

Consolidated Financial Results for the Fiscal Year Ended March 31, 2015 <under Japanese GAAP>

Name of the Listed Company: **Miraca Holdings Inc.**
 Listed Stock Exchanges: Tokyo Stock Exchange
 Securities Code: 4544
 URL: <http://www.miraca-holdings.co.jp/>
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Scheduled date of ordinary general meeting of shareholders : June 24, 2015
 Scheduled date to commence dividend payments: June 2, 2015
 Scheduled date to submit Securities Report: June 24, 2015
 Preparation of supplementary materials on financial results: Yes
 Holding of financial results presentation meeting: Yes (for institutional investors and analysts)

(Millions of yen with fractional amounts rounded down)

1. Consolidated financial results for the fiscal year ended March 31, 2015

(1) Consolidated operating 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	%
Fiscal year ended								
March 31, 2015	204,667	0.6	27,012	1.1	26,566	(2.0)	16,002	4.4
March 31, 2014	203,371	5.8	26,727	4.4	27,118	5.4	15,322	3.0

Note: Comprehensive income

Fiscal year ended March 31, 2015: ¥28,224 million [13.3%]
 Fiscal year ended March 31, 2014: ¥24,907 million [(6.2)%]

	Net income per share	Diluted net income per share	Return on equity	Return on assets	Operating margin
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2015	274.82	274.32	9.7	10.5	13.2
March 31, 2014	261.48	260.80	10.4	11.7	13.1

Reference: Share of profit (loss) of entities accounted for using equity method:

Fiscal year ended March 31, 2015: ¥(286) million
 Fiscal year ended March 31, 2014: ¥(53) million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2015	262,203	171,851	65.5	3,016.78
March 31, 2014	242,159	157,348	64.9	2,677.30

Reference: Equity

As of March 31, 2015: ¥171,624 million As of March 31, 2014: ¥157,105 million

(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
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2015	29,261	(27,874)	(9,980)	27,288
March 31, 2014	28,723	(17,153)	(9,699)	35,671

2. Cash dividends

	Annual dividends					Total dividend payments (Total)	Dividend payout ratio (Consolidated)	Dividend on equity (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2014	–	43.00	–	43.00	86.00	5,043	32.9	3.4
Fiscal year ended March 31, 2015	–	46.00	–	46.00	92.00	5,319	33.5	3.2
Fiscal year ending March 31, 2016 (Forecast)	–	55.00	–	55.00	110.00		37.0	

3. Consolidated earnings forecasts for the fiscal 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		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2015	105,300	3.0	14,000	(3.6)	13,350	(7.8)	7,450	(8.7)	130.95
Fiscal year ending March 31, 2016	210,000	2.6	27,700	2.5	26,950	1.4	16,900	5.6	297.07

* Notes

- (1) Changes in significant subsidiaries during the current period under review (changes in specified subsidiaries resulting in change in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
 - a. Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - b. Changes in accounting policies due to other reasons: None
 - c. Changes in accounting estimates: None
 - d. Restatement: None

(3) Number of shares issued (common shares)

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

As of March 31, 2015	57,137,966 shares
As of March 31, 2014	58,925,566 shares

- b. Number of treasury shares at the end of the period

As of March 31, 2015	248,069 shares
As of March 31, 2014	244,770 shares

- c. Average number of shares during the period

Fiscal year ended March 31, 2015	58,226,335 shares
Fiscal year ended March 31, 2014	58,598,191 shares

Reference: Summary of non-consolidated results

Non-consolidated financial results for the fiscal year ended March 31, 2015

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2015	19,961	17.9	18,166	19.4	17,730	15.2	18,216	18.5
March 31, 2014	16,928	15.0	15,220	15.0	15,385	16.3	15,375	15.4

Fiscal year ended	Net income per share	Diluted net income per share
	Yen	Yen
March 31, 2015	312.86	312.28
March 31, 2014	262.39	261.70

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2015	142,412	84,273	59.0	1,477.35
March 31, 2014	138,179	80,845	58.3	1,373.59

Reference: Equity

As of March 31, 2015: ¥84,046 million

As of March 31, 2014: ¥80,603 million

* Indication regarding execution of audit procedures

This financial results report is not subject to the audit procedures in accordance with the Financial Instruments and Exchange Act. At the time of disclosure of this financial results report, the audit procedures for the consolidated financial statements are in progress.

* Proper use of earnings forecasts, and other special matters

(Note regarding the forecast figures)

The forecasts stated above are based on information available to the Company as of the date of announcement of this report and assumptions as of the same date on many uncertain factors that could affect the future performance of the Company. Actual results may differ substantially from the forecasts due to various factors in the future.

(How to access supplementary materials on financial results and the details of financial results presentation meeting)

The Company is scheduled to hold a financial results presentation meeting for institutional investors and analysts on Friday, May 1, 2015, and to post the materials used in the meeting, on the Company's website immediately after the meeting.

Consolidated financial statements

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
Assets		
Current assets		
Cash and deposits	25,683	27,300
Notes and accounts receivable - trade	37,125	38,734
Lease investment assets	666	622
Securities	10,000	–
Merchandise and finished goods	4,508	4,790
Work in process	5,019	5,026
Raw materials and supplies	4,754	5,096
Deferred tax assets	2,705	3,050
Other	6,801	7,868
Allowance for doubtful accounts	(2,088)	(2,413)
Total current assets	95,175	90,075
Non-current assets		
Property, plant and equipment		
Buildings and structures	52,864	53,588
Accumulated depreciation	(35,200)	(35,785)
Buildings and structures, net	17,663	17,803
Machinery, equipment and vehicles	13,658	14,568
Accumulated depreciation	(11,226)	(11,900)
Machinery, equipment and vehicles, net	2,431	2,668
Tools, furniture and fixtures	40,817	41,402
Accumulated depreciation	(35,207)	(36,223)
Tools, furniture and fixtures, net	5,610	5,179
Land	9,421	8,920
Leased assets	9,769	9,956
Accumulated depreciation	(5,253)	(5,303)
Leased assets, net	4,516	4,653
Construction in progress	1,223	3,313
Total property, plant and equipment	40,867	42,537
Intangible assets		
Goodwill	55,746	59,428
Customer-related intangible assets	29,155	31,467
Software	2,926	2,416
Leased assets	247	197
Other	8,097	10,478
Total intangible assets	96,174	103,989
Investments and other assets		
Investment securities	3,049	17,869
Deferred tax assets	2,987	3,321
Other	3,918	4,426
Allowance for doubtful accounts	(12)	(17)
Total investments and other assets	9,942	25,600
Total non-current assets	146,984	172,127
Total assets	242,159	262,203

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
Liabilities		
Current liabilities		
Notes and accounts payable - trade	11,327	10,374
Electronically recorded obligations - operating	–	1,437
Current portion of bonds	25	–
Current portion of long-term loans payable	4,250	6,000
Lease obligations	873	749
Accounts payable - other	6,538	5,868
Income taxes payable	5,258	4,075
Deferred tax liabilities	74	47
Provision for bonuses	4,303	4,638
Other	7,504	9,687
Total current liabilities	40,155	42,879
Non-current liabilities		
Bonds payable	10,000	10,000
Long-term loans payable	8,000	12,150
Lease obligations	3,800	4,135
Deferred tax liabilities	10,877	10,729
Net defined benefit liability	6,667	4,345
Asset retirement obligations	658	887
Other	4,652	5,223
Total non-current liabilities	44,655	47,471
Total liabilities	84,810	90,351
Net assets		
Shareholders' equity		
Capital stock	8,433	8,666
Capital surplus	24,155	24,388
Retained earnings	102,727	105,224
Treasury shares	(541)	(1,209)
Total shareholders' equity	134,775	137,071
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,075	606
Foreign currency translation adjustment	21,790	34,198
Remeasurements of defined benefit plans	(535)	(251)
Total accumulated other comprehensive income	22,330	34,553
Subscription rights to shares	242	227
Total net assets	157,348	171,851
Total liabilities and net assets	242,159	262,203

(2) Consolidated statement of income and consolidated statement of comprehensive income
Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Net sales	203,371	204,667
Cost of sales	120,680	124,272
Gross profit	82,690	80,395
Selling, general and administrative expenses	55,963	53,382
Operating income	26,727	27,012
Non-operating income		
Interest income	32	21
Dividend income	42	47
Dividend income of insurance	114	148
Rent income	49	50
Fiduciary obligation fee	79	69
Foreign exchange gains	205	777
Settlement received	283	-
Other	243	234
Total non-operating income	1,052	1,349
Non-operating expenses		
Interest expenses	514	589
Rent expenses	49	52
Share of loss of entities accounted for using equity method	53	286
Advisory fee	-	770
Other	43	96
Total non-operating expenses	661	1,796
Ordinary income	27,118	26,566
Extraordinary income		
Gain on sales of non-current assets	53	1,477
Gain on reversal of subscription rights to shares	11	9
Other	4	155
Total extraordinary income	70	1,642
Extraordinary losses		
Loss on retirement of non-current assets	197	116
Business structure improvement expenses	640	932
Impairment loss	193	2,596
Other	25	231
Total extraordinary losses	1,058	3,877
Income before income taxes and minority interests	26,130	24,331
Income taxes - current	10,534	10,603
Income taxes - deferred	274	(2,273)
Total income taxes	10,808	8,329
Income before minority interests	15,322	16,002
Net income	15,322	16,002

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Income before minority interests	15,322	16,002
Other comprehensive income		
Valuation difference on available-for-sale securities	192	(469)
Foreign currency translation adjustment	9,392	12,408
Remeasurements of defined benefit plans, net of tax	–	283
Total other comprehensive income	9,584	12,222
Comprehensive income	24,907	28,224
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	24,907	28,224

(3) Consolidated statement of changes in equity

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	8,058	23,780	92,438	(523)	123,754
Cumulative effects of changes in accounting policies					-
Restated balance	8,058	23,780	92,438	(523)	123,754
Changes of items during period					
Issuance of new shares - exercise of subscription rights to shares	374	374			749
Dividends of surplus			(5,033)		(5,033)
Net income			15,322		15,322
Purchase of treasury shares				(17)	(17)
Retirement of treasury shares					-
Net changes of items other than shareholders' equity					
Total changes of items during period	374	374	10,289	(17)	11,020
Balance at end of current period	8,433	24,155	102,727	(541)	134,775

	Accumulated other comprehensive income				Subscription rights to shares	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	883	12,398	-	13,281	299	137,335
Cumulative effects of changes in accounting policies						-
Restated balance	883	12,398	-	13,281	299	137,335
Changes of items during period						
Issuance of new shares - exercise of subscription rights to shares						749
Dividends of surplus						(5,033)
Net income						15,322
Purchase of treasury shares						(17)
Retirement of treasury shares						-
Net changes of items other than shareholders' equity	192	9,392	(535)	9,049	(57)	8,992
Total changes of items during period	192	9,392	(535)	9,049	(57)	20,012
Balance at end of current period	1,075	21,790	(535)	22,330	242	157,348

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	8,433	24,155	102,727	(541)	134,775
Cumulative effects of changes in accounting policies			1,068		1,068
Restated balance	8,433	24,155	103,796	(541)	135,843
Changes of items during period					
Issuance of new shares - exercise of subscription rights to shares	233	233			467
Dividends of surplus			(5,226)		(5,226)
Net income			16,002		16,002
Purchase of treasury shares				(10,016)	(10,016)
Retirement of treasury shares		(0)	(9,348)	9,348	-
Net changes of items other than shareholders' equity					
Total changes of items during period	233	233	1,427	(667)	1,227
Balance at end of current period	8,666	24,388	105,224	(1,209)	137,071

	Accumulated other comprehensive income				Subscription rights to shares	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	1,075	21,790	(535)	22,330	242	157,348
Cumulative effects of changes in accounting policies						1,068
Restated balance	1,075	21,790	(535)	22,330	242	158,417
Changes of items during period						
Issuance of new shares - exercise of subscription rights to shares						467
Dividends of surplus						(5,226)
Net income						16,002
Purchase of treasury shares						(10,016)
Retirement of treasury shares						-
Net changes of items other than shareholders' equity	(469)	12,408	283	12,222	(15)	12,207
Total changes of items during period	(469)	12,408	283	12,222	(15)	13,434
Balance at end of current period	606	34,198	(251)	34,553	227	171,851

(4) Consolidated statement 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	26,130	24,331
Depreciation	10,899	11,203
Impairment loss	193	2,596
Loss (gain) on sales of non-current assets	(49)	(1,474)
Amortization of goodwill	3,689	4,039
Increase (decrease) in provision for bonuses	(977)	266
Increase (decrease) in net defined benefit liability	(91)	(206)
Increase (decrease) in allowance for doubtful accounts	(390)	35
Interest and dividend income	(75)	(68)
Share of (profit) loss of entities accounted for using equity method	53	286
Interest expenses	514	589
Foreign exchange losses (gains)	(119)	(923)
Decrease (increase) in notes and accounts receivable - trade	(234)	(958)
Decrease (increase) in inventories	134	(374)
Increase (decrease) in notes and accounts payable - trade	180	411
Increase (decrease) in accrued consumption taxes	(85)	2,013
Increase (decrease) in other current liabilities	(276)	(960)
Other, net	89	1,016
Subtotal	39,585	41,823
Interest and dividend income received	75	66
Interest expenses paid	(532)	(613)
Income taxes paid	(10,404)	(12,015)
Net cash provided by (used in) operating activities	28,723	29,261
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,314)	(7,122)
Purchase of intangible assets	(3,207)	(6,829)
Proceeds from sales of property, plant and equipment	152	2,370
Purchase of investment securities	–	(15,967)
Proceeds from sales of investment securities	22	520
Payments of loans receivable	(10)	(989)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(7,964)	–
Other, net	168	142
Net cash provided by (used in) investing activities	(17,153)	(27,874)
Cash flows from financing activities		
Proceeds from long-term loans payable	–	10,150
Repayments of long-term loans payable	(4,042)	(4,250)
Repayments of finance lease obligations	(965)	(937)
Cash dividends paid	(5,027)	(5,220)
Redemption of bonds	(230)	(25)
Proceeds from issuance of common shares	632	393
Payments of money held in trust for purchase of treasury shares	–	(10,018)
Proceeds from money held in trust for purchase of treasury shares	–	13
Other, net	(67)	(85)
Net cash provided by (used in) financing activities	(9,699)	(9,980)

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Effect of exchange rate change on cash and cash equivalents	947	211
Net increase (decrease) in cash and cash equivalents	2,817	(8,382)
Cash and cash equivalents at beginning of period	32,854	35,671
Cash and cash equivalents at end of period	35,671	27,288