



Summary of Business Results for the First Quarter Ended June 30, 2018 [Japan GAAP] (Consolidated)

August 10, 2018

Company name: DIGITAL HEARTS HOLDINGS Co., Ltd.

Listed on the TSE

Stock code: 3676

URL: <https://www.digitalhearts-hd.com/>

Representative: Genichi Tamatsuka, President and CEO

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Scheduled date of submission of financial reports: August 10, 2018

Scheduled commencement of dividend payment: -

Preparation of supplementary material for quarterly financial results: Yes

Holding of quarterly financial results meeting: None

(Figures are rounded down to the nearest million yen.)

1. Consolidated results for the first quarter ended June 30, 2018 (April 1, 2018 - June 30, 2018)

(1) Consolidated business results

(Percentages are changes from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Three Months Ended	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
June 30, 2018	4,450	10.2	302	-44.0	300	-43.5	182	-49.5
June 30, 2017	4,039	6.0	539	12.2	532	1.1	360	20.7

(Reference) Comprehensive income: Three months ended June 30, 2018: 634 million yen (88.5%)
Three months ended June 30, 2017: 336 million yen (14.8%)

	Net income per share	Diluted net income per share
Three Months Ended	(yen)	(yen)
June 30, 2018	8.35	8.05
June 30, 2017	16.60	15.99

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	(Millions of yen)	(Millions of yen)	(%)
As of June 30, 2018	8,639	4,067	44.8
As of March 31, 2018	8,575	3,570	39.3

(Reference) Shareholders' equity: 3,869 million yen (As of June 30, 2018) 3,369 million yen (As of March 31, 2018)

2. Dividends

	Annual dividends				
	Q1	Q2	Q3	Year End	Total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Fiscal year ended March 31, 2018	—	5.50	—	6.00	11.50
Fiscal year ending March 31, 2019	—	—	—	—	—
Fiscal year ending March 31, 2019 (Forecasts)	—	6.50	—	6.50	13.00

(Note) Changes from the latest released dividend forecasts: None

3. Consolidated earnings forecasts for the fiscal year ending March 2019 (April 1, 2018 - March 31, 2019)

(Percentages are changes from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Full fiscal year	21,000	21.0	2,200	26.7	2,224	24.8	1,533	27.7	70.34

(Note) Changes from the latest released earnings forecasts: None

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the scope of consolidation): None

(2) Application of specified accounting treatment used in preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting estimates and restatement

(a) Changes in accounting policies associated with revision of accounting standards :None

(b) Changes in accounting policies other than (a) above :None

(c) Changes in accounting estimates :None

(d) Restatement :None

(4) Shares outstanding (common stock)

(a) Number of issued shares
(including treasury stock)

As of June 30, 2018	23,890,800 shares	As of March 31, 2018	23,890,800 shares
As of June 30, 2018	2,097,422 shares	As of March 31, 2018	2,097,422 shares
Three months ended June 30, 2018	21,793,378 shares	Three months ended June 30, 2017	21,730,925 shares

(b) Number of treasury stock

(c) Average number of shares during the period

* The certified public accountant or the audit procedures are not applicable to this Quarterly Financial Report.

* Explanation for proper use of the earnings forecasts and other special notes

- Any forward-looking statements included in this report such as earnings forecasts are based on the information available to the Company at this time and certain assumptions considered reasonable; and accordingly, actual results may differ significantly from the forecasts due to various factors.
- Supplementary material for quarterly financial results will be posted on TDnet and the Company's website shortly after Quarterly Financial Report is disclosed.