

Consolidated Financial Review

For the Year Ended March 31, 2015 [Japanese GAAP]

May15 2015

Listed Market: TSE 1st section

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Application of U.S.GAAP: None

For reference only

The Japanese version of this Financial Review is the original, English version is essentially a translation from Japanese.

The accompanying financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.

1. Financial highlights for the year ended for March 31, 2015 (4/01/2014-3/31/2015)

(1) Consolidated operating results

% are the changes from the previous corresponding year

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Twelve months ended Mar.31, 2015	16,622	14.4	787	84.2	966	76.8	639	-71.3
Twelve Month ended Mar.31,2014	14,527	-2.3	427	74.0	546	76.9	2,229	---

Note: Comprehensive income

Twelve months ended Mar. 31, 2015 ¥741 million (-67.9%)

Twelve months ended Mar. 31, 2014 ¥2,305 million (693.8%)

	Net income per share	Net income per share-diluted	Return on Equity	Ordinary Income to total asset	Operating Income to net sales
Twelve months ended Mar. 31, 2015	Yen 71.72	Yen 71.39	% 4.8	% 4.1	% 4.7
Twelve months ended Mar. 31, 2014	250.00	249.56	18.7	2.5	2.9

Profit/loss on equity method: Twelve month ended Mar.31, 2015: -¥73 million: Twelve month ended Mar.31, 2014: -¥0million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net Assets per Share
	Mil yen	Mil yen	%	Yen
Mar.31,2015	24,707	13,767	54.9	1,521.09
Mar.31,2014	22,587	13,191	57.6	1,459.87

Note: Equity

As of Mar. 31, 2015: ¥13,566 million

As of Mar. 31, 2014: ¥13,020 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flow investment activities	Cash flow from financial activities	Cash and cash equivalents at end of period
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Twelve months ended Mar.31,2015	-1,106	686	502	7,966
Mar.31,2014	-527	-379	-177	7,806

2. Cash Dividends

	Cash dividends per share					Total Cash dividend	Consolidated payout ratio	Dividend on equity consolidated
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Annual total			
	Yen	Yen	Yen	Yen	Yen	Mil Yen	%	%
Fiscal year ended Mar. 31 2014	---	10.00	---	10.00	20.00	178	8.0	1.5
Fiscal year ended Mar. 31 2015	---	10.00	---	10.00	20.00	178	27.9	1.3
Fiscal year ending Mar. 31 2016 (forecast)	---	10.00	---	10.00	20.00		23.8	

3. Corporate estimates for the year ending March 31, 2016

(% are the rate of increase or decrease from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Mill. Yen	%	Mill Yen	%	Mill. Yen	%	Mill Yen	%	Yen
Interim	10,000	52.1	460	---	500	---	300	---	33.64
Fiscal year ending Mar. 2016	23,500	41.4	1,200	52.4	1,250	29.3	750	17.2	84.09

Notes

(1) Changes in significant consolidated subsidiaries (Changes in specified subsidiaries involving changes in scope of consolidation):
None

(2) Changes of accounting policies, changes in accounting estimates and retrospective restatement

- ① Changes of accounting policies accompanied by revision of accounting standard etc.: Yes
- ② Changes of accounting policies other than ① : None
- ③ Changes in accounting estimates : None
- ④ Retrospective restatement : None

(3) Number of issued shares outstanding (Common shares)

① Number of issued shares outstanding as of end of period (including treasury stock)

As of Mar. 31, 2015: 9,674,587 shares As of Mar. 31, 2014: 9,674,587 shares

② Number of treasury stock as of end of period

As of Mar. 31, 2015: 755,397 shares As of Mar. 31, 2014: 755,397 shares

③ Average number of issued shares outstanding

Twelve months ended Mar. 31 2015: 8,919,190 shares Twelve months ended Mar. 31, 2014: 8,919,269 shares

*Indication of review procedure implementation status

This financial report is exempt from review procedure based upon the Financial Instruments and Exchange Act and remains incomplete at the time of announcing this report

*Explanation for appropriate use of forecasts and other notes

The forward-looking statements such as operational forecasts contained in this document are based on the information currently available to us and certain assumptions that are regarded as legitimate. We do not promise that the forecasts or estimates will be accurate. Large discrepancies may be seen in the actual results due to various factors. Please refer to P. 4 "Analysis of operating results and financial condition (1) Analysis of operating results" for the assumptions used and other notes.

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1. Analysis of operating results and financial conditions

(1) Analysis of operating results

① Operating result of this financial period

Regarding the world economic condition of this financial period, in the United States economic activities have kept strong growth because of increases of private consumption, recovery of corporate performance and employment situation. But economic recession in Europe and slowdown of economic growth in P.R.C. and other developing countries are still one of the risk factors of world economy, therefore world economy has remained uncertain.

In Japan, economic activities have been in a recovery trend because of effect of aggressive stimulus economic policy by government in spite of the influence of the sluggish personal consumption by sales tax hike and raw material price hike by weak yen.

Under these economic atmospheres, our group has endeavored to develop and commercialize new products which grasp the needs of developing countries such as P.R.C. and Asia countries.

As a result, our business result of consolidated this financial year, sales amounted to ¥16,622 million (14.4% increased compared to the previous financial year), operating income marked ¥787 million (84.2% increased compared to the previous financial year), ordinary income marked ¥966 million (76.8% increased compared to the previous financial year), net income marked ¥639 million (71.3% decreased compared to the previous financial year). The reason why this year net income became big decrease is because of income on negative goodwill by acquisition of a company for business expansion which was ¥1,862 million was booked in the previous financial year.

Each segment result was as follows.

(Industrial electronics related segment)

Regarding the hard disk related business, business has been on the recovery trend because of strong sales of new burnisher equipment which is applicable for high recording density products, regardless weak sales of PC equipped with hard disc drive.

Regarding the semiconductor related business, we could grasp the demand of equipment for electrical automobile parts but those demand was not prolonged and our business went dull.

Regarding the liquid crystal manufacturing related equipment business, we could grasp the equipment demand of P.R.C. for smart phone and tablet PC, our business went well regardless of its fluctuated investment.

Regarding the heat treatment equipment, demand for manufacturing equipment of parts for smart phone and tablet PC has been stable, addition to that, there have been demand for automobile parts manufacturing equipment and our business went stable.

Regarding photovoltaic manufacturing equipment related business, new capital investment have been sluggish and our business went dull.

Regarding industrial metering equipment and telemetering and controlling system, our business went well backed by new capital investments by new comers' investments and reconstructions due to deregulation of energy industry.

As these results, this segment sales amounted to ¥15,264 million (16.5% increased compared to the previous financial year) and operating income marked ¥1,089 million (41.5% increased compared to the previous financial year).

(Cleaning related business)

We, despite of the worse business atmosphere such as declining trend of cleaning demand in Japan, have endeavored to strengthen our sales forces in P.R.C. and Europe, and our business went well.

As a result, this segment sales amounted to ¥1,358 million (4.7% decreased compared to the previous financial year) and operating income marked ¥230 million (34.4% increased compared to the previous financial year)

② Forecast of the following financial year

In Japan, economic activities will be in a moderate recovery trend because of effect of aggressive stimulus economic policy by government, which produces a gradually virtuous cycle,

in spite of the negative factors such as raw material price hike and energy cost hike by weak yen.

Under these business atmosphere, we will aim to achieve “To establish a profitable corporate culture with magnifying corporate body”. We promote the enhancement and expansion of products line in the fields of flat panel, which has been our main products, for smart phone, touch panel and cover glass, in the field of controlling system for electricity as well as in the field of power semiconductor related manufacturing equipment, which are used for electrical automobile. In the field of new penetrated high intensity LED lighting, we promote the sales expansion for mainly stadium and big facilities such as shopping mall with taking advantage of the characteristic as only one single light source system in the world.

We reorganized the corporate organization at the date of April 1, 2015 with aiming to strengthen the corporate body. Details are as follows

Name of Segment	Name of Business Div.	Main Business	Previous Name of Business Div.
Industrial Electronics Related Segment	Mechatronics Products Div.	Manufacture & sell hard disc related manufacturing equipment	Memory Disk Div.
		Manufacture & sell semiconductor related manufacturing equipment	Semiconductor Div.
		Manufacture & sell solar cell manufacturing equipment	Photovoltaic Div.
	Manufacture & sell wet station for flat panel manufacturing.		
	Display Manufacturing Equipment Div.	Manufacture & sell plasma system for flat panel	Plasma System Div.
		Manufacture & sell annealing equipment	
Lamp & Lighting Business Div.	Manufacture & sell energy saving & high intensity lighting	FEL DIV	
Cleaning Related Business	Cleaning Equipment Div.	Manufacture & sell cleaning related equipment	Cleaning Div.

Our group will endeavor to receive new orders and increase profit with aggressively penetrating into Asian market and developing and selling high value added new products which grasp customers' needs.

We forecast following financial year as follows, consolidated net sales will be ¥23,500 million, operating income will be ¥1,200 million, ordinary income will be ¥1,250 million and net income will be ¥750 million.

(2) Analysis of financial conditions

① Conditions of assets, liabilities and net assets

Current assets as of end of this consolidated financial year stood at ¥19,504 million increased by ¥2,712 million compared to the previous consolidated financial year end. Main increased items were trade note and accounts receivable by ¥1,403 million, securities by ¥951 and work in process by ¥696 million, and main decreased items were cash and deposits by 714 million. Noncurrent assets amounted to ¥5,202 million decreased by ¥592 million compared to the previous consolidated financial year end. The main factor is a decrease of investment in securities by ¥835 million.

As a result, total assets as of end of this consolidated financial year stood at ¥24,707 million, increased by ¥2,119 million compared to the previous consolidated financial year end.

Current liabilities as of end of this consolidated financial year stood at ¥6,977 million, increased by ¥1,854 million compared to the previous consolidated financial year end. The increase were mainly

due to increase of current portion of bond payable by ¥700 million, short term loans payable by ¥487 million and notes and account payable-trade by ¥425 million.

Non-current liabilities amounted to ¥3,962 million, decreased by ¥311 million compared to the previous consolidated financial year end.

The main factors were increase are of long term loans payable by ¥382 million and decrease of bonds payable by ¥700 million.

As a result, total liabilities as of end of this consolidated financial year stood at ¥10,939 million, increased by ¥1,543 million compared to the previous consolidated financial year end.

Total net assets as of end of this consolidated financial year amounted to ¥13,776 million increased by ¥576 million compared to the previous consolidated financial year end. The increase was mainly due to increase of retained earnings by ¥461 million.

As a result, equity ratio at the end of this consolidated financial year came to 54.9% and net assets per share came to ¥1,521.09.

②Condition of Cash Flows

Cash and cash equivalent at the end of this financial year was increased by ¥159 million, compared to the end of the previous financial year, to ¥7,966 million.

(Cash flows from operating activities)

Cash flows from operating activities was negative ¥1,106 million compared to negative ¥527 million in the previous financial year. The main positive factors were a ¥962 million in earnings before income taxes, a ¥345 million in increase in trade payables and a ¥329 million in depreciation and amortization. The main negative factors were a ¥1,320 million in increase in trade receivables, a ¥570 in increase in inventories, a ¥320 in decrease of advances received and a ¥203 million in increase in prepaid consumption tax.

Cash flows from investing activities was positive ¥686 million compared to negative ¥379 million in the previous financial year.

The main positive factors are a ¥966 million in proceed from redemption of investment securities and a ¥339 million in proceeds from drawing of time deposit and the main negative factors were a ¥313 million in payment for establishment of time deposit and a ¥150 million in payment for lending.

(Cash flows from financing activities)

Cash flows from financing activities was positive ¥502 million compared to negative ¥177 million in the previous financial year. The main positive factors were a ¥380 million in increase of short-term borrowings, a ¥317 million in increase of long-term borrowings. The main negative factor is a ¥178 million in payment for dividends.

(Trend of cash flows related indicators)

Cash flows related indicators of our group are as follows

	Financial year ended Mar.31 2011	Financial year ended Mar.31 2012	Financial year ended Mar.31 2013	Financial year ended Mar.31 2014	Financial year ended Mar.31 2015
Equity ratio	59.1%	43.6%	50.9%	57.6%	54.9%
Equity ratio at market Value	35.5%	24.3%	21.8%	22.9%	23.7%
Interest-bearing debt to cash flows ratio (year)	1.5	2.5	6.4	---	---
Interest coverage ratio (times)	50.7	41.0	17.1	---	---

Equity ratio: (Equity / Total assets) x 100

Equity ratio at market value: (Market capitalization / Total assets) x 100

Interest-bearing debt to cash flow ratio: Interest-bearing debt / Cash flow from operating activities

Interest coverage ratio: Cash flow from operating activities / Interest expenses

(1) All indicators are calculated using financial figures on a consolidated basis.

(2) Market capitalization is calculated based on the following formula:

Closing stock price at fiscal year-end x Number of shares outstanding at fiscal year-end after deduction of treasury stock.

(3) Cash flows from operating activities corresponds to the cash flows from operating activities in the consolidated statement of cash flows. Interest-bearing debt includes all liabilities for which the Company is paying interest among the liabilities reported on the consolidated balance sheet. Interest expenses correspond to the interest paid in the consolidated statement of cash flows.

(4) Interest-bearing debt to cash flows ratio (year) and interest coverage ratio (times) of financial year ended Mar.31, 2014 were not mentioned because cash flows from operating activities are negative.

(3) Basic policy on profit allocation and payment of dividends for current and next financial years

Basic policy of YAC group is to let corporate value keep increasing continuously and to return profit to shareholders corresponding amount to corporate operating results. In order to achieve our basic policy, we endeavor to strengthen corporate body, to proceed our R&D activities and to pay dividends stably with considering the amount of retained earnings to cope with the changes of atmosphere.

We plan to pay a dividend 10 yen per share as a year-end dividend of this financial year. As a result, the dividend entire financial year is planned to be 20 yen per share including the interim dividend 10 yen per share.

For the following financial year, we plan to pay 20 yen dividend per share as a full year dividend based on basic policy with considering the projected operating results.

2. Overview of YAC Group

YAC group (Y.A.C. Co., Ltd. and affiliate companies) is composed of Y.A.C. Co., Ltd., 8 subsidiaries and one equity method affiliate and mainly engaging in the business of developing, drawing, manufacturing, selling and maintenance service for industrial electronics related business and cleaning related business.

The business activities of YAC group companies are as follows

Business	Positioning of Y.A.C. Co.,Ltd. and its affiliates	
Industrial electronics related business	Main products are hard disc related polishing apparatus, clean conveyor, IC handler, dry etching equipment for liquid crystal, annealing equipment, precision heat treatment equipment, solar cell manufacturing equipment, flat emission lamp emitter, high intensity LED lighting, information transmitting devices recording and monitoring equipment, precise cutting machine and razor process system.	
	Hard disc related equipment, clean conveyor and others	Y.A.C. Co., Ltd. HYAC Corporation YAC Systems Singapore Pte. Ltd
	IC handler and others	Y.A.C. Co., Ltd. Ohkura Electric Co., Ltd.
	Dry etching equipment for liquid crystal and semiconductor/annealing equipment/precision heat treatment equipment	Y.A.C. Co., Ltd. YAC Korea Co., Ltd. YAC (Shanghai) International Trade Co., Ltd. YAC Denko Co., Ltd. YAC-Kokusaidennetsu Co., Ltd.
	Solar cell manufacturing equipment	Y.A.C. Co., Ltd. YAC Korea Co., Ltd. YAC (Shanghai) International Trade Co., Ltd. YAC Denko Co., Ltd. YAC-Kokusaidennetsu Co., Ltd.
	Flat emission lamp emitter	Y.A.C. Co., Ltd. ND Material Co., Ltd.
	High intensity LED Lighting	Y.A.C. Co., Ltd.
	Industrial metering equipment telemetering and controlling equipment	Ohkura Electric Co., Ltd.
	Precise cutting machine	YAC Dastec Co. Ltd.
	Razor process equipment	YAC Phoeton Co., Ltd.
Cleaning related business	Main products are finisher for shirts and wool materials and bagging system	
	Y.A.C. Co., Ltd. YAC Niigata Seiki Co., Ltd. HYAC Corporation YAC(Shanghai) International Trade Co., Ltd.	

3. Management Policies.

(1) Basic Management Policy

Since established in 1973, we have held the basic policy to be a R&D oriented company. We will promote our own technology, seek for low cost operation, establishing corporate culture to be a profitable company, attempting to raise employee's motivation and increase the corporate value based on growing with profit. As a result, we contribute to society by confirming employment and paying a suitable tax.

(2) Management Targets

We think that the biggest obligation of management team is to operate management resources efficiently and ensure a stable profit. To aim to realize the above, we cope to reduce production cost and operation cost including reviewing of production systems as a whole corporate task. We aim to obtain high operating income to net sales as one of midterm management target.

(3) Mid-to long-term business strategies

We have been managing the company to become a high profitable corporation by providing high value-added products to customers with introducing new developed products which take customer's needs and utilize our long term stacked technologies.

Especially in the field of industrial electronics business, we endeavor to expand our business base in the bigger market as a global Asian base supplier and to take profit earning opportunities.

(4) Management Tasks

In the electronics business, which is our group's main business field, smart phone and tablet devices business are growing and the higher processing capability of the LCD flat panel, which is used for manufacturing the parts of smart phone and tablet PC, is required.

In the environmental and energy save business, we imagine that demand for replacement from mercury-vapor lamp to LED lamp will continue.

Under these circumstances, our group will aggressively cope with expanding the present business, M&A, and corporation with other companies with aiming to enlarge the corporate size and establish high profitable corporate body. Moreover, we endeavor to develop a high value add products and cope with enlarging products line which reply to customers' needs. Specifically we deal the following subjects.

① To expand business fields

We will expand the business area by increasing our handling products line through developing a new products quickly which reply to customers' needs and M&A or business cooperation. At the same time, we will expand our sales and customer bases by promoting our business to outside mainly to Asian area.

② To expand R&D activities

We have been continuing of developing activities to expand products line up in manufacturing equipment business. in order to reply to customers' diversified request. We aggressively cope with developing activities, in crystal liquid business such as the higher density etching equipment, annealing equipment and cleaning equipment for LCD touch panel, in hard disc business such as the higher capacity burnisher equipment and cope with commercializing FEL lamp and developing environmentally friendly products like solar cell manufacturing equipment.

③ To reconstruct manufacturing system

In order to respond to destabilization of raw material procurement accompanied by the politics and economic atmosphere changes, always changing management atmosphere and diversified customer's needs, we will endeavor to construct a flexible manufacturing system supported by co-operating companies in domestic and overseas.

④ To strengthen financial conditions

We endeavor to increase cash flow and net assets to strengthen financial conditions, maintain the higher profitable and stable company and expand corporate size.

4. Basic philosophy on selection of accounting standards

Our group's consolidated financial statements have been prepared in accordance with Japanese G.A.A.P. in order to secure the comparability with competitors in Japan.

5. Consolidated financial information

(1) Consolidated Balance Sheets

(Thousands of yen)

	The previous financial period (Mar. 31, 2014)	This financial period (Mar.31, 2015)
(Assets)		
Current assets		
Cash and deposits	7,926,518	7,211,589
Trade notes and account receivables	5,673,962	7,077,799
Securities	83,274	1,035,126
Merchandise and finished goods	140,520	147,213
Work in process	2,091,908	2,788,163
Raw materials and supplies	506,781	636,700
Deferred income taxes	190,991	241,050
Others	183,481	378,805
Allowance for doubtful accounts	-5,204	-11,560
Total current assets	16,792,234	19,504,887
Noncurrent assets		
Tangible fixed assets		
Buildings and structures	2,682,905	2,705,236
Accumulated depreciation	-1,922,088	-1,988,841
Building and structures(net)	760,817	716,395
Machinery, equipment and vehicles	299,358	354,276
Accumulated depreciation	-266,062	-269,233
Machinery, equipment and vehicles(net)	33,296	85,042
Tools, equipment and fixtures	2,249,910	2,381,058
Accumulated depreciation	-1,893,224	-2,059,828
Tools, equipment and fixtures(net)	356,686	321,229
Land	2,568,122	2,568,122
Leased assets	84,738	39,064
Accumulated depreciation	-56,350	-17,237
Leased assets(net)	28,388	21,827
Construction in progress account	479,960	542,788
Total tangible fixed assets	4,227,271	4,255,405
Intangible assets		
Goodwill	26,075	90,753
Soft wares	42,306	38,912
Leased assets	37,361	28,433
Telephone subscription rights	18,596	18,638
Patent license	---	155,000
Others	765	31,407
Total intangible assets	125,105	363,145
Investments and other assets		
Investment in securities	1,038,919	203,071
Long-term lending	68	92,713
Differed income taxes	197,666	176,458
Long-term retention receivables	69,480	68,168
Others	235,085	140,511
Allowance for doubtful accounts	-98,080	-96,768
Total investments and other assets	1,443,139	584,156
Total noncurrent assets	5,795,516	5,202,707
Total assets	22,587,751	24,707,595

(Thousands of yen)

	The previous financial period (Mar. 31, 2014)	This financial period (Mar. 31, 2015)
Liabilities		
Current liabilities		
Notes and account payable-trade	3,163,368	3,588,992
Short-term loans payable	1,089,424	1,576,688
Current portion of bonds payable	---	700,000
Lease obligations	15,904	16,480
Income taxes payable	166,689	265,050
Provision for bonuses	173,869	217,935
Provision for product warranties	49,635	89,241
Expense payable	232,732	248,468
Advances received	18,105	779
Others	212,936	273,968
Total current liabilities	5,122,666	6,977,604
Fixed liabilities		
Bonds payable	1,000,000	300,000
Long-term loans payable	2,048,400	2,430,465
Expense payable long term	232,356	218,228
Lease obligations	53,133	36,351
Deferred tax payable	73,598	71,747
Provision for directors' retirement benefits	48,007	55,570
Obligations related to retirement benefits	789,818	821,345
Others	28,431	28,436
Total fixed liabilities	4,273,746	3,962,144
Total liabilities	9,306,412	10,939,748
Net assets		
Shareholders' equity		
Capital stock	2,756,680	2,756,680
Capital surplus	3,582,276	3,582,276
Retained earnings	7,377,475	7,838,790
Treasury stock	-646,220	-646,220
Total shareholders' equity	13,070,212	13,531,527
Accumulated other comprehensive income		
Valuation difference on available-for-sale security	33,498	59,057
Foreign currency translation adjustment	-89,438	-30,564
Pension liability adjustments	6,615	6,875
Total accumulated other comprehensive income	-49,324	35,367
Subscription rights to shares	9,856	23,631
Minority interests	160,594	177,319
Total net assets	13,191,339	13,767,846
Total liabilities and net assets	22,587,751	24,707,595

(2) Consolidated statements of income and comprehensive income

(Consolidated Statements of Income)

(Thousands of yen)

	The previous corresponding period. (Apr.1, 2013 to Mar.31, 2014)	This financial year (Apr.1, 2014 to Mar.31, 2015)
Net sales	14,527,018	16,622,957
Cost of sales	11,595,695	12,450,500
Gross profit	2,931,322	4,172,456
Selling, g&a expenses		
Salary & directors 'compensation	1,008,002	1,362,690
Provision for bonuses	51,498	48,591
Fringe benefit expenses	45,674	55,281
Rent expenses	77,943	119,634
Outsourcing expenses	51,727	71,524
R&D expenses	237,992	301,428
Depreciation	159,734	227,435
Others	871,208	1,198,533
Total selling, g&a expenses	2,503,782	3,385,120
Operating income (loss)	427,540	787,335
Non-operating income		
Interest income	10,844	18,968
Dividends income	2,727	3,862
Foreign exchange gains	104,778	244,616
Rents income	12,001	12,157
Insurance premium income	618	---
Subsidies Income	2,232	913
Refund of Trade Duty	6,477	744
Others	16,667	41,771
Total non-operating income	156,350	323,035
Non-operating expenses		
Interest expenses	31,384	33,573
Factoring fees	234	70
Equity in loss of affiliates	556	73,045
Settlement fee	---	20,000
Others	4,917	16,704
Total non-operating losses	37,093	143,394
Ordinary income (loss)	546,796	966,977

(Consolidated Statements of Income)

(Thousands of Yen)

	The previous corresponding period. (Apr.1, 2013 to Mar.31, 2014)	This financial year (Apr.1, 2014 to Mar.31, 2015)
Extraordinary income		
Gains on disposal of fixed assets	142	144
Income on negative goodwill	1,862,240	2,737
Others	250	---
Total extraordinary income	1,862,632	2,881
Extraordinary loss		
Losses on disposal of fixed assets	1,358	2,697
Loss on valuation of investment securities	---	4,273
Total extraordinary loss	1,358	6,971
Income (loss) before income tax	2,408,070	962,887
Income taxes	163,467	348,491
Income tax adjustment	12,141	-41,466
Total income tax	175,608	307,025
Income (loss) before minority interests	2,232,461	655,862
Minority interests	2,686	16,163
Net income (loss)	2,229,775	639,698

(Consolidated Statements of Comprehensive Income)

(Thousands of yen)

	The previous corresponding period (Apr.1, 2013 to Mar.31, 2014)	This financial year (Apr.1, 2014 to Mar. 31, 2015)
Income (loss) before minority interests	2,232,461	655,862
Other comprehensive income		
Valuation difference on available for sale securities	17,390	26,120
Foreign currency translation adjustment	55,545	58,873
Pension liability adjustments	---	259
Total other comprehensive income	72,936	85,253
Comprehensive income	2,305,398	741,115
(Breakdown)		
Comprehensive income attributable to owners	2,302,663	724,391
Comprehensive income attributable to minority interests	2,734	16,724

(3) Consolidated Statements of Changes in Net Assets
The previous corresponding period (From Apr.1, 2013 to Mar.31, 2014)

(Thousands of ¥)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at beginning of period	2,756,680	3,582,276	5,326,086	-646,176	11,018,866
Changes during period					
Payout of retained earning			-178,385		-178,385
Net income			2,229,775		2,229,775
Acquisition of treasury stock				-43	-43
Net changes during period except shareholders' equity					
Total changes during period			2,051,389	-43	2,051,345
Balance at end of period	2,756,680	3,582,276	7,377,475	-646,220	13,070,212

	Valuation difference on available for sale securities	Accumulated Other Comprehensive Income			Subscription wright to share	Minority Interest	Total Net Asset
		Foreign currency translation adjustment	Accumulated pension liability adjustment	Total accumulated other comprehensive income			
Balance beginning at period	16,155	-144,983	---	-128,828	---	157,860	11,047,898
Changes during period							
Payout of retained earning							-178,385
Net income							2,229,775
Acquisition of treasury stock							-43
Net changes during period except shareholders' equity	17,343	55,545	6,615	79,504	9,856	2,734	92,094
Total changes during period	17,343	55,545	6,615	79,504	9,856	2,734	2,143,440
Balance at end of period	33,498	-89,438	6,615	-49,324	9,856	160,594	13,191,339

This financial period (From Apr.1, 2014 to Mar.31, 2015)

(Thousands of ¥)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at beginning of period	2,756,680	3,582,276	7,377,475	-646,220	13,070,212
Changes during period					
Payout of retained earning			-178,383		-178,383
Net income			639,698		639,698
Acquisition of treasury stock					
Net changes during period except shareholders' equity					
Total changes during period	---	---	461,315	---	461,315
Balance at end of period	2,756,680	3,582,276	7,838,790	-646,220	13,531,527

	Accumulated Other Comprehensive Income				Subscription right to shares	Minority Interest	Total Net Asset
	Valuation difference on available for sale securities	Foreign currency translation adjustment	Accumulated pension liability adjustments	Total accumulated other comprehensive income			
Balance beginning at period	33,498	-89,438	6,615	-49,324	9,856	160,594	13,191,339
Changes during period							
Payout of retained earning							-178,383
Net income							639,698
Acquisition of treasury stock							
Net changes during period except shareholders' equity	25,558	58,873	259	84,692	13,775	16,724	115,192
Total changes during period	25,558	58,873	259	84,692	13,775	16,724	576,507
Balance at end of period	59,057	-30,564	6,875	35,367	23,631	177,319	13,767,846

(4)Consolidated cash flows-1

	The Previous Corresponding Period (Apr.1, 2013 to Mar.31, 2014)	This Financial Period (Apr.1,2014 to Mar.31, 2015)
1. Cash flows from operating activities		
Earnings/(loss)before income taxes	2,408,070	962,887
Depreciation and amortization	266,706	329,787
Increase/(decrease) in reserve for retirement and severance benefits	(778,514)	---
Increase/(decrease) in allowance for doubtful accounts	4,002	4,213
Increase/(decrease) in obligations related to retirement benefits	800,067	31,425
Interest and dividend revenue	(13,572)	(22,831)
Interest paid	31,384	33,573
Foreign currency exchange loss/ (income)	(132,066)	(189,611)
Income on negative goodwill	(1,862,240)	(2,737)
Minority interest income (Loss)	556	73,045
Loss/(Income) on disposal of fixed assets	1,215	2,552
(Increase)/decrease in trade receivable	(1,195,360)	(1,320,435)
Increase /(decrease) of advances received	(89,370)	(320,927)
(Increase)/decrease in inventories	2,072,983	(570,692)
Increase/(decrease) in trade payable	(1,724,394)	345,889
Decrease/(increase)in prepaid consumption tax	(144,432)	(203,752)
(Decrease)/Increase in others	(154,944)	(27,622)
Subtotal	(509,908)	(875,234)
Receipts from interest and dividends	19,898	38,139
Interest paid	(31,596)	(33,176)
Income taxes paid	(23,541)	(238,114)
Refund of paid income tax	17,635	1,752
Cash flows from operating activities	(527,511)	(1,106,634)
2. Cash flows from investing activities		
Payment for establishment of time deposit.	(180,008)	(313,770)
Proceeds from drawing of time deposit.	149,211	339,959
Payment for acquisition of fixed tangible asset.	(18,110)	(55,660)
Proceed from sale of fixed tangible asset	12,047	639
Payment for acquisition of intangible asset.	(1,207)	(89,878)
Payment for acquisition of business.	---	(34,627)
Payment for acquisition of related company's stock.	---	(15,000)
Payment for acquisition of subsidiary's stock resulting changes in scope of consolidation	---	(11,549)
Proceed from acquisition of subsidiary's stock resulting changes in scope of consolidation	493,691	---
Payment for acquisition of investment securities	(830,146)	---
Proceed from sale of investment securities	1,250	---
Proceed from redemption of investment securities.	---	966,000
Proceed from distribution of investment association	23,400	50,700
Payment for lending	(30,000)	(150,100)
Proceed from repayment of lending	151	264
Cash flows from investing activities	(379,720)	686,977

Consolidated cash flows-2

	The previous corresponding period (Apr.1, 2013 to Mar.31, 2014)	This financial period (Apr.1, 2014 to Mar.31, 2015)
3. Cash flows from financing activities		
Increase /(Decrease) of short term borrowings	15,000	380,000
Proceeds from long-term borrowings	1,333,400	1,505,000
Payment for long term borrowings	(1,222,463)	(1,187,342)
Payment for redemption of bonds	(106,510)	---
Payment for acquisition of treasury stock	(43)	---
Payment for dividends	(178,385)	(178,383)
(Decrease)/increase in others	(18,094)	(16,991)
Cash flows from financing activities	(177,096)	502,282
4. Effect of exchange rate changes on cash and cash equivalents	129,131	76,787
5. Net increase/(decrease) in cash and cash equivalents	(955,197)	159,413
6. Cash and cash equivalents balance at beginning of period	8,761,909	7,806,711
7. Cash and cash equivalents balance at end of period	7,806,711	7,966,124

(5)Notes on Consolidated Financial Information (Notes Concerning Going Concern Assumption)

Not applicable

(Changes of accounting policy)

(Adoption of new accounting standards for retirement benefits)

Effective from the beginning of the first quarter of the financial year ending March 31, 2015, Y.A.C. Co. Ltd. and its consolidated domestic subsidiaries have applied the Accounting Standard for Retirement Benefits (ASBJ Guidance No.26, May 17, 2012 (hereinafter referred as the "Accounting Standards for Retirement Benefits") and its accompanying implementation guidance, "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25, Mar. 26, 2015.) (hereinafter referred as the "Guidance on Accounting Standards for Retirement Benefits") with respect to certain provisions described in article 35 of the Accounting Standards for Retirement Benefits and the article 67 of the Guidance on Accounting Standard for Retirement Benefits.

As a result, the methods for calculating retirement benefit obligations and service costs have been revised, and the method for determining the discount rate has been changed.

As a result of this change, influence to retained earnings and net income of the beginning of this financial year are little.

(Segment Information)

1. Outline of Reportable Segment

Our corporate reportable segments are the subject to be reviewed regularly in order board of directors to decide the allocation of management resources and review its results and it is possible to get isolated financial information of each segment.

We have each division divided by business and service at main factory and such division develops domestic and international comprehensive business strategy and operate its business. Therefore we are composed of segments by products and service based on divisions and reportable segments are "Industrial Electronics Related Business" and "Cleaning Related Business".

"Industrial Electronics Related Business" includes manufacturing, sales and maintenance service business of hard disc related products, liquid crystal related products, semiconductor related products, energy saving and clean energy related products, industrial metering equipment and telemetering and controlling equipment. "Cleaning Related Business" includes manufacturing, sales and maintenance service business of cleaning related products.

2. Calculation method of net sales, net income, assets and liabilities of each segment.

Accounting method of each reportable segment is nearly the same as contents of "Basic important items for making consolidated financial statements"

Reported segment income is the figure of operating income.

3. Informations on amount of sales and income or loss in reportable segment

The previous corresponding period (Apr. 1, 2013 to Mar.31, 2014)

(Thousands of yen)

	Reportable segment		Total	Adjustment (Note 1)	Posted on consolidated statement of income (Note 2)
	Industrial electronics related business	Cleaning related business			
Sales					
Sales to outside costumers	13,102,155	1,424,863	14,527,018	---	14,527,018
Intersegment sales and transfers	---	---	---	---	---
Total	13,102,155	1,424,863	14,527,018	---	14,527,018
Segment income (loss)	770,148	171,192	941,340	(513,800)	427,540
Segment assets	12,920,721	1,270,966	14,191,688	8,396,063	22,587,751
Other items					
Depreciation and amortization	244,593	13,157	257,750	8,956	266,706
Increase in the amount of tangible fixed assets and intangible fixed assets	614,939	12,286	627,225	32,980	660,205

Notes

- (1) Segment income (loss) adjustment of (¥513,800 thousand) is the corporate expense not apportioned in each reportable segment. Corporate expenses mainly comprises the headquarters' general and administrative expenses not usually attributed to segments.
(2) Segment assets adjustment of ¥8,396,063 thousand is mainly surplus operating assets by parent company and assets of headquarter.
- Segment income (loss) is adjusted with operating income under consolidated statements of income.
- Increase in the amount of tangible fixed assets and intangible fixed assets includes ¥511,036 thousand which is increased due to new consolidation.

This financial period (Apr. 1, 2014 to Mar.31, 2015)

(Thousands of yen)

	Reportable segment		Total	Adjustment (Note 1)	Posted on consolidated statement of income (Note 2)
	Industrial electronics related business	Cleaning related business			
Sales					
Sales to outside costumer	15,264,912	1,358,045	16,622,957	---	16,622,957
Intersegment sales and transfers	---	---	---	---	---
Total	15,264,912	1,358,045	16,622,957	---	16,622,957
Segment income (loss)	1,089,450	230,104	1,319,554	(532,219)	787,335
Segment assets	15,392,250	1,308,776	16,701,026	8,006,568	24,707,595
Other items					
Depreciation and amortization	307,639	12,104	319,743	10,043	329,787
Increase in the amount of tangible fixed assets and intangible fixed assets	367,744	3,824	371,568	2,210	373,778

Notes

- (1) Segment income (loss) adjustment of (¥532,219 thousand) is the corporate expense not apportioned in each reportable segment. Corporate expenses mainly comprises the headquarters' general and administrative expenses not usually attributed to segments.

(2) Segment assets adjustment of ¥8,006,568 thousand is mainly surplus operating assets by parent company and assets of headquarter.
- Segment income (loss) is adjusted with operating income under consolidated statements of income.
- Increase in the amount of tangible fixed assets and intangible fixed assets includes ¥71,665 thousand which is increased with new consolidation

(Information on per share)

(Yen)

	The previous corresponding financial period (Apr.1, 2013 to Mar.31, 2014)	This financial year (Apr.1, 2014 to Mar.31, 2015)
Net assets per share	1,459.87	1,521.09
Net income per share	250.00	71.72
Net income per share-diluted	249.56	71.39

Notes

1. Net income per share-diluted of the previous corresponding financial period is not recorded because there were no residual securities.
2. Calculation base of net income per share is as follows.

	The previous corresponding financial period. (Apr.1, 2013 to Mar.31, 2014)	This financial period (Apr.1, 2014 to Mar.31, 2015)
Net income per share		
Net income (Thousands of ¥)	2,229,775	639,698
Amount not attributable to shareholders of ordinary stocks (Thousands of ¥)	---	---
Net income attributable to ordinary stocks (Thousands of ¥)	2,229,775	639,698
Average number of shares issued during financial period (Thousands of share)	8,919	8,919
Net income per share-diluted		
Number of common stocks increased. Number of stock acquisition rights included (Thousands of share)	15	41
Residual securities not included in the calculation of net income per share after adjustment of residual securities as they do not have any diluting effect	(15)	(41)

(Important Subsequent Events)

Not applicable.