Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2018 (Based on Japanese GAAP)

January 31, 2019

Company name: MARUWA UNYU KIKAN CO.,LTD.
Stock exchange listing: Tokyo
Stock code: 9090 URL http://www.momotaro.co.jp/
Representative: President Masaru Wasami
Inquiries: Director and Managing Executive Officer Kazumi Kawada TEL 048-991-1000
Scheduled date to file Quarterly Securities Report: February 12, 2019
Scheduled date to commence dividend payments: –
Preparation of supplementary material on quarterly financial results: No
Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2018 (from April 1, 2018 to December 31, 2018)

(1) Consolidated operating results (cumulative) Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2018	63,910	14.9	4,631	40.5	4,831	38.7	3,375	39.0
Nine months ended December 31, 2017	55,611	9.5	3,296	(6.3)	3,482	(5.6)	2,428	(1.4)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2018	105.36	104.93
Nine months ended December 31, 2017	75.88	75.50

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2018	44,638	22,345	50.1
As of March 31, 2018	39,454	20,617	52.3

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2018	–	31.75	–	15.88	–
Year ending March 31, 2019	–	18.20	–		
Year ending March 31, 2019 (Forecast)				18.20	36.40

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

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	84,790	14.0	5,630	24.9	5,800	22.0	3,870	27.1	120.84

4. Notes

(1) Changes in significant subsidiaries during the nine months ended December 31, 2018 (changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations:	No
Changes in accounting policies due to other reasons:	No
Changes in accounting estimates:	No
Restatement of prior period financial statements:	No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2018	32,132,880 shares	As of March 31, 2018	32,113,080 shares

Number of treasury shares at the end of the period

As of December 31, 2018	90,568 shares	As of March 31, 2018	90,534 shares

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2018	32,036,779 shares	Nine months ended December 31, 2017	31,999,489 shares

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2018	As of December 31, 2018
Assets		
Current assets		
Cash and deposits	4,582,429	8,988,546
Notes and accounts receivable - trade	9,343,803	10,807,846
Supplies	28,787	33,675
Other	2,818,026	822,214
Allowance for doubtful accounts	(3,388)	(3,603)
Total current assets	16,769,658	20,648,679
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,537,313	7,251,209
Machinery, equipment and vehicles, net	864,094	1,199,718
Land	6,917,694	6,917,694
Other, net	2,324,028	2,183,153
Total property, plant and equipment	16,643,130	17,551,775
Intangible assets	957,140	1,333,474
Investments and other assets		
Other	5,136,918	5,155,987
Allowance for doubtful accounts	(52,511)	(51,108)
Total investments and other assets	5,084,406	5,104,878
Total non-current assets	22,684,677	23,990,128
Total assets	39,454,336	44,638,808
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,380,350	6,443,479
Short-term loans payable	400,000	1,000,000
Current portion of long-term loans payable	1,687,736	2,202,961
Income taxes payable	914,422	802,830
Provision for bonuses	324,774	108,880
Provision for loss on litigation	1,752	–
Other	4,215,781	4,576,085
Total current liabilities	12,924,816	15,134,236
Non-current liabilities		
Long-term loans payable	3,012,388	4,415,796
Net defined benefit liability	609,775	643,923
Asset retirement obligations	403,095	455,637
Other	1,887,037	1,643,758
Total non-current liabilities	5,912,296	7,159,114
Total liabilities	18,837,113	22,293,351

(Thousands of yen)

	As of March 31, 2018	As of December 31, 2018
Net assets		
Shareholders' equity		
Capital stock	2,653,980	2,656,663
Capital surplus	2,168,402	2,171,085
Retained earnings	14,991,531	17,272,133
Treasury shares	(103,478)	(103,616)
Total shareholders' equity	19,710,436	21,996,266
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,056,622	477,803
Remeasurements of defined benefit plans	(149,835)	(128,613)
Total accumulated other comprehensive income	906,787	349,190
Total net assets	20,617,223	22,345,456
Total liabilities and net assets	39,454,336	44,638,808

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Net sales	55,611,738	63,910,821
Cost of sales	49,934,425	56,468,998
Gross profit	5,677,313	7,441,823
Selling, general and administrative expenses	2,380,768	2,810,217
Operating profit	3,296,544	4,631,605
Non-operating income		
Interest income	1,714	2,380
Dividend income	42,217	53,988
Fiduciary obligation fee	59,062	59,062
Subsidy income	6,130	40,792
Other	120,219	87,724
Total non-operating income	229,344	243,948
Non-operating expenses		
Interest expenses	24,230	15,565
Loss on sales of investment securities	–	2,552
Loss on retirement of non-current assets	7,716	8,528
Litigation expenses	–	3,944
Loss on cancellation of leases	2,632	12,517
Other	9,260	1,350
Total non-operating expenses	43,840	44,458
Ordinary profit	3,482,048	4,831,095
Profit before income taxes	3,482,048	4,831,095
Income taxes	1,054,027	1,455,753
Profit	2,428,021	3,375,342
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	2,428,021	3,375,342

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Profit	2,428,021	3,375,342
Other comprehensive income		
Valuation difference on available-for-sale securities	713,057	(578,819)
Remeasurements of defined benefit plans, net of tax	14,509	21,222
Total other comprehensive income	727,566	(557,597)
Comprehensive income	3,155,588	2,817,745
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,155,588	2,817,745
Comprehensive income attributable to non-controlling interests	–	–