

Consolidated Financial Results
for the Six Months Ended September 30, 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/>
Representative: Hiromasa Suzuki, President and CEO
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Scheduled date to submit Quarterly Securities Report: November 11, 2015
Scheduled date to commence dividend payments: December 2, 2015
Preparation of supplementary materials on quarterly financial results: Yes
Holding of quarterly financial results presentation meeting: Yes (for investment analysts and institutional investors)

(Millions of yen with fractional amounts rounded down)

1. Consolidated financial results for the six months ended September 30, 2015

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
September 30, 2015	105,983	3.7	13,769	(5.1)	12,877	(11.1)	6,525	(20.1)
September 30, 2014	102,218	1.0	14,515	1.5	14,485	(0.9)	8,162	(5.9)

Note: Comprehensive income
Six months ended September 30, 2015: ¥6,851 million [(45.8)%]
Six months ended September 30, 2014: ¥12,636 million [(1.8)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2015	114.59	114.38
September 30, 2014	139.00	138.74

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2015	264,705	176,382	66.6	3,092.33
March 31, 2015	262,203	171,851	65.5	3,016.78

Reference: Equity
As of September 30, 2015: ¥176,176 million As of March 31, 2015: ¥171,624 million

2. Cash dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2015	–	46.00	–	46.00	92.00
Fiscal year ending March 31, 2016	–	55.00			
Fiscal year ending March 31, 2016 (Forecast)			–	55.00	110.00

Note: Revisions to the cash dividend forecasts most recently announced: None

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		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2016	210,000	2.6	25,700	(4.9)	24,500	(7.8)	14,900	(6.9)	261.59

Note: Revisions to the earnings forecasts most recently announced: Yes

For details, please refer to “Notice of revisions to earnings forecasts for the fiscal year ending March 31, 2016” announced today, October 30, 2015 (provided only in Japanese).

* 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) Application of special accounting for preparing quarterly consolidated financial statements: None
- (3) 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

(4) Number of shares issued (common shares)

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

As of September 30, 2015	57,221,266 shares
As of March 31, 2015	57,137,966 shares

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

As of September 30, 2015	249,149 shares
As of March 31, 2015	248,069 shares

- c. Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2015	56,947,851 shares
Six months ended September 30, 2014	58,721,060 shares

* Indication regarding execution of quarterly review procedures

This quarterly financial results report is not subject to the quarterly review procedures in accordance with the Financial Instruments and Exchange Act. At the time of disclosure of this quarterly financial results report, the review procedures for the quarterly consolidated financial statements in accordance with the Financial Instruments and Exchange Act 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 quarterly financial results and the details of quarterly financial results presentation meeting)

The Company is scheduled to hold a quarterly financial results presentation meeting for institutional investors and analysts on Wednesday, November 4, 2015, and to post the materials used in the meeting on the Company's website immediately after the meeting.

Quarterly consolidated financial statements

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2015	As of September 30, 2015
Assets		
Current assets		
Cash and deposits	27,300	27,388
Notes and accounts receivable - trade	38,734	37,469
Securities	–	4,000
Merchandise and finished goods	4,790	5,185
Work in process	5,026	5,237
Raw materials and supplies	5,096	5,122
Other	11,540	8,647
Allowance for doubtful accounts	(2,413)	(2,305)
Total current assets	90,075	90,746
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,803	17,252
Tools, furniture and fixtures, net	5,179	5,030
Land	8,920	8,917
Other, net	10,635	10,664
Total property, plant and equipment	42,537	41,863
Intangible assets		
Goodwill	59,428	57,252
Customer-related intangible assets	31,467	30,346
Software	2,416	2,109
Other	10,676	13,311
Total intangible assets	103,989	103,020
Investments and other assets		
Investment securities	17,869	17,093
Other	7,748	11,998
Allowance for doubtful accounts	(17)	(16)
Total investments and other assets	25,600	29,074
Total non-current assets	172,127	173,959
Total assets	262,203	264,705

(Millions of yen)

	As of March 31, 2015	As of September 30, 2015
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,374	9,022
Electronically recorded obligations - operating	1,437	1,504
Current portion of long-term loans payable	6,000	6,000
Accounts payable - other	5,868	5,455
Income taxes payable	4,075	2,306
Provision for bonuses	4,638	4,422
Other	10,484	10,124
Total current liabilities	42,879	38,834
Non-current liabilities		
Bonds payable	10,000	10,000
Long-term loans payable	12,150	9,300
Net defined benefit liability	4,345	4,209
Asset retirement obligations	887	648
Provision for loss on litigation	—	2,573
Other	20,088	22,757
Total non-current liabilities	47,471	49,489
Total liabilities	90,351	88,323
Net assets		
Shareholders' equity		
Capital stock	8,666	8,828
Capital surplus	24,388	24,550
Retained earnings	105,224	109,133
Treasury shares	(1,209)	(1,215)
Total shareholders' equity	137,071	141,297
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	606	625
Foreign currency translation adjustment	34,198	34,481
Remeasurements of defined benefit plans	(251)	(227)
Total accumulated other comprehensive income	34,553	34,878
Subscription rights to shares	227	205
Total net assets	171,851	176,382
Total liabilities and net assets	262,203	264,705

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

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Net sales	102,218	105,983
Cost of sales	61,491	64,354
Gross profit	40,727	41,628
Selling, general and administrative expenses	26,212	27,859
Operating income	14,515	13,769
Non-operating income		
Interest income	9	11
Dividend income	33	30
Dividend income of insurance	141	126
Foreign exchange gains	266	–
Other	127	141
Total non-operating income	578	310
Non-operating expenses		
Interest expenses	281	316
Share of loss of entities accounted for using equity method	28	802
Advisory fee	237	–
Other	59	83
Total non-operating expenses	607	1,202
Ordinary income	14,485	12,877
Extraordinary income		
Gain on sales of non-current assets	1	2
Gain on reversal of subscription rights to shares	9	9
Compensation income	–	2,114
Total extraordinary income	11	2,125
Extraordinary losses		
Loss on retirement of non-current assets	43	24
Impairment loss	2	238
Other	944	14
Total extraordinary losses	991	278
Income before income taxes and minority interests	13,506	14,724
Income taxes - current	5,895	8,421
Income taxes - deferred	(551)	(222)
Total income taxes	5,344	8,199
Profit	8,162	6,525
Profit attributable to owners of parent	8,162	6,525

Consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Profit	8,162	6,525
Other comprehensive income		
Valuation difference on available-for-sale securities	(355)	19
Foreign currency translation adjustment	4,783	282
Remeasurements of defined benefit plans, net of tax	46	24
Total other comprehensive income	4,473	325
Comprehensive income	12,636	6,851
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	12,636	6,851

(3) Consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Cash flows from operating activities		
Income before income taxes and minority interests	13,506	14,724
Depreciation	5,308	5,263
Impairment loss	2	238
Amortization of goodwill	1,952	2,163
Increase (decrease) in provision for bonuses	(186)	(223)
Increase (decrease) in provision for loss on litigation	–	2,613
Increase (decrease) in net defined benefit liability	(150)	(106)
Increase (decrease) in allowance for doubtful accounts	(208)	(111)
Interest and dividend income	(43)	(42)
Interest expenses	281	316
Share of (profit) loss of entities accounted for using equity method	28	802
Compensation income	–	(2,114)
Decrease (increase) in notes and accounts receivable - trade	(457)	1,178
Decrease (increase) in inventories	56	(594)
Decrease (increase) in other current assets	(721)	(544)
Increase (decrease) in notes and accounts payable - trade	(1,055)	(1,308)
Increase (decrease) in accrued consumption taxes	1,143	(1,574)
Increase (decrease) in other current liabilities	(449)	892
Other, net	283	(2,531)
Subtotal	19,291	19,040
Interest and dividend income received	43	34
Interest expenses paid	(289)	(323)
Income taxes paid	(4,377)	(3,021)
Net cash provided by (used in) operating activities	14,667	15,730
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,458)	(2,713)
Purchase of intangible assets	(3,409)	(3,435)
Other, net	189	(12)
Net cash provided by (used in) investing activities	(6,678)	(6,161)
Cash flows from financing activities		
Proceeds from long-term loans payable	–	150
Repayments of long-term loans payable	(2,000)	(3,000)
Repayments of finance lease obligations	(544)	(379)
Proceeds from issuance of common shares	229	274
Cash dividends paid	(2,521)	(2,612)
Other, net	(64)	(49)
Net cash provided by (used in) financing activities	(4,901)	(5,616)
Effect of exchange rate change on cash and cash equivalents	146	135
Net increase (decrease) in cash and cash equivalents	3,235	4,087
Cash and cash equivalents at beginning of period	35,671	27,288
Cash and cash equivalents at end of period	38,907	31,376