February 13, 2019

# Summary of Non-consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2019 (Nine Months Ended December 31, 2018)

**[Japanese GAAP]**

Company name: Welbe, Inc. Listing: Tokyo Stock Exchange, Mothers Market
Stock code: 6556 URL: http://www.welbe.co.jp
Representative: Makoto Ohta, Representative Director and President
Contact: Takao Senga, Director, Vice President, Head of Management Division
Tel: +81-3-6268-9542
Scheduled date of filing of Quarterly Report: February 13, 2019
Scheduled date of dividend payment: —
Preparation of supplementary materials for quarterly financial results: Yes
Holding of quarterly financial results meeting: None

*(All amounts are rounded down to the nearest million yen)*

## 1. Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2019 (April 1, 2018 – December 31, 2018)

(1) Results of operations (Percentages represent year-on-year changes)

| | Net sales | | Operating profit | | Ordinary profit | | Profit | |
|---|---|---|---|---|---|---|---|---|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Nine months ended Dec. 31, 2018 | 4,307 | 34.3 | 1,191 | 58.0 | 1,190 | 51.4 | 753 | 55.4 |
| Nine months ended Dec. 31, 2017 | 3,207 | - | 754 | - | 786 | - | 485 | - |

| | Net income per share | Diluted net income per share |
|---|---|---|
| | Yen | Yen |
| Nine months ended Dec. 31, 2018 | 27.78 | 26.16 |
| Nine months ended Dec. 31, 2017 | 18.63 | 17.15 |

Notes: The year-on-year changes for the nine months ended December 31, 2017 are not presented because the quarterly financial statements were not prepared in the nine months ended December 31, 2016.

(2) Financial position

| | Total assets | Net assets | Equity ratio |
|---|---|---|---|
| | Million yen | Million yen | % |
| As of Dec. 31, 2018 | 3,369 | 2,301 | 68.3 |
| As of Mar. 31, 2018 | 3,059 | 1,835 | 60.0 |

Reference: Shareholders' equity (million yen) As of Dec. 31, 2018: 2,301 As of Mar. 31, 2018: 1,834

## 2. Dividends

| | Dividends per share | | | | |
|---|---|---|---|---|---|
| | 1Q-end | 2Q-end | 3Q-end | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended Mar. 31, 2018 | - | 0.00 | - | 24.00 | 24.00 |
| Fiscal year ending Mar. 31, 2019 | - | 3.00 | - | | |
| Fiscal year ending Mar. 31, 2019 (forecast) | | | | 3.00 | 6.00 |

Note: Revisions to the most recently announced dividend forecast: None

Notes: 1. Welbe conducted a 3-for-1 common stock split on April 1, 2018. Dividends per share for the fiscal year ended March 31, 2018 are the actual amounts before the stock split.

2. Breakdown of dividends for the fiscal year ended March 31, 2018
Ordinary dividends: 16.00 yen; Commemorative dividends: 8.00 yen

## 3. Earnings Forecasts for the Fiscal Year Ending March 31, 2019 (April 1, 2018 – March 31, 2019)

(Percentages represent year-on-year changes)

| | Net sales | | Operating profit | | Ordinary profit | | Profit | | Net income per share |
|---|---|---|---|---|---|---|---|---|---|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| Full year | 5,565 | 27.5 | 1,295 | 27.9 | 1,291 | 23.8 | 834 | 18.4 | 30.65 |

Note: Revisions to the most recently announced earnings forecasts: None

* Notes

(1) Changes in significant subsidiaries during the period (changes in scope of consolidation): None

(2) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: Yes
2) Changes in accounting policies other than 1) above: None
3) Changes in accounting-based estimates: None
4) Restatements: None

(3) Number of shares issued (common stock)

1) Number of shares issued at the end of the period (including treasury shares)

| | | | |
|---|---|---|---|
| As of Dec. 31, 2018: | 27,600,000 shares | As of Mar. 31, 2018: | 26,550,000 shares |

2) Number of treasury shares at the end of the period

| | | | |
|---|---|---|---|
| As of Dec. 31, 2018: | 102 shares | As of Mar. 31, 2018: | 102 shares |

3) Average number of shares during the period

| | | | |
|---|---|---|---|
| Nine months ended Dec. 31, 2018: | 27,133,861 shares | Nine months ended Dec. 31, 2017: | 26,042,719 shares |

Note: Welbe conducted a 3-for-1 common stock split on April 1, 2018. The number of shares issued has been calculated as if this stock split had taken place at the beginning of the fiscal year ended March 31, 2018.

* The current quarterly financial report is not subject to quarterly review by certified public accountants or auditing firms.

* Explanation of appropriate use of earnings forecasts, and other special items

Cautionary statement with respect to forecasts

Forecasts of future performance in these materials are based on assumptions judged to be valid and information available to Welbe's management at the time these materials were prepared, but are not promised by Welbe regarding future performance. Actual results may differ significantly from these forecasts for a number of reasons.

How to view supplementary materials for financial results

Materials will also be disclosed, using the Timely Disclosure network (TDnet), and available on the company's website.

*This financial report is solely a translation of the Company's Kessan Tanshin in Japanese, which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*