

## Consolidated Financial Results for the Six months Ended September 30, 2017 [Japanese GAAP]

Company name: Oisix.daichi Inc.	Stock exchange listings: TSE Mothers
Securities code: 3182	URL: <a href="http://www.oisixdotdaichi.co.jp">http://www.oisixdotdaichi.co.jp</a>
Representative: Kohey Takashima, Representative Director, CEO	
Contact: Hajime Yamanaka, Corporate Officer, Administration	
Scheduled date of filing of Quarterly Report:	November 14 2017
Scheduled date of payment of dividend:	-
Preparation of supplementary materials for financial results:	Yes
Holding of quarterly financial results meeting:	Yes

(All amounts are rounded down to the nearest million yen)

### 1. Consolidated Financial Results for Six Months ended September 30, 2017 (from April 1, 2017 to September 30, 2017)

#### (1) Consolidated Operating Results

(% of change from previous year)

Six months ended	Net Sales		Operating Income		EBITDA		Net Income Attributable to Owners of the Parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2017	18,935	76.7	237	△12.3	635	62.5	93	△50.2
September 30, 2016	10,718	—	270	—	391	—	187	—

(Note)

Comprehensive income: 2ndQuarter of FY2017(As of September 30, 2017) 93 million yen(△50.0%)

2ndQuarter of FY2016(As of September 30, 2016) 187 million yen(—%)

Six months ended	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
September 30, 2017	11.68	11.41
September 30, 2016	31.94	30.54

(Note)

The percentage of change from previous year in the prior period have not been disclosed as the quarterly consolidated financial statements have been prepared from the current period.

EBITDA stands for earnings before depreciation and amortisation.

#### (2) Consolidated Financial Position

Period ended	Total Assets	Net Assets	Shareholders' Equity Ratio
	Million yen	Million yen	%
September 30, 2017	15,456	9,266	59.9
March 31, 2017	15,051	9,147	60.8

(Reference)

Shareholders' equity(million yen) As of September 30, 2017 : 9,264 As of March 31, 2017 : 9,146

### 2. Dividends

Fiscal Year ended or ending	Dividend per Share				
	1Q	2Q	3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
March 31,2017	—	0.00	—	0.00	0.00
March 31,2018	—	0.00	—	—	—
March 31,2018 (Forecast)	—	0.00	—	0.00	0.00

(Note)Revisions to the most recently announced dividend forecast: None

### 3. Forecast for the Fiscal Year Ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

(Percentages represent year-on-year changes)

	Net Sales		Operating Income		EBITDA		Net Income		Net Income per Share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	38,000	65.1	670	△11.0	1,390	39.5	390	△24.3	49.13

(Note)

Revisions to the most recently announced forecast: None

EBITDA stands for earnings before depreciation and amortisation.

#### \* Notes

(1) Changes of important subsidiaries during the period

(Changes of specific subsidiaries in accordance with changes in the scope of consolidation): None

(2) Adoption of specific accounting treatments to the preparation of consolidated quarterly financial statements:

None

(3) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(4) Number of shares issued (common shares)

1) Number of shares issued (including treasury stock):

As of September 30, 2017	8,013,289 shares
As of March 31, 2017	7,937,989 shares

2) Number of treasury stocks:

As of September 30, 2017	549 shares
As of March 31, 2017	— shares

3) Number of average shares during the period:

Six months ended September 30, 2017	8,000,875 shares
Six months ended September 30, 2016	5,872,557 shares

\* This financial report is outside the scope of the audit.

\* Explanation of the proper use of forecast and other notes

The forward-looking statements herein are based on information available to the Company and certain assumptions deemed reasonable as of the date of publication of this document. They are not intended as the Company's commitment to achieve such forecasts, and actual results may differ significantly from these forecasts due to a wide range of factors.

## Consolidated Financial Statements

### (1) Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2017	As of September 30, 2017
<b>Assets</b>		
Current assets		
Cash and deposits	5,247,897	5,405,807
Accounts receivable-trade	3,124,366	3,168,872
Merchandise and finished goods	699,964	811,101
Work in process	7,657	6,078
Raw materials and supplies	83,408	124,862
Accounts receivable-other	1,354,023	1,406,686
Others	288,105	267,962
Allowance for doubtful accounts	△117,580	△123,796
Total current assets	10,687,842	11,067,575
Noncurrent assets		
Property, plant and equipment	785,210	713,341
Intangible assets		
Goodwill	1,842,319	1,696,795
Others	793,230	815,447
Total intangible assets	2,635,549	2,512,242
Investments and other assets	942,568	1,163,837
Total noncurrent assets	4,363,328	4,389,421
Total assets	15,051,170	15,456,997

(Thousands of yen)

	As of March 31, 2017	As of September 30, 2017
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	2,632,567	2,818,156
Short-term loans payable	6,012	6,012
Accounts payable-other	1,925,973	2,084,463
Income taxes payable	198,804	92,950
Provision for bonuses	69,876	690
Provision for points certificates	100,922	117,155
Provision for loss on physical store	10,125	—
Asset retirement obligations	46,819	51,540
Others	342,459	644,488
Total current liabilities	5,333,560	5,815,456
Noncurrent liabilities		
Long-term loans	47,308	44,302
Provision for directors' retirement benefits	2,100	2,700
Retirement benefit liabilities	18,809	24,802
Asset retirement obligations	106,172	72,799
Others	395,441	230,548
Total noncurrent liabilities	569,832	375,152
Total liabilities	5,903,392	6,190,609
<b>Net assets</b>		
Shareholders' equity		
Capital stock	929,948	943,034
Capital surplus	4,944,329	4,957,413
Retained earnings	3,272,882	3,366,355
Treasury stocks	—	△1,202
Total shareholders' equity	9,147,160	9,265,600
Accumulated other comprehensive income		
Foreign currency translation adjustments	△835	△838
Total accumulated other comprehensive income	△835	△838
Non-controlling interests	1,453	1,625
Total net assets	9,147,778	9,266,388
<b>Total liabilities and net assets</b>	<b>15,051,170</b>	<b>15,456,997</b>

## (2) Consolidated Statement of Income

(Thousands of yen)

	Period ended September 30, 2016	Period ended September 30, 2017
Net sales	10,718,286	18,935,900
Cost of sales	5,463,310	10,090,709
Gross profit	5,254,975	8,845,190
Selling, general and administrative expenses	4,984,082	8,607,638
Operating income	270,893	237,551
Non-operating income		
Interest income	19	211
Dividend received	4,230	4,452
Compensation income	3,008	3,625
Income on equity method investments	1,925	—
Others	7,233	20,961
Total non-operating income	16,416	29,251
Non-operating expenses		
Interest expenses	11	142
Stock issuance cost	730	428
Foreign exchange losses	984	1,320
Equity in losses of affiliates	—	1,274
Others	9	4,076
Total non-operating expenses	1,736	7,242
Ordinary income	285,573	259,560
Extraordinary loss		
Retirement benefit plan amendments loss	—	92,222
Total extraordinary loss	—	92,222
Income before income taxes	285,573	167,337
Income taxes-current	95,424	53,865
Income taxes-deferred	2,412	19,826
Total income taxes	97,837	73,691
Net income	187,735	93,645
Net income attributable to non-controlling interests	138	172
Net income attributable to owners of the parent	187,596	93,473

(3) Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Period ended September 30, 2016	Period ended September 30, 2017
Net income	187,735	93,645
Other comprehensive income		
Foreign currency translation adjustments	△584	△3
Total other comprehensive income	△584	△3
Comprehensive income	187,151	93,642
Total comprehensive income attributable to		
Owners of the parent	187,012	93,469
Non-controlling intetests	138	172

## (4) Consolidated Statement of Cash Flow

(Thousands of yen)

	Period ended September 30, 2016	Period ended September 30, 2017
<b>Cash flows from operating activities</b>		
Income before income taxes	285,573	167,337
Depreciation	102,475	204,474
Retirement benefit plan amendments loss	—	92,222
Amortization on goodwill	17,755	193,705
Increase (decrease) in allowance for doubtful accounts	4,999	6,215
Increase (decrease) in allowance for bonuses	—	△69,186
Interest income and dividend received	△4,249	△4,502
Interest expense	11	142
Foreign currency exchange (gain) or loss	259	2
Income on equity method investments	△1,925	1,274
(Increase) decrease in accounts receivable	△44,885	△44,506
(Increase) decrease in inventories	△29,178	△151,012
Increase (decrease) in accounts payable	33,356	185,589
Increase (decrease) in accrued expenses	9,515	173,355
Other	2,459	82,857
Subtotal	376,168	837,972
Interest and dividend received	3,383	3,587
Interest paid	△11	△142
Income taxes paid	△155,906	△137,469
Net cash provided by operating activities	223,633	703,947
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	△30,515	△13,524
Purchase of intangible assets	△130,210	△131,503
Payments for acquisition of investments	△13,170	—
Payments for acquisition of affiliates	—	△34,990
Decrease from acquisition of control over subsidiaries	△69,074	△12,367
Payments for lease deposits and guarantee deposits	—	△349,464
Other	△3,263	△7,962
Net cash used in investing activities	△246,234	△549,812
<b>Cash flows from financing activities</b>		
Repayment of long-term loans payable	—	△18,006
Proceeds from stock issuance	30,679	25,742
Purchase of treasury stock	—	△1,202
Other	4	△3,253
Net cash provided by financing activities	30,683	3,280
Effect of exchange rate changes on cash and cash equivalents	△843	△6
Increase (decrease) in cash and cash equivalents	7,238	157,409
Cash and cash equivalents at the beginning of the year	2,724,898	5,209,396
Cash and cash equivalents at the end of the year	2,732,137	5,366,806