Dexerials

Consolidated Financial Results for the Nine Months Ended December 31, 2018 〔Under Japanese GAAP〕

January 31, 2019

Company name: Dexerials Corporation Listing: Tokyo Stock Exchange
Security code: 4980 URL: https://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: February 8, 2019
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, 2018 (from April 1, 2018 to December 31, 2018)

(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, 2018	47,540	(14.7)	3,871	(40.5)	3,974	(37.1)	2,589	(40.6)
December 31, 2017	55,741	26.6	6,510	135.8	6,314	147.5	4,361	275.5

Note: Comprehensive income
For the nine months ended December 31, 2018: ¥2,393 million [(48.1)%]
For the nine months ended December 31, 2017: ¥4,610 million [350.6%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2018	42.77	42.40
December 31, 2017	72.50	71.53

(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, 2018	92,937	49,853	53.6	822.70
March 31, 2018	94,958	49,921	52.6	825.82

Reference: Capital (Shareholders' equity + Accumulated other comprehensive income)
As of December 31, 2018: ¥49,853 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	—	20.00	—		
Ending March 31, 2019 (forecast)				14.00	34.00

Note: Revisions to dividend forecast published most recently: Yes

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
Fiscal year	60,200	(14.1)	4,100	(33.6)	4,000	(29.6)	2,600	(24.1)	43.19

Note: Revisions to earnings forecast published most recently: Yes

[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, 2018:	63,808,600 shares
As of March 31, 2018:	63,668,000 shares

(b) Number of shares of treasury stock

As of December 31, 2018:	3,211,200 shares
As of March 31, 2018:	3,217,000 shares

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

Nine months ended December 31, 2018:	60,520,664 shares
Nine months ended December 31, 2017:	60,152,790 shares

Notes: 1. As a result of the exercise of stock options during the nine months ended December 31, 2018, the number of shares issued as of December 31, 2018 has increased by 140,600 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 (3,211,200 shares as of December 31, 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 (3,214,589 shares for the nine months ended December 31, 2018; and 3,218,398 shares for the nine months ended December 31, 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.