



Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2019 (Based on Japanese GAAP)

August 09, 2019

Company name: ADEKA CORPORATION

Stock exchange listing: Tokyo

Code number: 4401

URL: <https://www.adeka.co.jp>

Representative: HIDETAKA SHIROZUME PRESIDENT AND CHIEF OPERATING OFFICER

Contact: HIKARU KAGESHIMA GENERAL MANAGER, LEGAL AFFAIRS & PUBLICITY DEPARTMENT

Phone: 03-4455-2803

Scheduled date of filing quarterly securities report: August 09, 2019

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2019 (April 01, 2019 to June 30, 2019)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2019	70,155	13.6	4,493	(16.5)	4,229	(27.5)	3,214	(21.4)
June 30, 2018	61,779	7.5	5,384	3.2	5,832	6.7	4,090	6.0

(Note) Comprehensive income: Three months ended June 30, 2019: ¥ 2,405 million [(9.8) %]
Three months ended June 30, 2018: ¥ 2,667 million [(41.9) %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2019	31.21	-
June 30, 2018	39.74	-

(2) Consolidated Financial Position

	Total assets		Net assets		Capital adequacy ratio
	Million yen		Million yen		%
As of June 30, 2019	405,869		243,509		50.4
March 31, 2019	414,549		244,500		49.4

(Reference) Equity: As of June 30, 2019: ¥ 204,648 million
As of March 31, 2019: ¥ 204,580 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2019	-	21.00	-	24.00	45.00
Fiscal year ending March 31, 2020	-				
Fiscal year ending March 31, 2020 (Forecast)		24.00	-	24.00	48.00

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2020(April 01, 2019 to March 31, 2020)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ended September 30, 2019	151,000	19.7	8,500	(20.6)	8,200	(27.1)	5,500	(29.1)	53.41
Full year	320,000	6.9	22,500	(15.5)	22,500	(15.4)	14,800	(13.2)	143.71

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2019

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

June 30, 2019: 103,651,442 shares

March 31, 2019: 103,651,442 shares

2) Total number of treasury shares at the end of the period:

June 30, 2019: 667,803 shares

March 31, 2019: 667,521 shares

3) Average number of shares during the period:

Three months ended June 30, 2019: 102,983,643 shares

Three months ended June 30, 2018: 102,929,680 shares



Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2019	As of June 30,2019
Assets		
Current assets		
Cash and deposits	58,585	55,655
Notes and accounts receivable - trade	93,416	86,958
Securities	3,006	1,505
Merchandise and finished goods	40,330	40,916
Work in process	6,395	6,159
Raw materials and supplies	23,379	22,033
Other	8,420	8,920
Allowance for doubtful accounts	(447)	(458)
Total current assets	233,087	221,690
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	32,341	32,408
Machinery, equipment and vehicles, net	36,240	36,034
Land	29,802	29,755
Other, net	10,288	13,311
Total property, plant and equipment	108,672	111,510
Intangible assets		
Technical assets	9,450	9,201
Customer related assets	3,131	3,091
Other	5,013	4,881
Total intangible assets	17,596	17,174
Investments and other assets		
Investment securities	37,293	36,554
Other	17,899	18,939
Total investments and other assets	55,193	55,494
Total non-current assets	181,462	184,179
Total assets	414,549	405,869

	As of March 31,2019	As of June 30,2019
Liabilities		
Current liabilities		
Notes and accounts payable - trade	56,296	47,244
Short-term borrowings	21,718	23,224
Income taxes payable	4,197	2,198
Provision for bonuses	3,079	1,679
Other provisions	745	391
Other	21,118	22,899
Total current liabilities	107,156	97,637
Non-current liabilities		
Bonds payable	11,812	12,623
Long-term borrowings	19,617	19,275
Retirement benefit liability	18,853	19,003
Other provisions	225	221
Other	12,384	13,598
Total non-current liabilities	62,893	64,723
Total liabilities	170,049	162,360
Net assets		
Shareholders' equity		
Share capital	22,944	22,944
Capital surplus	20,023	20,023
Retained earnings	148,630	149,358
Treasury shares	(825)	(826)
Total shareholders' equity	190,772	191,500
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,098	9,534
Revaluation reserve for land	4,253	4,253
Foreign currency translation adjustment	1,867	1,706
Remeasurements of defined benefit plans	(2,411)	(2,346)
Total accumulated other comprehensive income	13,807	13,147
Non-controlling interests	39,919	38,861
Total net assets	244,500	243,509
Total liabilities and net assets	414,549	405,869



Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Million yen)

	For the three months ended June 30,2018	For the three months ended June 30,2019
Net sales	61,779	70,155
Cost of sales	47,196	51,895
Gross profit	14,582	18,260
Selling, general and administrative expenses	9,198	13,766
Operating profit	5,384	4,493
Non-operating income		
Interest income	57	109
Dividend income	189	289
Share of profit of entities accounted for using equity method	-	63
Foreign exchange gains	182	-
Other	177	119
Total non-operating income	606	581
Non-operating expenses		
Interest expenses	94	287
Share of loss of entities accounted for using equity method	9	-
Foreign exchange losses	-	366
Other	54	191
Total non-operating expenses	158	845
Ordinary profit	5,832	4,229
Extraordinary losses		
Loss on abandonment of non-current assets	68	46
Total extraordinary losses	68	46
Profit before income taxes	5,764	4,183
Income taxes - current	1,624	1,549
Income taxes - deferred	(133)	(512)
Total income taxes	1,490	1,036
Profit	4,274	3,146
Profit (loss) attributable to non-controlling interests	183	(67)
Profit attributable to owners of parent	4,090	3,214



Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Million yen)

	For the three months ended June 30,2018	For the three months ended June 30,2019
Profit	4,274	3,146
Other comprehensive income		
Valuation difference on available-for-sale securities	36	(797)
Foreign currency translation adjustment	(1,784)	(247)
Remeasurements of defined benefit plans, net of tax	62	63
Share of other comprehensive income of entities accounted for using equity method	78	239
Total other comprehensive income	(1,606)	(741)
Comprehensive income	2,667	2,405
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,733	2,554
Comprehensive income attributable to non-controlling interests	(65)	(148)