

Consolidated Financial Results for the Nine months Ended December 31, 2018 [Japanese GAAP]

Company name:	Oisix ra daichi Inc.	Stock exchange listings:	TSE Mothers
Securities code:	3182	URL:	http://www.oisixradaichi.co.jp
Representative:	Kohey Takashima, Representative Director, CEO		
Contact:	Hajime Yamanaka, Corporate Officer, Administration		
Scheduled date of filing of Quarterly Report:		February 14, 2019	
Scheduled date of payment of dividend:		-	
Preparation of supplementary materials for financial results:		Yes	
Holding of quarterly financial results meeting:		None	

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

1. Consolidated Financial Results for Nine Months ended December 31, 2018 (from April 1, 2018 to December 31, 2018)

(1) Consolidated Operating Results (% of change from previous year)

Nine months ended	Net Sales		Operating Income		EBITDA		Net Income Attributable to Owners of the Parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2018	48,906	63.0	2,265	227.2	2,882	124.7	2,533	653.7
December 31, 2017	30,007	75.3	692	10.7	1,282	58.2	336	Δ21.8

(Note)

1. Comprehensive income: 3rd Quarter of FY2018(As of December 31, 2018) 2,530 million yen(629.3%)
3rd Quarter of FY2017(As of December 31, 2017) 346 million yen(Δ19.3%)
2. Net Income attributable to owners of parent increased substantially compared with the same period of the previous fiscal year, due to taking over the tax loss carryforwards from the absorption-type merger with Radish Boya co.,ltd on October 1, 2018, and the recording of additional deferred tax assets, which is a special factor for the current fiscal year.
In Addition, prior to the absorption-type merger, consolidated subsidiary Radish Boya co.,ltd consolidated profits and losses for the seven-month period from March 1, 2018 to September 30, 2018.

Nine months ended	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
December 31, 2018	75.84	74.78
December 31, 2017	10.50	10.26

(Note)

1. EBITDA stands for earnings before depreciation and amortisation.
2. On April 1st, 2018, the Company implemented a 2 for 1 stock split of common shares, and on October 1st, 2018, the Company implemented a 2 for 1 stock split of common shares. For the previous consolidated accounting year, said stock split is assumed to have occurred at the beginning of that accounting year for the purposes of calculating comparable Net Income per Share and Diluted Net Income per Share figures.

(2) Consolidated Financial Position

Period ended	Total Assets	Net Assets	Shareholders' Equity Ratio
	Million yen	Million yen	%
December 31, 2018	23,831	12,649	52.9
March 31, 2018	19,846	10,048	50.6

(Reference)

Shareholders' equity(million yen) As of December 31, 2018 : 12,617 As of March 31, 2018 : 10,045

2. Dividends

Fiscal Year ended or ending	Dividend per Share				
	1Q	2Q	3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
March 31, 2018	—	0.00	—	0.00	0.00
March 31, 2019	—	—	—	—	—
March 31, 2019 (Forecast)	—	0.00	—	0.00	0.00

(Note)

Revisions to the most recently announced forecast: None

3. Forecast for the Fiscal Year Ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

(Percentages represent year-on-year changes)

Full year	Net Sales		Operating Income		EBITDA		Net Income		Net Income per Share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	64,000	60.1	2,200	146.8	3,000	79.6	2,300	869.4	68.86

(Note)

1.Revisions to the most recently announced forecast: None

2.EBITDA stands for earnings before depreciation and amortisation.

3.On October 1st, 2018, the Company implemented a 2 for 1 stock split of common shares. For the previous consolidated accounting year, said stock split is assumed to have occurred at the beginning of that accounting year for the purposes of calculating comparable Net Income per Share

* Notes

(1) Changes of important subsidiaries during the period

(Changes of specific subsidiaries in accordance with changes in the scope of consolidation): Yes

(Note)

Radish Boya Co., Ltd. was merged with the Company and dissolved as of October 1, 2018, and is therefore excluded from the scope of consolidation in the third quarter period of the fiscal year.

(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 December 31, 2018	33,581,364shares
As of March 31, 2018	33,102,356shares

2) Number of treasury stocks:

As of December 31, 2018	3,692shares
As of March 31, 2018	3,340shares

3) Number of average shares during the period:

Nine months ended December 31, 2018	33,403,388shares
Nine months ended December 31, 2017	32,019,627shares

(Note)

On April 1st, 2018, the Company implemented a 2 for 1 stock split of common shares, and on October 1st, 2018, the Company implemented a 2 for 1 stock split of common shares. For the previous consolidated accounting year, said stock split is assumed to have occurred at the beginning of that accounting year for the purposes of calculating comparable Number of shares issued, Number of treasury stocks and Number of average shares during the period.

* This financial report is outside the scope of the audit by certified public accountants or auditing firms.

* 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, 2018	As of December 31, 2018
Assets		
Current assets		
Cash and deposits	7,236,330	8,310,456
Accounts receivable-trade	5,415,701	6,897,985
Merchandise and finished goods	918,137	1,338,452
Work in process	4,435	45,768
Raw materials and supplies	207,590	255,431
Accounts receivable-other	1,335,994	1,503,108
Others	300,077	389,246
Allowance for doubtful accounts	△156,696	△185,680
Total current assets	15,261,572	18,554,770
Noncurrent assets		
Property, plant and equipment	878,426	1,013,844
Intangible assets		
Goodwill	1,506,089	1,251,399
Others	877,657	1,059,610
Total intangible assets	2,383,747	2,311,010
Investments and other assets	1,323,134	1,951,426
Total noncurrent assets	4,585,307	5,276,281
Total assets	19,846,880	23,831,051

(Thousands of yen)

	As of March 31, 2018	As of December 31, 2018
Liabilities		
Current liabilities		
Accounts payable-trade	4,097,110	5,325,866
Short-term loans payable	6,012	7,067
Accounts payable-other	3,076,648	3,190,942
Income taxes payable	266,572	181,373
Provision for bonuses	90,477	51,397
Provision for points certificates	147,754	145,422
Asset retirement obligations	66,000	66,000
Others	979,109	1,135,855
Total current liabilities	8,729,685	10,103,924
Noncurrent liabilities		
Long-term loans	41,296	58,277
Provision for directors' retirement benefits	3,300	4,200
Retirement benefit liabilities	458,874	421,034
Asset retirement obligations	282,649	303,225
Others	282,787	291,025
Total noncurrent liabilities	1,068,907	1,077,762
Total liabilities	9,798,592	11,181,687
Net assets		
Shareholders' equity		
Capital stock	1,259,797	1,283,056
Capital surplus	5,274,175	5,297,428
Retained earnings	3,510,139	6,043,511
Treasury stocks	Δ2,065	Δ2,615
Total shareholders' equity	10,042,046	12,621,381
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,693	3,343
Foreign currency translation adjustments	Δ1,030	Δ7,291
Total accumulated other comprehensive income	3,662	Δ3,948
Non-controlling interests	2,578	31,930
Total net assets	10,048,288	12,649,364
Total liabilities and net assets	19,846,880	23,831,051

(2) Consolidated Statement of Income

(Thousands of yen)

	Period ended December 31, 2017	Period ended December 31, 2018
Net sales	30,007,511	48,906,257
Cost of sales	15,957,049	25,592,895
Gross profit	14,050,462	23,313,362
Selling, general and administrative expenses	13,357,929	21,047,500
Operating income	692,533	2,265,861
Non-operating income		
Interest income	566	153
Dividend received	4,452	5,648
Compensation income	6,461	9,208
Others	33,867	61,004
Total non-operating income	45,348	76,015
Non-operating expenses		
Interest expenses	498	1,501
Stock issuance cost	428	477
Foreign exchange losses	1,719	3,751
Liabilities from application of equity method	3,133	43,361
Others	3,907	4,886
Total non-operating expenses	9,687	53,978
Ordinary income	728,194	2,287,898
Extraordinary Income		
Gain on sales of investments in affiliated companies	—	3,123
Total extraordinary Income	—	3,123
Extraordinary loss		
Loss on revision of retirement benefit plan	92,222	—
Cancellation charges of facility leasing arrangements	—	40,159
Loss on sales of noncurrent assets	—	11,741
Impairment loss	6,300	—
Total extraordinary loss	98,523	51,900
Income before income taxes	629,671	2,239,121
Income taxes-current	221,182	311,441
Income taxes-deferred	71,669	△610,369
Total income taxes	292,851	△298,928
Net income	336,820	2,538,049
Net income attributable to non-controlling interests	684	4,676
Net income attributable to owners of the parent	336,135	2,533,372

(3) Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Period ended December 31, 2017	Period ended December 31, 2018
Net income	336,820	2,538,049
Other comprehensive income		
Valuation difference on available-for-sale securities	10,360	Δ1,349
Foreign currency translation adjustments	Δ214	Δ6,261
Total other comprehensive income	10,145	Δ7,610
Comprehensive income	346,965	2,530,438
Total comprehensive income attributable to		
Owners of the parent	346,281	2,525,762
Non-controlling interests	684	4,676