

[Summary]

Consolidated Financial Results for the Second Quarter of the Year Ending March 31, 2017 [IFRS]

November 7, 2016

Company Name Nihon Dempa Kogyo Co., Ltd. Stock Exchange Listing: Tokyo Stock Exchange, 1st Section

Code 6779 URL http://www.ndk.com/

Representative Toshiaki Takeuchi, Representative Director & Chairman of the Board, President and CEO

Person in charge for inquiries

Hiromi Kato, Executive Vice President and Director

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Scheduled date to submit the Quarterly Securities Report
Scheduled commencement date of dividend payment

November 11, 2016
December 12, 2016

Supplemental material for quarterly financial results : Yes
Holding of the briefing session for quarterly financial results : Yes

(Millions of Yen, Figures less than a million yen are omitted)

1. Consolidated Financial Results for the Second Quarter of the Year Ending March 31, 2017 (April 1, 2016 - September 30, 2016)

(1) Consolidated Operating Results (year-to-date)

(% figures represent the changes from the same period of the previous year)

	Net sa	ales	Operating	income	Income l		Net inc		Net inc attributable of the p	to owners	Total compi	
Six months ended	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
September 30, 2016	21,626	(4.9)	229	-	113	106.3	72	173.8	72	173.8	(1,612)	-
September 30, 2015	22,748	(6.9)	4	(98.7)	54	(79.2)	26	(26.5)	26	(26.5)	(824)	-

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2016	3.71	-
September 30, 2015	1.36	-

(2) Consolidated Financial Position

()				
	Total assets	Total equity	Equity attributable to owners of the parent	Equity attributable to owners of the parent ratio
	Million Yen	Million Yen	Million Yen	%
As of September 30, 2016	68,556	23,891	23,891	34.8
As of March 31, 2016	67,966	25,700	25,700	37.8

2. Dividends

	Annual dividends per share							
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen			
The year ended March 31, 2016	-	10.00	-	10.00	20.00			
The year ending March 31, 2017	-	10.00						
The year ending March 31, 2017 (Forecast)			-	10.00	20.00			

(Note) Revision of dividends forecast from the latest announcement : None

3. Consolidated Financial Results Forecast for the Year Ending March 31, 2017 (April 1, 2016 - March 31, 2017)

(% figures represent the changes from the same period of the previous year) $\,$

	Net sa	ales	Operating income		Income before Net income income tax for the period			Net income attributable to owners of the parent		Basic earnings per share	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
The year ending March 31, 2017	45,000	0.3	850	106.9	750	629.7	650	104.8	650	104.8	33.12

(Note) Revision of consolidated financial results forecast from the latest announcement : None

Notes

(1) Significant changes in subsidiaries during this period

(Changes in "Specified Subsidiaries" accompanying changes in scope of consolidation): Yes

[New] - subsidiaries (Name:), [Excluded] 1 subsidiaries (Name: NDK CRYSTAL, INC.)

(Note) Absorption-type merger was executed during the first quarter of the year ending March 31, 2017, in which NDK HOLDING USA, INC. was the surviving company and NDK CRYSTAL, INC. was the extinguished company.

(2) Changes in accounting policies and accounting estimates

i) Changes in accounting policies required by IFRS: None

ii) Changes in accounting policies other than i) : None

iii) Changes in accounting estimates : None

(3) Number of outstanding shares (Ordinary shares)

(shares)

: \	Number of outstanding shares at the end of the period
1)	(including treasury shares)

- ii) Number of treasury shares at the end of the period
- iii) Average number of shares for the period (year-to-date)

September 30, 2016	20,757,905	March 31, 2016	20,757,905
September 30, 2016	1,132,077	March 31, 2016	1,131,823
September 30, 2016	19,626,012	September 30, 2015	19,626,569

^{*} Explanation about appropriate use of consolidated financial results forecast, other special notes

- 1. Forward-looking statements in this document about our future performance are based on the information we currently have and certain assumptions we consider reasonable. Due to the unforeseen circumstances, actual results may differ from such estimates.
- 2. This summary of the business results and the attached financial statements are unaudited and prepared in accordance with International Financial Reporting Standards (IFRS).

(1) Consolidated Statements of Financial Position

Asserts Asserts Current assers: 17.161 17.292 Tada receivables 10,300 10,235 Inventories 10,621 10,517 Incente taxes refundable 5 62 Derivative assers 373 318 Others 2,334 1,808 Total current assers 40,825 40,222 Non-current assers 1,041 906 Property plant and equipment 23,504 24,896 Intangible assers 1,041 906 Intestment scurrities 839 708 Deferred lax assers 1,041 906 Others 7,954 7,97 Others 7,956 9,82 Total non-current assers 7,036 9,82 Total assers 17,059 9,82 Total cons and borrowings 17,254 15,098 Tatal amore taxes payable 15 1,20 Derivative biblities 83 1,20 Provisions 12 2,2	(1) Consolidated Statements of Financial Position	(Millions of Yen, Figures le	ess than a million yen are omitted)
Current assets: 17,161 17,292 Cash and cash equivalents 10,390 10,235 Inventories 10,621 10,517 Income taxes refundable 5 62 Derivative assets 373 315 Others 2,334 1,688 Total current assets 40,886 40,292 Non-current assets 80,886 40,292 Non-current assets 1,041 996 Investment securities 839 798 Investment securities 839 798 Deferred tax assets 1,101 995 Others 594 577 Total ono-current assets 27,980 28,264 Total assets 17,254 15,098 Total current liabilities 38 9 Derivative liabilities 25,073		As of March 31, 2016	As of September 30, 2016
Cash and cash equivalents 17,161 17,292 Trade receivables 10,390 10,235 Inventories 10,621 10,515 Income taxes refundable 5 62 Derivative assets 373 315 Others 2,334 1,686 Total current assets 40,886 40,292 Non-current assets 40,886 40,292 Property, plant and equipment 23,504 24,896 Intangible assets 1,041 996 Integrable assets 1,041 996 Integrable assets 1,011 995 Deferred tax assets 27,980 28,264 Total anon-current assets 27,980 28,264 Total assets 1,7254 15,088 Total assets 7,373 9,067 Total current liabilities 33 9 Trade and other payables 7,373 9,067 Total current liabilities 33 9 Total current liabilities 38 9 <td< td=""><td>Assets</td><td></td><td></td></td<>	Assets		
Trade receivables 10,390 10,235 Inventories 10,621 10,171 Income taxes refundable 5 62 Derivative assets 373 315 Others 40,886 40,292 Total current assets 40,886 40,292 Non-current assets 40,886 40,292 Non-current assets 1,041 996 Intensation assets 1,101 995 Investment securities 839 798 Deferred tax assets 1,101 995 Others 594 577 Total annon-current assets 27,080 28,264 Total assets 1,254 15,098 Total current liabilities 7,373 9,667 Total and other payable 7,373 9,667 Derivative liabilities 32 1 Provisions 32 2 Total current liabilities 3,327 3,08 Robor current liabilities 430 44 Deferred tax liabilities	Current assets:		
Inventories 10,621 10,517 Income taxes refundable 5 62 Derivative assets 373 315 Others 2,334 1,868 Total current assets 40,886 40,289 Non-current assets: Property, plant and equipment 23,504 24,896 Intungible assets 1,041 996 Investment securities 839 798 Deferred tax assets 1,101 995 Others 594 577 Total non-current assets 27,080 28,264 Total assets 67,966 68,556 Liabilities 2 594 577 Trade and other payables 7,373 9,967 Derivative liabilities 83 9 Trade and other payables 7,373 9,967 Derivative liabilities 32 - Loans and borrowings 17,254 15,098 Others 35 25,302 Total current liabilities 16 129 <	Cash and cash equivalents	17,161	17,292
Income taxes refundable 5 62 Derivative assets 373 315 Others 40.886 40,282 Non-current assets 40.886 40,282 Non-current assets 3504 28,886 Intangible assets 11,041 996 Investment securities 839 798 Deferred tax assets 11,101 955 Others 594 577 Total anon-current assets 27,080 28,264 Total assets 67,966 68,556 Liabilities 2 20,802 Current liabilities 83 9 Tade and other payables 7,373 9,67 Derivative liabilities 83 9 Provisions 32 - Income taxes payable 16 129 Others 570 726 Total current liabilities 25,478 25,932 Non-current liabilities 430 418 Employee benefits 3,827 3,808	Trade receivables	10,390	10,235
Derivative assets 373 315 Others 2,334 1,868 Total current assets 40,886 40,292 Non-current assets: Total current assets 40,806 Intangible assets 1,041 906 Investment securities 389 798 Deferred tax assets 1,101 995 Others 574 577 Total non-current assets 67,966 68,556 Eabilities 2 1 Current liabilities 3 9 Current liabilities 3 9 Derivative liabilities 33 9 Derivative liabilities 33 9 Provisions 32 - Income taxes payable 165 129 Others 570 26 Total current liabilities 430 418 Employee benefits 3,827 3,80 Provisions 91 51 Defered government grants 16 15	Inventories	10,621	10,517
Others 2,334 1,808 Total current assets 40,886 40,292 Non-current assets 2 Property, plant and equipment 23,504 24,896 Intangible assets 1,041 996 Deferred tax assets 1,101 995 Others 594 577 Total non-current assets 27,080 28,264 Total assets 67,966 68,556 Liabilities 2 1,041 996 Current liabilities 3 9,677 Current liabilities 3 9,677 Desired and other payables 7,373 9,967 Provisions 33 9 Toda come taxes payable 165 129 Others 35 2 Income taxes payable 165 129 Others 570 726 Total current liabilities 25,478 25,322 Non-current liabilities 3,827 3,808 Provisions 12,008 14,049	Income taxes refundable	5	62
Total current assets 40,886 40,292 Non-current assets Property, plant and equipment 23,504 24,886 Intrangible assets 1,041 996 Investment securities 839 798 Deferred tax assets 1,101 995 Others 594 577 Total non-current assets 27,080 28,264 Total assets 67,966 68,556 Liabilities 3 20,20 Current liabilities 17,254 15,098 Trade and other payables 7,373 9,967 Derivative liabilities 83 9 Provisions 32 - Income taxes payable 165 129 Others 570 726 Total current liabilities 3,22 5 Loans and borrowings 12,008 14,049 Deferred tax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 15 Others	Derivative assets	373	315
Non-current assets: Composity, plant and equipment 23,504 24,896 Intangible assets 1,041 996 Investment securities 839 798 Deferred tax assets 1,101 995 Others 594 577 Total non-current assets 67,966 68,556 Liabilities 32,064 68,556 Liabilities 83 9 Current liabilities 83 9 Trade and other payables 7,373 9,967 Derivative liabilities 83 9 Provisions 32 - Income taxes payable 165 129 Others 570 726 Total current liabilities 25,478 25,932 Non-current liabilities 430 418 Loans and borrowings 12,008 14,049 Deferred tax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Others	Others	2,334	1,868
Property, plant and equipment 23,504 24,896 Intangible assets 1,041 996 Investment securities 839 798 Deferred tax assets 1,101 995 Others 594 577 Total non-current assets 27,080 28,264 Total assets 27,080 28,264 Total assets 67,966 68,556 Labilities 80 68,556 Current liabilities: Loans and borrowings 17,254 15,098 Trade and other payables 7,373 9,967 Derivative liabilities 83 9 Provisions 32 - Income taxes payable 165 129 Others 570 726 Total current liabilities 25,478 25,932 Non-current liabilities 3,807 3,808 Provisions 91 51 Employee benefits 3,807 3,808 Provisions 91 51	Total current assets	40,886	40,292
Intangible assets 1,041 996 Investment securities 839 798 Deferred tax assets 1,101 995 Others 594 577 Total non-current assets 27,080 28,264 Total assets 67,966 68,556 Liabilities Trace 87,273 9,087 Current liabilities 83 9 Porivative liabilities 83 9 Provisions 32 - Income taxes payable 165 129 Others 570 726 Total current liabilities 25,478 25,932 Non-current liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred tax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred qovernment grants 16,788 18,732 Others 42,92 42,42<	Non-current assets:		
Investment securities 839 798 Deferred tax assets 1,101 995 Others 594 577 Total non-current assets 27,080 28,264 Total assets 67,966 68,556 Liabilities 8 67,966 68,556 Current liabilities: Trade and other payables 7,373 9,967 Derivative liabilities 83 9 Provisions 32 - Income taxes payable 165 129 Others 570 726 Total current liabilities 25,478 25,932 Non-current liabilities 430 418 Employee benefits 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred tax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Others 249 249	Property, plant and equipment	23,504	24,896
Deferred tax assets 1,101 995 Others 594 577 Total non-current assets 27,080 28,264 Total assets 67,966 68,556 Liabilities 8 67,966 8,556 Current liabilities: Loans and borrowings 17,254 15,098 Trade and other payables 7,373 9,967 Derivative liabilities 83 9 Provisions 32 - Income taxes payable 165 129 Others 570 726 Total current liabilities 350 12,008 Non-current liabilities 12,008 14,049 Deferred tax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred government grants 180 155 Others 249 249 Total liabilities 16,788 18,732 Total current liabilities 16,788	Intangible assets	1,041	996
Others 594 577 Total non-current assets 27,080 28,264 Total assets 67,966 68,556 Liabilities Current liabilities Current liabilities 17,254 15,098 Trade and other payables 7,373 9,967 Derivative liabilities 83 9 Provisions 32 - Income taxes payable 165 129 Others 570 726 Total current liabilities 25,478 25,932 Non-current liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred ax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred government grants 180 155 Others 249 249 Total inon-current liabilities 16,788 18,732 Total liabilities 16,788 18,7	Investment securities	839	798
Total non-current assets 27,080 28,264 Total assets 67,966 68,556 Liabilities Current liabilities Current liabilities Loans and borrowings 17,254 15,088 Tade and other payables 7,373 9,967 Derivative liabilities 83 9 Provisions 32 - Income taxes payable 165 129 Others 570 726 Total current liabilities 25,478 25,932 Non-current liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred government grants 180 155 Others 249 249 Total liabilities 42,266 44,665 Equity 42,266 44,665 Equity 42,266 45,653 Share capital 10,649 10,649 Share premium 8,563 8,563 Other	Deferred tax assets	1,101	995
Total assets 67,966 68,556 Liabilities Current liabilities: Loans and borrowings 17,254 15,098 Trade and other payables 7,373 9,967 Derivative liabilities 83 9 Provisions 32 - Income taxes payable 165 129 Others 570 726 Total current liabilities 25,478 25,932 Non-current liabilities 12,008 14,049 Deferred tax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred government grants 180 155 Others 249 249 Total non-current liabilities 16,788 18,732 Total itabilities 42,266 44,665 Equity Equity attributable to owners of the Company: 10,649 10,649 Share capital 10,649 10,649 3,563 8,563 8,563 Other compone	Others	594	577
Liabilities Current liabilities: Loans and borrowings 17,254 15,098 Trade and other payables 7,373 9,967 Derivative liabilities 83 9 Provisions 32 - Income taxes payable 165 129 Others 570 726 Total current liabilities 25,478 25,932 Non-current liabilities 12,008 14,049 Deferred tax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred government grants 180 155 Others 249 249 Total non-current liabilities 16,788 18,732 Total iabilities 42,266 44,665 Equity 50 44,665 Equity attributable to owners of the Company: 10,649 10,649 Share capital 10,649 8,563 8,563 Other components of equity (174) <	Total non-current assets	27,080	28,264
Current liabilities: Loans and borrowings 17,254 15,098 Trade and other payables 7,373 9,967 Derivative liabilities 83 9 Provisions 32 - Income taxes payable 165 129 Others 570 726 Total current liabilities 25,478 25,932 Non-current liabilities 12,008 14,049 Deferred tax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred government grants 180 155 Others 249 249 Total non-current liabilities 16,788 18,732 Total liabilities 42,266 44,665 Equity 42,266 44,665 Equity 5,660 4,653 Cherical capital 10,649 10,649 Share premium 8,563 8,563 Other components of equity (174) (1,859)	Total assets	67,966	68,556
Loans and borrowings 17,254 15,098 Trade and other payables 7,373 9,967 Derivative liabilities 83 9 Provisions 32 - Income taxes payable 165 129 Others 570 726 Total current liabilities 25,478 25,932 Non-current liabilities 12,008 14,049 Deferred tax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred government grants 180 155 Others 249 249 Total non-current liabilities 16,788 18,732 Total liabilities 42,266 44,665 Equity 42,266 44,665 Equity attributable to owners of the Company: 10,649 10,649 Share capital 10,649 10,649 10,649 Share premium 8,563 8,563 Other components of equity (174) (1,859)	Liabilities		
Trade and other payables 7,373 9,967 Derivative liabilities 83 9 Provisions 32 - Income taxes payable 165 129 Others 570 726 Total current liabilities 25,478 25,932 Non-current liabilities 12,008 14,049 Deferred tax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred government grants 180 155 Others 249 249 Total inon-current liabilities 16,788 18,732 Total inon-current liabilities 42,266 44,665 Equity 42,266 44,665 Equity Equity attributable to owners of the Company: 57 10,649 8,563 8,563 Other components of equity (174) (1,859) 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891	Current liabilities:		
Derivative liabilities 83 9 Provisions 32 - Income taxes payable 165 129 Others 570 726 Total current liabilities 25,478 25,932 Non-current liabilities: 3 2 Loans and borrowings 12,008 14,049 Deferred tax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred government grants 180 155 Others 249 249 Total non-current liabilities 16,788 18,732 Total liabilities 42,266 44,665 Equity 44,665 44,665 Equity 10,649 10,649 Share capital 10,649 10,649 Share premium 8,563 8,563 Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company	Loans and borrowings	17,254	15,098
Provisions 32 - Income taxes payable 165 129 Others 570 726 Total current liabilities 25,478 25,932 Non-current liabilities 3 12,008 14,049 Deferred tax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred government grants 180 155 Others 249 249 Total non-current liabilities 16,788 18,732 Total liabilities 42,266 44,665 Equity 42,266 44,665 Equity attributable to owners of the Company: Share capital 10,649 10,649 Share premium 8,563 8,563 8,563 Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891	Trade and other payables	7,373	9,967
Income taxes payable 165 129 Others 570 726 Total current liabilities 25,478 25,932 Non-current liabilities 3 12,008 14,049 Deferred tax liabilities 430 418 430 430 418 430 418 430 418 430 418 430 418 430 418 430 418 430 418 430 419 4465 4465<	Derivative liabilities	83	9
Others 570 726 Total current liabilities 25,478 25,932 Non-current liabilities: Total cans and borrowings 12,008 14,049 Deferred tax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred government grants 180 155 Others 249 249 Total non-current liabilities 16,788 18,732 Total liabilities 42,266 44,665 Equity Equity 10,649 10,649 Share capital 10,649 10,649 Share premium 8,563 8,563 Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891 Total equity 25,700 23,891	Provisions	32	-
Total current liabilities 25,478 25,932 Non-current liabilities: 3 14,049 Loans and borrowings 12,008 14,049 Deferred tax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred government grants 180 155 Others 249 249 Total non-current liabilities 16,788 18,732 Total liabilities 42,266 44,665 Equity Equity attributable to owners of the Company: 10,649 10,649 Share capital 10,649 10,649 10,649 Share premium 8,563 8,563 8,563 Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891 Total equity 25,700 23,891	Income taxes payable	165	129
Non-current liabilities: 12,008 14,049 Deferred tax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred government grants 180 155 Others 249 249 Total non-current liabilities 16,788 18,732 Total liabilities 42,266 44,665 Equity Equity attributable to owners of the Company: Share capital 10,649 10,649 Share premium 8,563 8,563 8,563 Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891 Total equity 25,700 23,891	Others	570	726
Loans and borrowings 12,008 14,049 Deferred tax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred government grants 180 155 Others 249 249 Total non-current liabilities 16,788 18,732 Total liabilities 42,266 44,665 Equity Equity attributable to owners of the Company: Share capital 10,649 10,649 Share premium 8,563 8,563 8,563 Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891 Total equity 25,700 23,891	Total current liabilities	25,478	25,932
Deferred tax liabilities 430 418 Employee benefits 3,827 3,808 Provisions 91 51 Deferred government grants 180 155 Others 249 249 Total non-current liabilities 16,788 18,732 Total liabilities 42,266 44,665 Equity Equity attributable to owners of the Company: Share capital 10,649 10,649 Share premium 8,563 8,563 8,563 Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891 Total equity 25,700 23,891	Non-current liabilities:		
Employee benefits 3,827 3,808 Provisions 91 51 Deferred government grants 180 155 Others 249 249 Total non-current liabilities 16,788 18,732 Total liabilities 42,266 44,665 Equity Equity attributable to owners of the Company: Share capital 10,649 10,649 Share premium 8,563 8,563 8,563 Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891 Total equity 25,700 23,891	Loans and borrowings	12,008	14,049
Provisions 91 51 Deferred government grants 180 155 Others 249 249 Total non-current liabilities 16,788 18,732 Total liabilities 42,266 44,665 Equity Equity attributable to owners of the Company: Share capital 10,649 10,649 Share premium 8,563 8,563 8,563 Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891 Total equity 25,700 23,891	Deferred tax liabilities	430	418
Deferred government grants 180 155 Others 249 249 Total non-current liabilities 16,788 18,732 Total liabilities 42,266 44,665 Equity Equity attributable to owners of the Company: Verify Verify 10,649 10,649 10,649 Share premium 8,563 8,563 8,563 0,649 Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891 Total equity 25,700 23,891	Employee benefits	3,827	3,808
Others 249 249 Total non-current liabilities 16,788 18,732 Total liabilities 42,266 44,665 Equity Equity attributable to owners of the Company: Share capital 10,649 10,649 Share premium 8,563 8,563 8,563 Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891 Total equity 25,700 23,891	Provisions	91	51
Total non-current liabilities 16,788 18,732 Total liabilities 42,266 44,665 Equity Equity attributable to owners of the Company: Share capital 10,649 10,649 Share premium 8,563 8,563 Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891 Total equity 25,700 23,891	Deferred government grants	180	155
Total liabilities 42,266 44,665 Equity Equity attributable to owners of the Company: Share capital 10,649 10,649 Share premium 8,563 8,563 Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891 Total equity 25,700 23,891	Others	249	249
Equity Equity attributable to owners of the Company: Share capital 10,649 10,649 Share premium 8,563 8,563 Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891 Total equity 25,700 23,891	Total non-current liabilities	16,788	18,732
Equity attributable to owners of the Company: Share capital 10,649 10,649 Share premium 8,563 8,563 Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891 Total equity 25,700 23,891	Total liabilities	42,266	44,665
Share capital 10,649 10,649 Share premium 8,563 8,563 Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891 Total equity 25,700 23,891	Equity		
Share premium 8,563 8,563 Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891 Total equity 25,700 23,891	Equity attributable to owners of the Company:		
Other components of equity (174) (1,859) Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891 Total equity 25,700 23,891	Share capital	10,649	10,649
Retained earnings 6,660 6,537 Total equity attributable to owners of the Company 25,700 23,891 Total equity 25,700 23,891	Share premium	8,563	8,563
Total equity attributable to owners of the Company25,70023,891Total equity25,70023,891	Other components of equity	(174)	(1,859)
Total equity 25,700 23,891	Retained earnings	6,660	6,537
Total equity 25,700 23,891	Total equity attributable to owners of the Company	25,700	23,891
Total liabilities and equity 67,966 68,556	Total equity	25,700	23,891
	Total liabilities and equity	67,966	68,556

(2) Consolidated Statements of Comprehensive Income

	(Millions of Yen, Figures less than a million yen a				
	For the Six Months Ended	For the Six Months Ended			
	September 30, 2015	September 30, 2016			
Net sales	22,748	21,626			
Cost of sales	18,551	17,362			
Gross profit	4,197	4,264			
Selling, general and administrative expenses	3,534	3,162			
Research and development expenses	947	987			
Other operating income	447	200			
Other operating expenses	157	85			
Operating income	4	229			
Financial income	206	84			
Financial expenses	156	200			
Income before income tax	54	113			
Income tax expenses	28	40			
Net income for the period	26	72			
Other comprehensive income:					
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation differences for foreign operations	(749)	(1,652)			
Foreign currency translation differences		3			
for foreign operations transferred to profit or loss	-	3			
Change in fair value of available-for-sale financial assets	(16)	(40)			
Change in fair value of	(92)	4			
available-for-sale financial assets transferred to profit or loss Income tax relating to items that may be reclassified	6	(0)			
Subtotal	(851)	(1,685)			
Other comprehensive loss for the period, net of income tax	(851)	(1,685)			
Total comprehensive loss for the period	(824)	(1,612)			
Total comprehensive loss for the period	(024)	(1,012)			
Net income attributable to:					
Owners of the Company	26	72			
Total comprehensive income attributable to:					
Owners of the Company	(824)	(1,612)			
		(Yen)			
Earnings per share:		<u> </u>			
Basic Earnings per share	1.36	3.71			

(3) Consolidated Statements of Changes in Equity

(Millions of Yen, Figures less than a million yen are omitted)

	Share Capital	Additional paid-in capital	Treasury shares	Total share premium
Balance at April 1, 2015	10,649	11,353	(2,788)	8,564
Total comprehensive income for the period				
Net income				-
Other comprehensive loss, net of income tax				
Foreign currency translation differences for foreign operations				-
Net change in fair value of available-for-sale financial assets				-
Total comprehensive loss for the period	-	-	1	-
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
Changes in treasury shares, net			(0)	(0)
Dividends declared				-
Total contributions by and distributions to owners	-	-	(0)	(0)
Total transactions with owners	-	-	(0)	(0)
Balance at September 30, 2015	10,649	11,353	(2,789)	8,564

	Other c	components o	f equity			Total equity
	Available- for-sale financial assets	Translation differences for foreign operations	Total other components of equity	Retained earnings	Attributable to owners of the Company	
Balance at April 1, 2015	8	1,251	1,260	7,032	27,507	27,507
Total comprehensive income for the period						
Net income			-	26	26	26
Other comprehensive loss, net of income tax						
Foreign currency translation differences for foreign operations		(749)	(749)		(749)	(749)
Net change in fair value of available-for-sale financial assets	(102)		(102)		(102)	(102)
Total comprehensive loss for the period	(102)	(749)	(851)	26	(824)	(824)
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Changes in treasury shares, net			-		(0)	(0)
Dividends declared			-	(196)	(196)	(196)
Total contributions by and distributions to owners	-		-	(196)	(196)	(196)
Total transactions with owners	-	-	-	(196)	(196)	(196)
Balance at September 30, 2015	(93)	502	409	6,863	26,485	26,485

(Millions of Yen, Figures less than a million yen are omitted)

			Share premium				
	Share Capital	Additional paid-in capital	Treasury shares	Total share premium			
Balance at April 1, 2016	10,649	11,353	(2,789)	8,563			
Total comprehensive income for the period							
Net income				-			
Other comprehensive loss, net of income tax							
Foreign currency translation differences for foreign operations				-			
Net change in fair value of available-for-sale financial assets				-			
Total comprehensive loss for the period	-	-	-	-			
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Changes in treasury shares, net			(0)	(0)			
Dividends declared				-			
Total contributions by and distributions to owners	-	-	(0)	(0)			
Total transactions with owners	-	-	(0)	(0)			
Balance at September 30, 2016	10,649	11,353	(2,789)	8,563			

	Other o	components o	f equity		Attributable to owners of the Company	Total equity
	Available- for-sale financial assets	Translation differences for foreign operations	Total other components of equity	Retained earnings		
Balance at April 1, 2016	(10)	(164)	(174)	6,660	25,700	25,700
Total comprehensive income for the period Net income			-	72	72	72
Other comprehensive loss, net of income tax Foreign currency translation differences for foreign operations		(1,648)	(1,648)		(1,648)	(1,648)
Net change in fair value of available-for-sale financial assets	(36)		(36)		(36)	(36)
Total comprehensive loss for the period Transactions with owners, recorded directly in equity Contributions by and distributions to owners	(36)	(1,648)	(1,685)	72	(1,612)	(1,612)
Changes in treasury shares, net			-	(100)	(0)	(0)
Dividends declared			-	(196) (196)	(196)	(196)
Total contributions by and distributions to owners Total transactions with owners	-	-	-	(196)	(196) (196)	(196) (196)
Balance at September 30, 2016	(46)	(1,812)	(1,859)	6,537	23,891	23,891

(4) Consolidated Statements of Cash Flows

(4) Consolidated Statements of Cash Flows	(Millions of Yen, Figures less than a million yen are omitted)			
	For the Six Months Ended	For the Six Months Ended		
	September 30, 2015	September 30, 2016		
Operating activities:				
Income before income tax	54	113		
Depreciation and amortisation	1,833	1,712		
Gain on sales of property, plant, and equipment	(141)	-		
Gain on sales of investment securities	(61)	-		
Insurance claim income	(195)	-		
Decrease/(increase) in trade receivables	213	(400)		
Decrease/(increase) in inventories	820	(429)		
Decrease in consumption tax/value-added tax receivables	622	400		
(Decrease)/increase in trade payables	(412)	421		
(Increase)/decrease in derivative assets	(198)	57		
Decrease in derivative liabilities	(156)	(69)		
Interest and dividend income	(49)	(37)		
Interest expense	114	97		
Interest and dividends received	50	37		
Interest paid	(87)	(77)		
Proceeds from insurance claim income	908	-		
Income tax paid, net	(71)	(160)		
Other, net	(334)	1,031		
Net cash provided by operating activities	2,907	2,697		
Investing activities:				
Purchase of property, plant and equipment	(943)	(1,436)		
Purchase of intangible assets	(31)	(25)		
Purchase of investments and other assets	(1,006)	(346)		
Proceeds from sales of property, plant and equipment	242	-		
Proceeds from sales of investments and other assets	1,302	270		
Other, net	3	(0)		
Net cash used in investing activities	(433)	(1,537)		
Financing activities:		(
Proceeds from long-term loans and borrowings	5,500	7,000		
Repayment of long-term loans and borrowings	(6,872)	(8,057)		
Net increase in short-term loans and borrowings	_	1,000		
Cash dividends paid	(179)	(195)		
Purchase and sales of treasury shares, net	(0)	(0)		
Net cash used in financing activities	(1,552)	(253)		
Net increase in cash and cash equivalents	921	906		
Cash and cash equivalents at beginning of year	14,364	17,161		
Net effect of currency translation on cash and cash equivalents	(177)	(775)		
Cash and cash equivalents at end of period	15,108	17,292		
Cash and Cash equivalents at the of period	13,106	11,494		

(5) Segment Information

1. General information

The main activities of the Group are the integrated manufacture and sale of quartz crystal units, crystal devices, ultrasonic transducers and synthetic quartz crystals, and there are no separate operating segments. Therefore, the Group has a single reportable segment.

2. Information about products and services
Net sales by type of products is as follows:

(Millions of Yen, Figures less than a million yen are omitted)

	For the Six Months Ended September 30, 2015		For the Six Month September 30,		Increase/(decrease)	
	Amount	Composition (%)	Amount	Composition (%)	Amount	Change (%)
Quartz crystal units	13,927	61.2	12,280	56.8	(1,646)	(11.8)
Crystal devices	6,607	29.1	7,561	35.0	953	14.4
Others	2,213	9.7	1,784	8.2	(429)	(19.4)
Total	22,748	100.0	21,626	100.0	(1,121)	(4.9)