



DIGITAL HEARTS HDGS.



## Summary of Business Results for the Second Quarter Ended September 30, 2018 [Japan GAAP] (Consolidated)

November 9, 2018

Company name: DIGITAL HEARTS HOLDINGS Co., Ltd. Listed on the TSE  
 Stock code: 3676 URL: <https://www.digitalhearts-hd.com/>  
 Representative: Genichi Tamatsuka, President and CEO  
 Contact: Toshiya Tsukushi, Director and CFO TEL: +81-3-3373-0081  
 Scheduled date of submission of financial reports: November 12, 2018  
 Scheduled commencement of dividend payment: December 5, 2018  
 Preparation of supplementary material for quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Figures are rounded down to the nearest million yen.)

### 1. Consolidated results for the second quarter ended September 30, 2018 (April 1, 2018 - September 30, 2018)

(1) Consolidated business results (Percentages are changes from the same period of the previous year.)

Six Months Ended	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
September 30, 2018	9,333	13.0	777	-22.5	754	-25.2	508	-24.6
September 30, 2017	8,263	8.8	1,003	14.3	1,008	7.8	674	20.9

(Reference) Comprehensive income: Six months ended September 30, 2018: 971 million yen (49.7%)  
 Six months ended September 30, 2017: 649 million yen (22.1%)

Six Months Ended	Net income per share	Diluted net income per share
	(yen)	(yen)
September 30, 2018	23.32	22.47
September 30, 2017	31.02	29.88

### (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	(Millions of yen)	(Millions of yen)	(%)
As of September 30, 2018	9,423	4,536	46.0
As of March 31, 2018	8,575	3,570	39.3

(Reference) Shareholders' equity: 4,331 million yen (As of September 30, 2018) 3,369 million yen (As of March 31, 2018)

### 2. Dividends

	Annual dividends				
	Q1	Q2	Q3	Year End	Total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Fiscal year ended March 31, 2018	—	5.50	—	6.00	11.50
Fiscal year ending March 31, 2019	—	6.50	—	—	—
Fiscal year ending March 31, 2019 (Forecasts)	—	—	—	6.50	13.00

(Note) Changes from the latest released dividend forecasts: None

### 3. Consolidated earnings forecasts for the fiscal year ending March 2019 (April 1, 2018 - March 31, 2019)

(Percentages are changes from the same period of the previous year.)

Full fiscal year	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
	21,000	21.0	2,200	26.7	2,224	24.8	1,533	27.7	70.34

(Note) Changes from the latest released earnings forecasts: None

\* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the scope of consolidation): Yes

Newly included: 1 (Company name) ANET Corporation

Excluded: 1 (Company name) EVO Japan Executive Committee LLP

(2) Application of specified accounting treatment used in preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting estimates and restatement

(a) Changes in accounting policies associated with revision of accounting standards :None

(b) Changes in accounting policies other than (a) above :None

(c) Changes in accounting estimates :None

(d) Restatement :None

(4) Shares outstanding (common stock)

(a) Number of issued shares (including treasury stock)	As of September 30, 2018	23,890,800 shares	As of March 31, 2018	23,890,800 shares
(b) Number of treasury stock	As of September 30, 2018	2,016,206 shares	As of March 31, 2018	2,097,422 shares
(c) Average number of shares during the period	Six months ended September 30, 2018	21,813,349 shares	Six months ended September 30, 2017	21,740,687 shares

\* The certified public accountant or the audit procedures are not applicable to this Quarterly Financial Report.

\* Explanation for proper use of the earnings forecasts and other special notes

- Any forward-looking statements included in this report such as earnings forecasts are based on the information available to the Company at this time and certain assumptions considered reasonable; and accordingly, actual results may differ significantly from the forecasts due to various factors.
- Supplementary material for quarterly financial results will be posted on TDnet and the Company's website shortly after Quarterly Financial Report is disclosed.
- A financial results meeting for institutional investors and analysts is scheduled to be held on November 12, 2018. Materials to be distributed at this meeting will be posted on the Company's website shortly after the meeting.