

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2016 (Based on Japanese GAAP)

August 1, 2016

Company name: Eagle Industry Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 6486 URL <http://www.ekkeagle.com/jp/>
 Representative: Representative Director, President Tetsuji Tsuru
 Senior Operating Officer, Division Manager Sumio Ikeda
 Inquiries: Corporate Finance & Accounting Division TEL 03-3438-2291
 Scheduled date to file Quarterly Securities Report: August 12, 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 three months ended June 30, 2016 (from April 1, 2016 to June 30, 2016)

(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	%
Three months ended June 30, 2016	34,626	(5.4)	2,913	(37.2)	2,240	(57.4)	1,235	(63.7)
Three months ended June 30, 2015	36,591	11.1	4,641	30.6	5,261	43.4	3,401	31.8

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2016	25.36	–
Three months ended June 30, 2015	70.40	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2016	146,277	65,723	40.6	1,218.39
As of March 31, 2016	154,807	72,402	42.3	1,343.99

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2016	–	20.00	–	25.00	45.00
Year ending March 31, 2017	–				
Year ending March 31, 2017 (Forecast)		20.00	–	25.00	45.00

3. Forecast of consolidated financial results for the year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

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
Six months ending September 30, 2016	68,700	(4.7)	5,300	(36.3)	5,000	(49.6)	2,700	(56.2)	55.41
Full year	137,400	(4.2)	11,000	(21.3)	11,400	(23.3)	6,800	(26.1)	139.53

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2016
(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: Yes
- (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: No
- 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 June 30, 2016	49,757,821 shares	As of March 31, 2016	49,757,821 shares
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Number of treasury shares at the end of the period

As of June 30, 2016	1,013,055 shares	As of March 31, 2016	1,067,225 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2016	48,702,577 shares	Three months ended June 30, 2015	48,316,205 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2016	As of June 30, 2016
Assets		
Current assets		
Cash and deposits	20,692	19,136
Notes and accounts receivable - trade	30,071	28,663
Electronically recorded monetary claims - operating	1,731	2,034
Merchandise and finished goods	5,147	4,997
Work in process	7,726	7,882
Raw materials and supplies	4,890	4,760
Other	7,276	5,720
Allowance for doubtful accounts	(104)	(98)
Total current assets	77,431	73,095
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	19,823	18,926
Machinery, equipment and vehicles, net	18,779	18,176
Other, net	10,189	9,797
Total property, plant and equipment	48,792	46,900
Intangible assets		
Goodwill	4,173	3,991
Other	2,755	2,970
Total intangible assets	6,929	6,961
Investments and other assets		
Investment securities	16,009	13,843
Other	5,900	5,728
Allowance for doubtful accounts	(255)	(252)
Total investments and other assets	21,654	19,320
Total non-current assets	77,376	73,182
Total assets	154,807	146,277

(Millions of yen)

	As of March 31, 2016	As of June 30, 2016
Liabilities		
Current liabilities		
Accounts payable - trade	7,940	7,155
Electronically recorded obligations - operating	7,603	8,083
Short-term loans payable	13,570	13,663
Income taxes payable	2,112	1,317
Provision for bonuses	2,279	1,524
Other provision	189	184
Other	11,884	11,871
Total current liabilities	45,581	43,799
Non-current liabilities		
Long-term loans payable	20,747	20,804
Provision	332	322
Net defined benefit liability	14,716	14,550
Other	1,026	1,076
Total non-current liabilities	36,823	36,754
Total liabilities	82,404	80,554
Net assets		
Shareholders' equity		
Capital stock	10,490	10,490
Capital surplus	11,474	11,394
Retained earnings	48,951	49,108
Treasury shares	(998)	(892)
Total shareholders' equity	69,918	70,101
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	377	319
Foreign currency translation adjustment	(479)	(6,857)
Remeasurements of defined benefit plans	(4,377)	(4,172)
Total accumulated other comprehensive income	(4,478)	(10,711)
Non-controlling interests	6,963	6,332
Total net assets	72,402	65,723
Total liabilities and net assets	154,807	146,277

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016
Net sales	36,591	34,626
Cost of sales	25,946	25,830
Gross profit	10,645	8,796
Selling, general and administrative expenses	6,003	5,882
Operating income	4,641	2,913
Non-operating income		
Interest income	40	38
Dividend income	16	14
Share of profit of entities accounted for using equity method	291	204
Foreign exchange gains	318	—
Other	260	199
Total non-operating income	926	458
Non-operating expenses		
Interest expenses	138	118
Foreign exchange losses	—	973
Contribution	100	5
Other	67	33
Total non-operating expenses	306	1,130
Ordinary income	5,261	2,240
Extraordinary income		
Gain on sales of non-current assets	1	4
Total extraordinary income	1	4
Extraordinary losses		
Loss on sales of non-current assets	2	1
Loss on retirement of non-current assets	12	20
Total extraordinary losses	15	22
Profit before income taxes	5,247	2,223
Income taxes	1,570	744
Profit	3,676	1,478
Profit attributable to non-controlling interests	275	243
Profit attributable to owners of parent	3,401	1,235

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016
Profit	3,676	1,478
Other comprehensive income		
Valuation difference on available-for-sale securities	109	(58)
Foreign currency translation adjustment	774	(5,022)
Remeasurements of defined benefit plans, net of tax	105	159
Share of other comprehensive income of entities accounted for using equity method	538	(1,797)
Total other comprehensive income	1,527	(6,718)
Comprehensive income	5,204	(5,239)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,913	(4,997)
Comprehensive income attributable to non-controlling interests	291	(242)