

Consolidated Financial Results
for the Three Months Ended September 30, 2018
[Japanese GAAP]



October 31, 2018

Company name: KAWANISHI HOLDINGS, INC.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 2689
 URL: <http://www.kawanishi-md.co.jp/>
 Representative: Yohei Maeshima, President COO
 Contact: Nobuharu Murata, Managing Director and General Manager, Administrative Department
 Phone: +81-86-236-1115
 Scheduled date of filing quarterly securities report: November 14, 2018
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on quarterly financial results: Unavailable
 Schedule of quarterly financial results briefing session: Not scheduled

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

1 Consolidated Financial Results for the Three Months Ended September 30, 2018 (July 1, 2018 to September 30, 2018)

(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 | % |
| Three months ended September 30, 2018 | 24,772 | (5.5) | 81 | (69.9) | 82 | (69.3) | (7) | — |
| September 30, 2017 | 26,227 | 3.0 | 269 | 557.3 | 270 | 413.4 | 204 | 880.2 |

(Note) Comprehensive income: Three months ended September 30, 2018: (¥4 million) [—%]

Three months ended September 30, 2017: ¥185 million [—%]

| | Basic earnings per share | Diluted earnings per share |
|---------------------------------------|--------------------------|----------------------------|
| Three months ended September 30, 2018 | Yen (1.40) | Yen — |
| September 30, 2017 | 36.50 | — |

(2) Consolidated Financial Position

| | Total assets | Net assets | Equity ratio |
|--------------------------|--------------|-------------|--------------|
| | Million yen | Million yen | % |
| As of September 30, 2018 | 33,308 | 6,187 | 18.2 |
| As of June 30, 2018 | 33,433 | 6,416 | 18.8 |

(Reference) Equity: As of September 30, 2018: ¥6,076 million

As of June 30, 2018: ¥6,291 million

2 Dividends

| | Annual dividends | | | | |
|---|------------------|-----------------|-----------------|-----------|-----------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total |
| Fiscal year ended June 30, 2018 | Yen — | Yen 0.00 | Yen — | Yen 40.00 | Yen 40.00 |
| Fiscal year ending June 30, 2019 | — | | | | |
| Fiscal year ending June 30, 2019 (Forecast) | | 0.00 | — | 40.00 | 40.00 |

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

3 Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2019 (July 1, 2018 to June 30, 2019)

(% 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 | 55,812 | 2.3 | 579 | (17.7) | 585 | (17.1) | 365 | (38.6) | 62.03 |
| Full year | 110,881 | 3.0 | 1,324 | 7.6 | 1,336 | 8.1 | 861 | (18.3) | 153.54 |

(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): No
Newly consolidated: None (Company Name); Removed from consolidation: None (Company Name)
- (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):
September 30, 2018: 6,250,000 shares
June 30, 2018: 6,250,000 shares
 - 2) Total number of treasury stock at the end of the period:
September 30, 2018: 639,348 shares
June 30, 2018: 639,347 shares
 - 3) Average number of shares during the period:
Three months ended September 30, 2018: 5,610,653 shares
Three months ended September 30, 2017: 5,610,668 shares

* Quarterly financial results are outside the scope of the quarterly review procedures conducted by a certified public accountant or audit corporation.

* 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.