

Translation

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

July 27, 2018

Company name: MITANI SANGYO CO., LTD.  
 Stock exchange listing: Tokyo, Nagoya  
 Stock code: 8285 URL <http://www.mitani.co.jp/>  
 Representative: President & CEO Tadateru Mitani  
 Inquiries: Senior Managing Director & CFO Seiji Nishino TEL 076-233-2151  
 Scheduled date to file Quarterly Securities Report: August 3, 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	18,300	6.2	77	2,318.7	286	91.1	90	64.3
Three months ended June 30, 2017	17,232	26.1	3	–	149	–	55	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2018	1.57		–	
Three months ended June 30, 2017	0.97		–	

(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	73,371	35,175	43.7	525.61
As of March 31, 2018	71,814	33,246	42.0	529.26

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2018	–	4.00	–	4.00	8.00
Year ending March 31, 2019	–	–	–	–	–
Year ending March 31, 2019 (Forecast)	–	4.00	–	4.00	8.00

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
Six months ending September 30, 2018	37,500	(0.1)	490	(34.3)	700	(30.4)	300	(51.8)	5.27
Full year	83,000	2.7	2,350	(2.2)	2,750	(7.5)	1,640	(22.8)	28.78

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: Yes
- (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	61,176,000 shares	As of March 31, 2018	57,176,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2018	200,585 shares	As of March 31, 2018	200,305 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	57,975,550 shares	Three months ended June 30, 2017	56,975,770 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2018	As of June 30, 2018
Assets		
Current assets		
Cash and deposits	6,441	6,849
Notes and accounts receivable - trade	19,960	18,770
Accounts receivable from completed construction contracts	3,221	2,573
Merchandise and finished goods	2,333	2,684
Work in process	2,422	3,628
Costs on uncompleted construction contracts	28	44
Raw materials and supplies	1,486	1,717
Other	1,201	1,159
Allowance for doubtful accounts	(2)	(1)
Total current assets	37,093	37,427
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,423	8,526
Land	3,861	3,861
Other, net	3,908	4,236
Total property, plant and equipment	16,192	16,624
Intangible assets		
Software	704	736
Other	255	263
Total intangible assets	960	999
Investments and other assets		
Investment securities	15,502	16,255
Other	2,064	2,064
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	17,567	18,320
Total non-current assets	34,720	35,944
Total assets	71,814	73,371

(Millions of yen)

	As of March 31, 2018	As of June 30, 2018
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	12,007	12,214
Accounts payable for construction contracts	1,442	1,401
Short-term loans payable	15,057	13,870
Income taxes payable	429	155
Provision for directors' bonuses	116	6
Provision for loss on order received	2	2
Provision for warranties for completed construction	33	32
Provision for shareholder benefit program	23	23
Other	3,822	4,459
Total current liabilities	32,936	32,167
Non-current liabilities		
Long-term loans payable	1,134	1,078
Provision for directors' retirement benefits	594	579
Net defined benefit liability	485	503
Asset retirement obligations	174	174
Other	3,242	3,694
Total non-current liabilities	5,631	6,029
Total liabilities	38,567	38,196
<b>Net assets</b>		
Shareholders' equity		
Capital stock	4,018	4,705
Capital surplus	2,996	3,684
Retained earnings	18,997	18,860
Treasury shares	(42)	(42)
Total shareholders' equity	25,969	27,207
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,795	5,287
Deferred gains or losses on hedges	(4)	4
Foreign currency translation adjustment	(585)	(431)
Remeasurements of defined benefit plans	(20)	(18)
Total accumulated other comprehensive income	4,185	4,841
Non-controlling interests	3,092	3,125
Total net assets	33,246	35,175
Total liabilities and net assets	71,814	73,371

**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	17,232	18,300
Cost of sales	14,430	15,303
Gross profit	2,802	2,997
Selling, general and administrative expenses	2,799	2,919
Operating profit	3	77
Non-operating income		
Interest income	3	13
Dividend income	81	103
Share of profit of entities accounted for using equity method	34	56
Rent income on real estate and facilities	41	42
Foreign exchange gains	9	15
Other	37	63
Total non-operating income	208	294
Non-operating expenses		
Interest expenses	15	33
Rent expenses on real estate and facilities	29	28
Other	16	23
Total non-operating expenses	61	85
Ordinary profit	149	286
Extraordinary income		
Gain on sales of non-current assets	0	0
Gain on sales of investment securities	0	–
Gain on sales of land use rights	4	–
Total extraordinary income	4	0
Extraordinary losses		
Loss on sales of non-current assets	0	1
Loss on retirement of non-current assets	0	4
Loss on valuation of investment securities	0	–
Office transfer expenses	–	1
Total extraordinary losses	1	8
Profit before income taxes	153	278
Income taxes	150	200
Profit	2	78
Loss attributable to non-controlling interests	(52)	(12)
Profit attributable to owners of parent	55	90

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

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Profit	2	78
Other comprehensive income		
Valuation difference on available-for-sale securities	320	491
Deferred gains or losses on hedges	1	8
Foreign currency translation adjustment	65	220
Share of other comprehensive income of entities accounted for using equity method	2	1
Total other comprehensive income	390	722
Comprehensive income	393	800
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	410	746
Comprehensive income attributable to non-controlling interests	(17)	53