

Consolidated Financial Results for the Nine Months Ended December 31, 2019 [Under Japanese GAAP]

January 30, 2020

Company name: Dexerials Corporation Listing: Tokyo Stock Exchange
 Security code: 4980 URL: <https://www.dexerials.jp/en>
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 Quarterly Securities Report (*Shihanki Hokokusho*) filing date: February 7, 2020
 Preparation of supplementary briefing material on quarterly financial results: Yes
 Investors meeting presentation for quarterly financial results: Yes (for securities analysts and institutional investors)

(Note) Amounts less than one million yen have been omitted.

1. Consolidated financial results for the nine months ended December 31, 2019 (from April 1, 2019 to December 31, 2019)

(1) Consolidated operating results (Percentage indicates 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, 2019	44,781	(5.8)	4,409	13.9	4,210	5.9	2,832	9.4
December 31, 2018	47,540	(14.7)	3,871	(40.5)	3,974	(37.1)	2,589	(40.6)

Note: Comprehensive income

For the nine months ended December 31, 2019: ¥2,525 million [5.5%]
 For the nine months ended December 31, 2018: ¥2,393 million [(48.1)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2019	46.67	46.45
December 31, 2018	42.77	42.40

(2) Consolidated financial position

	Total assets	Net assets	Capital to asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2019	88,358	49,710	56.3	818.20
March 31, 2019	87,586	49,055	56.0	809.40

Reference: Capital (Shareholders' equity + Accumulated other comprehensive income)

As of December 31, 2019: ¥49,710 million As of March 31, 2019: ¥49,055 million

2. Dividends

	Cash dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year Ended March 31, 2019	—	20.00	—	14.00	34.00
Ending March 31, 2020	—	17.00	—		
Ending March 31, 2020 (forecast)				17.00	34.00

Note: Revisions to dividend forecast published most recently: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

(Percentage indicates year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year	58,000	(4.3)	4,100	10.1	3,750	(3.9)	2,450	7.2	40.46

Note: Revisions to earnings forecast published most recently: None

For more information on the consolidated financial results for the nine months ended December 31, 2019, please refer to the supplementary briefing material on quarterly financial results, Quarterly Securities Report for the third quarter (available in Japanese only) to be filed on February 7, 2020 and other materials, which you can find on our website at <https://www.dexerials.jp/en/ir/library/index.html>.

[Notes]

- (1) Changes in significant subsidiaries during the current period (Changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Application of accounting methods used specifically for preparing the quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and restatements of prior period financial statements
 - (a) Changes in accounting policies due to application of new or revised accounting standards: Yes
 - (b) Changes in accounting policies due to reasons other than above (a): None
 - (c) Changes in accounting estimates: None
 - (d) Restatements of prior period financial statements: None

(Note) For more details, please refer to “1. Quarterly Consolidated Financial Statements and Notes, (3) Notes to quarterly consolidated financial statements, (Changes in accounting policies)” on page 6 of Attached Materials.
- (4) Number of shares of common stock issued
 - (a) Number of shares issued (including treasury stock)

As of December 31, 2019:	63,898,400 shares
As of March 31, 2019:	63,817,100 shares
 - (b) Number of shares of treasury stock

As of December 31, 2019:	3,143,103 shares
As of March 31, 2019:	3,209,900 shares
 - (c) Average number of shares of common stock during the period

Nine months ended December 31, 2019:	60,676,326 shares
Nine months ended December 31, 2018:	60,520,664 shares

Notes: 1. As a result of the exercise of stock options during the third quarter of the fiscal year ending March 31, 2020, the number of shares issued as of December 31, 2019 has increased by 81,300 shares.

2. As the Company has introduced an Employee Stock Ownership Plan (“J-ESOP”) and a Board Benefit Trust (BBT), the number of shares of the Company held by the Trust (3,143,103 shares as of December 31, 2019 and 3,209,900 shares as of March 31, 2019) was included in the number of shares of treasury stock as of such dates. In addition, the number of shares of the Company held by the Trust (3,178,232 shares for the nine months ended December 31, 2019; and 3,214,589 shares for the nine months ended December 31, 2018) was included in the number of shares of treasury stock for such periods, which was to be deducted from the calculation of the average number of shares of common stock during the period.

* This financial results report is not subject to audit procedures to be performed by certified public accountants or an audit firm.

* [Proper use of earning forecasts, and other special notes]

(Disclaimer with respect to earnings and other forecasts)

The forward-looking statements including earnings forecast contained in this document are based on information currently available to us and certain assumptions that we believe are reasonable. Accordingly, we can give no assurance that such statements will prove to be correct. Actual results may differ from the results anticipated in these forward-looking statements due to a variety of factors.