

Translation

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**Summary of Consolidated Financial Results
for the Three Months Ended June 30, 2015
(Based on Japanese GAAP)**

August 7, 2015

Company name: SE Corporation
 Stock exchange listing: Tokyo
 Stock code: 3423 URL <http://www.se-corp.com/>
 Representative: President Tetsuo Otsu
 Corporate Director Masaharu Tsukada
 Inquiries: Senior Managing Executive Officer TEL 03-3340-5500
 Scheduled date to file Quarterly Securities Report: August 13, 2015
 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, 2015 (from April 1, 2015 to June 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	%
Three months ended June 30, 2015	3,772	(1.7)	(259)	–	(256)	–	(235)	–
Three months ended June 30, 2014	3,838	8.1	(50)	–	(74)	–	(122)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2015	(15.77)	–
Three months ended June 30, 2014	(8.22)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2015	19,292	7,184	37.2	480.03
As of March 31, 2015	20,556	7,766	37.7	518.16

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, 2015	–	0.00	–	22.00	22.00
Year ending March 31, 2016	–	–	–	–	–
Year ending March 31, 2016 (Forecast)	–	0.00	–	22.00	22.00

3. Forecast of consolidated financial results for the 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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	20,500	4.6	1,109	60.1	1,100	63.6	675	93.0	45.14

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2015
 (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: Yes
- (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, 2015	15,628,300 shares	As of March 31, 2015	15,628,300 shares
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Number of treasury shares at the end of the period

As of June 30, 2015	674,218 shares	As of March 31, 2015	674,218 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, 2015	14,954,082 shares	Three months ended June 30, 2014	14,954,082 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2015	As of June 30, 2015
Assets		
Current assets		
Cash and deposits	4,833,349	4,325,428
Notes and accounts receivable - trade	7,811,707	6,504,700
Merchandise and finished goods	293,051	311,151
Work in process	361,502	479,132
Raw materials and supplies	1,188,574	1,170,114
Other	263,119	377,158
Allowance for doubtful accounts	(41,145)	(36,038)
Total current assets	14,710,161	13,131,647
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,149,955	1,170,402
Machinery, equipment and vehicles, net	393,344	403,771
Tools, furniture and fixtures, net	55,048	66,894
Land	2,237,573	2,237,583
Leased assets, net	35,483	32,202
Construction in progress	616	2,505
Total property, plant and equipment	3,872,023	3,913,360
Intangible assets		
Goodwill	124,517	178,528
Other	173,300	207,283
Total intangible assets	297,818	385,812
Investments and other assets		
Investment securities	1,110,535	1,250,287
Other	602,879	647,224
Allowance for doubtful accounts	(36,612)	(36,001)
Total investments and other assets	1,676,803	1,861,510
Total non-current assets	5,846,644	6,160,682
Total assets	20,556,805	19,292,330

(Thousands of yen)

	As of March 31, 2015	As of June 30, 2015
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,509,656	3,847,979
Electronically recorded obligations - operating	1,130,378	1,169,350
Short-term loans payable	320,522	410,563
Current portion of long-term loans payable	1,258,376	1,240,063
Current portion of bonds	321,000	321,000
Income taxes payable	195,205	61,312
Provision for bonuses	93,034	64,927
Provision for loss on construction contracts	8,653	2,245
Other	582,267	901,645
Total current liabilities	8,419,093	8,019,086
Non-current liabilities		
Bonds payable	883,000	883,000
Long-term loans payable	2,277,845	2,070,314
Provision for directors' retirement benefits	561,790	500,045
Net defined benefit liability	400,258	401,968
Asset retirement obligations	60,949	61,155
Other	187,690	171,829
Total non-current liabilities	4,371,534	4,088,311
Total liabilities	12,790,627	12,107,397
Net assets		
Shareholders' equity		
Capital stock	1,228,057	1,228,057
Capital surplus	995,600	995,600
Retained earnings	5,602,592	5,037,801
Treasury shares	(247,744)	(247,744)
Total shareholders' equity	7,578,505	7,013,714
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	64,135	68,694
Foreign currency translation adjustment	87,150	78,547
Remeasurements of defined benefit plans	18,823	17,497
Total accumulated other comprehensive income	170,109	164,740
Non-controlling interests	17,563	6,477
Total net assets	7,766,178	7,184,932
Total liabilities and net assets	20,556,805	19,292,330

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015
Net sales	3,838,386	3,772,411
Cost of sales	2,847,294	2,967,615
Gross profit	991,092	804,796
Selling, general and administrative expenses	1,041,472	1,064,437
Operating loss	(50,379)	(259,641)
Non-operating income		
Interest income	92	104
Dividend income	3,987	1,841
Commission fee	3,435	1,391
House rent income	4,939	4,466
Share of profit of entities accounted for using equity method	–	2,902
Reversal of allowance for doubtful accounts	5,272	6,665
Other	8,104	5,393
Total non-operating income	25,831	22,764
Non-operating expenses		
Interest expenses	17,360	15,470
Sales discounts	5,513	3,038
Foreign exchange losses	151	54
Contribution	4,570	615
Share of loss of entities accounted for using equity method	21,776	–
Other	300	714
Total non-operating expenses	49,671	19,893
Ordinary loss	(74,220)	(256,770)
Extraordinary income		
Gain on sales of non-current assets	981	–
Insurance income	618	–
Total extraordinary income	1,599	–
Extraordinary losses		
Loss on sales of non-current assets	295	–
Loss on retirement of non-current assets	24	213
Directors' retirement benefits	–	1,700
Total extraordinary losses	319	1,913
Loss before income taxes and minority interests	(72,940)	(258,683)
Income taxes	53,387	(11,795)
Loss	(126,328)	(246,887)
Loss attributable to non-controlling interests	(3,439)	(11,085)
Loss attributable to owners of parent	(122,888)	(235,801)

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015
Loss	(126,328)	(246,887)
Other comprehensive income		
Valuation difference on available-for-sale securities	9,123	4,266
Share of other comprehensive income of entities accounted for using equity method	(26,513)	(8,309)
Remeasurements of defined benefit plans, net of tax	(528)	(1,325)
Total other comprehensive income	(17,918)	(5,368)
Comprehensive income	(144,246)	(252,256)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(140,807)	(241,170)
Comprehensive income attributable to non-controlling interests	(3,439)	(11,085)