

Summary of Consolidated Financial Results for the Three Months Ended June 30, 2018 [under Japanese GAAP]

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2018 (from April 1, 2018 to June 30, 2018)

(1) Consolidated operating results

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

	Three months ended June 30, 2018		Three months ended June 30, 2017	
		%		%
Net sales	12,364	(0.1)	12,377	0.3
Operating income	1,549	(18.7)	1,907	14.0
Ordinary income	1,866	(12.9)	2,144	13.2
Net income attributable to owners of the Parent	1,234	(13.3)	1,423	14.7
Basic earnings per share (Yen)	21.13		24.36	
Diluted earnings per share (Yen)	-		-	
Note: Comprehensive income	711 million yen [(66.9%)]		2,151 million yen [- %]	

(2) Consolidated financial position

(Millions of yen)

	June 30, 2018	March 31, 2018
Total assets	87,996	90,417
Total equity	68,080	68,029
Ratio of equity attributable to owners of the Parent	76.5%	74.4%
Reference: Equity attributable to owners of the Parent	67,338 million yen	67,264 million yen

2 . Dividends

	Year ending March 31, 2019 (Forecast)	Year ending March 31, 2019	Year ended March 31, 2018
Annual cash dividends per share (Yen)			
1st quarter end	-	-	-
2nd quarter end	11.00	-	11.00
3rd quarter end	-	-	-
Fiscal year end	11.00	-	11.00
Total	22.00	-	22.00

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

3 . Forecast of consolidated operating results for the year ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

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

	Six months ending September 30, 2018		Year ending March 31, 2019	
		%		%
Net sales	25,100	0.7	52,200	2.8
Operating income	3,000	(24.4)	7,300	(10.6)
Ordinary income	3,300	(21.9)	7,600	(10.1)
Net income attributable to owners of the Parent	2,200	(23.5)	5,200	(21.3)
Basic earnings per share (Yen)	37.66		89.01	

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)

	June 30, 2018	March 31, 2018
Number of issued shares including treasury shares	58,948,063 shares	58,948,063 shares
Number of treasury shares	527,352 shares	527,254 shares

	Three months ended June 30, 2018	Three months ended June 30, 2017
Average number of shares outstanding during the period	58,420,775 shares	58,424,476 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, 2018	June 30, 2018
Assets		
Current assets		
Cash and deposits	27,872	26,364
Notes and accounts receivable - trade	13,927	13,061
Electronically recorded monetary claims - operating	1,524	1,682
Securities	—	1,000
Merchandise and finished goods	5,719	5,460
Work in process	45	50
Raw materials and supplies	2,623	2,702
Other	178	175
Allowance for doubtful accounts	△1	△0
Total current assets	51,891	50,496
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,541	5,451
Machinery, equipment and vehicles, net	4,633	4,336
Land	8,835	8,835
Construction in progress	77	240
Other, net	608	583
Total property, plant and equipment	19,695	19,448
Intangible assets	224	208
Investments and other assets		
Investment securities	17,596	16,832
Deferred tax assets	294	307
Other	718	707
Allowance for doubtful accounts	△3	△3
Total investments and other assets	18,605	17,843
Total non-current assets	38,525	37,500
Total assets	90,417	87,996
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,769	6,969
Electronically recorded obligations - operating	405	422
Short-term loans payable	1,930	1,930
Current portion of long-term loans payable	120	140
Income taxes payable	1,677	610
Provision for directors' bonuses	79	15
Other	4,092	3,763
Total current liabilities	16,075	13,851
Non-current liabilities		
Long-term loans payable	1,520	1,553
Deferred tax liabilities	417	176
Deferred tax liabilities for land revaluation	1,111	1,111
Provision for directors' retirement benefits	110	97
Net defined benefit liability	2,211	2,201
Asset retirement obligations	377	377
Other	563	546
Total non-current liabilities	6,313	6,064
Total liabilities	22,388	19,916

Consolidated Financial Statements
Consolidated Balance Sheets

(Millions of yen)

	March 31, 2018	June 30, 2018
Net assets		
Shareholders' equity		
Capital stock	6,867	6,867
Capital surplus	5,741	5,740
Retained earnings	47,686	48,277
Treasury shares	△321	△321
Total shareholders' equity	59,974	60,564
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,991	4,473
Deferred gains or losses on hedges	18	△16
Revaluation reserve for land	2,533	2,533
Foreign currency translation adjustment	△127	△96
Remeasurements of defined benefit plans	△126	△120
Total accumulated other comprehensive income	7,290	6,774
Non-controlling interests	764	741
Total net assets	68,029	68,080
Total liabilities and net assets	90,417	87,996

Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Net sales	12,377	12,364
Cost of sales	7,302	7,606
Gross profit	5,075	4,758
Selling, general and administrative expenses		
Transportation and warehousing expenses	997	987
Advertising expenses	212	239
Salaries	552	570
Provision for directors' bonuses	13	17
Retirement benefit expenses	47	47
Provision for directors' retirement benefits	4	5
Research and development expenses	288	288
Other	1,051	1,051
Total selling, general and administrative expenses	3,168	3,208
Operating profit	1,907	1,549
Non-operating income		
Interest income	0	1
Dividend income	261	284
Foreign exchange gains	7	62
Miscellaneous income	5	5
Total non-operating income	275	353
Non-operating expenses		
Interest expenses	5	4
Sales discounts	31	30
Miscellaneous loss	0	1
Total non-operating expenses	37	36
Ordinary profit	2,144	1,866
Extraordinary income		
Gain on sales of non-current assets	—	2
Subsidy income	9	—
Total extraordinary income	9	2
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit before income taxes	2,153	1,868
Income taxes	729	632
Profit	1,424	1,236
Profit attributable to non-controlling interests	0	2
Profit attributable to owners of parent	1,423	1,234

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Profit	1,424	1,236
Other comprehensive income		
Valuation difference on available-for-sale securities	728	Δ526
Deferred gains or losses on hedges	Δ9	Δ34
Foreign currency translation adjustment	Δ1	31
Remeasurements of defined benefit plans, net of tax	9	5
Total other comprehensive income	726	Δ524
Comprehensive income	2,151	711
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,148	718
Comprehensive income attributable to non-controlling interests	2	Δ6