

Consolidated Financial Results
for the Fiscal Year Ended June 30, 2017
[Japanese GAAP]



August 9, 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 general meeting of shareholders: September 21 2017

Scheduled date of commencing dividend payments: September 22, 2017

Scheduled date of filing securities report: September 22, 2017

Availability of supplementary briefing material on financial results: Unavailable

Schedule of financial results briefing session: Scheduled (for securities analysts)

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

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

(1) Consolidated Operating Results

(% indicates changes from the previous year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2017	105,778	4.3	1,044	92.2	1,112	99.8	690	125.9
June 30, 2016	101,460	7.3	543	(18.7)	556	(16.0)	305	(24.6)

(Note) Comprehensive income: Fiscal year ended June 30, 2017: ¥ 854million [- %]

Fiscal year ended June 30, 2016: ¥51 million [(91.1%)]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
Fiscal year ended	Yen	Yen	%	%	%
June 30, 2017	123.10	—	14.0	3.5	1.0
June 30, 2016	54.49	—	6.6	1.8	0.5

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2017	31,774	5,425	16.6	942.77
As of June 30, 2016	31,049	4,593	14.8	818.77

(Reference) Equity: As of June 30, 2017: ¥5,289 million

As of June 30, 2016: ¥4,593 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
As of June 30, 2017	871	(99)	(741)	2,169
As of June 30, 2016	710	(705)	(208)	2,092

2 Dividends

	Annual dividends					Total annual dividends	Payout ratio	Ratio of dividends to shareholders' equity
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended June 30, 2016	—	0.00	—	30.00	30.00	168	55.1	3.6
Fiscal year ended June 30, 2017	—	0.00	—	30.00	30.00	168	24.4	3.4
Fiscal year ending June 30, 2018 (Forecast)	—	0.00	—	30.00	30.00		23.6	

3 Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2018 (July 1, 2017 to June 30, 2018)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	53,789	1.1	469	(17.9)	471	(20.1)	308	(18.3)	54.99
Full year	106,377	0.6	1,100	5.3	1,109	(0.3)	714	3.4	127.32

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) 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
- (3) Total number of issued shares (common stock)
 - 1) Total number of issued shares at the end of the period (including treasury stock):
June 30, 2017: 6,250,000 shares
June 30, 2016: 6,250,000 shares
 - 2) Total number of treasury stock at the end of the period:
June 30, 2017: 639,332 shares
June 30, 2016: 639,284 shares
 - 3) Average number of shares during the period:
Fiscal year ended June 30, 2017: 5,610,693 shares
Fiscal year ended June 30, 2016: 5,610,758 shares

(Reference) Summary of non-consolidated financial results

Non-consolidated Financial Results for the Fiscal Year Ended June 30, 2017 (July 1, 2016 to June 30, 2017)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2017	1,493	1.5	324	10.5	326	15.4	278	11.9
June 30, 2016	1,470	(6.9)	293	(33.2)	283	(33.3)	248	(42.6)

Fiscal year ended	Basic earnings per share	Diluted earnings
	Yen	Yen
June 30, 2017	49.61	—
June 30, 2016	44.33	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2017	8,932	3,196	35.8	569.81
As of June 30, 2016	8,610	3,071	35.7	547.36

(Reference) Equity: As of June 30, 2017: ¥3,196 million

As of June 30, 2016: ¥3,071 million

* These financial results are outside the scope of audit procedures

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

The figures forecast above were prepared based on information that is available as of the date of publication of this document. Actual results may differ from these forecast figures due to various factors in the future.