

## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2018 [under Japanese GAAP]

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the nine months ended December 31, 2018 (from April 1, 2018 to December 31, 2018)

#### (1) Consolidated operating results

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

	Nine months ended December 31, 2018		Nine months ended December 31, 2017	
		%		%
Net sales	38,919	3.5	37,610	4.3
Operating income	5,917	(4.1)	6,172	16.2
Ordinary income	6,331	(4.0)	6,596	11.0
Net income attributable to owners of the Parent	4,336	(3.9)	4,511	11.4
Basic earnings per share (Yen)	74.22		77.22	
Diluted earnings per share (Yen)	-		-	

Note: Comprehensive income 1,532 million yen [(76.3%)] 6,459 million yen [13.7%]

#### 2) Consolidated financial position

(Millions of yen)

	December 31, 2018	March 31, 2018
Total assets	88,151	90,417
Total equity	68,258	68,029
Ratio of equity attributable to owners of the Parent	76.6%	74.4%

Reference: Equity attributable to owners of the Parent 67,497 million yen 67,264 million yen

### 2 . Dividends

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

	Year ending March 31, 2019
Net sales	52,200 2.8
Operating income	7,300 (10.6)
Ordinary income	7,600 (10.1)
Net income attributable to owners of the Parent	5,200 (21.3)
Basic earnings per share (Yen)	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)

	December 31, 2018	March 31, 2018
Number of issued shares including treasury shares	58,948,063 shares	58,948,063 shares
Number of treasury shares	527,467 shares	527,254 shares

	Nine months ended December 31, 2018	Nine months ended December 31, 2017
Average number of shares outstanding during the period	58,420,704 shares	58,422,718 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	December 31, 2018
<b>Assets</b>		
Current assets		
Cash and deposits	27,872	24,918
Notes and accounts receivable - trade	13,927	13,835
Electronically recorded monetary claims - operating	1,524	1,844
Securities	—	2,800
Merchandise and finished goods	5,719	6,134
Work in process	45	66
Raw materials and supplies	2,623	3,181
Other	178	255
Allowance for doubtful accounts	△1	△0
Total current assets	51,891	53,033
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,541	5,364
Machinery, equipment and vehicles, net	4,633	4,590
Land	8,835	8,835
Construction in progress	77	225
Other, net	608	631
Total property, plant and equipment	19,695	19,648
Intangible assets	224	176
Investments and other assets		
Investment securities	17,596	13,439
Deferred tax assets	294	1,182
Other	718	674
Allowance for doubtful accounts	△3	△3
Total investments and other assets	18,605	15,292
Total non-current assets	38,525	35,117
Total assets	90,417	88,151
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	7,769	7,376
Electronically recorded obligations - operating	405	383
Short-term loans payable	1,930	1,930
Current portion of long-term loans payable	120	923
Income taxes payable	1,677	601
Provision for directors' bonuses	79	48
Other	4,092	3,502
Total current liabilities	16,075	14,765
Non-current liabilities		
Long-term loans payable	1,520	699
Deferred tax liabilities	417	1
Deferred tax liabilities for land revaluation	1,111	1,111
Provision for directors' retirement benefits	110	106
Net defined benefit liability	2,211	2,239
Asset retirement obligations	377	378
Other	563	590
Total non-current liabilities	6,313	5,127
Total liabilities	22,388	19,892

Consolidated Financial Statements  
Consolidated Balance Sheets

(Millions of yen)

	March 31, 2018	December 31, 2018
Net assets		
Shareholders' equity		
Capital stock	6,867	6,867
Capital surplus	5,741	5,740
Retained earnings	47,686	50,736
Treasury shares	△321	△321
Total shareholders' equity	59,974	63,023
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,991	2,133
Deferred gains or losses on hedges	18	9
Revaluation reserve for land	2,533	2,533
Foreign currency translation adjustment	△127	△93
Remeasurements of defined benefit plans	△126	△109
Total accumulated other comprehensive income	7,290	4,473
Non-controlling interests	764	761
Total net assets	68,029	68,258
Total liabilities and net assets	90,417	88,151

## Consolidated Statements of Income

(Millions of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Net sales	37,610	38,919
Cost of sales	22,096	23,363
Gross profit	15,514	15,555
Selling, general and administrative expenses		
Transportation and warehousing expenses	2,970	3,224
Advertising expenses	473	489
Salaries	1,642	1,681
Provision for directors' bonuses	58	51
Retirement benefit expenses	142	138
Provision for directors' retirement benefits	13	14
Research and development expenses	919	929
Other	3,121	3,108
Total selling, general and administrative expenses	9,341	9,638
Operating profit	6,172	5,917
Non-operating income		
Interest income	6	8
Dividend income	448	483
Foreign exchange gains	66	15
Miscellaneous income	15	58
Total non-operating income	536	565
Non-operating expenses		
Interest expenses	12	11
Sales discounts	91	92
Loss on abandonment of inventories	—	40
Miscellaneous loss	8	6
Total non-operating expenses	112	151
Ordinary profit	6,596	6,331
Extraordinary income		
Gain on sales of non-current assets	0	3
Gain on sales of investment securities	16	—
Subsidy income	9	—
Total extraordinary income	26	3
Extraordinary losses		
Loss on sales of non-current assets	3	—
Loss on retirement of non-current assets	34	23
Total extraordinary losses	37	23
Profit before income taxes	6,585	6,311
Income taxes	2,041	1,938
Profit	4,543	4,372
Profit attributable to non-controlling interests	31	36
Profit attributable to owners of parent	4,511	4,336

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Profit	4,543	4,372
Other comprehensive income		
Valuation difference on available-for-sale securities	1,893	Δ2,880
Deferred gains or losses on hedges	Δ9	Δ8
Foreign currency translation adjustment	6	33
Remeasurements of defined benefit plans, net of tax	25	16
Total other comprehensive income	1,915	Δ2,839
Comprehensive income	6,459	1,532
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,410	1,519
Comprehensive income attributable to non-controlling interests	48	13