

# Consolidated Financial Results (Japanese Accounting Standards)

## for the Fiscal Year Ended March 31, 2016

May 10, 2016

Company name: Fujikura Ltd.  
 Stock exchange listing: First Sections of TSE  
 Code No. : 5803  
 URL: <http://www.fujikura.co.jp/>  
 Representative: Masahiko Ito, President, CEO  
 Contact: Takaharu Serizawa,  
 General Manager of Corporate Strategy Planning Department  
 Tel. +81-3-5606-1112

Scheduled date of ordinary general meeting of shareholders: June 29, 2016

Scheduled filing date of the securities report: June 29, 2016

Scheduled dividend payment date: June 30, 2016

(Figures are rounded down to the nearest million yen.)

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2016

(April 1, 2015—March 31, 2016)

#### (1) Consolidated financial results

(Percentages represent changes compared to the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal Year ended March 31, 2016	678,528	2.6	32,632	30.1	24,629	16.8	11,317	(7.2)
Fiscal Year ended March 31, 2015	661,510	11.9	25,075	23.2	21,082	52.3	12,201	266.5

Notes: Comprehensive Income: Fiscal year ended March 31, 2016 (13,881) million yen (137.0) %  
 Fiscal year ended March 31, 2015 37,493 million yen 148.3%

	Net income per share	Diluted net income per share	Net income to shareholders' equity	Ordinary income capital ratio	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal Year ended March 31, 2016	36.98	—	5.4	4.4	4.8
Fiscal Year ended March 31, 2015	37.93	—	5.9	3.8	3.8

Reference: Equity in earnings of affiliates:

Fiscal year ended March 31, 2016 (2,918) million yen  
 Fiscal year ended March 31, 2015 (343) million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2016	552,678	217,981	35.9	662.93
As of March 31, 2015	577,567	234,527	37.8	707.09

Reference: Shareholders' equity:

Fiscal year ended March 31, 2016	198,573 million yen
Fiscal year ended March 31, 2015	218,580 million yen

(3) Consolidated cash flows

	Operating cash flow	Investing cash flow	Financing cash flow	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal Year ended March 31, 2016	48,274	(37,283)	(9,932)	32,091
Fiscal Year ended March 31, 2015	20,643	(26,071)	(4,366)	33,336

**2. Dividends Payments**

	Dividend per share			Total dividends (Annual)	Dividend payout ratio	Dividends to net assets (Consolidated)
	2nd quarter (Sept. 30)	Year-end (Mar. 31)	Annual			
	Yen	Yen	Yen	Million yen	%	%
Fiscal Year ended March 31, 2015	3.50	3.50	7.00	2,217	18.5	1.0
Fiscal Year ended March 31, 2016	4.00	4.00	8.00	2,420	21.6	1.2
Fiscal Year ended March 31, 2017 (projected)	5.00	5.00	10.00		20.0	

**3. Consolidated Financial Projections for the Fiscal Year Ended March 31, 2017**  
**(April 1, 2016—March 31, 2017)**

(Percentages represent changes compared to the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
1st half of FY ended March 31, 2017	330,000	(4.4)	12,000	(29.6)	10,500	(26.4)	5,000	(41.5)	16.69
FY ended March 31, 2017	690,000	1.7	28,000	(14.2)	25,000	1.5	15,000	32.5	50.07

**4. Others**

(1) Changes in significant subsidiaries during the period (changes in “*tokutei kogaisha*” as amended, involving changes in the scope of consolidation): Yes

New consolidated subsidiary: AFL IG, LLC

(2) Changes in accounting principles and procedures and presentation methods concerning the preparation of consolidated financial statements (to be described in “Changes in significant matters concerning the preparation of consolidated financial statements”)

- (i) Changes in accounting policies due to revisions of accounting standards, etc. : Yes
- (ii) Changes in accounting policies Other than (i) : No
- (iii) Changes in accounting estimates : No
- (iv) Restatements : No

(3) Number of issued shares (common stock)

(i) Number of issued shares at end of period (including treasury stock)

As of March 31, 2016: 360,863,421 Shares  
As of March 31, 2015: 360,863,421 Shares

(ii) Number of shares of treasury at end of period

As of March 31, 2016: 61,327,770 Shares  
As of March 31, 2015: 51,738,377 Shares

(iii) Average number of outstanding shares during period

FY ended March 31, 2016: 306,006,350 Shares  
FY ended 31, 2015: 321,667,230 Shares

**Notes: concerning the appropriate use of financial projections and other significant matters**

(Notes to the descriptions concerning the future operating results, etc.)

Projections and other descriptions concerning future operations appearing in this document are based on information available to the Company on the date of its publication and certain assumptions considered reasonable. Actual performance may differ substantially from these projections due to various factors. These projections are based on information available to the Company on the date hereof. Actual financial results may differ from these projections due to various factors.

## 1. Operating Results

### (1) Analysis of Operating Results

In FY2015, the outlook for Japan's economy was murky. Although corporate earnings gradually recovered underpinned in part by the government and Bank of Japan's economic policies, growth in economies around the world, including China, decelerated.

Amid this backdrop, the Fujikura Group booked net sales of 678.5 billion yen (an increase of 2.6% year on year), operating income of 32.6 billion yen (an increase of 30.1% year on year), and profit attributable to owners of parent of 11.3 billion yen (a decrease of 7.2% year on year).

Operating results for the fiscal year under review by business category are stated below:

Starting from the consolidated fiscal year under review, some businesses have been transferred. Note that segment information for the previous consolidated fiscal year was disclosed in accordance with the new reportable segments.

#### Power & Telecommunication Systems Company

In this segment, net sales totaled 364.1 billion yen (a decrease of 0.6% year on year) and operating income was 15.7 billion yen (an increase of 34.1% year on year). Although sales were weighed down in part by a decline in copper prices in the Power Systems, performance was brisk in the Telecommunications Systems owing to positive forex impact.

#### Electronics Business Company

In this segment, net sales stood at 161.1 billion yen (an increase of 14.7% year on year) and operating income of 12.0 billion yen (an increase of 74.0% year on year), mainly due to brisk demand for FPC (flexible printed circuits).

#### Automotive Products Company

In this segment, net sales came to 135.8 billion yen (a decrease of 2.4% year on year) and operating income was 2.3 billion yen (a decrease of 45.1% year on year), partly reflecting production cutbacks at customers in China.

#### Real Estate Company

In this segment, net sales totaled 10.7 billion yen (an increase of 0.4% year on year) and operating income was 5.3 billion yen (an increase of 5.7% year on year), owing in part to leasing revenue from Fukagawa Gatharia. The Fukagawa Gatharia was constructed as a part of a redevelopment project of Fujikura's former Fukagawa plant site.

In FY2016, Fujikura forecasts net sales of 690.0 billion yen, a growth of 1.7% compared to the previous fiscal year, operating income of 28.0 billion yen, a decrease of 14.2%, ordinary income of 25.0 billion yen, an increase of 1.5%, and profit attributable to owners of parent of 15.0 billion yen, an increase of 32.5%. This primarily reflects expectations of sales growth in the Electronics Business Company partly due to strong demand for FPC and other products.

## (2) Analysis of Operating Results

### (i) Assets, liabilities and net assets

At the end of the consolidated fiscal year under review, total assets stood at 552.6 billion yen, a decrease of 24.8 billion yen compared to the previous fiscal year. This was mainly due to negative impact from foreign currency translations as the yen rose in value against major currencies.

Total liabilities were 334.6 billion yen, a decrease of 83.0 billion yen compared to the previous fiscal year. This primarily reflects impact from foreign currency translations.

Total net assets were 217.9 billion yen, a decrease of 16.5 billion yen compared to the previous fiscal year. This is primarily attributable to negative impact due to foreign currency translations and the repurchase of shares, which overshadowed the increase in profit attributable to owners of the parent.

### (ii) Cash flows

At the end of the consolidated fiscal year under review, net cash from operating activities was 48.2 billion yen, versus an increase of 27.6 billion yen, owing to an increase in revenue sources owing in part to net income before income tax of 17.1 billion yen and depreciation expense of 26.3 billion yen.

Net cash used in investing activities totaled 37.2 billion yen mainly attributable to capital investments, which increased by 11.2 billion yen.

Net cash used in financial activities totaled 9.9 billion yen, an increase of 5.5 billion yen. This mainly reflects a net decrease in short-term borrowings of 3.4 billion yen and the payment of 5.5 billion yen for the repurchase of shares.

Accordingly, the balance of cash and equivalents at the fiscal year under review was 32.0 billion yen, a decrease of 1.2 billion yen compared to the previous fiscal year.

### (Reference) Changes of cash flow indices

	Fiscal Year ended March 31,2012	Fiscal Year ended March 31,2013	Fiscal Year ended March 31,2014	Fiscal Year ended March 31,2015	Fiscal Year ended March 31,2016
Equity capital ratio (%)	35.2	36.0	35.9	37.8	35.9
Equity capital ratio at market value (%)	20.3	20.0	28.8	28.2	28.7
Cash flow to interest- bearing liability ratio (%)	4.7	8.8	6.4	10.1	4.2
Interest coverage ratio (times)	10.4	8.3	9.3	6.8	16.8

Equity capital ratio: Shareholders' equity/Total assets

Equity capital ratio at market value: Market capitalization/Total assets

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

Interest coverage ratio: Cash flow/Interest payment

### Notes

1. All indicators are calculated based on figures from the consolidated financial statements.
2. Market capitalization is calculated by multiplying the closing stock price on the balance sheet date by the number of shares issued and outstanding, not including treasury shares.
3. The cash flow used in the calculation of the above indicators is cash flow from operating activities.
4. Interest-bearing liabilities include all liabilities on the consolidated balance sheet that incur interest.

### (3) Basic dividend policy, status of dividend payments and future dividend projections

Fujikura's basic dividend policy is to consistently provide shareholders with stable returns by comprehensively taking into consideration earnings trends, earnings per share, and retained earnings for future business development. The Company targets a dividend payout ratio of 20%.

Fujikura plans to effectively allocate retained earnings for investment in growth areas and to streamline current business operations.

Accordingly, the Company plans a year-end dividend payout of 4.0 yen per share, as initially planned (annual dividend of 8 yen per share), owing in part to profit growth in the Electronics Business Company. This is a 1.0 yen hike to its annual dividend payout plan.

The Company plans a dividend payout for the fiscal year ending on March 31, 2017 of 10 yen per share—5.0 yen per share at the interim and 5.0 yen at the year-end.

## 2. Management Policies

### (1) Basic management policies

Fujikura aims to become a company that creates value for customers through its "Tsunagu" (connection) technologies.

The Company established its 2020 Mid-term Business Plan, which is a five-year plan that runs from FY2016 to FY2020. There are three basic policies in this plan.

- Utmost importance on profitability" to ensure sound growth.
- Build a company that creates value for customers by accelerating "metabolism"
- To secure sustainability, establish corporate governance and enhance reputations of environment and social aspects

### (2) Target management indicator

Fujikura has positioned the continuous improvement of profitability as one its top priority management goal. The Company's medium-term management targets for FY2020 are net sales of 900.0 billion yen, operating margin of 7.0%-plus, an ROE of 10%-plus, and a D/E ratio of 0.66x.

### (3) Medium- to long-term group management strategies and key challenges to be addressed

The Company plans to promote the following four growth strategies in its FY2020 Mid-term Business Plan.

1. Developing deeper ties with strategic customers: Aim for further business growth by working closely with strategic customers and capture new business opportunities
2. Speed up new business creation: Aim to strengthen structure for promoting new businesses. Pour energies into positioning auto, industrial, and medical devices as key fields.
3. Open innovation: Create new customer value by compensating for the missing pieces in the business portfolio and value chain. Aim to accelerate technological and business development, and business growth.
4. Management reform & business restructuring: Address Corporate Governance Code, improve the quality and speed of decision-making for diversified businesses, and strengthen management infrastructure.

## 3. Basic policy regarding selection of accounting standard

Considering comparability of consolidated financial statements among different periods and companies, the Group policy is to produce consolidated financial statements based on Japanese standard for the time being.

Regarding application of IFRS, our policy is to respond to it adequately, considering both domestic and overseas trends.

#### 4. Consolidated financial statements

##### (1) Consolidated Balance Sheets

(Unit: Million yen)

	FY 2014 (As of Mar. 31, 2015)	FY 2015 (As of Mar. 31, 2016)
Assets		
Current assets		
Cash and deposits	35,745	34,961
Notes and accounts receivables, trade	157,027	143,857
Finished goods	30,160	32,189
Goods in process	19,601	19,168
Raw materials and supplies	28,778	27,910
Deferred tax assets	4,525	5,263
Other	20,104	19,845
Allowance for doubtful accounts	(1,265)	(759)
Total current assets	294,677	282,438
Non-current assets		
Tangible fixed assets		
Buildings and structures, net	85,843	80,052
Machinery, equipment and vehicles, net	61,553	56,067
Land	16,499	15,732
Lease assets, net	4,516	2,657
Construction in progress	6,734	15,888
Other, net	10,792	9,554
Total tangible fixed assets	185,940	179,953
Intangible fixed assets		
Goodwill	6,215	10,949
Other	8,229	10,346
Total intangible assets	14,444	21,295
Investments and other assets		
Investment securities	56,487	38,533
Net defined benefit asset	6,999	1,547
Deferred tax assets	4,699	10,643
Other	16,063	20,452
Allowance for doubtful accounts	(1,745)	(2,149)
Allowance for investment loss	-	(36)
Total investments and other assets	82,504	68,990
Total non-current assets	282,889	270,239
Total assets	577,567	552,678

(Unit: Million yen)

	FY 2014 (As of Mar. 31, 2015)	FY 2015 (As of Mar. 31, 2016)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable, trade	78,691	73,734
Short-term borrowings	81,489	66,328
Current portion of bonds	-	20,000
Income taxes payable	2,030	2,029
Provision for business structure improvement	-	1,907
Other	39,063	37,920
<b>Total current liabilities</b>	<b>201,276</b>	<b>201,919</b>
<b>Non-current liabilities</b>		
Bonds	50,000	30,000
Long-term borrowings	69,620	81,317
Deferred tax liabilities	1,123	766
Provision for business structure improvement	-	578
Provision for loss on guarantees	664	213
Other provision	51	32
Net defined benefit liability	8,402	9,218
Other	11,901	10,649
<b>Total non-current liabilities</b>	<b>141,764</b>	<b>132,777</b>
<b>Total liabilities</b>	<b>343,040</b>	<b>334,697</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	53,075	53,075
Additional paid-in capital	55,035	57,333
Retained earnings	99,539	108,553
Treasury stock	(19,762)	(25,353)
<b>Total shareholders' equity</b>	<b>187,888</b>	<b>193,608</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available for sale securities	11,078	5,607
Deferred gains (losses) of hedges	71	(8)
Foreign currency translation adjustments	24,059	8,010
Remeasurements of defined benefit plans	(4,516)	(8,644)
<b>Total accumulated other comprehensive income</b>	<b>30,692</b>	<b>4,964</b>
Non-controlling interests	15,946	19,407
<b>Total net assets</b>	<b>234,527</b>	<b>217,981</b>
<b>Total liabilities and net assets</b>	<b>577,567</b>	<b>552,678</b>



## (2) Consolidated Statements of Income

(Unit: Million yen)

	FY 2014 From Apr. 1, 2014 to Mar. 31, 2015	FY 2015 From Apr. 1, 2015 to Mar. 31, 2016
Net sales	661,510	678,528
Cost of sales	547,359	551,920
Gross profit	114,150	126,607
Selling, general and administrative expenses		
Packing and transportation expenses	17,254	16,592
Personnel expenses	35,625	39,623
Other	36,195	37,758
Total selling, general and administrative expenses	89,075	93,974
Operating income	25,075	32,632
Non-operating income		
Interest income	271	227
Dividend income	1,077	1,210
Foreign exchange gains	883	134
Reversal for product repair expenses	222	313
Other	1,173	838
Total non-operating income	3,627	2,725
Non-operating expenses		
Interest expenses	3,016	2,783
Share of loss of entities accounted for using equity method	343	2,918
Litigation expenses	1,426	1,389
Other	2,834	3,635
Total non-operating expenses	7,620	10,727
Ordinary income	21,082	24,629
Extraordinary gains		
Gain on sales of investment securities	128	2,420
Gain on sales of fixed assets	705	325
Gain on bargain purchase	817	-
Gain on refunds of retirement benefit trust	576	-
Other	23	-
Total extraordinary gains	2,250	2,745
Extraordinary losses		
Business structure improvement expenses	276	7,801
Litigation settlement	-	1,155
Other	2,820	1,227
Total extraordinary losses	3,097	10,183
Income before income taxes	20,235	17,191
Total income taxes	6,910	4,641
Profit	13,324	12,549
Profit attributable to non-controlling interests	1,123	1,232
Profit attributable to owners of parent	12,201	11,317

### (3) Consolidated Statements of Changes in Net Assets

(Unit: Million yen)

	Shareholders' equity						Total shareholders' equity
	Number of shares issued	Common stock	Capital surplus	Retained earnings	Treasury stock		
<b>Balance at March 31, 2015</b>	360,863,421	53,075	55,035	99,539	(19,762)		187,888
Dividends paid				(2,303)			(2,303)
Profit attributable to owners of parent				11,317			11,317
Purchase of treasury shares					(5,590)		(5,590)
Disposal of treasury shares			0		0		0
Change in treasury shares of parent arising from transactions with non-controlling shareholders			2,282				2,282
Purchase of shares of consolidated subsidiaries			15				15
Change of scope of equity method				(0)			(0)
Net changes of items other than shareholders' equity							-
Total changes of items during period			2,297	9,013	(5,590)		5,720
<b>Balance at March 31, 2016</b>	360,863,421	53,075	57,333	108,553	(25,353)		193,608

  

	Accumulated Other Comprehensive Income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gain (loss) on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
<b>Balance at March 31, 2015</b>	11,078	71	24,059	(4,516)	30,692	15,946	234,527
Dividends paid					-		(2,303)
Profit attributable to owners of parent					-		11,317
Purchase of treasury shares					-		(5,590)
Disposal of treasury shares					-		0
Change in treasury shares of parent arising from transactions with non-controlling shareholders					-		2,282
Purchase of shares of consolidated subsidiaries					-		15
Change of scope of equity method					-		(0)
Net changes of items other than shareholders' equity	(5,471)	(80)	(16,048)	(4,127)	(25,727)	3,461	(22,266)
Total changes of items during period	(5,471)	(80)	(16,048)	(4,127)	(25,727)	3,461	(16,545)
<b>Balance at March 31, 2016</b>	5,607	(8)	8,010	(8,644)	4,964	19,407	217,981

### (4) Consolidated Statements of Cash Flows

(Unit: Million yen)

	FY 2014 From Apr. 1, 2014 to Mar. 31, 2015	FY 2015 From Apr. 1, 2015 to Mar. 31, 2016
Cash flows from operating activities		
Income before income taxes and minority interests	20,235	17,191
Depreciation and amortization	27,732	26,311
Amortization of goodwill	2,346	3,149
Increase (decrease) in provision	(1,189)	396
Interest and dividend income	(1,348)	(1,437)
Interest expenses	3,016	2,783
Equity in (earnings) losses of affiliates	343	2,918
Business structure improvement expenses	165	6,358
Decrease (increase) in notes and accounts receivable, trade	(1,410)	4,432
Decrease (increase) in inventories	(8,857)	(4,579)
Increase (decrease) in notes and accounts payable, trade	(10,398)	559
Decrease (increase) in net defined benefit asset	4,443	1,367
Increase (decrease) in net defined benefit liability	283	(642)
Other, net	(6,281)	(887)
Sub-total	29,080	57,923
Interest and dividends income received	1,807	2,018
Interest paid	(3,019)	(2,876)
Income taxes (paid) refund	(7,224)	(8,791)
Net cash provided by (used in) operating activities	20,643	48,274
Cash flows from investing activities		
Net decrease (increase) in time deposits	(516)	(1,099)
Payments for purchase of property, plant and equipment and other assets	(24,257)	(30,821)
Proceeds from sales of property, plant and equipment and other assets	4,341	2,481
Proceeds from sale of investment marketable securities	513	4,313
Payments of loans receivable	(852)	(791)
Collection of loans receivable	1,474	225
Purchase of long-term prepaid expenses	(850)	(2,464)
Proceeds from transfer of business	-	1,802
Purchase of investments in subsidiaries resulting in change in scope of consolidation	-	(9,731)
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	-	45
Purchase of shares of subsidiaries and associates	(1,694)	-
Payments for investments in capital of subsidiaries and affiliates	(2,405)	(1,222)
Purchase of stocks of affiliates accounted for by equity method-treasury stock	(1,500)	-
Other, net	(323)	(19)
Net cash provided by (used in) investing activities	(26,071)	(37,283)

(Unit: Million yen)

	FY 2014 From Apr. 1, 2014 to Mar. 31, 2015	FY 2015 From Apr. 1, 2015 to Mar. 31, 2016
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	5,195	(3,402)
Net increase (decrease) in commercial papers	4,000	(2,000)
Proceeds from long-term loans payable	4,000	22,808
Repayment of long-term loans payable	(7,005)	(20,378)
Proceeds from share issuance to non-controlling shareholders	638	1,500
Cash dividends paid	(2,118)	(2,303)
Purchase of treasury stock	(8,759)	(5,590)
Other, net	(316)	(565)
Net cash provided by (used in) financing activities	(4,366)	(9,932)
Effect of exchange rate change on cash and cash equivalents	2,965	(2,304)
Net increase (decrease) in cash and cash equivalents	(6,828)	(1,245)
Cash and cash equivalents at beginning of period	39,336	33,336
Increase in cash and cash equivalents from newly consolidated subsidiaries	314	-
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	514	-
Cash and cash equivalents at end of period	33,336	32,091

## (5) Notes to the Consolidated Financial Statements

Breakdown of structural reform improvement costs.

Extraordinary loss due to reorganization and liquidation of Viscas Corporation	6,358
Special retirement pay and other outlays paid to early retirees at overseas subsidiaries	<u>1,442</u>
	7,801

Extraordinary loss due to reorganization and liquidation of Viscas Corporation

On April 25, 2016, Fujikura and Furukawa Electric Co., Ltd., signed a basic agreement for the reorganization and liquidation of their joint venture Viscas. Under this agreement, the Distribution and Overhead Transmission Businesses are to be transferred to Fujikura on October 1, 2016, and the Underground Transmission and Submarine Cable Businesses are to be transferred to Furukawa Electric on the same date. The 6,358 million yen in extraordinary loss for the reorganization and liquidation of Viscas mainly reflects expected business transfer losses and expected losses on doubtful accounts and the transfer of equity interest due to the liquidation and sale of Viscas' overseas subsidiaries.

(6) Note on conditions of the surviving entity N/A

## (7) Segment information

### a. Business Segments

(i) Summary of reportable segments

The Group's reportable segments are components of the Group for which separate financial statements are available that are regularly evaluated by the management in deciding how to allocate the management resources and in assessing performance. The Group's reportable segments are divided based on similarities between manufacturing methods and processes, and intended use and sales methods. The four reportable segments are the Power & Telecommunication Systems Company, Electronics Business Company, Automotive Products Company, and the Real Estate Company.

Starting from the consolidated fiscal year under review, some businesses that were traditionally included in the Automotive Products Company have been transferred over to the Electronics Business Company, after a review was conducted of the management system for the purpose of business expansion.

Note that segment information for the previous consolidated fiscal year was disclosed in accordance with the new reportable segments.

The main products for each business segment are as follows:

Business segment	Main products
Power & Telecommunication Systems Company	Power cables, telecommunication cables, aluminum wires, enameled wires, Optical fibers, optical fiber cables, telecommunication components, optical components, fiber optic equipment, network equipment, installation, etc.
Electronics Business Company	Flexible printed circuits, electronic wiring, HDD components, various kinds of connectors, etc.
Automotive Products Company	Automotive wire harnesses, Accessories & Installation, etc.
Real Estate Company	Real estate rental, etc.

(ii) Segment profit (loss) is adjusted by operating income stated in the Consolidated Statements of Income.

(iii) Information about amount of net sales, profit & loss, assets, other items in each segment.

I Fiscal Year ended March 31, 2015(April 1, 2014 – March 31, 2015)

(Unit: Million yen)

	Reportable segment				Other Note 1.	Total	Adjustment Note 2.	Consolidated total
	Power & Telecommunication Systems Company	Electronics Business Company	Automotive Products Company	Real Estate Company				
(1) Sales to outside customers	366,271	140,477	139,276	10,663	4,821	661,510	-	661,510
(2) Inter-segment sales	509	234	42	-	38	825	(825)	-
Total sales	366,780	140,711	139,319	10,663	4,859	662,335	(825)	661,510
Segment profit (Loss)	11,741	6,932	4,304	5,104	(3,006)	25,075	-	25,075
Segment assets	233,148	129,484	82,964	37,158	7,449	490,206	87,361	577,567
Depreciation and amortization	9,330	10,358	3,286	1,924	714	25,614	2,117	27,732
Impairment loss	811	20	-	-	-	832	-	832
Increase in tangible fixed assets and intangible fixed assets	7,948	7,262	5,075	182	762	21,231	3,406	24,637

Notes:

1. "Others" includes new businesses to launch and others which are excluded from the aforementioned 4 segments.
2. (1) The amount of 87,361 million yen in adjustments to segment assets reflects 110,389 million yen in Company assets not allocated to any reportable segment and (23,028) million yen in elimination of inter-segment transactions. Such assets principally consist of assets relating to the R&D and administrative sections of the Company and investment securities.  
 (2) The adjustment of 2,117 million yen to depreciation and amortization represents the depreciation and amortization of the corporate assets that have not been distributed to each reportable segment.  
 (3) The adjustment of 3,406 million yen to increase in tangible fixed and intangible fixed assets represents the increase in the corporate assets that have not been distributed to each reportable segment.

II Fiscal Year ended March 31, 2016(April 1, 2015 - March 31, 2016)

(Unit: Million yen)

	Reportable segment				Other Note 1.	Total	Adjustment Note 2.	Consolidated total
	Power & Telecommunication Systems Company	Electronics Business Company	Automotive Products Company	Real Estate Company				
(1) Sales to outside customers	364,140	161,166	135,876	10,709	6,634	678,528	-	678,528
(2) Inter-segment sales	203	99	41	-	13	359	(359)	-
Total sales	364,344	161,265	135,918	10,709	6,648	678,887	(359)	678,528
Segment profit (Loss)	15,747	12,061	2,363	5,394	(2,934)	32,632	-	32,632
Segment assets	239,381	124,337	77,136	36,177	8,063	485,096	67,581	552,678
Depreciation and amortization	8,682	9,167	3,335	1,739	660	23,585	2,725	26,311
Impairment loss	302	116	-	-	-	419	-	419
Increase in tangible fixed assets and intangible fixed assets	6,898	15,178	6,036	679	564	29,356	2,623	31,979

Notes:

1. "Others" includes new businesses to launch and others which are excluded from the aforementioned 4 segments.
2. (1) The amount of 67,581 million yen in adjustments to segment assets reflects 90,624 million yen in Company assets not allocated to any reportable segment and (23,042) million yen in elimination of inter-segment transactions. Such assets principally consist of assets relating to the R&D and administrative sections of the Company and investment securities.  
(2) The adjustment of 2,725 million yen to depreciation and amortization represents the depreciation and amortization of the corporate assets that have not been distributed to each reportable segment.  
(3) The adjustment of 2,623 million yen to increase in tangible fixed and intangible fixed assets represents the increase in the corporate assets that have not been distributed to each reportable segment.

**b .Related Information**

**Fiscal Year ended March 31, 2015 (April 1, 2014 – March 31, 2015)**

1. Information by Geographical Segment

(1) Sales

(Unit: Million yen)

Japan	USA	China	Other	Total
284,668	118,405	111,412	147,024	661,510

(2) Fixed assets

(Unit: Million yen)

Japan	Thailand	China	Other	Total
91,411	45,227	23,924	25,376	185,940

2. Information by major customer

This information has been omitted due to no external customer accounting for 10% or more of consolidated net sales as stated in the Consolidated Statements of Income.

**Fiscal Year ended March 31, 2016 (April 1, 2015 – March 31, 2016)**

1. Information by Geographical Segment

(1) Sales

(Unit: Million yen)

Japan	USA	China	Other	Total
269,528	148,8914	103,849	156,258	678,528

(2) Fixed assets

(Unit: Million yen)

Japan	Thailand	China	Other	Total
91,033	44,508	19,862	24,549	179,953

2. Information by major customer

This information has been omitted due to no external customer accounting for 10% or more of consolidated net sales as stated in the Consolidated Statements of Income.

**c. Information concerning goodwill amortization and unamortized balances for each reportable segment**

I. Fiscal Year ended March 31, 2015 (April 1, 2014 – March 31, 2015)

(Unit: Million yen)

	Power & Telecommunication Systems Company	Electronics Business Company	Automotive Products Company	Real Estate Company	Total
Amortization in fiscal year ended March 31, 2015	2,342	4	—	—	2,346
Balance as of March 31, 2015	6,203	12	—	—	6,215

II. Fiscal Year ended March 31, 2016 (April 1, 2015 – March 31, 2016)

(Unit: Million yen)

	Power & Telecommunication Systems Company	Electronics Business Company	Automotive Products Company	Real Estate Company	Total
Amortization in fiscal year ended March 31, 2016	3,145	4	—	—	3,149
Balance as of March 31, 2016	10,941	8	—	—	10,949



## (8) Per share information

### 1. Per share

(Unit: Yen)

	Fiscal Year ended March 31, 2015	Fiscal Year ended March 31, 2016
Net assets per share	707.09	662.93
Net income - basic	37.93	36.98

(\*1) As the Company does not have any instruments that have a dilutive effect, the Company has not included Net income (loss) - fully diluted per share data.

### 2. Basis for computation of per share data

	Fiscal Year ended March 31, 2015	Fiscal Year ended March 31, 2016
Profit attributable to owners of parent (Millions of yen)	12,201	11,317
Profit attributable to owners of parent attributable to common shareholders (Millions of yen)	12,201	11,317
Average number of outstanding shares during period (Thousands of shares)	321,667	306,006

### (Material Subsequent Events)

#### (Retirement of treasury stock)

At a Board of Directors meeting held on May 10, 2016, Board members decided to retire the following treasury stock in accordance with Article 178 of the Companies Act.

1. Retire shares to return profit to shareholders
2. Type of shares to be retired: Common shares
3. Number of shares to be retired: 65,000,000 common shares (18.01% of total shares outstanding prior to share retirement)
4. Date of share retirement: May 18, 2016

### (Omission of Disclosure)

No notes are included on the Consolidated Statements of Income regarding related party transactions, tax effect accounting, securities, derivative transactions, etc., because disclosure in the financial summary is not considered significantly necessary