

## Summary of Non-consolidated Financial Results

### for the 1<sup>st</sup> quarter of Fiscal Year Ending June 2019 (Japanese GAAP)

October 31, 2018

## 1. Financial results for this term (July 1, 2018 to September 30, 2018)

(Percentage represents year-on-year change)

(Rounded down to the nearest million yen)

## (1) Results of operations

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
1 <sup>st</sup> Quarter, June 2019	2,337	0.7	70	(45.1)	78	(38.7)	48	(42.3)
1 <sup>st</sup> Quarter, June 2018	2,322	40.4	128	239.6	128	243.1	83	313.8

	EPS	Fully diluted EPS
	Yen	Yen
1 <sup>st</sup> Quarter, June 2019	1.83	—
1 <sup>st</sup> Quarter, June 2018	3.16	—

## (2) Financial position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
1st Quarter, June 2019	8,896	5,543	62.3
FY ended June 2018	8,837	5,715	64.7

## 2. Dividends

	Dividend per share				
	Q1-end	Q2-end	Q3-end	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended June 30, 2018	—	0.00	—	7.00	7.00
Year ending June 30, 2019	—				
Year ending June 30, 2019 (Forecast)		0.00	—	7.00	7.00

(Note) Revision of forecasts on the dividends: No

3. Forecast of financial results for the fiscal year ending June 30, 2019  
(July 1, 2018 to June 30, 2019)

	Net sales		Operating income		Ordinary income		Net income		EPS
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First Half	4,700	0.2	320	68.3	330	67.5	230	77.9	8.74
Full Year	10,700	0.9	880	60.7	900	56.9	620	64.3	23.56

(Note) Revision of forecast on the financial results: No

Notes:

(1) Adaption of unique accounting method for quarterly financial statements: No

(2) Changes in Accounting Policies and Accounting Estimates / Restatements

- (i) Changes in accounting policies due to revisions of accounting standards, etc.: No
- (ii) Changes in accounting policies other than (i) above: No
- (iii) Changes in accounting estimates: No
- (iv) Restatements: No

(3) Number of shares issued (common stock)

(i) Number of shares issued at year-end (including treasury stock)	As of September 30, 2018	26,340,000	As of June 30, 2018	26,340,000
(ii) Number of shares of treasury stock at year-end		25,800		23,800
(iii) Average number of shares during the full year		26,314,705	As of September 30, 2017	26,328,000

#### 4. Financial Statements

##### (1) Balance Sheet

(Thousands of yen)

	Previous term end (as of June 30, 2018)	Current term end (as of September 30, 2018)
<b>Assets</b>		
Current assets		
Cash and deposits	2,839,698	2,569,109
Notes and accounts receivable - trade	1,092,603	1,072,103
Inventories	547,000	798,135
Other	554,733	679,473
Total current assets	5,034,035	5,118,821
Non-current assets		
Property, plant and equipment	519,838	543,482
Intangible assets		
Software	1,098,004	1,341,846
Other	416,842	188,622
Total intangible assets	1,514,846	1,530,468
Investments and other assets		
Investment securities	954,052	854,790
Other	875,874	910,334
Allowance for doubtful accounts	(61,629)	(61,629)
Total investments and other assets	1,768,297	1,703,494
Total non-current assets	3,802,981	3,777,446
Total assets	8,837,017	8,896,267
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	543,354	681,357
Income taxes payable	83,433	85,466
Advances received	1,053,670	1,187,966
Provision for product warranties	14,580	—
Provision for bonuses	237,254	350,485
Provision for directors' bonuses	18,960	3,939
Other	571,559	459,222
Total current liabilities	2,522,812	2,768,438
Non-current liabilities		
Provision for retirement benefits	421,554	418,499
Provision for directors' retirement benefits	22,102	19,333
Asset retirement obligations	80,948	81,133
Other	74,313	65,425
Total non-current liabilities	598,918	584,391
Total liabilities	3,121,730	3,352,830
<b>Net assets</b>		
Shareholders' equity		
Capital stock	843,750	843,750
Capital surplus	561,186	561,186
Retained earnings	4,018,414	3,882,271
Treasury shares	(14,872)	(14,872)
Total shareholders' equity	5,408,478	5,272,336
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	306,807	271,101
Total valuation and translation adjustments	306,807	271,101
Total net assets	5,715,286	5,543,437
Total liabilities and net assets	8,837,017	8,896,267

## (2) Income Statement

(Thousands of yen)

	Previous term (July 1, 2017 to September 30, 2017)	Current term (July 1, 2018 to September 30, 2018)
Net sales	2,322,076	2,337,451
Cost of sales	1,771,352	1,811,925
Gross profit	550,724	525,526
Selling, general and administrative expenses	422,125	454,956
Operating income	128,598	70,569
Non-operating income		
Interest income	256	195
Dividend income	450	506
Insurance income	—	4,000
Subsidy income	—	3,474
Other	520	946
Total non-operating income	1,227	9,122
Non-operating expenses		
Interest expenses	325	46
Commitment fee	936	1,005
Other	312	17
Total non-operating expenses	1,575	1,070
Ordinary income	128,250	78,622
Extraordinary income	—	—
Extraordinary losses		
Loss on retirement of non-current assets	0	—
Total extraordinary losses	0	—
Income before income taxes	128,250	78,622
Income taxes-current	64,185	74,107
Income taxes-deferred	(19,198)	(43,556)
Total income taxes	44,987	30,551
Net income	83,263	48,070