

2. Dividends

	Dividend per share					Total Dividend Amount	Payout Ratio	per Net Assets
	1-Qtr.	2-Qtr.	3-Qtr.	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million¥	%	%
Year ended Sept. 2015	—	7.50	—	7.50	15.00	627	24.9	2.1
Year ended Sept. 2016	—	7.50	—	10.00	17.50	732	28.9	2.5
Year ended Sept. 2017 (forecast)	—	7.50	—	37.50	45.00		24.6	

Note : The Company intends to carry out a one-for-five common share consolidation, with the effective date of April 1, 2017. Consequently, the fiscal year-end dividends per share for the fiscal year ending September 30, 2017(forecast) above is an amount that takes into account the impact of this share consolidation.(If the share consolidation is not taken into account, the amount is 7.50yen. For the details, please refer to "Notice Concerning Change in Number of Shares per Share Unit, Share Consolidation and Partial Amendments to the Articles of Incorporation" disclosed separately today).

3. Consolidated Forecasts for the Fiscal Year Ending September 30, 2017 (October 1, 2016 - September 30, 2017)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Net income		Net income per share (basic)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
1st Half	22,000	3.7	1,500	7.6	1,500	9.0	1,000	4.2	23.89
Full Year	45,000	0.8	3,750	2.5	3,750	0.9	2,550	0.8	304.58

Note : The consolidated forecasts for net income per share for the Full year above, takes into account the impact of the share consolidation. (If the consolidation is not taken into account, the amount is 60.92yen).

4. Others

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None

(2) Changes in accounting treatment for consolidated financial statement:

- 1) Changes caused by revision of accounting standards: Yes
- 2) Other changes: None

(3) Number of shares outstanding (common stock)

- 1) Number of shares outstanding at the end of the period (incl. treasury stock)

Sept. 2016: 43,076,347 shares	Sept. 2015: 43,076,347 shares
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- 2) Number of treasury stock at the end of the period

Sept. 2016: 1,221,635 shares	Sept. 2015: 1,211,304 shares
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- 3) Average number of shares in the fiscal year

Sept. 2016: 41,860,514 shares	Sept. 2015: 41,864,404 shares
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* Cautionary statement

-This Yearly Financial Results Report ("TANSHIN") is out of scope of quarterly review under Financial Instruments and Exchange Act of Japan and at the point of disclosing this TANSHIN Report, reviews by the independent auditors under Financial Instruments and Exchange Act of Japan has not been finished yet.

-The forecasts above are based on currently available information at the time of announcement. Actual results may differ from these forecasts for a number of factors.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of Yen)

	As of September 30, 2015	As of September 30, 2016
Assets		
Current Assets		
Cash and deposits	10,017	12,642
Notes and accounts receivable-trade	11,652	10,595
Securities	119	—
Finished goods	1,748	1,212
Work in process	2,278	2,649
Raw materials and supplies	2,325	2,031
Deferred tax assets	460	486
Others	2,062	707
Allowance for doubtful accounts	(164)	(163)
Total Current Assets	30,500	30,162
Non-Current Assets		
Property, plant and equipment		
Buildings and structures (net)	17,325	15,501
Machinery, equipment and vehicles (net)	9,965	9,007
Land	4,555	4,296
Construction in progress	50	64
Other (net)	1,948	1,768
Accumulated depreciation & Impairment Loss	(16,365)	(15,109)
Total property, plant and equipment	17,480	15,528
Intangible assets		
Goodwill	206	153
Other	269	190
Total intangible assets	475	343
Investments and other assets		
Investment securities	1,188	1,094
Deferred tax assets	639	515
Other	439	245
Allowance for doubtful accounts	(9)	(9)
Total investments and other assets	2,258	1,845
Total Non-Current Assets	20,214	17,717
TOTAL ASSETS	50,714	47,880

(Millions of Yen)

	As of September 30, 2015	As of September 30, 2016
Liability		
Current Liabilities		
Notes and accounts payable-trade	4,974	4,202
Current portion of long-term loans payable	1,724	987
Accrued expenses	2,328	1,961
Income taxes payable	278	551
Deferred tax liabilities	100	28
Advances received	2,561	3,224
Provision for bonuses	351	409
Provision for directors' bonuses	58	58
Provision for product warranties	434	609
Provision for point card certificates	35	47
Other	1,309	1,111
Total Current Liabilities	14,158	13,193
Non-Current Liabilities		
Long-term loans payable	1,802	1,902
Net defined benefit liability	4,222	3,928
Deferred tax liabilities	37	—
Other	170	165
Total Non-Current Liabilities	6,233	5,996
Total Liabilities	20,391	19,190
Net Assets		
Shareholders' Equity		
Capital stock	14,496	14,496
Capital surplus	5,148	5,148
Legal retained earnings	14,771	16,674
Treasury stock	(913)	(918)
Total Shareholders' Equity	33,503	35,400
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	164	(97)
Deferred gains or losses on hedges	(19)	9
Foreign currency translation adjustment	(2,820)	(6,133)
Remeasurements of defined benefit plans	(574)	(576)
Total valuation and translation adjustments	(3,249)	(6,798)
Subscription rights to shares	69	88
Total Net Assets	30,323	28,690
Total Liabilities and Net Assets	50,714	47,880

(2) Consolidated Statements of Income

(Millions of Yen)

	Oct. 1, 2014 - Sept. 30, 2015	Oct. 1, 2015- Sept. 30, 2016
Net sales	47,342	44,664
Cost of sales	31,038	28,736
Gross profit	16,304	15,928
Selling, general and administrative expenses	13,854	12,270
Operating income	2,450	3,657
Non-operating income		
Interest income	35	28
Dividends income	16	19
Equity in earnings of affiliates	59	52
Rent of real estate	10	9
Foreign exchange gains	115	—
Litigation expense reversal amount	—	31
Other	66	60
Total non-operating Income	304	201
Non-operating expenses		
Interest expenses	40	28
Foreign exchange losses	—	41
Loss on valuation of derivatives	—	27
Others	67	43
Total non-operating Expenses	107	140
Ordinary income	2,646	3,718
Extraordinary income		
Gain on sales of non-current assets	5	74
Gain on sales of shares of subsidiaries	604	—
Total extraordinary income	609	74
Extraordinary loss		
Loss on sales of non-current assets	—	7
Loss on disposal of non-current assets	7	3
Impairment loss	260	—
Special retirement benefits	9	—
Commemorative function cost	—	68
Total extraordinary loss	277	78
Income before income taxes	2,978	3,714
Income taxes - current	1,004	1,151
Income taxes – deferred	(550)	31
Total income taxes	454	1,183
Income before minority interests	2,524	2,530
Net income	2,524	2,530

(3) Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Oct. 1, 2014 - Sept. 30, 2015	Oct. 1, 2015 - Sept. 30, 2016
Income before minority interests	2,524	2,530
Other comprehensive income		
Valuation difference on available-for-sale securities	99	(261)
Deferred gains or losses on hedges	14	28
Foreign currency translation adjustment	(530)	(3,313)
Remeasurements of defined benefit plans	409	(1)
Total other comprehensive income	(8)	(3,548)
Comprehensive income	2,516	(1,018)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	2,516	(1,018)
Comprehensive income attributable to minority interests	—	—

(4) Consolidated Statements of Cash Flows

(Millions of Yen)

	Oct. 1, 2014 - Sept. 30, 2015	Oct. 1, 2015 - Sept. 30, 2016
Cash flows from operating activities;		
Income before income taxes	2,978	3,714
Depreciation and amortization	1,127	983
Amortization of goodwill	48	48
Increase (decrease) in allowance for doubtful accounts	(71)	26
Equity in (earnings) losses of affiliates	(59)	(52)
Gain on sales of shares of subsidiaries	(604)	—
Loss (gain) on sales of property, plant and equipment	(5)	(67)
Loss (gain) on disposal of property, plant and equipment	7	3
Increase (decrease) in provision for bonuses	21	58
Increase (decrease) in provision for product warranties	(131)	259
Increase (decrease) in provision for point card certificates	35	12
Increase (decrease) in net defined benefit liability	74	(22)
Interest and dividends income	(51)	(47)
Interest expenses	40	28
Decrease (increase) in notes and accounts receivable-trade	781	(278)
Decrease (increase) in inventories	(206)	(399)
Increase (decrease) in notes and accounts payable-trade	(982)	(395)
Increase (decrease) in advances received	206	1,182
Impairment loss	260	—
Other	(26)	219
Sub total	3,442	5,273
Interests and dividends income received	155	49
Interest expenses paid	(40)	(28)
Income taxes paid	(1,065)	(1,085)
Net cash provided by (used in) operating activities	2,492	4,208
Cash flows from investing activities;		
Proceeds from redemption of securities	100	120
Purchase of property, plant and equipment	(1,524)	(616)
Proceeds from sales of property, plant and Equipment	6	145
Purchase of securities	(50)	(177)
Purchase of intangible assets	(152)	(47)
Collection of short-term loans receivable	—	879
Proceeds from sales of shares of subsidiaries	370	422
Other	16	(66)
Net cash provided by (used in) investing activities	(1,233)	659
Cash flows from financing activities;		
Net increase (decrease) in short-term loans payable	(149)	—
Proceeds from long-term loans payable	205	1,400
Repayment of long-term loans payable	(701)	(1,924)
Cash dividends paid	(624)	(627)
Other	(3)	(5)
Net cash provided by (used in) financing activities	(1,273)	(1,158)
Effect of exchange rate change on cash and cash equivalents	127	(1,156)
Net increase (decrease) in cash and cash equivalents	112	2,553
Cash and cash equivalents at beginning of period	9,894	10,007
Cash and cash equivalents at end of period	10,007	12,560