

ZUKEN (6947)

Consolidated Fiscal Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY03/2017		22,199	1,596	1,571	1,206	51.9	20.0	1,208.8
FY03/2018		23,582	2,025	2,114	1,511	65.0	22.0	1,295.5
FY03/2019CoE		25,500	2,500	2,600	1,800	77.4	24.0	-
FY03/2018	YoY	6.2%	26.9%	34.6%	25.3%	-	-	-
FY03/2019CoE	YoY	8.1%	23.4%	22.9%	19.1%	-	-	-
Consolidated Q1 to Q3 (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 to Q3 FY03/2018		16,178	773	868	479	-	-	-
Q1 to Q3 FY03/2019		18,899	1,898	1,999	1,397	-	-	-
Q1 to Q3 FY03/2018	YoY	8.0%	96.7%	128.1%	103.4%	-	-	-
Q1 to Q3 FY03/2019	YoY	16.8%	145.4%	130.2%	191.4%	-	-	-

Source: Company Data, WRJ Calculation

1.0 Results Update (8 February 2019)

Benefit of Higher Sales

On 7 February 2019, ZUKEN, providing manufacturers based in Japan and overseas with design solutions, released its Q1 to Q3 FY03/2019 results. It has been revealed that sales increased by 16.8% over the same period in the previous year and by 145.4% for operating profit due mainly to benefit of higher sales. The Company's mainstay customer base, comprising all those manufacturers belonging to electronics, automobiles and industrial equipment by sector, has been keen on capex for some time, given recovered earnings, steadily driving demand for design solutions with which the Company is heavily involved. In the first place, demand for design solutions takes place in line with appetite for development of new products, which will remain consistent and stable over the long-term. In other words, although some final products are currently suffering from decreased production volumes, e.g., in the domain of consumer electronics, etc., it appears that the Company's business performance could be almost immune to all those recent situations. Meanwhile, the Company to see long-term growth driven by paradigm shift on the manufacture is aggressively implementing M&A measure to further get the growth convinced. On 29 January 2019, it was released that Company was to [acquire Vitech Corporation based in the United States](#) with an objective to fully enter the domain of solutions for MBSE (Model-Based Systems Engineering).


For your information: [ZUKEN \(6947\) Paradigm Shift \(17 December 2018\)](#)

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2.0 Company Profile

Providing Comprehensive IT Solutions on the Manufacture

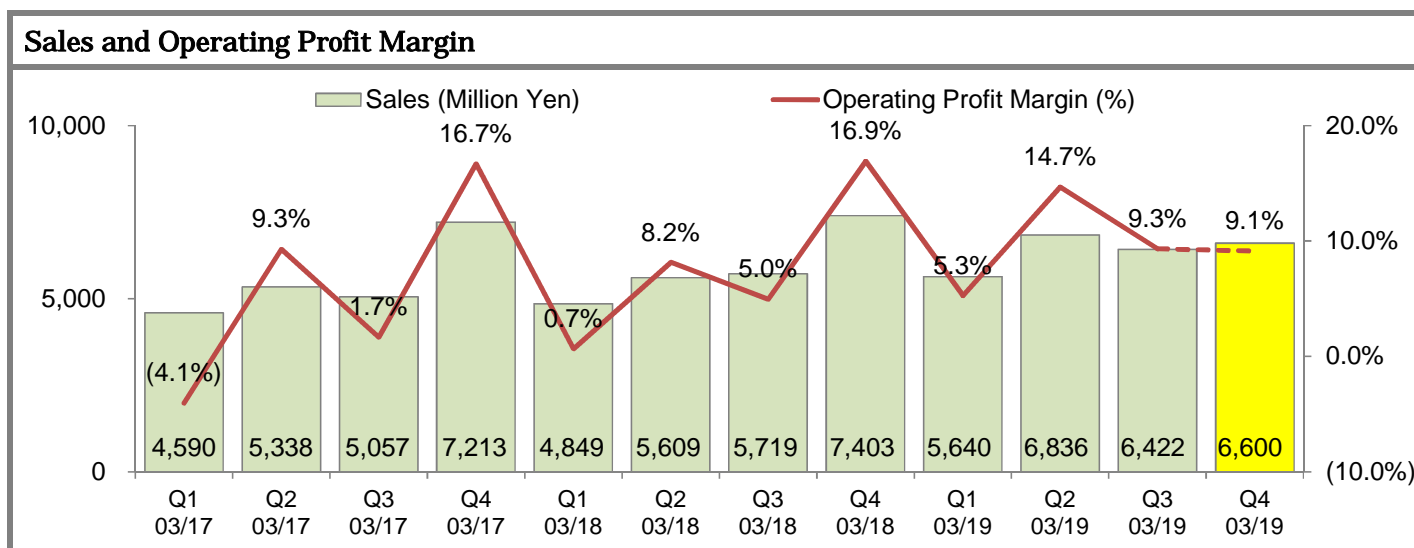
Company Name	ZUKEN INC. Company Website IR Information Share Price (Japanese)	
Established	17 December 1976	
Listing	15 June 1987: Tokyo Stock Exchange 1st Section (ticker: 6947)	
Capital	¥10,117m (as of the end of December 2018)	
No. of Shares	23,267,169 shares, including 17,267 treasury shares (as of the end of Dec. 2018)	
Main Features	<ul style="list-style-type: none"> ● The largest of design solutions in Japan with market share more than 60% ● License sales of packaged software to design PCBs and circuits ● Propelling MBSE (Model-Based Systems Engineering) 	
Businesses	<ul style="list-style-type: none"> . Printed Circuit Board Design Solutions . Circuit Design Solutions . IT Solutions . Client Services . Other 	
Top Management	President and Representative Director: Makoto Kaneko	
Shareholders	Makoto Kaneko 19.3%, Makoto Kaneko Holdings 13.9% (as of the end of Sep. 2018)	
Headquarters	Tsuzuki-ku, Yokohama-city, Kanagawa-prefecture, JAPAN	
No. of Employees	Consolidated: 1,301, Parent: 408 (as of the end of September 2018)	

Source: Company Data

3.0 Recent Trading and Prospects

Q1 to Q3 FY03/2019 Results

In Q1 to Q3 FY03/2019, sales came in at ¥18,899m (up 16.8% YoY), operating profit ¥1,898m (up 145.5%), recurring profit ¥1,999m (up 130.2%) and profit attributable to owners of parent ¥1,397m (up 191.4%), while operating profit margin 10.0% (up 5.3% points).

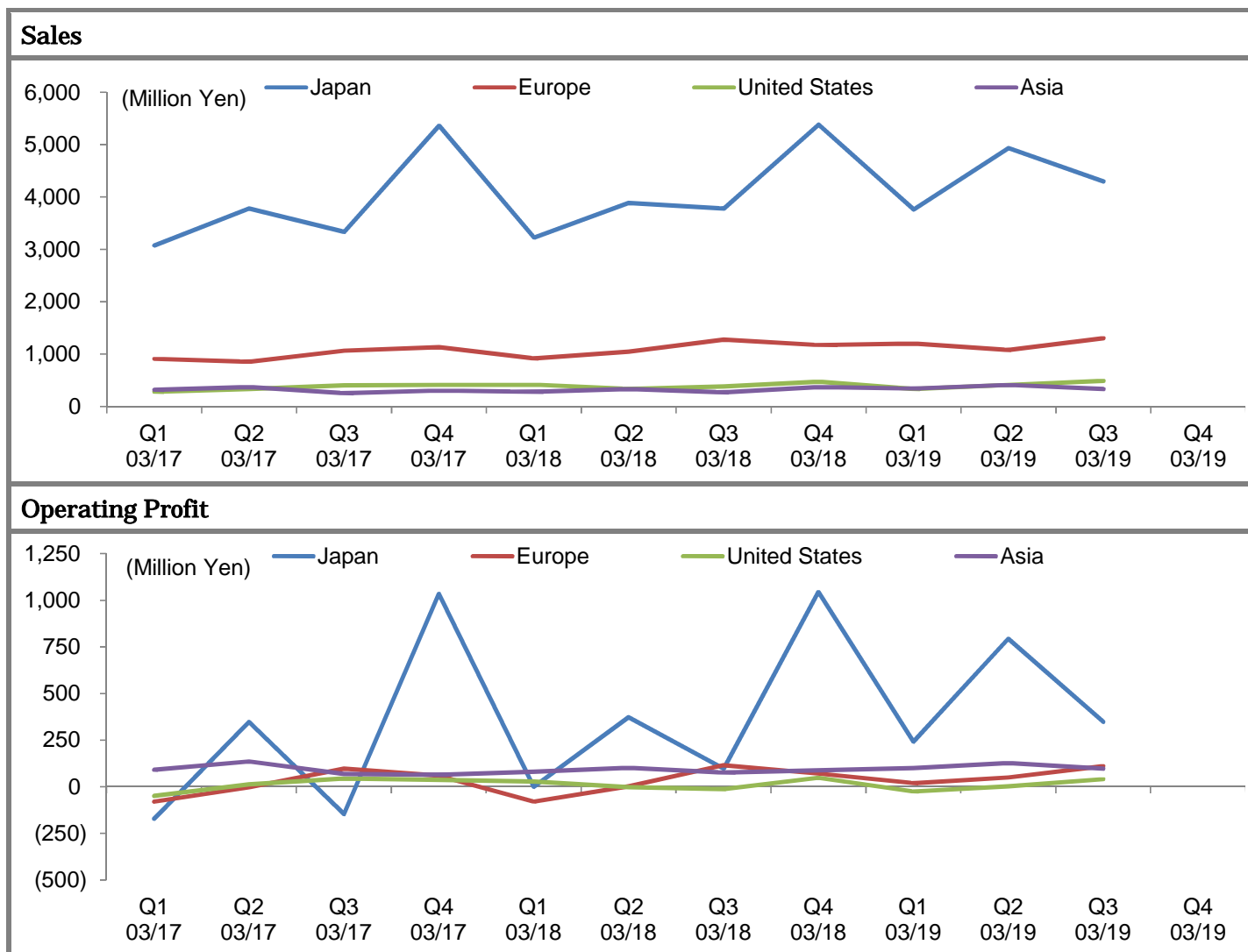


Source: Company Data, WRJ Calculation

By product category, sales of Printed Circuit Board Design Solutions came in at ¥2,974m (up 20.0%), sales of Circuit Design Solutions ¥4,137m (up 32.1%), sales of IT Solutions ¥3,901m (up 31.2%), sales of Client Services ¥7,882m (up 3.8%) and sales of Other ¥3m. In regards to Circuit Design Solutions to have driven sales as a whole for the Company most substantially, the Company mentions that sales were buoyant for “E3.series” or wire harness design solutions. On top of this, in regards to IT Solutions to have driven sales as a whole for the Company to almost the same extent, sales were favorable for “DS-CR” or design data management system and for network-related products in particular.

Meanwhile, gross profit came in at ¥13,609m (up 15.6%) and SG&A expenses ¥11,711m (up 6.5%). Surging sales of above-mentioned network-related products to stock and sell must have been a negative factor for sales mix, but the Company saw gross profit margin of 72.0% (down 0.7%). In other words, steady increases of sales as a whole for the Company led to increases of gross profit almost to the same extent, while SG&A expenses did not increase as much as that. At the end of the day, operating profit surged as well as operating profit margin, implying benefit of higher sales being well generated.

Elsewhere, it should be spotted that sales as a whole for the Company are inclined to concentrate in Q4 to a large extent due to those of mainstay Japan where it takes place because of seasonal factors. Indeed, it was the case in FY03/2017 and also in FY03/2018. More importantly, above-mentioned benefit of higher sales was maximized, having resulted in operating profit margin outstandingly high. Still, when just simply based on Q1 to Q3 results, FY03/2019 Company forecasts now assume that does not take place. However, this looks ostensible and we are going for a high probability that the Company will see the same trend with its business performance as in the past two years.



Source: Company Data, WRJ Calculation

In Japan, sales came in at ¥12,991m (up 19.2%), operating profit ¥1,386m (up 194.4%) and operating profit margin 10.7% (up 6.3% points). Given the fact that Japan accounted for 68.7% of sales as a whole for the Company and 72.5% of operating profit (before elimination), it should be the case that business performance as a whole for the Company hinges on that of Japan. Meanwhile, the Company sees market shares overseas far smaller than that of Japan, but the Company suggests edging up market shares overseas across the board in recent trading. Thus, the Company sees benefit of higher sales overseas too, consistently driving earnings in there.

FY03/2019 Company Forecasts

FY03/2019 initial Company forecasts have remained unchanged, going for prospective sales of ¥25,500m (up 8.1% YoY), operating profit of ¥2,500m (up 23.4%), recurring profit of ¥2,600m (up 22.9%) and profit attributable to owners of parent of ¥1,800m (up 19.1%), while operating profit margin of 9.8% (up 1.2% points). At the same time, Company forecasts have also remained unchanged for prospective dividend, going for ¥24.0 per share, implying payout ratio of 31.0%.

4.0 Financial Statements

Income Statement (Cumulative, Quarterly)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		Net Chg.
	03/2018	03/2018	03/2018	03/2018	03/2019	03/2019	03/2019	03/2019		
Sales	4,849	10,458	16,178	23,582	5,640	12,477	18,899	-		+2,721
Cost of Sales	1,232	2,780	4,407	6,413	1,502	3,489	5,290	-		+882
Gross Profit	3,617	7,678	11,770	17,168	4,137	8,988	13,609	-		+1,839
SG&A	3,584	7,188	10,997	15,143	3,840	7,688	11,711	-		+714
Operating Profit	32	489	773	2,025	297	1,299	1,898	-		+1,124
Non Operating Balance	42	65	95	89	48	95	101	-		+5
Recurring Profit	75	555	868	2,114	345	1,395	1,999	-		+1,130
Extraordinary Balance	(1)	0	(58)	(20)	23	22	19	-		+78
Profit before Income Taxes	74	554	810	2,093	368	1,418	2,019	-		+1,209
Total Income Taxes	54	222	338	547	132	425	628	-		+290
NP Belonging to Non-Controlling SHs	(6)	(4)	(8)	34	(17)	8	(6)	-		+1
Profit Attributable to Owners of Parent	26	336	479	1,511	254	984	1,397	-		+917
Sales YoY	+5.7%	+5.3%	+8.0%	+6.2%	+16.3%	+19.3%	+16.8%	-		-
Operating Profit YoY	-	+58.4%	+96.7%	+26.9%	+814.6%	+165.4%	+145.4%	-		-
Recurring Profit YoY	-	+199.3%	+128.1%	+34.6%	+358.6%	+151.4%	+130.2%	-		-
Profit Attributable to Owners of Parent YoY	-	+276.9%	+103.4%	+25.3%	+868.1%	+192.2%	+191.4%	-		-
Gross Profit Margin	74.6%	73.4%	72.8%	72.8%	73.4%	72.0%	72.0%	-		(0.7%)
(SG&A / Sales)	73.9%	68.7%	68.0%	64.2%	68.1%	61.6%	62.0%	-		(6.0%)
Operating Profit Margin	0.7%	4.7%	4.8%	8.6%	5.3%	10.4%	10.0%	-		+5.3%
Recurring Profit Margin	1.6%	5.3%	5.4%	9.0%	6.1%	11.2%	10.6%	-		+5.2%
Profit Attributable to Owners of Parent Margin	0.5%	3.2%	3.0%	6.4%	4.5%	7.9%	7.4%	-		+4.4%
Total Income Taxes / Profit before Income Taxes	73.0%	40.1%	41.8%	26.2%	35.9%	30.0%	31.1%	-		(10.7%)
Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Net Chg.
	03/2018	03/2018	03/2018	03/2018	03/2019	03/2019	03/2019	03/2019		
Sales	4,849	5,609	5,719	7,403	5,640	6,836	6,422	-		+702
Cost of Sales	1,232	1,548	1,627	2,005	1,502	1,986	1,800	-		+173
Gross Profit	3,617	4,060	4,092	5,398	4,137	4,850	4,621	-		+529
SG&A	3,584	3,603	3,808	4,146	3,840	3,847	4,023	-		+214
Operating Profit	32	457	283	1,251	297	1,002	598	-		+314
Non Operating Balance	42	22	30	(5)	48	47	5	-		(24)
Recurring Profit	75	479	313	1,245	345	1,049	604	-		+290
Extraordinary Balance	(1)	0	(57)	37	23	0	(2)	-		+55
Profit before Income Taxes	74	480	255	1,283	368	1,049	601	-		+345
Total Income Taxes	54	167	116	209	132	292	203	-		+87
NP Belonging to Non-Controlling SHs	(6)	1	(3)	42	(17)	26	(15)	-		(11)
Profit Attributable to Owners of Parent	26	310	142	1,031	254	730	413	-		+270
Sales YoY	+5.7%	+5.1%	+13.1%	+2.6%	+16.3%	+21.9%	+12.3%	-		-
Operating Profit YoY	-	(7.7%)	+237.8%	+4.1%	+814.6%	+119.3%	+110.9%	-		-
Recurring Profit YoY	-	+2.0%	+60.5%	+4.6%	+358.6%	+118.9%	+92.5%	-		-
Profit Attributable to Owners of Parent YoY	-	(8.8%)	(2.5%)	+6.3%	+868.1%	+135.1%	+189.5%	-		-
Gross Profit Margin	74.6%	72.4%	71.5%	72.9%	73.4%	70.9%	72.0%	-		+0.4%
(SG&A / Sales)	73.9%	64.2%	66.6%	56.0%	68.1%	56.3%	62.6%	-		(3.9%)
Operating Profit Margin	0.7%	8.2%	5.0%	16.9%	5.3%	14.7%	9.3%	-		+4.4%
Recurring Profit Margin	1.6%	8.6%	5.5%	16.8%	6.1%	15.4%	9.4%	-		+3.9%
Profit Attributable to Owners of Parent Margin	0.5%	5.5%	2.5%	13.9%	4.5%	10.7%	6.4%	-		+3.9%
Total Income Taxes / Profit before Income Taxes	73.0%	35.0%	45.5%	16.3%	35.9%	27.9%	33.9%	-		(11.7%)

Source: Company Data, WRJ Calculation

Sales By Product Category (Cumulative, Quarterly)

Sales by Product Category		Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)		Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Net Chg.
		03/2018	03/2018	03/2018	03/2018	03/2019	03/2019	03/2019	03/2019	
Printed Circuit Board Design Solutions		802	1,620	2,477	3,772	812	1,881	2,974	-	+496
Circuit Design Solutions		888	1,999	3,131	4,947	1,131	2,702	4,137	-	+1,006
IT Solutions		737	1,845	2,974	4,799	1,001	2,662	3,901	-	+926
Client Services		2,421	4,992	7,593	10,058	2,694	5,228	7,882	-	+288
Other		0	0	0	3	0	3	3	-	+3
Sales		4,849	10,458	16,178	23,582	5,640	12,477	18,899	-	+2,721
Printed Circuit Board Design Solutions		+5.3%	(6.2%)	+3.3%	+2.0%	+1.3%	+16.1%	+20.0%	-	-
Circuit Design Solutions		+0.9%	+4.8%	+9.5%	+10.0%	+27.4%	+35.2%	+32.1%	-	-
IT Solutions		+4.8%	+5.9%	+5.2%	+2.1%	+35.8%	+44.2%	+31.2%	-	-
Client Services		+7.9%	+9.8%	+10.1%	+8.3%	+11.3%	+4.7%	+3.8%	-	-
Other		+800.0%	(27.6%)	(59.3%)	(51.7%)	+77.8%	+500.2%	+353.3%	-	-
Sales (YoY)		+5.7%	+5.3%	+8.0%	+6.2%	+16.3%	+19.3%	+16.8%	-	-
Printed Circuit Board Design Solutions		16.5%	15.5%	15.3%	16.0%	14.4%	15.1%	15.7%	-	-
Circuit Design Solutions		18.3%	19.1%	19.4%	21.0%	20.1%	21.7%	21.9%	-	-
IT Solutions		15.2%	17.6%	18.4%	20.4%	17.8%	21.3%	20.6%	-	-
Client Services		49.9%	47.7%	46.9%	42.7%	47.8%	41.9%	41.7%	-	-
Other		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	-
Sales (Composition)		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-

Sales by Product Category		Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Net Chg.
		03/2018	03/2018	03/2018	03/2018	03/2019	03/2019	03/2019	03/2019	
Printed Circuit Board Design Solutions		802	818	857	1,294	812	1,069	1,092	-	+235
Circuit Design Solutions		888	1,111	1,131	1,816	1,131	1,570	1,435	-	+303
IT Solutions		737	1,108	1,128	1,825	1,001	1,660	1,238	-	+110
Client Services		2,421	2,571	2,600	2,464	2,694	2,533	2,654	-	+53
Other		0	0	0	2	0	2	0	-	+0
Sales		4,849	5,609	5,719	7,403	5,640	6,836	6,422	-	+702
Printed Circuit Board Design Solutions		+5.3%	(15.3%)	+28.2%	(0.6%)	+1.3%	+30.7%	+27.4%	-	-
Circuit Design Solutions		+0.9%	+8.1%	+18.8%	+11.0%	+27.4%	+41.4%	+26.8%	-	-
IT Solutions		+4.8%	+6.6%	+4.0%	(2.6%)	+35.8%	+49.9%	+9.8%	-	-
Client Services		+7.9%	+11.6%	+10.7%	+2.9%	+11.3%	(1.5%)	+2.0%	-	-
Other		+800.0%	(39.3%)	(75.3%)	(48.8%)	+77.8%	+589.0%	+135.2%	-	-
Sales (YoY)		+5.7%	+5.1%	+13.1%	+2.6%	+16.3%	+21.9%	+12.3%	-	-
Printed Circuit Board Design Solutions		16.5%	14.6%	15.0%	17.5%	14.4%	15.6%	17.0%	-	-
Circuit Design Solutions		18.3%	19.8%	19.8%	24.5%	20.1%	23.0%	22.4%	-	-
IT Solutions		15.2%	19.8%	19.7%	24.7%	17.8%	24.3%	19.3%	-	-
Client Services		49.9%	45.8%	45.5%	33.3%	47.8%	37.1%	41.3%	-	-
Other		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	-
Sales (Composition)		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-

Source: Company Data, WRJ Calculation

Segmented Information (Cumulative, Quarterly)

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 03/2018	Q1 to Q2 03/2018	Q1 to Q3 03/2018	Q1 to Q4 03/2018	Q1 03/2019	Q1 to Q2 03/2019	Q1 to Q3 03/2019	Q1 to Q4 03/2019		
Japan	3,228	7,117	10,900	16,282	3,762	8,696	12,991	-	+2,091	
Europe	919	1,969	3,247	4,420	1,202	2,281	3,587	-	+340	
United States	418	754	1,140	1,615	334	746	1,232	-	+92	
Asia	283	617	891	1,264	341	753	1,087	-	+196	
Sales	4,849	10,458	16,178	23,582	5,640	12,477	18,899	-	+2,721	
Japan	0	373	470	1,516	243	1,038	1,386	-	+915	
Europe	(79)	(76)	40	112	19	70	180	-	+140	
United States	28	26	13	62	(25)	(23)	18	-	+4	
Asia	80	181	257	346	100	228	327	-	+69	
Segment profit	29	505	782	2,037	336	1,313	1,912	-	+1,129	
Elimination	2	(15)	(9)	(12)	(39)	(13)	(14)	-	(4)	
Operating Profit	32	489	773	2,025	297	1,299	1,898	-	+1,124	
Japan	0.0%	5.2%	4.3%	9.3%	6.5%	11.9%	10.7%	-	+6.3%	
Europe	(8.6%)	(3.9%)	1.2%	2.5%	1.6%	3.1%	5.0%	-	+3.8%	
United States	6.8%	3.5%	1.2%	3.9%	(7.8%)	(3.1%)	1.5%	-	+0.3%	
Asia	28.3%	29.4%	28.9%	27.4%	29.3%	30.3%	30.1%	-	+1.2%	
Elimination	0.1%	(0.1%)	(0.1%)	(0.1%)	(0.7%)	(0.1%)	(0.1%)	-	(0.0%)	
Operating Profit Margin	0.7%	4.7%	4.8%	8.6%	5.3%	10.4%	10.0%	-	+5.3%	

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 03/2018	Q2 03/2018	Q3 03/2018	Q4 03/2018	Q1 03/2019	Q2 03/2019	Q3 03/2019	Q4 03/2019		
Japan	3,228	3,888	3,782	5,382	3,762	4,933	4,295	-	+512	
Europe	919	1,049	1,277	1,173	1,202	1,079	1,306	-	+28	
United States	418	336	385	475	334	412	486	-	+100	
Asia	283	334	273	372	341	411	334	-	+61	
Sales	4,849	5,609	5,719	7,403	5,640	6,836	6,422	-	+702	
Japan	0	373	97	1,045	243	794	348	-	+250	
Europe	(79)	2	116	71	19	50	110	-	(6)	
United States	28	(2)	(12)	48	(25)	2	41	-	+54	
Asia	80	101	76	88	100	128	98	-	+22	
Segment profit	29	475	277	1,254	336	976	598	-	+321	
Elimination	2	(17)	5	(2)	(39)	26	0	-	(6)	
Operating Profit	32	457	283	1,251	297	1,002	598	-	+314	
Japan	0.0%	9.6%	2.6%	19.4%	6.5%	16.1%	8.1%	-	+5.5%	
Europe	(8.6%)	0.3%	9.1%	6.1%	1.6%	4.7%	8.5%	-	(0.7%)	
United States	6.8%	(0.6%)	(3.3%)	10.3%	(7.8%)	0.6%	8.6%	-	+11.8%	
Asia	28.3%	30.3%	28.0%	23.7%	29.3%	31.2%	29.5%	-	+1.5%	
United States	0.1%	(0.3%)	0.1%	(0.0%)	(0.7%)	0.4%	(0.0%)	-	(0.1%)	
Operating Profit Margin	0.7%	8.2%	5.0%	16.9%	5.3%	14.7%	9.3%	-	+4.4%	

Source: Company Data, WRJ Calculation

Balance Sheet (Quarterly)

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 03/2018	Q2 03/2018	Q3 03/2018	Q4 03/2018	Q1 03/2019	Q2 03/2019	Q3 03/2019	Q4 03/2019		
Cash & Deposit	15,748	16,299	15,999	16,868	18,009	17,849	17,967	-	-	+1,968
Accounts Receivables	3,453	3,607	3,959	5,375	3,780	4,425	3,862	-	-	(97)
Securities	6,700	6,700	6,700	6,700	6,700	6,700	6,700	-	-	-
Inventory	486	526	581	369	503	511	703	-	-	+121
Other	2,821	2,669	2,568	2,127	2,422	2,395	2,332	-	-	(235)
Current Assets	29,210	29,802	29,809	31,442	31,415	31,882	31,565	-	-	+1,756
Tangible Assets	6,357	6,359	6,343	6,360	6,352	6,364	6,289	-	-	(53)
Intangible Assets	1,531	1,485	1,416	1,361	1,286	1,224	1,158	-	-	(258)
Investments & Other Assets	3,719	3,656	3,929	4,483	4,668	6,108	5,124	-	-	+1,194
Fixed Assets	11,607	11,501	11,690	12,205	12,308	13,698	12,573	-	-	+882
Total Assets	40,817	41,304	41,499	43,647	43,724	45,580	44,138	-	-	+2,639
Accounts Payables	448	539	542	726	518	754	562	-	-	+20
Short Term Debt	-	-	-	-	-	-	-	-	-	-
Advance Payment	5,736	5,365	5,246	5,256	6,105	5,603	5,328	-	-	+82
Other	2,247	2,597	2,486	3,300	2,478	2,857	2,631	-	-	+145
Current Liabilities	8,432	8,502	8,274	9,282	9,102	9,215	8,522	-	-	+247
Long Term Debt	-	-	-	-	-	-	-	-	-	-
Other	3,841	3,890	3,986	3,816	3,841	3,953	3,845	-	-	(141)
Fixed Liabilities	3,841	3,890	3,986	3,816	3,841	3,953	3,845	-	-	(141)
Total Liabilities	12,273	12,393	12,261	13,099	12,943	13,168	12,368	-	-	+106
Shareholders' Equity	28,182	28,493	28,403	29,435	29,410	30,141	30,274	-	-	+1,870
Other	361	417	834	1,111	1,370	2,270	1,496	-	-	+661
Net Assets	28,544	28,910	29,238	30,547	30,780	32,411	31,770	-	-	+2,532
Total Liabilities & Net Assets	40,817	41,304	41,499	43,647	43,724	45,580	44,138	-	-	+2,639
Equity Capital	28,145	28,520	28,852	30,119	30,387	31,992	31,366	-	-	+2,514
Interest Bearing Debt	-	-	-	-	-	-	-	-	-	-
Net Debt	(15,748)	(16,299)	(15,999)	(16,868)	(18,009)	(17,849)	(17,967)	-	-	(1,968)
Equity Ratio	69.0%	69.0%	69.5%	69.0%	69.5%	70.2%	71.1%	-	-	+1.5%
Net Debt Equity Ratio	(56.0%)	(57.1%)	(55.5%)	(56.0%)	(59.3%)	(55.8%)	(57.3%)	-	-	(1.8%)
ROE (12 months)	5.3%	5.2%	5.1%	5.2%	5.9%	7.1%	8.1%	-	-	+2.9%
ROA (12 months)	4.9%	4.9%	5.1%	5.0%	5.6%	6.8%	7.6%	-	-	+2.4%
Days for Inventory Turnover	36	31	33	17	31	23	36	-	-	-
Quick Ratio	228%	234%	241%	240%	239%	242%	256%	-	-	-
Current Ratio	346%	350%	360%	339%	345%	346%	370%	-	-	-

Source: Company Data, WRJ Calculation

Cash Flow Statement (Cumulative)

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 03/2018	Q1 to Q2 03/2018	Q1 to Q3 03/2018	Q1 to Q4 03/2018	Q1 03/2019	Q1 to Q2 03/2019	Q1 to Q3 03/2019	Q1 to Q4 03/2019		
Operating Cash Flow	-	2,378	-	3,547	-	2,053	-	-	-	-
Investing Cash Flow	-	(380)	-	(592)	-	(876)	-	-	-	-
Operating CF & Investing CF	-	1,997	-	2,954	-	1,176	-	-	-	-
Financing Cash Flow	-	(266)	-	(558)	-	(302)	-	-	-	-

Source: Company Data, WRJ Calculation

Disclaimer

Information here is a summary of “IR Information” of the Company, compiled by Walden Research Japan, from a neutral and professional standing point, in the form of a report. “IR Information” of the Company comprises a) contents of our interview with the Company, b) contents of presentations for institutional investors, c) contents of timely disclosed information and d) contents of the homepage etc.

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