

Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 31, 2018 [Japanese GAAP]



July 31, 2017

Company name: Sanoyas Holdings Corporation
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 7022
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 Scheduled date of filing quarterly securities report: August 10, 2017
 Scheduled date of commencing dividend payments: –
 Availability of supplementary briefing material on annual financial results: Not available
 Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 31, 2018 (April 1, 2017 to March 31, 2018)

(1) Consolidated Operating Results (Cumulative) (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit (loss) attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended								
June 30, 2017	11,974	(1.3)	342	—	343	—	450	—
June 30, 2016	12,127	(6.7)	(2,552)	—	(2,618)	—	(2,769)	—

(Note) Comprehensive income: First quarter of fiscal year ending March 31, 2018: ¥609 million [–%]

First quarter of fiscal year ended March 31, 2017: ¥(3,113) million [–%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
June 30, 2017	13.84	13.80
June 30, 2016	(85.01)	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of	Million yen	Million yen	%
June 30, 2017	69,561	17,804	25.6
March 31, 2017	70,562	17,349	24.6

(Reference) Equity: As of June 30, 2017: ¥17,777 million As of March 31, 2017: ¥17,330 million

2. Cash Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Year ended March 31, 2017	Yen —	Yen 0.00	Yen —	Yen 5.00	Yen 5.00
Year ending March 31, 2018	—				
Year ending March 31, 2018 (Forecast)		0.00	—	5.00	5.00

(Note) Revision to recently disclosed projected cash dividends: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2018 (April 1, 2017 to March 31, 2018)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit (loss) attributable to owners of parent	Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
Full year	47,000	(11.4)	300	(66.8)	200	(76.8)	100	3.07

(Note) Revision to recently disclosed projected consolidated financial results: No

* Notes:

- (1) Changes in significant subsidiaries during the current quarter (changes in specified subsidiaries resulting in changes in scope of consolidation): No
- (2) Adoption of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to revision of accounting standards: No
 - 2) Changes in accounting policies other than 1): No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Number of issued shares (common shares)
 - 1) Number of issued shares at the end of the period (including treasury shares):
As of June 30, 2017: 32,600,600 shares
As of March 31, 2017: 32,600,000 shares
 - 2) Number of treasury shares at the end of the period:
As of June 30, 2017: 20,715 shares
As of March 31, 2017: 26,110 shares
 - 3) Average number of outstanding shares during the period:
Three months ended June 30, 2017: 32,578,386 shares
Three months ended June 30, 2016: 32,577,510 shares

* These quarterly consolidated financial results are outside the scope of audit

* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently available. Actual results may differ significantly from these forecasts due to a wide range of factors.

Quarterly Consolidated Financial Statements [Japanese GAAP]

(1) Quarterly Consolidated Balance Sheets [Japanese GAAP]

(Million yen)

	As of March 31, 2017	As of June 30, 2017
Assets		
Current assets		
Cash and deposits	18,261	20,159
Notes and accounts receivable - trade	21,646	19,209
Merchandise and finished goods	219	198
Work in process	1,158	1,278
Raw materials and supplies	719	749
Deferred tax assets	34	31
Other	2,169	1,384
Allowance for doubtful accounts	(20)	(10)
Total current assets	44,189	43,001
Non-current assets		
Property, plant and equipment		
Machinery and equipment, net	3,664	3,551
Land	5,011	5,014
Other, net	8,021	8,169
Total property, plant and equipment	16,696	16,735
Intangible assets		
Software	478	430
Goodwill	495	478
Other	33	32
Total intangible assets	1,007	941
Investments and other assets		
Investment securities	6,140	6,337
Long-term loans receivable	476	503
Deferred tax assets	215	204
Net defined benefit asset	253	258
Other	1,606	1,602
Allowance for doubtful accounts	(23)	(23)
Total investments and other assets	8,668	8,882
Total non-current assets	26,373	26,559
Total assets	70,562	69,561

(Million yen)

	As of March 31, 2017	As of June 30, 2017
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,290	9,846
Notes payable - facilities	263	1,224
Short-term loans payable	4,730	4,280
Current portion of long-term loans payable	3,845	4,079
Income taxes payable	573	342
Advances received	3,825	3,566
Provision for bonuses	459	214
Provision for construction warranties	127	113
Provision for loss on construction contracts	2,813	2,736
Provision for noncurrent assets removal cost	194	187
Provision for loss on business withdrawal	341	341
Lease obligations	1,292	1,202
Other	2,162	1,400
Total current liabilities	30,919	29,535
Non-current liabilities		
Long-term loans payable	14,303	14,335
Lease obligations	1,062	1,062
Deferred tax liabilities	2,367	2,258
Net defined benefit liability	4,063	4,074
Asset retirement obligations	445	445
Other	51	45
Total non-current liabilities	22,293	22,221
Total liabilities	53,212	51,757
Net assets		
Shareholders' equity		
Capital stock	2,538	2,538
Capital surplus	727	564
Retained earnings	11,616	12,067
Treasury shares	(6)	(5)
Total shareholders' equity	14,875	15,164
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,896	3,028
Deferred gains or losses on hedges	34	22
Foreign currency translation adjustment	(71)	(70)
Remeasurements of defined benefit plans	(405)	(367)
Total accumulated other comprehensive income	2,454	2,613
Subscription rights to shares	18	26
Non-controlling interests	0	—
Total net assets	17,349	17,804
Total liabilities and net assets	70,562	69,561

(2) Quarterly Consolidated Statements of Income [Japanese GAAP]

(Million yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Net sales	12,127	11,974
Cost of sales	13,352	10,382
Gross profit (loss)	(1,225)	1,592
Selling, general and administrative expenses	1,327	1,250
Operating profit (loss)	(2,552)	342
Non-operating income		
Interest income	3	4
Dividend income	53	54
Share of profit of entities accounted for using equity method	26	24
Other	16	27
Total non-operating income	100	111
Non-operating expenses		
Interest expenses	81	80
Foreign exchange losses	73	—
Other	11	29
Total non-operating expenses	165	109
Ordinary profit (loss)	(2,618)	343
Extraordinary losses		
Impairment loss	26	—
Loss on retirement of non-current assets	14	—
Provision for assets removal	11	—
Total extraordinary losses	52	—
Profit (loss) before income taxes	(2,670)	343
Income taxes - current	96	46
Income taxes - deferred	2	(153)
Total income taxes	99	(106)
Profit (loss)	(2,769)	450
Loss attributable to non-controlling interests	(0)	—
Profit (loss) attributable to owners of parent	(2,769)	450