

Consolidated Financial Results (Japanese Accounting Standards) for the FY2016 (Ended March 31, 2017)

Company name: Hakuto Co., Ltd.
 Stock exchange listing: Tokyo Stock Exchange
 Stock code: 7433
 URL: <http://www.hakuto.co.jp>
 Representative: Ryusaburo Sugimoto, President
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 Scheduled date of ordinary shareholders' meeting: June 28, 2017
 Scheduled date of commencement of dividend payment: June 7, 2017
 Scheduled date for filing of annual securities report: June 28, 2017
 Supplementary documents for financial results: Yes
 Financial results briefing: Yes (for analysts and institutional investors)

(Amounts are rounded down to million yen.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2017 (April 1, 2016 – March 31, 2017)

(1) Consolidated Results of Operations

(Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
Year ended March 31, 2017	127,599	9.7	2,069	(28.8)	1,989	(30.8)	1,903	(6.5)
March 31, 2016	116,296	(11.3)	2,906	(32.5)	2,873	(36.9)	2,034	(40.0)

(Note) Comprehensive income: 2,781 million yen (142.5%) for the fiscal year ended March 31, 2017

1,146 million yen (negative75.5%) for the fiscal year ended March 31, 2016

	Net income per share (basic)	Net income per share (diluted)	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
Year ended March 31, 2017	87.22	—	3.7	2.6	1.6
March 31, 2016	93.02	—	4.0	3.6	2.5

(Reference) Share of profit(loss) of entities accounted for using equity method:

18 million yen for the fiscal year ended March 31, 2017

(22) million yen for the fiscal year ended March 31, 2016

(2) Consolidated Financial Position

	Total assets	Net assets	Equity Ratio	Net assets per share
	Million Yen	Million Yen	%	Yen
Year ended March 31, 2017	78,261	52,748	67.4	2,413.21
March 31, 2016	76,365	50,774	66.5	2,330.43

(Reference) Shareholders' equity: As of March 31, 2017: 52,748 million yen As of March 31, 2016: 50,774 million yen

(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 fiscal year
	Million Yen	Million Yen	Million Yen	Million Yen
Year ended March 31, 2017	2,571	(1,209)	(1,947)	7,748
March 31, 2016	2,087	44	(5,469)	8,366

2. Dividends

	Dividend per share					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual			
Year ended March 31, 2016	Yen -	Yen 20.00	Yen -	Yen 20.00	Yen 40.00	Million Yen 880	% 43.0	% 1.7
March 31, 2017	-	20.00	-	20.00	40.00	876	45.9	1.7
Year ending March 31, 2018 (forecasts)	-	20.00	-	20.00	40.00		35.1	

(Note) The total dividends include dividends for the trust account of the Employee Stock Ownership Group (5 million yen for the fiscal year ended March 31, 2016 and 3 million yen for the fiscal year ended March 31, 2017)

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2018(April 1, 2017 – March 31, 2018)

(Percentage figures for the fiscal year represent the changes from the previous year,
while percentage figures for the six months period represent the changes from the same period of the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Six months ending September 30, 2017	60,000	10.1	1,000	49.7	1,100	43.8	800	56.2	37.27
Year ending March 31, 2018	134,000	5.0	3,200	54.6	3,300	65.9	2,400	26.1	113.89

*Notes

(1) Changes of important subsidiaries during the period
(changes of specific subsidiaries in accordance with changes in the scope of consolidation): None

(2) Changes in accounting policies and changes or restatement of accounting estimates
 (i) Changes in accounting policies caused by revision of accounting standards: None
 (ii) Changes in accounting policies other than (i): Yes
 (iii) Changes in accounting estimates: Yes
 (iv) Restatement: None

(3) Number of shares outstanding (common stock):
 (i) Number of shares outstanding at end of period (including treasury stock)
 As of March 31, 2017: 24,137,213shares
 As of March 31, 2016: 24,137,213shares
 (ii) Number of treasury stock at end of period
 As of March 31, 2017: 2,279,151shares
 As of March 31, 2016: 2,349,593shares
 (iii) Average number of shares outstanding during the term
 Year ended March 31, 2017: 21,826,373shares
 Year ended March 31, 2016: 21,876,929shares

* This financial summary falls outside the scope of audit.

* Explanations and other special notes concerning the appropriate use of business performance forecasts

-The forward-looking statements such as result forecasts included in this document are based on the information available to the Company at the time of the announcement and on certain assumptions considered reasonable. Actual results may differ materially from the forecast depending on a range of factors.