

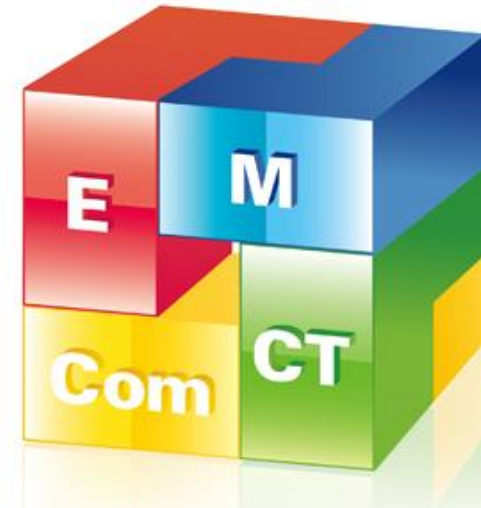
---

---

# Create the future with world-class technology

## Our Technologies Realize Your Dreams

Consolidated Financial Statement  
FY2016 (From April 2016 to March 2017)



May 26<sup>th</sup>, 2017  
Origin Electric Co., Ltd.

---

NOTE: Fiscal Year, denoted as “FY”, defined in this document is from April in the specified year to March in the next year.

# Table of contents

---

---

◇Consolidated Business Performances	P. 2
◇Consolidated Sales by Business Segment	P. 3
◇Consolidated Overseas Sales	P. 4
◇Operating Profit by Business Segment	P. 5
◇Consolidated Business Investment and Depreciation	P. 6
◇Consolidated R&D Expenses	P. 7
◇Summary of Consolidated Balance Sheet	P. 8
◇Summary of Consolidated Cash Flow Statement	P. 9
◇Summary of Dividends Paid	P. 10
◇Consolidated Forecasting for FY2017	P. 11
◇Consolidated Business Results	P. 12

# Consolidated Business Performances

(Unit: Million Yen)

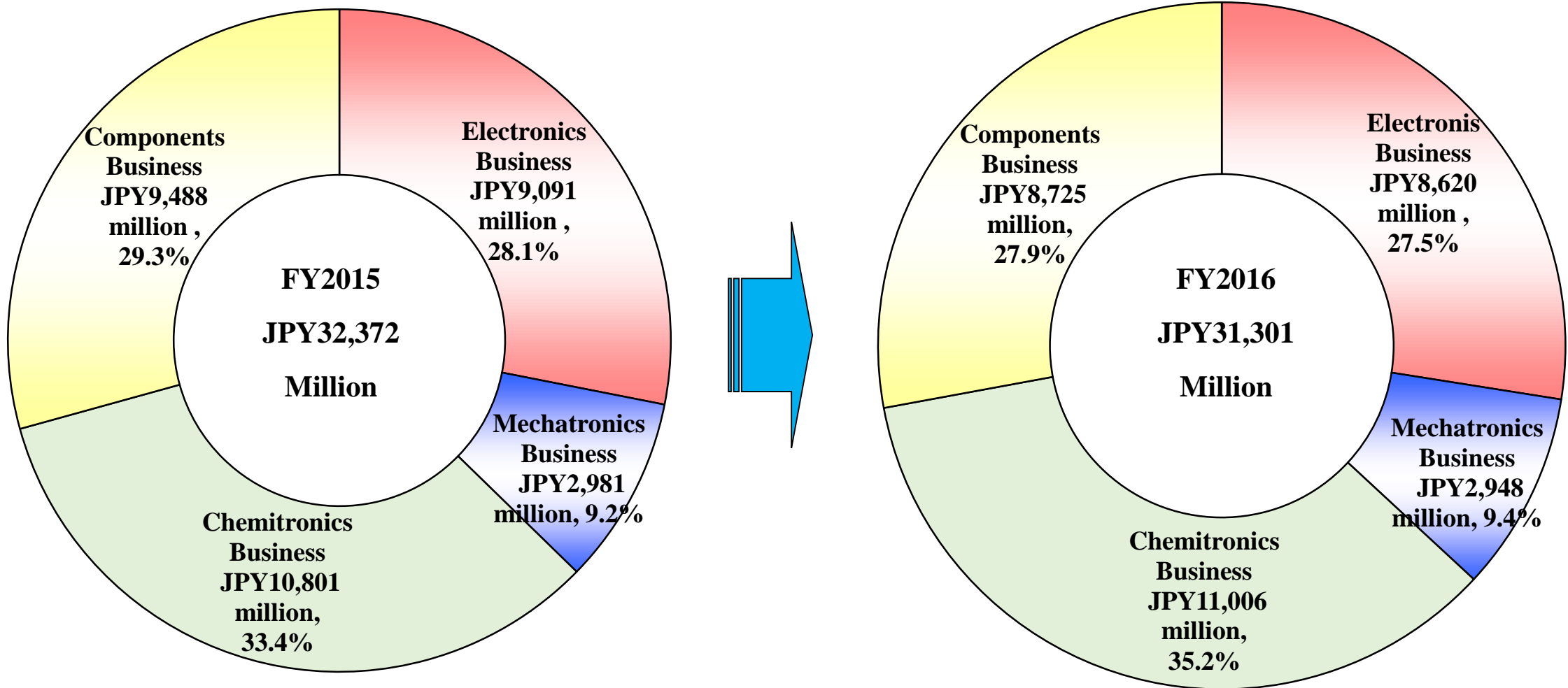
	<b>FY2016</b>	<b>FY2015</b>	<b>Comments</b>						
<b>Net Sales</b>	<b>31,301</b>	<b>32,372</b>	Segment Net Sales Comparison to FY2015	Electronics 8,620 Δ5.2%	Mechatronics 2,948 Δ1.1%	Chemitronics 11,006 1.8%	Components 8,725 Δ8.0%	Total 31,301 Δ3.3%	
<b>Operating Profit</b>	<b>930</b>	<b>1,560</b>	Segment Profit FY2016	Electronics 173	Mechatronics Δ66	Chemitronics 1,793	Components 881	Adjustment* Δ1,851	Total 930
<b>Ordinary Profit</b>	<b>1,180</b>	<b>1,759</b>	Segment Profit FY2015	986	73	1,248	1,018	Δ1,767	1,560
<b>Profit attributable to owners of parent</b>	<b>▲ 1,376</b>	<b>1,010</b>	Since Subvention Income of JPY94Million, Received dividends of JPY90Million, Interest Income of JPY89Million, and others were recorded in Non-operating Profit, Ordinary Profit was turned JPY1,180Million.  *Adjustment is the amount of all expenses of the company that has not been allocated to each business Segment.						

<b>Return on Equity</b>	<b>▲ 6.2%</b>	<b>4.4%</b>
<b>Return on Asset</b>	<b>2.8%</b>	<b>4.1%</b>
<b>Earning per Share (Yen)</b>	<b>-41.32</b>	<b>30.32</b>

## — Profitability Analysis —

The costs associated with the destruction work of the underground section of the previous headquarters and soil amelioration of the same are estimated as JPY 1,538 million and recorded in the extraordinary loss as allowance of the environmental countermeasure. Thereby, the loss attributable to owners' of parents is JPY1,376 million.

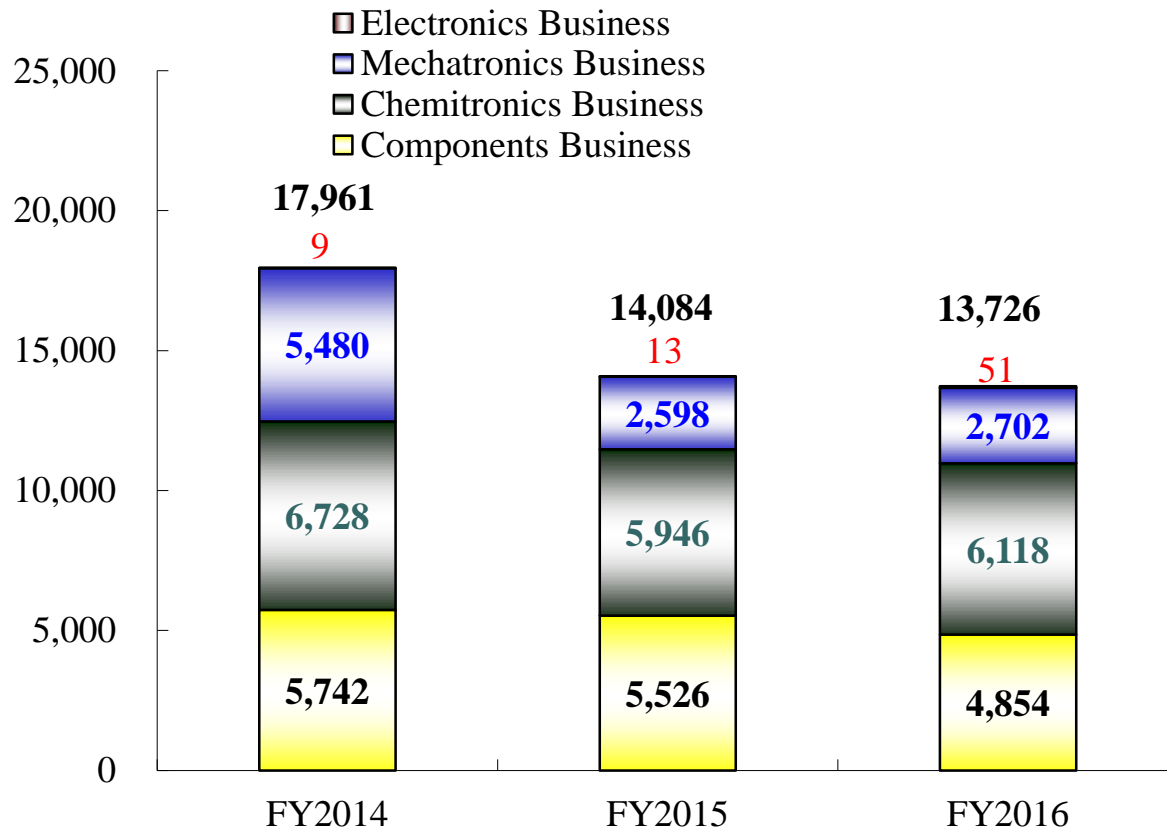
# Consolidated Sales by Business Segment



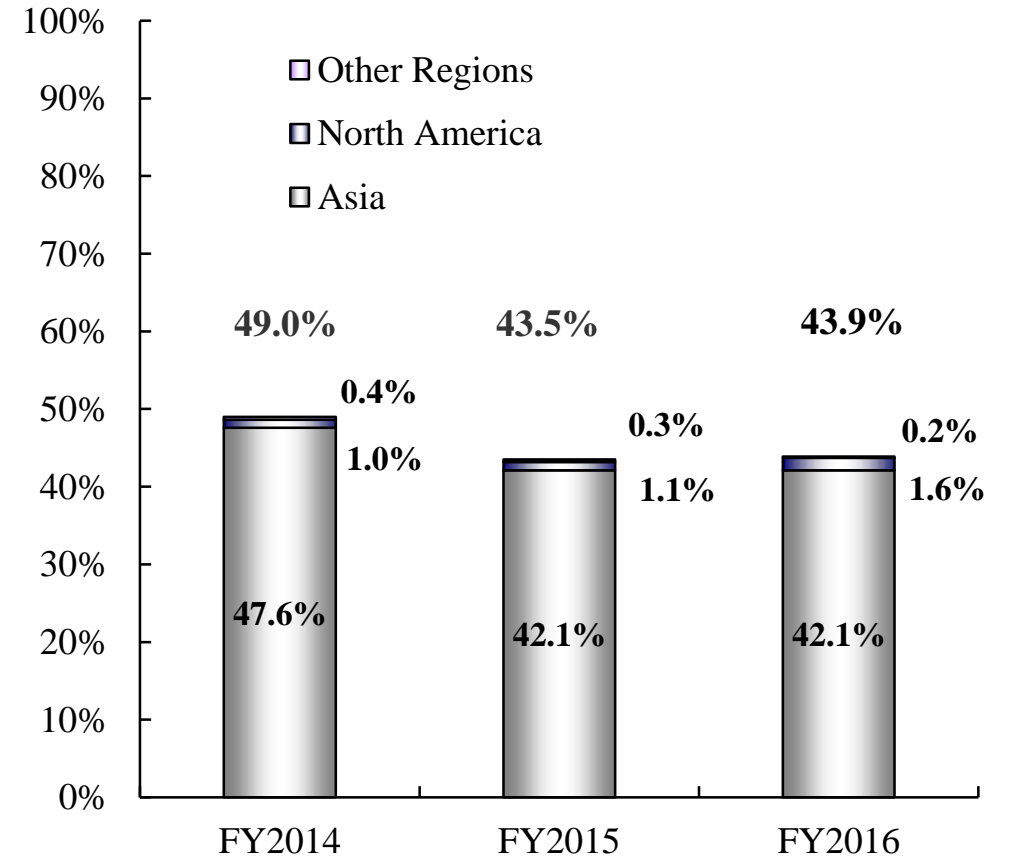
# Consolidated Overseas Sales

—By Business Segment—

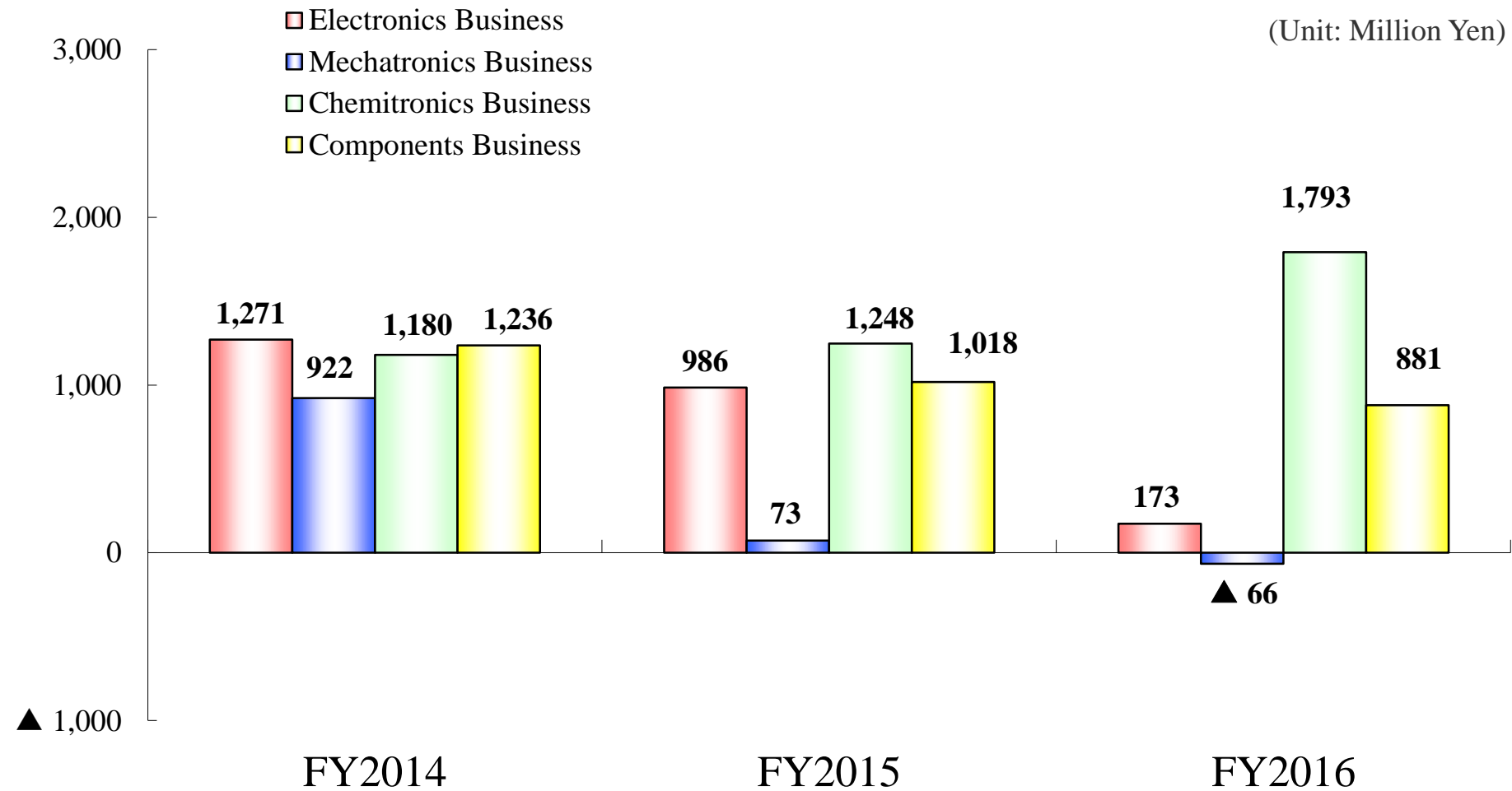
(Unit: Million Yen)



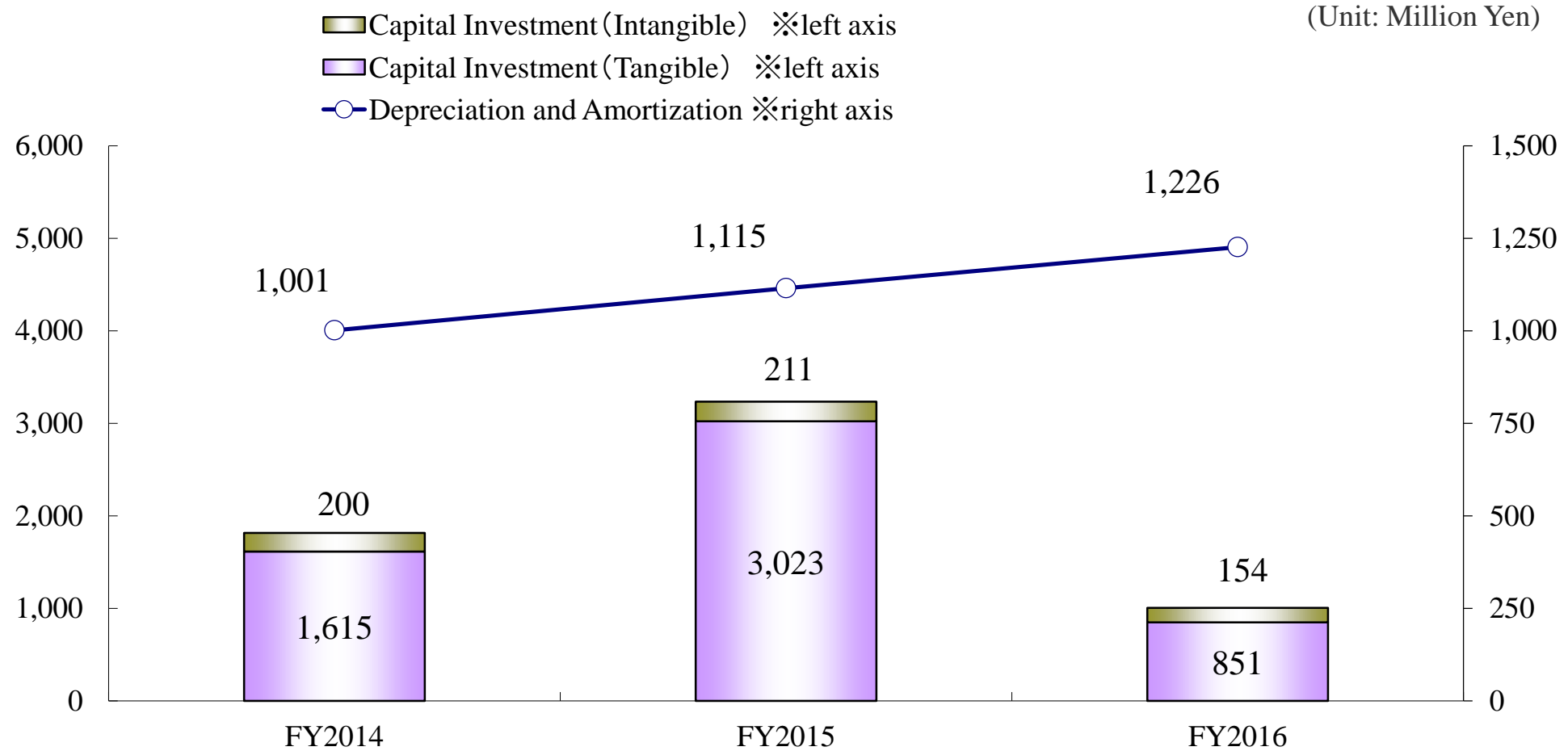
—By Regions—



# Operating Profit by Business Segment (Excluding common expense allocation)

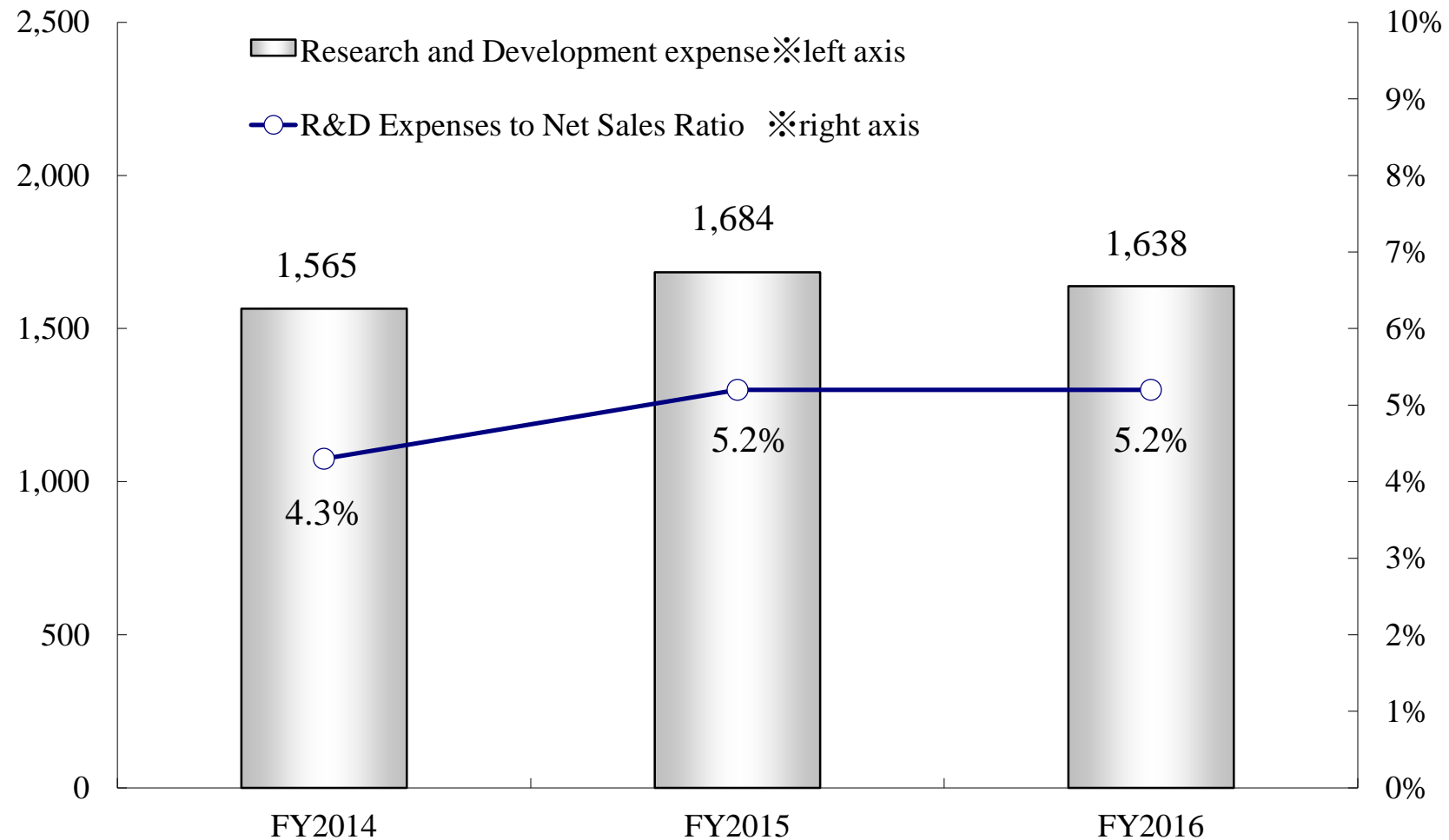


# Consolidated Business Investment and Depreciation



# Consolidated R&D Expenses

(Unit: Million Yen)





# Summary of Consolidated Balance Sheet

(Unit: Million Yen)

	FY2016	FY2015	Comments
<b>Current Assets</b>	<b>25,427</b>	<b>25,935</b>	Decreased by 507 : Increase of "Electrically Record Receivable" 417 and Notes Receivable and Account Receivable 389. Decrease of "Cash and Deposit" 489 and "Goods and Products" 204
<b>Non-Current Assets</b>	<b>16,830</b>	<b>16,828</b>	Increased by 1 : Increase of "Investment Securities" 513 Decrease of "Buildings and Structures" 414, "Differed Tax Asset" 124
<b>Current Liabilities</b>	<b>13,496</b>	<b>12,556</b>	Increase by 1,357 : Increase of Electrically Record Payable 2,344, Allowance of the environmental countermeasure 1,538, Long term debt payable within a year 667
<b>Non-Current Liabilities</b>	<b>5,069</b>	<b>4,652</b>	Decrease of Notes Payable and account payable 2,589, Shor-term Debt 700, Allowance of Demolition cost of Fixed asset 304
<b>Net Assets</b>	<b>23,692</b>	<b>25,555</b>	
<b>Total Assets</b>	<b>42,258</b>	<b>42,764</b>	

	FY2016	FY2015
<b>Capital Adequacy Ratio</b>	<b>50.2%</b>	<b>53.7%</b>
<b>Market value-based Capital Adequacy Ratio</b>	<b>24.0%</b>	<b>21.7%</b>
<b>Net Assets per Share (Yen)</b>	<b>636.15</b>	<b>688.63</b>

## ◆POINT◆

The costs associated with the destruction work of the underground section of the previous headquarters and soil amelioration of the same are estimated as JPY 1,538 million and recorded in the extraordinary loss as allowance of the environmental countermeasure. Thereby, the liability is increased by JPY1,357 million compared to the amount at the end of FY2016.

# Summary of Consolidated Cash Flow Statement

(Unit: Million Yen)

	FY2016	FY2015	Comments
<b>Cash flows from operating activities</b>	<b>1,200</b>	<b>2,515</b>	Increasing Factors: Allowance of Environmental Countermeasure 1,538, Depreciation 1,226 Decreasing Factors: Increase of Trade Receivable 974, Decrease of Allowance of dismantle cost of fixe asset 304
<b>Cash flows from investing activities</b>	<b>▲ 1,206</b>	<b>▲ 3,774</b>	Decreasing Factors: Expense by fixed asset acquisition 832, Expense by intangible asset acquisition 164
<b>Cash flows from financing activities</b>	<b>▲ 191</b>	<b>957</b>	Increasing Factors: Income by Long-term Loan 2,000 Decreasing Factors: Payment of Long-term Loan 1,030, Decrease of Short-term Loan 700, Dividends Paid 431
<b>Increase or decrease of amount of Cash and Cash Equivalent (▲: decrease)</b>	<b>▲ 456</b>	<b>▲ 494</b>	
<b>Balance of Cash and Cash Equivalent at the end of FY</b>	<b>5,578</b>	<b>6,034</b>	
<b>Cash Flow/Interest Bearing Liabilities Ratio (Unit: year)</b>	<b>3.4</b>	<b>1.5</b>	
<b>Interest Coverage Ratio (Unit: times)</b>	<b>32.2</b>	<b>78</b>	

◆ POINT ◆

•Cash Flow from operating activities is decreased; “Cash and cash equivalents” of JPY456 million was decreased from the end the FY2016 and turned out JPY5,578 million.

# Summary of Dividends Paid

(Unit: Yen)

	<b>FY2016</b>	<b>FY2015</b>	<b>FY2017</b>
<b>Interim Dividends Paid</b>	<b>3.50</b>	<b>3.50</b>	<b>3.50</b>
<b>Year End Dividends</b>	<b>3.50</b>	<b>3.50</b>	<b>17.50</b>
<b>Whole Year Total</b>	<b>7.00</b>	<b>7.00</b>	<b>—</b>
<b>Dividend Payout Ratio</b>	<b>▲16.9%</b>	<b>23.1%</b>	<b>66.6%</b>

\* Consolidation of shares are planned to be performed on October 1<sup>st</sup>, 2017. Five shares will be consolidated to one share.

\* Not considering a consolidation of shares, Year end dividends paid per share of FY2017 will be JPY3.50, the same amount of the first half of FY2016 (, which in total JPY7.0 through FY2017)

\* Dividends paid per share of FY2017 is denoted as JPY17.50 (JPY3.5 × 5 shares) taking into account the consolidation of shares before-stated. Thereby dividends paid for whole year total is denoted as the symbol “—”.

# Consolidated Financial Results Forecast For FY2017

(Unit: Yen)

	<b>FY2017 (Forecast)</b>	<b>FY2016</b>	<b>Difference</b>	<b>Increasing Rate</b>
<b>Net Sales</b>	<b>32,500</b>	<b>31,301</b>	<b>1,198</b>	<b>3.8%</b>
<b>Operating Profit</b>	<b>1,000</b>	<b>930</b>	<b>69</b>	<b>7.5%</b>
<b>Ordinary Profit</b>	<b>1,000</b>	<b>1,180</b>	<b>▲ 180</b>	<b>▲15.3%</b>
<b>Profit attributable to owners of parent</b>	<b>350</b>	<b>▲ 1,376</b>	<b>1,726</b>	<b>-</b>

## ◆POINT◆

Sales Forecasts for FY2017 by Business Segment are as follows;

(The figures below are before consolidation adjustment)

- Electronics Business    JPY9,000 million
- Mechatronic Business    JPY2,000 million
- Chemitronics Business    JPY11,500 million
- Components Business    JPY10,000 million

---

---

◇Origin Electric Co., Ltd. prepared this document, and all rights about contents are reserved. Please refrain from copying and reproducing this document without our permission.

◇The information in this document is for the purpose of offering the consolidated financial statement as well as financial results for FY2016; however, we are not in the position to guarantee the contents.

◇The forecasts presented in this document are base on available information at the present. Since various uncertain factors would affect the forecast, results may be different from expectation.

◇This document is not for the purpose to recommend the possession of stocks or bonds issued by us currently or possibly in the future.

Investors Relations

Origin Electric Co., Ltd.

Corporate Planning Division

Phone : +81-48-755-9422