

# Translation

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

August 7, 2018

Company name: PRESS KOGYO CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 7246 URL <http://www.presskogyo.co.jp>  
 Representative: President & COO Tetsushi Mino  
 Inquiries: General Manager, General Affairs Dept. Hisako Konishi TEL 044-276-3901  
 Scheduled date to file Quarterly Securities Report: August 7, 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	54,653	5.5	2,953	(7.6)	2,988	(5.3)	1,801	(7.6)
Three months ended June 30, 2017	51,801	7.5	3,196	19.4	3,155	50.6	1,948	57.4

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2018	16.59	–
Three months ended June 30, 2017	17.94	–

#### (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	165,546	87,285	49.7	757.49
As of March 31, 2018	168,549	88,123	48.9	758.80

### 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	–	6.00	–	6.00	12.00
Year ending March 31, 2019	–				
Year ending March 31, 2019 (Forecast)		6.00	–	6.00	12.00

### 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	107,000	3.4	5,500	(7.5)	5,300	(11.1)	3,200	(10.6)	29.46
Full year	214,000	0.9	11,400	(0.9)	11,100	(3.0)	6,500	11.3	59.84

#### 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	114,007,210 shares	As of March 31, 2018	114,007,210 shares
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Number of treasury shares at the end of the period

As of June 30, 2018	5,384,480 shares	As of March 31, 2018	5,384,192 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	108,622,832 shares	Three months ended June 30, 2017	108,624,561 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	24,626	20,849
Notes and accounts receivable - trade	38,263	42,361
Merchandise and finished goods	1,547	1,160
Work in process	10,316	10,168
Raw materials and supplies	1,294	1,216
Income taxes receivable	24	38
Other	2,554	2,208
Total current assets	78,627	78,003
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,574	12,437
Machinery, equipment and vehicles, net	23,718	22,219
Land	31,957	31,910
Other	8,540	8,564
Total property, plant and equipment	76,791	75,132
Intangible assets		
Other	579	529
Total intangible assets	579	529
Investments and other assets		
Deferred tax assets	807	837
Net defined benefit asset	1,871	1,973
Investments and other assets	9,946	9,144
Allowance for doubtful accounts	(74)	(74)
Total investments and other assets	12,550	11,881
Total non-current assets	89,921	87,543
Total assets	168,549	165,546
Liabilities		
Current liabilities		
Notes and accounts payable - trade	24,779	24,922
Electronically recorded obligations - operating	5,928	4,608
Short-term loans payable	11,430	9,723
Current portion of bonds with share acquisition rights	10,000	10,000
Income taxes payable	1,248	1,382
Provision for bonuses	3,359	1,401
Provision	135	31
Other	7,837	11,266
Total current liabilities	64,719	63,336
Non-current liabilities		
Long-term loans payable	3,959	3,753
Deferred tax liabilities	1,691	1,129
Deferred tax liabilities for land revaluation	7,601	7,601
Provision	148	143
Net defined benefit liability	1,499	1,526
Asset retirement obligations	410	410
Other	396	360
Total non-current liabilities	15,706	14,924
Total liabilities	80,425	78,261

	(Millions of yen)	
	As of March 31, 2018	As of June 30, 2018
Net assets		
Shareholders' equity		
Capital stock	8,070	8,070
Capital surplus	2,075	2,075
Retained earnings	51,040	52,190
Treasury shares	(1,199)	(1,199)
Total shareholders' equity	59,986	61,135
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,304	2,785
Revaluation reserve for land	17,255	17,255
Foreign currency translation adjustment	1,920	1,131
Remeasurements of defined benefit plans	(44)	(28)
Total accumulated other comprehensive income	22,436	21,144
Non-controlling interests	5,700	5,004
Total net assets	88,123	87,285
Total liabilities and net assets	168,549	165,546

**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	51,801	54,653
Cost of sales	45,203	47,932
Gross profit	6,597	6,720
Selling, general and administrative expenses	3,401	3,766
Operating profit	3,196	2,953
Non-operating income		
Interest income	6	6
Dividend income	70	73
Foreign exchange gains	–	17
Other	32	31
Total non-operating income	110	130
Non-operating expenses		
Interest expenses	97	79
Foreign exchange losses	41	–
Other	11	15
Total non-operating expenses	150	95
Ordinary profit	3,155	2,988
Extraordinary income		
Gain on sales of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on retirement of non-current assets	1	9
Loss on sales of non-current assets	10	–
Total extraordinary losses	12	9
Profit before income taxes	3,143	2,979
Income taxes - current	1,103	1,156
Income taxes - deferred	(301)	(371)
Total income taxes	801	785
Profit	2,342	2,194
Profit attributable to non-controlling interests	393	392
Profit attributable to owners of parent	1,948	1,801

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

	(Millions of yen)	
	Three months ended June 30, 2017	Three months ended June 30, 2018
Profit	2,342	2,194
Other comprehensive income		
Valuation difference on available-for-sale securities	(138)	(519)
Foreign currency translation adjustment	(453)	(939)
Remeasurements of defined benefit plans, net of tax	120	16
Total other comprehensive income	(472)	(1,442)
Comprehensive income	1,870	751
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,500	509
Comprehensive income attributable to non-controlling interests	369	242