

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2018 (Based on Japanese GAAP)

October 31, 2018

Company name: ASAHI YUKIZAI CORPORATION  
 Stock exchange listing: Tokyo  
 Stock code: 4216 URL <http://www.asahi-yukizai.co.jp>  
 Representative: President & Representative Director Kazuya Nakano  
 General Manager  
 Inquiries: General Affairs Department Gaku Kamei TEL 03-5826-8820  
 Scheduled date to file Quarterly Securities Report: November 9, 2018  
 Scheduled date to commence dividend payments: December 10, 2018  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts are rounded off to the nearest million yen)

### 1. Consolidated financial results for the six months ended September 30, 2018 (from April 1, 2018 to September 30, 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	%
Six months ended September 30, 2018	27,374	27.3	1,693	46.9	1,898	47.5	2,175	122.9
Six months ended September 30, 2017	21,503	13.7	1,153	98.6	1,287	529.5	976	—

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2018	113.63	—
Six months ended September 30, 2017	50.91	—

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2018	63,627	42,641	66.4	2,207.99
As of March 31, 2018	62,884	41,502	65.4	2,146.82

### 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	—	4.00	—	25.00	—
Year ending March 31, 2019	—	25.00			
Year ending March 31, 2019 (Forecast)			—	25.00	50.00

### 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	57,500	14.6	3,900	16.0	4,100	20.5	3,800	36.5	198.43

#### 4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2018  
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
- (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 September 30, 2018	19,800,400 shares	As of March 31, 2018	19,800,400 shares
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Number of treasury shares at the end of the period

As of September 30, 2018	666,499 shares	As of March 31, 2018	638,479 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2018	19,135,938 shares	Six months ended September 30, 2017	19,164,321 shares
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## Quarterly consolidated financial statements

### Consolidated balance sheets

(Millions of yen)

	As of March 31, 2018	As of September 30, 2018
<b>Assets</b>		
Current assets		
Cash and deposits	8,088	8,558
Notes and accounts receivable - trade	16,723	15,005
Electronically recorded monetary claims - operating	2,339	2,990
Inventories	8,732	9,973
Other	761	748
Allowance for doubtful accounts	(49)	(65)
Total current assets	36,593	37,209
Non-current assets		
Property, plant and equipment		
Land	6,485	6,584
Other, net	10,393	10,956
Total property, plant and equipment	16,879	17,541
Intangible assets		
Goodwill	682	653
Other	383	383
Total intangible assets	1,065	1,035
Investments and other assets		
Investment securities	4,227	3,834
Net defined benefit asset	3,209	3,200
Other	930	829
Allowance for doubtful accounts	(19)	(20)
Total investments and other assets	8,347	7,842
Total non-current assets	26,291	26,418
Total assets	62,884	63,627
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	6,815	6,422
Electronically recorded obligations - operating	4,335	4,580
Short-term loans payable	1,256	2,093
Income taxes payable	449	476
Other	3,938	3,862
Total current liabilities	16,794	17,433
Non-current liabilities		
Long-term loans payable	547	229
Provision for stocks payment	12	15
Provision for management board incentive plan trust	21	34
Net defined benefit liability	1,658	1,707
Other	2,350	1,568
Total non-current liabilities	4,588	3,553
Total liabilities	21,382	20,986

	(Millions of yen)	
	As of March 31, 2018	As of September 30, 2018
Net assets		
Shareholders' equity		
Capital stock	5,000	5,000
Capital surplus	8,497	8,497
Retained earnings	25,985	27,679
Treasury shares	(1,094)	(1,133)
Total shareholders' equity	38,388	40,043
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	907	809
Foreign currency translation adjustment	916	623
Remeasurements of defined benefit plans	927	773
Total accumulated other comprehensive income	2,750	2,204
Non-controlling interests	365	394
Total net assets	41,502	42,641
Total liabilities and net assets	62,884	63,627

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2017	Six months ended September 30, 2018
Net sales	21,503	27,374
Cost of sales	14,440	18,677
Gross profit	7,063	8,696
Selling, general and administrative expenses	5,911	7,003
Operating profit	1,153	1,693
Non-operating income		
Interest income	15	16
Dividend income	29	52
Share of profit of entities accounted for using equity method	4	—
Foreign exchange gains	87	115
Gain on investments in capital	—	7
Real estate rent	3	27
Other	24	22
Total non-operating income	162	240
Non-operating expenses		
Interest expenses	5	11
Loss on redemption of securities	1	—
Loss on valuation of investments in capital	13	—
Rent expenses on real estates	—	11
Other	10	12
Total non-operating expenses	28	35
Ordinary profit	1,287	1,898
Extraordinary income		
Gain on sales of non-current assets	4	13
Gain on sales of investment securities	—	1
Gain on bargain purchase	—	1,041
Total extraordinary income	4	1,054
Extraordinary losses		
Loss on step acquisitions	—	340
Loss on sales of non-current assets	5	0
Loss on retirement of non-current assets	16	20
Loss on liquidation of subsidiaries and associates	38	—
Total extraordinary losses	60	360
Profit before income taxes	1,231	2,592
Income taxes	243	395
Profit	988	2,197
Profit attributable to non-controlling interests	12	22
Profit attributable to owners of parent	976	2,175

# Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2017	Six months ended September 30, 2018
Profit	988	2,197
Other comprehensive income		
Valuation difference on available-for-sale securities	218	(64)
Deferred gains or losses on hedges	0	–
Foreign currency translation adjustment	(250)	(305)
Remeasurements of defined benefit plans, net of tax	(139)	(154)
Share of other comprehensive income of entities accounted for using equity method	9	(14)
Total other comprehensive income	(163)	(538)
Comprehensive income	825	1,659
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	813	1,629
Comprehensive income attributable to non-controlling interests	12	29