

Consolidated Earnings Report for Fiscal 2014, Ended March 31, 2015

[Japanese Standards] (Consolidated)

Company name: Ryosan Company, Limited Stock listing: First Section, Tokyo Stock Exchange
 Securities code: 8140 (URL <http://www.ryosan.co.jp>)
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 Scheduled date of the Annual General Meeting of Shareholders: June 26, 2015
 Scheduled payment date of dividend: June 10, 2015
 Scheduled filing date of the Annual Securities Report: June 29, 2015
 Supplementary materials for the annual financial results: Yes
 Investor conference for the annual financial results: Yes (for security analysts and institutional investors)

(Millions of yen rounded down)

1. Consolidated results for the fiscal year ended March 31, 2015 (April 1, 2014 to March 31, 2015)

(1) Consolidated operating results

(% figures represent year-on-year increase or decrease)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2014	233,552	(2.0)	5,925	15.2	5,469	8.3	3,200	(0.7)
Fiscal 2013	238,399	15.4	5,144	40.0	5,052	22.9	3,222	14.5

(Note) Comprehensive income

FY2014: 6,792 million yen (33.9%) FY2013: 5,074 million yen (8.2%)

	Net income per share	Net income per share after dilution	Return on equity	Ordinary income to net assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal 2014	101.80	—	2.7	3.2	2.5
Fiscal 2013	101.86	—	2.7	3.1	2.2

(Reference) Equity in earnings (losses) of non-consolidated subsidiaries and affiliates:

FY2014 — million yen, FY2013 — million yen

(2) Consolidated financial position

	Total assets	Net assets	Net assets to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2015	168,865	121,852	72.2	3,928.52
March 31, 2014	169,247	118,729	70.2	3,773.51

(Reference) Shareholders equity:

March 31, 2015: 121,852 million yen, March 31, 2014: 118,729 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2014	11,687	990	(7,552)	55,907
Fiscal 2013	1,504	(435)	(2,285)	49,911

2. Dividends

(Millions of yen rounded down unless otherwise stated)

(Record date)	Dividends per share (Yen)					Dividends (Full fiscal year)	Payout ratio (consolidated) %	Dividends to net assets ratio (consolidated) %
	End of 1Q	End of 2Q	End of 3Q	End of 4Q	Annual			
Fiscal 2013	—	30.00	—	30.00	60.00	1,887	58.9	1.6
Fiscal 2014	—	35.00	—	45.00	80.00	2,497	78.6	2.1
Fiscal 2015 (Forecast)	—	45.00	—	45.00	90.00		73.5	

3. Forecast of results for the fiscal year ending March 31, 2016 (April 1, 2015 to March 31, 2016)

(% figures for the full fiscal year represent year-on-year increase or decrease,
% figures for the interim period are the increase / (decrease) for the corresponding period of the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Shareholders of Parental Company		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Interim period	115,000	(4.3)	2,700	4.0	2,700	11.0	1,800	27.9	58.03
Full Fiscal Year	235,000	0.6	5,700	(3.8)	5,700	4.2	3,800	18.7	122.51

※ Notes

(1) Transfer of major subsidiaries during term (transfer of specified subsidiaries in line with changes in the consolidated range): No
New: — (Company name:) Excluded: — (Company name:)

(2) Changes in accounting principles, changes in accounting estimates, and restatements

1) Changes in accordance with revisions to accounting standards and related practices of accounting principles: Yes

2) Changes in items of accounting principles other than 1) above: No

3) Changes in accounting estimate: No

4) Restatement: No

(Note) The above are subject to the provisions of Article 14-7 (cases where it is difficult to distinguish changes in accounting principles from changes in accounting estimates) in “Regulation for Terminology, Forms and Preparation of Consolidated Financial Statements”. For details, please refer to page 18 in appendix “5. Consolidated Financial Statements (5) Notes on Consolidated Financial Statements (Changes in Accounting Principles)”. Financial results for the fiscal year ending March 31, 2015 are not the subject of an auditing procedure based on the Financial Instruments and Exchange Act, and at the point in time when these financial results were disclosed, auditing procedures for consolidated financial statements are ongoing.

(3) Number of shares issued and outstanding (common stock)

1. Total number of shares issued and outstanding (including treasury stock) at the period-end	March 31, 2015	31,500,000 shares	March 31, 2014	31,500,000 shares
2. Total number of treasury stock at the period-end	March 31, 2015	482,500 shares	March 31, 2014	36,209 shares
3. Average number of shares outstanding during the period	March 31, 2015	31,439,465 shares	March 31, 2014	31,633,981 shares

(Reference) Overview of non-consolidated operating results

1. Non-consolidated results for the fiscal year ended March 31, 2015 (April 1, 2014 to March 31, 2015)

(1) Non-consolidated operating results

(% figures represent year-on-year increase or decrease)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2014	147,621	(4.4)	2,435	70.4	3,206	26.3	1,808	19.4
Fiscal 2013	154,429	6.5	1,429	13.1	2,538	(8.3)	1,514	(22.0)

	Net income per share	Net income per share after dilution
	Yen	Yen
Fiscal 2014	57.53	—
Fiscal 2013	47.87	—

(2) Non-consolidated financial position

	Total assets	Net assets	Net assets to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2015	135,139	102,469	75.8	3,303.60
March 31, 2014	140,267	103,622	73.9	3,293.39

(Reference) Shareholders equity:

March 31, 2015: 102,469 million yen, March 31, 2014: 103,622 million yen

Presentation concerning implementation status of auditing procedures

Financial results for the fiscal year ending March 31, 2015 are not the subject of an auditing procedure based on the Financial Instruments and Exchange Act, and at the point in time when these financial results were disclosed, auditing procedures for consolidated financial statements are ongoing.

Caution with respect to forward-looking statements:

1. The estimates referred in this report were made based on the information available as of the date of this release. The Company does not promise the realization of the estimates in this report. The Actual results could significantly differ from the estimates due to a variety of factors. For details on the conditions that form the assumptions used for earnings forecasts and notes on using earnings forecasts, please refer to appendix page 2, “1. Analysis of Operating Results and Financial Position (1) Analysis of Operating Results for Fiscal 2014.”

2. We will host Security Analyst and Institutional Investor Conference on Wednesday, May 20, 2015. Presentation materials for results briefing for the conference will be posted on the company's homepage promptly after the conference.

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1. Analysis of Operating Results and Financial Position

(1) Analysis of Operating Results for Fiscal 2014 (the Fiscal Year Ended March 31, 2015)

(Operating Results for Fiscal 2014)

1) Overview

As to the global economy in this consolidated fiscal year (April 1, 2014 to March 31, 2015), the slow recovery was continued in general, though it varied among nations. Among them, the U.S. economy showed a steady performance due to the improvement of employment situation and consumer spending. In Europe, however, the recovery remained anemic due to stagnant economy. The economies in China and other emerging countries continued to slow down, but maintained relatively higher growth rates than in developed countries. On the other hand, the Japanese economy recovered slowly because of the factors such as reaction of to the rush demand before consumption tax hike.

Within this economic environment, the electronics industry recorded a healthy growth in such fields as car electronics and FA.

Under such circumstances, the Ryosan Group pursues changing business model and sustainable growth in response to structural changes in our operations while setting the pursuit of “innovation” and “growth” as our basic stance of management for fiscal year 2014 being the starting year for our 9th Medium-Term Management Plan (fiscal years 2014 to2017). To implement this basic stance, we focused on our three basic strategies - Growth Strategies, Segment Strategies, and Infrastructure Strategies.

As a result of the above, the Ryosan Group reported the net sales of 233,552 million yen (down 2.0% from the previous corresponding period), operating income of 5,925 million yen (up 15.2%), ordinary income of 5,469 million yen (up 8.3%), and net income of 3,200 million yen (down 0.7%) for results for fiscal year under review.

2) Business Segment Information

a. Semiconductors

We sell memories, system LSIs and discrete semiconductors, and develop system LSIs. In this consolidated fiscal year, sales including memories for smartphones decreased, with net sales of 151,243 million yen (down 6.4% from the previous year) and yet an operating income of 3,481 million yen (up 8.7%).

b. Electronic Components

We sell display devices, power supplies and electromechanical components. In this consolidated fiscal year, sales including mechanism parts for in-vehicle electrical equipment increased, with net sales of 62,916 million yen (up 5.9% from the previous year), and operating income of 1,617 million yen (up 14.4%).

c. Electronic Equipment

We sell systems equipment and facilities equipment. In this consolidated fiscal year, sales including electronic component manufacturing devices increased, with net sales of 19,392 million yen (up 10.8% from the previous year), and operating income of 1,053 million yen (up 48.4%).

The aforementioned amounts do not include consumption and other taxes.

(Note) Effective from this consolidated accounting period, the Group has revised its business classification into three segments - "Semiconductors", "Electronic Components", and "Electronic Equipment" - after transferring its heat sink production business to Sankyo Tateyama as of September 1, 2014.

(Outlook for the Next Fiscal Period)

1) Projected Operating Results

Looking ahead, we forecast modest growth in the global economy, while most observers think that the economic situation remains unpredictable due to factors such as increase of geopolitical risk and excessive liquidity. We forecast steady growth in the electronics industry mainly car electronics, FA, and mobile devices such as smartphones.

Against the backdrop of this forecasted operating environment, the Ryosan Group has positioned FY2015 as the second year of its 9th Medium-Term Management Plan (FY2014 to FY2017). We will steadily implement initiatives such as rebuilding of our growth path and enhancement of capital efficiency, and will strive to improve corporation value.

On this basis, operating forecasts for the fiscal year ending March 31, 2016 are as follows:

	Millions of yen	YoY change [%]
Net sales	235,000	Increase 0.6
Operating income	5,700	Decrease 3.8
Ordinary income	5,700	Increase 4.2
Net income	3,800	Increase 18.7

2) Estimates by Business Segment

a. Semiconductors

In this business, we expect a decrease in sales including memories for smartphones. Therefore, we are forecasting net sales of 140,000 million yen (down 7.4% from the previous year), and an operating income of 3,100 million yen (down 11.0%).

b. Electronic Components

In this business, we expect an increase in sales including liquid crystal for in-vehicle electrical equipment. Therefore, we are forecasting net sales of 66,000 million yen (up 4.9% from the previous year), and an operating income of 1,700 million yen (up 5.1%).

c. Electronic Equipment

In this business, we expect an increase in sales including system equipment for MFPs. Therefore, we are forecasting net sales of 29,000 million yen (up 49.5% from the previous year), and an operating income of 1,300 million yen (up 23.5%).

(2) Analysis of Financial Position

(Analysis of Assets, Liabilities, Net Assets and Cash Flows)

1) Status of Assets, Liabilities and Net Assets as of March 31, 2015

a. Assets

Total assets decreased by 381 million yen compared with March 31, 2014 to 168,865 million yen. This was mainly due to cash and deposits increasing by 5,994 million yen, which was offset by trade notes and accounts receivable decreasing by 6,092 million yen.

b. Liabilities

Total liabilities decreased by 3,504 million yen compared with March 31, 2014 to 47,012 million yen. This was mainly due to decreases of 2,720 million yen in trade accounts payable and 1,984 million yen in short-term loans in foreign currency.

c. Net Assets

Net assets increased by 3,123 million yen compared with March 31, 2014 to 121,852 million yen. This was mainly

due to increases of 3,200 million yen in net income, 2,775 million yen in foreign currency translation adjustments and 709 million yen in net unrealized gain on other marketable securities, while cash dividends paid came to 2,045 million yen and acquisition of treasury stock to 1,339 million yen. The ratio of net assets to total assets rose from 70.2% at the end of the previous fiscal year to 72.2% as of March 31, 2015.

2) Overview of Cash Flows

As of March 31, 2015, cash and cash equivalents had increased by 5,996 million yen, as compared with the level at the end of the previous fiscal year, and came to 55,907 million yen.

a. Net cash provided by (used in) operating activities

Regarding cash flow from operating activities in this consolidated fiscal year, with income before income taxes being 5,427 million yen, funds in total increased by 11,687 million yen. This is due to accounts receivable decreasing by 8,600 million yen, which offset a decrease in accounts payable of 3,983 million yen. In the net cash provided by (used in) operating activities in the previous consolidated fiscal year, there was an increase of funds by 1,504 million yen.

b. Net cash provided by (used in) investing activities

Regarding cash flow from investing activities in this consolidated fiscal year, there was an increase of funds by 990 million yen due mainly to proceeds from transfer of heat sink production business by 1,200 million yen. In the net cash provided by (used) in investing activities in the previous consolidated fiscal year, there was a decrease of funds by 435 million yen.

c. Net cash provided by (used in) financing activities

Regarding cash flow from financing activities in this consolidated fiscal year, with short-term loans payable, dividend paid and acquisition of treasury stock being 4,012 million yen, 2,044 million yen and 1,339 million yen respectively, funds in total decreased by 7,552 million yen. In the net cash provided by (used in) financing activities in the previous consolidated fiscal year, there was a decrease of funds by 2,285 million yen.

(Reference) Trends in cash flow-related indicators

	Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014
Net assets to total assets (%)	72.0	69.2	72.9	70.2	72.2
Net assets to total assets (%) (Market capitalization basis)	42.2	33.3	36.6	40.5	54.2
Cash flow to Interest-bearing Liabilities (Years)	–	–	0.7	10.4	1.2
Interest coverage ratio (Times)	–	–	96.4	9.5	67.2

Net assets to total assets: Net assets / Total assets

Net assets to total assets (Market capitalization basis): Market capitalization / Total assets

Cash flow to Interest-bearing liabilities: Interest-bearing liabilities / Cash flow

Interest coverage ratio: Cash flow / Interest expense

*All indicators have been calculated from consolidated financial figures.

*Market capitalization was calculated based on the number of shares issued and outstanding less treasury stock.

*Cash flow refers to cash flows from operating activities as shown on the consolidated statements of cash flows.

*Interest-bearing liabilities comprise all debt on which interest was paid in the liabilities section of the consolidated balance sheets. Interest expense represents interest paid as shown on the consolidated statements of cash flows.

(3) Basic Policy Regarding the Allocation of Profits / Dividends for Fiscal 2014 and Fiscal 2015

【Basic Policy Regarding the Allocation of Profits】

Ryosan recognizes that the return of profits to shareholders is an important business priority. At the same time, the Company works to increase net income per share.

Accordingly, Ryosan's fundamental policy is to continue high dividend payout in profits returned to shareholders, and the Company is targeting a consolidated dividend payout ratio of 50% or more. Furthermore, we plan to constantly perform treasury stock buybacks at an annual basis of 1 million shares.

【Dividends for Fiscal 2014 and Fiscal 2015】

For the fiscal year ended March 31, 2015, Ryosan has declared a fiscal year-end ordinary dividend of ¥45 per share. Together with the interim ordinary dividend, the Company will make an ordinary dividend payment for the full fiscal year of ¥80 per share.

Ryosan is forecasting ordinary dividend payment of ¥90 per share in its full fiscal year for the fiscal year ending March 31, 2016 (an interim ordinary dividend of ¥45 per share and a fiscal year-end ordinary dividend of ¥45 per share).

(4) Business Risks

The Ryosan Group, its performance, share price, and financial position, are subject to a variety of potential risks, some of which are detailed briefly as follows.

Forward-looking statements contained in this section represent judgments of Ryosan Group's management based on information available as of the end of fiscal 2014 (March 31, 2015).

1) Sudden Changes in the Economic Environment

The Ryosan Group's consolidated revenues are derived from the level of demand generated by customers of device manufacturers. Against this backdrop, the Group's performance is necessarily impacted by changes in economic conditions in those countries and regions in which Ryosan's principal clients operate. As a result, Ryosan's performance and its financial position can be expected to deteriorate in the event of economic downturn and a resulting slowdown in demand in its principal markets, such as Japan, Asia and other regions.

2) Contracts with Suppliers

The Ryosan Group has concluded agency agreements with several suppliers inside and outside Japan. We have maintained good business relations with them, but if it becomes difficult to continue these agreements due to the restructuring of suppliers' businesses, including M&A etc, and the revision of sales channel strategies, this may cause adverse effects on the business performance and financial status of Ryosan Group.

3) Exchange Rate Fluctuation

The Ryosan Group engages in the sale of products across a number of regions including Japan, Asia and other countries. In preparing consolidated financial statements, sales, expenses, assets and liabilities, denominated in foreign currencies are translated into yen as of the Company's balance sheet date. In principle, appreciation of the yen against major currencies impacts negatively on Ryosan's performance, while a weak yen impacts favorably. As a result, Ryosan's consolidated operating results and financial position are subject to fluctuations in foreign exchange rates.

4) Overseas Business Risk

The Ryosan Group does not operate in Japan alone. It also operates overseas, mainly in Asia. As a result it is exposed to the following risks. The materialization of any of the following risks could adversely affect the Ryosan Group's operating results and its financial position.

- a. Unforeseen changes in statutory and regulatory requirements and adverse changes in tax requirements
- b. Inadequate and insufficient local infrastructure in the countries in which the Ryosan Group operates
- c. Development of adverse political factors
- d. Social unrest arising out of war, acts of terrorism and other developments

5) Capital Market Volatility

As a part of its business activities the Ryosan Group holds shares in certain financial institutions, customers and suppliers, and is therefore susceptible to stock price fluctuations. Ryosan does not, however, adopt specific methods as a hedge against movements in stock prices. Accordingly, Ryosan's performance and financial position are subject to substantial

changes in stock markets.

6) Liability for Retirement Benefits

Ryosan accounts for retirement benefit expenses and the liability for retirement benefits using certain assumptions and an expected rate of return applicable to the Group's pension plan assets for actuarial projections. In the event that the actual obligation differs from the projected obligation or there is a change in the assumptions leading to the calculation of the projected obligation, the difference in retirement benefit expenses and the liability for retirement benefits are accrued and amortized over a generally accepted period. As a result, any significant decline in the discount rate and expected rate of return applicable to the Group's pension plan assets can impact its performance and financial position.

7) Natural Disaster

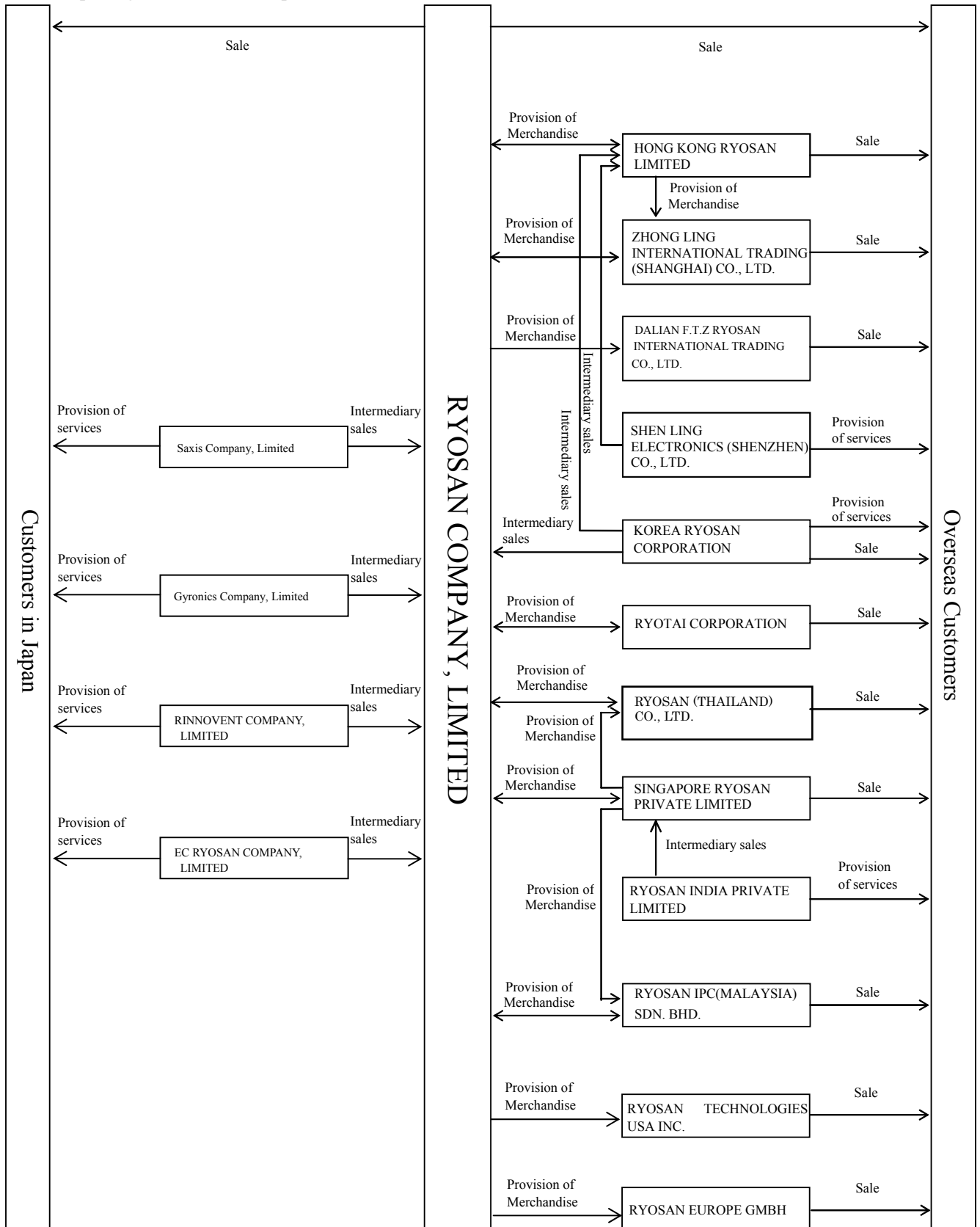
The suspension of sales due to facility damage or power or water supply shortages caused by such natural disasters as earthquakes or typhoons or accidental disasters such as fire may adversely affect the business showings and financial standings of the Group. Also, if partners are damaged and the purchase and sale of merchandise is interrupted, the business showings of the Group may be adversely affected.

2. The Ryosan Group

The Ryosan Group comprises Ryosan Company, Limited (“Ryosan” or “the Company”) and 18 consolidated subsidiaries.

Ryosan operates as a trading house that specializes in semiconductors, electronic components and electronic equipment, which it sells to manufacturers of electronic equipment and other customers both domestically and overseas.

The Group’s organization chart is provided as follows.



Notes:

1. RINNOVENT Company, Limited was established on April 1, 2014.
2. The liquidation of RYOSAN ENGINEERING (M) SDN. BHD. was resolved on July 14, 2014, and liquidation procedures are in process.
3. The Company sold all shares of RYOSAN ENGINEERING (THAILAND) CO., LTD. and RYOSAN ELECTRONICS (FOSHAN) CO., LTD. to Sankyo Tateyama, Inc. on September 1, 2014.
4. RYOSAN INDIA PRIVATE LIMITED was established on October 1, 2014.
5. The liquidation of SHEN LING ELECTRONICS (SHENZHEN) CO., LTD. was resolved on April 20, 2015, and liquidation procedures are in process.

3. Management Policies

(1) Fundamental Management Policies

Since our establishment, we have always been highly conscious of the fact that the corporation is a public institution. In addition, we now no longer see ourselves simply as a trading company, but as an electronic systems coordinator, providing a vital link between our customers' needs and electronics technology. We aim to achieve consistent long-term growth by stressing this social consciousness and our new role as a systems coordinator.

Three functions are vital to fulfilling our ambition of becoming an electronics system coordinator—the Information Function (supplying data), the Solutions Function (supplying technology), and the Distribution Function (supplying logistics). By constantly enhancing these three functions, Ryosan will raise customer satisfaction and increase its existence value.

(2) Targeted Management Indicators

The Ryosan Group has adopted net income per share and consolidated dividend payout ratio as key management indicators. With the aim of securing financial soundness while at the same time pursuing further improvements in its corporate value, the Group newly added ROE to these key management indicators. In particular, the Company seeks to achieve up to 8% of ROE, with a first target set at 5% by the fiscal year ending March 31, 2018. In addition, the Company seeks to achieve a consolidated dividend payout ratio of 50% or higher.

(3) Medium- and Long-Term Management Strategies and Issues to be Addressed

The Ryosan Group conducts business in the electronics industry, where the advance of ICT (information and communications technology) has spurred an increase in horizontal specialization alliances in which corporations utilize each other's strengths. Also, in fields where modularization is advancing, there is an increase in the entry of corporation from other industries and the Company forecasts that competition will grow even more intense in the future. Furthermore, as globalization continues, we forecast that the Japanese market will continue its slow growth and that a growing number of Japanese corporations will shift production overseas and engage in overseas procurement. Moreover, customer needs are diversifying from individual components to modules and to OEM/ODM.

In this management environment, the Ryosan Group recognizes that we must address the issues of “reconstructing our business portfolio,” “expanding our corporate activities on a global scale,” and “revising our profit/financial structure.” For that purpose, we have extended the duration of our 9th Medium-Term Management Plan announced last year to be a 3-year period from FY2014 to FY2016, to a 4-year period from FY2014 to FY2017 and have set “innovation” and “growth” as basic stance of the plan. We shall pursue a business model shift which responds to changes in our business structure and sustainable independent growth. To implement this basic stance, we will focus on rebuilding our growth path and enhancing capital efficiency as follows.

With the aim of rebuilding our growth path, we will work on initiatives such as creation of new business models by strengthening system solution capabilities, further promotion of multi-vendor support, and expansion of business overseas by strengthening global support. With the aim of enhancing capital efficiency, we will work on initiatives such as aggressive investment targeting corporate growth and purchase of treasury stock. By implementing these initiatives, we are confident that we will improve ROE while maintaining the financial base stable.

In addition, we will work on further strengthening our corporate governance and will increase the number of outside directors to three while establishing authorities such as a Remuneration Advisory Committee and a Nomination Advisory Committee following the General Shareholders' Meeting to be held this year.

In any case, by advancing the 9th Medium-Term Management Plan, fostering the necessary management environment and overcoming issues which need to be addressed, the Ryosan Group shall heighten the value of our existence, obtain compensation commensurate to that value, and improve our business performance. By doing so, we shall respond to the expectations of our many stakeholders, including shareholders.

4. Basic Approach to Selection of Accounting Standards

For the time being, the Ryosan Group will prepare its consolidated financial statements in accordance with Japanese GAAP, out of consideration for issues such as comparability from period to period and with other companies in the same industry.

The Ryosan Group will appropriately address matters regarding IFRS adoption, taking into account prevailing circumstances in Japan and overseas.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	Fiscal Year Ended March 31, 2014 (As of March 31, 2014)	Fiscal Year Ended March 31, 2015 (As of March 31, 2015)
ASSETS		
Current assets		
Cash and deposits	49,913	55,907
Trade notes and accounts receivable	75,153	69,061
Merchandise and finished goods	21,452	23,182
Work in process	91	32
Raw materials and stored goods	190	—
Accrued income	1,747	680
Deferred tax assets	271	290
Other current assets	213	179
Allowance for doubtful accounts	(126)	(50)
Total current assets	148,906	149,283
Fixed assets		
Property, plant and equipment		
Buildings and structures	10,686	9,406
Accumulated depreciation	(6,532)	(5,586)
Buildings and structures (net)	4,154	3,820
Land	8,121	7,350
Lease assets	525	597
Accumulated depreciation	(197)	(302)
Lease assets (net)	327	295
Other fixed assets	4,536	2,424
Accumulated depreciation	(3,969)	(2,229)
Other fixed assets (net)	567	195
Total property, plant and equipment	13,170	11,661
Intangible fixed assets	1,026	1,009
Investments and other assets		
Investment securities	4,024	5,014
Deferred tax assets	309	109
Other	1,828	1,944
Allowance for doubtful accounts	(19)	(157)
Total Investments and other assets	6,143	6,911
Total fixed assets	20,340	19,581
Total assets	169,247	168,865

(Millions of yen)

	Fiscal Year Ended March 31, 2014 (As of March 31, 2014)	Fiscal Year Ended March 31, 2015 (As of March 31, 2015)
LIABILITIES		
Current liabilities		
Trade accounts payable	30,308	27,588
Short-term bank loans	15,647	13,662
Lease obligations	122	126
Other payable	756	620
Accrued expenses	1,199	1,177
Accrued income taxes	220	1,179
Other current liabilities	47	127
Total current liabilities	48,303	44,482
Long-term liabilities		
Lease obligations	248	207
Net defined benefit liability	1,844	1,811
Other long-term liabilities	121	511
Total long-term liabilities	2,213	2,530
Total liabilities	50,517	47,012
NET ASSETS		
Shareholders' equity		
Common stock	17,690	17,690
Additional paid-in capital	19,114	19,114
Retained earnings	80,918	81,789
Treasury stock	(73)	(1,413)
Total shareholders' equity	117,649	117,180
Other accumulated comprehensive incomes		
Net unrealized gain on other marketable securities	1,184	1,894
Gain (loss) on deferred hedges	3	0
Foreign currency translation adjustments	(220)	2,555
Remeasurements of defined benefit plans	111	220
Total other accumulated comprehensive incomes	1,079	4,671
Total net assets	118,729	121,852
Total liabilities and net assets	169,247	168,865

(2) Consolidated Statements of Income and Consolidated Comprehensive Statements of Income

(Consolidated Statements of Income)

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2014 (Apr. 1, 2013 to Mar. 31, 2014)	Fiscal Year Ended Mar. 31, 2015 (Apr. 1, 2014 to Mar. 31, 2015)
Net sales	238,399	233,552
Cost of Sales	219,794	214,033
Gross Profit	18,605	19,519
Selling, general and administrative expenses		
Packing and freight expenses	789	834
Provision of allowance for doubtful accounts	119	87
Directors' remuneration	430	469
Employees' salaries and allowances	4,062	3,946
Bonuses	1,070	1,087
Retirement benefit expenses	362	402
Welfare expenses	890	941
Depreciation and amortization	693	575
Others	5,041	5,248
Total selling, general and administrative expenses	13,460	13,594
Operating income	5,144	5,925
Non-operating income		
Interest income	39	50
Dividend income	54	59
Commission fee	168	79
Miscellaneous income	166	205
Total non-operating income	428	395
Non-operating expenses		
Interest expenses	165	169
Foreign currency transaction loss	333	643
Miscellaneous expenses	22	37
Total non-operating expenses	520	851
Ordinary income	5,052	5,469
Extraordinary gains		
Gain on sales of fixed assets	4	7
Gain on sales of investment securities	10	—
Gain on sales of golf memberships	30	—
Gain on transfer of business	—	53
Total extraordinary gains	44	61
Extraordinary losses		
Loss on sales of fixed asset	—	3
Impairment loss	—	89
Loss on valuation of golf membership	4	10
Total extraordinary losses	4	103
Income before income taxes	5,093	5,427
Income taxes-current	1,110	1,807
Income taxes-deferred	760	419
Total income taxes	1,870	2,227
Income before minority interest	3,222	3,200
Net income	3,222	3,200

(Consolidated Comprehensive Statements of Income)

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2014 (Apr. 1, 2013 to Mar. 31, 2014)	Fiscal Year Ended Mar. 31, 2015 (Apr. 1, 2014 to Mar. 31, 2015)
Income before minority interest	3,222	3,200
Other comprehensive income		
Net unrealized gain on other marketable securities	700	709
Gain (loss) on deferred hedges	3	(2)
Foreign currency translation adjustments	1,148	2,775
Remeasurements of defined benefit plans	—	109
Total other comprehensive income	1,851	3,592
Comprehensive Incomes	5,074	6,792
(Details)		
Comprehensive incomes relating to shareholders of parental company	5,074	6,792

(3) Consolidated Statements of Changes in Net Assets

Fiscal Year Ended Mar. 31, 2014 (Apr. 1, 2013 to Mar. 31, 2014)

(Millions of yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of the beginning of the period	17,690	19,114	84,590	(3,789)	117,606
Cumulative effect of changes in accounting principles					
Balance as of the beginning of the period that reflects changes in accounting principles	17,690	19,114	84,590	(3,789)	117,606
Increase (decrease) during the period					
Dividends of surplus			(1,917)		(1,917)
Net income for the period			3,222		3,222
Acquisition of treasury stock				(1,800)	(1,800)
Retirement of treasury stock			(5,515)	5,515	—
Change of scope of consolidation			539		539
Net changes in items excluding shareholders' equity during the period					
Total increase (decrease) during the period	—	—	(3,672)	3,715	43
Balance as of the end of the period	17,690	19,114	80,918	(73)	117,649

	Other accumulated comprehensive incomes					Total net assets
	Net unrealized gain on other marketable securities	Gain (loss) on deferred hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total other accumulated comprehensive incomes	
Balance as of the beginning of the period	484	0	(1,368)	—	(883)	116,722
Cumulative effect of changes in accounting principles						
Balance as of the beginning of the period that reflects changes in accounting principles	484	0	(1,368)	—	(883)	116,722
Increase (decrease) during the period						
Dividends of surplus						(1,917)
Net income for the period						3,222
Acquisition of treasury stock						(1,800)
Retirement of treasury stock						—
Change of scope of consolidation						539
Net changes in items excluding shareholders' equity during the period	700	3	1,148	111	1,963	1,963
Total increase (decrease) during the period	700	3	1,148	111	1,963	2,006
Balance as of the end of the period	1,184	3	(220)	111	1,079	118,729

Fiscal Year Ended Mar. 31, 2015 (Apr. 1, 2014 to Mar. 31, 2015)

(Millions of yen)

	Shareholders' equity				Total shareholders' equity
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	
Balance as of the beginning of the period	17,690	19,114	80,918	(73)	117,649
Cumulative effect of changes in accounting principles			(284)		(284)
Balance as of the beginning of the period that reflects changes in accounting principles	17,690	19,114	80,634	(73)	117,365
Increase (decrease) during the period					
Dividends of surplus			(2,045)		(2,045)
Net income for the period			3,200		3,200
Acquisition of treasury stock				(1,339)	(1,339)
Retirement of treasury stock					
Change of scope of consolidation					
Net changes in items excluding shareholders' equity during the period					
Total increase (decrease) during the period	—	—	1,155	(1,339)	(184)
Balance as of the end of the period	17,690	19,114	81,789	(1,413)	117,180

	Other accumulated comprehensive incomes					Total net assets
	Net unrealized gain on other marketable securities	Gain (loss) on deferred hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total other accumulated comprehensive incomes	
Balance as of the beginning of the period	1,184	3	(220)	111	1,079	118,729
Cumulative effect of changes in accounting principles						(284)
Balance as of the beginning of the period that reflects changes in accounting principles	1,184	3	(220)	111	1,079	118,444
Increase (decrease) during the period						
Dividends of surplus						(2,045)
Net income for the period						3,200
Acquisition of treasury stock						(1,339)
Retirement of treasury stock						
Change of scope of consolidation						
Net changes in items excluding shareholders' equity during the period	709	(2)	2,775	109	3,592	3,592
Total increase (decrease) during the period	709	(2)	2,775	109	3,592	3,408
Balance as of the end of the period	1,894	0	2,555	220	4,671	121,852

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2014 (Apr. 1, 2013 to Mar. 31, 2014)	Fiscal Year Ended Mar. 31, 2015 (Apr. 1, 2014 to Mar. 31, 2015)
Operating activities		
Income before income taxes	5,093	5,427
Depreciation and amortization	835	604
Impairment loss	—	89
Increase (decrease) in allowance for doubtful accounts	(1,017)	40
Increase (decrease) in net defined benefit liability	(172)	144
Interest and dividend incomes	(93)	(110)
Interest expenses	165	169
Loss (gain) on sales of property, plant and equipment	(4)	(7)
Loss (gain) on sales of investment securities	(10)	—
Other loss (gain)	598	1,341
Decrease (increase) in notes and accounts receivable-trade	(4,909)	8,600
Decrease (increase) in inventories	(1,515)	(411)
Increase (decrease) in notes and accounts payable-trade	3,753	(3,983)
Increase (decrease) in other assets and liabilities	775	700
Subtotal	3,499	12,606
Interest and dividends income received	92	107
Interest expenses paid	(159)	(173)
Income taxes (paid) refund	(1,928)	(853)
Net cash provided by operating activities	1,504	11,687
Investing activities		
Purchases of property, plant and equipment	(226)	(131)
Proceeds from sale of property, plant and equipment	6	100
Purchases of intangible fixed assets	(146)	(130)
Proceeds from transfer of business	—	1,200
Purchases of investment securities	(10)	—
Proceeds of sale of investment securities	16	—
Payments for investments in capital	(9)	(9)
Proceeds from sales of investments in capital	41	2
Payments of loans receivable	—	(1)
Collection of loans receivable	0	76
Purchase of insurance funds	(106)	(218)
Proceeds from cancellation of insurance funds	—	100
Net cash provided by (used in) investing activities	(435)	990
Financing activities		
Net increase (decrease) in short-term loans payable	1,597	(4,012)
Repayments of lease obligations	(167)	(155)
Purchase of treasury stock	(1,800)	(1,339)
Cash dividends paid	(1,915)	(2,044)
Net cash used in financing activities	(2,285)	(7,552)
Effect of exchange rate change on cash and cash equivalents	249	871
Net increase (decrease) in cash and cash equivalents	(967)	5,996
Cash and cash equivalents at the beginning of the period	50,463	49,911
Increase in cash and cash equivalents of newly consolidated subsidiaries	415	—
Cash and cash equivalents at the end of the period	49,911	55,907

(5) Notes on Consolidated Financial Statements

(Notes Regarding Going Concern)

Not applicable.

(Changes in Accounting Principles)

Implementation of Accounting Standards for Retirement Benefits

We have adopted “Accounting Standards for Retirement Benefits” (Corporate Accounting Standards No. 26 of May 17, 2012, hereinafter referred to as “Retirement Benefits Accounting Standards”) and “Implementation Guidance on Accounting Standard for Retirement Benefits” (Corporate Accounting Standards No. 25 of May 17, 2012, hereinafter referred to as “Implementation Guidance on Retirement Benefits”) from the consolidated accounting period under review on provisions stipulated in the texts of the Section 35 of the Retirement Benefits Accounting Standards and of the Section 67 of the Implementation Guidance on Retirement Benefits: we have reconsidered the accounting method for pension benefit obligations and service liability, and we have changed our method of attributing projected retirement benefits from a fixed amount standard to a payment calculation standard along with changing the method of discount determination to a method that uses single-weighted average discount rate reflecting amounts for each estimated period for payment of retirement benefits and other payments.

To apply the Retirement Benefits Accounting Standards, we comply with the transitional handling stipulated in the Section 37 of Retirement Benefits Accounting Standards, and effect of changes of accounting method for retirement benefit obligations and service cost, financial effects are added to or subtracted from retained gains, at the beginning of the consolidated accounting period under review.

As the result, net defined benefit liability increased by 441 million yen, while retained earnings decreased by 284 million yen, as of the beginning of the consolidated accounting period under review. There was only minor impact on operating income, ordinary income and quarterly net income before income taxes during the consolidated period under review.

(Notes on Consolidated Balance Sheets)

(Millions of yen, figures less than ¥1 million have been omitted, unless otherwise stated)

	As of March 31, 2014	As of March 31, 2015
1. Accumulated depreciation of property, plant and equipment	10,668	8,080
2. Non-consolidated subsidiary and affiliated company shares and other		
- Investment securities (shares)	0	—
- Other (equity)	—	—
3. Assets pledged as collateral		
- Investment securities	107	120
4. Number of shares issued and outstanding	31,500,000 common shares	31,500,000 common shares
Number of treasury stock held by the Company	36,209 common shares	482,500 common shares

(Notes on Consolidated Statements of Income)

	Fiscal 2013 (April 1, 2013 to March 31, 2014)	Fiscal 2014 (April 1, 2014 to March 31, 2015)
1. Research and development expenditure included in selling, general and administrative expenses	657	712
2. Breakdown of gain on sales of fixed assets		
- Land	—	1
- Other	4	5
Total	<u>4</u>	<u>7</u>
3. Breakdown of loss on sales of fixed asset		
- Land	—	2
- Other	—	1
Total	<u>—</u>	<u>3</u>

(Notes on Consolidated Comprehensive Statements of Income)**Adjustments from recycling and tax effects in other comprehensive income**

	Fiscal 2013 (April 1, 2013 to March 31, 2014)	Fiscal 2014 (April 1, 2014 to March 31, 2015)
Net unrealized gain on other marketable securities:		
Increase (decrease) during the period	799	1,000
Adjustments from recycling	(12)	—
Before tax effects adjustments	787	1,000
Tax effect	(87)	(290)
Net unrealized gain on other marketable securities	<u>700</u>	<u>709</u>
Gain (loss) on deferred hedges:		
Increase (decrease) during the period	5	(4)
Before tax effects adjustments	5	(4)
Tax effect	(1)	1
Gain (loss) on deferred hedges	<u>3</u>	<u>(2)</u>
Foreign currency translation adjustments:		
Increase (decrease) during the period	1,148	2,775
Before tax effects adjustments	1,148	2,775
Foreign currency translation adjustments	<u>1,148</u>	<u>2,775</u>
Remeasurements of defined benefit plans:		
Increase (decrease) during the period	—	153
Before tax effects adjustments	—	153
Tax effect	—	(43)
Remeasurements of defined benefit plans	<u>—</u>	<u>109</u>
Total other comprehensive Income	<u>1,851</u>	<u>3,592</u>

(Tax-effect Accounting)

1. Breakdown of major causes of occurrence in deferred tax assets and deferred tax liabilities

(Millions of yen unless otherwise stated)

	Fiscal 2013 (As of March 31, 2014)	Fiscal 2014 (As of March 31, 2015)
Deferred tax assets		
Loss on valuation of inventories	167	160
Amortization of software and other	31	17
Investment securities	261	60
Golf membership rights	98	90
Accrued bonuses	214	199
Net defined benefit liability	670	645
Allowance for doubtful accounts	2	—
Loss brought forward of subsidiaries	125	127
Other	255	285
Sub-total deferred tax assets	1,827	1,586
Valuation reserve	(517)	(319)
Total deferred tax assets	1,310	1,267
Deferred tax liabilities		
Net unrealized gain on other marketable securities	(356)	(645)
Consolidated retained earnings	(293)	(484)
Other	(102)	(140)
Total deferred tax liabilities	(752)	(1,270)
Net deferred tax assets	557	(3)

Net deferred tax assets are included in the following items of the Company's consolidated balance sheet.

(Millions of yen unless otherwise stated)

	Fiscal 2013 (As of March 31, 2014)	Fiscal 2014 (As of March 31, 2015)
Current assets — Deferred tax assets	271	290
Fixed assets — Deferred tax assets	309	109
Long-term liabilities — Other long-term liabilities	(22)	(403)

2. Breakdown of major differences between the statutory tax rate and the effective tax rate after adoption of tax-effect accounting

	Fiscal 2013 (As of March 31, 2014)	Fiscal 2014 (As of March 31, 2015)
Effective tax rate (Adjustment)	Information on the difference between the statutory tax rate and the effective tax rate is not presented for the fiscal year since the difference between the statutory tax rate and the effective tax rate was less than 5/100 and therefore considered immaterial.	(%) 35.6
Items not included in calculations of losses (e.g. entertainment expenses)		1.7
Items not included in gross profits (e.g. dividends)		(0.2)
Equal percent residential tax		0.7
Downward revision of year-end deferred tax assets due to change in tax rate		1.8
Foreign withholding taxes		0.6
Change in valuation allowance		2.1
Effects of consolidated revision		1.0
Difference in corporate tax rates from foreign subsidiaries		(6.3)
Consolidated retained earnings		3.5
Other		0.5
Contribution percentage of corporate and other taxes after tax effect accounting is applied		41.0

3. Adjustment for amounts of deferred tax assets and deferred tax liabilities due to changes in the corporate tax rate
Pursuant to the promulgation on March 31, 2015 of "Partial Amendment of the Income Tax Act, etc." (Act No. 9 of 2015), the corporate tax rate will be reduced from the consolidated fiscal year beginning on or after April 1, 2015.

As a result, the effective statutory tax rates, which are used to measure deferred tax assets and deferred tax liabilities, will be reduced to 33.1% from 35.6% for temporary differences that are expected to be reversed in the consolidated fiscal year started on April 1, 2015, and to 32.3% for temporary differences that are expected to be reversed in the consolidated fiscal year which will start on April 1, 2016.

The changes in effective statutory tax rates led to a 21 million yen decrease in deferred tax assets (after deducting deferred tax liabilities), a 98 million yen increase in income taxes-deferred, 65 million yen increase in net unrealized gain on other marketable securities, and 10 million yen increase in remeasurements of defined benefit plans.

(Segment Information)

(a) Segment Information

1. Overview of our Reporting Segments

Ryosan Group's reporting segments are created from financial information sorted by business segment, and the Chief Executive Officer periodically conducts performance evaluations.

Ryosan Group has set up business headquarters at our head office for each merchandises and products, and we expand our business activities by having each business headquarters formulate comprehensive strategies for the products that they handle, for both within Japan and overseas.

Therefore, with our business headquarters serving as our foundation, Ryosan Group has three reporting segments: "Semiconductors", "Electronic components" and "Electronic equipment".

Main products of each business segment are as follows:

Semiconductors:	Memories, system LSIs, discrete semiconductors
Electronic components:	Display devices, power supplies, electromechanical components
Electronic equipment:	Systems equipment, facilities equipment

2. Information Concerning Sales and Income or Loss Amount by Reporting Segment

For the consolidated fiscal year ended March 31, 2014

(April 1, 2013 to March 31, 2014)

(Millions of yen, figures less than ¥1 million have been omitted)

	Reporting Segment				Adjusted amount	Consolidated income statement amount
	Semi-conductors	Electronic components	Electronic equipment	Total		
Net sales						
Sales to external customers	161,512	59,388	17,497	238,399	—	238,399
Internal sales or exchange between segments	—	—	—	—	—	—
Total	161,512	59,383	17,497	238,399	—	238,399
Segment income (loss)	3,204	1,414	709	5,327	(182)	5,144

Notes:

1. The adjustment of -182 million yen to segment income represents corporate expenses that are not allocated to each reporting segment. Corporate expenses mainly refer to general and administrative expenses not belonging to any reporting segments.
2. Segment income has been adjusted with operating income in consolidated statements of income.
3. Segment asset is not shown in this reporting segment as it is not subject to CEO's performance evaluation.

For the consolidated fiscal year ended March 31, 2015

(April 1, 2014 to March 31, 2015)

(Millions of yen, figures less than ¥1 million have been omitted)

	Reporting Segment				Adjusted amount	Consolidated income statement amount
	Semi-conductors	Electronic components	Electronic equipment	Total		
Net sales						
Sales to external customers	151,243	62,916	19,392	233,552	—	233,552
Internal sales or exchange between segments	—	—	—	—	—	—
Total	151,243	62,916	19,392	233,552	—	233,552
Segment income (loss)	3,481	1,617	1,053	6,152	(226)	5,925

Notes:

1. The adjustment of -226 million yen to segment income represents corporate expenses that are not allocated to each reporting segment. Corporate expenses mainly refer to general and administrative expenses not belonging to any reporting segments.
2. Segment income has been adjusted with operating income in consolidated statements of income.
3. Segment asset is not shown in this reporting segment as it is not subject to CEO's performance evaluation.

3. Notes on Changes in Reporting Segments

Previously, the Group's business was divided into the following four reportable segments – “Semiconductors”, “Electronic Components”, “Electronic Equipment”, and “Ryosan Products”. However, effective from this consolidated accounting period, the Group has revised its business classification into three segments – “Semiconductors”, “Electronic Components”, and “Electronic Equipment” - after transferring its heat sink production business to Sankyo Tateyama, Inc. as of September 1, 2014.

In this regard, the segment information for the previous consolidated accounting period, is prepared and disclosed pursuant to the reporting segment classification subsequent to the change described above.

(b) Related Information

1. Information on products and services

As in the Reporting Segment

2. Information by region

(1) Sales

For the consolidated fiscal year ended March 31, 2014

(April 1, 2013 to March 31, 2014)

(Millions of yen)

Japan	Asia	Other	Total
124,682	105,810	7,906	238,399

Notes:

1. Country and regional segments are classified on the basis of geographic proximity.

2. Principal countries and regions:

Asia: China, Korea, Hong Kong, Thailand and others

Other: United States and others

For the consolidated fiscal year ended March 31, 2015

(April 1, 2014 to March 31, 2015)

(Millions of yen)

Japan	Asia	Other	Total
125,878	99,336	8,337	233,552

Notes:

1. Country and regional segments are classified on the basis of geographic proximity.

2. Principal countries and regions:

Asia: China, Thailand, Korea, Hong Kong and others

Other: United States and others

(2) Property, plant and equipment

This information is not presented as the amount of Property, plant and equipment in Japan constitutes more than 90% of the total amount of Property, plant and equipment on the consolidated balance sheet.

3. Information on each important customer

For the consolidated fiscal year ended March 31, 2014

(April 1, 2013 to March 31, 2014)

(Millions of yen)

Customer Name	Net Sales	Related Segments
Mitsubishi Electric Corporation	18,345	Semiconductors, Electronic Components

For the consolidated fiscal year ended March 31, 2015

(April 1, 2014 to March 31, 2015)

(Millions of yen)

Customer Name	Net Sales	Related Segments
Mitsubishi Electric Corporation	18,822	Semiconductors, Electronic Components

(Per Share Information)

(Yen unless otherwise stated)

	Fiscal 2013 (April 1, 2013 to March 31, 2014)	Fiscal 2014 (April 1, 2014 to March 31, 2015)
1. Net assets per share	3,773.51	3,928.52
2. Net income per share	101.86	101.80

Note: Net income per share for the fiscal years ended March 31, 2014 and March 31, 2015 are calculated on the following basis:

(Millions of yen unless otherwise stated)

	Fiscal 2013 (April 1, 2013 to March 31, 2014)	Fiscal 2014 (April 1, 2014 to March 31, 2015)
Net income	3,222	3,200
Net income applicable to common stock	3,222	3,200
Average number of shares for the period	31,633 thousand shares	31,439 thousand shares

(Important Subsequent Events)

Not applicable.

6. Other

(1) New Orders

(Millions of yen, figures less than 1 million yen have been omitted)

	Fiscal 2013 (April 1, 2013 to March 31, 2014)	Fiscal 2014 (April 1, 2014 to March 31, 2015)
Semiconductors	166,971	150,698
Electronic components	62,075	63,633
Electronic equipment	20,422	20,441
Total	249,469	234,773

(2) Geographical Segment Information

Fiscal 2013, the fiscal year ended March 31, 2014
(April 1, 2013 to March 31, 2014)

(Millions of yen, figures less than ¥1 million have been omitted)

	Japan	Asia	Other	Total	Eliminations or corporate	Consolidated
Sales:						
(1) Sales to external customers	145,946	85,700	6,753	238,399	—	238,399
(2) Internal sales or exchange between segments	8,483	412	1	8,897	(8,897)	—
Total	154,429	86,112	6,754	247,297	(8,897)	238,399
Segment income	1,703	2,545	230	4,480	664	5,144

Notes:

1. Country and regional segments are classified on the basis of geographic proximity.

2. Principal countries and regions:

Asia: Hong Kong, China, Thailand, Korea and others

Other: United States and others

Fiscal 2014, the fiscal year ended March 31, 2015
(April 1, 2014 to March 31, 2015)

(Millions of yen, figures less than ¥1 million have been omitted)

	Japan	Asia	Other	Total	Eliminations or corporate	Consolidated
Sales:						
(1) Sales to external customers	138,207	88,133	7,212	233,552	—	233,552
(2) Internal sales or exchange between segments	9,414	248	—	9,662	(9,662)	—
Total	147,621	88,381	7,212	243,214	(9,662)	233,552
Segment income	2,704	2,451	213	5,369	556	5,925

Notes:

1. Country and regional segments are classified on the basis of geographic proximity.

2. Principal countries and regions:

Asia: Hong Kong, Thailand, China, Korea and others

Other: United States and others