

## Highlights of Consolidated Financial Results for the First Three Months of the Fiscal Year Ending March 2019 (IFRS)

■ **Revenue and profits increased, started off on a good note with profit for the period (attributable to owners of the parent) increasing 25% year on year.**

◇ **Revenue** **171.7 billion yen** **6.0% Up**  
 ◇ **Operating profit** **6.8 billion yen** **22.1% Up**  
 ◇ **Profit attributable to owners of the parent** **4.1 billion yen** **25.2% Up**

### Assets and Liabilities

	3/2018	6/2018	Comparison with 3/2018	
			Change	Change(%)
(Unit: billion yen)				
Total assets	519.9	<b>510.6</b>	(9.3)	(1.8%)
Gross interest-bearing debt	137.3	<b>138.1</b>	0.7	0.5%
Net interest-bearing debt	59.0	<b>60.8</b>	1.7	2.9%
Shareholders' equity (Note 1)	116.0	<b>118.3</b>	2.2	1.9%
Retained earnings	48.6	<b>50.1</b>	1.5	3.1%
Other components of equity	13.1	<b>13.8</b>	0.7	5.5%
Equity ratio (Note 2)	22.3%	<b>23.2%</b>	0.9pt up	-
Net debt-equity ratio (Note 3)	0.51times	<b>0.51times</b>	Almost same	-

【Total assets】  
Declined 9.3 billion yen mainly due to a fall in trade receivables.

【Interest-bearing debt】  
Net interest-bearing debt rose 1.7 billion yen.

【Shareholders' equity】  
Increased 2.2 billion yen, mainly reflecting an increase in retained earnings.

The equity ratio was 23%, and the net debt-equity ratio was 0.5 times.

(Note 1) Shareholder's equity = Total equity attribute to owners of the parent (Note 2) Equity ratio = Shareholder's equity / Total assets  
 (Note 3) Net debt-equity ratio = Net interest-bearing debt / Equity capital

### Profit & loss statement

	Q1 of FY2018	Q1 of FY2019	Year-on-year		FY2019	
			Change	Change(%)	Forecast	Progress (%)
(Unit: billion yen)						
Revenue	161.9	<b>171.7</b>	9.8	6.0%	760.0	22.6%
Gross profit	24.0	<b>25.5</b>	1.5	6.3%	-	-
Selling, general and administrative expenses	(18.5)	<b>(19.0)</b>	(0.5)	-	-	-
Other income (expenses)	0.2	<b>0.4</b>	0.2	102.1%	-	-
Operating profit	5.6	<b>6.8</b>	1.2	22.1%	30.0	22.8%
Interest income (expenses)	(0.5)	<b>(0.5)</b>	(0.0)	-	-	-
Dividend income	0.4	<b>0.5</b>	0.0	-	-	-
Other finance income (costs)	(0.0)	<b>(0.0)</b>	(0.0)	-	-	-
Finance income (costs)	(0.1)	<b>(0.1)</b>	(0.0)	-	-	-
Share of profit (loss) of investments accounted for using the equity method	0.1	<b>0.1</b>	(0.0)	-	-	-
Profit before tax	5.6	<b>6.8</b>	1.2	21.7%	29.0	23.6%
Income tax expense	(1.9)	<b>(2.2)</b>	(0.3)	-	-	-
Profit for the period	3.7	<b>4.7</b>	1.0	25.7%	-	-
Profit attributable to owners of the parent	3.3	<b>4.1</b>	0.8	25.2%	16.5	25.0%
Earnings per share (yen)	39.14	<b>48.98</b>	9.84	25.2%	195.96	25.0%

【Revenue】  
Increased 9.8 billion yen centering around the Motor Vehicles & Aerospace and the Foods & Grain segments.

【Operating profit】  
Increased 1.2 billion yen driven by the Motor Vehicles & Aerospace and the Steel, Materials & Plant segments.

【Profit attributable to owners of the parent】  
Increased 0.8 billion yen due to a rise in operating profit.

### Cash Flows

	Q1 of FY2018	Q1 of FY2019
(Unit: billion yen)		
CF from operating activities	0.6	<b>1.9</b>
CF from investing activities	(0.5)	<b>(0.6)</b>
Free cash flows	0.1	<b>1.3</b>
CF from financing activities	(4.4)	<b>(2.5)</b>
Increase (decrease) in cash and cash equivalents	(4.4)	<b>(1.2)</b>

【CF from operating activities】  
Net cash provided by operating activities stood at 1.9 billion yen, mainly reflecting the accumulation of operating revenue.

【CF from investing activities】  
Net cash used in investing activities was 0.6 billion yen mainly due to the acquisition of property, plant and equipment.

【CF from financing activities】  
Net cash used in financing activities was 2.5 billion yen mainly due to cash dividends paid.

### Dividends

【FY2018】  
Interim **17.5 yen per share**  
Year-end **30.5 yen per share**  
Annual **48.0 yen per share**

【FY2019】  
Interim (Plan) **25.0 yen per share**  
Year-end (Plan) **25.0 yen per share**  
Annual (Plan) **50.0 yen per share**

(Note) The amount of the dividend for the previous interim period is calculated on the assumption that the consolidation of shares has been carried out at the beginning of the previous term.

	FY2017	FY2018	FY2019 (Plan)
Annual Consolidated payout ratio	31.4%	24.8%	25.5%

### Segment information

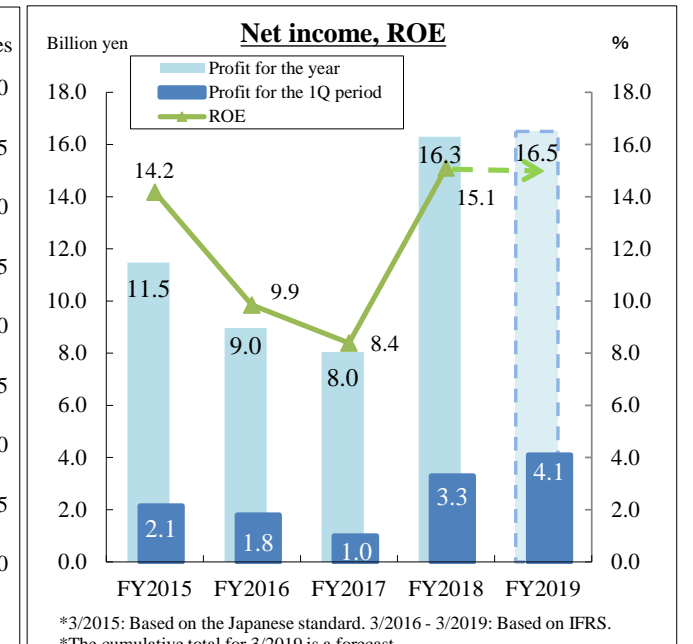
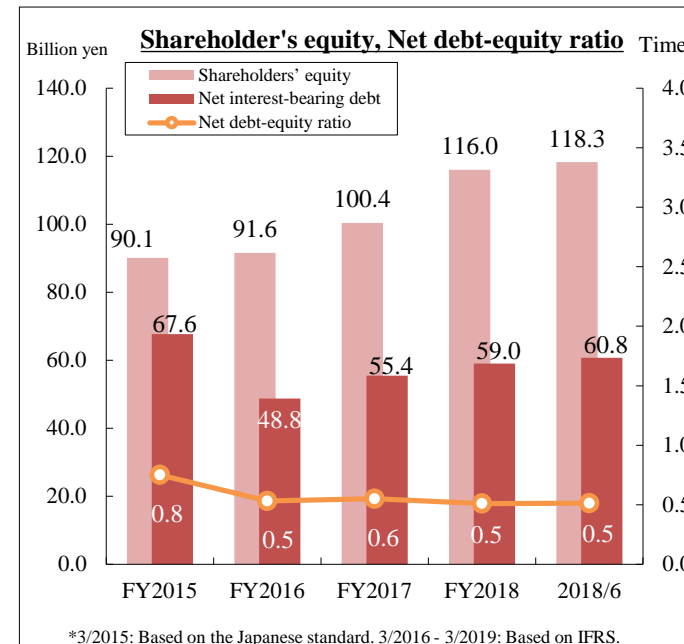
	Revenue			Operating profit		
	Q1 of FY2018	Q1 of FY2019	Change	Q1 of FY2018	Q1 of FY2019	Change
(Unit: billion yen)						
Electronics & Devices	55.4	<b>56.9</b>	1.5	2.5	<b>2.5</b>	0.0
Foods & Grain	58.8	<b>62.4</b>	3.5	1.4	<b>1.7</b>	0.3
Steel, Materials & Plant	33.3	<b>32.4</b>	(0.8)	0.5	<b>1.0</b>	0.5
Motor Vehicles & Aerospace	11.2	<b>17.0</b>	5.8	0.9	<b>1.4</b>	0.5
Total for reportable segments	158.7	<b>168.7</b>	9.9	5.3	<b>6.6</b>	1.3
Other (including adjustment)	3.2	<b>3.0</b>	(0.2)	0.3	<b>0.3</b>	(0.1)
Grand total	161.9	<b>171.7</b>	9.8	5.6	<b>6.8</b>	1.2

【Electronics&Devices】 **An increase in revenue and profit**  
In the ICT solutions business, transactions mainly with the manufacturing and service industries remained solid. The mobile business remained strong, reflecting the manifestation of synergies from the integration of mobile phone sales agent subsidiaries. In transactions related to electronic components and materials, sales for Asia were strong.

【Foods&Grain】 **An increase in revenue and profit**  
The meat products business remained solid, following the stable market conditions. The feedstuff business remained strong due to the recovery of feedstuff prices in Japan. The food business also remained solid.

【Steel, Materials & Plant】 **A decline in revenue and profit**  
The oilfield tubing business improved significantly in North America, given higher oil prices. The chemicals and energy businesses as well as transactions related to machine tools and industrial machinery also remained firm.

【Motor Vehicles & Aerospace】 **An increase in revenue and profit**  
In the aerospace business, mainly transactions of aircraft parts remained steady. The motor vehicles and parts business also remained solid.



\*3/2015: Based on the Japanese standard. 3/2016 - 3/2019: Based on IFRS.  
 \*The cumulative total for 3/2019 is a forecast.  
 \* The forward-looking statements, including results forecasts, included in this material are based on information that the Company has obtained and certain assumptions that the Company considers reasonable. The Company does not promise to achieve them. Actual results might differ materially from the forecasts due to a number of factors.  
 \* Since the figures above are rounded off to the nearest 100 million yen, the sum of each item and the total may differ.  
 \* FY2019 = The fiscal year ended March 31, 2019