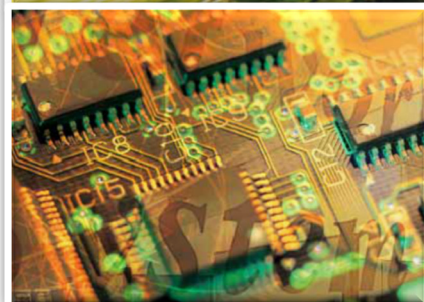
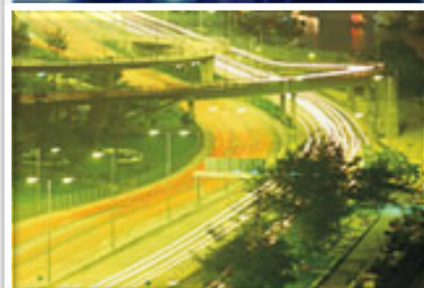


FACTBOOK

7467/TSE 1st Section, NSE 1st Section
HAGIWARA ELECTRIC CO., LTD.
 For the fiscal year ended on March 31, 2015



Contents

Corporate Profile	1-4
Consolidated Balance Sheet	5-6
Consolidated Statement of Income	7
Consolidated Statement of Cash Flows	8
Net Sales Breakdown by Business Segment and Major Client	9
Consolidated Profitability Indicators	10
Consolidated Profitability/Efficiency Indicators	11
Consolidated Efficiency/Stability Indicators	12
Stock Information	13-14

Corporate Profile

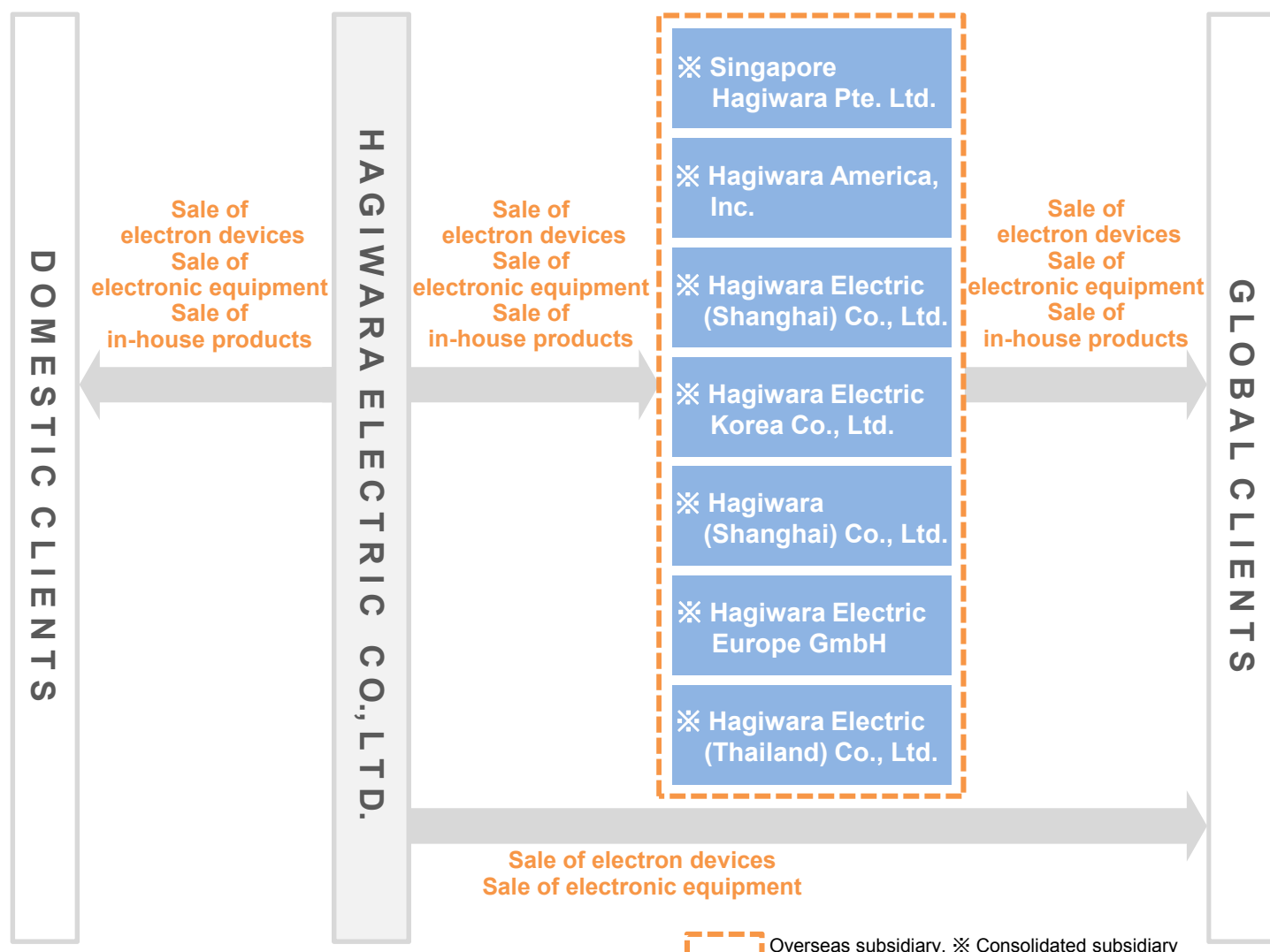
Corporate Outline (as of March 31, 2015)

Name of Company	HAGIWARA ELECTRIC CO., LTD.
Head Office	2-3-3 Higashisakura, Higashi-ku, Nagoya City, Aichi Pref. 461-8520 Japan
Representative	Mitsuo Iwai, President
Established	March 31, 1948
Capital	3,301,216,100 yen
Number of Employees	Consolidated: 463 *Excluding temporary employees
Major Business	1. Electron Device Business Unit Sale of integrated circuits, semiconductors and electron devices 2. IT Solution Business Unit Sale of electronic equipment and manufacture and sale of FA equipment
ISO	ISO14001 (ENVIRONMENTAL SYSTEM) Headquarters and Annex, Miyoshi Office, Development and Production Division ISO9001 (QUALITY SYSTEM) Development and Production Division

Business Content

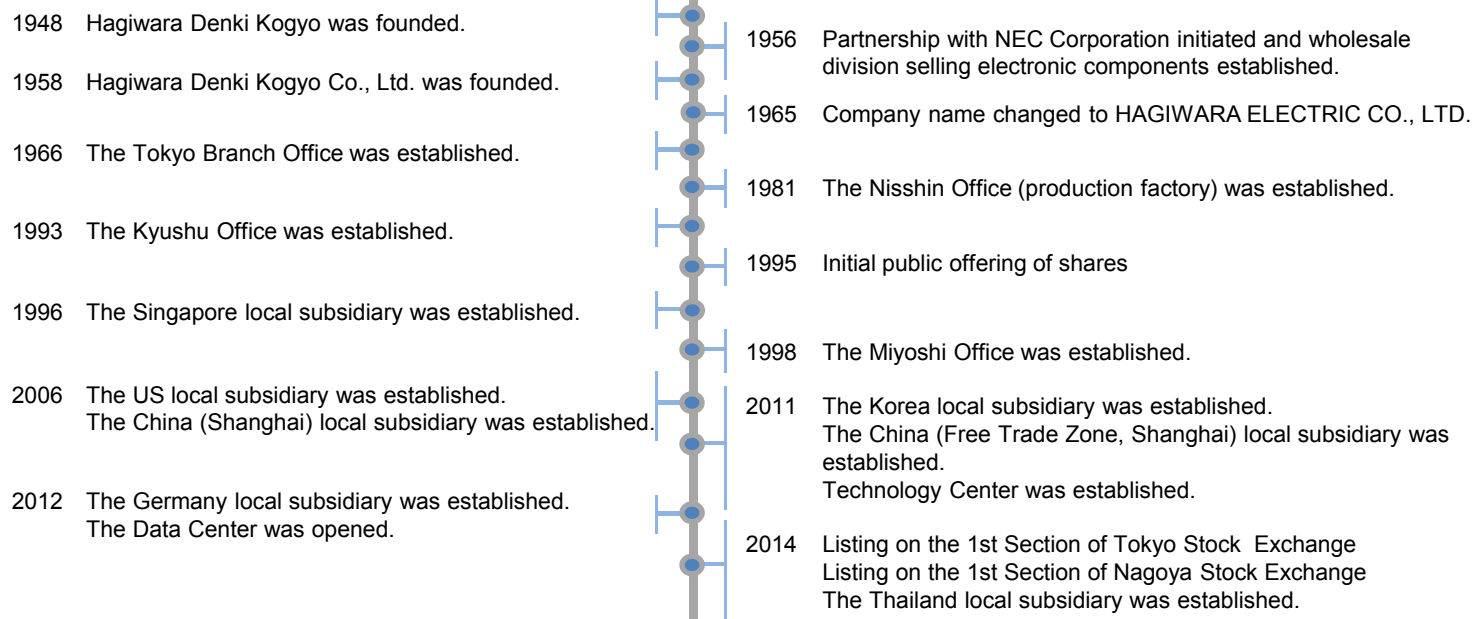
< Domestic Business >

< Global Business >



Corporate Profile

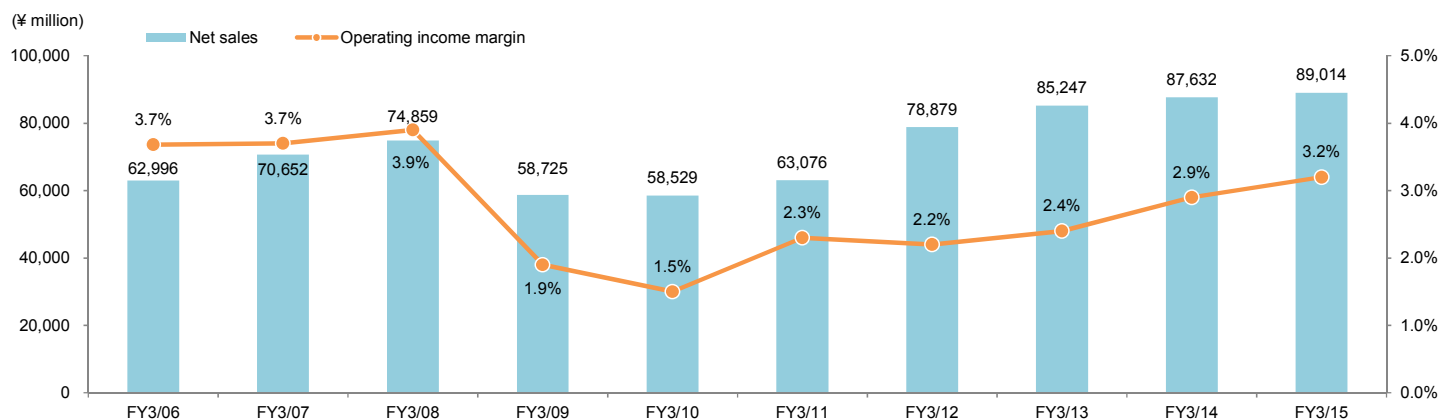
Corporate History Timeline



Domestic and Global Offices



Trend of Business Performance



Corporate Profile

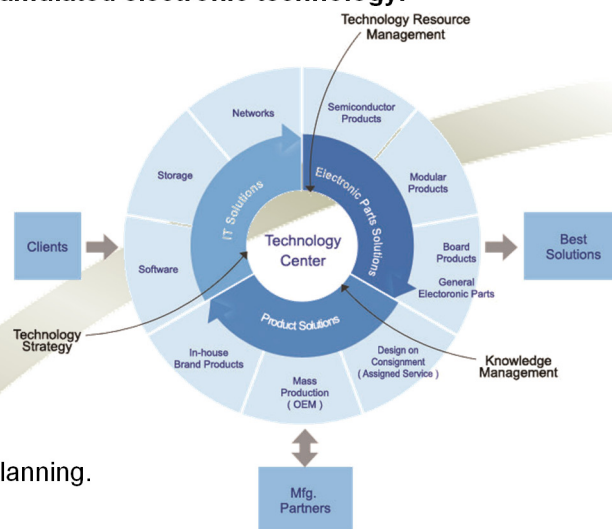
Business Introduction

Technology Center

Leveraging the synergistic effects of technology and knowledge, the Technology Center creates new technology strategies and business plans

This is a group of technology professionals that support the technological aspects of HAGIWARA ELECTRIC's 3 businesses, meeting a broad spectrum of needs through accumulated electronic technology.

Electronic technology is the springboard for the advancement of a wide variety of fields in society. On the development front, demand is rising for creating original electron devices and systems using cutting edge technology. HAGIWARA ELECTRIC's Technology Center carries out R&D by bringing together a team of technology specialists for each traditional Electron Device Business, IT Solution Business, and Development and Production Business. Through the combination of accumulated technology, information and experience, the Technology Center is involved in drafting technology strategies that look to the future and go beyond traditional business fields. The Center also focuses on development of component technologies and creation of business planning.



Electron Device Business Unit

Electron Device Business

Provides optimal device solutions for leading the era of globalization together with clients

This is a trading division that handles electron device sales and development services.

From a client's perspective, this division offers optimal device solutions for making products that can excel in the global marketplace.

It provides assistance for manufacturers in every aspect of product development including design, prototypes, debugging and delivery.

Currently as digitalization and networking progress, products and services transform from optimization of parts to optimization of the whole. Companies must adopt a multi-faceted approach to various business fields, technologies and markets in order to secure sufficient competitiveness.

Especially in the automotive and energy fields, electron devices can respond to rapid developments involving smart grids/communities and networking. Now more than ever standardization in global markets and a move toward lower costs is required. The Electron Device Business Unit must take the client's perspective, leveraging the technological strengths developed at the Technology Center and the comprehensive strengths of electron device makers that can compete globally to forge ahead providing cutting edge electron devices that meet the needs of the changing market.

Product types and services covered

Microcomputer chips, discrete devices, system LSIs, memory, general purpose linear, condensers, EMC, relays, connectors, LCD panels, touch panels etc.



(a) Microcomputer Chips



(b) Connectors



(c) Power Relay / Super Capacitor

Photos provided by:

- (a) Renesas Electronics Corporation
- (b) Japan Aviation Electronics Industry, Limited
- (c) NEC TOKIN Corporation

Corporate Profile

IT Solution Business Unit

IT Solution Business

Provides IT solutions from the long-term perspective of raising client corporate value

This is a trading division that handles the sale of IT equipment, platform foundation construction and instrument. This division provides solutions from a long-term perspective based on technologies developed by HAGIWARA ELECTRIC and cutting edge information from partner firms.

Centered on platform foundation construction, IT equipment and instrument system sales, HAGIWARA ELECTRIC's IT solution business provides meticulous solutions leveraging technology and knowledge developed over many years.

HAGIWARA ELECTRIC has built a positive track record in providing services of various system construction, operations support, maintenance and security construction, including cloud application service proposals with the Data Center at its core.

The company has put in place a full support system to provide proposals for supporting client business from introductory consultations to design, construction, operations and maintenance.

Product types and services covered

Computer platform foundation construction, operation, monitoring and maintenance service, modular instrument system, electromagnetic compatibility (EMC)-related equipment



(a) Tablet PC



(b) Storage



(c) Measuring Equipment

Photos provided by:
 (a) NEC Corporation
 (b) EMC Japan K.K.
 (c) National Instruments Japan Corporation

Development and Production Business

Development, production and service are all handled domestically with the highest quality and long-term stable supply

This is a manufacturing division that is involved with development and production of electronic and IT products. The top priority is following the time scale for every industrial field. Providing efficient, environmentally friendly and reliable electronic equipment and system solutions.

Domestically the company provides total support from planning, research and development to manufacturing, sales and service. The main businesses of electronic IT products include: social IT systems, FA computers, measuring and control equipment, and automotive IT equipment. Also, the division supports system solutions, which include FA systems for all manufacturing industries such as automobiles and semiconductors, testers and logistics systems.

Product types and services covered

The manufacturing division provides all types of solutions for development and production of industrial-use computers, based on the measuring and control equipment and all types of IT-related equipment.

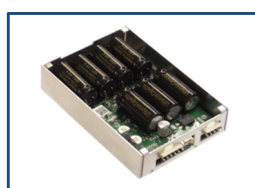
Also the division provides support for all types of system construction for FA systems for all manufacturing industries including automobiles and semiconductors, logistics systems and production management systems.



Super-compact
CPU Modules
HPU A100 Series



Industrial Panel
Computers
HPU9000AP Series



Maintenance-free UPS Units
H3UPS
(Lithium Ion Capacitor)

Consolidated Balance Sheet

(¥ million)	FY3/11	FY3/12	FY3/13	FY3/14	FY3/15
Assets					
Total assets	36,198	39,811	40,455	44,523	46,670
Current assets	31,046	35,063	35,632	39,882	41,987
Cash and deposits	2,841	3,338	4,119	5,706	5,263
Notes and accounts receivable - trade	19,184	22,278	22,676	24,129	25,512
Electronically recorded monetary claims - operating	—	—	—	437	682
Securities	—	100	—	—	—
Merchandise and finished goods	8,072	8,446	7,821	8,470	9,438
Work in process	344	253	233	289	237
Raw materials and supplies	124	119	127	135	155
Deferred tax assets	220	233	255	266	274
Other	260	295	399	448	427
Allowance for doubtful accounts	(0)	(1)	(0)	(2)	(3)
Non-current assets	5,151	4,748	4,822	4,640	4,682
Property, plant and equipment	2,554	2,533	2,753	2,755	2,703
Buildings and structures	1,402	1,373	1,477	1,451	1,461
Accumulated depreciation	(934)	(933)	(912)	(920)	(956)
Buildings and structures, net	467	440	564	530	505
Machinery, equipment and vehicles	18	17	29	48	50
Accumulated depreciation	(15)	(16)	(17)	(23)	(28)
Machinery, equipment and vehicles, net	2	1	12	25	21
Land	1,970	1,970	1,970	1,970	1,970
Leased assets	71	99	116	165	147
Accumulated depreciation	(21)	(35)	(54)	(65)	(67)
Leased assets, net	50	63	62	100	79
Other	766	725	622	603	584
Accumulated depreciation	(703)	(667)	(479)	(473)	(458)
Other, net	63	57	143	129	126
Intangible assets	736	613	384	211	189
Investments and other assets	1,861	1,601	1,684	1,673	1,790
Investment securities	853	732	866	823	1,062
Deferred tax assets	276	209	141	135	1
Other	742	671	687	730	747
Allowance for doubtful accounts	(11)	(11)	(11)	(16)	(21)

Consolidated Balance Sheet

(¥ million)	FY3/11	FY3/12	FY3/13	FY3/14	FY3/15
Liabilities					
Total liabilities	19,580	22,501	22,143	22,895	23,341
Current liabilities	17,736	19,475	17,957	17,993	18,784
Notes and accounts payable - trade	10,214	11,855	10,612	11,411	11,929
Short-term loans payable	3,800	5,090	5,020	4,192	4,024
Current portion of long-term loans payable	2,450	799	719	394	794
Lease obligations	13	18	21	29	27
Income taxes payable	444	460	517	712	555
Provision for directors' bonuses	20	22	30	42	55
Asset retirement obligations	0	2	—	—	—
Other	793	1,225	1,035	1,209	1,397
Non-current liabilities	1,844	3,026	4,186	4,901	4,557
Long-term loans payable	1,075	2,275	3,380	4,085	4,008
Lease obligations	39	46	40	73	56
Deferred tax liabilities	0	0	0	1	18
Provision for retirement benefits	420	374	344	—	—
Net defined benefit liability	—	—	—	312	66
Provision for directors' retirement benefits	299	324	359	—	—
Asset retirement obligations	9	6	60	61	62
Other	—	—	0	368	344
Net assets					
Total net assets	16,618	17,309	18,311	21,627	23,328
Shareholders' equity	16,675	17,380	18,260	21,305	22,653
Capital stock	2,439	2,439	2,439	3,301	3,301
Capital surplus	2,884	2,884	2,884	3,792	3,792
Retained earnings	11,561	12,266	13,146	14,223	15,571
Treasury shares	(209)	(209)	(209)	(12)	(12)
Accumulated other comprehensive income	(56)	(70)	50	322	675
Valuation difference on available-for-sale securities	69	82	89	148	261
Deferred gains or losses on hedges	0	—	—	—	—
Foreign currency translation adjustment	(127)	(153)	(38)	185	342
Remeasurements of defined benefit plans	—	—	—	(11)	70
Total liabilities and net assets	36,198	39,811	40,455	44,523	46,670

Consolidated Statement of Income

(¥ million)	FY3/11	FY3/12	FY3/13	FY3/14	FY3/15
Net sales	63,076	78,879	85,247	87,632	89,014
Cost of sales	57,084	71,661	77,163	78,900	79,966
Gross profit	5,992	7,217	8,084	8,732	9,047
Selling, general and administrative expenses	4,525	5,455	6,009	6,218	6,201
Operating income	1,466	1,762	2,074	2,513	2,845
Non-operating income	56	57	101	79	106
Interest income	5	2	2	4	4
Dividend income	9	10	9	10	10
Foreign exchange gains	—	—	—	—	30
Receipt rewards	15	13	—	—	—
Gain on sales of compound financial instruments	—	—	12	—	—
Compensation income	8	9	29	—	—
Operations consignment fee	8	8	26	48	26
Subsidy income	—	—	—	—	17
Other	9	12	20	16	17
Non-operating expenses	87	128	120	126	82
Interest expenses	65	61	54	53	50
Share issuance cost	—	—	—	18	—
Foreign exchange losses	11	—	14	—	—
Loss on valuation of compound financial instruments	—	18	—	—	—
Commission fee	—	16	—	17	—
Loss on sales of accounts receivable	10	32	42	31	22
Other	0	0	8	6	9
Ordinary income	1,435	1,691	2,055	2,467	2,869
Extraordinary income	10	6	0	0	—
Gain on sales of non-current assets	—	0	—	—	—
Gain on sales of investment securities	—	6	0	0	—
Reversal of allowance for doubtful accounts	2	—	—	—	—
Gain on prior periods adjustment	8	—	—	—	—
Extraordinary losses	11	13	15	11	3
Loss on disposal of non-current assets	6	9	5	11	3
Loss on valuation of investment securities	1	2	—	—	—
Loss on valuation of membership	—	2	8	—	—
Loss on sales of membership	—	—	2	—	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	2	—	—	—	—
Income before income taxes and minority interests	1,434	1,684	2,040	2,455	2,866
Income taxes - current	601	731	858	1,099	969
Income taxes - deferred	94	54	39	(28)	66
Total income taxes	696	785	898	1,070	1,035
Income before minority interests	738	899	1,141	1,385	1,831
Net income	738	899	1,141	1,385	1,831

Consolidated Statement of Cash Flows

(¥ million)	FY3/11	FY3/12	FY3/13	FY3/14	FY3/15
Cash flows from operating activities					
Net cash provided by (used in) operating activities	(3,128)	(47)	324	187	(5)
Income before income taxes and minority interests	1,434	1,684	2,040	2,455	2,866
Depreciation	321	336	374	364	209
Loss (gain) on sales and retirement of non-current assets	6	8	5	11	3
Loss (gain) on sales of membership	—	—	2	—	—
Loss on valuation of membership	—	2	8	—	—
Increase (decrease) in allowance for doubtful accounts	(2)	0	(1)	6	7
Increase (decrease) in provision for loss on order received	(1)	—	—	—	—
Increase (decrease) in provision for directors' bonuses	2	2	8	12	12
Loss (gain) on valuation of compound financial instruments	—	18	—	—	—
Increase (decrease) in provision for directors' retirement benefits	24	24	35	(359)	—
Increase (decrease) in provision for retirement benefits	(43)	(45)	(29)	—	—
Increase (decrease) in net defined benefit liability	—	—	—	(50)	(125)
Interest and dividend income	(14)	(13)	(12)	(14)	(15)
Share issuance cost	—	—	—	18	—
Interest expenses	65	61	54	53	50
Loss (gain) on sales of investment securities	—	(6)	(0)	(0)	—
Loss (gain) on valuation of investment securities	1	2	—	—	—
Loss (gain) on sales of compound financial instruments	—	—	(12)	—	—
Decrease (increase) in notes and accounts receivable - trade	(916)	(3,094)	(397)	(1,890)	(1,628)
Decrease (increase) in inventories	(4,392)	(278)	637	(714)	(934)
Increase (decrease) in notes and accounts payable - trade	801	1,642	(1,241)	798	517
Other, net	(128)	370	(301)	445	229
Subtotal	(2,839)	716	1,169	1,137	1,192
Interest and dividend income received	15	13	12	15	16
Interest expenses paid	(66)	(60)	(54)	(54)	(50)
Income taxes paid	(237)	(716)	(802)	(910)	(1,163)
Cash flows from investing activities					
Net cash provided by (used in) investing activities	(3)	(61)	(330)	2	(238)
Proceeds from withdrawal of time deposits	100	100	—	—	—
Purchase of investment securities	(46)	(26)	(130)	(32)	(92)
Proceeds from sales of investment securities	20	48	20	162	—
Proceeds from redemption of investment securities	—	—	100	—	—
Purchase of property, plant and equipment	(34)	(51)	(273)	(73)	(56)
Purchase of intangible assets	(66)	(124)	(43)	(44)	(83)
Proceeds from sales of membership	—	—	15	—	—
Other, net	23	(7)	(17)	(9)	(6)
Cash flows from financing activities					
Net cash provided by (used in) financing activities	1,172	631	672	1,173	(357)
Net increase (decrease) in short-term loans payable	1,700	1,290	(70)	(827)	(168)
Proceeds from long-term loans payable	—	2,100	1,900	1,100	800
Repayments of long-term loans payable	(350)	(2,549)	(874)	(719)	(476)
Proceeds from issuance of common shares	—	—	—	1,723	—
Payments for issuance of common shares	—	—	—	(15)	—
Purchase of treasury shares	(0)	(0)	(0)	(0)	(0)
Proceeds from sales of treasury shares	—	—	—	244	—
Cash dividends paid	(166)	(194)	(262)	(306)	(480)
Other, net	(11)	(14)	(20)	(25)	(32)
Effect of exchange rate change on cash and cash equivalents	(45)	(25)	115	224	157
Net increase (decrease) in cash and cash equivalents	(2,005)	496	781	1,587	(443)
Cash and cash equivalents at beginning of period	4,776	2,771	3,268	4,049	5,636
Cash and cash equivalents at end of period	2,771	3,268	4,049	5,636	5,193

Net Sales Breakdown by Business Segment and Major Client



Net Sales Breakdown by Business Segment

(¥ million)	FY3/11	FY3/12	FY3/13	FY3/14	FY3/15
Net sales	63,076	78,879	85,247	87,632	89,014
Electron Devices Business Unit	50,906	66,425	72,552	72,916	73,097
IT Solutions Business Unit	12,170	12,454	12,695	14,716	15,916
Segment income	1,466	1,762	2,074	2,513	2,845
Electron Devices Business Unit	1,885	2,188	2,705	2,996	3,196
IT Solutions Business Unit	504	543	513	677	874
Reconciling items	(922)	(968)	(1,143)	(1,160)	(1,225)

Net Sales Breakdown by Major Client

(¥ million)	FY3/11	FY3/12	FY3/13	FY3/14	FY3/15
Net sales	63,076	78,879	85,247	87,632	89,014
DENSO CORPORATION	32,248	44,079	47,843	48,846	48,196
Toyota Motor Corporation	7,762	9,282	10,258	9,353	9,176
TOKAI RIKA CO., LTD.	3,316	4,383	5,332	5,622	5,726
Others	19,748	21,134	21,814	23,811	25,914

Note: Net sales to overseas subsidiaries of DENSO CORPORATION, etc. are included in "Others."

Consolidated Profitability Indicators

(%)	FY3/11	FY3/12	FY3/13	FY3/14	FY3/15
Gross profit on Net sales	9.5	9.1	9.5	10.0	10.2
Operating income margin	2.3	2.2	2.4	2.9	3.2
Ordinary income margin	2.3	2.1	2.4	2.8	3.2
Net income margin	1.2	1.1	1.3	1.6	2.1
ROA	4.1	4.4	5.1	5.8	6.3
ROE	4.5	5.3	6.4	6.9	8.1
DOE	1.1	1.3	1.6	2.1	2.2

Gross profit on Net sales=Gross profit/Net sales

Operating income margin = Operating income/Net sales

Ordinary income margin = Ordinary income/Net sales

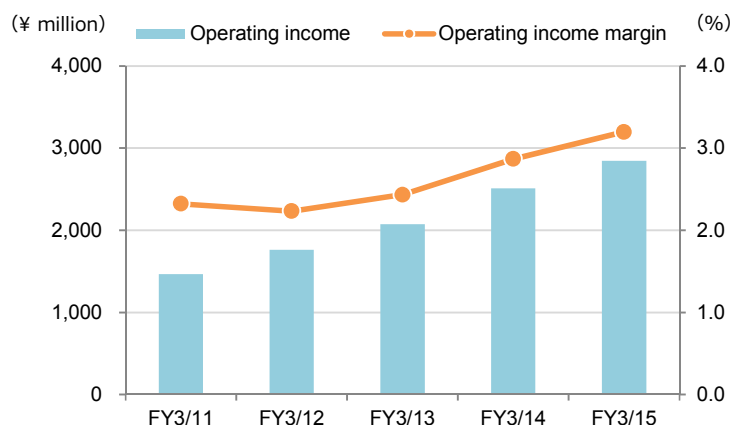
Net income margin = Net income/Net sales

ROA=Ordinary income/Average total assets

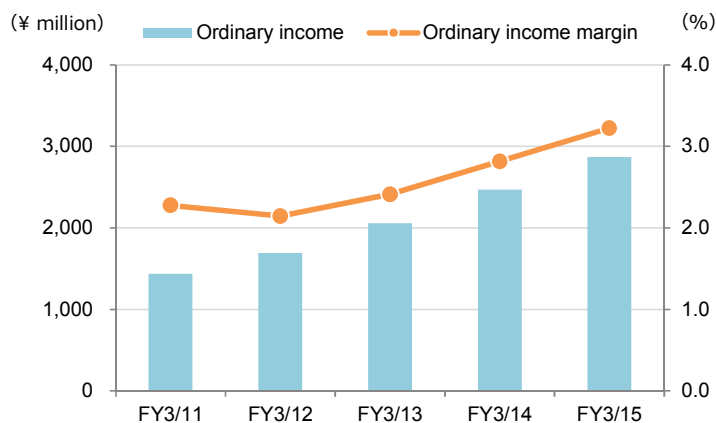
ROE=Net income/Average equity

DOE=Total dividend/Average net assets

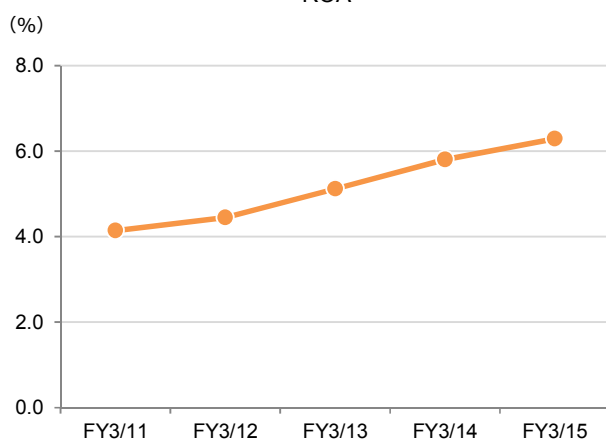
Operating income margin



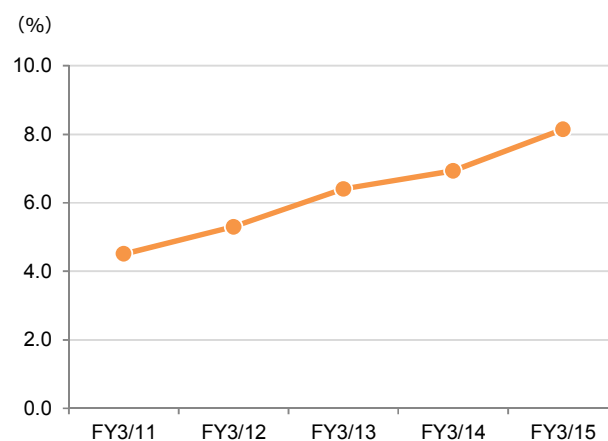
Ordinary income margin



ROA



ROE



Consolidated Profitability/Efficiency Indicators

(times)	FY3/11	FY3/12	FY3/13	FY3/14	FY3/15
Total assets turnover	1.8	2.1	2.1	2.1	2.0
Equity turnover	3.9	4.6	4.8	4.4	4.0
Property, plant and equipment turnover	24.6	31.0	32.3	31.8	32.6
Interest coverage ratio	22.8	29.1	38.6	47.7	57.2

	FY3/11	FY3/12	FY3/13	FY3/14	FY3/15
Number of employees at end of period	428	438	449	450	463
Number of temporary employees at end of period	37	38	35	39	38
Net sales per employee (¥ thousand)	135,647	165,712	176,130	179,207	177,673
Ordinary income per employee (¥ thousand)	3,086	3,553	4,246	5,045	5,727
Net income per employee (¥ thousand)	1,587	1,889	2,357	2,832	3,655

Total assets turnover=Net sales/Average total assets

Equity turnover=Net sales/Average equity

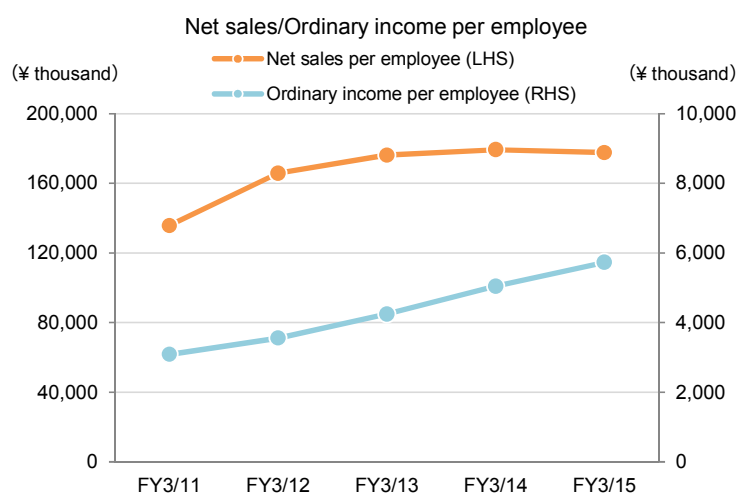
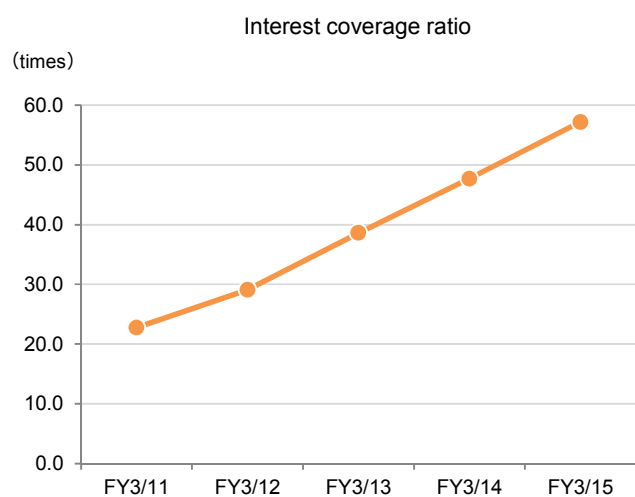
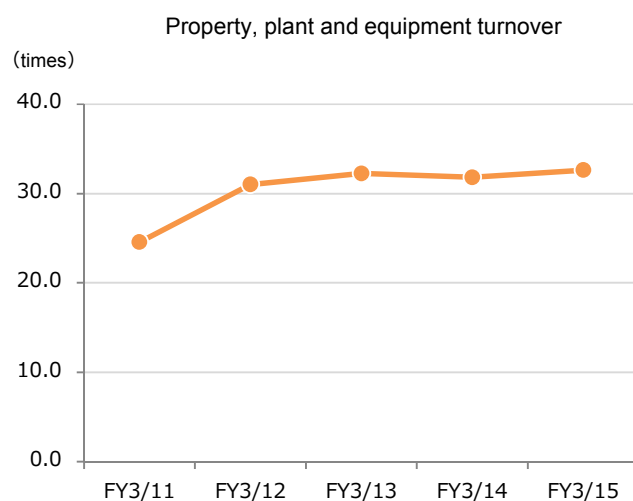
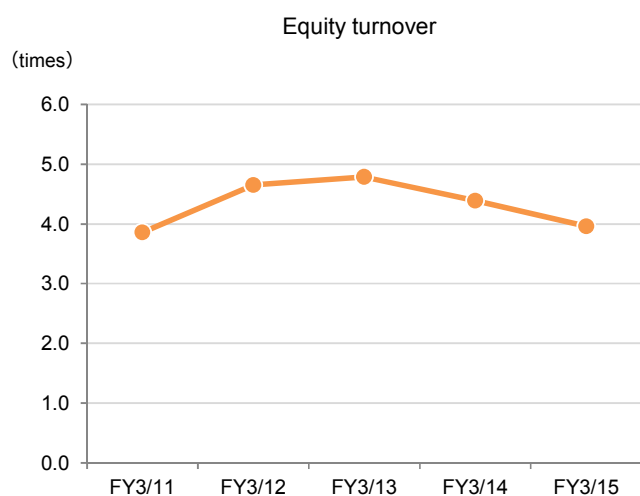
Property, plant and equipment turnover=Net sales/Average property, plant and equipment

Interest coverage ratio=(Operating income+Interest income+Dividends income)/Interest expenses

Net sales per employee=Net sales/(No. of employees at end of period+No. of temp. employees at end of period)

Ordinary income per employee=Ordinary income/(No. of employees at end of period+No. of temp. employees at end of period)

Net income per employee=Net income/(No. of employees at end of period+No. of temp. employees at end of period)



Consolidated Efficiency/Stability Indicators

(%)	FY3/11	FY3/12	FY3/13	FY3/14	FY3/15
Equity ratio	45.9	43.5	45.3	48.6	50.0
Interest-bearing debt ratio	20.2	20.5	22.5	19.5	18.9
Acid-test ratio	124.2	131.5	149.2	168.2	167.5
Current ratio	175.0	180.0	198.4	221.7	223.5
Non-current ratio	31.0	27.4	26.3	21.5	20.1
Non-current assets to Non-current liability ratio	27.9	23.3	21.4	17.5	16.8

Equity ratio=Equity/Total assets

Interest-bearing debt ratio = Interest-bearing debt/Total assets

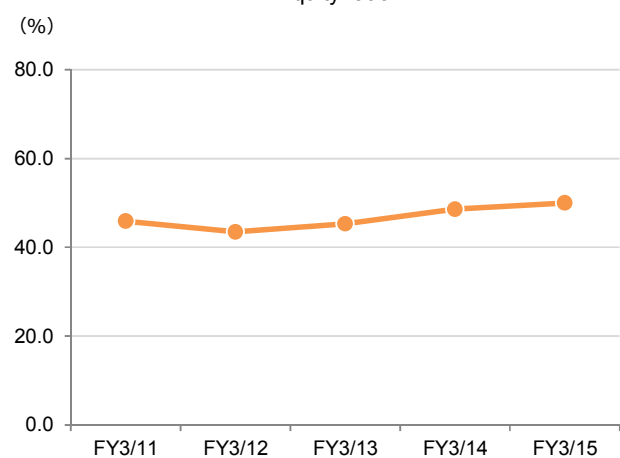
Acid-test ratio=Liquid assets/Current liabilities

Current ratio=Current assets/Current liabilities

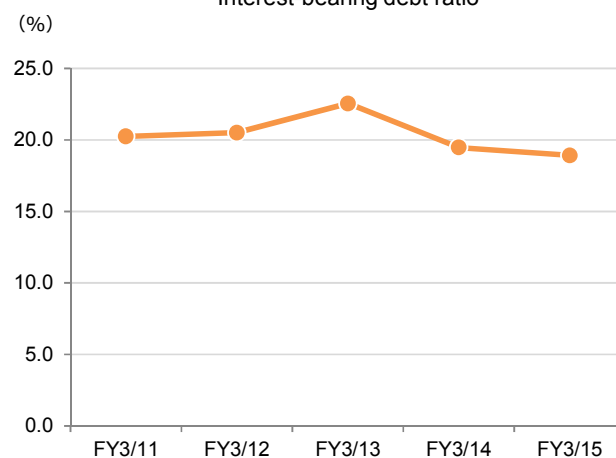
Non-current ratio=Non-current assets/Equity

Non-current assets to Non-current liability ratio=Non-current assets/(Equity+Non-current liabilities)

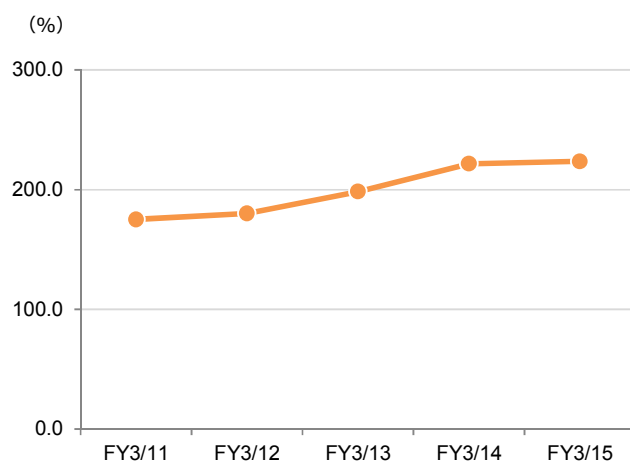
Equity ratio



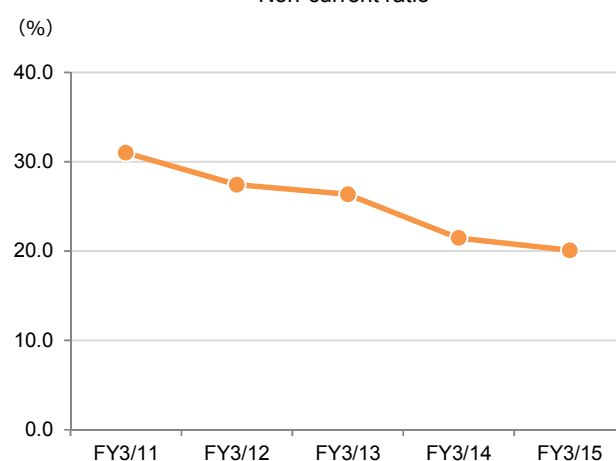
Interest-bearing debt ratio



Current ratio



Non-current ratio



Stock Information

Per Share Indicators

(¥)	FY3/11	FY3/12	FY3/13	FY3/14	FY3/15
Share price at end of period	705	858	1,230	1,261	1,831
Closing stock price range for the last 12 months	569-935	603-877	762-1,258	1,138-1,600	1,230-1,986
Earnings per share (EPS)	110.26	134.31	170.53	202.79	220.47
Book-value per share (BPS)	2,481.94	2,585.22	2,734.83	2,603.99	2,808.79
Dividend per share (DPS)	28.00	34.00	43.00	55.00	60.00

Other Indicators

		FY3/11	FY3/12	FY3/13	FY3/14	FY3/15
Total amount of dividends	(¥ million)	187	227	287	421	498
Dividend payout ratio	(%)	25.4	25.3	25.2	27.1	27.2
Price earnings ratio (PER)	(times)	6.39	6.39	7.21	6.22	8.30
Price book-value ratio (PBR)	(times)	0.28	0.33	0.45	0.48	0.65
Term-average number of shares outstanding	(thousand shares)	6,695	6,695	6,695	6,829	8,305
Number of shareholders	(persons)	2,360	2,273	2,495	4,784	3,759

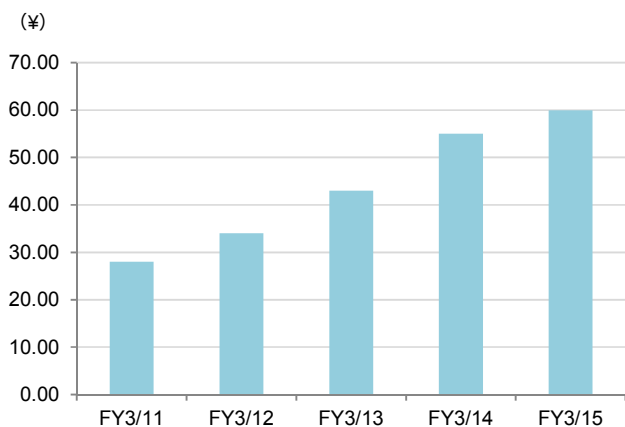
Note: The Company has conducted issuance of new shares through public offering, disposal of treasury shares through public offering, and issuance of new shares through third-party allotment during the second half of FY3/14.

Dividend payout ratio=DPS/EPS

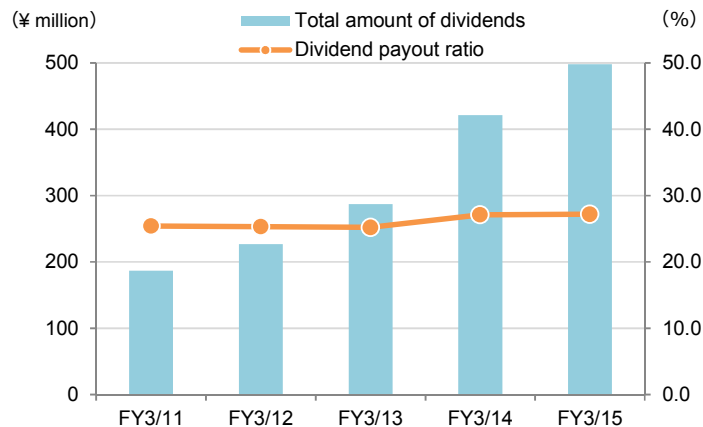
PER=Share price at end of period/EPS

PBR=Share price at end of period/BPS

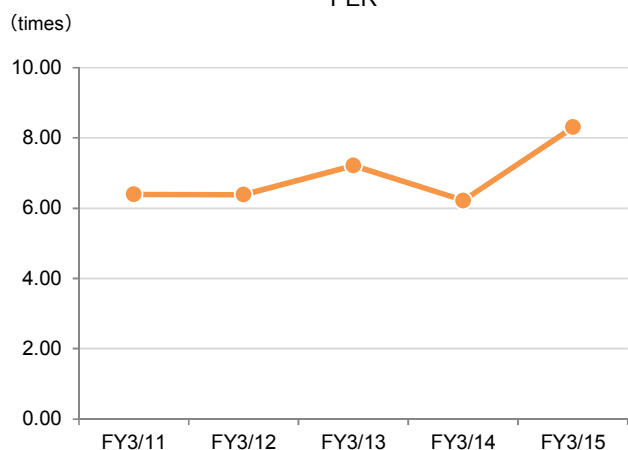
Dividend per share



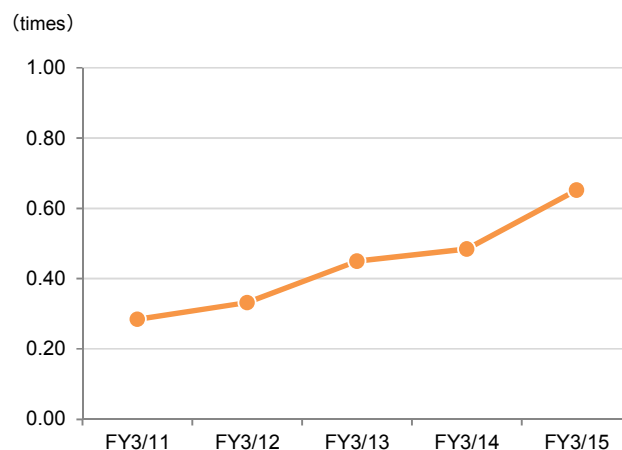
Total amount of dividends/Dividend payout ratio



PER



PBR



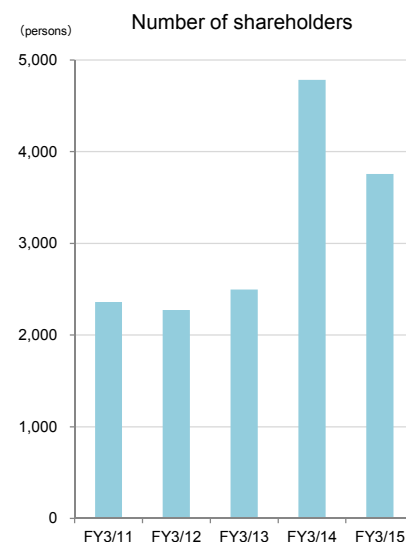
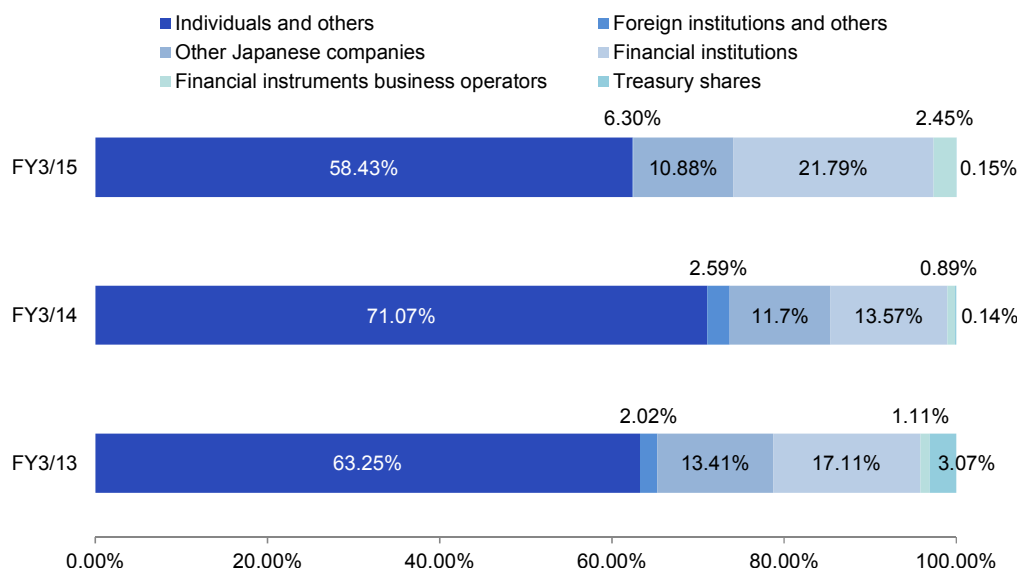
Stock Information

Status of Major Shareholders

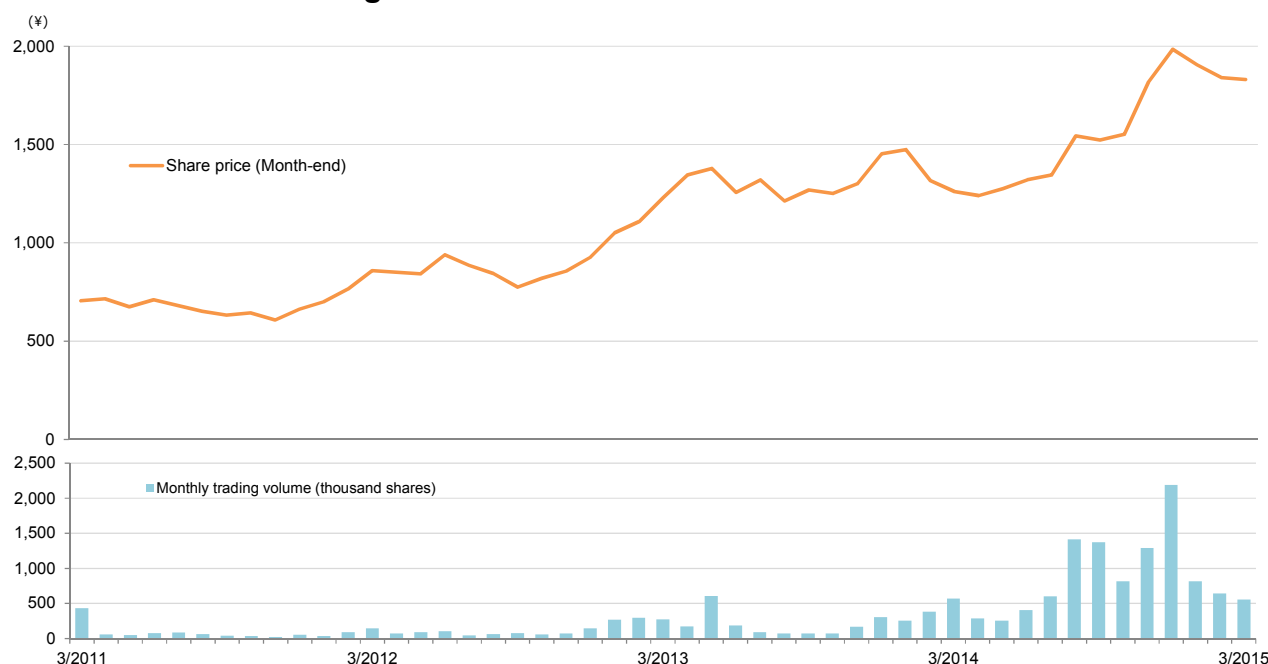
as of March 31, 2015

Top 10 Shareholders	Number of shares	Shareholding ratio (%)
Japan Trustee Services Bank, Ltd. (trust account)	424,400	5.10
STANY Co., Ltd.	396,250	4.76
Yoshiaki Hagiwara	347,175	4.17
Tomoaki Hagiwara	334,675	4.02
Employees' Stockholding	334,074	4.02
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	232,500	2.80
Nagoya Small and Medium Business Investment & Consultation Co., Ltd.	230,000	2.77
Sumitomo Mitsui Trust Bank, Limited	178,000	2.14
Mizuho Bank, Ltd.	175,000	2.10
Sachiko Hagiwara	172,575	2.07

Breakdown of Type of Shareholders



Share Price and Trading Volume





Contact

HAGIWARA ELECTRIC CO., LTD.

General Affairs Department

Phone: +81-52-931-3511

FAX: +81-52-931-9414

E-mail: ir@hagiwara.co.jp

<http://www.hagiwara.co.jp/english/>