

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2018 (Based on Japanese GAAP)

August 6, 2018

Company name: Tohto Suisan Co., Ltd  
 Stock exchange listing: Tokyo  
 Stock code: 8038 URL: <http://www.tohsui.co.jp>  
 Representative: President and Representative Director Koh Ehara  
 Inquiries: Operating Officer, Accounting Dept. Hiroshi Tanaka TEL 03-3541-5468  
 Scheduled date to file Quarterly Securities Report: August 10, 2018  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(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 (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2018	27,425	(0.4)	97	(48.3)	259	2.7	224	19.8
Three months ended June 30, 2017	27,524	0.1	188	(14.8)	252	(5.8)	187	(24.0)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2018	56.51	–
Three months ended June 30, 2017	47.18	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2018	30,224	15,038	49.8	3,781.09
As of March 31, 2018	28,696	15,512	54.1	3,900.06

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2018	–	–	–	65.00	65.00
Year ending March 31, 2019	–	–	–	–	–
Year ending March 31, 2019 (Forecast)	–	–	–	60.00	60.00

Note: Revision of cash dividend forecast most recently announced: No

\* Details of year-end dividends for the year ended March 31, 2018

Ordinary dividends      60 yen      Commemorative dividends      5 yen

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

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	115,000	(1.9)	700	(50.3)	800	(46.1)	600	(38.8)	150.85

Note: Revision of consolidated financial results forecast most recently announced: No

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2018  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2018	4,026,000 shares	As of March 31, 2018	4,026,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2018	48,634 shares	As of March 31, 2018	48,599 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2018	3,977,381 shares	Three months ended June 30, 2017	3,977,576 shares
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\* Proper use of forecasts of financial results, and other special matters

The forward-looking statements, including the earnings forecasts, shown in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements. Actual results may differ substantially due to various factors.

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2018	As of June 30, 2018
<b>Assets</b>		
Current assets		
Cash and deposits	6,321	7,955
Notes and accounts receivable - trade	6,781	6,790
Merchandise and finished goods	3,004	3,086
Work in process	5	12
Raw materials and supplies	205	159
Other	959	708
Allowance for doubtful accounts	(792)	(696)
Total current assets	16,486	18,015
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,419	3,450
Land	3,206	3,195
Other, net	1,393	1,330
Total property, plant and equipment	8,019	7,975
Intangible assets	1,582	1,473
Investments and other assets		
Other	2,825	2,962
Allowance for doubtful accounts	(216)	(202)
Total investments and other assets	2,608	2,759
Total non-current assets	12,210	12,209
Total assets	28,696	30,224
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	2,798	2,954
Short-term loans payable	3,504	3,711
Income taxes payable	28	30
Provision for bonuses	78	144
Other	1,714	1,063
Total current liabilities	8,124	7,904
Non-current liabilities		
Long-term loans payable	2,041	4,246
Net defined benefit liability	1,367	1,355
Provision for stocks payment	22	20
Asset retirement obligations	45	45
Other	1,583	1,612
Total non-current liabilities	5,059	7,281
Total liabilities	13,184	15,185

(Millions of yen)

	As of March 31, 2018	As of June 30, 2018
Net assets		
Shareholders' equity		
Capital stock	2,376	2,376
Capital surplus	1,048	1,048
Retained earnings	11,391	11,355
Treasury shares	(97)	(97)
Total shareholders' equity	14,719	14,682
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	605	626
Deferred gains or losses on hedges	0	0
Revaluation reserve for land	360	360
Foreign currency translation adjustment	(157)	(625)
Remeasurements of defined benefit plans	(15)	(5)
Total accumulated other comprehensive income	792	356
Total net assets	15,512	15,038
Total liabilities and net assets	28,696	30,224

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Net sales	27,524	27,425
Cost of sales	25,984	26,177
Gross profit	1,540	1,248
Selling, general and administrative expenses	1,351	1,150
Operating profit	188	97
Non-operating income		
Interest income	12	10
Dividend income	39	100
Foreign exchange gains	15	56
Other	10	15
Total non-operating income	79	183
Non-operating expenses		
Interest expenses	6	7
Loss on valuation of currency swaps	4	8
Other	3	4
Total non-operating expenses	14	20
Ordinary profit	252	259
Profit before income taxes	252	259
Income taxes - current	66	38
Income taxes - deferred	(1)	(3)
Total income taxes	65	34
Profit	187	224
Profit attributable to owners of parent	187	224

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Profit	187	224
Other comprehensive income		
Valuation difference on available-for-sale securities	17	21
Deferred gains or losses on hedges	(0)	0
Foreign currency translation adjustment	(135)	(467)
Remeasurements of defined benefit plans, net of tax	13	9
Total other comprehensive income	(105)	(436)
Comprehensive income	82	(211)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	82	(211)
Comprehensive income attributable to non-controlling interests	—	—