

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2017 [under Japanese GAAP]

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2017 (from April 1, 2017 to December 31, 2017)

(1) Consolidated operating results

(Millions of yen, except per share amounts; Percentages indicate year-on-year changes)

	Nine months ended December 31, 2017		Nine months ended December 31, 2016	
		%		%
Net sales	37,610	4.3	36,074	(2.6)
Operating income	6,172	16.2	5,310	(11.1)
Ordinary income	6,596	11.0	5,940	(6.3)
Net income attributable to owners of the Parent	4,511	11.4	4,048	(2.2)
Basic earnings per share (Yen)	77.22		69.28	
Diluted earnings per share (Yen)	-		-	
Note: Comprehensive income	6,459 million yen	[13.7%]	5,678 million yen	[20.5%]

2) Consolidated financial position

(Millions of yen)

	December 31, 2017	March 31, 2017
Total assets	88,334	83,432
Total equity	66,757	61,503
Ratio of equity attributable to owners of the Parent	74.7%	72.9%
Reference: Equity attributable to owners of the Parent	66,012 million yen	60,834 million yen

2 . Dividends

	Year ending March 31, 2018 (Forecast)	Year ending March 31, 2018	Year ended March 31, 2017
Annual cash dividends per share (Yen)			
1st quarter end		-	-
2nd quarter end		11.00	8.50
3rd quarter end		-	-
Fiscal year end	11.00		10.00
Total	22.00		18.50

Note: Revisions to the cash dividends forecasts most recently announced: None

3 . Forecast of consolidated operating results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

(Millions of yen, except per share amounts; Percentages indicate year-on-year changes)

	Year ending March 31, 2018	
		%
Net sales	50,000	1.1
Operating income	7,500	(4.5)
Ordinary income	7,800	(6.0)
Net income attributable to owners of the Parent	5,500	(5.8)
Basic earnings per share (Yen)	94.14	

Note: Revisions to the consolidated operating results forecasts most recently announced: None

4 . Others

Number of issued shares outstanding at the end of the periods (ordinary shares)

	December 31, 2017	March 31, 2017
Number of issued shares including treasury shares	58,948,063 shares	58,948,063 shares
Number of treasury shares	527,144 shares	523,062 shares

	Nine months ended December 31, 2017	Nine months ended December 31, 2016
Average number of shares outstanding during the period	58,422,718 shares	58,429,870 shares

Explanation regarding the appropriate use of forecast of operating results and other special items

Forward-looking statements such as earnings forecasts and other projections contained in this report are based on information currently available and certain assumptions judged by management to be reasonable, and do not constitute guarantees of future performance. Actual results may differ materially from expectations due to various factors.

Consolidated Financial Statements
Consolidated Balance Sheets

(Millions of yen)

	March 31, 2017	December 31, 2017
Assets		
Current assets		
Cash and deposits	22,817	25,224
Notes and accounts receivable - trade	13,558	13,338
Electronically recorded monetary claims - operating	1,299	1,350
Merchandise and finished goods	5,183	5,172
Work in process	34	93
Raw materials and supplies	2,420	2,528
Deferred tax assets	698	687
Other	238	203
Allowance for doubtful accounts	Δ1	Δ0
Total current assets	46,249	48,597
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,749	5,514
Machinery, equipment and vehicles, net	4,997	4,679
Land	8,794	8,835
Construction in progress	74	102
Other, net	657	541
Total property, plant and equipment	20,273	19,673
Intangible assets	323	223
Investments and other assets		
Investment securities	15,728	19,011
Deferred tax assets	97	97
Other	763	733
Allowance for doubtful accounts	Δ3	Δ3
Total investments and other assets	16,586	19,839
Total non-current assets	37,183	39,736
Total assets	83,432	88,334
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,118	6,887
Electronically recorded obligations - operating	371	524
Short-term loans payable	1,930	1,930
Current portion of long-term loans payable	134	135
Income taxes payable	946	892
Provision for directors' bonuses	78	57
Other	4,535	3,455
Total current liabilities	15,114	13,883
Non-current liabilities		
Long-term loans payable	1,562	1,539
Deferred tax liabilities	717	1,554
Deferred tax liabilities for land revaluation	1,344	1,344
Provision for directors' retirement benefits	84	106
Net defined benefit liability	2,169	2,211
Asset retirement obligations	344	377
Other	592	560
Total non-current liabilities	6,814	7,693
Total liabilities	21,929	21,576

Consolidated Financial Statements
 Consolidated Balance Sheets

(Millions of yen)

	March 31, 2017	December 31, 2017
Net assets		
Shareholders' equity		
Capital stock	6,867	6,867
Capital surplus	5,741	5,741
Retained earnings	42,302	45,587
Treasury shares	Δ315	Δ321
Total shareholders' equity	54,596	57,875
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,163	6,039
Deferred gains or losses on hedges	2	Δ6
Revaluation reserve for land	2,301	2,301
Foreign currency translation adjustment	Δ84	Δ78
Remeasurements of defined benefit plans	Δ144	Δ119
Total accumulated other comprehensive income	6,237	8,136
Non-controlling interests	668	745
Total net assets	61,503	66,757
Total liabilities and net assets	83,432	88,334

Consolidated Statements of Income

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Net sales	36,074	37,610
Cost of sales	21,612	22,096
Gross profit	14,462	15,514
Selling, general and administrative expenses		
Transportation and warehousing expenses	2,935	2,970
Advertising expenses	472	473
Salaries	1,601	1,642
Provision for directors' bonuses	61	58
Retirement benefit expenses	148	142
Provision for directors' retirement benefits	14	13
Research and development expenses	898	919
Other	3,020	3,121
Total selling, general and administrative expenses	9,152	9,341
Operating profit	5,310	6,172
Non-operating income		
Interest income	7	6
Dividend income	567	448
Foreign exchange gains	118	66
Miscellaneous income	40	15
Total non-operating income	734	536
Non-operating expenses		
Interest expenses	13	12
Sales discounts	88	91
Miscellaneous loss	2	8
Total non-operating expenses	103	112
Ordinary profit	5,940	6,596
Extraordinary income		
Gain on sales of non-current assets	13	0
Gain on sales of investment securities	0	16
Subsidy income	14	9
Total extraordinary income	28	26
Extraordinary losses		
Loss on sales of non-current assets	12	3
Loss on retirement of non-current assets	34	34
Total extraordinary losses	46	37
Profit before income taxes	5,922	6,585
Income taxes	1,833	2,041
Profit	4,088	4,543
Profit attributable to non-controlling interests	40	31
Profit attributable to owners of parent	4,048	4,511

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Profit	4,088	4,543
Other comprehensive income		
Valuation difference on available-for-sale securities	1,645	1,893
Deferred gains or losses on hedges	Δ111	Δ9
Foreign currency translation adjustment	27	6
Remeasurements of defined benefit plans, net of tax	27	25
Total other comprehensive income	1,590	1,915
Comprehensive income	5,678	6,459
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,640	6,410
Comprehensive income attributable to non-controlling interests	38	48