

**Summary of Consolidated Financial Results for the Three Months Ended June 30, 2018**  
**[Japanese Standards] (Consolidated)**

August 3, 2018

Company name: OKAMOTO INDUSTRIES,INC.  
 Stock exchange listing: Tokyo  
 Stock code: 5122 URL <http://www.okamoto-inc.jp/>  
 Representative: Toshio Tamura, President  
 Inquiries: Hiroshi Takashima, Managing Director Accounting Dept.  
 Scheduled date to file Securities Report: August 9, 2018  
 Scheduled date to commence dividend payments: -  
 Supplemental material on quarterly results: No  
 Presentation on quarterly results: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2018  
 (from April 1, 2018 to June 30, 2018)

(1) Consolidated operating results(cumulative) (% represents changes over the same period in the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2018	22,467	6.2	2,886	2.1	3,478	13.1	2,646	24.0
Three months ended June 30, 2017	21,156	△ 0.2	2,826	△ 6.9	3,076	13.8	2,134	7.4

(Note) Comprehensive income: Three months ended June 30, 2018 : 2,831 million yen 3.9 %  
 Three months ended June 30, 2017 : 2,726 million yen 816.3 %

	Net income per share	Diluted net income per share
	yen	yen
Three months ended June 30, 2018	27.53	-
Three months ended June 30, 2017	21.72	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2018	108,253	66,545	58.7
As of March 31, 2018	107,464	65,216	57.6

(Reference) Own capital: As of June 30, 2018 : 63,571 million yen  
 As of March 31, 2018 : 61,892 million yen

2. Dividends

	Cash dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total
	yen	yen	yen	yen	yen
FY Ended March 31, 2018	-	9.00	-	10.00	19.00
FY Ended March 31, 2019	-	-	-	-	-
FY Ended March 31, 2019 (forecast)	-	10.00	-	* 50.00	-

(Note) Revision of the latest dividend forecast announced: No  
 \*Reflects five to one reverse share split.

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

(% represents changes over the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Six months ended September 30, 2018	46,000	7.8	4,600	△ 7.8	5,100	△ 6.6	3,700	△ 17.3	38.49
Full year	95,000	5.5	9,200	△ 9.4	9,900	△ 9.4	6,000	△ 12.0	312.06

(Note) Revision of the latest consolidated results forecast announced Yes

\*Notes

(1) Changes in status of significant subsidiaries during the three months ended June 30, 2018  
(changes in status of specified subsidiaries accompanying changes in consolidated) No  
Newly consolidated subsidiaries: - Subsidiaries excluded: -

(2) Application of accounting methods for preparing quarterly consolidated financial statements: No

(3) Changes in accounting principles, changes in accounting estimates, and retrospective restatements

① Changes in accounting principles due to revisions to accounting standards: No  
② Changes other than ①: No  
③ Changes in accounting estimates: No  
④ Retrospective restatements: No

(4) Number of outstanding shares (common stock)

① Number of outstanding shares at period-end (including treasury stock)  
② Number of treasury stocks at period-end  
③ Average number of shares during the period (cumulative total for quarterly period)

①	Three months ended June 30, 2018	101,996,839	FY Ended March 31, 2018	101,996,839
②	Three months ended June 30, 2018	5,861,821	FY Ended March 31, 2018	5,859,720
③	Three months ended June 30, 2018	96,136,094	Three months ended June 30, 2017	98,237,694

\*The current quarterly financial results are not subject to quarterly review procedures by certified public accountant or by auditing firm.

\*Explanation relating to the appropriate use of forecasts of business results and other items of note.

The forecasts included in this document are based on the currently available information and certain assumptions that we believe reasonable. Actual results, etc. may differ from projections due to a variety of reasons.

**Consolidated Quarterly Financial Statements and Notes**  
**Consolidated Quarterly Balance Sheets**

(millions of yen)

	As of March 31, 2018	As of June 30, 2018
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	23,676	23,280
Notes and accounts receivable-trade	21,729	20,315
Electronically recorded monetary claims-operating	5,946	6,324
Merchandise and finished goods	7,601	8,159
Work in process	1,976	2,156
Raw materials and supplies	2,405	2,596
Other	1,645	1,454
Allowance for doubtful accounts	△ 45	△ 44
<b>Total current assets</b>	<b>64,936</b>	<b>64,244</b>
<b>Non-current assets</b>		
Property, plant and equipment	21,569	22,846
Intangible assets	224	233
<b>Investments and other assets</b>		
Investment securities	20,025	20,247
Deferred tax assets	112	99
Other	633	619
Allowance for doubtful accounts	△ 37	△ 36
<b>Total investments and other assets</b>	<b>20,733</b>	<b>20,929</b>
<b>Total non-current assets</b>	<b>42,528</b>	<b>44,009</b>
<b>Total assets</b>	<b>107,464</b>	<b>108,253</b>

(millions of yen)

	As of March 31, 2018	As of June 30, 2018
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	20,310	19,518
Short-term loans payable	2,615	2,625
Income taxes payable	1,601	720
Provision for bonuses	982	553
Other	6,298	6,826
<b>Total current liabilities</b>	<b>31,807</b>	<b>30,244</b>
<b>Non-current liabilities</b>		
Long-term loans payable	1,222	1,168
Deferred tax liabilities	1,763	2,783
Net defined benefit liability	6,375	6,419
Other	1,078	1,091
<b>Total non-current liabilities</b>	<b>10,440</b>	<b>11,463</b>
<b>Total liabilities</b>	<b>42,248</b>	<b>41,707</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	13,047	13,047
Capital surplus	511	511
Retained earnings	42,781	44,452
Treasury stock	△ 3,690	△ 3,879
<b>Total shareholders' equity</b>	<b>52,650</b>	<b>54,132</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	9,309	9,792
Deferred gains or losses on hedges	△ 7	0
Foreign currency translation adjustment	310	△ 14
Remeasurements of defined benefit plans	△ 370	△ 338
<b>Total accumulated other comprehensive income</b>	<b>9,241</b>	<b>9,439</b>
<b>Non-controlling interests</b>	<b>3,323</b>	<b>2,973</b>
<b>Total net assets</b>	<b>65,216</b>	<b>66,545</b>
<b>Total liabilities and net assets</b>	<b>107,464</b>	<b>108,253</b>

**Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income**  
**Consolidated Quarterly Statements of Income**  
**Three months ended June 30, 2018**

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Net sales	21,156	22,467
Cost of sales	14,989	16,006
Gross profit	6,167	6,460
Selling, general and administrative expenses		
Freightage and packing expenses	833	895
Other selling expenses	577	550
Salaries and bonuses	775	879
Provision for bonuses	161	178
Retirement benefit expenses	46	52
Other general and administrative expenses	946	1,017
Total selling, general and administrative expenses	3,341	3,574
Operating profit	2,826	2,886
Non-operating income		
Interest income	3	4
Dividends income	219	249
Real estate rent	98	166
Foreign exchange gains	-	205
Equity in earnings of affiliates	-	17
Other income	19	18
Total non-operating income	340	661
Non-operating expenses		
Interest expenses	5	6
Rent expenses on real estates	23	43
Foreign exchange losses	11	-
Equity in losses of affiliates	32	-
Other expenses	18	20
Total non-operating expenses	90	69
Ordinary income	3,076	3,478
Extraordinary income		
Gain on sales of subsidiaries and affiliates' stocks	-	49
Total extraordinary gain	-	49
Extraordinary loss		
Loss on retirement of noncurrent assets	31	3
Total extraordinary loss	31	3
Profit before income taxes	3,044	3,524
Income taxes-current	638	826
Income taxes-deferred	272	27
Total income taxes	910	854
Net income	2,134	2,669
Profit attributable to non-controlling interests	-	23
Profit attributable to owners of parent	2,134	2,646

**Consolidated Quarterly Statements of Comprehensive Income**  
**Three months ended June 30, 2018**

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Net income	2,134	2,669
Other comprehensive income		
Valuation difference on available-for-sale securities	660	458
Deferred gains or losses on hedges	19	7
Foreign currency translation adjustment	△ 76	△ 343
Remeasurements of defined benefit plans, net of tax	△ 3	31
Share of other comprehensive income of associates accounted for using equity method	△ 7	6
Total accumulated other comprehensive income	592	161
Comprehensive income	2,726	2,831
(comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	2,726	2,843
Comprehensive income attributable to non-controlling interests	-	△ 12