Financial Results for the Second Quarter Ended September 30, 2018
- Supplementary Material

November 2, 2018

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Asante Incorporated

【TSE First Section Securities Code 6073】

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Results for Profit and Loss (1H)

- Net sales increased by 195 million yen
- Gross profit increased by 185 million yen, gross profit ratio increased by 0.6 percentage points
- Operating income increased by 101 million yen, operating income ratio increased by 0.8 percentage points

(Unit: Million yen)	FY3/18 1H		FY3/19 1H		YoY	
	Results	Composition Ratio	**Results**	**Composition Ratio**	Change	Change in Ratio
Net Sales	7,820	–	**8,015**	**–**	195	2.5%
Gross Profit	5,651	72.3%	**5,837**	**72.8%**	185	3.3%
Operating Income	1,551	19.8%	**1,652**	**20.6%**	101	6.5%
Ordinary Income	1,579	20.2%	**1,672**	**20.9%**	92	5.9%
Net Income	1,052	13.5%	**1,121**	**14.0%**	69	6.6%
EPS (yen)	85.24	–	**90.85**	**–**	5.60	6.6%

Ratios to Estimates

- Net sales Achievement ratio on 1H forecasts: 98.2%
  Progress ratio on full-year forecasts: 55.0%
- Operating income Achievement ratio on 1H forecasts: 98.6%
  Progress ratio on full-year forecasts: 69.2%

(Unit: Million yen)	FY3/19 1H			FY3/19 Full-year	
	Results	Forecasts	**Achievement Ratio**	Forecasts	**Progress Ratio**
Net Sales	8,015	8,165	**98.2%**	14,581	**55.0%**
Gross Profit	5,837	5,951	**98.1%**	10,459	**55.8%**
Operating Income	1,652	1,676	**98.6%**	2,389	**69.2%**
Ordinary Income	1,672	1,696	**98.5%**	2,405	**69.5%**
Net Income	1,121	1,142	**98.1%**	1,594	**70.3%**
EPS (yen)	90.85	92.57	**98.1%**	129.20	**70.3%**

Net Sales by Service (1H)

(Unit: Million yen)	FY3/18 1H		FY3/19 1H		YoY	
	Results	Composition Ratio	**Results**	**Composition Ratio**	Change	Change in Ratio
Net sales	7,820	–	**8,015**	**–**	195	2.5%
Anti-termite Measures	3,560	45.5%	**3,513**	**43.8%**	-46	-1.3%
Anti-humidity Measures	1,868	23.9%	**1,900**	**23.7%**	31	1.7%
Anti-earthquake Measures	2,032	26.0%	**2,269**	**28.3%**	237	11.7%
Others	359	4.6%	**332**	**4.1%**	-27	-7.6%

- Anti-termite Measures : Termite Control
  Anti-humidity Measures : Underfloor Ventilation Systems
  Anti-earthquake Measures : Repair Housing Foundations/Housing Reinforcement

Net sales, Number of Staffs, Sales per Staff

- Average number of staffs decreased by 3.0%, sales per staff increased by 5.7%
- Number of staffs at the end of 2Q decreased by 38 (-3.6%)

	FY3/18 1H	FY3/19 1H	YoY	
	Results	**Results**	Change	Change in Ratio
Net Sales (Million yen)	7,820	**8,015**	195	2.5%
Average number of staffs during the period	1,067	**1,035**	-32	-3.0%
Sales per staff (Thousand yen/month)	1,221	**1,290**	69	5.7%
Number of staffs at end of 2Q	1,048	**1,010**	-38	-3.6%

- ”Number of staffs”: total number of staffs actually working including part-time employees and contract employees (excluding dispatched and seconded staffs)

Factors for Changes in Operating Income (YoY)

- Net sales increased by 195 million yen, operating income increased by 101 million yen
- Cost of sales increased by 9 million yen, of which material costs increased by 16 million yen and labor costs decreased by 26 million yen
- SG&A expenses increased by 84 million yen, of which personnel expenses increased by 61 million yen

(Unit: Million yen)	Amount	Change in Ratio	Main factors for changes
FY3/18 1H Operating Income	1,551	–	
Net Sales	195	+2.5%	
Material Costs	16	+1.7%	Increase in net sales
Labor Costs	-26	-3.4%	
Other Cost of Sales	20	+4.7%	
Personnel Expenses	61	+2.4%	
Recruiting Expenses	1	+1.7%	
Advertising Expenses	3	+1.0%	
Other SG&A Expenses	17	+1.6%	
FY3/19 1H Operating Income	1,652	+6.5%	