

Translation

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**Summary of Consolidated Financial Results
for the Three Months Ended June 30, 2016
(Based on Japanese GAAP)**

July 26, 2016

Company name: MITANI SANGYO CO., LTD.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 8285 URL <http://www.mitani.co.jp/>
 Representative: President & CEO Tatsuya Aiba
 Inquiries: Managing Director Seiji Nishino TEL 076-233-2151
 Scheduled date to file Quarterly Securities Report: August 5, 2016
 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, 2016 (from April 1, 2016 to June 30, 2016)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2016	13,663	1.3	(142)	–	(91)	–	(134)	–
Three months ended June 30, 2015	13,489	(2.3)	(79)	–	(25)	–	(137)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2016	(2.41)		–	
Three months ended June 30, 2015	(2.46)		–	

(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, 2016	53,845	25,124	44.5	427.68
As of March 31, 2016	57,593	25,952	42.9	441.66

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, 2016	–	3.00	–	3.00	6.00
Year ending March 31, 2017	–	–	–	–	–
Year ending March 31, 2017 (Forecast)	–	3.00	–	3.00	6.00

3. Forecast of consolidated financial results for the year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		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, 2016	31,500	5.5	530	1.7	630	7.9	260	4.9	4.64
Full year	71,000	4.8	2,300	17.8	2,500	15.2	1,590	17.5	28.40

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2016
 (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: Yes
- 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, 2016	56,176,000 shares	As of March 31, 2016	56,176,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2016	199,859 shares	As of March 31, 2016	199,859 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, 2016	55,976,141 shares	Three months ended June 30, 2015	55,976,289 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2016	As of June 30, 2016
Assets		
Current assets		
Cash and deposits	5,699	4,905
Notes and accounts receivable - trade	16,949	14,817
Accounts receivable from completed construction contracts	3,395	2,241
Merchandise and finished goods	1,974	1,917
Work in process	1,818	2,703
Costs on uncompleted construction contracts	34	52
Raw materials and supplies	649	527
Other	1,249	1,238
Allowance for doubtful accounts	(2)	(2)
Total current assets	31,768	28,401
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,959	6,805
Land	3,785	3,785
Other, net	2,417	2,454
Total property, plant and equipment	13,162	13,046
Intangible assets		
Software	569	596
Other	218	202
Total intangible assets	787	799
Investments and other assets		
Investment securities	9,885	9,464
Other	1,989	2,134
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	11,874	11,599
Total non-current assets	25,825	25,444
Total assets	57,593	53,845

(Millions of yen)

	As of March 31, 2016	As of June 30, 2016
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,594	9,334
Accounts payable for construction contracts	1,001	803
Short-term loans payable	11,478	10,304
Income taxes payable	535	92
Provision for directors' bonuses	38	8
Provision for loss on order received	21	4
Provision for warranties for completed construction	22	17
Provision for shareholder benefit program	18	18
Other	3,526	4,049
Total current liabilities	27,238	24,633
Non-current liabilities		
Long-term loans payable	1,247	1,104
Provision for directors' retirement benefits	550	533
Net defined benefit liability	153	201
Asset retirement obligations	154	155
Other	2,296	2,093
Total non-current liabilities	4,403	4,088
Total liabilities	31,641	28,721
Net assets		
Shareholders' equity		
Capital stock	3,832	3,832
Capital surplus	2,832	2,832
Retained earnings	15,654	15,351
Treasury shares	(42)	(42)
Total shareholders' equity	22,275	21,973
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,887	2,574
Deferred gains or losses on hedges	(7)	(25)
Foreign currency translation adjustment	(391)	(537)
Remeasurements of defined benefit plans	(42)	(44)
Total accumulated other comprehensive income	2,446	1,966
Non-controlling interests	1,229	1,184
Total net assets	25,952	25,124
Total liabilities and net assets	57,593	53,845

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, 2015	Three months ended June 30, 2016
Net sales	13,489	13,663
Cost of sales	11,050	11,192
Gross profit	2,439	2,471
Selling, general and administrative expenses	2,518	2,613
Operating loss	(79)	(142)
Non-operating income		
Interest income	1	2
Dividend income	72	70
Share of profit of entities accounted for using equity method	–	23
Rent income on real estate and facilities	39	38
Other	46	24
Total non-operating income	160	160
Non-operating expenses		
Interest expenses	19	15
Share of loss of entities accounted for using equity method	35	–
Rent expenses on real estate and facilities	28	27
Foreign exchange losses	–	28
Other	22	37
Total non-operating expenses	106	108
Ordinary loss	(25)	(91)
Extraordinary income		
Gain on sales of non-current assets	1	0
Gain on sales of investment securities	–	0
Total extraordinary income	1	0
Extraordinary losses		
Loss on sales of non-current assets	–	0
Loss on retirement of non-current assets	0	0
Loss on valuation of investment securities	1	4
Total extraordinary losses	2	4
Loss before income taxes	(25)	(94)
Income taxes	117	73
Loss	(142)	(167)
Loss attributable to non-controlling interests	(4)	(33)
Loss attributable to owners of parent	(137)	(134)

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016
Loss	(142)	(167)
Other comprehensive income		
Valuation difference on available-for-sale securities	163	(312)
Deferred gains or losses on hedges	2	(18)
Foreign currency translation adjustment	12	(153)
Share of other comprehensive income of entities accounted for using equity method	12	(2)
Total other comprehensive income	191	(487)
Comprehensive income	48	(655)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	51	(614)
Comprehensive income attributable to non-controlling interests	(3)	(41)