

Consolidated Financial Results
for the Six Months Ended December 31, 2016
[Japanese GAAP]



January 31, 2017

Company name: KAWANISHI HOLDINGS, INC.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 2689
 URL: <http://www.kawanishi-md.co.jp/>
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 Scheduled date of filing quarterly securities report: February 14, 2017
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on quarterly financial results: Unavailable
 Schedule of quarterly financial results briefing session: Scheduled (for securities analysts)

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

1. Consolidated Financial Results for the Six Months Ended December 31, 2016 (July 1, 2016 to December 31, 2016)

(1) Consolidated Operating Results (% indicates changes from the previous year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended December 31, 2016	53,184	8.0	571	193.3	590	205.2	377	312.9
December 31, 2015	49,238	7.9	194	(16.9)	193	(16.1)	91	(20.7)

(Note) Comprehensive income: Six months ended December 31, 2016: ¥397 million [273.1%]
 Six months ended December 31, 2015: ¥106 million [(31.4%)]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
December 31, 2016	67.29	—
December 31, 2015	16.30	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2016	35,391	4,968	13.6
As of June 30, 2016	31,049	4,593	14.8

(Reference) Equity: As of December 31, 2016: ¥4,827 million
 As of June 30, 2016: ¥4,593 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 30, 2016	—	0.00	—	30.00	30.00
Fiscal year ending June 30, 2017	—	0.00			
Fiscal year ending June 30, 2017 (Forecast)			—	30.00	30.00

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2017 (July 1, 2016 to June 30, 2017)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	105,069	3.6	816	50.2	808	45.2	492	61.1	87.77

(Note) Revision to the financial results forecast announced most recently: No

Notes:

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes
Newly consolidated: 1 company (Company Name); EXSOLA MEDICAL Inc.
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of issued shares (common stock)
 - 1) Total number of issued shares at the end of the period (including treasury stock):
December 31, 2016: 6,250,000 shares
June 30, 2016: 6,250,000 shares
 - 2) Total number of treasury stock at the end of the period:
December 31, 2016: 639,284 shares
June 30, 2016: 639,284 shares
 - 3) Average number of shares during the period:
Six months ended December 31, 2016: 5,610,716 shares
Six months ended December 31, 2015: 5,610,762 shares

* Presentation regarding the implementation status of the quarterly review procedures

These quarterly financial results are outside the scope of quarterly review procedures under the Financial Instruments and Exchange Act, and at the time of disclosure of these quarterly financial results, review procedures for the quarterly financial statements under the Financial Instruments and Exchange Act have not been completed.

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

The figures forecast above are based on information that is available as of the date of publication of this document, and contain a wide range of uncertain factors. Actual results may differ significantly from these figures due to factors such as changes in the business environment.