## **Walden Research Japan**

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# **FREUND CORPORATION (6312)**

Consolidated FY		Sales	Operating	Recurring	Profit Attributable to	EPS	DPS	BPS
(Million Yen)		Sales	Profit	Profit	Owners of Parent	(Yen)	(Yen)	(Yen)
FY02/2017		21,164	2,041	2,097	1,064	61.7	20.0	706.6
FY02/2018		19,801	1,971	1,994	1,477	85.7	20.0	767.9
FY02/2019CoE		20,000	1,900	1,900	1,350	78.3	20.0	-
FY02/2018	YoY	(6.4%)	(3.4%)	(4.9%)	38.8%	-	-	-
FY02/2019CoE	YoY	1.0%	(3.6%)	(4.7%)	(8.6%)	-	-	-
Consolidated Half Year		Sales	Operating	Recurring	Profit Attributable to	EPS	DPS	BPS
(Million Yen)		Jales	Profit	Profit	Owners of Parent	(Yen)	(Yen)	(Yen)
Q1 to Q2 FY02/2019		9,117	592	684	466	-	-	-
Q3 to Q4 FY02/2019CoE		10,882	1,307	1,215	883	-	-	-
Q1 to Q2 FY02/2019	YoY	(6.9%)	(44.8%)	(37.3%)	(36.5%)	-	-	-
Q3 to Q4 FY02/2019CoE	YoY	8.7%	45.8%	34.7%	18.9%	-	-	-

Source: Company Data, WRJ Calculation

## 1.0 Results Update (5 October 2018)

#### **Recovery of Order Intake**

On 5 October 2018, FREUND CORPORATION, developing, manufacturing and selling equipment of pharmaceutical and industrial domains as the key earnings pillar, released its Q1 to Q2 FY02/2019 results. It has been revealed that order intake on the Equipment side sees a recovery due to large-scale project, while sales and earnings are buoyant on the Chemicals side. In Q1 to Q2, order intake on the Equipment side came in at  $\pm$ 6,518m (up 8.9% YoY), while  $\pm$ 2,553m in Q1 and  $\pm$ 3,964m in Q2, suggesting increases by no less than 55.2% on a quarter on quarter basis. As far as we could gather, the Company saw order intake on large-scale project overseas in regards to the mainstay pharmaceutical domain, which was the key driver. Increasing sales and earnings on the Chemicals side are basically in line with those of pharmaceutical excipients in Japan and overseas. In Japan, sales associated with generic drugs were favorable, while exports to India overseas. Meanwhile, given ongoing firm demand, the Company has decided to beef up capacity for pharmaceutical excipients as soon as possible.

We are to attend the Company's results meeting on 18 October in order to gather information more in depth as well as interviewing with management afterwards so that we should be able to update <u>FREUND</u> <u>CORPORATION (6312) Still Slowing (2 August 2018)</u> and to release anew.

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## 2.0 Company Profile

Developing, Ma	nufacturing and Selling Equipment for Pharmaceutical and Industrial Domains
Company Name	FREUND CORPORATION
	Company Website
	Company Website   IR Information
	Share Price (Japanese)
Established	22 April 1964
Listing	24 July 1996: Tokyo Stock Exchange JASDAQ Standard (ticker: 6312)
Capital	¥1,035m (as of the end of August 2018)
No. of Shares	18,400,000 shares, including 1,655,478 treasury shares (as of the end of Aug. 2018)
Main Features	• Leading the domestic market of Japan for granulation/coating equipment with
	market share of 60% to 70%
	• One of the three largest on a global basis
	• Focus on new fields, i.e., tablet-printing equipment (TABREX), rechargeable-
	battery-related manufacturing equipment, etc.
Business Segments	. Equipment
	. Chemicals
Top Management	President & CEO: Iwao Fusejima
Shareholders	KK Fusejima Yokosha 8.96%, Yasutoyo Fusejima 7.18%, MUFG Bank, Ltd. 4.54%
	(as of the end of August 2018)
Headquarters	FREUND Bldg., 6-25-13 Nishishinjuku, Shinjuku-ku, Tokyo, JAPAN
No. of Employees	Consolidated: 415, Parent: 241 (as of the end of August 2018)

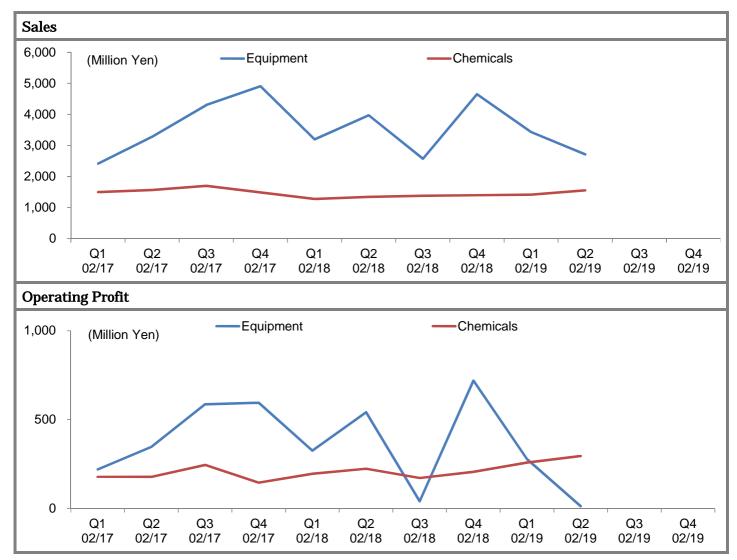
Source: Company Data

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## 3.0 Recent Trading and Prospects

#### Q1 to Q2 FY02/2019 Results

In Q1 to Q2 FY02/2019, sales came in at \$9,117m (down 6.9% YoY), operating profit \$592m (down 44.8%), recurring profit \$684m (down 37.3%) and profit attributable to owners of parent \$466m (down 36.5%), while operating profit margin 6.5% (down 4.5% points).

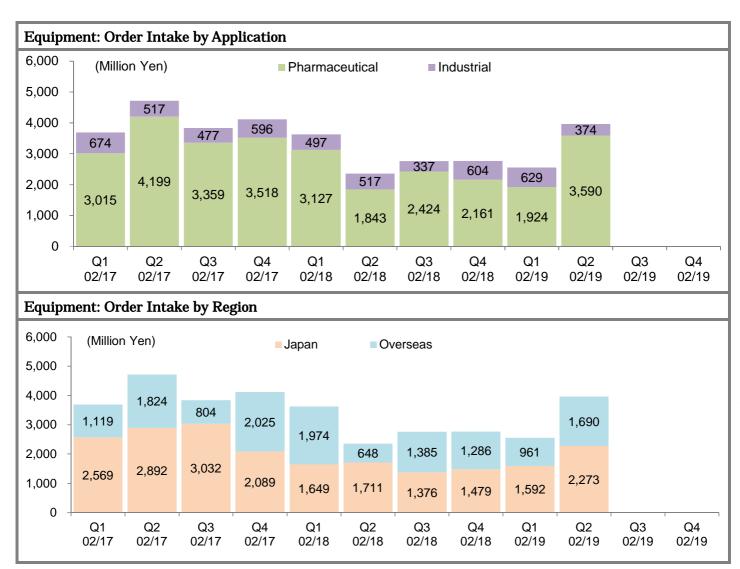


Source: Company Data, WRJ Calculation

By business segment, Equipment saw sales of \$6,145m (down 14.3%), segment profit of \$291m (down 66.5%) and segment profit margin of 4.7% (down 7.4% points), while Chemicals sales of \$2,971m (up 13.5%), segment profit of \$556m (up 32.1%) and segment profit margin of 18.7% (up 2.6% points). Meanwhile, the Company saw total segment profit (before elimination) of \$847m as a whole for the Company, suggesting that Equipment accounted for 34.4% of total and Chemicals 65.6%. Over the past 5 years, Equipment used to account for some 70% and thus the Company saw almost a reversal of the said ratio between the two business segments as far as Q1 to Q2 results were concerned. This was due mainly to major adjustments of earnings on the Equipment side. Sales in Japan came in at \$4,352m (down 4.5%) and sales overseas \$1,793m (down 31.4%), having resulted in falling sales as a whole for the Equipment side, while gross profit margin was under pressure as far as we could see.

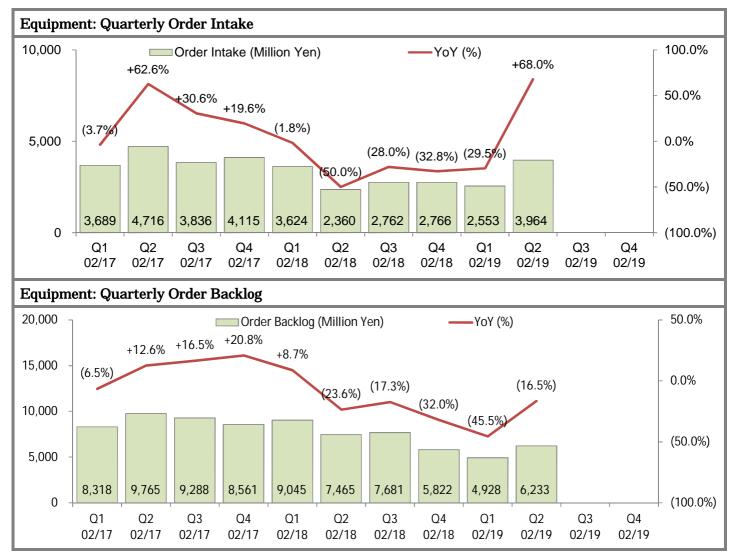
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More importantly, however, order intake or leading indicator for sales is now recovering and order backlog picking up. In Q1 to Q2, order intake on the Equipment side came in at  $\pm 6,518m$  (up 8.9% YoY), while  $\pm 2,553m$  in Q1 and  $\pm 3,964m$  in Q2, suggesting increases by no less than 55.2% on a quarter on quarter basis. As far as we could gather, the Company saw order intake on large-scale project overseas in regards to the mainstay pharmaceutical domain, which was the key driver.



Source: Company Data, WRJ Calculation

On the Equipment side, sales and order intake comprise those of pharmaceutical and industrial domains. The mainstay equipment of pharmaceutical domain includes existing granulation/coating equipment as well as tablet-printing equipment (TABREX) belonging to new field. The Company's U.S. subsidiary FREUND-VECTOR CORPORATION in charge of the operations overseas mainly in North America saw order intake on large-scale project of granulation/coating equipment, while tablet-printing equipment (TABREX) introduced in Japan suffered from shortfall of order intake when compared with initial expectations, according to the Company. As a result, it appears that existing granulation/coating equipment has remained accounting for the bulk of sales and order intake, driving order intake on the Equipment side as a whole with its strengths.



Source: Company Data, WRJ Calculation

#### FY02/2019 Company Forecasts

FY02/2019 initial Company forecasts have remained unchanged, going for prospective sales of \$20,000m (up 1.0% YoY), operating profit of \$1,900m (down 3.6%), recurring profit of \$1,900m (down 4.7%) and profit attributable to owners of parent of \$1,350m (down 8.6%), while operating profit margin of 9.5% (down 0.5% points). At the same time, Company forecasts have remained unchanged for prospective dividend, going for \$20,000m (up 1.0% YoY), operating profit of \$1,350m (down 8.6%), while operating profit margin of 9.5% (down 0.5% points). At the same time, Company forecasts have remained unchanged for prospective dividend, going for \$20.0 per share, implying payout ratio of 25.5%.

## 4.0 Financial Statements

Until In Yan)     022018     022018     022019		Income S	tatement	: (Cumula	ative, Qu	arterly)				
Optimization     022018     022018     022019     0	Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
Sales     4.472     9.789     13.745     13.745     13.745     13.745     13.745     13.745     13.745     13.745     13.745     13.745     13.745     13.745     13.745     13.745     13.745     13.745     13.745     13.745     13.745     13.741     13.752     6.816     1.004     3.016     -     -     6       Operating Profit     337     1.074     1.152     1.371     1.939     9592     -		Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
Cont Sales     2.915     6.3.71     4.752     6.816     1.604     3.016     -     -     92       Gross Profit     1.556     3.471     4.752     6.816     1.604     3.016     -     -     4       Operating Profit     3.87     1.074     1.152     1.771     399     952     -     -     4       Non Operating Blance     10     17     22     79     91     -	(Million Yen)	02/2018	02/2018	02/2018	02/2018	02/2019	02/2019	02/2019	02/2019	Net Chg.
Grass Profit     1.66     3.471     4.752     6.816     1.604     2.016     -     4.645       SG&A     1.169     2.397     3.599     4.845     1.204     2.423     -     -     6       Non Operating Biance     10     177     21     22     79     91     -     -     -       Recurring Profit     337     1.039     1.234     2.035     500     705     2.1     -     <	Sales	4,472	9,789	13,745	19,801	4,849	9,117	-	-	(671)
SGA     1,169     2,397     3,599     4,445     1,204     2,423	Cost of Sales	2,915	6,317	8,993	12,985	3,245	6,100	-	-	(216)
Operating Profit     387     1.074     1.152     1.971     399     592       4       Non Operating Balance     10     17     21     22     79     91	Gross Profit	1,556	3,471	4,752	6,816	1,604	3,016	-	-	(455)
Non Operating Balance     10     17     21     22     79     91     -     -       Recurring Profit     397     1,091     1,174     1,194     478     664     -     -     (4       Profit Before Income Taxes     397     1,009     1,234     2,003     500     705     -     -     (3)       Total Income Taxes     397     1,009     1,477     347     466     -     -     (1)       Profit Attributable to Owners of Parent     274     734     649     1,477     347     466     -	SG&A	1,169	2,397	3,599	4,845	1,204	2,423	-	-	+26
Recurring Profit     337     1,081     1,74     1,994     478     664     -     -     64       Extraordinary Balance     0     (1)     59     21     21     -     -     4       Profit before income Taxes     377     3,089     1,24     2,083     500     705     - <td>Operating Profit</td> <td>387</td> <td>1,074</td> <td>1,152</td> <td>1,971</td> <td>399</td> <td>592</td> <td>-</td> <td>-</td> <td>(481)</td>	Operating Profit	387	1,074	1,152	1,971	399	592	-	-	(481)
Extraordinary Balance     0     (1)     59     99     21<	Non Operating Balance	10	17	21	22	79	91	-	-	+74
Profit before income Taxes     397     1.089     1.234     2.093     500     705     -     -     -       Total income Taxes     123     355     344     615     113     229     -	Recurring Profit	397	1,091	1,174	1,994	478	684	-	-	(407)
Total Income Taxes     123     355     384     615     153     239     -     -     -       NP Belonging to Non-Controlling SHs     - </td <td>Extraordinary Balance</td> <td>0</td> <td>(1)</td> <td>59</td> <td>99</td> <td>21</td> <td>21</td> <td>-</td> <td>-</td> <td>+23</td>	Extraordinary Balance	0	(1)	59	99	21	21	-	-	+23
NP Belanging to Non-Controlling SHs     -	Profit before Income Taxes	397	1,089	1,234	2,093	500	705	-	-	(383)
Profit Attributable to Owners of Parent     274     74     499     1,477     347     465     -     (2       Sales Yo'     +11.3%     +11.7%     (6.9%)     (6.4%)     +3.0%     (6.48%)           Recurring Profit YoY     +26.7%     +56.4%     (20.0%)     (3.48%)     43.0%     (37.3%)           Profit Attributable to Owners of Parent YOY     +46.6%     +51.387%     +44.1%     +38.8%     +20.5%     (37.3%)       (2.4       Gross Profit Margin     3.8.4%     35.5%     34.4%     33.1%       (4.5       Recurring Profit Margin     8.7%     11.2%     8.5%     10.1%     8.9%     7.5%      (4.5       Recurring Profit Margin     6.1%     7.5%     6.2%     7.5%     5.1%      (4.5       Total Income Statement     Cons.Act     Cons.Act     Cons.Act     Cons.Act     Cons.Act     Cons.Act     Cons.Act     Cons.Act     Cons.Act     Cons.A	Total Income Taxes	123	355	384	615	153	239	-	-	(115)
Sales YoY     +14.3%     +11.7%     (6.9%)     (6.4%)     +8.4%     (6.9%)     -       Operating Profit YoY     +31.3%     +56.4%     (20.0%)     (3.4%)     +2.0%     (44.9%)     -     -       Recurring Profit YoY     +26.7%     +54.0%     (21.0%)     (4.49%)     +20.3%     (37.9%)     -     -       Profit Attributable to Owners of Parent YoY     +464.9%     +139.7%     +4.1%     +38.8%     +26.6%     (36.5%)     -     +42.5       Operating Profit Margin     8.7%     11.0%     8.4%     10.0%     8.2%     6.5%     -     +42.5       Operating Profit Margin     8.7%     11.2%     8.5%     10.1%     9.9%     7.5%     -     (2.4       Total Income Taxes / Profit bebre Income Taxes     31.0%     32.6%     31.2%     29.4%     30.6%     33.9%     -     +11.5%       Income Statement     Cons.Act     Cons.Act </td <td>NP Belonging to Non-Controlling SHs</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td></td> <td>-</td>	NP Belonging to Non-Controlling SHs	-	-	-	-	-	-	-		-
Operating Profit YoY     +31.3%     +56.4%     (20.0%)     (3.4%)     +3.0%     (44.8%)     -     -       Recurring Profit YoY     +26.7%     +46.0%     (21.0%)     (4.9%)     +20.3%     (37.3%)     -     -       Gross Profit Margin     34.8%     35.5%     34.6%     34.4%     33.1%     33.1%     -     -     (24.5%)       Gross Profit Margin     8.7%     11.0%     8.4%     10.0%     8.2%     6.5%     -     -     (42.5%)       Operating Profit Margin     8.7%     11.0%     8.4%     10.0%     8.2%     6.5%     -     -     (42.5%)       Operating Profit Margin     6.1%     7.5%     6.2%     7.5%     7.5%     -     -     (2.4%)       Total Income Taxes     10.0%     32.6%     7.5%     5.1%     -     -     (1.2%)       Cost of Sales     2.915     3.401     2.02018     02/2019     02/2019     02/2019     02/2019     02/2019     02/2019     02/2019     02/2019     02/2019     02/2019 </td <td>Profit Attributable to Owners of Parent</td> <td>274</td> <td>734</td> <td>849</td> <td>1,477</td> <td>347</td> <td>466</td> <td>-</td> <td>-</td> <td>(268)</td>	Profit Attributable to Owners of Parent	274	734	849	1,477	347	466	-	-	(268)
Recurring Profit YoY     +26.7%     +54.0%     (21.0%)     (4.9%)     +20.3%     (37.3%)     -     -       Profit Attributable to Owners of Parent YoY     +464.9%     +139.7%     +41.1%     +38.8%     326.5%     24.5%     26.5%     2.6.5%     -     -     (2.4.5%)       Gross Profit Margin     8.7%     11.0%     8.4%     10.0%     8.2%     6.5%     -     -     (2.4.5%)       Recurring Profit Margin     8.1%     11.0%     8.4%     10.1%     9.9%     7.5%     -     -     (2.4.5%)       Recurring Profit Margin     6.1%     7.5%     6.2%     7.5%     7.2%     5.1%     -     -     (2.4.5%)       Income Statement     Cons.Act	Sales YoY	+14.3%	+11.7%	(6.9%)	(6.4%)	+8.4%	(6.9%)	-	-	-
Profit Attributable to Owners of Parent YoY     +464.9%     +139.7%     +4.1%     +38.8%     +26.6%     (36.5%)     -     -       Gross Profit Margin     34.8%     35.5%     34.6%     34.4%     33.1%     33.1%     -     -     (2.4       SG&A / Sales     26.1%     24.5%     26.6%     24.5%     24.6%     26.6%     -     -     (2.4       Operating Profit Margin     8.7%     11.0%     8.4%     10.1%     9.9%     7.5%     -     -     (2.4       Profit Attributable to Owners of Parent Margin     6.1%     7.5%     6.2%     7.5%     7.2%     5.1%     -     -     (2.4       Income Statement     Cons Act	Operating Profit YoY	+31.3%	+56.4%	(20.0%)	(3.4%)	+3.0%	(44.8%)	-		-
Gross Profit Margin   34.8%   35.5%   34.4%   33.1%   33.1%   33.1%   -   -   (2.4     SG&A / Sales   26.1%   24.5%   26.2%   24.4%   26.6%   -   -   +2     Operating Profit Margin   8.7%   11.0%   8.4%   10.0%   8.2%   6.5%   -   -   (4.5     Recurring Profit Margin   8.9%   11.2%   8.5%   10.1%   8.2%   5.5%   -   -   (4.5     Total Income Taxes / Profit before Income Taxes   31.0%   32.6%   31.2%   29.4%   30.6%   33.9%   -   -   (2.4     Income Statement   Cons.Act   Cons.Act <td< td=""><td>Recurring Profit YoY</td><td>+26.7%</td><td>+54.0%</td><td>(21.0%)</td><td>(4.9%)</td><td>+20.3%</td><td>(37.3%)</td><td>-</td><td></td><td>-</td></td<>	Recurring Profit YoY	+26.7%	+54.0%	(21.0%)	(4.9%)	+20.3%	(37.3%)	-		-
SG&A / Sales   26.1%   24.5%   24.5%   24.8%   26.6%   -   +2.     Operating Profit Margin   8.7%   11.0%   8.4%   10.0%   8.2%   6.5%   -   -   (4.5)     Recurning Profit Margin   8.9%   11.2%   8.5%   10.1%   9.9%   7.5%   -   -   (2.4)     Torial Income Taxes / Profit before Income Taxes   31.0%   32.6%   31.2%   29.4%   30.6%   33.9%   -   -   14.1     Income Statement   Cons.Act   Cons.A	Profit Attributable to Owners of Parent YoY	+464.9%	+139.7%	+4.1%	+38.8%	+26.6%	(36.5%)	-		-
Operating Profit Margin     8.7%     11.0%     8.4%     10.0%     8.2%     6.5%     -     -     (4.5)       Recurring Profit Margin     8.9%     11.2%     8.5%     10.1%     9.9%     7.5%     -     -     (3.6)       Profit Attributable to Owners of Parent Margin     6.1%     7.5%     6.2%     7.2%     5.1%     -     -     (2.4)       Income Statement     Cons.Act     Con	Gross Profit Margin	34.8%	35.5%	34.6%	34.4%	33.1%	33.1%	-	-	(2.4%)
Recurring Profit Margin     8.9%     11.2%     8.5%     10.1%     9.9%     7.5%     -     -     (3.6)       Profit Attributable to Owners of Parent Margin     6.1%     7.5%     31.2%     29.4%     30.6%     33.9%     -     -     (2.4)       Total Income Taxes / Profit before Income Taxes     31.0%     32.6%     31.2%     29.4%     30.6%     33.9%     -     -     (2.4)       Income Statement     Cons.Act     Con     Con     Con	SG&A / Sales	26.1%	24.5%	26.2%	24.5%	24.8%	26.6%	-		+2.1%
Profit Attributable to Owners of Parent Margin     6.1%     7.5%     6.2%     7.5%     7.2%     5.1%     -     -     (2.4       Total Income Taxes / Profit before Income Taxes     31.0%     32.6%     31.2%     29.4%     30.6%     33.9%     -     -     +1.4       Income Statement     Cons.Act     C	Operating Profit Margin	8.7%	11.0%	8.4%	10.0%	8.2%	6.5%	-		(4.5%)
Total Income Taxes / Profit before Income Taxes $31.0\%$ $32.6\%$ $31.2\%$ $29.4\%$ $30.6\%$ $33.9\%$ $+1.$ Income StatementCons.Ac	Recurring Profit Margin	8.9%	11.2%	8.5%	10.1%	9.9%	7.5%	-		(3.6%)
Income Statement     Cons.Act	Profit Attributable to Owners of Parent Margin	6.1%	7.5%	6.2%	7.5%	7.2%	5.1%	-		(2.4%)
Q1     Q2     Q3     Q4     Q1     Q2     Q3     Q4     Q1     Q2     Q3     Q4     Q1       Sales     4,472     5,316     3,956     6,055     4,449     4,267     -     -     (1,0       Cost of Sales     2,915     3,401     2,675     3,991     3,245     2,855     -     -     (5       Gross Profit     1,556     1,915     1,200     1,245     1,204     1,218     -     -     (4       Operating Profit     387     687     78     818     399     193     -     -     (4       Non Operating Balance     10     6     4     1     79     11     -     -     -     (4       Profit before Income Taxes     397     693     82     819     205     -     -     (4       Total Income Taxes     397     691     144     858     500     205     -     -     -     -     -     -     -     - <td>Total Income Taxes / Profit before Income Taxes</td> <td>31.0%</td> <td>32.6%</td> <td>31.2%</td> <td>29.4%</td> <td>30.6%</td> <td>33.9%</td> <td>-</td> <td></td> <td>+1.4%</td>	Total Income Taxes / Profit before Income Taxes	31.0%	32.6%	31.2%	29.4%	30.6%	33.9%	-		+1.4%
(Million Yen)     02/2018     02/2018     02/2018     02/2019	Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
Sales     4,472     5,316     3,956     6,055     4,849     4,267     -     -     (1,0       Cost of Sales     2,915     3,401     2,675     3,991     3,245     2,855     -     -     (5       Gross Profit     1,556     1,915     1,280     2,063     1,604     1,412     -     -     (5       Sc&A     1,169     1,227     1,202     1,245     1,204     1,218     -     -     (4       Operating Profit     387     687     78     818     399     193     -     -     (4       Recurring Profit     397     693     82     819     478     205     -     -     (4       Total Income Taxes     397     691     144     858     500     205     -     -     (10       NP Belonging to Non-Controlling SHs     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     - <td></td> <td>Q1</td> <td>Q2</td> <td>Q3</td> <td>Q4</td> <td>Q1</td> <td>Q2</td> <td>Q3</td> <td>Q4</td> <td>YoY</td>		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY
Cost of Sales   2,915   3,401   2,675   3,991   3,245   2,855   -   -   675     Gross Profit   1,556   1,915   1,280   2,063   1,604   1,412   -   -   (5     SG&A   1,169   1,227   1,202   1,245   1,204   1,218   -   -   (4     Operating Profit   387   687   78   818   399   193   -   -   (4     Recurring Profit   397   693   822   819   478   205   -   -   (4     Profit before Income Taxes   397   691   144   858   500   205   -   -   (4     Total Income Taxes   397   691   144   858   500   205   -   -   (4     Sales YoY   123   231   29   230   153   86   -   -   (1   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -	(Million Yen)	02/2018	02/2018	02/2018	02/2018	02/2019	02/2019	02/2019	02/2019	Net Chg.
Gross Profit   1,556   1,915   1,280   2,063   1,604   1,412   -   -   1,604     SG&A   1,169   1,227   1,202   1,245   1,204   1,218   -   -   64     Operating Profit   387   687   78   818   399   193   -   -   64     Non Operating Balance   10   6   4   1   79   11   -   -   64     Recurring Profit   397   693   82   819   478   205   -   -   64     Profit before Income Taxes   397   691   144   858   500   205   - <td>Sales</td> <td>4,472</td> <td>5,316</td> <td>3,956</td> <td>6,055</td> <td>4,849</td> <td>4,267</td> <td>-</td> <td>-</td> <td>(1,049)</td>	Sales	4,472	5,316	3,956	6,055	4,849	4,267	-	-	(1,049)
SG&A   1,169   1,227   1,202   1,245   1,204   1,218   -   -   -     Operating Profit   387   687   78   818   399   193   -   -   (4     Non Operating Balance   10   6   4   1   79   11   -   -   (4     Recurring Profit   397   693   82   819   478   205   -   -   (4     Extraordinary Balance   0   (1)   61   39   21   0   -   -   (4     Total Income Taxes   397   691   144   858   500   205   -	Cost of Sales	2,915	3,401	2,675	3,991	3,245	2,855	-	-	(546)
Operating Profit     387     687     78     818     399     193     -     -     44       Non Operating Balance     10     6     4     1     79     111     -     -     64       Recurring Profit     397     693     82     819     478     205     -     -     64       Extraordinary Balance     0     (1)     61     39     21     0     -     -     64       Total Income Taxes     397     691     144     858     500     205     -     -     64       Total Income Taxes     123     231     29     230     153     86     -     -     7     - <td< td=""><td>Gross Profit</td><td>1,556</td><td>1,915</td><td>1,280</td><td>2,063</td><td>1,604</td><td>1,412</td><td>-</td><td>-</td><td>(503)</td></td<>	Gross Profit	1,556	1,915	1,280	2,063	1,604	1,412	-	-	(503)
Non Operating Balance     10     6     4     1     79     11         Recurring Profit     397     693     82     819     478     205      64       Extraordinary Balance     0     (1)     61     39     21     0      64       Profit before Income Taxes     397     691     144     858     500     205       64       Total Income Taxes     123     231     29     230     153     86       64       Profit Attributable to Owners of Parent     274     460     114     628     347     118       (1)       Sales YoY     +14.3%     +9.6%     (34.1%)     (5.3%)     +8.4%     (19.7%)	SG&A	1,169	1,227	1,202	1,245	1,204	1,218	-		(9)
Recurring Profit     397     693     82     819     478     205     -     64       Extraordinary Balance     0     (1)     61     39     21     0     -     64       Profit before Income Taxes     397     691     144     858     500     205     -     64       Total Income Taxes     123     231     29     230     153     86     -     -     64       NP Belonging to Non-Controlling SHs     -     -     -     -     -     -     -     -     -     63       Sales YoY     +114.3%     +9.6%     (34.1%)     (5.3%)     +8.4%     (19.7%)     -	Operating Profit	387	687	78	818	399	193	-		(493)
Extraordinary Balance     0     (1)     61     39     21     0     -     -       Profit before Income Taxes     397     691     144     858     500     205     -     -     (4       Total Income Taxes     123     231     29     230     153     86     -     -     (1)       Profit Attributable to Owners of Parent     274     460     114     628     347     118     -	Non Operating Balance									
Extraordinary Balance   0   (1)   61   39   21   0   -   -     Profit before Income Taxes   397   691   144   858   500   205   -   -   (4)     Total Income Taxes   123   231   29   230   153   86   -   -   (1)     Profit Attributable to Owners of Parent   274   460   114   628   347   118   -	Non Operating Balance	10	6					-		+5
Profit before Income Taxes     397     691     144     858     500     205     -     -     44       Total Income Taxes     123     231     29     230     153     86     -     -     17     -				4	1	79	11	-		+5 (488)
NP Belonging to Non-Controlling SHs     -	Recurring Profit	397	693	4 <b>82</b>	1 <b>819</b>	79 <b>478</b>	11 <b>205</b>	-	-	
Profit Attributable to Owners of Parent     274     460     114     628     347     118     -     -     (3       Sales YoY     +14.3%     +9.6%     (34.1%)     (5.3%)     +8.4%     (19.7%)     -	Recurring Profit Extraordinary Balance	<b>397</b> 0	<b>693</b> (1)	4 <b>82</b> 61	1 <b>819</b> 39	79 <b>478</b> 21	11 <b>205</b> 0	-	•	(488)
Profit Attributable to Owners of Parent     274     460     114     628     347     118     -     -     (3       Sales YoY     +14.3%     +9.6%     (34.1%)     (5.3%)     +8.4%     (19.7%)     -	Recurring Profit Extraordinary Balance Profit before Income Taxes	<b>397</b> 0 397	<b>693</b> (1) 691	4 <b>82</b> 61 144	1 <b>819</b> 39 858	79 <b>478</b> 21 500	11 <b>205</b> 0 205	-	•	<b>(488)</b> +1
Sales YoY   +14.3%   +9.6%   (34.1%)   (5.3%)   +8.4%   (19.7%)   -   -     Operating Profit YoY   +31.3%   +75.2%   (89.6%)   +36.3%   +3.0%   (71.8%)   -   -     Recurring Profit YoY   +26.7%   +75.7%   (89.4%)   +34.2%   +20.3%   (70.4%)   -   -     Profit Attributable to Owners of Parent YoY   +464.9%   +78.5%   (77.4%)   +152.7%   +26.6%   (74.1%)   -   -     Gross Profit Margin   34.8%   36.0%   32.4%   34.1%   33.1%   -   -   25.9%     Operating Profit Margin   8.7%   12.9%   2.0%   13.5%   8.2%   4.5%   -   68.4     Recurring Profit Margin   8.9%   13.1%   2.1%   13.5%   9.9%   4.8%   -   -   68.2     Profit Attributable to Owners of Parent Margin   6.1%   8.7%   2.9%   10.4%   7.2%   2.8%   -   -   65.5	Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes	<b>397</b> 0 397	<b>693</b> (1) 691	4 <b>82</b> 61 144	1 <b>819</b> 39 858	79 <b>478</b> 21 500	11 <b>205</b> 0 205		•	<b>(488)</b> +1 (486)
Operating Profit YoY   +31.3%   +75.2%   (89.6%)   +36.3%   +3.0%   (71.8%)   -   -     Recurring Profit YoY   +26.7%   +75.7%   (89.4%)   +34.2%   +20.3%   (70.4%)   -   -     Profit Attributable to Owners of Parent YoY   +464.9%   +78.5%   (77.4%)   +152.7%   +26.6%   (74.1%)   -   -     Gross Profit Margin   34.8%   36.0%   32.4%   34.1%   33.1%   33.1%   -   -   62.9%     SG&A / Sales   26.1%   23.1%   30.4%   20.6%   24.8%   28.5%   -   -   68.4     Operating Profit Margin   8.7%   12.9%   2.0%   13.5%   8.2%   4.5%   -   68.4     Recurring Profit Margin   8.9%   13.1%   2.1%   13.5%   9.9%   4.8%   -   -   68.4     Profit Attributable to Owners of Parent Margin   6.1%   8.7%   2.9%   10.4%   7.2%   2.8%   -   -   65.5	Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs	<b>397</b> 0 397 123	<b>693</b> (1) 691 231	4 82 61 144 29	1 <b>819</b> 39 858 230	79 <b>478</b> 21 500 153	11 <b>205</b> 0 205 86		•	(488) +1 (486) (145)
Recurring Profit YoY   +26.7%   +75.7%   (89.4%)   +34.2%   +20.3%   (70.4%)   -   -     Profit Attributable to Owners of Parent YoY   +464.9%   +78.5%   (77.4%)   +152.7%   +26.6%   (74.1%)   -   -     Gross Profit Margin   34.8%   36.0%   32.4%   34.1%   33.1%   33.1%   -   -   62.9     SG&A / Sales   26.1%   23.1%   30.4%   20.6%   24.8%   28.5%   -   -   68.4     Operating Profit Margin   8.7%   12.9%   2.0%   13.5%   8.2%   4.5%   -   68.2     Profit Attributable to Owners of Parent Margin   6.1%   8.7%   2.9%   10.4%   7.2%   2.8%   -   -   65.9	Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs Profit Attributable to Owners of Parent	<b>397</b> 0 397 123 - <b>274</b>	693 (1) 691 231 - 460	4 82 61 144 29 - 114	1 819 39 858 230 - <b>628</b>	79 478 21 500 153 - <b>347</b>	11 205 0 205 86 - 118	- - - - - -	•	<b>(488)</b> +1 (486)
Profit Attributable to Owners of Parent YoY   +464.9%   +78.5%   (77.4%)   +152.7%   +26.6%   (74.1%)   -   -     Gross Profit Margin   34.8%   36.0%   32.4%   34.1%   33.1%   33.1%   -   -   62.9     SG&A / Sales   26.1%   23.1%   30.4%   20.6%   24.8%   28.5%   -   -   68.4     Operating Profit Margin   8.7%   12.9%   2.0%   13.5%   8.2%   4.5%   -   68.4     Recurring Profit Margin   8.9%   13.1%   2.1%   13.5%   9.9%   4.8%   -   68.2     Profit Attributable to Owners of Parent Margin   6.1%   8.7%   2.9%   10.4%   7.2%   2.8%   -    65.5	Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs Profit Attributable to Owners of Parent Sales YoY	<b>397</b> 0 397 123 - <b>274</b> +14.3%	693 (1) 691 231 - 460 +9.6%	4 82 61 144 29 - 114 (34.1%)	1 819 39 858 230 - <b>628</b> (5.3%)	79 478 21 500 153 - <b>347</b> +8.4%	11 205 0 205 86 - 118 (19.7%)		•	(488) +1 (486) (145)
Gross Profit Margin     34.8%     36.0%     32.4%     34.1%     33.1%     33.1%     -     -     (2.9)       SG&A / Sales     26.1%     23.1%     30.4%     20.6%     24.8%     28.5%     -     -     +5.       Operating Profit Margin     8.7%     12.9%     2.0%     13.5%     8.2%     4.5%     -     -     (8.4       Recurring Profit Margin     8.9%     13.1%     2.1%     13.5%     9.9%     4.8%     -     -     (8.2       Profit Attributable to Owners of Parent Margin     6.1%     8.7%     2.9%     10.4%     7.2%     2.8%     -     -     (5.5)	Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs Profit Attributable to Owners of Parent Sales YoY Operating Profit YoY	<b>397</b> 0 397 123 - <b>274</b> +14.3% +31.3%	693 (1) 691 231 - 460 +9.6% +75.2%	4 82 61 144 29 - 114 (34.1%) (89.6%)	1 819 39 858 230 - 628 (5.3%) +36.3%	79 478 21 500 153 - 347 +8.4% +3.0%	11 205 0 205 86 - 118 (19.7%) (71.8%)		•	(488) +1 (486) (145)
SG&A / Sales   26.1%   23.1%   30.4%   20.6%   24.8%   28.5%   -   +5.     Operating Profit Margin   8.7%   12.9%   2.0%   13.5%   8.2%   4.5%   -   68.4     Recurring Profit Margin   8.9%   13.1%   2.1%   13.5%   9.9%   4.8%   -   68.2     Profit Attributable to Owners of Parent Margin   6.1%   8.7%   2.9%   10.4%   7.2%   2.8%   -   65.9%	Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs Profit Attributable to Owners of Parent Sales YoY Operating Profit YoY Recurring Profit YoY	<b>397</b> 0 397 123 - <b>274</b> +14.3% +31.3% +26.7%	693 (1) 691 231 - 460 +9.6% +75.2% +75.7%	4 82 61 144 29 - 114 (34.1%) (89.6%) (89.4%)	1 819 39 858 230 - 628 (5.3%) +36.3% +34.2%	79 478 21 500 153 - 347 +8.4% +3.0% +20.3%	11 205 0 205 86 - 118 (19.7%) (71.8%) (70.4%)		- - - - - - - - - - -	(488) +1 (486) (145)
Operating Profit Margin     8.7%     12.9%     2.0%     13.5%     8.2%     4.5%     -     -     6.4       Recurring Profit Margin     8.9%     13.1%     2.1%     13.5%     9.9%     4.8%     -     -     6.2%       Profit Attributable to Owners of Parent Margin     6.1%     8.7%     2.9%     10.4%     7.2%     2.8%     -     -     6.5%	Recurring Profit     Extraordinary Balance     Profit before Income Taxes     Total Income Taxes     NP Belonging to Non-Controlling SHs     Profit Attributable to Owners of Parent     Sales YoY     Operating Profit YoY     Recurring Profit YoY     Profit Attributable to Owners of Parent YoY	<b>397</b> 0 397 123 - <b>274</b> +14.3% +31.3% +26.7% +464.9%	693 (1) 691 231 - 460 +9.6% +75.2% +75.7% +78.5%	4 82 61 144 29 - 114 (34.1%) (89.6%) (89.4%) (77.4%)	1 819 39 858 230 - 628 (5.3%) +36.3% +34.2% +34.2%	79 478 21 500 153 - 347 +8.4% +3.0% +20.3% +26.6%	11 205 0 205 86 - 118 (19.7%) (71.8%) (70.4%) (74.1%)	- - - - - - - - - - - - - - -	- - - - - - - - - - - - - -	(488) +1 (486) (145) - (341) - - - -
Recurring Profit Margin     8.9%     13.1%     2.1%     13.5%     9.9%     4.8%     -     -     (8.2       Profit Attributable to Owners of Parent Margin     6.1%     8.7%     2.9%     10.4%     7.2%     2.8%     -     -     (8.2	Recurring Profit     Extraordinary Balance     Profit before Income Taxes     Total Income Taxes     NP Belonging to Non-Controlling SHs     Profit Attributable to Owners of Parent     Sales YoY     Operating Profit YoY     Recurring Profit YoY     Profit Attributable to Owners of Parent YoY     Gross Profit Margin	<b>397</b> 0 397 123 - <b>274</b> +14.3% +31.3% +26.7% +464.9% 34.8%	693 (1) 691 231 - 460 +9.6% +75.2% +75.7% +78.5% 36.0%	4 82 61 144 29 - 114 (34.1%) (89.6%) (89.4%) (77.4%) 32.4%	1 <b>819</b> 39 858 230 - <b>628</b> (5.3%) +36.3% +34.2% +152.7% 34.1%	79 478 21 500 153 - 347 +8.4% +3.0% +20.3% +20.3% +26.6% 33.1%	11 205 0 205 86 - 118 (19.7%) (71.8%) (70.4%) (74.1%) 33.1%		-	(488) +1 (486) (145) - (341) - - - - - - - - - - - - - - - - - - -
Profit Attributable to Owners of Parent Margin     6.1%     8.7%     2.9%     10.4%     7.2%     2.8%     -     -     (5.9)	Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs Profit Attributable to Owners of Parent Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY Gross Profit Margin SG&A / Sales	<b>397</b> 0 397 123 <b>274</b> +14.3% +31.3% +26.7% +464.9% 34.8% 26.1%	693 (1) 691 231 - - 460 +9.6% +75.2% +75.7% +78.5% 36.0% 23.1%	4 82 61 144 29 - 114 (34.1%) (34.1%) (89.6%) (89.4%) (77.4%) 32.4% 30.4%	1 <b>819</b> 39 858 230 - <b>628</b> (5.3%) +36.3% +34.2% +152.7% 34.1% 20.6%	79 478 21 500 153 - 347 +8.4% +3.0% +20.3% +20.3% +26.6% 33.1% 24.8%	11 205 0 205 86 - 118 (19.7%) (71.8%) (70.4%) (74.1%) 33.1% 28.5%	- - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - -	(488) +1 (486) (145) - (341) - - - - - - - - - - - - - - - - - - -
	Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs Profit Attributable to Owners of Parent Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY Gross Profit Margin SG&A / Sales Operating Profit Margin	<b>397</b> 0 397 123 - <b>274</b> +14.3% +31.3% +26.7% +464.9% 34.8% 26.1% 8.7%	693 (1) 691 231 - 460 +9.6% +75.2% +75.7% +78.5% 36.0% 23.1% 12.9%	4 82 61 144 29 - 114 (34.1%) (39.6%) (89.6%) (89.4%) (77.4%) 32.4% 30.4% 2.0%	1 <b>819</b> 39 858 230 - <b>628</b> (5.3%) +36.3% +34.2% +152.7% 34.1% 20.6% 13.5%	79 478 21 500 153 - 347 +8.4% +3.0% +20.3% +26.6% 33.1% 24.8% 8.2%	11 205 0 205 86 - 118 (19.7%) (71.8%) (70.4%) (74.1%) 33.1% 28.5% 4.5%	- - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - -	(488) +1 (486) (145) - (341) - - - - - - - - - - - - - - - - - - -
Total Income Taxes / Profit before Income Taxes     31.0%     33.5%     20.6%     26.8%     30.6%     42.1%     -     +8.	Recurring Profit     Extraordinary Balance     Profit before Income Taxes     Total Income Taxes     NP Belonging to Non-Controlling SHs     Profit Attributable to Owners of Parent     Sales YoY     Operating Profit YoY     Recurring Profit YoY     Profit Attributable to Owners of Parent YoY     Gross Profit Margin     SG&A / Sales     Operating Profit Margin     Recurring Profit Margin	<b>397</b> 0 397 123 - <b>274</b> +14.3% +31.3% +26.7% +464.9% 34.8% 26.1% 8.7% 8.9%	693 (1) 691 231 - 460 +9.6% +75.2% +75.7% +78.5% 36.0% 23.1% 12.9% 13.1%	4 82 61 144 29 - 114 (34.1%) (89.6%) (89.4%) (77.4%) 32.4% 30.4% 2.0% 2.1%	1 <b>819</b> 39 858 230 - <b>628</b> (5.3%) +36.3% +34.2% +152.7% 34.1% 20.6% 13.5% 13.5%	79 478 21 500 153 - 347 +8.4% +3.0% +20.3% +26.6% 33.1% 24.8% 8.2% 9.9%	11 205 0 205 86 - 118 (19.7%) (71.8%) (70.4%) (74.1%) 33.1% 28.5% 4.5% 4.5%	- - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - -	(488) +1 (486) (145)

### Segmented Information (Cumulative, Quarterly)

Segmented Information	Cons.Act	Cons. Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	02/2018	02/2018	02/2018	02/2018	02/2019	02/2019	02/2019	02/2019	Net Chg.
Equipment	3,198	7,171	9,747	14,403	3,433	6,145	-	-	(1,025)
Chemicals	1,274	2,617	3,998	5,398	1,416	2,971	-		+353
Sales	4,472	9,789	13,745	19,801	4,849	9,117			(671)
Machinery	+32.5%	+25.9%	(2.6%)	(3.4%)	+7.4%	(14.3%)	-	-	-
Chemicals	(15.0%)	(14.6%)	(16.1%)	(13.6%)	+11.1%	+13.5%	-	-	-
Sales (YoY)	+14.3%	+11.7%	(6.9%)	(6.4%)	+8.4%	(6.9%)			
Equipment	71.5%	73.3%	70.9%	72.7%	70.8%	67.4%	-	-	-
Chemicals	28.5%	26.7%	29.1%	27.3%	29.2%	32.6%	-	-	-
Sales (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-
Equipment	326	868	910	1,631	278	291	-		(577)
Chemicals	196	420	593	801	259	556	-	· ·	+135
Segment Profit	522	1,289	1,504	2,432	537	847	-	-	(442)
Elimination	(135)	(215)	(351)	(461)	(138)	(254)	-	-	(39)
Operating Profit	387	1,074	1,152	1,971	399	592			(481)
Equipment	+48.1%	+53.1%	(21.1%)	(6.8%)	(14.8%)	(66.5%)	-	-	-
Chemicals	+10.1%	+17.9%	(1.4%)	+7.1%	+32.5%	+32.1%	-	-	-
Segment Profit (YoY)	+31.1%	+39.5%	(14.3%)	(2.6%)	+2.9%	(34.3%)			
Equipment	62.5%	67.4%	60.5%	67.1%	51.7%	34.4%	-	-	-
Chemicals	37.5%	32.6%	39.5%	32.9%	48.3%	65.6%	-	-	-
Segment Profit (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-
Equipment	10.2%	12.1%	9.3%	11.3%	8.1%	4.7%		-	(7.4%)
Chemicals	15.4%	16.1%	14.9%	14.8%	18.3%	18.7%	-		+2.6%
Elimination	(3.0%)	(2.2%)	(2.6%)	(2.3%)	(2.9%)	(2.8%)	-		(0.6%)
Operating Profit Margin	8.7%	11.0%	8.4%	10.0%	8.2%	6.5%	-		(4.5%)
Segmented Information	Cons.Act	Cons. Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
Segmented Information	Cons.Act Q1	Cons. Act Q2	Cons.Act Q3	Cons.Act Q4	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	YoY
Segmented Information (Million Yen)									YoY Net Chg.
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
(Million Yen)	Q1 02/2018	Q2 02/2018	Q3 02/2018	Q4 02/2018	Q1 02/2019	Q2 02/2019	Q3	Q4	Net Chg.
(Million Yen) Equipment	Q1 02/2018 3,198	Q2 02/2018 3,973	Q3 02/2018 2,575	Q4 02/2018 4,655	Q1 02/2019 3,433	Q2 02/2019 2,712	Q3	Q4	Net Chg. (1,261)
(Million Yen) Equipment Chemicals	Q1 02/2018 3,198 1,274	Q2 02/2018 3,973 1,343	Q3 02/2018 2,575 1,381	Q4 02/2018 4,655 1,399	Q1 02/2019 3,433 1,416	Q2 02/2019 2,712 1,555	Q3	Q4	Net Chg. (1,261) +211
(Million Yen) Equipment Chemicals Sales	Q1 02/2018 3,198 1,274 <b>4,472</b>	Q2 02/2018 3,973 1,343 <b>5,316</b>	Q3 02/2018 2,575 1,381 <b>3,956</b>	Q4 02/2018 4,655 1,399 <b>6,055</b>	Q1 02/2019 3,433 1,416 <b>4,849</b>	Q2 02/2019 2,712 1,555 <b>4,267</b>	Q3	Q4	Net Chg. (1,261) +211
(Million Yen) Equipment Chemicals Sales Machinery	Q1 02/2018 3,198 1,274 <b>4,472</b> +32.5%	Q2 02/2018 3,973 1,343 <b>5,316</b> +21.0%	Q3 02/2018 2,575 1,381 <b>3,956</b> (40.2%)	Q4 02/2018 4,655 1,399 <b>6,055</b> (5.2%)	Q1 02/2019 3,433 1,416 4,849 +7.4%	Q2 02/2019 2,712 1,555 4,267 (31.7%)	Q3	Q4	Net Chg. (1,261) +211
(Million Yen) Equipment Chemicals Sales Machinery Chemicals	Q1 02/2018 3,198 1,274 4,472 +32.5% (15.0%)	Q2 02/2018 3,973 1,343 <b>5,316</b> +21.0% (14.2%)	Q3 02/2018 2,575 1,381 <b>3,956</b> (40.2%) (18.7%)	Q4 02/2018 4,655 1,399 <b>6,055</b> (5.2%) (5.8%)	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1%	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8%	Q3	Q4	Net Chg. (1,261) +211
(Million Yen) Equipment Chemicals Sales Machinery Chemicals Sales (YoY)	Q1 02/2018 3,198 1,274 	Q2 02/2018 3,973 1,343 <b>5,316</b> +21.0% (14.2%) <b>+9.6%</b>	Q3 02/2018 2,575 1,381 3,956 (40.2%) (18.7%) (34.1%)	Q4 02/2018 4,655 1,399 <b>6,055</b> (5.2%) (5.8%) <b>(5.8%)</b>	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1% +8.4%	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8% (19.7%)	Q3	Q4	Net Chg. (1,261) +211
(Million Yen) Equipment Chemicals Sales Machinery Chemicals Sales (YoY) Equipment	Q1 02/2018 3,198 1,274 	Q2 02/2018 3,973 1,343 <b>5,316</b> +21.0% (14.2%) <b>+9.6%</b> 74.7%	Q3 02/2018 2,575 1,381 3,956 (40.2%) (18.7%) (34.1%) 65.1%	Q4 02/2018 4,655 1,399 6,055 (5.2%) (5.8%) (5.8%) (5.3%) 76.9%	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1% +8.4% 70.8%	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8% (19.7%) 63.6%	Q3	Q4	Net Chg. (1,261) +211
(Million Yen) Equipment Chemicals Sales Machinery Chemicals Sales (YoY) Equipment Chemicals	Q1 02/2018 3,198 1,274 4,472 +32.5% (15.0%) +14.3% 71.5% 28.5%	Q2 02/2018 3,973 1,343 <b>5,316</b> +21.0% (14.2%) <b>+9.6%</b> 74.7% 25.3%	Q3 02/2018 2,575 1,381 3,956 (40.2%) (18.7%) (34.1%) 65.1% 34.9%	Q4 02/2018 4,655 1,399 6,055 (5.2%) (5.8%) (5.8%) (5.3%) 76.9% 23.1%	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2%	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0%	Q3	Q4	Net Chg. (1,261) +211
(Million Yen) Equipment Chemicals Sales Machinery Chemicals Sales (YoY) Equipment Chemicals Sales (Composition Ratio)	Q1 02/2018 3,198 1,274 4,472 +32.5% (15.0%) +14.3% 71.5% 28.5% 100.0% 326	Q2 02/2018 3,973 1,343 5,316 +21.0% (14.2%) +9.6% 74.7% 25.3% 100.0% 542	Q3 02/2018 2,575 1,381 3,956 (40.2%) (18.7%) (34.1%) 65.1% 34.9% 100.0% 41	Q4 02/2018 4,655 1,399 6,055 (5.2%) (5.8%) (5.3%) 76.9% 23.1% 100.0%	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13	Q3	Q4	Net Chg. (1,261) +211 (1,049) - - - - - - - - - - - - - - - - - - -
(Million Yen) Equipment Chemicals Sales Machinery Chemicals Sales (YoY) Equipment Chemicals Sales (Composition Ratio) Equipment Chemicals	Q1 02/2018 3,198 1,274 4,472 +32.5% (15.0%) +14.3% 71.5% 28.5% 100.0% 326 196	Q2 02/2018 3,973 1,343 <b>5,316</b> +21.0% (14.2%) +9.6% 74.7% 25.3% 100.0% 542 224	Q3 02/2018 2,575 1,381 3,956 (40.2%) (18.7%) (34.1%) 65.1% 34.9% 100.0% 41 172	Q4 02/2018 4,655 1,399 6,055 (5.2%) (5.8%) (5.8%) (5.3%) 76.9% 23.1% 100.0% 720 207	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296	Q3	Q4	Net Chg. (1,261) +211 - (1,049) - - - - - - - - - - - - - - - - - - -
(Million Yen) Equipment Chemicals Sales Machinery Chemicals Sales (YoY) Equipment Chemicals Sales (Composition Ratio) Equipment	Q1 02/2018 3,198 1,274 +32.5% (15.0%) +14.3% 771.5% 28.5% 100.0% 326 196 522	Q2 02/2018 3,973 1,343 5,316 +21.0% (14.2%) +9.6% 74.7% 25.3% 100.0% 542 224 767	Q3 02/2018 2,575 1,381 3,956 (40.2%) (18.7%) (34.1%) 65.1% 34.9% 100.0% 41 172 214	Q4 02/2018 4,655 1,399 6,055 (5.2%) (5.8%) (5.8%) (5.3%) 76.9% 23.1% 100.0% 720 207 927	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309	Q3	Q4	Net Chg. (1,261) +211 (1,049) - - - - - - - - - - - - - - - - - - -
(Million Yen) Equipment Chemicals Sales Machinery Chemicals Sales (YoY) Equipment Chemicals Sales (Composition Ratio) Equipment Chemicals Segment Profit Elimination	Q1 02/2018 3,198 1,274 +32.5% (15.0%) +14.3% 71.5% 28.5% 100.0% 326 196 522 (135)	Q2 02/2018 3,973 1,343 5,316 +21.0% (14.2%) +9.6% 74.7% 25.3% 100.0% 542 224 767 (80)	Q3 02/2018 2,575 1,381 3,956 (40.2%) (18.7%) (34.1%) 65.1% 34.9% 100.0% 41 172 214 (136)	Q4 02/2018 4,655 1,399 6,055 (5.2%) (5.8%) (5.8%) (5.3%) 76.9% 23.1% 100.0% 720 207 927 (109)	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537 (138)	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309 (116)	Q3	Q4	Net Chg. (1,261) +211 (1,049) - - - - - - - - - - - - - - - - - - -
(Million Yen) Equipment Chemicals Sales Machinery Chemicals Sales (YoY) Equipment Chemicals Sales (Composition Ratio) Equipment Chemicals Segment Profit	Q1 02/2018 3,198 1,274 +32.5% (15.0%) +14.3% 771.5% 28.5% 100.0% 326 196 522	Q2 02/2018 3,973 1,343 5,316 +21.0% (14.2%) +9.6% 74.7% 25.3% 100.0% 542 224 767	Q3 02/2018 2,575 1,381 3,956 (40.2%) (18.7%) (34.1%) 65.1% 34.9% 100.0% 41 172 214	Q4 02/2018 4,655 1,399 6,055 (5.2%) (5.8%) (5.8%) (5.3%) 76.9% 23.1% 100.0% 720 207 927	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309	Q3	Q4	Net Chg. (1,261) +211 (1,049) - - - - - - - - - - - - - - - - - - -
(Million Yen) Equipment Chemicals Sales Machinery Chemicals Sales (YoY) Equipment Chemicals Sales (Composition Ratio) Equipment Chemicals Segment Profit Elimination Operating Profit	Q1 02/2018 3,198 1,274 +32.5% (15.0%) +14.3% 71.5% 28.5% 100.0% 326 196 522 (135) 387	Q2 02/2018 3,973 1,343 5,316 +21.0% (14.2%) +9.6% 74.7% 25.3% 100.0% 542 224 767 (80) 687	Q3 02/2018 2,575 1,381 3,956 (40.2%) (18.7%) (34.1%) 65.1% 34.9% 100.0% 41 172 214 (136) 78	Q4 02/2018 4,655 1,399 6,055 (5.2%) (5.8%) (5.3%) 76.9% 23.1% 100.0% 720 207 927 (109) 818	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537 (138) 399	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309 (116) 193	Q3	Q4	Net Chg. (1,261) +211 (1,049) - - - - - - - - - - - - - - - - - - -
(Million Yen) Equipment Chemicals Sales Machinery Chemicals Sales (YoY) Equipment Chemicals Sales (Composition Ratio) Equipment Chemicals Segment Profit Elimination Operating Profit Equipment	Q1 02/2018 3,198 1,274 +32.5% (15.0%) +14.3% 71.5% 28.5% 100.0% 326 196 522 (135) 387 +48.1%	Q2 02/2018 3,973 1,343 5,316 +21.0% (14.2%) +9.6% 74.7% 25.3% 100.0% 542 224 767 (80) 687 +56.2%	Q3 02/2018 2,575 1,381 3,956 (40.2%) (18.7%) (34.1%) 65.1% 34.9% 100.0% 41 172 214 (136) 78 (92.9%)	Q4 02/2018 4,655 1,399 6,055 (5.2%) (5.8%) (5.8%) (5.3%) 76.9% 23.1% 100.0% 720 207 927 (109) 818 +20.9%	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537 (138) 399 (14.8%)	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309 (116) 193 (97.5%)	Q3	Q4	Net Chg. (1,261) +211 (1,049) - - - - - - - - - - - - - - - - - - -
(Million Yen) Equipment Chemicals Sales Machinery Chemicals Sales (YoY) Equipment Chemicals Sales (Composition Ratio) Equipment Chemicals Segment Profit Elimination Operating Profit Equipment Chemicals Segment Profit Equipment Chemicals Segment Profit Equipment Chemicals Segment Profit (YoY)	Q1 02/2018 3,198 1,274 4,472 +32.5% (15.0%) +14.3% 71.5% 28.5% 100.0% 326 196 522 (135) 387 +48.1% +10.1% +31.1%	Q2 02/2018 3,973 1,343 5,316 +21.0% (14.2%) +9.6% 74.7% 25.3% 100.0% 542 224 767 (80) 542 224 767 (80) 687 +56.2% +25.7% +25.7%	Q3 02/2018 2,575 1,381 3,956 (40.2%) (18.7%) (34.1%) 65.1% 34.9% 100.0% 41 172 214 (136) 78 (92.9%) (29.4%) (74.2%)	Q4 02/2018 4,655 1,399 6,055 (5.2%) (5.8%) (5.8%) (5.3%) 76.9% 23.1% 100.0% 720 207 927 (109) 818 +20.9% +41.7% +25.0%	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537 (138) 399 (14.8%) +32.5% +2.9%	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309 (116) 193 (97.5%) +31.9% (59.6%)	Q3	Q4	Net Chg. (1,261) +211 (1,049) - - - - - - - - - - - - - - - - - - -
(Million Yen) Equipment Chemicals Sales Machinery Chemicals Sales (YoY) Equipment Chemicals Sales (Composition Ratio) Equipment Chemicals Segment Profit Elimination Operating Profit Equipment Chemicals Segment Profit Equipment Chemicals Segment Profit Equipment Chemicals	Q1 02/2018 3,198 1,274 4,472 +32.5% (15.0%) +14.3% 71.5% 28.5% 100.0% 326 196 522 (135) 387 +48.1% +10.1% +10.1% +31.1% 62.5%	Q2 02/2018 3,973 1,343 5,316 +21.0% (14.2%) +9.6% 74.7% 25.3% 100.0% 542 224 767 (80) 687 +56.2% +25.7% +25.7% +45.8% 70.7%	Q3 02/2018 2,575 1,381 3,956 (40.2%) (18.7%) (34.1%) 65.1% 34.9% 100.0% 41 172 214 (136) 78 (92.9%) (29.4%) (74.2%) 19.5%	Q4 02/2018 4,655 1,399 6,055 (5.2%) (5.8%) (5.3%) 76.9% 23.1% 100.0% 720 207 927 (109) 818 +20.9% +41.7% +25.0% 77.7%	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537 (138) 399 (14.8%) +32.5% +2.9% 51.7%	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309 (116) 193 (97.5%) +31.9% (59.6%) 4.3%	Q3	Q4	Net Chg. (1,261) +211 (1,049) - - - - - - - - - - - - - - - - - - -
(Million Yen) Equipment Chemicals Sales Machinery Chemicals Sales (YoY) Equipment Chemicals Sales (Composition Ratio) Equipment Chemicals Segment Profit Elimination Operating Profit Equipment Chemicals Segment Profit Equipment Chemicals Segment Profit (YoY) Equipment Chemicals	Q1 02/2018 3,198 1,274 4,472 +32.5% (15.0%) +14.3% 71.5% 28.5% 100.0% 326 196 522 (135) 387 +48.1% +10.1% +10.1% +31.1% 62.5% 37.5%	Q2 02/2018 3,973 1,343 5,316 +21.0% (14.2%) +9.6% 74.7% 25.3% 100.0% 542 224 767 (80) 687 +56.2% +25.7% +25.7% +45.8% 70.7% 29.3%	Q3 02/2018 2,575 1,381 3,956 (40.2%) (18.7%) (34.1%) 65.1% 34.9% 100.0% 41 172 214 (136) 78 (92.9%) (29.4%) (74.2%) 19.5% 80.5%	Q4 02/2018 4,655 1,399 6,055 (5.2%) (5.8%) (5.3%) 76.9% 23.1% 100.0% 720 207 927 (109) 818 +20.9% +41.7% +25.0% 77.7% 22.3%	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 2278 259 537 (138) 339 (14.8%) +32.5% +2.9% 51.7% 48.3%	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309 (116) 193 (97.5%) +31.9% (59.6%) 4.3% 95.7%	Q3	Q4	Net Chg. (1,261) +211 (1,049) - - - - - - - - - - - - - - - - - - -
(Million Yen) Equipment Chemicals Sales Machinery Chemicals Sales (YoY) Equipment Chemicals Sales (Composition Ratio) Equipment Chemicals Segment Profit Elimination Operating Profit Equipment Chemicals Segment Profit (YoY) Equipment Chemicals Segment Profit (YoY)	Q1 02/2018 3,198 1,274 4,472 +32.5% (15.0%) +14.3% 71.5% 28.5% 100.0% 326 196 522 (135) 387 +48.1% +10.1% +31.1% 62.5% 37.5% 100.0%	Q2 02/2018 3,973 1,343 5,316 +21.0% (14.2%) +9.6% 74.7% 25.3% 100.0% 542 224 767 (80) 687 +56.2% +25.7% +45.8% 70.7% 29.3% 100.0%	Q3 02/2018 2,575 1,381 3,956 (40,2%) (18.7%) (34.1%) 65.1% 34.9% 100.0% 41 172 214 (136) 78 (92.9%) (29.4%) (29.4%) (74.2%) 19.5% 80.5% 100.0%	Q4 02/2018 4,655 1,399 6,055 (5.2%) (5.8%) (5.3%) 76.9% 23.1% 100.0% 720 207 927 (109) 818 +20.9% +41.7% +25.0% 77.7% 22.3% 100.0%	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537 (138) 399 (14.8%) +32.5% +2.9% 51.7% 48.3% 100.0%	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309 (116) 193 (97.5%) +31.9% (59.6%) 4.3% 95.7% 100.0%	Q3	Q4	Net Chg. (1,261) +211 (1,049) - - - - - - - - - - - - - - - - - - -
(Million Yen) Equipment Chemicals Sales Machinery Chemicals Sales (YoY) Equipment Chemicals Sales (Composition Ratio) Equipment Chemicals Segment Profit Elimination Operating Profit Equipment Chemicals Segment Profit (YoY) Equipment Chemicals Segment Profit (Composition Ratio) Equipment	Q1 02/2018 3,198 1,274 +32.5% (15.0%) +14.3% 71.5% 28.5% 100.0% 326 196 522 (135) 387 +48.1% +10.1% +31.1% 62.5% 37.5% 100.0% 10.2%	Q2 02/2018 3,973 1,343 5,316 +21.0% (14.2%) +9.6% 74.7% 25.3% 100.0% 542 224 767 (80) 687 +56.2% +25.7% +45.8% 70.7% 29.3% 100.0% 13.7%	Q3 02/2018 2,575 1,381 3,956 (40,2%) (18.7%) (34.1%) 65.1% 34.9% 100.0% 41 172 214 (136) 78 (92.9%) (29.4%) (29.4%) (29.4%) 19.5% 80.5% 100.0% 1.6%	Q4 02/2018 4,655 1,399 6,055 (5.2%) (5.8%) (5.3%) 76.9% 23.1% 100.0% 720 207 927 (109) 818 +20.9% +41.7% +25.0% 777.7% 22.3% 100.0% 15.5%	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537 (138) 399 (14.8%) +32.5% +2.9% 51.7% 48.3% 100.0% 8.1%	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309 (116) 193 (97.5%) +31.9% (59.6%) 4.3% 95.7% 100.0% 0.5%	Q3	Q4	Net Chg. (1,261) +211 (1,049) - - - - - - - - - - - - - - - - - - -
(Million Yen) Equipment Chemicals Sales Machinery Chemicals Sales (YoY) Equipment Chemicals Sales (Composition Ratio) Equipment Chemicals Segment Profit Elimination Operating Profit Equipment Chemicals Segment Profit (YoY) Equipment Chemicals Segment Profit (Composition Ratio) Equipment Chemicals	Q1 02/2018 3,198 1,274 4,472 +32.5% (15.0%) +14.3% 71.5% 28.5% 100.0% 326 196 522 (135) 387 +48.1% +10.1% +48.1% +10.1% 62.5% 37.5% 100.0% 10.2% 15.4%	Q2 02/2018 3,973 1,343 5,316 +21.0% (14.2%) +9.6% 74.7% 25.3% 100.0% 542 224 767 (80) 687 +56.2% +25.7% +45.8% 70.7% 29.3% 100.0% 13.7% 16.7%	Q3 02/2018 2,575 1,381 3,956 (40.2%) (18.7%) (34.1%) 65.1% 34.9% 100.0% 41 172 214 (136) 78 (92.9%) (29.4%) (29.4%) (74.2%) 19.5% 80.5% 100.0% 1.6% 12.5%	Q4 02/2018 4,655 1,399 6,055 (5.2%) (5.8%) (5.3%) 76.9% 23.1% 100.0% 720 207 927 (109) 818 +20.9% +41.7% +25.0% 77.7% 22.3% 100.0% 15.5% 14.8%	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537 (138) 399 (14.8%) +32.5% +2.9% 51.7% 48.3% 100.0% 8.1% 18.3%	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% (116) 193 (97.5%) +31.9% (59.6%) 4.3% 95.7% 100.0% 0.5% 19.1%	Q3	Q4	Net Chg. (1,261) +211 (1,049) - - - - - - - - - - - - - - - - - - -
(Million Yen) Equipment Chemicals Sales Machinery Chemicals Sales (YoY) Equipment Chemicals Sales (Composition Ratio) Equipment Chemicals Segment Profit Elimination Operating Profit Equipment Chemicals Segment Profit (YoY) Equipment Chemicals Segment Profit (Composition Ratio) Equipment	Q1 02/2018 3,198 1,274 +32.5% (15.0%) +14.3% 71.5% 28.5% 100.0% 326 196 522 (135) 387 +48.1% +10.1% +31.1% 62.5% 37.5% 100.0% 10.2%	Q2 02/2018 3,973 1,343 5,316 +21.0% (14.2%) +9.6% 74.7% 25.3% 100.0% 542 224 767 (80) 687 +56.2% +25.7% +45.8% 70.7% 29.3% 100.0% 13.7%	Q3 02/2018 2,575 1,381 3,956 (40,2%) (18.7%) (34.1%) 65.1% 34.9% 100.0% 41 172 214 (136) 78 (92.9%) (29.4%) (29.4%) (29.4%) 19.5% 80.5% 100.0% 1.6%	Q4 02/2018 4,655 1,399 6,055 (5.2%) (5.8%) (5.3%) 76.9% 23.1% 100.0% 720 207 927 (109) 818 +20.9% +41.7% +25.0% 777.7% 22.3% 100.0% 15.5%	Q1 02/2019 3,433 1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537 (138) 399 (14.8%) +32.5% +2.9% 51.7% 48.3% 100.0% 8.1%	Q2 02/2019 2,712 1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309 (116) 193 (97.5%) +31.9% (59.6%) 4.3% 95.7% 100.0% 0.5%	Q3	Q4	Net Ch (1,26 +2 (1,04 (52 + (45 (3 (45 (3 (45) (13.29 +2.3)

### Sales by Region: Equipment (Cumulative, Quarterly)

Sales by Region: Equipment	Cons.Act	Cons. Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	02/2018	02/2018	02/2018	02/2018	02/2019	02/2019	02/2019	02/2019	Net Chg.
Japan	2,566	4,559	5,883	8,493	2,783	4,352	-		(207)
North America & Latin America	331	1,119	1,795	2,979	289	1,007	-		(112)
Europe & Africa	210	1,018	1,287	1,782	80	141	-		(876)
Middle East, Asia & Oceania	88	473	781	1,147	279	643	-		+169
Overseas	631	2,612	3,864	5,909	649	1,793	-		(818)
Sales	3,198	7,171	9,747	14,403	3,433	6,145	-		(1,025)
Japan	+41.1%	+8.7%	(16.4%)	(10.2%)	+8.5%	(4.5%)	-	-	-
North America & Latin America	(24.2%)	+1.4%	(5.9%)	(23.3%)	(12.7%)	(10.0%)	-	-	-
Europe & Africa	+127.0%	+286.3%	+203.4%	+105.4%	(62.0%)	(86.1%)	-	-	-
Middle East, Asia & Oceania	+39.7%	+251.8%	+23.6%	+63.3%	+215.0%	+35.8%	-	-	-
Overseas	+6.3%	+73.8%	+30.4%	+8.3%	+2.9%	(31.4%)	-	-	-
Sales (YoY)	+32.5%	+25.9%	(2.6%)	(3.4%)	+7.4%	(14.3%)	-	-	-
Japan	80.3%	63.6%	60.4%	59.0%	81.1%	70.8%	-	-	-
North America & Latin America	10.4%	15.6%	18.4%	20.7%	8.4%	16.4%	-	-	-
Europe & Africa	6.6%	14.2%	13.2%	12.4%	2.3%	2.3%	-	-	-
Middle East, Asia & Oceania	2.8%	6.6%	8.0%	8.0%	8.2%	10.5%	-	-	-
Overseas	19.7%	36.4%	39.6%	41.0%	18.9%	29.2%	-	-	-
Sales (Composition)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-
Sales by Region: Equipment	Cons.Act	Cons. Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY
(Million Yen)	02/2018	02/2018	02/2018	02/2018	02/2019	02/2019	02/2019	02/2019	Net Chg.
Japan									
North American O. L. C. A. C.	2,566	1,992	1,323	2,610	2,783	1,568	-	•	(424)
North America & Latin America	2,566 331	1,992 788	1,323 675	2,610 1,184	2,783 289	1,568 718	-	:	-
North America & Latin America Europe & Africa	,						- -	-	(424)
	331	788	675	1,184	289	718		-	(424) (69)
Europe & Africa	331 210	788 807	675 269	1,184 494	289 80	718 61	- - - -		(424) (69) (746)
Europe & Africa Middle East, Asia & Oceania	331 210 88	788 807 385	675 269 307	1,184 494 365	289 80 279	718 61 363	- - - - -	- - - -	(424) (69) (746) (21)
Europe & Africa Middle East, Asia & Oceania Overseas	331 210 88 631	788 807 385 1,980	675 269 307 1,252	1,184 494 365 2,045	289 80 279 649	718 61 363 1,143	- - - - - - -	-	(424) (69) (746) (21) (837)
Europe & Africa Middle East, Asia & Oceania Overseas Sales	331 210 88 631 <b>3,198</b>	788 807 385 1,980 <b>3,973</b>	675 269 307 1,252 <b>2,575</b>	1,184 494 365 2,045 <b>4,655</b>	289 80 279 649 <b>3,433</b>	718 61 363 1,143 <b>2,712</b>	- - - - - - - -	-	(424) (69) (746) (21) (837)
Europe & Africa Middle East, Asia & Oceania Overseas Sales Japan	331 210 88 631 <b>3,198</b> +41.1%	788 807 385 1,980 <b>3,973</b> (16.1%)	675 269 307 1,252 <b>2,575</b> (53.5%)	1,184 494 365 2,045 <b>4,655</b> +7.9%	289 80 279 649 <b>3,433</b> +8.5%	718 61 363 1,143 <b>2,712</b> (21.3%)	- - - - - - - - - - - - -		(424) (69) (746) (21) (837)
Europe & Africa Middle East, Asia & Oceania Overseas Sales Japan North America & Latin America	331 210 88 631 <b>3,198</b> +41.1% (24.2%)	788 807 385 1,980 <b>3,973</b> (16.1%) +18.2%	675 269 307 1,252 <b>2,575</b> (53.5%) (15.8%)	1,184 494 365 2,045 <b>4,655</b> +7.9% (40.1%)	289 80 279 649 <b>3,433</b> +8.5% (12.7%)	718 61 363 1,143 <b>2,712</b> (21.3%) (8.8%)	- - - - - - - - - - - - - -		(424) (69) (746) (21) (837)
Europe & Africa Middle East, Asia & Oceania Overseas Sales Japan North America & Latin America Europe & Africa	331 210 88 631 <b>3,198</b> +41.1% (24.2%) +127.0%	788 807 385 1,980 <b>3,973</b> (16.1%) +18.2% +373.0%	675 269 307 1,252 <b>2,575</b> (53.5%) (15.8%) +67.5%	1,184 494 365 2,045 <b>4,655</b> +7.9% (40.1%) +11.6%	289 80 279 649 <b>3,433</b> +8.5% (12.7%) (62.0%)	718 61 363 1,143 <b>2,712</b> (21.3%) (8.8%) (92.4%)	- - - - - - - - - - - - - - -		(424) (69) (746) (21) (837)
Europe & Africa Middle East, Asia & Oceania Overseas Sales Japan North America & Latin America Europe & Africa Middle East, Asia & Oceania	331 210 88 631 3,198 +41.1% (24.2%) +127.0% +39.7%	788 807 385 1,980 <b>3,973</b> (16.1%) +18.2% +373.0% +441.6%	675 269 307 1,252 <b>2,575</b> (53.5%) (15.8%) +67.5% (38.2%)	1,184 494 365 2,045 <b>4,655</b> +7.9% (40.1%) +11.6% +419.0%	289 80 279 649 <b>3,433</b> +8.5% (12.7%) (62.0%) +215.0%	718 61 363 1,143 <b>2,712</b> (21.3%) (8.8%) (92.4%) (5.5%)	- - - - - - - - - - - - - - - - -		(424) (69) (746) (21) (837)
Europe & Africa Middle East, Asia & Oceania Overseas Sales Japan North America & Latin America Europe & Africa Middle East, Asia & Oceania Overseas	331 210 88 631 <b>3,198</b> +41.1% (24.2%) +127.0% +39.7% +6.3%	788 807 385 1,980 <b>3,973</b> (16.1%) +18.2% +373.0% +441.6% +118.0%	675 269 307 1,252 <b>2,575</b> (53.5%) (15.8%) +67.5% (38.2%) (14.3%)	1,184 494 365 2,045 <b>4,655</b> +7.9% (40.1%) +11.6% +419.0% (17.9%)	289 80 279 649 <b>3,433</b> +8.5% (12.7%) (62.0%) +215.0% +2.9%	718 61 363 1,143 <b>2,712</b> (21.3%) (8.8%) (92.4%) (5.5%) (42.3%)	- - - - - - - - - - - - - - - - - - -		(424) (69) (746) (21) (837)
Europe & Africa Middle East, Asia & Oceania Overseas Sales Japan North America & Latin America Europe & Africa Middle East, Asia & Oceania Overseas Sales (YoY)	331 210 88 631 <b>3,198</b> +41.1% (24.2%) +127.0% +39.7% +6.3% <b>+32.5%</b>	788 807 385 1,980 <b>3,973</b> (16.1%) +18.2% +373.0% +441.6% +118.0% <b>+21.0%</b>	675 269 307 1,252 <b>2,575</b> (53.5%) (15.8%) +67.5% (38.2%) (14.3%) <b>(40.2%)</b>	1,184 494 365 2,045 <b>4,655</b> +7.9% (40.1%) +11.6% +419.0% (17.9%) <b>(5.2%)</b>	289 80 279 649 <b>3,433</b> +8.5% (12.7%) (62.0%) +215.0% +2.9% <b>+7.4%</b>	718 61 363 1,143 <b>2,712</b> (21.3%) (8.8%) (92.4%) (5.5%) (42.3%) (42.3%) (31.7%)	- - - - - - - - - - - - - - - - - - -	-	(424) (69) (746) (21) (837)
Europe & Africa Middle East, Asia & Oceania Overseas Sales Japan North America & Latin America Europe & Africa Middle East, Asia & Oceania Overseas Sales (YoY) Japan	331 210 88 631 <b>3,198</b> +41.1% (24.2%) +127.0% +39.7% +6.3% <b>+32.5%</b> 80.3%	788 807 385 1,980 <b>3,973</b> (16.1%) +18.2% +373.0% +441.6% +118.0% <b>+21.0%</b> 50.2%	675 269 307 1,252 <b>2,575</b> (53.5%) (15.8%) +67.5% (38.2%) (14.3%) <b>(40.2%)</b> 51.4%	1,184 494 365 2,045 <b>4,655</b> +7.9% (40.1%) +11.6% +419.0% (17.9%) <b>(5.2%)</b> 56.1%	289 80 279 649 <b>3,433</b> +8.5% (12.7%) (62.0%) +215.0% +2.9% <b>+7.4%</b> 81.1%	718 61 363 1,143 <b>2,712</b> (21.3%) (8.8%) (92.4%) (5.5%) (42.3%) (31.7%) 57.8%	- - - - - - - - - - - - - - - - - - -	-	(424) (69) (746) (21) (837)
Europe & Africa Middle East, Asia & Oceania Overseas Sales Japan North America & Latin America Europe & Africa Middle East, Asia & Oceania Overseas Sales (YoY) Japan North America & Latin America	331 210 88 631 <b>3,198</b> +41.1% (24.2%) +127.0% +39.7% +6.3% <b>+32.5%</b> 80.3% 10.4%	788 807 385 1,980 <b>3,973</b> (16.1%) +18.2% +373.0% +441.6% +118.0% <b>+21.0%</b> 50.2% 19.8%	675 269 307 1,252 <b>2,575</b> (53.5%) (15.8%) +67.5% (38.2%) (14.3%) <b>(40.2%)</b> 51.4% 26.2%	1,184 494 365 2,045 <b>4,655</b> +7.9% (40.1%) +11.6% +419.0% (17.9%) <b>(5.2%)</b> 56.1% 25.4%	289 80 279 649 <b>3,433</b> +8.5% (12.7%) (62.0%) +215.0% +2.9% <b>+7.4%</b> 81.1% 8.4%	718 61 363 1,143 <b>2,712</b> (21.3%) (8.8%) (92.4%) (5.5%) (42.3%) (31.7%) 57.8% 26.5%	- - - - - - - - - - - - - - - - - - -	-	(424) (69) (746) (21) (837)
Europe & Africa Middle East, Asia & Oceania Overseas Sales Japan North America & Latin America Europe & Africa Middle East, Asia & Oceania Overseas Sales (YoY) Japan North America & Latin America Europe & Africa	331 210 88 631 <b>3,198</b> +41.1% (24.2%) +127.0% +39.7% +6.3% <b>+32.5%</b> 80.3% 10.4% 6.6%	788 807 385 1,980 <b>3,973</b> (16.1%) +18.2% +373.0% +441.6% +118.0% <b>+21.0%</b> 50.2% 19.8% 20.3%	675 269 307 1,252 <b>2,575</b> (53.5%) (15.8%) +67.5% (38.2%) (14.3%) <b>(40.2%)</b> 51.4% 26.2% 10.5%	1,184 494 365 2,045 <b>4,655</b> +7.9% (40.1%) +11.6% +419.0% (17.9%) <b>(5.2%)</b> 56.1% 25.4% 10.6%	289 80 279 649 <b>3,433</b> +8.5% (12.7%) (62.0%) +215.0% +2.9% <b>+7.4%</b> 81.1% 8.4% 2.3%	718 61 363 1,143 (21.3%) (8.8%) (92.4%) (5.5%) (42.3%) (31.7%) 57.8% 26.5% 2.3%	- - - - - - - - - - - - - - - - - - -	-	(424) (69) (746) (21) (837)

#### Balance Sheet (Quarterly)

Balance Sheet	Cons.Act								
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY
(Million Yen)	02/2018	02/2018	02/2018	02/2018	02/2019	02/2019	02/2019	02/2019	Net Chg.
Cash & Deposit	6,152	6,000	6,392	6,568	5,236	5,245	-	-	(754)
Accounts Receivables	4,352	5,028	4,341	4,451	4,576	4,377	-	-	(650)
Inventory	3,094	3,344	4,061	3,185	2,998	2,802	-	-	(542)
Other	720	639	718	579	545	566	-	-	(72)
Current Assets	14,320	15,012	15,514	14,784	13,356	12,991	-	-	(2,021)
Tangible Assets	3,205	3,219	3,355	3,370	3,471	3,554	-	-	+334
Intangible Assets	43	32	20	102	96	91	-	-	+58
Investments & Other Assets	869	857	864	868	860	847	-	-	(9)
Fixed Assets	4,118	4,109	4,240	4,341	4,428	4,493	-	-	+383
Total Assets	18,439	19,122	19,755	19,125	17,784	17,484	-	-	(1,637)
Accounts Payables	2,893	3,289	3,273	2,823	2,510	2,142	-	-	(1,147)
Short Term Debt	-	-	-	-	-	-	-	-	-
Other	3,139	2,966	3,458	2,741	2,258	2,169	-	-	(797)
Current Liabilities	6,033	6,256	6,731	5,564	4,768	4,312	-	-	(1,944)
Long Term Debt	-	-	-	-	-	-	-	-	-
Other	325	333	336	318	323	319	-	-	(13)
Fixed Liabilities	325	333	336	318	323	319	-	-	(13)
Total Liabilities	6,358	6,589	7,067	5,883	5,092	4,632	-	-	(1,957)
Shareholders' Equity	12,339	12,800	12,915	13,543	12,973	13,092	-	-	+292
Adjustments	(258)	(267)	(226)	(301)	(281)	(240)	-	-	+27
Total Assets	12,081	12,532	12,688	13,242	12,691	12,852	-	-	+320
Total Liabilities & Net Assets	18,439	19,122	19,755	19,125	17,784	17,484	-	-	(1,637)
Equity Capital	12,081	12,532	12,688	13,242	12,691	12,852	-	-	+320
Interest Bearing Debt	-	-	-	-	-	-	-	-	-
Net Debt	(6,152)	(6,000)	(6,392)	(6,568)	(5,236)	(5,245)	-	-	+754
Equity Capital Ratio	65.5%	65.5%	64.2%	69.2%	71.4%	73.5%	-	-	-
Net-Debt-Equity Ratio	(50.9%)	(47.9%)	(50.4%)	(49.6%)	(41.3%)	(40.8%)	-	-	-
ROE (12 months)	11.1%	12.6%	9.0%	11.6%	12.5%	9.5%	-	-	-
ROA (12 months)	12.3%	13.2%	9.4%	10.4%	11.5%	8.7%	-	-	-
Total Assets Turnover	97%	111%	80%	127%	109%	98%	-	-	-
Inventory Turnover	3.8	4.1	2.6	5.0	4.3	4.1	-	-	-
Days of Inventory	97	90	139	73	84	90	-	-	-
Quick Ratio	174%	176%	159%	198%	206%	223%	-	-	-
Current Ratio	237%	240%	230%	266%	280%	301%	-	-	-
Source: Company Data, WR I Calculation									

Source: Company Data, WRJ Calculation

### **Cash Flow Statement (Cumulative)**

Cash Flow Statement	Cons.Act								
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	02/2018	02/2018	02/2018	02/2018	02/2019	02/2019	02/2019	02/2019	Net Chg.
Operating Cash Flow	-	(375)	-	594	-	(230)	-	•	+145
Investment Cash Flow	-	(224)	-	(493)	-	(190)	-		+34
Operating CF & Investment CF	-	(600)	-	100	-	(420)	-		+179
Financing Cash Flow	-	(368)	-	(499)	-	(918)	-	· ·	(550)

#### 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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