

Summary of Consolidated Financial Statements

Denka Company Limited

1. Consolidated Financial Results For Fiscal Year 2017 (April to March)

(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)	%
FY2017 Apr to March	395,629	9.1	33,652	30.2	31,499	36.0	23,035	26.9
FY2016 Apr to March	362,647	△ 1.9	25,844	△ 15.6	23,158	△ 14.3	18,145	△ 6.8

(Note) Comprehensive income	(Millions of Yen)
FY2017 Apr to March	26,081 (28.7%)
FY2016 Apr to March	20,266 (43.9%)

	Net income per share (basic)	Net income per share (diluted)	Return on Equity	Return on Assets	Operating Income Ratio
	(Yen)	(Yen)	(%)	(%)	(%)
FY2017 Apr to March	261.80	-	10.0	6.8	8.5
FY2016 Apr to March	205.05	-	8.3	5.2	7.1

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 preceding fiscal year.

(Reference) Equity in earnings of affiliates	(Millions of Yen)
FY2017 Apr to March	1,105
FY2016 Apr to March	568

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	(Millions of Yen)	(Millions of Yen)	%	(Yen)
At end of March 2018	475,086	242,780	50.3	2,727.94
At end of March 2017	454,944	227,487	49.1	2,526.42

(Reference) Shareholder's equity	(Millions of Yen)
At end of March 2018	239,063
At end of March 2017	223,565

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

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

(3) Consolidated Statements of Cash Flows

	Cash Flow from Operating Activities	Cash Flow from Investing Activities	Cash Flow from Financing Activities	Cash and Cash Equivalents
	(Millions of Yen)	(Millions of Yen)	(Millions of Yen)	(Millions of Yen)
FY2017 Apr to March	48,776	△ 29,298	△ 15,858	14,101
FY2016 Apr to March	39,557	△ 22,258	△ 19,319	10,174

2. Dividends

	Dividend per share				
	End of 1st Quarter	End of 1st Half	End of 3rd Quarter	Year-end	Annual
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
FY2016 Apr to March	—	7.00	—	7.00	14.00
FY2017 Apr to March	—	10.00	—	55.00	—
FY2018 Apr to Mar (Forecast)	—	60.00	—	60.00	120.00

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 dividend forecast that does not take into account the share consolidation for the fiscal year ending March 31, 2018 is as follows

Cash dividends per share (end of 2Q) : 10.00 yen
(year end) : 11.00 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		Profit attributable to owners of parent		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	△ 2.2	13,000	△ 15.9	10,000	△ 18.5	114.11
FY2018 Apr to March	410,000	3.6	36,000	7.0	34,000	7.9	25,000	8.5	285.27