

Summary of Business Results for the Third Quarter Ended December 31, 2019 [Japan GAAP] (Consolidated)

February 14, 2020

Company **Akatsuki Corp.**
 Stock Code 8737
 Representative Hideaki Shimane, President and Representative Director
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 Expected date of filing of quarterly report: February 14, 2020
 Expected starting date of dividend payment: -
 Preparation of quarterly supplementary financial document: None
 Quarterly results briefing: None

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(Rounded down to million yen)

1. Consolidated business results for the nine months ended December 2019

(April 1, 2019 through December 31, 2019)

(1) Consolidated results of operations

(% change from the previous corresponding period)

	Operating revenues		Net operating revenues		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended Dec. 2019	24,039	1.4	7,301	3.5	923	29.3	530	29.6	375	39.9
Nine months ended Dec. 2018	23,716	46.2	7,051	7.0	714	-49.3	408	-76.5	268	-83.2

(Note) Comprehensive income

Nine months ended December 2019: 414 million yen (155.3%)

Nine months ended December 2018: 162 million yen (-86.1%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended Dec. 2019	12.34	12.13
Nine months ended Dec. 2018	10.90	10.37

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Dec. 2019	58,572	12,362	21.0	398.34
As of Mar. 2019	54,544	12,400	22.6	409.32

(Reference) Shareholders' equity

As of December 2019: 12,282 million yen

As of March 2019: 12,320 million yen

2. Dividends

	Annual dividend				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended Mar. 2019	-	10.00	-	8.00	18.00
Year ending Mar. 2020	-	9.00	-	-	-
Year ending Mar. 2020 (forecast)	-	-	-	9.00	18.00

(Note) Revisions to dividend forecast for the current quarter: None

Dividend forecast for the fiscal year ending March 2020 is 9 yen per share at this time.

3. Forecast of consolidated business results for the fiscal year ending March 2020

(April 1, 2019 through March 31, 2020)

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ending Mar. 2020	33,000	-7.7	1,800	-0.4	1,300	-4.1	1,500	45.5

(Note) Revisions to business forecast for the current quarter: Yes

***Notes**

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

Excluded: 1 (Kasai LLC)

(2) Application of accounting procedures specific to preparation of the consolidated quarterly financial statements:

None

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

① Changes in accounting policies associated with revision of accounting standards: : None

② Changes in accounting policies other than ① : None

③ Changes in accounting estimates : None

④ Restatement : None

(4) Shares outstanding (common stock)

① Number of shares outstanding at the end of period (treasury stock included)

As of December 2019 33,191,934 shares

As of March 2019 32,274,144 shares

② Treasury stock at the end of period

As of December 2019 2,356,851 shares

As of March 2019 2,174,141 shares

③ Average number of stock during period (quarterly cumulative period)

Nine months ended December 2019 30,418,741 shares

Nine months ended December 2018 24,613,775 shares

(Note) The number of treasury stock which is deducted for calculating the number of treasury stock during period and the average number of shares during the period includes the shares of the Company owned by the ESOP Trust Account and the BBT Trust Account.

***Quarterly financial summary is not subject to the quarterly review procedures by certified public accountants or auditing firms.**

***Explanation regarding appropriate use of business forecasts and other special instructions**

Above forecasts are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable at the time this report was prepared. The Company does not make promises about the achievement. Actual results may differ significantly from the forecasts due to various factors.

This document is an English translation of a Japanese announcement made on the date above. Although the we intended to faithfully translate the Japanese document into English, the accuracy and correctness of this English translation is not guaranteed and thus you are encouraged to refer to the original Japanese document.