Consolidated Financial Summary
Third Quarter of FY2016

(April 1, 2015 – December 31, 2015)

TS TECH Co.,Ltd.

This document is an English translation of the Japanese language version of the consolidated financial summary that TS TECH Co., Ltd. has produced for reference purposes.
In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Consolidated Financial Summary for the Third Quarter of FY2016
(based on Japanese accounting standards)

January 29, 2016

Company name: TS TECH CO., LTD. Stock exchange listing: Tokyo Stock Exchange
Stock code: 7313 URL: http://www.tstech.co.jp
Representative: Michio Inoue, President
Contact: Mahoro Kurata, Manager, Public Relations Section, Administration Department Tel. 048-462-1121
Scheduled date for filing of quarterly securities report: February 10, 2016
Scheduled date of commencement of dividend payment: ―
Preparation of supplementary explanatory material: None
Quarterly results briefing: None

(Amounts of less than one million yen are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Third Quarter of FY2016 (April 1, 2015 – December 31, 2015)

(1) Consolidated Financial Results (Accumulated Total) (% of change from the same period of previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Third quarter of FY2016	345,407	7.9	27,309	5.2	28,658	-2.8	16,687	-4.1
Third quarter of FY2015	320,204	-3.8	25,965	-13.6	29,479	-10.0	17,401	-7.6

(Note) Comprehensive income Third quarter of FY2016 15,949 million yen (-49.0%)
Third quarter of FY2015 31,272 million yen (-8.6%)

	Net income per share	Diluted net income per share
	Yen	Yen
Third quarter of FY2016	245.42	―
Third quarter of FY2015	255.91	―

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
Third quarter of FY2016	301,173	217,578	64.3
FY 2015	295,632	206,871	62.6

(Reference) Shareholders' equity: Third quarter of FY2016 193,611 million yen
FY2015 184,933 million yen

2. Cash Dividends

	Annual cash dividends				
	End of 1Q	End of 2Q	End of 3Q	End of year	Annual
	Yen	Yen	Yen	Yen	Yen
FY2015	―	30.00	―	30.00	60.00
FY2016	―	33.00	―		
FY2016 (forecast)				33.00	66.00

(Notes) Revision from the most recent announcement of cash dividends forecasts: None

3. Consolidated Forecasts for FY2016 (April 1, 2015 - March 31, 2016)

(% of change from the same period of previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2016	467,000	7.5	38,500	9.1	40,700	0.8	23,000	4.5	338.24

(Note) Revision from the most recent announcement of consolidated financial forecasts: None

*Notes

(1) Changes in important subsidiaries during the quarter : None
(Changes in significant subsidiaries affecting the scope of consolidation during this period)
New subsidiaries — companies ( ) Excluded subsidiaries — companies ( )

(2) Application of special accounting treatment for quarterly consolidated financial statements : Yes
(Note) For details, refer to "2. Matters Concerning Summary Information (Notes), (2) Application of Special Accounting Treatment for Quarterly Consolidated Financial Statements" on page 5.

(3) Changes in accounting policies and accounting estimates, or re-statement
1) Changes in accounting policies associated with the revision of accounting standards, etc. : Yes
2) Changes other than 1) : None
3) Changes in accounting estimates : None
4) Re-statement : None
(Note) For details, refer to "2. Matters Concerning Summary Information (Notes), (3) Changes in Accounting Policies, Accounting Estimates, or Re-statement" on page 5.

(4) Number of shares issued (common stock)

1) Number of shares issued at the end of the term including treasury stock	3Q of FY2016	68,000,000 shares	FY2015	68,000,000 shares
2) Number of treasury stock at the end of the term	3Q of FY2016	1,974 shares	FY2015	1,808 shares
3) Average number of shares during the term (cumulative)	3Q of FY2016	67,998,093 shares	3Q of FY2015	67,998,245 shares

(*Presentation concerning the implementation status for quarterly review procedure)
Quarterly reviews based on the Financial Instruments and Exchange Act are not undertaken for quarterly financial statements at the time this financial summary is disclosed.

(*Explanation regarding the appropriate use of forecasts of financial results and other notes)
The consolidated forecasts presented above are projections made by managers of TS TECH Co., Ltd. (hereinafter the "Company") on the basis of information available at the time of preparation. For that reason, they involve risks and uncertainties. Accordingly, we request that readers of this document avoid making investment decisions based exclusively on these forecasts. Please bear in mind the possibility that actual results may differ materially from these forecasts, due to various important factors. Readers are asked to proceed to "(3) Qualitative Information Concerning Consolidated Forecasts" on page 4 for assumptions and other information that form the premise for the operating results forecast above.

○Table of Contents

1. Qualitative Information Concerning Quarterly Results....2

(1) Qualitative Information Concerning Consolidated Financial Results....2
(2) Qualitative Information Concerning Consolidated Financial Positions....4
(3) Qualitative Information Concerning Consolidated Forecasts....4

2. Matters Concerning Summary Information (Notes)....5

(1) Changes in Important Subsidiaries During the Current Period....5
(2) Application of Special Accounting Treatment for Quarterly Consolidated Financial Statements....5
(3) Changes in Accounting Policies, Accounting Estimates, or Re-statement....5
(4) Additional Information....6

3. Quarterly Consolidated Financial Statements....7

(1) Quarterly Consolidated Balance Sheets....7
(2) Quarterly Consolidated Statements of Income and Comprehensive Income....9
(3) Notes Concerning Quarterly Consolidated Financial Statements....11
Notes Concerning Going Concern Assumption....11
Notes Concerning Significant Changes in the Amount of Shareholders' Equity....11
Segment Information, etc.....11

1. Qualitative Information Concerning Quarterly Results

(1) Qualitative Information Concerning Consolidated Financial Results

Net sales for the first three quarters of FY2016 (April 1, 2015 - December 31, 2015) amounted to 345,407 million yen on a consolidated basis, up 25,203 million yen (7.9%) from the same period in FY2015. The positive impact of exchange rates offset a decrease in order volume from major customers.

Looking at profits, operating income stood at 27,309 million yen, an increase of 1,344 million yen (5.2%) year-on-year, primarily reflecting the impact of exchange rates. Ordinary income totaled 28,658 million yen, a decrease of 820 million yen (2.8%) from the same period in FY2015 due to foreign exchange losses, and net income attributable to owners of parent amounted to 16,687 million yen, a decrease of 713 million yen (4.1%) year-on-year.

Operating performance by segment is as follows.

Effective the first quarter of FY2016, accounting periods and accounting periods created by a provisional settlement of accounts were changed at certain consolidated subsidiaries. The first three quarters of FY2015 used for comparative purposes below comprise the period of January 1, 2014 to September 30, 2014 for consolidated subsidiaries in Brazil, China and Asia and Europe (excluding India).

For details regarding the provisional settlement of accounts, refer to "2. Matters Concerning Summary Information (Notes), (4) Additional Information" on page 6.

(Japan)

(Unit: Million yen)

	First three quarters of FY2015	First three quarters of FY2016	Year-on-year	Changes
Net sales	66,785	68,609	1,824	2.7%
Operating income	5,158	6,116	957	18.6%

Main factors for year-on-year change

Net sales	Net sales increased primarily due to an improved makeup of models, which offset decreased order volume from major customers.
Operating income	Operating income increased due to the effects of higher net sales.

(Americas)

(Unit: Million yen)

	First three quarters of FY2015	First three quarters of FY2016	Year-on-year	Changes
Net sales	161,033	184,982	23,949	14.9%
Operating income	11,575	7,879	-3,696	-31.9%

Main factors for year-on-year change

Net sales	Net sales increased mainly due to the positive impact of exchange rates, offsetting a decline in order volume from major customers.
Operating income	Despite an increase in net sales, operating income declined due to factors such as increased expenditures related to model changes.

(China)

(Unit: Million yen)

	First three quarters of FY2015	First three quarters of FY2016	Year-on-year	Changes
Net sales	72,626	74,253	1,626	2.2%
Operating income	12,162	13,021	859	7.1%

Main factors for year-on-year change

Net sales: Net sales increased due to factors such as the positive impact of exchange rates, offsetting a decline in order volume from major customers.

Operating income: Operating income increased, reflecting factors such as an improved makeup of models and an increase in net sales.

(Asia and Europe)

(Unit: Million yen)

	First three quarters of FY2015	First three quarters of FY2016	Year-on-year	Changes
Net sales	43,351	43,963	612	1.4%
Operating income	2,238	3,655	1,417	63.3%

Main factors for year-on-year change

Net sales: Although order volume from major customers declined, net sales increased mainly due to the positive impact of exchange rates.

Operating income: Operating income increased, reflecting factors such as an improved makeup of models and an increase in net sales.

Sales by business segment are as follows:

(Unit: Million yen)

	First three quarters of FY2015		First three quarters of FY2016		Year-on-year	Changes
		Sales ratio		Sales ratio		
Motorcycles	4,639	1.5%	4,697	1.4%	58	1.3%
Automobiles	311,578	97.3%	335,944	97.3%	24,365	7.8%
(Seats)	278,120	86.9%	299,557	86.8%	21,437	7.7%
(Interior products)	33,458	10.4%	36,386	10.5%	2,928	8.8%
Other businesses	3,986	1.2%	4,765	1.3%	779	19.5%
Total	320,204	100.0%	345,407	100.0%	25,203	7.9%

(2) Qualitative Information Concerning Consolidated Financial Positions

(Total assets)

Total assets at the end of the third quarter of FY2016 stood at 301,173 million yen, up 5,541 million yen from the end of FY2015, primarily reflecting an increase in cash and deposits due to an increase in operating income, as well as an increase in property, plant and equipment due in part to a plant relocation in China and investments in new models. These factors offset the effects of foreign currency translation and a decrease in notes and accounts receivable-trade, the result of factors such as a decline in orders from major customers.

(Liabilities)

Total liabilities at the end of the third quarter of FY2016 amounted to 83,594 million yen, increasing 5,165 million yen from the end of FY2015. The increase resulted primarily from a decrease in other current liabilities, chiefly due to payment of cash dividends.

(Net assets)

Net assets at the end of the third quarter of FY2016 were 217,578 million yen, up 10,707 million yen from the end of FY2015. The increase was chiefly due to an increase in retained earnings, offsetting a decline in foreign currency translation adjustment.

(3) Qualitative Information Concerning Consolidated Forecasts

Taking into account consolidated operating results for the first three quarters of FY2016 as well as the current trend in orders from main customers and foreign exchange rates, the Group is keeping the consolidated forecasts announced on April, 28 2015 unchanged.

2. Matters Concerning Summary Information (Notes)

(1) Changes in Important Subsidiaries During the Current Period

Not applicable

(2) Application of Special Accounting Treatment for Quarterly Consolidated Financial Statements

(Calculation of tax expense)

Tax expense is calculated by rationally estimating the effective tax rate for income before income taxes for the fiscal year, including the first three quarters of FY2016, following the application of tax effect accounting, and multiplying quarterly income before income taxes by the estimated effective tax rate.

(3) Changes in Accounting Policies, Accounting Estimates, or Re-statement

The Revised Accounting Standard for Business Combinations (ASBJ Statement No. 21, September 13, 2013), Revised Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, September 13, 2013) and Revised Accounting Standard for Business Divestitures (ASBJ Statement No. 7, September 13, 2013) have been applied effective the beginning of the first quarter of FY2016. Accordingly, the Company now records the difference created by a change in the company's interest in a subsidiary when the company retains control as capital surplus and acquisition-related costs as expenses in the fiscal year in which they occurred. In regard to business combinations that occurred after the start of the current period under review, the Company changed to a method that reflects the retrospective adjustment of purchase price allocation based upon provisional accounting in the quarterly consolidated financial statement for the period in which the business combination occurred. Additionally, "net income" has changed to "net income attributable to owners of parent," and "minority interests" has changed to "non-controlling interests." In order to reflect said changes, the results from the previous consolidated cumulative third quarter and consolidated fiscal year have been amended in the quarterly consolidated financial statements and the consolidated financial statement.

The application of the aforementioned Standards is effective as of the beginning of the first quarter of FY2016 in accordance with the provisional treatment stipulated in paragraph 58-2(4) of the Revised Accounting Standard for Business Combinations, paragraph 44-5(4) of the Revised Accounting Standard for Consolidated Financial Statements and paragraph 57-4(4) of the Revised Accounting Standard for Business Divestitures.

There is no impact on the quarterly consolidated financial statement for the current period under review.

(4) Additional Information

(Changes to the fiscal year at consolidated subsidiaries)

The following consolidated subsidiaries have a December 31st closing date: TS TECH DO BRASIL LTDA., GUANGZHOU TS AUTOMOTIVE INTERIOR SYSTEMS CO., LTD., GUANGZHOU TECH INTERIOR TRIM MANUFACTURING CO., LTD., NINGBO FTZ TS TRIMONT AUTOMOTIVE INTERIOR INC., NINGBO EPZ TS TRIMONT AUTOMOTIVE INTERIOR INC., and WUHAN TS-GSK AUTO PARTS CO., LTD.

Originally, balance sheets as of December 31 were used when compiling consolidated financial statements, and the necessary adjustments were made on a consolidated basis in order to include important transactions that occurred between said date and the consolidated closing date of March 31, but this has been changed to a method of consolidation that executes a provisional settlement of accounts on March 31.

Accordingly, the financial statements for the nine-month period of April 1, 2015 to December 31, 2015 for these consolidated subsidiaries is included in the current period under review.

In accordance with said change, profit and loss from the three month period of January 1, 2015 to March 31, 2015 has been recognized as retained earnings.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Unit: Million yen)

	FY2015 (As of March 31, 2015)	Third quarter of FY2016 (As of December 31, 2015)
Assets		
Current assets		
Cash and deposits	86,440	99,399
Notes and accounts receivable-trade	60,737	50,362
Merchandise and finished goods	2,361	2,467
Work in process	4,351	3,790
Raw materials and supplies	24,353	22,250
Other	9,611	13,017
Allowance for doubtful accounts	-20	-20
Total current assets	187,836	191,267
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	32,170	32,517
Machinery, equipment and vehicles, net	15,861	18,539
Other, net	30,737	30,792
Total property, plant and equipment	78,769	81,849
Intangible assets	3,183	2,813
Investments and other assets	25,842	25,243
Total noncurrent assets	107,795	109,905
Total assets	295,632	301,173
Liabilities		
Current liabilities		
Notes and accounts payable-trade	45,880	45,382
Electronically recorded obligations - operating	4,491	4,989
Short-term loans payable	1,674	2,165
Long-term loans scheduled for payment within one year	59	15
Income taxes payable	1,687	1,747
Provisions	3,786	2,903
Other	20,789	16,742
Total current liabilities	78,369	73,944
Noncurrent liabilities		
Long-term loans payable	9	2
Provision for retirement benefits	775	771
Other	9,605	8,876
Total noncurrent liabilities	10,390	9,650
Total liabilities	88,760	83,594

(Unit: Million yen)

	FY2015 (As of March 31, 2015)	Third quarter of FY2016 (As of December 31, 2015)
Net assets		
Shareholders' equity		
Capital stock	4,700	4,700
Capital surplus	5,163	5,163
Retained earnings	152,069	166,450
Treasury stock	-3	-4
Total shareholders' equity	161,928	176,308
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	9,946	9,893
Foreign currency translation adjustment	12,810	7,119
Net defined benefit liability	247	290
Total valuation and translation adjustments	23,004	17,302
Non-controlling interests	21,937	23,966
Total net assets	206,871	217,578
Total liabilities and net assets	295,632	301,173

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Consolidated First Three Quarters

(Unit: Million yen)

	Third quarter of FY2015 (April 1, 2014 – December 31, 2014)	Third quarter of FY2016 (April 1, 2015 – December 31, 2015)
Net sales	320,204	345,407
Cost of sales	269,240	287,709
Gross profit	50,963	57,698
Selling, general and administrative expenses		
Packing and transportation expenses	2,972	4,516
Salaries and allowances	10,619	12,279
Other	11,407	13,592
Total selling, general and administrative expenses	24,998	30,388
Operating income (loss)	25,965	27,309
Non-operating income		
Interest income	942	869
Dividends income	290	301
Land and house rent received	141	134
Foreign exchange gains	1,476	―
Equity in earnings of affiliates	569	379
Other	246	216
Total non-operating income	3,667	1,901
Non-operating expenses		
Interest expenses	101	113
Foreign exchange losses	―	382
Other	51	56
Total non-operating expenses	152	552
Ordinary income	29,479	28,658
Extraordinary income		
Gain on sales of noncurrent assets	36	435
Insurance income	48	62
Total extraordinary income	84	497
Extraordinary loss		
Loss on sales of noncurrent assets	45	46
Loss on retirement of noncurrent assets	122	258
Impairment loss	8	14
Loss on disaster	25	15
Other	0	4
Total extraordinary loss	202	339
Income before income taxes	29,361	28,817
Income taxes	7,924	7,238
Income before non-controlling interests	21,436	21,578
Net income attributable to non-controlling interests	4,035	4,890
Net income attributable to owners of parent	17,401	16,687

Quarterly Consolidated Statements of Comprehensive Income

Consolidated First Three Quarters

(Unit: Million yen)

	Third quarter of FY2015 (April 1, 2014 – December 31, 2014)	Third quarter of FY2016 (April 1, 2015 – December 31, 2015)
Income before non-controlling interests	21,436	21,578
Other comprehensive income		
Valuation difference on available-for-sale securities	25	-53
Foreign currency translation adjustment	9,096	-5,659
Adjustments concerning retirement benefits	713	117
Share of other comprehensive income of associates accounted for using equity method	1	-33
Other comprehensive income	9,835	-5,629
Comprehensive income	31,272	15,949
Comprehensive income		
Comprehensive income attributable to owners of parent	26,626	12,691
Comprehensive income attributable to non-controlling interests	4,645	3,257

(3) Notes Concerning Quarterly Consolidated Financial Statements

(Notes Concerning Going Concern Assumption)

Not applicable

(Notes Concerning Significant Changes in the Amount of Shareholders' Equity)

Not applicable

(Segment Information, etc.)

Third quarter of FY2015 (April 1, 2014 – December 31, 2014)

1. Information about net sales, profits and losses according to reporting segments

(Unit: Million yen)

	Reporting segments					Adjustments (Note) 1	Amounts stated in quarterly P/L (Note) 2
	Japan	Americas	China	Asia and Europe	Total		
Net sales							
Sales to customers	48,326	160,587	68,653	42,636	320,204	—	320,204
Inter-area transfer	18,458	445	3,972	714	23,591	-23,591	—
Total	66,785	161,033	72,626	43,351	343,796	-23,591	320,204
Segment profits	5,158	11,575	12,162	2,238	31,135	-5,170	25,965

(Notes) 1. Adjustments of -5,170 million yen for segment profits include a deduction of -202 million yen for transactions among segments, and operating expenses of -3,503 million yen associated with the administration division of the headquarters of the parent company, which could not be allocated.

2. Segment profits are adjusted to operating income in quarterly consolidated statements of income.

Third quarter of FY2016 (April 1, 2015 – December 31, 2015)

1. Information about net sales, profits and losses according to reporting segments

(Unit: Million yen)

	Reporting segments					Adjustments (Note) 1	Amounts stated in quarterly P/L (Note) 2
	Japan	Americas	China	Asia and Europe	Total		
Net sales							
Sales to customers	49,262	184,327	68,373	43,444	345,407	—	345,407
Inter-area transfer	19,346	655	5,879	519	26,401	-26,401	—
Total	68,609	184,982	74,253	43,963	371,809	-26,401	345,407
Segment profits	6,116	7,879	13,021	3,655	30,673	-3,363	27,309

(Notes) 1. Adjustments of -3,363 million yen for segment profits include a deduction of 486 million yen for transactions among segments, and operating expenses of -3,807 million yen associated with the administration division of the headquarters of the parent company, which could not be allocated.

2. Segment profits are adjusted to operating income in quarterly consolidated statements of income.