

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2014 (Based on Japanese GAAP)

August 1, 2014

Company name: ADEKA CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 4401 URL <http://www.adeka.co.jp>
 Representative: REPRESENTATIVE DIRECTOR AND PRESIDENT AKIO KOHRI
 GENERAL MANAGER, LEGAL AFFAIRS & PUBLICITY DEPARTMENT HIKARU KAGESHIMA TEL 03-4455-2803
 Scheduled date to file Quarterly Securities Report: August 8, 2014
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2014 (from April 1, 2014 to June 30, 2014)

(1) Consolidated financial results (cumulative)

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	%
Three months ended June 30, 2014	49,854	6.8	3,364	6.6	3,533	(0.7)	2,538	4.8
Three months ended June 30, 2013	46,684	3.6	3,157	27.0	3,558	40.3	2,421	58.5

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended June 30, 2014	24.58	–
Three months ended June 30, 2013	23.44	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2014	242,859	148,479	59.0
As of March 31, 2014	242,741	147,798	58.7

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2014	–	11.00	–	11.00	22.00
Year ending March 31, 2015	–	–	–	–	–
Year ending March 31, 2015 (Forecast)	–	12.00	–	12.00	24.00

3. Forecast of consolidated financial results for the year ending March 31, 2015 (from April 1, 2014 to March 31, 2015)

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, 2014	105,000	9.6	6,300	3.7	6,200	(2.9)	4,000	(5.1)	38.73
Full year	220,000	7.7	14,200	2.8	15,000	(6.0)	10,000	9.3	96.82

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2014
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2014	103,651,442 shares	As of March 31, 2014	103,651,442 shares
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Number of treasury shares at the end of the period

As of June 30, 2014	364,297 shares	As of March 31, 2014	364,263 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2014	103,287,153 shares	Three months ended June 30, 2013	103,287,970 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2014	As of June 30, 2014
Assets		
Current assets		
Cash and deposits	37,493	37,482
Notes and accounts receivable - trade	42,912	42,744
Securities	3,232	3,232
Merchandise and finished goods	18,328	18,924
Work in process	4,603	4,641
Raw materials and supplies	13,498	13,849
Other	6,863	7,066
Allowance for doubtful accounts	(327)	(320)
Total current assets	126,604	127,620
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	21,879	21,890
Machinery, equipment and vehicles, net	21,975	21,567
Land	21,310	21,234
Other, net	8,661	7,964
Total property, plant and equipment	73,826	72,656
Intangible assets		
Goodwill	244	225
Other	3,405	3,178
Total intangible assets	3,649	3,403
Investments and other assets		
Investment securities	29,560	29,912
Other	9,100	9,266
Total investments and other assets	38,661	39,179
Total non-current assets	116,137	115,239
Total assets	242,741	242,859

(Millions of yen)

	As of March 31, 2014	As of June 30, 2014
Liabilities		
Current liabilities		
Notes and accounts payable - trade	32,328	33,146
Short-term loans payable	16,216	16,265
Income taxes payable	2,550	956
Provision for bonuses	2,028	1,015
Other provision	50	11
Other	9,234	15,503
Total current liabilities	62,407	66,899
Non-current liabilities		
Long-term loans payable	12,191	7,049
Net defined benefit liability	12,788	12,959
Other provision	132	114
Other	7,424	7,356
Total non-current liabilities	32,535	27,481
Total liabilities	94,943	94,380
Net assets		
Shareholders' equity		
Capital stock	22,899	22,899
Capital surplus	19,925	19,925
Retained earnings	92,438	93,796
Treasury shares	(225)	(225)
Total shareholders' equity	135,038	136,395
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,050	3,238
Revaluation reserve for land	3,794	3,762
Foreign currency translation adjustment	2,441	1,730
Remeasurements of defined benefit plans	(1,854)	(1,804)
Total accumulated other comprehensive income	7,431	6,927
Minority interests	5,328	5,156
Total net assets	147,798	148,479
Total liabilities and net assets	242,741	242,859

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014
Net sales	46,684	49,854
Cost of sales	36,252	38,897
Gross profit	10,431	10,957
Selling, general and administrative expenses	7,274	7,593
Operating income	3,157	3,364
Non-operating income		
Interest income	31	52
Dividend income	120	145
Share of profit of entities accounted for using equity method	144	180
Foreign exchange gains	255	-
Other	99	97
Total non-operating income	650	475
Non-operating expenses		
Interest expenses	106	112
Foreign exchange losses	-	121
Other	143	71
Total non-operating expenses	250	305
Ordinary income	3,558	3,533
Extraordinary losses		
Loss on retirement of property, plant and equipment	5	10
Total extraordinary losses	5	10
Income before income taxes and minority interests	3,552	3,522
Income taxes - current	1,340	937
Income taxes - deferred	(334)	(85)
Total income taxes	1,006	851
Income before minority interests	2,546	2,671
Minority interests in income	124	133
Net income	2,421	2,538

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014
Income before minority interests	2,546	2,671
Other comprehensive income		
Valuation difference on available-for-sale securities	183	175
Foreign currency translation adjustment	1,346	(865)
Remeasurements of defined benefit plans, net of tax	-	48
Share of other comprehensive income of entities accounted for using equity method	27	14
Total other comprehensive income	1,557	(626)
Comprehensive income	4,103	2,044
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,698	2,066
Comprehensive income attributable to minority interests	405	(21)