

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2019 (Based on Japanese GAAP)

July 31, 2019

Company name: TOSHO CO., LTD.  
 Stock exchange listing: Tokyo, Nagoya  
 Stock code: 8920 URL <http://www.to-sho.net/>  
 Representative: President & COO Yuichiro Kutsuna  
 Inquiries: Managing Director & CFO Naoya Kuwazoe TEL 0566-79-3111  
 Scheduled date to file Quarterly Securities Report: August 6, 2019  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2019 (from April 1, 2019 to June 30, 2019)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2019	7,143	9.0	1,761	4.5	1,768	2.6	979	(2.3)
Three months ended June 30, 2018	6,551	15.8	1,685	30.8	1,723	33.6	1,002	33.8

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2019	25.57		–	
Three months ended June 30, 2018	26.17		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2019	68,108	32,693	44.3
As of March 31, 2019	67,726	31,958	43.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2019	–	7.00	–	8.00	15.00
Year ending March 31, 2020	–	–	–	–	–
Year ending March 31, 2020 (Forecast)	–	8.00	–	8.00	16.00

3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2019	14,600	9.7	3,860	11.1	3,890	9.0	2,100	(1.9)	54.82
Full year	30,000	10.1	7,900	10.3	8,000	9.5	4,500	11.8	117.47

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2019  
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2019	38,315,000 shares	As of March 31, 2019	38,315,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2019	8,683 shares	As of March 31, 2019	8,683 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2019	38,306,317 shares	Three months ended June 30, 2018	38,306,440 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2019	As of June 30, 2019
Assets		
Current assets		
Cash and deposits	15,200,619	13,669,809
Accounts receivable - trade	261,015	216,303
Trade accounts receivable	235,823	557,239
Merchandise	6,756	4,999
Supplies	76,799	74,918
Other	482,711	431,256
Total current assets	16,263,726	14,954,527
Non-current assets		
Property, plant and equipment		
Buildings and structures	49,074,709	50,062,147
Accumulated depreciation	(16,980,942)	(17,383,065)
Buildings and structures, net	32,093,766	32,679,081
Machinery, equipment and vehicles	1,616,182	1,681,999
Accumulated depreciation	(808,961)	(841,410)
Machinery, equipment and vehicles, net	807,221	840,589
Tools, furniture and fixtures	1,407,049	1,428,290
Accumulated depreciation	(1,076,235)	(1,108,602)
Tools, furniture and fixtures, net	330,814	319,688
Land	8,381,135	8,911,805
Leased assets	4,133,582	4,174,205
Accumulated depreciation	(786,720)	(792,949)
Leased assets, net	3,346,861	3,381,255
Construction in progress	2,786,224	3,314,432
Total property, plant and equipment	47,746,024	49,446,853
Intangible assets	130,608	142,105
Investments and other assets		
Deferred tax assets	746,827	700,862
Other	2,845,522	2,870,917
Allowance for doubtful accounts	(11,850)	(11,850)
Total investments and other assets	3,580,499	3,559,930
Total non-current assets	51,457,131	53,148,889
Deferred assets		
Share issuance cost	3,172	2,696
Bond issuance cost	2,905	2,324
Total deferred assets	6,077	5,020
Total assets	67,726,935	68,108,436

(Thousands of yen)

	As of March 31, 2019	As of June 30, 2019
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	1,083	978
Current portion of bonds	241,200	241,200
Current portion of long-term borrowings	4,800,762	4,902,260
Income taxes payable	1,433,689	676,938
Other	3,063,553	2,968,210
<b>Total current liabilities</b>	<b>9,540,287</b>	<b>8,789,588</b>
<b>Non-current liabilities</b>		
Bonds payable	258,200	195,200
Long-term borrowings	19,383,869	19,628,657
Lease obligations	2,968,901	3,088,157
Provision for retirement benefits for directors (and other officers)	866,820	876,830
Retirement benefit liability	56,595	61,053
Asset retirement obligations	2,339,449	2,419,630
Provision for loss on litigation	134,302	134,302
Other	219,946	221,944
<b>Total non-current liabilities</b>	<b>26,228,084</b>	<b>26,625,775</b>
<b>Total liabilities</b>	<b>35,768,371</b>	<b>35,415,363</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,580,817	1,580,817
Capital surplus	2,295,434	2,295,434
Retained earnings	25,610,096	26,283,030
Treasury shares	(7,459)	(7,459)
<b>Total shareholders' equity</b>	<b>29,478,890</b>	<b>30,151,824</b>
<b>Accumulated other comprehensive income</b>		
Remeasurements of defined benefit plans	(3,060)	(2,898)
<b>Total accumulated other comprehensive income</b>	<b>(3,060)</b>	<b>(2,898)</b>
<b>Non-controlling interests</b>	<b>2,482,734</b>	<b>2,544,146</b>
<b>Total net assets</b>	<b>31,958,564</b>	<b>32,693,073</b>
<b>Total liabilities and net assets</b>	<b>67,726,935</b>	<b>68,108,436</b>

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

### Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Net sales	6,551,401	7,143,019
Cost of sales	4,164,606	4,683,840
Gross profit	2,386,795	2,459,179
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	109,721	112,523
Salaries and bonuses	148,503	180,928
Retirement benefit expenses	1,323	1,585
Other	441,698	402,869
Total selling, general and administrative expenses	701,247	697,906
Operating profit	1,685,548	1,761,272
Non-operating income		
Interest income	749	662
Dividend income	1	2
Commission income	48,340	41,490
Miscellaneous income	33,424	9,469
Total non-operating income	82,516	51,624
Non-operating expenses		
Interest expenses	39,317	38,543
Miscellaneous loss	5,174	5,862
Total non-operating expenses	44,491	44,406
Ordinary profit	1,723,573	1,768,490
Extraordinary income		
Gain on sales of non-current assets	–	311
Total extraordinary income	–	311
Extraordinary losses		
Loss on retirement of non-current assets	4,297	1,434
Total extraordinary losses	4,297	1,434
Profit before income taxes	1,719,275	1,767,367
Income taxes - current	500,362	640,230
Income taxes - deferred	133,623	45,976
Total income taxes	633,986	686,206
Profit	1,085,288	1,081,161
Profit attributable to non-controlling interests	82,453	101,587
Profit attributable to owners of parent	1,002,835	979,574

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Profit	1,085,288	1,081,161
Other comprehensive income		
Remeasurements of defined benefit plans, net of tax	54	162
Total other comprehensive income	54	162
Comprehensive income	1,085,343	1,081,323
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,002,889	979,736
Comprehensive income attributable to non-controlling interests	82,453	101,587