

**Summary of Consolidated Financial Results for the First Quarter
of the Fiscal Year Ending March 31, 2015
(Three Months Ended June 30, 2014)**

[Japanese GAAP]

Company name: NIHON TRIM CO., LTD. Listing: Tokyo Stock Exchange, First Section
 Securities code: 6788 URL: <http://www.nihon-trim.co.jp>
 Representative: Shinkatsu Morisawa, President
 Contact: Kojiro Oda, Senior Managing Director and General Manager of Administration Division
 Tel: +81-(0) 6-6456-4600

Scheduled date of filing of Quarterly Report: August 13, 2014
 Scheduled date of payment of dividend: -
 Preparation of supplementary materials for quarterly financial results: None
 Holding of quarterly financial results meeting: None

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended June 30, 2014 (April 1, 2014 – June 30, 2014)

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Jun. 30, 2014	3,299	2.5	657	(21.7)	656	(32.3)	385	(47.3)
Three months ended Jun. 30, 2013	3,220	24.4	839	74.5	970	73.9	730	106.1

Note: Comprehensive income (million yen) Three months ended Jun. 30, 2014: 407 (down 40.1%)
 Three months ended Jun. 30, 2013: 681 (up 123.8%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Jun. 30, 2014	45.28	45.15
Three months ended Jun. 30, 2013	87.10	86.73

Note: The Company conducted a 2-for-1 common stock split on October 1, 2013. Net income per share and diluted net income per share have been calculated as if this stock split had taken place at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Jun. 30, 2014	19,701	15,291	74.7	1,735.58
As of Mar. 31, 2014	19,997	15,462	74.5	1,747.31

Reference: Shareholders' equity (million yen) As of Jun. 30, 2014: 14,723 As of Mar. 31, 2014: 14,906

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2013	-	-	-	50.00	50.00
Fiscal year ending Mar. 31, 2014	-	-	-	-	-
Fiscal year ending Mar. 31, 2014 (forecasts)	-	-	-	50.00	50.00

Note: Revisions to the most recently announced dividend forecast: None

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2015 (April 1, 2014 – March 31, 2015)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	7,230	9.3	1,720	(0.6)	1,740	(10.3)	1,080	(22.3)	127.78
Full year	14,000	6.5	3,050	(2.1)	3,130	(9.1)	1,940	(22.6)	229.52

Note: Revisions to the most recently announced consolidated forecast: None

*** Notes**

(1) Changes in consolidated subsidiaries during the period (changes in specified subsidiaries resulting in changes in the scope of consolidation): None

Newly added: -

Excluded: -

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

a. Changes in accounting policies due to revisions in accounting standards, others: Yes

b. Changes in accounting policies other than a. above: None

c. Changes in accounting-based estimates: None

d. Restatements: None

(4) Number of outstanding shares (common shares)

a. Number of shares outstanding at end of period (including treasury shares)

As of Jun. 30, 2014:	8,656,780 shares	As of Mar. 31, 2014:	8,656,780 shares
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b. Number of treasury shares at end of period

As of Jun. 30, 2014:	173,610 shares	As of Mar. 31, 2014:	125,610 shares
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c. Average number of shares outstanding during the period

Three months ended Jun. 30, 2014:	8,505,903 shares	Three months ended Jun. 30, 2013:	8,389,034 shares
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Note: The Company conducted a 2-for-1 common stock split on October 1, 2013. Number of shares has been calculated as if this stock split had taken place at the beginning of the previous fiscal year.

* Information regarding the implementation of quarterly review procedures

The current quarterly financial report is not subject to the quarterly review procedures based on the Financial Instruments and Exchange Law. At the time of disclosure, the review procedures based on the Financial Instruments and Exchange Law for the quarterly financial statements have not been completed.

* Cautionary statement with respect to forward-looking statements, and other special items

Earnings forecasts regarding future performance in this material are based on assumptions judged to be valid and information currently available to the Company. Actual results may differ significantly from these forecasts for a number of factors. Please refer to "1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Consolidated Forecast and Other Forward-looking Statements" on page 4 of the attachments for assumptions for forecasts and notes of caution for usage.

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1. Qualitative Information on Quarterly Consolidated Financial Performance

(1) Explanation of Results of Operations

Following the record sales and earnings of the past fiscal year, the Nihon Trim Group is aiming for more growth. To accelerate the pace of growth after the next fiscal year, the Group is establishing new sales channels and conducting numerous R&D projects in all business fields in the current fiscal year.

In recent years, Japan has been taking actions to extend the healthy life span of its residents for the purposes of improving the quality of life, holding down health care expenses and invigorating the Japanese economy. Nihon Trim believes that prevention is the most important aspect of these actions. Furthermore, we are confident that our electrolyzed hydrogen water (EHW) can play a very significant role concerning prevention. To help people stay healthy, we have been promoting “the new habit of water healthcare” in order to encourage the use every day of water that is beneficial for the body. Our goal is to establish a stable base of operations by increasing the number of our EHW systems in use to 3 million and generating steady sales from the sale of replacement cartridges. In addition, we are performing R&D to identify new functions for EHW. We are involved in EHW businesses like Electrolyzed Water Hemodialysis[®] for the medical application and Reduced Vegetables[®] for the agricultural application. We also plan to increase emphasis on the health care sector by focusing on achieving growth in the fields of genetic diagnosis and regenerative medicine. We will continue to take many actions to continue to grow by establishing a reputation as a medical equipment manufacturer, which we believe will contribute to higher sales of household EHW system.

In the first quarter of the current fiscal year, net sales increased 2.5% year on year to 3,299 million yen, operating income decreased 21.7% to 657 million yen, and ordinary income decreased 32.3% to 656 million yen.

Results by business segment were as follows.

[Water Healthcare Business]

<Electrolyzed hydrogen water (EHW) systems>

(Japan)

For workplace sales (DS, DS/HS Division), the main goal is increasing sales efficiency by using sales tools to make sales presentations even better. The primary indicator of efficiency is the number of units sold at each presentation. Considerable time was needed to establish a framework for the full-scale start of activities with new sales agents in order to begin significantly enlarging operations in the current fiscal year. Currently, monthly sales volume is as planned and we will continue to work on achieving the fiscal year sales target.

For installation and referral sales (HS, DS/HS Division), the priority is customer relationship management. We want to increase sales by improving customer satisfaction, which will lead to more customer introductions from current customers. In addition, we will strengthen our sales capabilities and concentrate on sales at exhibitions and other events as a means of working with new sales agents mentioned above.

For store event sales (SS Division), there were measures to hold events at department stores and fitness clubs. Currently, hydrogen water is attracting attention because of expectations about its health benefits. Many people who are interested in leading a healthy life are coming to stores to learn more about this water. We will reinforce training programs for salesperson with the goal of increasing sales volume of each salesperson.

The OEM and wholesale sales (MS Division) started supplying to major home appliance manufacturers and beauty product companies in the previous fiscal year. This OEM business is making good progress. In addition, we commenced supplies of new products to existing OEM customers and as a result sales exceeded the previous year levels by a wide margin. We will focus on expanding our client base to include more leading companies.

Sales of water purification cartridges declined after the rush to buy prior to the April 2014 consumption tax hike but have already stabilized. As before, we anticipate steady growth in sales of these cartridges. We will continue to work on increasing the percentage of users who replace their cartridges regularly. Measures include using e-magazines, seasonal publications and other channels to provide information about replacing cartridges and improving customer satisfaction by strengthening follow-up support for customers who have purchased our EHW system.

(Overseas)

PT. Super Wahana Tehno, based in Indonesia and operates PET bottles and gallon bottles delivery business, is focusing on increasing sales of water in this country. The company is also expanding its exports to Singapore and other countries. In April 2014, Nihon Trim sent more personnel to this company to assist in strengthening sales operations. Plans for Indonesia also include increasing production line and locating new water supplies. All of these activities are aimed at achieving more growth.

In China, Trim (Guangzhou) Water & Health Co., Ltd. sells household EHW systems. This company is growing steadily by conducting consistent and effective marketing activities. To continue growing, this company is using many activities that include the possibility of forming alliances with other companies in China. In Taiwan, affiliate MedFirst Trim Co., Ltd. is focusing on increasing the number of sales agents in order to continue to raise sales of EHW systems.

(Others)

With a view to raise the ratio of people who decide to purchase our products, we have been concentrating on social networking services and other Internet activities with the goals of using word-of-mouth to raise awareness of Nihon Trim and to make brands more powerful. In addition, we receive media coverage through the TV program “Sugoi-ne! Go-Tochi Kyaraben!” on CS broadcasting, which is a cooking program produced in conjunction with local mascot characters. The Funassy character that appeared in June generated a strong response that resulted in a number of replays that set a new record by a wide margin (88,179 replays as of July 28, 2014).

The Reduced Vegetables[®] business is an agricultural application for EHW in which this water is used to grow vegetables. Trials for growing green onions, tomatoes and other vegetables have produced very useful data. In May 2014, the production of Japanese mustard spinach (komatsuna) using EHW started in a large greenhouse with an area of about 1,300 square meters. An article produced jointly by Nihon Trim and Kochi University concerning EHW agriculture appeared in the June 2014 issue of Environmental Control in Biology, an international academic publication by the Japanese Society of Agricultural, Biological and Environmental Engineers and Scientists. We will continue to conduct R&D activities in this field with the aim of starting commercial-scale operations in the Reduced Vegetables[®] business.

Overall, sales in the water healthcare business increased 0.8% to 3,068 million yen and operating income decreased 9.7% to 626 million yen.

[Medical Business]

<Electrolyzed Water Hemodialysis>

At the 59th conference of the Japanese Society for Dialysis Therapy that was held in June 2014, we made presentations on three subjects involving Electrolyzed Water Hemodialysis[®]. One was about significant data obtained concerning the improvement in the cardiac function of individuals due to Electrolyzed Water Hemodialysis[®]. Another presentation was about the smaller percentage of individuals using Electrolyzed Water Hemodialysis[®] who started using anemia and other medications during one year compared with conventional dialysis. Electrolyzed Water Hemodialysis[®] is currently used at 15 locations (total of 190 beds) and four more medical facilities are planning to start using this technology. We will continue to work on increasing the use of this type of dialysis and expect that there will be positive effect on sales of household EHW systems, too.

<Genetic diagnosis>

TrimGen Corporation is performing R&D, manufacturing and sales activities involving mutated gene detection kits and gene extraction kits that use this company’s exclusive technologies. The goal is to provide medical care that matches each individual (personalized medicine) in order to reduce risks associated with drug side effects and healthcare accidents. This involves the selection of anti-cancer and other drugs, control of the amount of anticoagulants administered, and other measures. TrimGen plans to expand this business, grow on a global scale and eventually reach the point of conducting an initial public offering in Japan.

Discussions are under way with major customers that contributed to the performance of this business in the previous fiscal year. TrimGen is also performing extensive R&D activities concerning products for use with next-generation medical examination equipment.

<Regenerative medicine>

In September 2013, StemCell Institute Inc., Japan's largest cord blood bank, became a consolidated subsidiary of Nihon Trim. The company plans to increase the number of cord blood held by increasing public awareness of the importance of storing this blood in anticipation of its use in regenerative medicine and cellular therapy and for treating diseases in the future.

As a result, sales in the medical business increased 30.7% to 230 million yen and operating income decreased 78.7% to 30 million yen.

We are strongly committed to achieving rapid growth of the functional water business and expanding operations on a global scale. We will continue to aim for growth of the household EHW systems business and in the fields of medical and agriculture. Our growth plans also include starting operations outside Japan, chiefly in Asia, and entering new business fields by using measures that may include mergers and acquisitions.

We ask for the continuous support of shareholders as we take the actions outlined in this section in order to continue to grow.

(2) Explanation of Financial Position

Total assets decreased 295 million yen, or 1.5%, from the end of the previous fiscal year to 19,701 million yen at the end of the first quarter of the current fiscal year on a consolidated basis.

Current assets decreased 576 million yen, or 4.0%, from the end of the previous fiscal year to 13,789 million yen. The main factors were increases of 105 million yen in notes and accounts receivable-trade, 63 million yen in finished goods, and 122 million yen in raw materials and supplies, but there was a decline in cash and deposits of 832 million yen for cash dividends paid of 426 million yen and an increase in other (long-term time deposits) under investments and other assets of 300 million yen.

Non-current assets increased 281 million yen, or 5.0%, from the end of the previous fiscal year to 5,912 million yen. The main factors were an increase of 300 million yen in other (long-term time deposits) under investments and other assets.

Current liabilities decreased 88 million yen, or 2.9%, from the end of the previous fiscal year to 2,938 million yen. The main factors were increases of 228 million yen in notes and accounts payable-trade, and 181 million yen in other (accounts payable-other), but there was a decrease of 489 million yen in income taxes payable.

Net assets decreased 170 million yen, or 1.1%, from the end of the previous fiscal year to 15,291 million yen. The main factors were net income of 385 million yen and an increase of 12 million yen in minority interests, but there were decreases of 426 million yen in cash dividends paid and 169 million yen in purchase of treasury shares.

(3) Explanation of Consolidated Forecast and Other Forward-looking Statements

There are no revisions to the full year consolidated forecast for the fiscal year ending March 31, 2015, which was disclosed in the Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2014 dated April 24, 2014.

2. Matters Related to Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Period

Not applicable.

(2) Application of Special Accounting Methods for Presenting Quarterly Consolidated Financial Statements

Not applicable.

(3) Changes in Accounting Policies and Accounting-based Estimates, and Restatements

Changes in Accounting Policies

Application of the accounting standard for retirement benefits

The Company has applied the “Accounting Standard for Retirement Benefits (Accounting Standards Board of Japan (ASBJ) Statement No. 26, May 17, 2012)” and the “Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012)” from the first quarter of the current fiscal year, for provisions set forth in the main clauses of Paragraph 35 of the Accounting Standard for Retirement Benefits and Paragraph 67 of the Guidance on Accounting Standard for Retirement Benefits. Accordingly, the Company reviewed the methods for calculating retirement benefit obligations and service costs, and revised the method of attributing estimated retirement benefit obligations to periods from the straight-line basis to the benefit formula basis, and revised the method of determining the discount rate, for the period of bonds used for the basis of determining the discount rate, from the method using the approximate number of years of expected average length of remaining service period of employees to the method using a single weighted average discount rate reflecting the estimated period and amount of benefit payment.

The application of this accounting standard, etc. in accordance with the transitional accounting treatments set forth in Paragraph 37 of the Accounting Standard for Retirement Benefits, and thus the adjustments associated with the change in calculation methods of retirement benefit obligations and service costs are recorded in retained earnings at the beginning of the first quarter.

As a result, net defined benefit liability decreased 25,621 thousand yen and retained earnings increased 16,488 thousand yen at the end of the first quarter. The effect of this change on operating income, ordinary income, and income before income taxes and minority interests in the first quarter is insignificant.

3. Quarterly Consolidated Financial Statements**(1) Quarterly Consolidated Balance Sheet**

(Thousands of yen)

	FY3/14 (As of Mar. 31, 2014)	First quarter of FY3/15 (As of Jun. 30, 2014)
Assets		
Current assets		
Cash and deposits	8,914,255	8,082,086
Notes and accounts receivable-trade	1,963,331	2,069,152
Accounts receivable-installment	2,721,101	2,732,795
Finished goods	127,564	190,641
Raw materials and supplies	363,518	486,243
Other	289,076	242,870
Allowance for doubtful accounts	(12,982)	(14,573)
Total current assets	14,365,865	13,789,217
Non-current assets		
Property, plant and equipment		
Land	2,503,181	2,505,625
Other, net	1,127,030	1,133,202
Total property, plant and equipment	3,630,211	3,638,828
Intangible assets		
Goodwill	665,739	657,204
Other	192,774	179,821
Total intangible assets	858,514	837,026
Investments and other assets		
Other	1,182,724	1,476,617
Allowance for doubtful accounts	(40,162)	(40,162)
Total investments and other assets	1,142,561	1,436,454
Total non-current assets	5,631,287	5,912,309
Total assets	19,997,153	19,701,527
Liabilities		
Current liabilities		
Notes and accounts payable-trade	662,094	890,814
Current portion of bonds	300,000	300,000
Income taxes payable	673,643	183,811
Provision for bonuses	119,600	35,000
Provision for product warranties	14,000	11,000
Provision for sales returns	50,000	54,000
Other	1,207,891	1,464,365
Total current liabilities	3,027,229	2,938,991
Non-current liabilities		
Provision for directors' retirement benefits	160,901	159,493
Net defined benefit liability	165,694	146,736
Other	1,181,120	1,165,047
Total non-current liabilities	1,507,716	1,471,277
Total liabilities	4,534,946	4,410,269

	(Thousands of yen)	
	FY3/14 (As of Mar. 31, 2014)	First quarter of FY3/15 (As of Jun. 30, 2014)
Net assets		
Shareholders' equity		
Capital stock	992,597	992,597
Capital surplus	977,957	977,957
Retained earnings	13,138,168	13,113,247
Treasury shares	(169,577)	(338,783)
Total shareholders' equity	14,939,145	14,745,017
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,213	5,423
Foreign currency translation adjustment	(36,256)	(25,841)
Remeasurements of defined benefit plans	(1,489)	(1,352)
Total accumulated other comprehensive income	(32,532)	(21,770)
Subscription rights to shares	5,799	6,168
Minority interests	549,795	561,842
Total net assets	15,462,207	15,291,258
Total liabilities and net assets	19,997,153	19,701,527

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income
Quarterly Consolidated Statement of Income
(For the Three-month Period)

(Thousands of yen)

	First three months of FY3/14 (Apr. 1, 2013 – Jun. 30, 2013)	First three months of FY3/15 (Apr. 1, 2014 – Jun. 30, 2014)
Net sales	3,220,316	3,299,247
Cost of sales	692,785	868,712
Gross profit	2,527,531	2,430,534
Selling, general and administrative expenses	1,687,668	1,772,647
Operating income	839,863	657,887
Non-operating income		
Interest and dividend income	2,312	2,266
Real estate rent	24,565	24,565
Share of profit of entities accounted for using equity method	-	2,001
Foreign exchange gains	103,715	-
Other	8,339	5,353
Total non-operating income	138,933	34,187
Non-operating expenses		
Interest expenses	1,512	1,409
Interest on bonds	449	445
Foreign exchange losses	-	28,738
Depreciation of assets for rent	2,991	2,913
Share of loss of entities accounted for using equity method	1,782	-
Other	1,150	1,603
Total non-operating expenses	7,886	35,109
Ordinary income	970,910	656,965
Income before income taxes and minority interests	970,910	656,965
Income taxes-current	195,718	194,760
Income taxes-deferred	41,238	75,084
Total income taxes	236,957	269,845
Income before minority interests	733,952	387,120
Minority interests in income	3,283	1,971
Net income	730,668	385,148

Quarterly Consolidated Statement of Comprehensive Income
(For the Three-month Period)

(Thousands of yen)

	First three months of FY3/14 (Apr. 1, 2013 – Jun. 30, 2013)	First three months of FY3/15 (Apr. 1, 2014 – Jun. 30, 2014)
Income before minority interests	733,952	387,120
Other comprehensive income		
Valuation difference on available-for-sale securities	1,510	209
Foreign currency translation adjustment	(54,587)	21,089
Remeasurements of defined benefit plans, net of tax	-	137
Share of other comprehensive income of entities accounted for using equity method	588	(599)
Total other comprehensive income	(52,488)	20,836
Comprehensive income	681,463	407,957
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	666,294	395,910
Comprehensive income attributable to minority interests	15,169	12,046

(3) Notes to Quarterly Consolidated Financial Statements**Going Concern Assumption**

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Segment and Other Information

1. Overview of reportable segment

Segments used for financial reporting are the Group's constituent units for which separate financial information is available and for which the highest management decision-making body performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.

Consequently, there are two reportable business segments: the water healthcare business and the medical business.

The water healthcare business includes EHW systems sales and associated operations. The medical business performs R&D for medical and preventive healthcare and has a genetic diagnostic business.

2. Information related to net sales and profits for each reportable segment

First three months of FY3/15 (Apr. 1, 2014 – Jun. 30, 2014)

(Thousands of yen)

	Reportable segment			Adjustments	Total
	Water healthcare	Medical	Subtotal		
Net sales					
Sales to external customers	3,068,439	230,807	3,299,247	-	3,299,247
Inter-segment sales and transfers	-	-	-	-	-
Total	3,068,439	230,807	3,299,247	-	3,299,247
Segment profits	626,928	30,958	657,887	-	657,887

3. Information related to impairment losses on non-current assets or goodwill, etc. for each reportable segment

Not applicable.

This financial report is solely a translation of "Kessan Tanshin" (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.