

FY2017 Consolidated Financial Results (Japan GAAP)

May 10, 2018
Common Stock Listings: Tokyo and Nagoya

Company name: Kikusui Chemical Industries Co., LTD.
Code no.: 7953 URL: <http://www.kikusui-chem.co.jp/ir/en/index.html>
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Scheduled date of ordinary general shareholders meeting: June 28, 2018

Scheduled date of payment of cash dividends: June 29, 2018

Scheduled date of filing securities report: June 28, 2018

Supplementary materials for financial results: No

Quarterly results briefing: No

(Amounts less than one million yen are rounded down.)

1. Consolidated Financial Results for FY2017 (April 1, 2017 through March 31, 2018)

(1) Consolidated Operating Results (fiscal year-to-date)

(Percentage figures represent year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
FY2017	20,718	1.0	124	(41.8)	146	(49.1)	32	(84.7)
FY2016	20,511	(6.6)	213	(62.7)	287	(53.9)	209	(46.6)

Note: Comprehensive income: 242 million yen < 32.6% > for FY2017, 182 million yen < (18.2%) > for FY2016

	Earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary income to assets	Ratio of operating income to net sales
	yen	yen	%	%	%
FY2017	2.56	—	0.3	0.8	0.6
FY2016	16.77	—	2.2	1.7	1.0

Reference: Equity in earnings (losses) of affiliates: -million yen for FY2017, -million yen for FY2016

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	million yen	million yen	%	yen
FY2017	18,328	9,638	51.9	761.00
FY2016	17,201	9,595	55.1	787.60

Reference: Owner's equity: 9,519 million yen for FY2017, 9,476 million yen for FY2017

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
FY2017	514	(1,381)	580	3,130
FY2016	446	(1,085)	467	3,356

2. Dividends

	Annual cash dividends per share					Total cash dividends (Annual) (million yen)	Payout ratio (Consolidated) (%)	Dividends per net assets (Consolidated) (%)
	At 1st quarter end (yen)	At 2nd quarter end (yen)	At 3rd quarter end (yen)	At fiscal year end (yen)	Total (yen)			
FY2016	—	7.00	—	9.00	16.00	200	95.4	2.1
FY2017	—	7.00	—	9.00	16.00	200	624.9	2.1
FY2018 forecast	—	7.00	—	9.00	16.00		307.9	

3. Forecast of Consolidated Operating Results for FY2018 (April 1, 2018 through March 31, 2019)

(Percentage figures represent year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
FY2018 1st half	10,370	3.7	119	(23.9)	107	(29.0)	7	(90.1)	0.56
FY2018	21,970	6.0	330	165.9	306	109.3	65	102.9	5.19

* Notes

(1) Significant changes in scope of consolidation: Applicable

Newly consolidated companies: - Exclude:-

(2) Changes in accounting principles and estimates, and retrospective restatement

i. Changes in accounting policies due to amendment of accounting standard: None

ii. Changes in accounting policies other than (i) above: None

iii. Changes in accounting estimates: None

iv. Retrospective restatement: None

(3) Number of shares issued (common stock)

i. Number of shares issued at end of period (including treasury stock)	FY2017	12,744,054	FY2016	12,744,054
ii. Number of shares of treasury stock at end of period	FY2017	234,893	FY2016	234,893
iii. Average number of shares issued during period	FY2017	12,509,161	FY2016	12,509,161

(Reference) Nonconsolidated Financial Results

1. Nonconsolidated Financial Results for FY2017 (April 1, 2017 through March 31, 2018)

(1) Nonconsolidated Operating Results

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
FY2017	19,764	0.7	163	(24.7)	193	(28.3)	91	(54.5)
FY2016	19,619	(6.9)	217	(63.2)	270	(57.8)	201	(50.7)

	Earnings per share		Diluted earnings per share	
	yen	yen	yen	yen
FY2017	7.32	—	—	—
FY2016	16.08	—	—	—

(2) Nonconsolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	million yen	million yen	%	yen
FY2017	17,711	9,703	54.8	775.75
FY2016	16,605	9,650	58.1	771.48

Reference: Owner's equity: 9,703 million yen for FY2017, 9,650 million yen for FY2016

2. Forecast of Nonconsolidated Operating Results for FY2018 (April 1, 2018 through March 31, 2019)

(Percentage figures represent year-on-year changes.)

	Net sales		Ordinary income		Net income		Earnings per share
	million yen	%	million yen	%	million yen	%	yen
FY2018 1st half	9,936	3.2	180	10.9	95	12.5	7.61
FY2018	20,959	6.0	514	165.6	289	216.4	23.17

- **This report is exempt from the audit procedure by certified public accountants and auditing firms**
- **Appropriate use of forecasts**

The operating result forecast and other forward-looking statements contained in this report are based on information currently available to the Company and certain assumptions the Company considers reasonable. Final results may differ significantly from forecasts due to a variety of factors.