

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended September 30, 2017 (Based on Japanese GAAP)

October 31, 2017

Company name: EBARA JITSUGYO CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 6328 URL <http://www.ejk.co.jp/>
 Representative: Chairman & President HISASHI SUZUKI
 Senior Corporate Officer, Head of Corporate Planning & Strategy Office SHUJI OHNO TEL 03-5565-2885
 Inquiries: TEL 03-5565-2885
 Scheduled date to file Quarterly Securities Report: November 9, 2017
 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 nine months ended September 30, 2017 (from January 1, 2017 to September 30, 2017)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended September 30, 2017	19,409	(4.1)	1,383	59.6	1,471	54.3	1,090	62.4
Nine months ended September 30, 2016	20,240	(0.2)	867	(30.4)	953	(26.8)	671	(24.2)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended September 30, 2017	162.64		–	
Nine months ended September 30, 2016	100.36		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2017	23,734	12,206	51.4
As of December 31, 2016	23,434	10,624	45.3

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended December 31, 2016	–	22.50	–	22.50	45.00
Year ending December 31, 2017	–	22.50	–	–	–
Year ending December 31, 2017 (Forecast)	–	–	–	22.50	45.00

3. Forecast of consolidated financial results for the year ending December 31, 2017 (from January 1, 2017 to December 31, 2017)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	28,000	0.8	1,340	3.8	1,440	1.4	1,000	(2.9)	149.09

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended September 30, 2017
(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 September 30, 2017	6,715,000 shares	As of December 31, 2016	6,715,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2017	7,741 shares	As of December 31, 2016	7,692 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2017	6,707,303 shares	Nine months ended September 30, 2016	6,693,521 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of December 31, 2016	As of September 30, 2017
Assets		
Current assets		
Cash and deposits	3,185	4,454
Notes and accounts receivable - trade	9,773	7,522
Merchandise and finished goods	811	925
Work in process	204	187
Costs on uncompleted construction contracts	510	432
Raw materials and supplies	176	219
Deferred tax assets	43	112
Other	374	376
Allowance for doubtful accounts	(1)	(1)
Total current assets	15,077	14,228
Non-current assets		
Property, plant and equipment		
Buildings and structures	2,958	3,010
Accumulated depreciation	(1,513)	(1,563)
Buildings and structures, net	1,445	1,447
Machinery, equipment and vehicles	109	120
Accumulated depreciation	(64)	(75)
Machinery, equipment and vehicles, net	45	45
Tools, furniture and fixtures	519	559
Accumulated depreciation	(401)	(444)
Tools, furniture and fixtures, net	117	114
Land	1,421	1,421
Other	37	22
Accumulated depreciation	(4)	(5)
Other, net	32	16
Total property, plant and equipment	3,061	3,045
Intangible assets	35	33
Investments and other assets		
Investment securities	3,324	4,470
Insurance funds	1,145	1,176
Real estate for investment, net	652	635
Deferred tax assets	5	5
Other	240	247
Allowance for doubtful accounts	(108)	(108)
Total investments and other assets	5,258	6,427
Total non-current assets	8,356	9,506
Total assets	23,434	23,734

(Millions of yen)

	As of December 31, 2016	As of September 30, 2017
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,671	6,418
Short-term loans payable	1,090	1,090
Income taxes payable	135	308
Accrued consumption taxes	224	34
Advances received	1,107	1,722
Provision for bonuses	–	186
Provision for loss on construction contracts	14	2
Other	634	474
Total current liabilities	11,878	10,238
Non-current liabilities		
Deferred tax liabilities	598	941
Provision for directors' retirement benefits	187	187
Net defined benefit liability	75	89
Other	69	70
Total non-current liabilities	931	1,289
Total liabilities	12,810	11,528
Net assets		
Shareholders' equity		
Capital stock	1,001	1,001
Capital surplus	831	831
Retained earnings	7,609	8,398
Treasury shares	(12)	(12)
Total shareholders' equity	9,430	10,219
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,311	2,086
Remeasurements of defined benefit plans	(117)	(98)
Total accumulated other comprehensive income	1,193	1,987
Total net assets	10,624	12,206
Total liabilities and net assets	23,434	23,734

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended September 30, 2016	Nine months ended September 30, 2017
Net sales	20,240	19,409
Cost of sales	15,379	13,983
Gross profit	4,860	5,426
Selling, general and administrative expenses	3,993	4,042
Operating income	867	1,383
Non-operating income		
Interest income	2	2
Dividend income	35	37
Rent of real estate for investment	63	67
Insurance income	12	0
Other	17	26
Total non-operating income	130	132
Non-operating expenses		
Interest expenses	6	5
Rent expenses on real estates	29	28
Commission fee	2	0
Other	6	10
Total non-operating expenses	44	45
Ordinary income	953	1,471
Profit before income taxes	953	1,471
Income taxes - current	293	457
Income taxes - deferred	(11)	(76)
Total income taxes	281	380
Profit	671	1,090
Profit attributable to owners of parent	671	1,090

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended September 30, 2016	Nine months ended September 30, 2017
Profit	671	1,090
Other comprehensive income		
Valuation difference on available-for-sale securities	(63)	774
Remeasurements of defined benefit plans, net of tax	18	18
Total other comprehensive income	(45)	793
Comprehensive income	626	1,884
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	626	1,884
Comprehensive income attributable to non-controlling interests	—	—