

## Consolidated Financial Results

### for the First Quarter of the Fiscal Year Ending September 30, 2019

Name of Registrant	SHOEI CO., LTD.
Code No:	7839
Securities Traded	Tokyo Stock Exchange, 1st Section
Headquarters	Tokyo, Japan
(URL <a href="https://www.shoei.com/">https://www.shoei.com/</a> )	
Representative:	Kenichiro Ishida, President and Representative Director
Contact:	Atsuyuki Miyakawa, General Manager of Corporate Planning Department

## INDEX

- I . Financial Summary
- II . Consolidated Forecasts  
for The Fiscal Year Ending September 30, 2019
- III . Consolidated Financial Statements

## I . Financial Summary

### 1) Operating Performance

	Millions of Yen		
	<u>Oct.17-Dec.17</u>	<u>Oct.18-Dec.18</u>	<u>% Changes</u>
Net Sales	3,761	4,160	10.6
Operating Income	739	863	16.8
Ordinary Income	755	850	12.5
Profit attributable to owners of parent	503	585	16.1
	<hr/>		
	Yen		
<i>Per Share Amounts</i>			
Net Income	36.59	42.48	
Net Income, Diluted	—	—	

#### *Notes:*

#### *1.Earnings (Losses) of Affiliates in Equity Method:*

Millions of Yen	
<u>Oct.17-Dec.17</u>	<u>Oct.18-Dec.18</u>
—	—

#### *2.Average Number of Shares Outstanding During The Period (Consolidated):*

Shares	
<u>Oct.17-Dec.17</u>	<u>Oct.18-Dec.18</u>
13,771,798	13,771,600

#### *3.Number of Treasury Stocks as of December 31, 2018: 815*

#### *4.Change of Accounting Method: Not Applicable.*

#### *5.Percentages of net sales, operating income, ordinary income and net income show changes from those in the corresponding period of the previous year.*

#### *6.Amounts Less than ¥1million are omitted.*

#### *7.The net income per share is calculated using the weighted average number of shares (excluding treasury stock)during the period.*

## 2) Financial Position

	Millions of Yen	
	<u>Sep.30,18</u>	<u>Dec.31,18</u>
Total Assets	16,755	15,929
Net Assets	13,659	13,155
	Percentage	
Net Assets to Total Assets	81.5%	82.6%
	Yen	
Net Assets per Share	991.88	955.26

### Notes:

1. Number of Shares Outstanding on September 30, 2018 and Dec 31, 2018  
(Consolidated):

Shares	
<u>Sep.30,18</u>	<u>Dec.31,18</u>
13,772,400	13,772,400

## II. Consolidated Forecasts for The Fiscal Year Ending September 30, 2019

	Millions of Yen
	<u>Oct.18-Sep.19</u>
Net Sales	18,150
Operating Income	3,440
Ordinary Income	3,450
Net Income	2,390
	Yen
Net Income Per Share	173.55

### Ⅲ. Consolidated Financial Statements

#### Consolidated Statements of Income

(Thousands of yen)

	Three months ended December 31, 2017	Three months ended December 31, 2018
Net sales	3,761,719	4,160,582
Cost of sales	2,300,022	2,518,447
Gross profit	1,461,696	1,642,134
Selling, general and administrative expenses	722,134	778,516
Operating profit	739,562	863,618
Non-operating income		
Interest income	99	162
Foreign exchange gains	16,690	-
Insurance income	515	260
Subsidy income	200	200
Gain on forfeiture of unclaimed dividends	423	718
Other	1,130	871
Total non-operating income	19,059	2,213
Non-operating expenses		
Foreign exchange losses	-	15,579
Loss on transfer of receivables	1,236	9
Other	1,646	75
Total non-operating expenses	2,882	15,665
Ordinary profit	755,739	850,166
Extraordinary income		
Gain on sales of non-current assets	11	173
Total extraordinary income	11	173
Extraordinary losses		
Loss on sales of non-current assets	159	-
Total extraordinary losses	159	-
Profit before income taxes	755,590	850,340
Income taxes - current	284,487	202,795
Income taxes - deferred	-32,787	62,502
Total income taxes	251,699	265,298
Profit	503,890	585,042
Profit attributable to owners of parent	503,890	585,042

# Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Three months ended December 31, 2017	Three months ended December 31, 2018
Profit	503,890	585,042
Other comprehensive income		
Deferred gains or losses on hedges	1,523	-
Foreign currency translation adjustment	185,071	185,473
Remeasurements of defined benefit plans, net of tax	-4,246	6,026
Total other comprehensive income	182,348	191,499
Comprehensive income	686,239	776,542
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	686,239	776,542

# Consolidated Balance Sheets

(Thousands of yen)

	As of September 30, 2018	As of December 31, 2018
<b>Assets</b>		
Current assets		
Cash and deposits	8,115,168	6,641,434
Notes and accounts receivable - trade	2,179,023	1,944,465
Merchandise and finished goods	1,396,979	1,802,388
Work in process	421,830	533,125
Raw materials and supplies	689,927	975,861
Other	721,672	644,746
Allowance for doubtful accounts	-7,732	-7,732
Total current assets	13,516,868	12,534,290
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,009,619	3,048,353
Accumulated depreciation	-2,106,608	-2,125,437
Buildings and structures, net	903,011	922,916
Machinery, equipment and vehicles	3,006,197	3,045,626
Accumulated depreciation	-1,812,639	-1,884,592
Machinery, equipment and vehicles, net	1,193,558	1,161,033
Tools, furniture and fixtures	4,514,958	4,595,476
Accumulated depreciation	-4,275,073	-4,203,031
Tools, furniture and fixtures, net	239,885	392,445
Land	211,544	211,544
Leased assets	6,090	6,090
Accumulated depreciation	-4,059	-4,567
Leased assets, net	2,030	1,522
Construction in progress	140,711	130,022
Total property, plant and equipment	2,690,740	2,819,485
Intangible assets	68,984	64,279
Investments and other assets		
Deferred tax assets	394,584	328,263
Other	84,597	183,037
Total investments and other assets	479,181	511,300
Total non-current assets	3,238,906	3,395,065
Total assets	16,755,775	15,929,355

(Thousands of yen)

	As of September 30, 2018	As of December 31, 2018
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	655,824	787,710
Accounts payable - other	249,929	307,124
Income taxes payable	671,370	239,263
Provision for bonuses	220,700	86,800
Forward exchange contracts	4,804	-
Other	493,505	528,772
<b>Total current liabilities</b>	<b>2,296,134</b>	<b>1,949,671</b>
Non-current liabilities		
Provision for directors' retirement benefits	115,375	131,056
Net defined benefit liability	657,802	666,541
Asset retirement obligations	26,700	26,700
<b>Total non-current liabilities</b>	<b>799,878</b>	<b>824,297</b>
<b>Total liabilities</b>	<b>3,096,012</b>	<b>2,773,969</b>
Net assets		
Shareholders' equity		
Capital stock	1,394,778	1,394,778
Capital surplus	391,621	391,621
Retained earnings	12,326,708	11,630,990
Treasury shares	-1,568	-1,726
<b>Total shareholders' equity</b>	<b>14,111,539</b>	<b>13,415,663</b>
Accumulated other comprehensive income		
Foreign currency translation adjustment	-278,595	-93,122
Remeasurements of defined benefit plans	-173,181	-167,154
<b>Total accumulated other comprehensive income</b>	<b>-451,777</b>	<b>-260,277</b>
<b>Total net assets</b>	<b>13,659,762</b>	<b>13,155,386</b>
<b>Total liabilities and net assets</b>	<b>16,755,775</b>	<b>15,929,355</b>