

NAGASE



**FYE March 2016
First Quarter
Financial Highlights**

Aug 4, 2015

NAGASE & CO., LTD.

Contents

Consolidated Statements of Income	2
Net Sales by Region (Domestic, Overseas)	3
Net Sales: Two-Year Comparison (by Segment)	4
Operating income: Two-Year Comparison (by Segment)	5
Consolidated Balance Sheets	6

- **Net sales & operating income:** Overseas subsidiaries drive higher revenues, profits
- **Profit attributable to owners of the parent:** Lower compared to the same period in the prior fiscal year, mainly due to higher tax expenses

(100 millions of yen)

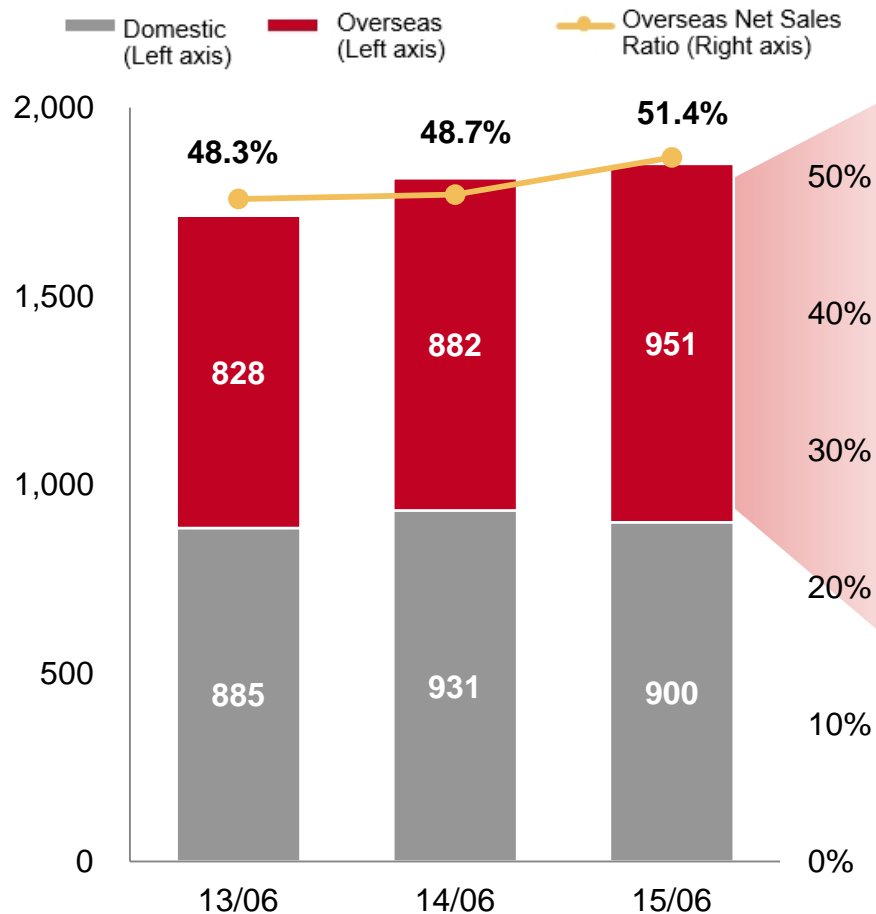
	14/06	15/06	Change	Vs. PY	Published Forecast
Net sales	1,813	1,851	+38	102%	8,230
Gross profit	222	235	+13	106%	973
<GP ratio>	12.3%	12.7%	+0.4%	—	11.8%
SG&A expenses	177	185	+7	104%	778
Operating income	44	49	+5	112%	195
Ordinary income	50	53	+2	105%	206
Profit attributable to owners of the parent	35	34	-1	97%	121
US\$ Exchange rate (period average)	@¥102.2	@¥121.4	@¥19.2 devaluation		@¥120

(Per-yen exchange rate impact on net sales and operating profit)

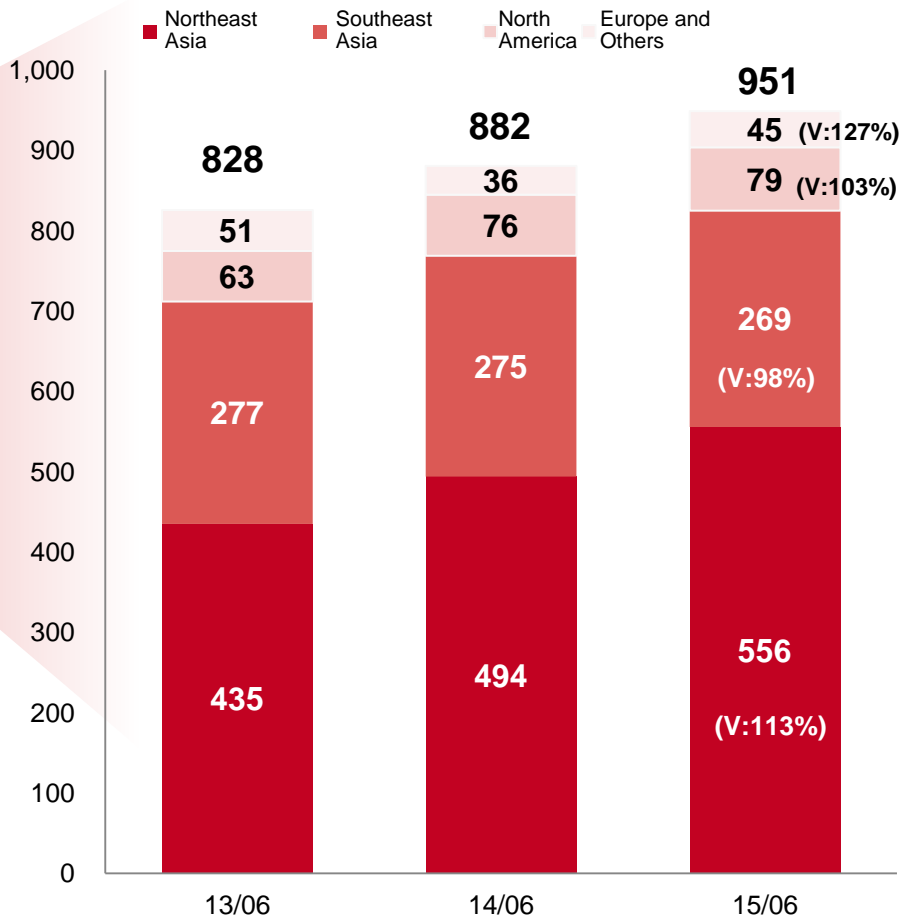
	Impact of dollar/yen rate	Impact on 15/06 Actual
Net sales	¥0.7 billion (approx.)	+ ¥ 14.2 billion (approx.)
Operating income	¥ 30 million (approx.)	+ ¥ 600 million (approx.)

■ Continuing trend from PY of growth in ratio of overseas sales to total net sales (greater than 50%)

Domestic & Overseas Sales (100 millions of yen, %)

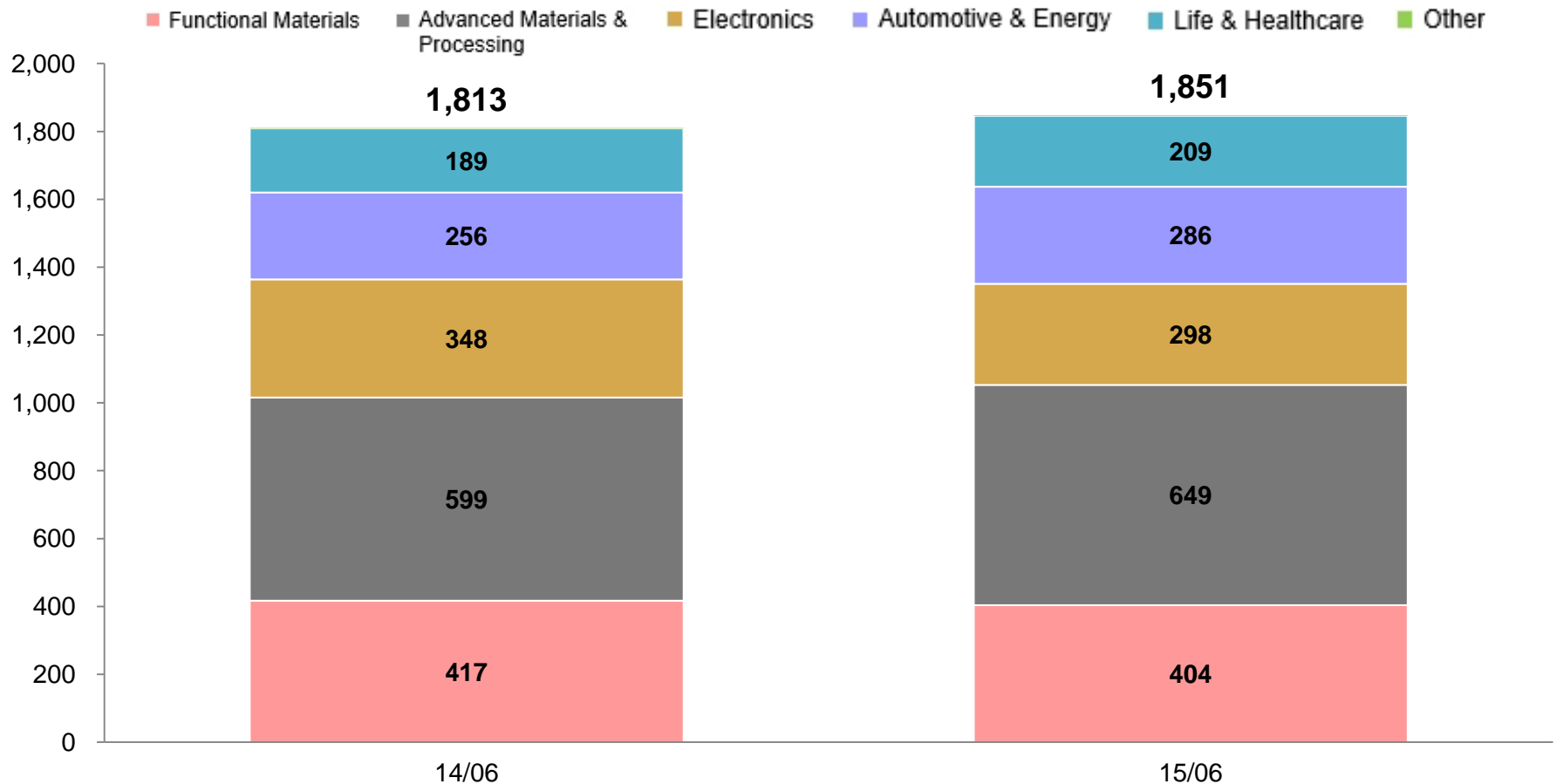


Overseas Sales by Region (100 millions of yen)



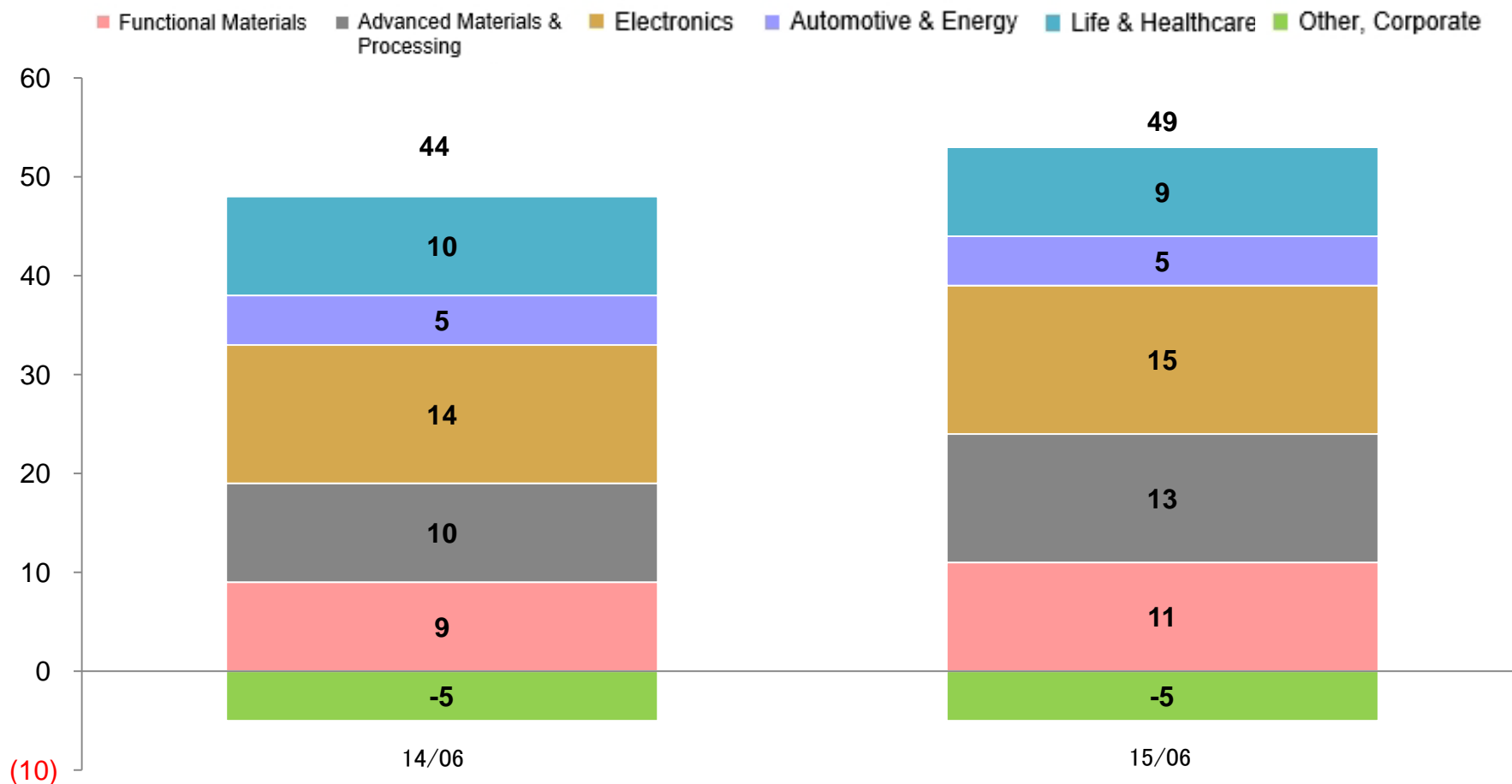
V: Vs. Same Period in Prior Fiscal Year

- **Advanced Materials & Processing:** Strong sales in sales of plastics to the office equipment and appliances markets
- **Automotive & Energy:** Strong sales in the automobile-related business in the Americas, China, and Southeastern Asia
- **Life & Healthcare:** Strong sales of TREHA™ and other products in Japan and overseas



- **Functional Materials:** Higher profits due to higher overseas revenues and improved profit ratios
- **Advanced Materials & Processing:** Higher overseas revenues lead to higher profits

Operating Income by Segment (100 millions of yen)



■ Shareholders' equity ratio up 0.7 points to 52.2% (vs. 51.5% at the end of the prior year)

Assets

	15/03	15/06	Change
Total current assets	3,298	3,279	-18
Cash and time deposits	405	393	-12
Notes and accounts receivable	2,082	2,085	+3
Inventories	690	688	-1
Other current assets	120	112	-7
Total non-current assets	2,166	2,164	-2
Property, plant and equipment	667	668	+0
Intangible fixed assets	488	481	-7
Investments, other assets	1,010	1,014	+4
Investments in securities	926	933	+7
Other fixed assets	84	81	-3
Total assets	5,465	5,444	-21

Liabilities and Net Assets (100 millions of yen)

	15/03	15/06	Change
Total current liabilities	1,764	1,610	-153
Notes and accounts payable	1,057	1,004	-52
Short-term loans (Including current portion of long-term loans)	377	407	+30
Current portion of bonds	100	—	-100
Other current liabilities	229	198	-30
Total long-term liabilities	826	929	+103
Long-term loans	303	304	+1
Bonds	200	300	+100
Net defined benefit liability	108	108	+0
Other (Deferred tax liabilities, etc.)	214	216	+1
Total liabilities	2,590	2,539	-50
Total net assets	2,875	2,904	+29
Shareholders' equity	2,263	2,278	+14
Accumulated other comprehensive income	550	564	+14
Net unrealized holding gain on securities	449	456	+6
Translation adjustment	94	103	+8
Others	6	4	-1
Non-controlling interests	61	61	+0
Total liabilities and net assets	5,465	5,444	-21

NAGASE & CO., LTD.

<http://www.nagase.co.jp>

Statements concerning earnings projections and other forecasts contained in these statements included forward-looking forecasts based on assumptions, forecasts, and plans available as of the date of this publication. Actual earnings may differ from projections due to risks and uncertainties in the future global economy, competitive landscape, currency exchange rates, etc.