

**Translation**

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**Summary of Consolidated Financial Results  
for the Year Ended March 31, 2015  
(Based on Japanese GAAP)**

May 8, 2015

Company name: OILES CORPORATION  
 Stock exchange listing: Tokyo  
 Stock code: 6282 URL <http://www.oiles.co.jp/>  
 Representative: President Toshio Okayama  
 Director, Senior Operating Officer, General  
 Inquiries: Manager of the Corporation Planning and Administrative Division Masami Iida TEL 0466-44-4901  
 Scheduled date of ordinary general meeting of shareholders: June 26, 2015  
 Scheduled date to file Securities Report: June 26, 2015  
 Scheduled date to commence dividend payments: June 29, 2015  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

(1) Consolidated financial results

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2015	61,897	4.2	6,084	(1.8)	6,637	(6.8)	4,300	2.3
Year ended March 31, 2014	59,380	10.9	6,193	31.7	7,119	27.1	4,203	26.2

	Net income per share	Diluted net income per share	Net income/equity	Ordinary income/total assets	Operating income/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2015	128.01	-	7.5	9.0	9.8
Year ended March 31, 2014	122.94	-	7.9	10.5	10.4

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2015	75,322	60,210	78.0	1,771.43
As of March 31, 2014	71,845	56,735	77.2	1,620.00

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2015	6,545	(3,827)	(3,787)	11,196
Year ended March 31, 2014	4,407	(4,227)	(508)	11,890

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2014	-	20.00	-	30.00	50.00	1,443	33.9	2.7
Year ended March 31, 2015	-	25.00	-	25.00	50.00	1,534	39.1	2.9
Year ending March 31, 2016 (Forecast)	-	25.00	-	25.00	50.00		36.0	

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

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2015	31,750	7.6	2,900	2.1	3,000	2.0	1,900	4.7	57.32
Full year	66,000	6.6	6,800	11.8	7,100	7.0	4,600	7.0	138.78

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2015

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements after error corrections: No

(3) Number of issued shares (common shares)

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

As of March 31, 2015	36,300,505 shares	As of March 31, 2014	38,300,505 shares
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Number of treasury shares at the end of the period

As of March 31, 2015	3,142,744 shares	As of March 31, 2014	4,063,228 shares
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Average number of shares during the period

Year ended March 31, 2015	33,595,261 shares	Year ended March 31, 2014	34,194,999 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
Assets		
Current assets		
Cash and deposits	10,679	8,138
Notes and accounts receivable - trade	19,011	19,354
Securities	1,991	3,287
Merchandise and finished goods	3,234	3,344
Work in process	2,635	2,794
Raw materials and supplies	2,261	2,245
Deferred tax assets	1,035	1,049
Accounts receivable - other	237	216
Other	610	584
Allowance for doubtful accounts	(21)	(51)
Total current assets	41,676	40,963
Non-current assets		
Property, plant and equipment		
Buildings and structures	20,180	20,859
Machinery and equipment	20,825	21,845
Tools, furniture and fixtures	10,818	11,474
Land	3,762	3,791
Leased assets	116	725
Construction in progress	527	1,371
Other	233	261
Accumulated depreciation	(36,453)	(38,523)
Total property, plant and equipment	20,011	21,807
Intangible assets		
Leased assets	8	—
Other	1,283	1,466
Total intangible assets	1,292	1,466
Investments and other assets		
Investment securities	7,096	9,069
Long-term time deposits	20	20
Deferred tax assets	44	38
Net defined benefit asset	104	106
Other	1,630	1,881
Allowance for doubtful accounts	(30)	(32)
Total investments and other assets	8,865	11,084
Total non-current assets	30,168	34,358
Total assets	71,845	75,322

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	6,756	6,337
Lease obligations	25	98
Accrued expenses	1,435	1,511
Income taxes payable	1,418	584
Accrued consumption taxes	153	286
Provision for bonuses	1,142	1,203
Provision for directors' bonuses	125	125
Other	827	1,143
Total current liabilities	11,884	11,290
Non-current liabilities		
Long-term loans payable	582	412
Lease obligations	17	330
Deferred tax liabilities	846	1,778
Provision for directors' retirement benefits	102	83
Net defined benefit liability	1,076	619
Asset retirement obligations	4	4
Long-term guarantee deposited	511	487
Long-term accounts payable - other	65	62
Other	18	41
Total non-current liabilities	3,225	3,821
Total liabilities	15,109	15,111
<b>Net assets</b>		
Shareholders' equity		
Capital stock	8,585	8,585
Capital surplus	9,582	9,474
Retained earnings	39,986	39,955
Treasury shares	(5,149)	(4,606)
Total shareholders' equity	53,003	53,407
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,880	2,983
Foreign currency translation adjustment	1,304	2,867
Remeasurements of defined benefit plans	(724)	(522)
Total accumulated other comprehensive income	2,460	5,328
Minority interests	1,270	1,473
Total net assets	56,735	60,210
Total liabilities and net assets	71,845	75,322

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Net sales	59,380	61,897
Cost of sales	38,366	39,917
Gross profit	21,013	21,979
Selling, general and administrative expenses		
Advertising expenses	204	247
Packing and transportation expenses	1,359	1,405
Compensations, salaries and allowances	5,795	6,194
Provision for bonuses	563	584
Provision for directors' bonuses	124	125
Retirement benefit expenses	328	377
Provision for directors' retirement benefits	25	14
Welfare expenses	1,238	1,275
Traveling and transportation expenses	614	677
Communication expenses	222	212
Supplies expenses	475	581
Entertainment expenses	87	104
Rent expenses	465	539
Depreciation	772	845
Commission fee	752	782
Provision of allowance for doubtful accounts	4	44
Other	1,784	1,881
Total selling, general and administrative expenses	14,820	15,894
Operating income	6,193	6,084
Non-operating income		
Interest income	61	36
Dividend income	107	129
Foreign exchange gains	407	215
Royalty income	67	34
Gain on valuation of derivatives	–	52
Other	364	214
Total non-operating income	1,007	680
Non-operating expenses		
Interest expenses	5	39
Sales discounts	13	16
Share of loss of entities accounted for using equity method	37	66
Loss on valuation of derivatives	12	–
Provision of allowance for doubtful accounts	9	–
Other	3	4
Total non-operating expenses	81	128
Ordinary income	7,119	6,637

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Extraordinary losses		
Loss on disposal of non-current assets	37	27
Impairment loss	19	–
Loss from reinforcement work for products	170	–
Total extraordinary losses	226	27
Income before income taxes and minority interests	6,892	6,610
Income taxes - current	2,333	1,784
Income taxes - deferred	193	382
Total income taxes	2,527	2,166
Income before minority interests	4,365	4,443
Minority interests in income	161	142
Net income	4,203	4,300

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Income before minority interests	4,365	4,443
Other comprehensive income		
Valuation difference on available-for-sale securities	728	1,103
Foreign currency translation adjustment	1,694	1,559
Remeasurements of defined benefit plans, net of tax	–	201
Share of other comprehensive income of entities accounted for using equity method	80	107
Total other comprehensive income	2,504	2,972
Comprehensive income	6,869	7,415
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,615	7,168
Comprehensive income attributable to minority interests	253	247

## Consolidated statements of changes in net assets

Fiscal year ended March 31, 2014

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	8,585	9,474	36,928	(5,156)	49,831
Cumulative effects of changes in accounting policies					–
Restated balance	8,585	9,474	36,928	(5,156)	49,831
Changes of items during period					
Dividends of surplus			(1,146)		(1,146)
Net income			4,203		4,203
Purchase of treasury shares				(723)	(723)
Disposal of treasury shares		108		730	838
Retirement of treasury shares					–
Net changes of items other than shareholders' equity					
Total changes of items during period	–	108	3,057	6	3,171
Balance at end of current period	8,585	9,582	39,986	(5,149)	53,003

	Accumulated other comprehensive income				Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	1,162	(389)	–	773	1,057	51,662
Cumulative effects of changes in accounting policies						–
Restated balance	1,162	(389)	–	773	1,057	51,662
Changes of items during period						
Dividends of surplus						(1,146)
Net income						4,203
Purchase of treasury shares						(723)
Disposal of treasury shares						838
Retirement of treasury shares						–
Net changes of items other than shareholders' equity	717	1,694	(724)	1,687	213	1,901
Total changes of items during period	717	1,694	(724)	1,687	213	5,072
Balance at end of current period	1,880	1,304	(724)	2,460	1,270	56,735



Fiscal year ended March 31, 2015

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	8,585	9,582	39,986	(5,149)	53,003
Cumulative effects of changes in accounting policies			56		56
Restated balance	8,585	9,582	40,042	(5,149)	53,060
Changes of items during period					
Dividends of surplus			(1,563)		(1,563)
Net income			4,300		4,300
Purchase of treasury shares				(2,513)	(2,513)
Disposal of treasury shares				124	124
Retirement of treasury shares		(108)	(2,823)	2,931	-
Net changes of items other than shareholders' equity					
Total changes of items during period	-	(108)	(87)	543	347
Balance at end of current period	8,585	9,474	39,955	(4,606)	53,407

	Accumulated other comprehensive income				Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	1,880	1,304	(724)	2,460	1,270	56,735
Cumulative effects of changes in accounting policies						56
Restated balance	1,880	1,304	(724)	2,460	1,270	56,791
Changes of items during period						
Dividends of surplus						(1,563)
Net income						4,300
Purchase of treasury shares						(2,513)
Disposal of treasury shares						124
Retirement of treasury shares						-
Net changes of items other than shareholders' equity	1,103	1,562	201	2,867	202	3,070
Total changes of items during period	1,103	1,562	201	2,867	202	3,418
Balance at end of current period	2,983	2,867	(522)	5,328	1,473	60,210

## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Cash flows from operating activities		
Income before income taxes and minority interests	6,892	6,610
Depreciation	2,751	2,870
Impairment loss	19	–
Increase (decrease) in provision for retirement benefits	(328)	–
Increase (decrease) in net defined benefit liability	375	(180)
Increase (decrease) in provision for directors' retirement benefits	8	(18)
Increase (decrease) in provision for directors' bonuses	5	(0)
Increase (decrease) in allowance for doubtful accounts	(8)	26
Interest and dividend income	(168)	(165)
Interest expenses	5	39
Share of (profit) loss of entities accounted for using equity method	37	66
Loss (gain) on disposal of non-current assets	37	27
Decrease (increase) in notes and accounts receivable - trade	(2,872)	111
Decrease (increase) in inventories	(451)	90
Increase (decrease) in notes and accounts payable - trade	447	(506)
Increase (decrease) in accrued expenses	287	36
Other, net	(1,091)	(13)
Subtotal	5,947	8,995
Interest and dividend income received	168	187
Interest expenses paid	(5)	(43)
Income taxes paid	(1,703)	(2,594)
Net cash provided by (used in) operating activities	4,407	6,545
Cash flows from investing activities		
Payments into time deposits	(12)	(152)
Proceeds from withdrawal of time deposits	12	12
Purchase of property, plant and equipment	(4,819)	(3,249)
Proceeds from sales of property, plant and equipment	60	14
Purchase of intangible assets	(288)	(512)
Purchase of investment securities	(16)	(514)
Proceeds from sales of investment securities	28	–
Proceeds from redemption of investment securities	1,000	703
Payments of loans receivable	–	(1)
Collection of loans receivable	1	0
Purchase of insurance funds	(219)	(246)
Proceeds from maturity of insurance funds	29	127
Other, net	(4)	(9)
Net cash provided by (used in) investing activities	(4,227)	(3,827)

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Cash flows from financing activities		
Proceeds from long-term loans payable	720	–
Repayments of long-term loans payable	(137)	(170)
Proceeds from sales and leasebacks	–	425
Repayments of lease obligations	(44)	(93)
Purchase of treasury shares	(723)	(2,513)
Proceeds from disposal of treasury shares	862	171
Cash dividends paid	(1,146)	(1,561)
Cash dividends paid to minority shareholders	(39)	(44)
Net cash provided by (used in) financing activities	(508)	(3,787)
Effect of exchange rate change on cash and cash equivalents	616	375
Net increase (decrease) in cash and cash equivalents	286	(694)
Cash and cash equivalents at beginning of period	11,603	11,890
Cash and cash equivalents at end of period	11,890	11,196