

This is a translation of the original Japanese text of the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2016.” Should there be any discrepancy between any part of this translation and the original Japanese text, the latter shall prevail.

Consolidated Financial Results

for the Fiscal Year Ended March 31, 2016 <Japanese GAAP>

May 12, 2016

Company Name: GLORY LTD. Stock exchange listing: Tokyo (1st Section)
Code Number: 6 4 5 7 URL: <http://www.glory-global.com/>
Representative: Hirokazu Onoe President & Representative Director
Contact person: Motozumi Miwa Representative Director & Senior Managing Executive Officer /
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Scheduled date of Ordinary General Meeting of Shareholders: June 24, 2016
Scheduled date of dividend payments: June 27, 2016
Scheduled filing date of Annual Securities Report: June 27, 2016
Preparation of earnings supplementary explanatory material: Yes
Holding of earnings presentation: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded downward.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

(1) Consolidated Operating Results

(The percentages show the changes from the corresponding period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Year ended March 31, 2016	226,952	2.1	20,552	9.9	17,583	(20.8)	8,829	(31.5)
Year ended March 31, 2015	222,356	—	18,693	—	22,211	—	12,887	—

(Note) Comprehensive income

Year ended March 31, 2016: ¥(3,512) million [— %]
Year ended March 31, 2015: ¥18,753 million [— %]

	Net income per share	Fully diluted net income per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	(Yen)	(Yen)	(%)	(%)	(%)
Year ended March 31, 2016	134.38	—	4.5	5.3	9.1
Year ended March 31, 2015	196.19	—	6.6	6.5	8.4

(Reference) Income or loss from investments accounted for by the equity method

Year ended March 31, 2016: ¥— million Year ended March 31, 2015: ¥— million

(Note) The financial figures provided for the fiscal year ended March 31, 2015 are the figures after the retrospective application which was carried out in accordance with changes in the accounting policy. The percentage changes from the corresponding period of the previous year are not provided for the fiscal year ended March 31, 2015.

(TRANSLATION FOR REFERENCE ONLY)

(2) Consolidated Financial Position

	Total assets	Net assets	Ownership equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
As of March 31, 2016	321,672	198,287	60.6	2,966.22
As of March 31, 2015	346,613	204,544	58.1	3,066.53

(Reference) Ownership equity

As of March 31, 2016: ¥194,840 million As of March 31, 2015: ¥201,431 million

(3) Consolidated Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Year ended March 31, 2016	28,142	(7,714)	(16,844)	67,133
Year ended March 31, 2015	21,106	(3,425)	(15,749)	64,222

(Note) The financial figures provided for the fiscal year ended March 31, 2015 are the figures after the retrospective application which was carried out in accordance with changes in the accounting policy.

2. Dividends

(Record date)	Dividends per share					Total dividends (annual)	Dividend payout ratio (consolidated)	Dividends to net assets ratio (consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Annual			
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)	(Millions of yen)	(%)	(%)
Year ended March 31, 2015	—	24.00	—	30.00	54.00	3,547	27.5	1.8
Year ended March 31, 2016	—	27.00	—	29.00	56.00	3,689	41.7	1.9
Year ending March 31, 2017 (forecast)	—	28.00	—	28.00	56.00		35.0	

3. Consolidated Financial Forecast for the Year Ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

(The percentages show the changes from the corresponding period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Six months ending September 30, 2016	105,000	0.8	6,000	(10.8)	5,500	(17.8)	2,000	(33.7)	30.44
Full year	230,000	1.3	20,500	(0.3)	19,500	10.9	10,500	18.9	159.81

(TRANSLATION FOR REFERENCE ONLY)

Notes:

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries involving a change in the scope of consolidation):
None
- (2) Changes in accounting policies and estimates, and restatements
- | | |
|---|------|
| (a) Changes in accounting policies associated with revisions of accounting standards, etc.: | None |
| (b) Changes in accounting policies other than (a): | Yes |
| (c) Changes in accounting estimates: | None |
| (d) Restatements: | None |
- (3) Total number of shares issued (common stock)
- (a) Total number of shares issued at the end of the period (including treasury shares)
- | | |
|-----------------------|-------------------|
| As of March 31, 2016: | 68,638,210 shares |
| As of March 31, 2015: | 68,638,210 shares |
- (b) Number of treasury shares at the end of the period
- | | |
|-----------------------|------------------|
| As of March 31, 2016: | 2,749,737 shares |
| As of March 31, 2015: | 2,951,231 shares |
- (c) Average number of shares
- | | |
|----------------------------|-------------------|
| Year ended March 31, 2016: | 65,703,764 shares |
| Year ended March 31, 2015: | 65,687,030 shares |

(Note) In addition to the number of treasury shares as of March 31, 2016, there also existed 30,000 shares owned by the “Board Incentive Plan (BIP) Trust Account” as assets in trust for a stock compensation plan for directors, and 172,000 shares owned by the “Employee Stock Ownership Plan (ESOP) Trust Account” as assets in trust for an incentive plan for senior managers.

(Reference) Summary of Non-consolidated Financial Results

Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

(1) Non-consolidated Operating Results

(The percentages show the changes from the corresponding period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Year ended March 31, 2016	139,538	3.6	11,488	(8.4)	14,018	(26.1)	10,036	(27.0)
Year ended March 31, 2015	134,718	1.6	12,543	(0.5)	18,970	(3.8)	13,744	(6.1)

	Net income per share	Fully diluted net income per share
	(Yen)	(Yen)
Year ended March 31, 2016	152.75	—
Year ended March 31, 2015	209.24	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Ownership equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
As of March 31, 2016	249,560	174,094	69.8	2,650.39
As of March 31, 2015	258,341	168,620	65.3	2,567.04

(Reference) Ownership equity

As of March 31, 2016:	¥174,094 million	As of March 31, 2015:	¥168,620 million
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(TRANSLATION FOR REFERENCE ONLY)

(Note) Status of implementation of audit procedures

These “Consolidated Financial Results” are exempt from the audit procedures required under the Financial Instruments and Exchange Act. As of the date of the release of these Consolidated Financial Results, implementation of audit procedures for consolidated financial statements and non-consolidated financial statements is in progress.

(Note) Explanation regarding the appropriate use of financial forecasts and other special items

The forward-looking statements such as operational forecasts contained in this report are based on the information currently available to the Company and certain assumptions which the Company regards as legitimate, and are not promises regarding the achievement of forecasts. Actual performance may differ greatly from these forecasts due to various present and future factors.