

Translation

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**Summary of Consolidated Financial Results
for the Three Months Ended June 30, 2017
(Based on Japanese GAAP)**

August 8, 2017

Company name: PRESS KOGYO CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 7246 URL: <http://www.presskogyo.co.jp>
 Representative: President & CEO Hiroshige Kakudo
 Inquiries: General Manager, General Affairs Dept. Hisako Konishi TEL 044-276-3901
 Scheduled date to file Quarterly Securities Report: August 8, 2017
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial statement briefings: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2017 (from April 1, 2017 to June 30, 2017)

(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, 2017	51,801	7.5	3,196	19.4	3,155	50.6	1,948	57.4
Three months ended June 30, 2016	48,175	(8.2)	2,677	10.1	2,094	(12.5)	1,237	(7.7)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2017	17.94	–
Three months ended June 30, 2016	11.40	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2017	164,037	81,768	47.3	714.20
As of March 31, 2017	160,293	80,664	47.9	706.38

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2017	–	5.00	–	6.00	11.00
Year ending March 31, 2018	–	–	–	–	–
Year ending March 31, 2018 (Forecast)	–	5.00	–	6.00	11.00

3. Forecast of consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

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, 2017	96,000	7.8	4,600	6.8	4,500	34.4	2,800	38.2	25.78
Full year	190,000	1.8	8,800	1.9	8,600	6.2	5,300	0.7	48.79

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 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 June 30, 2017	114,007,210 shares	As of March 31, 2017	114,007,210 shares
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Number of treasury shares at the end of the period

As of June 30, 2017	5,382,807 shares	As of March 31, 2017	5,382,533 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, 2017	108,624,561 shares	Three months ended June 30, 2016	108,626,138 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
Assets		
Current assets		
Cash and deposits	20,456	20,235
Notes and accounts receivable - trade	34,533	39,268
Merchandise and finished goods	1,351	1,137
Work in process	9,601	9,179
Raw materials and supplies	1,095	1,237
Income taxes receivable	19	18
Other	3,251	3,539
Allowance for doubtful accounts	(10)	(10)
Total current assets	70,297	74,606
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,926	12,647
Machinery, equipment and vehicles, net	22,571	22,398
Land	31,915	31,897
Other, net	10,541	10,679
Total property, plant and equipment	77,954	77,623
Intangible assets		
Other	810	738
Total intangible assets	810	738
Investments and other assets		
Net defined benefit asset	1,280	1,379
Investments and other assets	10,024	9,762
Allowance for doubtful accounts	(74)	(74)
Total investments and other assets	11,230	11,068
Total non-current assets	89,995	89,430
Total assets	160,293	164,037
Liabilities		
Current liabilities		
Notes and accounts payable - trade	22,834	24,446
Electronically recorded obligations - operating	5,076	6,433
Short-term loans payable	14,360	12,549
Income taxes payable	909	1,261
Provision for bonuses	3,017	1,250
Provision	145	30
Other	6,742	10,017
Total current liabilities	53,085	55,989
Non-current liabilities		
Convertible bond-type bonds with subscription rights to shares	10,000	10,000
Long-term loans payable	4,941	4,690
Deferred tax liabilities for land revaluation	7,601	7,601
Provision	52	52
Net defined benefit liability	1,163	1,191
Asset retirement obligations	409	410
Other	2,374	2,332
Total non-current liabilities	26,543	26,279
Total liabilities	79,628	82,268

	(Millions of yen)	
	As of March 31, 2017	As of June 30, 2017
Net assets		
Shareholders' equity		
Capital stock	8,070	8,070
Capital surplus	2,075	2,075
Retained earnings	46,501	47,798
Treasury shares	(1,198)	(1,198)
Total shareholders' equity	55,448	56,745
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,780	2,641
Revaluation reserve for land	17,255	17,255
Foreign currency translation adjustment	1,628	1,198
Remeasurements of defined benefit plans	(382)	(262)
Total accumulated other comprehensive income	21,282	20,834
Non-controlling interests	3,933	4,188
Total net assets	80,664	81,768
Total liabilities and net assets	160,293	164,037

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

Consolidated statements of income (cumulative)

	(Millions of yen)	
	Three months ended June 30, 2016	Three months ended June 30, 2017
Net sales	48,175	51,801
Cost of sales	42,111	45,203
Gross profit	6,064	6,597
Selling, general and administrative expenses	3,386	3,401
Operating profit	2,677	3,196
Non-operating income		
Interest income	6	6
Dividend income	70	70
Other	25	32
Total non-operating income	102	110
Non-operating expenses		
Interest expenses	100	97
Foreign exchange losses	575	41
Other	9	11
Total non-operating expenses	685	150
Ordinary profit	2,094	3,155
Extraordinary income		
Gain on sales of non-current assets	17	0
Gain on insurance adjustment	64	-
Total extraordinary income	81	0
Extraordinary losses		
Loss on retirement of non-current assets	3	1
Loss on sales of non-current assets	-	10
Loss on reduction of non-current assets	44	-
Total extraordinary losses	48	12
Profit before income taxes	2,128	3,143
Income taxes - current	932	1,103
Income taxes - deferred	(269)	(301)
Total income taxes	662	801
Profit	1,465	2,342
Profit attributable to non-controlling interests	227	393
Profit attributable to owners of parent	1,237	1,948

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Profit	1,465	2,342
Other comprehensive income		
Valuation difference on available-for-sale securities	8	(138)
Foreign currency translation adjustment	(891)	(453)
Remeasurements of defined benefit plans, net of tax	40	120
Total other comprehensive income	(842)	(472)
Comprehensive income	623	1,870
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	536	1,500
Comprehensive income attributable to non-controlling interests	86	369