

# Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2018 (Based on Japanese GAAP)

February 6, 2019

Company name: PRESS KOGYO CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 7246 URL <http://www.presskogyo.co.jp>  
 Representative: President & CEO Tetsushi Mino  
 Inquiries: General Manager, General Affairs Dept. Hisako Konishi TEL 044-276-3901  
 Scheduled date to file Quarterly Securities Report: February 6, 2019  
 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 nine months ended December 31, 2018 (from April 1, 2018 to December 31, 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	%
Nine months ended December 31, 2018	167,540	6.4	10,604	21.0	10,597	19.3	5,952	13.4
Nine months ended December 31, 2017	157,528	20.4	8,767	42.4	8,884	60.6	5,249	52.1

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2018	54.42	–
Nine months ended December 31, 2017	48.33	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2018	158,946	92,240	54.0	781.07
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	–	6.50	–		
Year ending March 31, 2019 (Forecast)				6.50	13.00

### 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
Full year	221,000	4.2	13,000	13.1	12,800	11.9	7,200	23.2	65.95

#### 4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 2018	114,009,770 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 December 31, 2018	4,107,689 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)

Nine months ended December 31, 2018	109,390,624 shares	Nine months ended December 31, 2017	108,624,044 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2018	As of December 31, 2018
<b>Assets</b>		
Current assets		
Cash and deposits	24,626	14,387
Notes and accounts receivable - trade	38,263	41,939
Merchandise and finished goods	1,547	1,424
Work in process	10,316	10,333
Raw materials and supplies	1,294	1,286
Income taxes receivable	24	25
Other	2,554	2,587
Total current assets	78,627	71,983
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,574	12,427
Machinery, equipment and vehicles, net	23,718	22,094
Land	31,957	31,962
Other, net	8,540	8,839
Total property, plant and equipment	76,791	75,323
Intangible assets		
Other	579	486
Total intangible assets	579	486
Investments and other assets		
Deferred tax assets	807	600
Net defined benefit asset	1,871	2,139
Investments and other assets	9,946	8,486
Allowance for doubtful accounts	(74)	(74)
Total investments and other assets	12,550	11,152
Total non-current assets	89,921	86,962
Total assets	168,549	158,946
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	24,779	25,545
Electronically recorded obligations - operating	5,928	3,777
Short-term loans payable	11,430	9,435
Current portion of bonds with share acquisition rights	10,000	—
Income taxes payable	1,248	693
Provision for bonuses	3,359	2,005
Provision	135	94
Other	7,837	9,739
Total current liabilities	64,719	51,292
Non-current liabilities		
Long-term loans payable	3,959	3,551
Deferred tax liabilities	1,691	1,786
Deferred tax liabilities for land revaluation	7,601	7,601
Provision	148	141
Net defined benefit liability	1,499	1,592
Asset retirement obligations	410	411
Other	396	328
Total non-current liabilities	15,706	15,413
Total liabilities	80,425	66,706

	(Millions of yen)	
	As of March 31, 2018	As of December 31, 2018
Net assets		
Shareholders' equity		
Capital stock	8,070	8,070
Capital surplus	2,075	2,074
Retained earnings	51,040	55,342
Treasury shares	(1,199)	(915)
Total shareholders' equity	59,986	64,571
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,304	2,405
Revaluation reserve for land	17,255	17,255
Foreign currency translation adjustment	1,920	1,605
Remeasurements of defined benefit plans	(44)	2
Total accumulated other comprehensive income	22,436	21,269
Non-controlling interests	5,700	6,399
Total net assets	88,123	92,240
Total liabilities and net assets	168,549	158,946

# Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

## Consolidated statements of income (cumulative)

	(Millions of yen)	
	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Net sales	157,528	167,540
Cost of sales	138,201	145,680
Gross profit	19,327	21,860
Selling, general and administrative expenses	10,560	11,255
Operating profit	8,767	10,604
Non-operating income		
Interest income	23	22
Dividend income	151	165
Rent income on non-current assets	50	48
Foreign exchange gains	165	42
Other	42	41
Total non-operating income	434	321
Non-operating expenses		
Interest expenses	280	262
Other	37	66
Total non-operating expenses	317	328
Ordinary profit	8,884	10,597
Extraordinary income		
Gain on sales of non-current assets	1	12
Gain on insurance adjustment	0	0
Total extraordinary income	1	13
Extraordinary losses		
Loss on retirement of non-current assets	93	53
Loss on sales of non-current assets	14	0
Loss on disaster	—	207
Total extraordinary losses	107	260
Profit before income taxes	8,778	10,350
Income taxes - current	1,783	2,120
Income taxes - deferred	529	656
Total income taxes	2,313	2,777
Profit	6,465	7,573
Profit attributable to non-controlling interests	1,215	1,621
Profit attributable to owners of parent	5,249	5,952

# Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Profit	6,465	7,573
Other comprehensive income		
Valuation difference on available-for-sale securities	1,440	(898)
Foreign currency translation adjustment	138	(299)
Remeasurements of defined benefit plans, net of tax	188	46
Total other comprehensive income	1,766	(1,151)
Comprehensive income	8,231	6,422
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,916	4,785
Comprehensive income attributable to non-controlling interests	1,314	1,636