

Translation

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Summary of Consolidated Financial Results for the Three Months Ended March 31, 2019 (Based on Japanese GAAP)

May 8, 2019

Company name: EBARA JITSUGYO CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 6328 URL <https://www.ejk.co.jp/>
 Representative: Chairman & President HISASHI SUZUKI
 Senior Corporate Officer, Head of Corporate Planning & Strategy Office SHUJI OHNO TEL 03-5565-2885
 Inquiries: TEL 03-5565-2885
 Scheduled date to file Quarterly Securities Report: May 15, 2019
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended March 31, 2019 (from January 1, 2019 to March 31, 2019)

(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	%
Three months ended March 31, 2019	11,337	4.3	1,827	0.8	1,850	1.9	1,280	1.2
Three months ended March 31, 2018	10,869	3.3	1,813	2.5	1,815	2.0	1,265	1.4

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended March 31, 2019	194.28	–
Three months ended March 31, 2018	188.65	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2019	31,916	13,942	43.7
As of December 31, 2018	26,584	12,520	47.1

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 December 31, 2018	–	25.00	–	35.00	60.00
Year ending December 31, 2019	–	–	–	–	–
Year ending December 31, 2019 (Forecast)	–	30.00	–	30.00	60.00

3. Forecast of consolidated financial results for the year ending December 31, 2019 (from January 1, 2019 to December 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
Six months ending June 30, 2019	15,300	(4.9)	1,640	(6.2)	1,700	(5.6)	1,210	(4.3)	183.55
Full year	29,000	(1.0)	2,180	1.9	2,310	2.6	1,650	3.1	250.30

4. Notes

- (1) Changes in significant subsidiaries during the three months ended March 31, 2019
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (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 March 31, 2019	6,715,000 shares	As of December 31, 2018	6,715,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2019	122,867 shares	As of December 31, 2018	122,867 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2019	6,592,133 shares	Three months ended March 31, 2018	6,707,232 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of December 31, 2018	As of March 31, 2019
Assets		
Current assets		
Cash and deposits	6,170	6,687
Notes and accounts receivable - trade	10,486	15,214
Merchandise and finished goods	779	620
Work in process	217	227
Costs on uncompleted construction contracts	592	304
Raw materials and supplies	212	217
Other	96	67
Allowance for doubtful accounts	(1)	(1)
Total current assets	18,553	23,337
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,170	3,170
Accumulated depreciation	(1,675)	(1,698)
Buildings and structures, net	1,494	1,471
Machinery, equipment and vehicles	147	183
Accumulated depreciation	(94)	(95)
Machinery, equipment and vehicles, net	53	88
Tools, furniture and fixtures	612	621
Accumulated depreciation	(500)	(511)
Tools, furniture and fixtures, net	111	109
Land	1,360	1,360
Other	3	3
Accumulated depreciation	(3)	(3)
Other, net	0	0
Total property, plant and equipment	3,020	3,030
Intangible assets	78	99
Investments and other assets		
Investment securities	3,160	3,699
Insurance funds	933	908
Real estate for investment, net	692	690
Deferred tax assets	12	19
Other	240	237
Allowance for doubtful accounts	(107)	(107)
Total investments and other assets	4,931	5,448
Total non-current assets	8,031	8,578
Total assets	26,584	31,916

(Millions of yen)

	As of December 31, 2018	As of March 31, 2019
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,454	13,318
Short-term loans payable	1,090	1,090
Income taxes payable	443	669
Accrued consumption taxes	152	271
Advances received	1,391	852
Provision for bonuses	–	196
Provision for loss on construction contracts	115	115
Other	628	564
Total current liabilities	13,276	17,076
Non-current liabilities		
Deferred tax liabilities	417	517
Provision for directors' retirement benefits	158	158
Net defined benefit liability	139	147
Other	72	73
Total non-current liabilities	787	897
Total liabilities	14,064	17,973
Net assets		
Shareholders' equity		
Capital stock	1,001	1,001
Capital surplus	831	831
Retained earnings	9,912	10,962
Treasury shares	(291)	(291)
Total shareholders' equity	11,454	12,504
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,138	1,505
Remeasurements of defined benefit plans	(72)	(67)
Total accumulated other comprehensive income	1,066	1,438
Total net assets	12,520	13,942
Total liabilities and net assets	26,584	31,916

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended March 31, 2018	Three months ended March 31, 2019
Net sales	10,869	11,337
Cost of sales	7,731	8,207
Gross profit	3,138	3,129
Selling, general and administrative expenses	1,325	1,302
Operating profit	1,813	1,827
Non-operating income		
Interest income	0	1
Dividend income	6	9
Rent of real estate for investment	23	24
Other	1	1
Total non-operating income	31	36
Non-operating expenses		
Interest expenses	1	1
Rent expenses on real estates	9	9
Loss on insurance cancellation	15	1
Other	1	0
Total non-operating expenses	28	12
Ordinary profit	1,815	1,850
Profit before income taxes	1,815	1,850
Income taxes - current	609	641
Income taxes - deferred	(58)	(71)
Total income taxes	550	570
Profit	1,265	1,280
Profit attributable to owners of parent	1,265	1,280

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended March 31, 2018	Three months ended March 31, 2019
Profit	1,265	1,280
Other comprehensive income		
Valuation difference on available-for-sale securities	(271)	367
Remeasurements of defined benefit plans, net of tax	5	4
Total other comprehensive income	(265)	371
Comprehensive income	999	1,652
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	999	1,652
Comprehensive income attributable to non-controlling interests	—	—