



Financial Results Summary for the First Quarter of the Fiscal Year Ending March 31, 2016 [Japan GAAP] (Consolidated)

July 31, 2015

Company Name	Tabuchi Electric Co., Ltd.	Exchange listed on: Tokyo Stock Exchange
Securities code	6624	URL http://www.zbr.co.jp
Representative	(Title) President and Chief Executive Officer	(Name) Toshihiro Kaihoshi
Contact	(Title) Corporate Director, Executive Corporate Officer and Manager, Business Control Division	(Name) Masao Sasano (TEL) +81-6-4807-3500
Scheduled date for submission of quarterly report:	August 11, 2015	Scheduled commencement date of dividends payment: -
Preparation of supplementary materials for quarterly reports		: Yes
Convening quarterly results briefing		: None

(Amounts rounded down to the nearest millions of yen)

1. Consolidated Financial Results for the first quarter of the fiscal year ending March 31, 2016 (From April 1, 2015 to June 30, 2015)

(1) Consolidated Quarterly Operating Results (Cumulative) (Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to parent company shareholders	
	million yen	%	million yen	%	million yen	%	million yen	%
First quarter of the fiscal year ending March 31, 2016	10,586	(21.4)	1,974	(40.0)	2,044	(38.4)	1,360	(37.3)
First quarter of the fiscal year ended March 31, 2015	13,469	44.8	3,290	318.4	3,319	303.2	2,169	238.0

(Note) Comprehensive income: First quarter of the fiscal year ending March 31, 2016 ¥1,365 million (-36.3%)
 First quarter of the fiscal year ended March 31, 2015 ¥2,144 million (+152.5%)

	Net income per share	Net income per share - fully diluted
	yen	yen
First quarter of the fiscal year ending March 31, 2016	33.67	-
First quarter of the fiscal year ended March 31, 2015	53.68	-

(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	million yen	million yen	%
First quarter of the fiscal year ending March 31, 2016	36,187	15,703	43.4
Fiscal year ended March 31, 2015	37,802	14,661	38.8

(Reference) Shareholders' equity: First quarter of the fiscal year ending March 31, 2016 ¥15,703 million
 Fiscal year ended March 31, 2015 ¥14,661 million

2. Dividends

	Annual dividends				
	End of 1Q	End of 2Q	End of 3Q	End of the year	Total
	yen	yen	yen	yen	yen
Fiscal year ended March 31, 2015	-	5.00	-	8.00	13.00
Fiscal year ending March 31, 2016	-				
Fiscal year ending March 31, 2016 (forecast)		8.00	-	8.00	16.00

(Note) Modification of the dividends forecast released most recently : None

3. Consolidated Operating Results Forecast for the fiscal year ending March 31, 2016

(From April 1, 2015 to March 31, 2016)

(Percentage represents changes from the previous year for Full year, and on YoY basis for Quarterly results)

	Net sales		Operating income		Ordinary income		Net income attributable to parent company shareholders		Net income per share yen
	million yen	%	million yen	%	million yen	%	million yen	%	
Second Quarter (cumulative)	23,500	(9.0)	3,500	(39.8)	3,400	(42.0)	2,200	(40.6)	54.43
Full year	55,000	3.2	8,500	(23.2)	8,300	(27.9)	5,500	(28.5)	136.08

(Note) Modification of the consolidated results forecast released most recently : None

* Notes

(1) Major changes in subsidiaries during the first three months of the fiscal year ending March 31, 2016 : None
(Changes in specified subsidiaries resulting in a change in the scope of consolidation)

(2) Adoption of special accounting treatment used in preparation of the quarterly consolidated financial statements : None

(3) Changes in accounting policies or estimates and retrospective restatements

- 1) Changes in accounting policies in line with revisions in accounting standards : Yes
- 2) Changes in accounting policies other than item 1) above : None
- 3) Changes in accounting estimates : None
- 4) Retrospective restatements : None

(4) Number of shares issued (common stock)

- 1) Number of shares issued at the end of the period (including treasury stock)
- 2) Number of shares of treasury stock at the end of the period
- 3) Average number of shares issued during the first three months

First quarter of the fiscal year ending March 31, 2016	40,502,649shares	Fiscal year ended March 31, 2015	40,502,649shares
First quarter of the fiscal year ending March 31, 2016	84,811shares	Fiscal year ended March 31, 2015	84,811shares
First quarter of the fiscal year ending March 31, 2016	40,417,838shares	First quarter of the fiscal year ended March 31, 2015	40,422,948shares

* Indication of quarterly review procedure implementation status

The quarterly review procedure based on the Financial Instruments and Exchange Act has not been completed as of the time of disclosure of this Quarterly Financial Results Summary.

* Explanation for appropriate use of operating results forecasts, other special notes

The operating results forecasts are prepared based on the information available as of the date of the announcement of the material and the actual results may differ from forecasts due to various factors.

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1. Qualitative Information Concerning Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2016

(1) Business Results

Looking at the global economy in the first three months of the fiscal year ending March 31, 2016, the U.S. economy continued to show steady improvements in its employment and income environments with strong consumer spending and housing investments. On the other hand, in Europe, uncertainty remained about the future prospects of EU countries due mainly to the Greek debt crisis while concerns lingered about China's economic slowdown caused by the lengthening of adjustments in the country's real estate market. The Japanese economy showed improvements in corporate earnings and a moderate increase in capital investments on the back of financial and monetary policies and other economic measures implemented. In addition, given the completion of a reactionary fall in demand after the last-minute demand associated with the consumption tax increase, consumer spending showed signs of recovery.

Under such circumstances, the Tabuchi Electric Group promoted diversification of PV solar inverters and responded to changes in the market environment. Specifically, we began selling products with the output control function installed in all models of PV solar inverters from those used for residential housing to those for mega solar systems. Furthermore, we have been developing hybrid inverters designed for PV arrays and storage batteries by using storage cells to respond better to the balance of demand and supply of power. We have begun distributing these products not only in Japan but also globally in North America, ASEAN, etc. where markets are expected to grow going forward. Meanwhile, we have also been working to further enhance our research and development structures in Japan and abroad and build a multi-layer marketing system. We have also been exerting ceaseless efforts to improve our plants through promoting automation throughout the company, pursuing cost reduction activities and enhancing our quality assurance system.

In the first three months of the fiscal year ending March 31, 2016, sales of PV solar inverters decreased due mainly to the last-minute demand at the end of the previous fiscal year. As a result, net sales were 10,586 million yen (down 21.4% year on year), operating income was 1,974 million yen (down 40.0% year on year), ordinary income was 2,044 million yen (down 38.4% year on year) and net income attributable to parent company shareholders was 1,360 million yen (down 37.3% year on year).

Operating results by segment are as follows:

(i) Transformer Business

In the transformers business, sales of reactors for air-conditioners decreased. Consequently, net sales were 2,344 million yen (down 10.9% year on year) and operating income was 218 million yen (down 39.0% year on year).

(ii) Power Supply Business

In the power supplies business, sales of PV solar inverters decreased. As a result, net sales were 8,242 million yen (down 24.0% year on year) and operating income was 1,883 million yen (down 36.6% year on year).

(2) Financial Position

At the end of the first quarter of the fiscal year ending March 31, 2016, total assets came to 36,187 million yen, a decrease of 1,615 million yen from the end of the previous fiscal year. This was primarily due to a decrease in notes and accounts receivable - trade of 3,187 million yen and an increase in inventories of 1,331 million yen and an increase in property, plant and equipment of 542 million yen.

Liabilities amounted to 20,484 million yen, down 2,657 million yen from the end of the previous fiscal year. This was mainly due to a decrease in income taxes payable of 3,122 million yen.

Net assets were 15,703 million yen, up 1,042 million yen from the end of the previous fiscal year. This was mainly due to the recording of net income attributable to parent company shareholders of 1,360 million yen.

(3) Consolidated Operating Results Forecasts and Future Prospects

There are no changes to the consolidated operating results forecasts for the year ending March 31, 2016 announced on May 13, 2015.

2. Matters Concerning Summary Information (Notes)

- (1) Major changes in subsidiaries during the first three months of the fiscal year ending March 31, 2016
Not applicable.
- (2) Adoption of special accounting treatment used in preparation of the quarterly consolidated financial statements
Not applicable.
- (3) Changes in accounting policies or estimates and retrospective restatements
(Changes in accounting policies)

Effective the first quarter of the fiscal year ending March 31, 2016, the Company has adopted the Accounting Standard for Business Combinations (ASBJ Statement No. 21; September 13, 2013), the Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22; September 13, 2013) and the Accounting Standard for Business Divestitures (ASBJ Statement No. 7; September 13, 2013), etc. Accordingly, the Company has changed the relevant accounting method to record the difference arising from any change in equity of the Company in subsidiaries over which the Company continues to retain control to capital surplus and the acquisition-related costs to expenses in the fiscal year which they arise. In regard to business combinations to be implemented at the beginning of the first quarter of the fiscal year ending March 31, 2016 and thereafter, the Company has changed to the method of reflecting the revision of acquisition cost distribution amount determined based on temporary accounting on the quarterly consolidated financial statements of the quarter in which the respective business combination falls in. In addition, the Company changed the presentation of net income, etc. In order to reflect this change, account reclassifications were made in the quarterly consolidated financial statements and the consolidated financial statements for the first quarter of the previous fiscal year and for the previous fiscal year.

The application of the Accounting Standard for Business Combinations, etc. is in accordance with the transitional treatment provided for in Paragraph 58-2 (4) of the Accounting Standard for Business Combinations, Paragraph 44-5 (4) of the Accounting Standard for Consolidated Financial Statements and Paragraph 57-4 (4) of the Accounting Standard for Business Divestitures and is applied from the beginning of the first quarter of the fiscal year ending March 31, 2016 and thereon.

The impact of this change on the quarterly consolidated financial statements is minimal.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	Previous fiscal year (March 31, 2015)	First quarter of the current fiscal year (June 30, 2015)
Assets		
Current assets		
Cash and deposits	6,868	6,765
Notes and accounts receivable - trade	11,185	8,272
Electronically recorded monetary claims - operating	4,223	3,948
Merchandise and finished goods	2,440	3,238
Work in process	520	632
Raw materials and supplies	2,268	2,690
Other	1,530	1,335
Allowance for doubtful accounts	(3)	(3)
Total current assets	29,034	26,880
Non-current assets		
Property, plant and equipment		
Machinery, equipment and vehicles, net	3,380	3,356
Other, net	2,818	3,384
Total property, plant and equipment	6,198	6,740
Intangible assets	374	408
Investments and other assets		
Investment securities	1,651	1,654
Other	542	502
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	2,192	2,155
Total non-current assets	8,765	9,305
Deferred assets	2	2
Total assets	37,802	36,187

(Millions of yen)

	Previous fiscal year (March 31, 2015)	First quarter of the current fiscal year (June 30, 2015)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,545	5,819
Electronically recorded obligations - operating	2,540	2,919
Short-term loans payable	924	1,106
Current portion of bonds	60	60
Current portion of long-term loans payable	907	897
Lease obligations	198	166
Income taxes payable	3,471	348
Provision for bonuses	372	203
Provision for directors' bonuses	79	-
Provision for product warranties	791	766
Other	2,880	2,732
Total current liabilities	17,770	15,020
Non-current liabilities		
Bonds payable	150	150
Long-term loans payable	1,604	1,400
Lease obligations	251	234
Net defined benefit liability	844	855
Long-term unearned revenue	2,289	2,594
Other	231	229
Total non-current liabilities	5,371	5,464
Total liabilities	23,141	20,484
Net assets		
Shareholders' equity		
Capital stock	3,611	3,611
Retained earnings	10,777	11,814
Treasury shares	(21)	(21)
Total shareholders' equity	14,367	15,404
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(11)	(56)
Deferred gains or losses on hedges	40	64
Foreign currency translation adjustment	360	382
Remeasurements of defined benefit plans	(95)	(92)
Total accumulated other comprehensive income	293	298
Total net assets	14,661	15,703
Total liabilities and net assets	37,802	36,187

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income

Quarterly Consolidated Statement of Income
First three months of the current fiscal year

(Millions of yen)

	First three months of the previous fiscal year (From April 1, 2014 to June 30, 2014)	First three months of the current fiscal year (From April 1, 2015 to June 30, 2015)
Net sales	13,469	10,586
Cost of sales	8,890	7,067
Gross profit	4,579	3,518
Selling, general and administrative expenses	1,289	1,544
Operating income	3,290	1,974
Non-operating income		
Interest income	1	1
Dividend income	4	4
Foreign exchange gains	15	55
Share of profit of entities accounted for using equity method	33	13
Gain on derivatives	7	9
Other	9	7
Total non-operating income	71	91
Non-operating expenses		
Interest expenses	28	17
Other	14	4
Total non-operating expenses	42	21
Ordinary income	3,319	2,044
Extraordinary income		
Subsidy income	156	-
Total extraordinary income	156	-
Extraordinary losses		
Loss on sales and retirement of non-current assets	2	-
Total extraordinary losses	2	-
Income (loss) before income taxes and minority interests	3,472	2,044
Income taxes - current	1,166	430
Income taxes - deferred	85	252
Total income taxes	1,252	683
Net income	2,220	1,360
Net income attributable to non-controlling shareholders	50	-
Net income attributable to parent company shareholders	2,169	1,360

Quarterly Consolidated Statement of Comprehensive Income
 First three months of the current fiscal year

(Millions of yen)

	First three months of the previous fiscal year (From April 1, 2014 to June 30, 2014)	First three months of the current fiscal year (From April 1, 2015 to June 30, 2015)
Net income	2,220	1,360
Other comprehensive income		
Valuation difference on available-for-sale securities	9	(45)
Deferred gains or losses on hedges	(21)	24
Foreign currency translation adjustment	(48)	(1)
Remeasurements of defined benefit plans, net of tax	2	3
Share of other comprehensive income of entities accounted for using equity method	(19)	23
Total other comprehensive income	(76)	4
Comprehensive income	2,144	1,365
(Breakdown)		
Comprehensive income attributable to parent company shareholders	2,098	1,365
Comprehensive income attributable to non-controlling shareholders	46	-

- (3) Notes to Quarterly Consolidated Financial Statements
(Notes Relating to Going Concern Assumption)
Not applicable.

(Notes on Any Significant Change in Shareholders' Equity)
Not applicable.

(Segment Information)

I First three months of the previous fiscal year (From April 1, 2014 to June 30, 2014)

1. Information on net sales and income or loss by reportable segment

(Millions of yen)

	Reportable segment			Adjustments (Note 1)	Amount on Quarterly Consolidated Statement of Income (Note 2)
	Transformer Business	Power Supply Business	Total		
Net sales					
Net sales to outside customers	2,630	10,839	13,469	-	13,469
Intersegment net sales or transfers	979	-	979	(979)	-
Total	3,609	10,839	14,449	(979)	13,469
Segment income	359	2,971	3,330	(40)	3,290

(Notes) 1. Adjustment of -40 million yen to segment income is all-company expenses that are not distributed to each reportable segment.

All-company expenses are primarily research and development expenses that do not belong to reportable segments.

2. Segment income is adjusted with operating income on the Quarterly Consolidated Statement of Income.

II First three months of the current fiscal year (From April 1, 2015 to June 30, 2015)

1. Information on net sales and income or loss by reportable segment

(Millions of yen)

	Reportable segment			Adjustments (Note 1)	Amount on Quarterly Consolidated Statement of Income (Note 2)
	Transformer Business	Power Supply Business	Total		
Net sales					
Net sales to outside customers	2,344	8,242	10,586	-	10,586
Intersegment net sales or transfers	950	-	950	(950)	-
Total	3,295	8,242	11,537	(950)	10,586
Segment income	218	1,883	2,102	(127)	1,974

(Notes) 1. Adjustment of -127 million yen to segment income is all-company expenses that are not distributed to each reportable segment.

All-company expenses are primarily research and development expenses that do not belong to reportable segments.

2. Segment income is adjusted with operating income on the Quarterly Consolidated Statement of Income.