Dexerials

Consolidated Financial Results for the Nine Months Ended December 31, 2017 〔Under Japanese GAAP〕

January 30, 2018

Company name: Dexerials Corporation Listing: Tokyo Stock Exchange
Security code: 4980 URL: http://www.dexerials.jp/en
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Quarterly securities report (*Shihanki Hokokusho*) issuing date: February 7, 2018
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, 2017 (from April 1, 2017 to December 31, 2017)

(1) Consolidated operating results (Percentage indicates year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2017	55,741	26.6	6,510	135.8	6,314	147.5	4,361	275.5
December 31, 2016	44,026	(9.6)	2,761	(58.6)	2,551	(62.1)	1,161	(74.2)

Notes: 1. Comprehensive income
For the nine months ended December 31, 2017: ¥4,610 million [350.6%]
For the nine months ended December 31, 2016: ¥1,023 million [(75.8)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2017	72.50	71.53
December 31, 2016	19.39	19.18

Notes: 2. For the purpose of calculating the amounts of earnings per share, the number of shares of the Company held by the Trust was included in the number of shares of treasury stock, which was to be deducted from the calculation of the average number of shares of common stock during the period.

(2) Consolidated financial position

	Total assets	Net assets	Capital to asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2017	95,795	52,370	54.7	869.44
March 31, 2017	96,075	50,682	52.8	843.56

Reference: Capital (Shareholders' equity + Accumulated other comprehensive income):
As of December 31, 2017: ¥52,370 million As of March 31, 2017: ¥50,682 million

Note: 1. For the purpose of calculating the amounts of net assets per share, the number of shares of the Company held by the Trust was included in the number of shares of treasury stock, which was to be deducted from the number of shares issued at the end of the period.

2. Dividends

	Cash dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year	Yen	Yen	Yen	Yen	Yen
Ended March 31, 2017	—	27.50	—	27.50	55.00
Ending March 31, 2018	—	20.00	—		
Ending March 31, 2018 (forecast)				20.00	40.00

Note: 1. Revisions to dividend forecast published most recently: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

(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	70,000	11.8	6,600	89.0	6,400	121.2	4,400	363.4	73.12

Notes: 1. Revisions to earnings forecast published most recently: Yes

2. For the purpose of calculating the amount of earnings per share, the number of shares of the Company held by the Trust was included in the number of shares of treasury stock, which was to be deducted from the calculation of the average number of shares of common stock during the period. The average number of shares of common stock during the period was calculated based on the assumption that the numbers of shares issued and shares of treasury stock at the end of the third quarter would remain the same until the end of the fiscal year.

[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: None
(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

(4) Number of shares of common stock issued

(a) Number of shares issued (including treasury stock)
As of December 31, 2017: 63,451,800 shares
As of March 31, 2017: 63,299,500 shares

(b) Number of shares of treasury stock
As of December 31, 2017: 3,217,500 shares
As of March 31, 2017: 3,218,900 shares

(c) Average number of shares of common stock during the period
Nine months ended December 31, 2017: 60,152,790 shares
Nine months ended December 31, 2016: 59,881,085 shares

Notes: 1. As a result of the exercise of stock options during the nine months ended December 31, 2017, the number of shares issued as of December 31, 2017 has increased by 152,300 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 (3,217,500 shares as of December 31, 2017 and 3,218,900 shares as of March 31, 2017) 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 (3,218,398 shares for the nine months ended December 31, 2017; and 3,152,901 shares for the nine months ended December 31, 2016) 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.

* [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.