Dexerials

Consolidated Financial Results for the Three Months Ended June 30, 2018 〔Under Japanese GAAP〕

July 30, 2018

Company name: Dexerials Corporation Listing: Tokyo Stock Exchange
Security code: 4980 URL: http://www.dexerials.jp/en
Representative: Takashi Ichinose, Representative Director and President
Contact: Naoyuki Sanada, Senior Executive Officer, Corporate Planning & Control Division Head
Phone: +81-3-5435-3941
Quarterly securities report (*Shihanki Hokokusho*) issuing date: August 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 three months ended June 30, 2018 (from April 1, 2018 to June 30, 2018)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2018	14,756	(22.9)	397	(79.7)	661	(66.8)	435	(64.8)
June 30, 2017	19,147	49.2	1,955	253.1	1,995	—	1,239	—

Notes: 1. Comprehensive income
For the three months ended June 30, 2018: ¥267 million [(77.7)%]
For the three months ended June 30, 2017: ¥1,196 million [—%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2018	7.20	7.13
June 30, 2017	20.63	20.39

Notes: 2. The year-on-year changes of ordinary profit and profit attributable to owners of parent for the three months ended June 30, 2017 are indicated as "—" because the figures have exceeded one thousand percent.

(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
June 30, 2018	93,261	48,928	52.5	809.10
March 31, 2018	94,958	49,921	52.6	825.82

Reference: Capital (Shareholders' equity + Accumulated other comprehensive income)
As of June 30, 2018: ¥48,928 million As of March 31, 2018: ¥49,921 million

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, 2018	—	20.00	—	20.00	40.00
Ending March 31, 2019	—				
Ending March 31, 2019 (forecast)		20.00	—	20.00	40.00

Note: Revisions to dividend forecast published most recently: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

(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
First half	30,400	(20.5)	2,100	(45.7)	2,000	(48.8)	1,100	(59.6)	18.27
Fiscal year	63,700	(9.1)	7,000	13.3	6,700	17.9	4,200	22.6	69.76

Note: Revisions to earnings forecast published most recently: None

[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 June 30, 2018:	63,688,000 shares
As of March 31, 2018:	63,668,000 shares

(b) Number of shares of treasury stock

As of June 30, 2018:	3,216,000 shares
As of March 31, 2018:	3,217,000 shares

(c) Average number of shares of common stock during the period

Three months ended June 30, 2018:	60,462,763 shares
Three months ended June 30, 2017:	60,083,767 shares

Notes: 1. As a result of the exercise of stock options during the three months ended June 30, 2018, the number of shares issued as of June 30, 2018 has increased by 20,000 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 (3,216,000 shares as of June 30, 2018 and 3,217,000 shares as of March 31, 2018) 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 (3,216,665 shares for the three months ended June 30, 2018; and 3,218,785 shares for the three months ended June 30, 2017) 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.