

# Consolidated Financial Results for the Nine-Month Period of the Fiscal Year ending February 28, 2019 (Japanese GAAP)

January 8, 2019

Company Name: Wakita & Co., LTD.  
Code Number: 8125  
(URL: <http://www.wakita.co.jp/>)  
Stock Exchange Listing: Tokyo Stock Exchange First Section  
Representative: Teiji Wakita, President and Representative Director  
Contact: Toshio Oda, Managing Director  
Phone: 06-6449-1901  
Scheduled date to submit the Quarterly Financial Report: January 11, 2019  
Scheduled date to commence dividend payment: –  
Supplementary information for quarterly financial results: Not available  
Organization of quarterly financial results briefing: None

(Figures are rounded down to the nearest million yen)

## 1. Consolidated Financial Results for the Nine-Month Period of Fiscal 2019 (From March 1, 2018 to November 30, 2018)

(1) Consolidated Results of Operations (Percentage figures indicate changes from the same period of the previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine-Month Period of Fiscal 2019	53,145	8.1	5,123	12.6	5,214	12.4	3,369	7.2
Nine-Month Period of Fiscal 2018	49,161	9.5	4,548	(5.5)	4,637	(5.4)	3,144	5.9

(Note) Comprehensive income: Nine-month period of fiscal 2019: ¥2,979 million [(20.9)%]  
Nine-month period of fiscal 2018: ¥3,765 million [12.4%]

	Profit per share		Fully diluted profit per share	
	Yen		Yen	
Nine-Month Period of Fiscal 2019	64.84		–	
Nine-Month Period of Fiscal 2018	60.47		–	

## (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
Nine-Month Period of Fiscal 2019	128,026	92,473	72.0
Fiscal 2018	120,709	90,913	75.3

(Reference) Equity: Nine-month period of fiscal 2019: ¥92,192 million  
Fiscal 2018: ¥90,913 million

## 2. Dividends

	Cash dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2018	–	0.00	–	30.00	30.00
Fiscal 2019	–	0.00	–		
Fiscal 2019 (Forecast)				30.00	30.00

(Note) Revision to the dividend forecast from recently announced figures: None

### 3. Forecast of Consolidated Financial Results for Fiscal 2019 (From March 1, 2018 to February 28, 2019)

(Percentage figures indicate changes from the previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	70,000	9.8	6,100	4.9	6,200	4.7	4,100	4.7	78.84

(Note) Revision to the financial forecast from recently announced figures: None

#### \* Notes

- (1) Significant changes of subsidiaries during the period under review (affecting specific subsidiaries due to changes in scope of consolidation): None  
Companies added to the scope: None  
Companies removed from the scope: None
- (2) Adoption of special accounting treatment for preparing quarterly consolidated financial statements: Not applicable
- (3) Changes in accounting policies, changes in accounting estimates and restatements
  - 1) Changes in accounting policies due to the revision of accounting standards, etc.: Not applicable
  - 2) Any changes in accounting policies other than 1) above: Not applicable
  - 3) Changes in accounting estimates: Not applicable
  - 4) Restatements: Not applicable
- (4) Number of shares issued (common shares)
  - 1) Number of shares issued at the end of period (including treasury shares):  
Nine-month period of fiscal 2019: 52,021,297 shares  
Fiscal 2018: 52,021,297 shares
  - 2) Number of treasury shares at the end of period:  
Nine-month period of fiscal 2019: 90,216 shares  
Fiscal 2018: 17,892 shares
  - 3) Average number of shares during the period:  
Nine-month period of fiscal 2019: 51,967,280 shares  
Nine-month period of fiscal 2018: 52,004,111 shares

(Note) Treasury shares at the end of period are presented including the Company shares held by the Board Benefit Trust. Average numbers of shares during the period are calculated deducting treasury shares which include the Company shares held by the Board Benefit Trust.

\*These Consolidated Financial Results are not subject to quarterly review by certified public accountants or an auditing firm.

#### \* Explanation for the appropriate use of performance forecasts and other special notes:

The performance forecasts and other descriptions on future events presented in this material are based on information that was available at the time of preparation of this material and based on certain assumptions considered to be reasonable, and not intended to guarantee their achievement. The actual performance, etc. may differ materially from these forecasts due to various factors.

Quarterly Consolidated Financial Statements  
(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

As of February 28, 2018 As of November 30, 2018

<b>Assets</b>		
Current assets		
Cash and deposits	28,274	23,158
Notes and accounts receivable - trade	24,614	28,659
Securities	5,505	5,909
Merchandise	1,802	3,237
Supplies	57	47
Other	598	1,062
Allowance for doubtful accounts	(84)	(101)
Total current assets	60,769	61,973
Non-current assets		
Property, plant and equipment		
Assets for rent, net	6,855	6,717
Real estate for rent, net	36,026	34,578
Land	6,104	6,605
Other, net	2,882	3,801
Total property, plant and equipment	51,868	51,702
Intangible assets		
Goodwill	1,004	3,493
Other	222	245
Total intangible assets	1,227	3,738
Investments and other assets		
Investment securities	5,244	7,996
Net defined benefit asset	424	443
Other	1,429	2,435
Allowance for doubtful accounts	(252)	(264)
Total investments and other assets	6,845	10,611
Total non-current assets	59,940	66,052
Total assets	120,709	128,026

(Millions of yen)

As of February 28, 2018 As of November 30, 2018

<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	12,346	14,780
Short-term loans payable	450	2,930
Current portion of long-term loans payable	79	—
Income taxes payable	1,302	854
Provision for bonuses	175	92
Other	5,106	5,988
Total current liabilities	19,461	24,646
Non-current liabilities		
Provision for directors' retirement benefits	455	9
Provision for loss on guarantees	165	165
Net defined benefit liability	104	129
Other	9,610	10,602
Total non-current liabilities	10,335	10,906
Total liabilities	29,796	35,553
<b>Net assets</b>		
Shareholders' equity		
Capital stock	13,821	13,821
Capital surplus	16,627	16,627
Retained earnings	60,686	62,496
Treasury shares	(19)	(111)
Total shareholders' equity	91,116	92,834
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,614	1,162
Deferred gains or losses on hedges	—	26
Revaluation reserve for land	(1,914)	(1,914)
Remeasurements of defined benefit plans	96	82
Total accumulated other comprehensive income	(202)	(641)
Non-controlling interests	—	281
Total net assets	90,913	92,473
Total liabilities and net assets	120,709	128,026

## (2) Quarterly Consolidated Statements of Income and Comprehensive Income

### Quarterly Consolidated Statements of Income

(Nine-Month Period of Consolidated Fiscal Year)

(Millions of yen)

	Nine-Month Period of Fiscal 2018 (From March 1, 2017 to November 30, 2017)	Nine-Month Period of Fiscal 2019 (From March 1, 2018 to November 30, 2018)
Net sales	49,161	53,145
Cost of sales	39,034	41,091
Provision of unrealized income on installment sales	287	247
Reversal of unrealized income on installment sales	298	286
Gross profit	10,138	12,092
Selling, general and administrative expenses	5,589	6,969
Operating profit	4,548	5,123
Non-operating income		
Interest income	19	17
Dividend income	65	78
Purchase discounts	33	37
Foreign exchange gains	5	1
Other	52	51
Total non-operating income	175	186
Non-operating expenses		
Interest expenses	56	70
Settlement package	—	16
Restoration expenses on facilities	27	—
Other	3	8
Total non-operating expenses	87	95
Ordinary profit	4,637	5,214
Extraordinary income		
Gain on sales of non-current assets	0	2
Gain on sales of investment securities	6	5
Total extraordinary income	7	8
Extraordinary losses		
Loss on retirement of non-current assets	3	8
Loss on valuation of shares of subsidiaries and associates	—	15
Impairment loss on noncurrent assets	19	—
Total extraordinary losses	22	23
Profit before income taxes	4,622	5,199
Income taxes - current	1,541	1,736
Income taxes - deferred	(63)	52
Total income taxes	1,477	1,788
Profit	3,144	3,411
Profit attributable to non-controlling interests	—	41
Profit attributable to owners of parent	3,144	3,369

Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine-Month Period of Fiscal 2018 (From March 1, 2017 to November 30, 2017)	Nine-Month Period of Fiscal 2019 (From March 1, 2018 to November 30, 2018)
Profit	3,144	3,411
Other comprehensive income		
Valuation difference on available-for-sale securities	629	(451)
Deferred gains or losses on hedges	—	33
Remeasurements of defined benefit plans, net of tax	(8)	(14)
Total other comprehensive income	620	(432)
Comprehensive income	3,765	2,979
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,765	2,930
Comprehensive income attributable to non-controlling interests	—	48