

Summary of Consolidated Financial Statements

Denka Company Limited

1. Consolidated Financial Results For the First Quarter Fiscal Year 2018 (Apr to Jun)

(1) Consolidated Results of Operations (Accumulated Total)

(Percentages show rate of change compared with the same term of the previous 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)	%
FY2018 1st Quarter Apr to Jun	93,969	3.7	6,931	7.8	8,008	8.4	6,228	3.1
FY2017 1st Quarter Apr to Jun	90,588	10.5	6,430	49.7	7,389	212.5	6,043	170.7

(Note) Comprehensive income	(Millions of Yen)	
FY2018 1st Quarter Apr to Jun	4,926	(Δ 6.7 %)
FY2017 1st Quarter Apr to Jun	5,281	(- %)

	Net income per share (basic)	Net income per share (diluted)
	(Yen)	(Yen)
FY2018 1st Quarter Apr to Jun	71.07	-
FY2017 1st Quarter Apr to Jun	68.29	-

The Company has consolidated its shares in the proportion of 5 common shares to 1 common share, effective as of October 1, 2017.

Net income per share is calculated under the assumption that the consolidation of shares was implemented at the beginning of the fiscal year 2017.

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	(Millions of Yen)	(Millions of Yen)	%	(Yen)
At end of Jun 2018	473,371	243,508	50.6	2,735.57
At end of Mar 2018	473,799	242,780	50.5	2,727.94

(Reference) Shareholder's equity	(Millions of Yen)
At end of Jun 2018	239,729
At end of Mar 2018	239,063

We have applied the Partial Amendment to Accounting Standard for Tax Effect Accounting (ASBJ Statement No. 28; February 16, 2018) since the beginning of the current consolidated accounting period. With regard to the consolidated financial position for the year ending March 31, 2018, the figures released will be those resulting from retroactive application of the standard.

2. Dividends

	Dividend per share				
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	Year-end	Annual
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
FY2017 Apr to Mar	-	10.00	-	55.00	-
FY2018 Apr to Mar	-				
FY2018 Apr to Mar (Forecast)		60.00	-	60.00	120.00

(Note) Revisions to dividend forecasts published most recently : None

The Company has consolidated its shares in the proportion of 5 common shares to 1 common share, effective as of October 1, 2017. As for the year-end dividends for the fiscal year ending March 31, 2018, we quote the amount that takes into account the impact of the said share consolidation.

The actual dividend that take into account the share consolidation for the fiscal year ending March 31, 2018 is as follows

Cash dividends per share (end of 2Q) : 50.00 yen
(Annual) : 105.00 yen

3. Consolidated Forecasts for the Fiscal Year Ending

(Percentages show rate of change compared with the same term of the previous year)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income Per Share
	(Millions of Yen)	%	(Millions of Yen)	%	(Millions of Yen)	%	(Millions of Yen)	%	(Yen)
FY2018 1st Half Apr to Sep	195,000	3.8	14,000	Δ 2.2	13,000	Δ 15.9	10,000	Δ 18.5	114.11
FY2018 Apr to Mar	410,000	3.6	36,000	7.0	34,000	7.9	25,000	8.5	285.27

(Note) Revisions to financial forecasts published most recently : No