

# SANDEN HOLDINGS CORPORATION

November 9, 2015

## SUMMARY OF QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS AS OF September 30, 2015

Fiscal year ending March 31, 2016

### SANDEN HOLDINGS CORPORATION

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(URL: <http://www.sanden.co.jp/english/index.html>)

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Shares listed: Tokyo Stock Exchange  
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Scheduled filing date for quarterly report: November 11, 2015

Planned date of dividend payment: -

Supplementary briefing materials created for the quarterly report: Yes

Briefing sessions held on quarterly results: Yes (for securities analysts and institutional investors)

(Fractions less than ¥1 million omitted)

### 1. Consolidated Financial Results for the second quarter of the current fiscal year (Apr 1, 2015 - Sept 30, 2015)

(1) Results of operations (%: percentage change from the same period of the previous fiscal year)

	Sales (Millions of ¥, %)		Operating income (Millions of ¥, %)		Income before extraordinary items (Millions of ¥, %)		Net income (Millions of ¥, %)	
2Q of fiscal year ended March 31, 2016	149,587	(3.4)	2,242	(54.8)	3,276	(45.0)	2,341	(41.2)
2Q of fiscal year ended March 31, 2015	154,866	16.9	4,965	588.4	5,957	690.0	3,985	525.8

Notes: Equity in Comprehensive Income: 2Q of fiscal year ended March 31, 2016 ¥2,424million, (43.9)%  
2Q of fiscal year ended March 31, 2015 ¥4,318million, 5.5%

	Net income per share basic (¥)	Net income per share diluted (¥)
2Q of fiscal year ended March 31, 2016	16.96	-
2Q of fiscal year ended March 31, 2015	28.85	-

### (2) Financial positions

(Fractions less than ¥1 million omitted)

	Total assets (Millions of ¥)	Net assets (Millions of ¥)	Equity Ratio of equity over total assets(%)	Net assets per share (¥)
2Q of fiscal year ended March 31, 2016	297,645	76,714	24.0	516.21
Fiscal year ended March 31, 2015	299,265	75,677	23.6	510.80

Notes: Equity capital 2Q of fiscal year ended March 31, 2016 ¥71,295million  
Fiscal year ended March 31, 2015 ¥70,553million

### 2. Dividends

	Dividend per share (¥)				
	1Q	2Q	3Q	4Q	Total
Fiscal year ended March 31, 2015	-	0.00	-	10.00	10.00
Fiscal year ended March 31, 2016	-	0.00	-	-	-
Fiscal year ending March 31, 2016 (Forecast)	-	-	-	-	-

Note: Revisions made since the most recently published dividend forecasts: None

### 3. Forecast of business results for the current fiscal year (April 1, 2015 - March 31, 2016)

(%: percentage change from the previous fiscal year)

	Sales (Millions of ¥, %)		Operating income (Millions of ¥, %)		Income before extraordinary items (Millions of ¥, %)		Net income (Millions of ¥, %)		Net income per share basic (¥)
Fiscal year ending March 31, 2016	310,000	1.0	10,000	6.3	11,000	6.6	7,000	25.4	50.68

Note: Revisions made since the most recently published earnings forecasts: None

\* **Notes**

- (1) Changes in significant subsidiaries during the second quarter of the current fiscal year (Changes in specific subsidiaries accompanied by changes in the scope of consolidation): None
- (2) Specific accounting treatment used in the creation of the quarterly consolidated financial statements: Yes  
(Note) For details, please see “2. Matters Concerning Summary Information (Items to Note) - (2) Specific accounting treatment used in the creation of the quarterly consolidated financial statements” on page 4 of Supplementary Information.
- (3) Changes in accounting principles and estimates, and retrospective restatement  
 (a) Changes due to revision of accounting standards: Yes  
 (b) Changes other than in (a): None  
 (c) Changes in accounting estimates: None  
 (d) Retrospective restatement: None  
 (Note) For details, please see “2. Matters Concerning Summary Information (Items to Note) - (3) Changes in accounting principles and estimates, and retrospective restatement” on page 4 of Supplementary Information.
- (4) Number of outstanding shares (common stock, shares)

(a) Outstanding shares (including treasury stock)	As of Sept 30, 2015:	140,331,565	As of March 31, 2015:	140,331,565
(b) Treasury stock	As of Sept 30, 2015:	2,218,064	As of March 31, 2015:	2,208,161
(c) Average number of shares outstanding during the second quarter (cumulative)	As of Sept 30, 2015:	138,118,564	As of Sept 30, 2014:	138,138,656

\* Disclosure of the status of quarterly review procedures

These quarterly financial results are not included in the scope of quarterly review procedures as per the Financial Instruments and Exchange Act; and as of the point in time that these quarterly financial results are released, the quarterly review procedures for quarterly consolidated financial statements based on the afore-mentioned Act have not been completed.

\* Cautionary statement regarding forecasts of operating results and special notes

(Note regarding the forward-looking statements)

The forward-looking statements contained in this report are based on information currently available to the Company and certain assumptions which are regarded as legitimate. These statements are not promises by the Company regarding future performance. Actual results may differ significantly from these forecasts due to various factors. For information about the forecasts, please see “1. Qualitative Information on Quarterly Financial Results - (3) An explanation of future, predictive data, such as consolidated earnings forecasts” on page 3 of Supplementary Information.

## Index for Supplementary Information

1.	Qualitative Information on Quarterly Financial Results .....	2
(1)	An explanation of Results of Operations.....	2
(2)	An explanation of Financial Condition .....	3
(3)	An explanation of future, predictive data, such as consolidated earnings forecasts .....	3
2.	Matters Concerning Summary Information (Items to Note) .....	4
(1)	Changes in significant subsidiaries during the second quarter of the current fiscal year .....	4
(2)	Specific accounting treatment used in the creation of quarterly consolidated financial statements .....	4
(3)	Changes in accounting principles and estimates, and retrospective restatement .....	4
(4)	Additional information .....	4
3.	Quarterly Consolidated Financial Statements .....	6
(1)	Quarterly consolidated balance sheets.....	6
(2)	Statements of quarterly consolidated income and consolidated comprehensive income .....	8
(3)	Quarterly consolidated statements of cash flows.....	10
(4)	Note to the quarterly consolidated financial statements .....	11
	(Notes to going concern assumptions) .....	11
	(Notes on any significant changes in the amount of shareholder equity).....	11
	(Segment information) .....	11

## 1. Qualitative Information on Quarterly Financial Results

### (1) An explanation of Results of Operations

#### A. Overview

Based on the management policy of “creating corporate value from the environment with the focus on product quality and global strength”, Sanden is actively working on the key strategic goals of “Sales Growth centered on Environmental Technologies”, “Strengthening Business Competitiveness based on Reform of the Corporate Structure”, and “Management Reforms based on the Reform of Management Systems”.

Consolidated, cumulative results for the second quarter showed that net sales decreased 3.4% to 149,587 million yen; operating income decreased 54.8% to 2,242 million yen; and ordinary income decreased 45.0% to 3,276 million yen; and net income attributable to shareholders of the parent company decreased 41.2% to 2,341 million yen compared with the same period of the previous fiscal year.

Results for business segments are as follows.

#### B. Business segments

##### **Automotive Systems**

In Automotive Systems, we have been developing state-of-the-art products that appropriately reflect customer demand, which is focused on environmental issues, to provide products of value that are increasingly compact and lightweight, and that include heat-pump technology. As a result, despite the effect of decreased vehicle sales in Japan, net sales have increased year-on-year, driven by increased sales in North America and the impact of the weak yen.

Profit rose year-on-year driven on one hand by the Company’s active investment in the development of environmental technologies for the future, as well as cost reductions and productivity improvements realized as a result of in-house production of components and structural reforms in global procurement of components, and also the impact of the weak yen.

As a result, net sales increased 4.6% to 100,999 million yen, while operating income increased 13.9% to 2,587 million yen.

##### **Commercial Store Systems**

In Commercial Store Systems, we continued to suggest and provide comprehensive solutions in terms of products, systems and services to reflect changes in environmental attitudes and lifestyles, but there was a slump in the expansion in demand experienced in the previous fiscal year and year-on-year net sales declined.

In the vending systems sector, Sanden was actively involved in developing environmentally-friendly products, typically the vending machines that use our exclusive CO<sub>2</sub> heat pumps, as well as initiatives to expand new business domains such as coffee dispensers. However, the reduction in demand for capital investment in the Japanese market resulted in a year-on-year decline in net sales.

Profits saw a year-on-year decline, affected by the fall in sales. This was despite the implementation of on-going, stringent structural reforms that focused on reducing costs and improving productivity.

As a result, net sales in overall Distribution Systems decreased 18.0% to 43,038 million yen, and operating income decreased 74.0% to 1,164 million yen.

##### **Others**

We have been concentrating on sales in Japan and other countries of Eco Cute, a heat pump hot water supply system using a natural CO<sub>2</sub> refrigerant. In addition, we are continuing to make substantial investments for the development of exclusive technologies for a hot water heating unit using heat pump technology and for other products. We are making progress toward the goal of extending operations to more business domains.

(2) An explanation of Financial Condition

A. Assets, liabilities and net assets

Total assets were 297,645 million yen at the end of the second quarter of the current fiscal year, 1,619 million yen lower than at the end of the previous fiscal year; this was due to the fact that, despite an increase in securities held for investment purposes, there was a reduction in trade notes and accounts receivable.

Liabilities were 220,931 million yen, down 2,656 million yen on the end of the previous fiscal year; this was due to the fact that, despite an increase in interest bearing debt, there was a reduction in trade notes and accounts payable.

Net assets were 76,714 million yen at the end of the second quarter of the fiscal year, 1,036 million yen higher than at the end of the previous fiscal year; this was attributable to increases such as those in quarterly net profits attributable to parent company shareholders.

B. Cash flow

Cash and cash equivalents were 18,609 million yen at the end of the second quarter of the current fiscal year, 1,978 million yen lower than at the end of the previous fiscal year; this was attributable to an increase of 4,070 million yen as a result of operating activity; a decrease of 6,640 million yen as a result of investment activity; and an increase of 574 million yen as a result of financing activity etc.

Net cash provided by operating activities was 4,070 million yen (down 8,925 million yen year-on-year); this was attributable to net income before income taxes of 3,456 million yen (down 1,773 million yen year-on-year) and a fall in trade receivables and trade payables.

Net cash used in investment activities was 6,640 million yen (a 217 million yen reduction in expenditure year-on-year); this was attributable to 3,646 million yen in expenditure on property, plant and equipment (down 2,950 million yen year-on-year) and expenditure of 3,050 million yen paid in investments to affiliates etc.

Net cash provided by financing activities was 574 million yen (a 5,740 million yen reduction in expenditure year-on-year); this was due to the fact that, despite the repayment of long-term debt worth 5,283 million yen (down 4,591 million yen year-on-year) etc., short term debt of 7,382 million yen (up 399 million yen year-on-year) became the main form of revenue.

(3) An explanation of future, predictive data, such as consolidated earnings forecasts

At the present time there are no revisions to the Consolidated Earnings Forecast announced on May 11, 2015, but we will promptly disclose any changes that should occur.

The return of profits to all our shareholders is one of the Company's key management policies. Based on providing stable dividends on a sustainable, on-going basis and after comprehensive consideration of the Company's consolidated results, we continue to offer dividends with around a 30% consolidated pay-out ratio; however, the dividends for this period have not yet been determined as of this point in time.

## 2. Matters Concerning Summary Information (Items to Note)

- (1) Changes in significant subsidiaries during the second quarter of the current fiscal year  
None

- (2) Specific accounting treatment used in the creation of quarterly consolidated financial statements

Tax expenses are calculated by multiplying net pre-tax profits for the quarter by the estimated effective tax rate; note that the “estimated effective tax rate” is a reasonable estimation of the effective tax rate after tax effect accounting has been applied to pre-tax net profits for the (consolidated) fiscal year, including the second quarter of the current fiscal year.

Note that in the absence of any significant rationality for calculating tax expenses using an estimated effective tax rate, the expenses should be calculated according to Section 12 (How to Apply the Legally-Designated Effective Tax Rate) of the “Practical Guidelines for the Application of Tax Effect Accounting in Interim Financial Statements etc.”

Note that adjustments to income tax etc. are shown as included in total income taxes etc.

- (3) Changes in accounting principles and estimates, and retrospective restatement

From the first quarter of the current (consolidated) fiscal year the following accounting standards, issued on September 13, 2013, apply: “Accounting Standard for Business Combinations” (ASBJ Statement No. 21 - hereinafter referred to as the “Business Combination Accounting Standard”), “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No.22 - hereinafter referred to as the “Consolidated Accounting Standard”), and “Accounting Standard for Business Divestitures” (ASBJ Statement No.7 - hereinafter referred to as the “Business Divestiture Accounting Standard”). Differences resulting from changes in the Company’s equity holdings of any subsidiaries that it continues to control shall be recorded as capital surplus and in addition we have changed the way we record acquisition-related costs, recording them as expenses for the (consolidated) fiscal year. In addition, we will revise the allocation of acquisition costs, as determined by provisional accounting treatments, for any business combinations that are implemented as of the start of the first quarter of the current (consolidated) fiscal year and change accounting methods so that such revisions are reflected in the quarterly financial statements of the (consolidated) quarterly accounting period containing the date of the business combination. We are also changing the way quarterly net income etc. is expressed, as well as changing the expression “minority interests” to “non-controlling interests.” We have reclassified the quarterly consolidated financial statements and annual consolidated financial statements for the previous quarter (consolidated/cumulative) and the previous fiscal year (consolidated) to reflect changes in the way these items are expressed.

In the Quarterly Consolidated Statement of Cash Flows for the second quarter (cumulative) the method of recording certain cash flows has changed as follows. Any cash flow related to the acquisition or sale of subsidiaries’ shares that does not involve a change in the scope of consolidation is recorded in the section “Cash Flow from Financing Activities.” Meanwhile, any cash flow related to expenses incurred in the acquisition of subsidiaries’ shares that involves a change in the scope of consolidation is recorded in the section “Cash Flow from Operating Activities”; note that this also applies to any expenses incurred in the acquisition or sale of subsidiaries’ shares that do not involve a change in the scope of consolidation.

The Business Combination Accounting Standards, etc. will be applied from the start of the first quarter of the current (consolidated) fiscal year onwards, in accordance with the transitional treatments stipulated in Section 58-2(4) of the Business Combination Accounting Standard, Section 44-5(4) of the Consolidated Accounting Standard, and Section 57-4(4) of the Business Divestiture Accounting Standard.

Note that this does not affect any of the amounts in the quarterly consolidated financial statements for the second quarter (cumulative).

- (4) Additional information

(Regarding transactions related to the BIP Trust for Executive Compensation)

Based on a resolution of the Board of Directors of August 7, 2015, Sanden has introduced a performance-based stock compensation scheme, the “BIP Trust for Executive Compensation” (hereinafter referred to as “the Scheme”) for directors, as well as executive officers and advisers mandated under contract to the company (but excluding any overseas residents, outside directors and non-executive directors. Hereinafter referred to as “Directors etc.”) in order to raise recognition of their contribution made towards improving the company’s medium-to-long term performance and increasing corporate value.

For accounting purposes, the Trust is treated in accordance with “Practical Solution on Transactions of Delivering the Company’s Own Stock to Employees etc. through Trusts” (ASBJ’s Practical Issues Task Force No. 30 - March 26, 2015).

- (1) Description of Transactions

The Scheme is a stock compensation scheme that delivers Sanden shares to Directors etc. in line with the attainment of performance targets and the position held in any given business year. Under the scheme, shares in the Company are acquired via the Trust as remuneration funds contributed by the Company to the Directors etc., but it should be noted that, as a general rule, Directors etc. do not take delivery of the said shares until they retire.

(2) Treasury Stock Remaining in Trust

Sanden shares that remain in Trust are recorded at book value (excluding any ancillary expenses) under Treasury Stock in the Net Assets section. As of the end of the second quarter of the current fiscal year (consolidated) the book value and amount of treasury stock were 479 million yen and 839,000 shares respectively.

### 3. Quarterly Consolidated Financial Statements

#### (1) Quarterly consolidated balance sheets

(Million yen)

	Fiscal year ended March 31, 2015 (As of March 31, 2015)	Fiscal year ended March 31, 2016 (As of Sept 30, 2015)
<b>ASSETS</b>		
Current assets		
Cash and deposits	20,597	18,618
Notes and accounts receivable-trade	87,351	84,346
Merchandise and furnished goods	23,304	23,069
Work in process	6,978	8,945
Raw materials	13,894	13,741
Other inventories	3,241	3,001
Deferred tax assets	2,735	2,754
Accounts receivable-other	5,237	5,004
Consumption taxes receivable	3,543	3,493
Other	8,806	7,185
Allowance for doubtful accounts	(1,941)	(1,951)
Total current assets	173,749	168,210
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	24,432	23,968
Machinery, equipment and vehicles, net	30,190	29,393
Tools, furniture and fixtures, net	5,983	6,712
Land	19,246	19,015
Lease assets, net	5,872	5,981
Construction in progress	5,123	4,716
Total property, plant and equipment	90,849	89,785
Intangible assets		
Goodwill	591	514
Lease assets	115	115
Other	4,116	4,368
Total intangible assets	4,823	4,998
Investments and other assets		
Investment securities	25,760	30,613
Net defined benefit assets	62	62
Deferred tax assets	2,191	2,108
Other	2,038	2,051
Allowance for doubtful accounts	(209)	(185)
Total investments and other assets	29,842	34,650
Total noncurrent assets	125,516	129,434
Total assets	299,265	297,645



(Million yen)

	Fiscal year ended March 31, 2015 (As of March 31, 2015)	Fiscal year ended March 31, 2016 (As of Sept 30, 2015)
<b>LIABILITIES</b>		
Current liabilities		
Notes and accounts payable-trade	58,027	54,893
Short-term loans payable	47,937	55,124
Current portion of long-term loans payable	10,754	20,420
Accounts payable-other	11,325	9,618
Lease obligations	1,325	1,469
Income taxes payable	828	988
Provision for bonuses	4,509	3,875
Provision for sales rebates	1,267	1,774
Provision for product warranties	2,142	2,140
Other	7,805	8,475
Total current liabilities	145,923	158,779
Noncurrent liabilities		
Long-term loans payable	62,962	48,977
Lease obligations	4,755	4,651
Deferred tax liabilities	2,017	1,969
Net defined benefit liability	3,657	3,493
Provision for directors' retirement benefits	179	179
Provision for environmental measures	505	465
Stock compensation scheme provisions	-	7
Other	3,586	2,407
Total noncurrent liabilities	77,663	62,151
Total liabilities	223,587	220,931
<b>NET ASSETS</b>		
Shareholder's equity		
Capital stock	11,037	11,037
Capital surplus	4,453	4,478
Retained earnings	48,438	49,389
Treasury stock	(1,190)	(1,220)
Total shareholder's equity	62,739	63,694
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	4,625	4,661
Deferred gains or losses on hedges	(102)	(63)
Foreign currency translation adjustment	4,934	4,424
Remeasurements of defined benefit plans	(1,642)	(1,421)
Total valuation and translation adjustments	7,814	7,601
Non-controlling interests	5,123	5,419
Total net assets	75,677	76,714
Total liabilities and net assets	299,265	297,645

## (2) Statements of quarterly consolidated income and consolidated comprehensive income

Statements of quarterly consolidated income  
 Second quarter of the fiscal year (consolidated/cumulative)

(Million yen)

	Fiscal year ended March 31, 2015 (April 1, 2014 - Sept 30, 2014)	Fiscal year ended March 31, 2016 (April 1, 2015 - Sept 30, 2015)
Net sales	154,866	149,587
Cost of sales	125,007	123,755
Gross profit	29,859	25,831
Selling, general and administrative expenses	24,893	23,589
Operating income (loss)	4,965	2,242
Non-operating income		
Interest income	8	40
Dividends income	99	105
Foreign exchange gains	634	-
Equity in earnings of affiliates	1,457	2,317
Other	583	472
Total non-operating income	2,783	2,935
Non-operating expenses		
Interest expenses	1,367	1,380
Foreign exchange losses	-	67
Other	423	454
Total non-operating expenses	1,790	1,902
Ordinary income (loss)	5,957	3,276
Extraordinary income		
Gain on sales of noncurrent assets	57	410
Gain on sales of investment securities	7	-
Other	0	60
Total extraordinary income	65	471
Extraordinary loss		
Loss on disposal of noncurrent assets	124	270
Loss on valuation of investment securities	16	-
Provisions for property, plant and equipment disposal costs	648	-
Other	4	20
Total extraordinary loss	794	291
Income (loss) before income taxes and non-controlling interests	5,229	3,456
Total income taxes	994	867
Net income (loss)	4,235	2,588
Net income attributable to non-controlling interests	249	246
Net income attributable to owners of the parent	3,985	2,341

Statements of quarterly consolidated comprehensive income  
 Second quarter of the fiscal year (consolidated/cumulative)

(Million yen)

	Fiscal year ended March 31, 2015 (April 1, 2014 - Sept 30, 2014)	Fiscal year ended March 31, 2016 (April 1, 2015 - Sept 30, 2015)
Net income (loss)	4,235	2,588
Other comprehensive income		
Valuation difference on available-for-sale securities	637	47
Deferred gains or losses on hedges	(42)	39
Foreign currency translation adjustment	(2)	(40)
Remeasurements of defined benefit plans	(272)	221
Share of other comprehensive income of associates accounted for using equity method	(236)	(431)
Total other comprehensive income	83	(164)
Comprehensive income	4,318	2,424
(break-down)		
Comprehensive income attributable to owners of the parent	4,291	2,129
Comprehensive income attributable to non- controlling interests	27	295

## (3) Quarterly consolidated statements of cash flows

(Million yen)

	Fiscal year ended March 31, 2015 (April 1, 2014 - Sept 30, 2014)	Fiscal year ended March 31, 2016 (April 1, 2015 - Sept 30, 2015)
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	5,229	3,456
Depreciation and amortization	5,568	6,198
Increase (decrease) in provision for bonuses	423	(639)
Increase (decrease) in allowance for doubtful accounts	11	4
Increase (decrease) in other allowances	648	-
Interest and dividends income	(107)	(146)
Interest expenses	1,367	1,380
Equity in (earnings) losses of affiliates	(1,457)	(2,317)
Decrease (increase) in notes and accounts receivable-trade	(103)	3,014
Decrease (increase) in inventories	(535)	(1,229)
Decrease (increase) in accounts receivable-other	(396)	67
Decrease (increase) in consumption taxes refund receivable	1,895	30
Increase (decrease) in notes and accounts payable-trade	3,400	(3,255)
Increase (decrease) in notes and accounts payable-other	(499)	(2,075)
Other	266	2,053
Subtotal	15,713	6,542
Interest and dividends income received	582	976
Interest expenses paid	(1,359)	(1,385)
Contribution paid on transfer to defined contribution pension plans	(1,492)	(1,394)
Income taxes paid	(447)	(669)
Net cash provided by (used in) operating activities	12,995	4,070
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(6,596)	(3,646)
Proceeds from sales of property, plant and equipment	425	764
Purchase of intangible assets	(327)	(556)
Purchase of investment securities	(313)	(11)
Expenditure on investment in affiliates	-	(3,050)
Other	(46)	(140)
Net cash provided by (used in) investing activities	(6,858)	(6,640)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	6,982	7,382
Proceeds from long-term loans payable	215	823
Repayment of long-term loans payable	(9,874)	(5,283)
Repayments of lease obligations	(693)	(960)
Expenditure on the acquisition of treasury stock	(8)	(485)
Proceeds from the sale of treasury stock	0	480
Cash dividends paid	(1,382)	(1,381)
Dividend payments made to minority shareholders	(405)	-
Other	-	0
Net cash provided by (used in) financing activities	(5,166)	574
Effect of exchange rate change on cash and cash equivalents	(39)	17
Net increase (decrease) in cash and cash equivalents	931	(1,978)
Cash & Cash Equivalents, beginning of period	19,078	20,588
Cash & Cash Equivalents, end of quarter	20,009	18,609

(4) Note to the quarterly consolidated financial statements

(Notes to going concern assumptions)

None

(Notes on any significant changes in the amount of shareholder equity)

None

(Segment information)

Second quarter of the previous fiscal year (consolidated/cumulative) (April 1, 2014 - Sept 30, 2014)

1. Information concerning sales, profit & loss for reporting segments

(Million yen)

	Reporting segments			Others (Note 1)	Total	Adjustment	Amount on consolidated financial statements (Note 2)
	Automotive systems	Commercial store systems	Total				
Net sales							
Sales to external customers	96,533	52,505	149,039	5,826	154,866	-	154,866
Inter-segment sales or transfer balances	-	-	-	-	-	-	-
Total	96,533	52,505	149,039	5,826	154,866	-	154,866
Segment income (loss)	2,270	4,477	6,748	(1,783)	4,965	-	4,965

Notes: 1. Others includes vehicle sales, living and environmental systems business, electronics and other activities.

2. The total of segment income (loss) matches operating income (loss) in the quarterly consolidated income statement.

2. Information on fixed asset impairment losses by reporting segment and goodwill, etc.

None

Second quarter of the current fiscal year (consolidated/cumulative) (April 1, 2015 - Sept 30, 2015)

1. Information concerning sales, profit & loss for reporting segments

(Million yen)

	Reporting segments			Others (Note 1)	Total	Adjustments	Amount on consolidated financial statements (Note 2)
	Automotive systems	Commercial store systems	Total				
Net sales							
Sales to external customers	100,999	43,038	144,038	5,548	149,587	-	149,587
Inter-segment sales or transfer balances	-	-	-	-	-	-	-
Total	100,999	43,038	144,038	5,548	149,587	-	149,587
Segment income (loss)	2,587	1,164	3,752	(1,509)	2,242	-	2,242

Notes: 1. Others includes vehicle sales, living and environmental systems business, electronics and other activities.

2. The total of segment income (loss) matches operating income (loss) in the quarterly consolidated income statement.

2. Information on fixed asset impairment losses by reporting segment and goodwill, etc.

None