

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2017 (Based on Japanese GAAP)

July 25, 2017

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 4, 2017  
 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, 2017 (from April 1, 2017 to June 30, 2017)

(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, 2017	17,232	26.1	3	–	149	–	55	–
Three months ended June 30, 2016	13,663	1.3	(142)	–	(91)	–	(134)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2017	0.97		–	
Three months ended June 30, 2016	(2.41)		–	

(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, 2017	63,748	30,736	43.6	487.87
As of March 31, 2017	58,216	29,091	47.5	485.04

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, 2017	–	3.00	–	4.00	7.00
Year ending March 31, 2018	–	–	–	–	–
Year ending March 31, 2018 (Forecast)	–	3.00	–	4.00	7.00

3. Forecast of consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

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, 2017	37,000	24.0	750	43.1	860	13.4	350	(26.4)	6.14
Full year	82,500	23.4	2,800	20.1	3,100	10.8	1,800	(10.5)	31.59

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2017  
 (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
- (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, 2017	57,176,000 shares	As of March 31, 2017	57,176,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2017	200,245 shares	As of March 31, 2017	200,225 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, 2017	56,975,770 shares	Three months ended June 30, 2016	55,976,141 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
Assets		
Current assets		
Cash and deposits	5,541	5,369
Notes and accounts receivable - trade	16,754	17,643
Accounts receivable from completed construction contracts	2,988	2,834
Merchandise and finished goods	1,758	2,157
Work in process	1,501	3,699
Costs on uncompleted construction contracts	20	59
Raw materials and supplies	674	1,313
Other	1,232	1,545
Allowance for doubtful accounts	(1)	(1)
Total current assets	30,470	34,622
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,975	7,322
Land	3,856	3,886
Other, net	2,074	2,617
Total property, plant and equipment	12,907	13,826
Intangible assets		
Software	675	707
Other	162	234
Total intangible assets	838	941
Investments and other assets		
Investment securities	11,870	12,361
Other	2,129	1,995
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	14,000	14,357
Total non-current assets	27,746	29,125
Total assets	58,216	63,748

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	10,602	11,140
Accounts payable for construction contracts	1,353	1,412
Short-term loans payable	9,775	11,377
Income taxes payable	338	140
Provision for directors' bonuses	106	8
Provision for loss on order received	3	4
Provision for warranties for completed construction	23	22
Provision for shareholder benefit program	19	19
Other	2,646	4,224
Total current liabilities	24,868	28,350
Non-current liabilities		
Long-term loans payable	784	712
Provision for directors' retirement benefits	571	572
Net defined benefit liability	211	497
Asset retirement obligations	165	172
Other	2,523	2,707
Total non-current liabilities	4,256	4,661
Total liabilities	29,125	33,011
<b>Net assets</b>		
Shareholders' equity		
Capital stock	4,018	4,018
Capital surplus	3,018	2,996
Retained earnings	17,329	17,156
Treasury shares	(42)	(42)
Total shareholders' equity	24,322	24,128
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,762	4,083
Deferred gains or losses on hedges	(0)	0
Foreign currency translation adjustment	(418)	(388)
Remeasurements of defined benefit plans	(30)	(28)
Total accumulated other comprehensive income	3,312	3,668
Non-controlling interests	1,455	2,940
Total net assets	29,091	30,736
<b>Total liabilities and net assets</b>	<b>58,216</b>	<b>63,748</b>

**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, 2016	Three months ended June 30, 2017
Net sales	13,663	17,232
Cost of sales	11,192	14,430
Gross profit	2,471	2,802
Selling, general and administrative expenses	2,613	2,799
Operating profit (loss)	(142)	3
Non-operating income		
Interest income	2	3
Dividend income	70	81
Share of profit of entities accounted for using equity method	23	34
Rent income on real estate and facilities	38	41
Foreign exchange gains	–	9
Other	24	37
Total non-operating income	160	208
Non-operating expenses		
Interest expenses	15	15
Rent expenses on real estate and facilities	27	29
Foreign exchange losses	28	–
Other	37	16
Total non-operating expenses	108	61
Ordinary profit (loss)	(91)	149
Extraordinary income		
Gain on sales of non-current assets	0	0
Gain on sales of investment securities	0	0
Gain on sales of land use rights	–	4
Total extraordinary income	0	4
Extraordinary losses		
Loss on sales of non-current assets	0	0
Loss on retirement of non-current assets	0	0
Loss on valuation of investment securities	4	0
Total extraordinary losses	4	1
Profit (loss) before income taxes	(94)	153
Income taxes	73	150
Profit (loss)	(167)	2
Loss attributable to non-controlling interests	(33)	(52)
Profit (loss) attributable to owners of parent	(134)	55

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

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Profit (loss)	(167)	2
Other comprehensive income		
Valuation difference on available-for-sale securities	(312)	320
Deferred gains or losses on hedges	(18)	1
Foreign currency translation adjustment	(153)	65
Share of other comprehensive income of entities accounted for using equity method	(2)	2
Total other comprehensive income	(487)	390
Comprehensive income	(655)	393
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(614)	410
Comprehensive income attributable to non-controlling interests	(41)	(17)