Consolidated Financial Results for the Three Months Ended March 31, 2017 [Japanese GAAP]

May 11, 2017

Company name: KANRO CO., LTD.
Stock exchange listing: Tokyo Stock Exchange
Code number: 2216
URL: http://www.kanro.co.jp/
Representative: Kazuyasu Misu, President
Contact: Kenji Morimoto, Director, Senior Managing Executive Officer, Chief Compliance Officer and General Manager of Administrative Headquarter
Phone: +81-3-3385-8811
Scheduled date of filing quarterly securities report: May 12, 2017
Scheduled date of commencing dividend payments: －
Availability of supplementary briefing material on quarterly financial results: No
Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended March 31, 2017 (January 1, 2017 to March 31, 2017)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2017	5,120	4.1	297	(18.8)	297	(19.0)	194	(20.1)
March 31, 2016	4,920	6.6	366	456.9	367	540.5	243	－

(Note) Comprehensive income: Three months ended March 31, 2017: ¥215 million [1.5 %]
Three months ended March 31, 2016: ¥212 million [494.9 %]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
March 31, 2017	10.75	－
March 31, 2016	13.46	－

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of March 31, 2017	17,305	9,842	56.9
As of December 31, 2016	17,947	9,736	54.3

(Reference) Equity: As of March 31, 2017: ¥9,842 million
As of December 31, 2016: ¥9,736 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2016	—	6.00	—	6.00	12.00
Fiscal year ending December 31, 2017	—				
Fiscal year ending December 31, 2017 (Forecast)		6.00	—	6.00	12.00

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2017 (January 1, 2017 to December 31, 2017)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	10,400	4.2	420	10.1	430	9.8	280	15.2	15.45
Full year	21,000	6.5	830	40.3	850	38.9	510	1.9	28.14

(Note) Revision to the financial results forecast announced most recently: No

*** Notes:**

(1) Changes in significant subsidiaries during the three months ended March 31, 2017 (changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
1) Changes in accounting policies due to the revision of accounting standards: No
2) Changes in accounting policies other than 1) above: No
3) Changes in accounting estimates: No
4) Retrospective restatement: No

(4) Total number of issued shares (common shares)
1) Total number of issued shares at the end of the period (including treasury shares):
March 31, 2017: 19,144,505 shares
December 31, 2016: 19,144,505 shares

2) Total number of treasury shares at the end of the period:
March 31, 2017: 1,026,386 shares
December 31, 2016: 1,025,066 shares

3) Average number of shares during the period:
Three months ended March 31, 2017: 18,118,599 shares
Three months ended March 31, 2016: 18,123,068 shares

* These quarterly financial results are outside the scope of the quarterly review.

* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on currently available information and certain assumptions deemed reasonable. Actual results may differ significantly from these forecasts due to a wide range of factors.