

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2015 (Based on Japanese GAAP)

January 29, 2016

Company name: Aica Kogyo Company, Limited
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 4206 URL <http://www.aica.co.jp>
 Representative: President Yuji Ono
 Inquiries: Managing Director, Financial Management Satoshi Toudou TEL 052-409-8261
 Department
 Scheduled date to file Quarterly Securities Report: February 5, 2016
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2015 (from April 1, 2015 to December 31, 2015)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2015	108,167	3.6	11,594	6.0	11,949	3.8	7,194	(6.2)
Nine months ended December 31, 2014	104,368	2.0	10,937	5.5	11,514	9.0	7,667	29.4

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2015	110.21		110.13	
Nine months ended December 31, 2014	118.04		117.91	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2015	149,715	110,304	70.8
As of March 31, 2015	147,017	107,226	70.2

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2015	–	20.00	–	23.00	43.00
Year ending March 31, 2016	–	21.00	–		
Year ending March 31, 2016 (Forecast)				23.00	44.00

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

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	151,000	5.0	15,800	4.1	16,100	1.4	9,500	(6.3)	145.58

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2015
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2015	67,590,664 shares	As of March 31, 2015	67,590,664 shares
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Number of treasury shares at the end of the period

As of December 31, 2015	2,303,018 shares	As of March 31, 2015	2,333,601 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2015	65,277,569 shares	Nine months ended December 31, 2014	64,954,805 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2015	As of December 31, 2015
Assets		
Current assets		
Cash and deposits	35,220	32,711
Notes and accounts receivable - trade	45,692	49,155
Merchandise and finished goods	5,926	6,704
Work in process	560	1,018
Raw materials and supplies	5,021	4,719
Other	4,523	3,726
Allowance for doubtful accounts	(273)	(249)
Total current assets	96,670	97,787
Non-current assets		
Property, plant and equipment	28,318	30,377
Intangible assets		
Goodwill	4,495	3,090
Other	2,126	2,208
Total intangible assets	6,621	5,299
Investments and other assets		
Other	15,406	16,281
Allowance for doubtful accounts	–	(29)
Total investments and other assets	15,406	16,251
Total non-current assets	50,346	51,928
Total assets	147,017	149,715
Liabilities		
Current liabilities		
Notes and accounts payable - trade	18,400	20,707
Electronically recorded obligations - operating	4,674	4,173
Short-term loans payable	1,429	256
Income taxes payable	2,566	1,304
Provision for bonuses	1,469	923
Other	6,115	5,039
Total current liabilities	34,655	32,405
Non-current liabilities		
Long-term loans payable	1,426	1,154
Net defined benefit liability	684	1,128
Other	3,023	4,723
Total non-current liabilities	5,134	7,006
Total liabilities	39,790	39,411

(Millions of yen)

	As of March 31, 2015	As of December 31, 2015
Net assets		
Shareholders' equity		
Capital stock	9,891	9,891
Capital surplus	13,270	13,271
Retained earnings	73,527	77,850
Treasury shares	(2,030)	(2,005)
Total shareholders' equity	94,659	99,008
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,511	3,835
Deferred gains or losses on hedges	(8)	(3)
Foreign currency translation adjustment	4,845	3,035
Remeasurements of defined benefit plans	174	185
Total accumulated other comprehensive income	8,523	7,052
Subscription rights to shares	67	36
Non-controlling interests	3,976	4,206
Total net assets	107,226	110,304
Total liabilities and net assets	147,017	149,715

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Net sales	104,368	108,167
Cost of sales	76,289	78,013
Gross profit	28,078	30,154
Selling, general and administrative expenses	17,141	18,560
Operating income	10,937	11,594
Non-operating income		
Interest income	66	68
Dividend income	229	286
Other	627	679
Total non-operating income	923	1,033
Non-operating expenses		
Interest expenses	92	69
Sales discounts	97	103
Foreign exchange losses	–	164
Subsidiary stock acquisition-related cost	–	152
Other	157	188
Total non-operating expenses	347	678
Ordinary income	11,514	11,949
Extraordinary income		
Gain on transfer of business	1,381	–
Total extraordinary income	1,381	–
Income before income taxes and minority interests	12,895	11,949
Income taxes - current	4,174	3,626
Income taxes - deferred	398	505
Total income taxes	4,573	4,132
Profit	8,321	7,816
Profit attributable to non-controlling interests	654	622
Profit attributable to owners of parent	7,667	7,194

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Profit	8,321	7,816
Other comprehensive income		
Valuation difference on available-for-sale securities	523	323
Deferred gains or losses on hedges	(0)	5
Foreign currency translation adjustment	961	(2,214)
Remeasurements of defined benefit plans, net of tax	28	10
Share of other comprehensive income of entities accounted for using equity method	11	24
Total other comprehensive income	1,524	(1,849)
Comprehensive income	9,846	5,967
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,038	5,723
Comprehensive income attributable to non-controlling interests	807	243