

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2017 (Based on Japanese GAAP)

February 1, 2018

Company name: Eagle Industry Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 6486 URL <https://www.ekkeagle.com/jp/>
 Representative: Representative Director, President Tetsuji Tsuru
 Senior Operating Officer, Division Manager Sumio Ikeda
 Corporate Finance & Accounting Division TEL 03-3438-2291
 Scheduled date to file Quarterly Securities Report: February 14, 2018
 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, 2017 (from April 1, 2017 to December 31, 2017)

(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, 2017	111,861	8.5	8,936	12.4	10,978	27.5	8,551	64.0
Nine months ended December 31, 2016	103,068	(3.3)	7,949	(32.6)	8,609	(37.1)	5,215	(37.8)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2017	174.82	–
Nine months ended December 31, 2016	106.97	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2017	170,308	86,207	46.5	1,617.14
As of March 31, 2017	160,658	74,484	42.2	1,387.72

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, 2017	–	20.00	–	25.00	45.00
Year ending March 31, 2018	–	20.00	–		
Year ending March 31, 2018 (Forecast)				25.00	45.00

3. Forecast of consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

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	149,000	6.0	12,600	13.3	14,450	18.8	10,500	44.0	214.58

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2017
(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, 2017	49,757,821 shares	As of March 31, 2017	49,757,821 shares
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Number of treasury shares at the end of the period

As of December 31, 2017	775,668 shares	As of March 31, 2017	889,678 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2017	48,917,850 shares	Nine months ended December 31, 2016	48,756,412 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Assets		
Current assets		
Cash and deposits	22,663	26,666
Notes and accounts receivable - trade	28,815	27,867
Electronically recorded monetary claims - operating	3,725	4,747
Merchandise and finished goods	5,124	7,098
Work in process	7,092	8,257
Raw materials and supplies	5,584	5,836
Other	8,107	7,894
Allowance for doubtful accounts	(90)	(58)
Total current assets	81,024	88,310
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	19,971	21,225
Machinery, equipment and vehicles, net	20,010	22,281
Other, net	13,019	13,535
Total property, plant and equipment	53,002	57,043
Intangible assets		
Goodwill	3,622	3,433
Other	3,525	3,273
Total intangible assets	7,148	6,706
Investments and other assets		
Investment securities	13,613	12,924
Other	6,142	5,458
Allowance for doubtful accounts	(272)	(135)
Total investments and other assets	19,483	18,247
Total non-current assets	79,633	81,997
Total assets	160,658	170,308

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Liabilities		
Current liabilities		
Accounts payable - trade	8,022	8,062
Electronically recorded obligations - operating	8,912	3,765
Short-term loans payable	13,279	16,968
Income taxes payable	2,185	2,279
Provision for bonuses	2,345	1,736
Other provision	51	141
Other	12,244	11,364
Total current liabilities	47,042	44,318
Non-current liabilities		
Long-term loans payable	21,544	22,375
Provision	421	312
Net defined benefit liability	15,997	15,792
Other	1,167	1,302
Total non-current liabilities	39,131	39,782
Total liabilities	86,173	84,100
Net assets		
Shareholders' equity		
Capital stock	10,490	10,490
Capital surplus	11,395	11,395
Retained earnings	54,182	60,525
Treasury shares	(650)	(427)
Total shareholders' equity	75,418	81,984
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	451	660
Foreign currency translation adjustment	(2,871)	1,241
Remeasurements of defined benefit plans	(5,183)	(4,676)
Total accumulated other comprehensive income	(7,603)	(2,773)
Non-controlling interests	6,669	6,996
Total net assets	74,484	86,207
Total liabilities and net assets	160,658	170,308

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Net sales	103,068	111,861
Cost of sales	77,167	84,395
Gross profit	25,900	27,466
Selling, general and administrative expenses	17,951	18,529
Operating profit	7,949	8,936
Non-operating income		
Interest income	257	205
Dividend income	38	18
Share of profit of entities accounted for using equity method	503	514
Foreign exchange gains	–	849
Other	686	886
Total non-operating income	1,486	2,474
Non-operating expenses		
Interest expenses	340	301
Contribution	6	1
Foreign exchange losses	348	–
Other	131	129
Total non-operating expenses	826	432
Ordinary profit	8,609	10,978
Extraordinary income		
Gain on sales of non-current assets	45	16
Gain on sales of investment securities	22	61
Gain on sales of shares of subsidiaries and associates	–	2,222
Total extraordinary income	68	2,300
Extraordinary losses		
Loss on sales of non-current assets	6	27
Loss on retirement of non-current assets	68	50
Provision for loss on guarantees	–	2
Total extraordinary losses	75	80
Profit before income taxes	8,602	13,197
Income taxes	2,812	3,807
Profit	5,789	9,389
Profit attributable to non-controlling interests	574	838
Profit attributable to owners of parent	5,215	8,551

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Profit	5,789	9,389
Other comprehensive income		
Valuation difference on available-for-sale securities	86	208
Foreign currency translation adjustment	(1,312)	2,822
Remeasurements of defined benefit plans, net of tax	511	482
Share of other comprehensive income of entities accounted for using equity method	(1,151)	1,457
Total other comprehensive income	(1,865)	4,971
Comprehensive income	3,924	14,361
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,343	13,381
Comprehensive income attributable to non-controlling interests	580	980