss on factory restructuring	257	2,450
Asset retirement obligations	445	313
Other	161,293	232,949
Non-current liabilities	**575,605**	**673,292**
Bonds payable	70,000	70,000
Convertible bond-type bonds with subscription rights to shares	120,000	120,000
Long-term loans payable	277,801	258,427
Lease obligations	5,892	7,035
Deferred tax liabilities	26,735	91,746
Provision for directors' retirement benefits	91	71
Net defined benefit liability	23,386	71,027
Asset retirement obligations	6,879	6,629
Other	44,817	48,354
Total liabilities	**1,261,597**	**1,555,739**
Net assets:		
Shareholders' equity		
Capital stock	68,121	68,121
Capital surplus	261,712	261,783
Retained earnings	264,570	238,683
Treasury shares	-56,204	-55,122
Total shareholders' equity	538,199	513,466
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,226	17,772
Deferred gains or losses on hedges	-512	-5,511
Foreign currency translation adjustment	50,650	41,068
Total accumulated other comprehensive income	64,364	53,329
Subscription rights to shares	**3,498**	**3,938**
Non-controlling interests	**7,589**	**89,249**
Total net assets	**613,651**	**659,982**
Total liabilities and net assets	**Y 1,875,249**	**Y 2,215,722**

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated quarterly statements of income

(Unit: million yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Net sales	**Y 1,220,812**	**Y 1,357,257**
Cost of sales	886,405	963,207
Gross profit	**334,406**	**394,050**
Selling, general & administrative expenses	300,244	334,401
Operating income	**34,162**	**59,648**
Non-operating income	**17,310**	**16,738**
Interest income	1,622	1,205
Dividend income	1,501	1,442
Rent income	5,208	5,308
Amortization of negative goodwill	61	-
Foreign exchange gains	2,012	2,890
Gain on valuation of derivatives	989	-
Other	5,912	5,891
Non-operating expenses	**17,762**	**22,186**
Interest expenses	4,102	4,699
Cost of lease revenue	3,376	3,368
Share of loss of entities accounted for using equity method	6,360	292
Loss on valuation of derivatives	-	3,856
Investigation fee	-	4,633
Other	3,922	5,335
Ordinary income	**33,710**	**54,200**
Extraordinary income	**12,108**	**1,269**
Gain on sales of non-current assets	275	1,008
Gain on sales of investment securities	10,649	257
Gain on sales of shares of subsidiaries and associates	65	2
Gain on change in equity	1,117	-
Extraordinary losses	**12,425**	**42,364**
Loss on sales and retirement of non-current assets	940	1,126
Loss on valuation of investment securities	-	2,565
Loss on valuation of shares of subsidiaries and associates	68	164
Loss on sales of investment securities	11	1
Loss on sales of shares of subsidiaries and associates	187	2
Loss on factory restructurings	1,426	3,139
Impairment loss	1,343	1,121
Loss on investment to associates and other	7,869	27,937
Loss on step acquisitions	-	6,306
Adjustment of goodwill amortization and other	505	-
Loss on transition to a defined contribution pension plan	72	-
Income before income taxes and minority interests	**33,393**	**13,104**
Income taxes-current	14,125	17,311
Income taxes-deferred	6,952	-309
Total income taxes	**21,077**	**17,002**
Profit (loss)	**12,315**	**-3,897**
Profit attributable to non-controlling interests	**669**	**4,828**
Profit (loss) attributable to owners of parent	**11,645**	**-8,725**

Consolidated quarterly statements of comprehensive income

(Unit: million yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Profit (loss)	**Y 12,315**	**Y -3,897**
Other comprehensive income		
Valuation difference on available-for-sale securities	-392	3,497
Deferred gains or losses on hedges	-1,945	-4,809
Foreign currency translation adjustment	7,988	-15,272
Share of other comprehensive income of entities accounted for using equity method	-66	-242
Total other comprehensive income	5,583	-16,828
Comprehensive income	17,898	-20,726
Comprehensive income attributable to owners of parent	16,993	-19,760
Comprehensive income attributable to non-controlling interests	905	-965

(4) Consolidated Quarterly Statements of Cash Flows

(Unit: million yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Operating Activities:		
Income before income taxes and minority interests	**Y 33,393**	**Y 13,104**
Depreciation	36,404	43,442
Impairment loss	1,343	1,121
Amortization of negative goodwill	-61	-
Amortization of goodwill	4,876	8,645
Increase (decrease) in allowance for doubtful accounts	-1,276	28,453
Increase in allowance for loss on factory restructuring	-	2,195
Increase (decrease) in net defined benefit liability	399	-12,512
Increase in asset for retirement benefits	-615	-401
Interest and dividend income	-3,124	-2,647
Interest expenses	4,102	4,699
Foreign exchange losses	1,818	225
Share of loss of entities accounted for using equity method	6,360	292
Loss (gain) on sales and valuation of investment securities	-10,447	2,472
Loss on sales and retirement of non-current assets	664	117
Loss (gain) on change in equity	-1,117	-
Loss on step acquisitions	-	6,306
Loss on investment to associates and other	7,869	-
Investigation fee	-	4,633
Decrease in notes and accounts receivable-trade	60,036	20,129
Increase in inventories	-30,779	-5,828
Increase (Decrease) in notes and accounts payable-trade	-388	22,927
Other, net	-11,458	-2,146
Subtotal	**98,001**	**135,230**
Interest and dividend income received	3,192	3,357
Interest expenses paid	-4,254	-4,693
Income taxes paid	-19,680	-20,209
Guarantee obligations paid	-	-33,017
Claim for indemnities received	-	5,079
Payments for investigation fee	-	-5,227
Net cash provided by operating activities	**77,258**	**80,519**
Investing Activities:		
Decrease (increase) in time deposits	-2,216	77,753
Purchase of securities	-217,915	-200,399
Proceeds from sales and redemption of securities	219,915	200,399
Purchase of property, plant and equipment and intangible assets	-42,757	-48,769
Proceeds from sales of property, plant and equipment and intangible assets	717	4,003
Purchase of investment securities	-9,300	-1,038
Proceeds from sales and redemption of investment securities	13,325	523
Proceeds from sales of shares of subsidiaries	98	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	-12,444
Increase in short-term loans receivable	-140	-1,330
Payments of long-term loans receivable	-334	-352
Collection of long-term loans receivable	317	162
Other payments	-3,386	-8,899
Other proceeds	186	5,231
Net cash provided by (used in) investing activities	**Y -41,491**	**Y 14,840**

(Unit: million yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Financing Activities:		
Increase (decrease) in short-term bank loans and commercial papers	-21,266	45,948
Increase in liquidation of receivables of trade among the consolidated companies	19,000	31,011
Repayments of long-term loans payable	-55,279	-176,535
Proceeds from long-term loans payable	54,519	50,000
Repayments of lease obligations	-2,457	-2,632
Redemption of bonds	-15,000	-
Proceeds from share issuance to non-controlling shareholders	1,999	-
Proceeds from disposal of treasury shares	4,438	987
Purchase of treasury shares	-23	-26
Cash dividends paid	-17,519	-17,190
Dividends paid to non-controlling interests	-17	-
Net cash used in financing activities	**-31,605**	**-68,436**
Effect of exchange rate change on cash and cash equivalents	1,346	-1,630
Net increase in cash and cash equivalents	5,507	25,292
Cash and cash equivalents at beginning of period	139,038	160,377
Increase in cash and cash equivalents resulting from newly consolidated subsidiary	182	1
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	69	223
Decrease in cash and cash equivalents due to change in fiscal period of consolidated subsidiaries	-2,896	-715
Cash and cash equivalents at end of period	**Y 141,902**	**Y 185,180**

(5) Notes on Premise of Going Concern

Not applicable.

(6) Notes to Significant Changes in Equity

Not applicable.

(7) Segment Information

Business Segment Information

For the nine months ended December 31, 2014 (April 1 through December 31, 2014)

(Unit: million yen)

	Reportable segments					
	Water Technology Business	Housing Technology Business	Building Technology Business	Kitchen Technology Business	Distribution and Retail Business	Housing Services Business
Sales						
Revenues from external customers	Y 287,503	Y 440,882	Y 223,240	Y 73,515	Y 152,381	Y 43,289
Transactions with other segments	14,057	6,725	563	8,997	0	809
Net sales	301,561	447,607	223,804	82,513	152,381	44,098
Operating income (loss)	17,420	29,163	-869	-2,112	6,503	3,209
(Reference) Operating income (loss) before amortization of goodwill and purchase price allocation	18,919	29,805	3,447	-1,575	6,503	3,291

(Unit: million yen)

	Total	Reconciling items	Per quarterly consolidated financial statements
Sales			
Revenues from external customers	Y 1,220,812	-	Y 1,220,812
Transactions with other segments	31,154	-31,154	-
Net sales	1,251,967	-31,154	1,220,812
Operating income (loss)	53,314	-19,151	34,162
(Reference) Operating income (loss) before amortization of goodwill and purchase price allocation	60,391	-26,229	34,162

Note: Operating income (loss) before amortization of goodwill and purchase price allocation is segment income (loss) excluding amortization of goodwill and intangible assets accrued from business combination.

For the nine months ended December 31, 2015 (April 1 through December 31, 2015)

(Unit: million yen)

	Reportable segments					
	Water Technology Business	Housing Technology Business	Building Technology Business	Kitchen Technology Business	Distribution and Retail Business	Housing Services Business
Sales						
Revenues from external customers	Y 414,187	Y 431,260	Y 244,457	Y 74,679	Y 148,370	Y 44,302
Transactions with other segments	13,542	9,781	27	8,695	0	1,092
Net sales	427,729	441,042	244,485	83,375	148,370	45,395
Operating income (loss)	43,634	32,421	-4,658	1,615	7,596	2,770
(Reference) Operating income (loss) before amortization of goodwill and purchase price allocation	50,154	33,063	-465	2,080	7,596	3,008

(Unit: million yen)

	Total	Reconciling items	Per quarterly consolidated financial statements
Sales			
Revenues from external customers	Y 1,357,257	-	Y 1,357,257
Transactions with other segments	33,140	-33,140	-
Net sales	1,390,397	-33,140	1,357,257
Operating income (loss)	83,378	-23,729	59,648
(Reference) Operating income (loss) before amortization of goodwill and purchase price allocation	95,436	-35,788	59,648

Note: Operating income (loss) before amortization of goodwill and purchase price allocation is segment income (loss) excluding amortization of goodwill and intangible assets accrued from business combination.

LIXIL
Link to Good Living

PRESS RELEASE

For Immediate Release

February 1, 2016
LIXIL Group Corporation

LIXIL Q3 Sales and Operating Profit Reach Record High

LWT key driver of sales growth; Strategic focus on renovation sales in Japan demonstrating positive results

Tokyo, Japan – LIXIL Group Corporation ("LIXIL Group"), a global leader in housing and building materials, products and services, today announced earnings for the third quarter of the financial year ending March 31, 2016. On a consolidated basis, over the nine months ended December 31, 2015, sales under JGAAP rose 11% year-on-year to ¥1,357.3 billion, showing further benefit from the GROHE consolidation and a continued strong contribution from American Standard Brands, which was acquired in 2013. Renovation sales in Japan were up 10% year-on-year, while sales for new homes in Japan also increased from Q3. Operating profit under JGAAP reached ¥59.6 billion, a 75% increase year-on-year, resulting in a margin of 4.4%, compared to 2.8% in the corresponding period from the previous year.

The forecast for the full fiscal year ending March 31, 2016 remains unchanged, with sales projected of ¥1,855 billion and operating profit of ¥62 billion.

LIXIL Group President & CEO, Yoshiaki Fujimori commented, "The continued strong showing from many of our international businesses again points to offshore growth being a key driver for LIXIL. It is encouraging to see recovering sales of new homes in Japan. Also, continued renovation sales growth in Japan further demonstrates the rationale for increasing our focus on that segment. The efforts we have made across all our businesses to ensure rigorous financial management have contributed to operating profit growth, which together with the increase in sales saw us post record results for the second quarter in a row."

Business Highlights[1]

LIXIL Water Technology (LWT), which consists of leading global brands, LIXIL, INAX, GROHE, and American Standard saw strong sales growth. In the Americas, both retail and wholesale channels saw sales growth that was driven by new customer development, while price/volume mix effects, cost savings and concentration on core businesses further contributed to a significant improvement in profitability. The EMEA region also saw steady sales growth along with a continued reduction in costs and sales and general administrative expenses. Despite an unstable political situation, the Middle East region delivered solid growth. Asia also delivered profitable above-market growth, with China seeing a shift to mid-range products, while India, Korea, Thailand and Vietnam also recorded continued growth. In Japan, LWT renovation sales were up 11%, while improved product mix, pricing strategies and cost savings resulted in enhanced margins. The luxury system bathroom, SPAGE continued to enjoy brisk sales. LWT sales reached $3,873 million, an increase of 9% year-on-year. Core earnings[2] were $419 million, an increase of 26% year-on-year, representing an 11% margin.

LIXIL Housing Technology (LHT) again showed resilient growth in core earnings, despite a 3% fall in sales year-on-year to ¥449.0 billion. LHT saw positive demand in window system products, even though the Housing Eco-point[3] program in Japan ended in October, while cost reductions offset the impact of yen depreciation and resulted in a higher gross profit margin. Exterior systems started to increase in sales and profits since the third quarter. Living

[1] Based on management accounts on IFRS basis. From the Financial Report for the fiscal year ending March 2016 LIXIL Group is switching to IFRS.
[2] Core earnings in IFRS = Revenues – Cost of Sales – SG&A; same as OP in JGAAP
[3] Housing Eco-point: a Japanese Ministry of Land, Infrastructure, Transport and Tourism program to encourage eco-friendly new houses and renovations

systems also achieved an increase in profits, despite lower sales having been affected by falling demand for new homes during the first half. LHT core earnings were up 21% to ¥36.1 billion, representing a margin of 8%.

LIXIL Building Technology (LBT), which includes Permasteelisa, Tostem, and Shinnikkei, saw core earnings impacted by the deterioration of building market conditions in China, other parts of Asia and the Middle East. Permasteelisa recorded provisions for losses on projects in the Middle East and Asia, but increased selectivity for order intake means profitable projects are in the pipeline. LBT Japan experienced a recovery of demand in urban areas, while LBT Asia reported a decline in core earnings due to additional provisions for Shanghai Meite. LBT sales increased by 5% to €1,843 million year-on-year, core earnings decreased 92% to €3 million for the period.

LIXIL Kitchen Technology (LKT) continued its recovery with core earnings significantly increasing in Japan due to demand for the new SUNVARIE RICHELLE SI range as well as recovery from the negative impact experienced last year following snow damage at a factory. LKT Asia recorded a decline in sales and core earnings over the nine months due to weak demand in regional cities in China, but returned to profitability during Q3. As a result, LKT reported a 2% drop in sales year-on-year to ¥83.7 billion, although core earnings turned positive at ¥2.4 billion, with a margin of 3%.

Distribution & Retail Businesses (D&R) and Housing Service Businesses (H&S) again reported a solid performance. D&R has now recorded sales increases for 11 consecutive years, reaching ¥132.3 billion for the period, and achieved record profits due to demand for renovation products as well as supply chain management improvements and cost reductions, resulting in a core earnings margin of 7%. H&S saw a slight increase in demand for its housing franchise businesses, resulting in a 2% growth in sales to ¥46.7 billion. Although prior investments for the transition of service businesses from new homes to renovations and one-time costs resulted in a 23% decline in core earnings, the core earnings margin for the business remained 6%.

-Ends-

About LIXIL

LIXIL Corporation is a global leader in housing and building materials products and services. The foundation of LIXIL's success is our constant investment in technological innovation to improve the way we live. Delivering core strengths in water, housing, building and kitchen technologies, our brand portfolio businesses LIXIL, GROHE, American Standard Brands and Permasteelisa are leaders in the industries and regions in which they operate. LIXIL produces some of the world's most fundamental and innovative products and services, and our solutions are an integral part of some of the world's most iconic and cutting-edge living and working spaces. Operating in more than 130 countries, and employing more than 80,000 people, we bring together function, quality and design to make people's lives better, and more delightful – wherever they are.

About LIXIL Group

LIXIL Group Corporation (TSE Code: 5938) is the listed holding company containing LIXIL Corporation, LIXIL VIVA CORPORATION and LIXIL Housing Research Institute, Ltd.. The Group is involved in a broad spectrum of housing-related businesses, ranging from the manufacture and sales of building materials and housing equipment to the operation of home centers and a network of homebuilding franchises, and comprehensive real estate service. Led by President and CEO Yoshiaki Fujimori, the Group posted 1.6 trillion JPY in consolidated sales in FY ended March 2015.