Consolidated Financial Statements Summary for the First Quarter of FY2018 (February 1, 2018 through April 30, 2018) (Japanese Standard)

June 8, 2018

Company name	: **Sekisui House, Ltd.** (URL http://www.sekisuihouse.co.jp)
Listed exchanges	: Tokyo, Nagoya
Stock code	: 1928
Representative	: Yoshihiro Nakai, President and Representative Director
Inquiries	: Atsushi Yoshida, Chief Manager of Investor Relations Department Tel +81 6 6440 3111
Filing date of quarterly securities report	: June 12, 2018
Date of scheduled payment of dividends	: -
Quarterly earnings supplementary explanatory documents	: Yes
Quarterly earnings results briefing	: Yes (for institutional investors and analysts, in Japanese)

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

1. Consolidated Results for the Three Months Ended April 30, 2018 (February 1, 2018 through April 30, 2018)

(1) Consolidated Financial Results (% figures represent changes from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Three months ended Apr. 30, 2018	459,947	4.4	31,130	(7.2)	32,143	(8.8)	22,369	(12.9)
Three months ended Apr. 30, 2017	440,708	8.7	33,554	24.7	35,244	37.5	25,676	68.0

(Note) Comprehensive income:
Three months ended Apr. 30, 2018: ¥(6,662) million (-%) Three months ended Apr. 30, 2017: ¥13,154 million (-%)

	Profit per share	Fully diluted Profit per share
	¥	¥
Three months ended Apr. 30, 2018	32.42	32.37
Three months ended Apr. 30, 2017	37.21	37.16

(Note) Because we have finalized the provisional accounting for business combinations in the third quarter of the fiscal year ended January 31, 2018, we have reflected the contents of the finalized provisional accounting on the values for the first quarter of the fiscal year ended January 31, 2018.

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	¥ million	¥ million	%
As of April 30, 2018	2,273,765	1,173,387	51.1
As of January 31, 2018	2,419,012	1,208,121	49.4

(Reference) Shareholders' equity As of April 30, 2018: ¥1,160,846 million As of January 31, 2018: ¥1,194,975 million

2. Cash Dividends

	Cash dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	¥	¥	¥	¥	¥
Year ended Jan. 31, 2018	-	37.00	-	40.00	77.00
Year ending Jan. 31, 2019	-				
Year ending Jan. 31, 2019 (forecast)		39.00	-	40.00	79.00

(Note) Revised dividend forecast for the quarter under review: None

3. **Consolidated Results Forecast for FY2018 (February 1, 2018 through January 31, 2019)**

(% figures represent changes from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%	¥
Year ending January 31, 2019	2,185,000	1.2	200,000	2.3	206,000	1.1	136,000	2.1	197.07

(Note) Revised forecast for the quarter under review: None

Notes

(1) Changes in significant subsidiaries (changes in specific subsidiaries that caused a change in scope of consolidation): Not applicable

New Consolidated Companies: - Excluded: -

(2) Application of accounting treatment specific to the preparations for consolidated quarterly financial statements: Not applicable

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

(a) Changes in accounting policies due to amendment of accounting standards: Not applicable

(b) Changes in accounting policies due other than (a): Not applicable

(c) Changes in accounting estimates: Not applicable

(d) Restatements: Not applicable

(4) Number of shares outstanding (common stock)

(i) Number of shares outstanding at the end of each period (including treasury stock):

As of Apr. 30, 2018: 690,683,466 shares As of Jan. 31, 2018: 690,683,466 shares

(ii) Number of treasury stock at the end of each period:

As of Apr. 30, 2018: 583,335 shares As of Jan. 31, 2018: 586,249 shares

(iii) Average number of shares outstanding in each period (cumulative quarterly consolidated accounting period):

Three months ended Apr. 30, 2018: 690,099,664 shares Three months ended Apr. 30, 2017: 690,077,361 shares

*** This quarterly financial results report is exempt from quarterly review.**

*** Notes Regarding the Appropriate Use of Results Forecasts and Other Important Matters**

Descriptions regarding forward-looking statements, etc. contained in these materials are based on information currently available to the Company and certain assumptions judged reasonable. The Company makes no warranty as to the feasibility of its projections. Future results may differ materially from projections due to various factors. For the assumptions underlying the earnings forecast, please see "(3) Qualitative Information Regarding Consolidated Results Forecast" in "1. Qualitative Information Regarding Consolidated Results for the Three Months under Review" of the "Attached Material" on page 9.

(Obtaining supplementary explanatory documents)

The Company plans to hold a briefing for institutional investors and analysts on June 8, 2018. Relevant financial explanatory documents to be handed out at the briefing will be posted on our official website on the same day.

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Appendix: Segment breakdown for the Three Months Ended April 30, 2018

Consolidated

(1) Sales ¥ millions

		Three months ended April 30, 2017	Three months ended April 30, 2018	YOY(%)
Built-to-order Business	Custom detached houses	77,340	72,512	(6.2)
	Rental housing	100,579	98,284	(2.3)
	Subtotal	177,920	170,797	(4.0)
Supplied Housing Business	Remodeling	28,553	28,664	0.4
	Real estate management fees	122,487	128,473	4.9
	Subtotal	151,041	157,137	4.0
Development Business	Houses for sale	30,096	28,610	(4.9)
	Condominiums	17,255	33,936	96.7
	Urban redevelopment	12,191	16,447	34.9
	Subtotal	59,543	78,993	32.7
Overseas Business		32,858	34,779	5.8
Other businesses		19,344	18,239	(5.7)
Consolidated		440,708	459,947	4.4

(2) Operating income and OP margin ¥ millions

		Three months ended April 30, 2017 Amount OP margin	Three months ended April 30, 2018 Amount OP margin	YOY(%)
Built-to-order Business	Custom detached houses	7,159 9.3%	5,728 7.9%	(20.0)
	Rental housing	12,207 12.1%	10,405 10.6%	(14.8)
	Subtotal	19,366 10.9%	16,134 9.4%	(16.7)
Supplied Housing Business	Remodeling	3,438 12.0%	3,736 13.0%	8.7
	Real estate management fees	9,588 7.8%	10,675 8.3%	11.3
	Subtotal	13,026 8.6%	14,412 9.2%	10.6
Development Business	Houses for sale	2,482 8.2%	1,613 5.6%	(35.0)
	Condominiums	2,568 14.9%	4,826 14.2%	87.9
	Urban redevelopment	2,508 20.6%	3,650 22.2%	45.6
	Subtotal	7,558 12.7%	10,090 12.8%	33.5
Overseas Business		* 1,747 5.3%	(203) (0.6%)	-
Other businesses		52 0.3%	(448) (2.5%)	-
Eliminations and back office		(8,198)	(8,854)	-
Consolidated		* 33,554 7.6%	31,130 6.8%	(7.2)

(Note) In accordance with the finalization of the provisional processing of the business combination stated in "(Matters relating to business combination)" in "(3) Notes Regarding Quarterly Financial Statements" on page 13, a material review of the amount of initial allocation of the acquisition costs was reflected on the values for the three months ended April 30, 2017.

(3) Orders

¥ millions

		Three months ended April 30, 2017	Three months ended April 30, 2018	YOY(%)
Built-to-order Business	Custom detached houses	91,544	88,395	(3.4)
	Rental housing	107,788	101,779	(5.6)
	Subtotal	199,332	190,174	(4.6)
Supplied Housing Business	Remodeling	34,766	36,556	5.2
	Real estate management fees	122,487	128,473	4.9
	Subtotal	157,254	165,030	4.9
Development Business	Houses for sale	42,977	41,985	(2.3)
	Condominiums	31,677	22,633	(28.6)
	Urban redevelopment	19,532	16,692	(14.5)
	Subtotal	94,187	81,310	(13.7)
Overseas Business		71,777	46,091	(35.8)
Other businesses		17,113	15,749	(8.0)
Consolidated		539,666	498,355	(7.7)

(4) Accumulated orders

¥ millions

		As of January 31, 2018	As of April 30, 2018	YOY (%)
Built-to-order Business	Custom detached houses	200,156	216,039	7.9
	Rental housing	398,755	402,250	0.9
	Subtotal	598,912	618,289	3.2
Supplied Housing Business	Remodeling	23,988	31,881	32.9
	Real estate management fees	-	-	-
	Subtotal	23,988	31,881	32.9
Development Business	Houses for sale	42,153	55,528	31.7
	Condominiums	121,732	110,429	(9.3)
	Urban redevelopment	28,755	29,000	0.9
	Subtotal	192,640	194,957	1.2
Overseas Business		119,721	131,033	9.4
Other businesses		43,337	40,847	(5.7)
Consolidated		978,601	1,017,009	3.9

1. Qualitative Information Regarding the Consolidated Results for the Three Months under Review

(1) Qualitative Information Regarding Consolidated Business Results

During the first quarter of the consolidated fiscal year under review, the Japanese economy saw a continued moderate economic recovery as corporate earnings improved and capital spending increased in Japan, even as real wages and consumer spending stalled. Meanwhile, overseas, the U.S. continued to experience a steady economic recovery and Asian economies also showed signs of improvement.

In the housing market, construction of rental housing decreased, mainly due to a changing attitude among financial institutions towards lending. The number of new housing starts continued to decrease from the previous year. Meanwhile, in the overseas housing market, there was continued brisk demand for housing in the United States.

Under these circumstances, the Company stepped up efforts to strengthen housing and residential-related business and expand new business areas under the basic policy adopted in the Fourth Mid-Term Management Plan (2017-2019) of "building the foundations for residential-related businesses BEYOND 2020" in the second year of that Plan, while the Sekisui House Group overall pursued the value that housing can provide to the society. In April, the Company strengthened the sales system by increasing the expertise of sales staff of custom detached houses business and reorganizing the divisions for sales to meet demand in the non-housing contract business (hotels, day nurseries, medical institutions, etc.)

In the ESG (environment, society, governance) field, which the Company positions as an important management issue, the Company was selected for the Gold Class, the highest sustainability rating, in the RobecoSAM Sustainability Award 2018 of RobecoSAM, the international socially responsible investing evaluation service provider for the third year in a row.

With respect to environmental efforts, to construct a sustainable society, the Company made a declaration of decarbonation with the target year of 2050 in 2008 and has been working on promoting ZEH (net zero energy housing) and reducing greenhouse gas emissions from business activities. The target gained the first certification of an international "Science Based Targets initiative" in the Japanese housing industry.

As for the social aspects, the Company has been pursuing a management strategy of diversity to create an environment in which diverse human resources can make the best use of their abilities to their fullest potential. As for the advancement of women in the workplace, the Company was selected for the Nadeshiko Brand designation for fiscal 2017 under joint administration of the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange (for the fifth time as the only company in the housing and construction industry).

In terms of governance, positioning the year of 2018 as the "first year of governance reform," the Company introduced a system for invigorating the activities of the Board of Directors and bolstering the development of future managers. It also clarified the division of responsibilities and authorities of directors and other managers and reformed the organizational structure to ensure links among divisions, among other measures, as the initiatives to create a more sound corporate culture.

In the first quarter of the consolidated fiscal year under review, net sales amounted to ¥459,947 million (up 4.4% year-on-year). Operating income amounted to ¥31,130 million (down 7.2% year-on-year), ordinary income to ¥32,143 million (down 8.8% year-on- year) and profit attributable to owners of parent to ¥22,369 million (down 12.9% year-on-year).

Business results by segments are as follows.

<Built-to-Order Business>

(Custom Detached Houses Business)

In the Custom Detached Houses Business, the Company worked to develop and promote the sales of high value-added products such as zero energy houses (ZEHs) and houses using original external walls. The Company focused on sales of Green First Zero, our original ZEHs, which achieve an energy balance by saving energy through high insulation and other means and generating energy through methods such as photovoltaic power generation and fuel cells. The ZEH ratio rose to 76% in fiscal 2017, shifting steadily toward the fiscal 2020 target of 80%. The Company will accelerate its initiatives for popularizing ZEHs, focusing on the strengths that make a comfortable lifestyle consistent with ZEHs. In addition, the Company expanded the sales of the IS series of steel-frame houses and the GRAVIS series of SHAWOOD-HOME wood-framed houses, the high-end products. In urban areas, the Company focused on selling three- and four-story heavy steel-framed houses offering greater layout flexibility that can meet diverse needs, including demand for multiple-family cohabitation. Meanwhile, the Company introduced Airkis specifications for giving consideration to indoor air quality to the SHAWOOD-HOME series of wood-framed houses, enabling it to propose the specifications in all custom detached house lines. Orders received for the Business fell slightly year-on-year, reflecting weak construction demand centered on demand for reconstruction.

Sales in the Custom Detached Houses Business amounted to ¥72,512 million, down 6.2% year-on-year, and operating income to ¥5,728 million, down 20.0% year-on-year.

(Rental Housing Business)

In the Rental Housing Business, the Company sought to win more orders for rental houses centered on those with three- or four-stories by conducting exhaustive marketing in specific areas focused on urban districts and making attractive proposals that lead to stable management in the long term, such as the supply of rental properties of good quality. In addition, the Company sought to meet diverse construction demand and bolster its ability to propose applications, such as houses for combined residential and commercial use, hotels, day nurseries, and medical facilities, using the new flexible β system construction method in which design adaptability and space proposal capability are enhanced. As a result, sales increased solidly for non-housing segments. However, orders received for the Business overall fell year-on-year, mainly due to sluggish rental housing sales.

Sales in the Rental Housing Business amounted to ¥98,284 million, down 2.3% year-on-year, and operating income to ¥10,405 million, down 14.8% year-on-year.

<Supplied Housing Business>

(Remodeling Business)

In the Remodeling Business, the Company advanced a shift from remodeling for maintenance to remodeling based on lifestyle proposals, including remodeling for saving energy, and worked to strengthen its sales structure. In addition, the Company made aggressive proposals that contribute to stable management in the long term, including the maintenance and improvement of rent levels and occupancy rates, to the owners of Sha-Maison rental houses.

Sales in the Remodeling Business amounted to ¥28,664 million, up 0.4% year-on-year, and operating income to ¥3,736 million, up 8.7% year-on-year.

(Real Estate Management Fees Business)

In the Real Estate Management Fees Business, the number of Sha-Maison rental houses units for blockleasing and management commissioned to Sekiwa Real Estate companies achieve solid growth. Under this condition, the Company maintained high occupancy rates by meeting demand for high-quality rental houses.

Sales in the Real Estate Management Fees Business amounted to ¥128,473 million, up 4.9% year-on-year, and operating income to ¥10,675 million, up 11.3% year-on-year.

<Development Business>

(Houses for Sale Business)

In the Houses for Sale Business, the Company continued to procure land actively for first-time buyers. At the same time, the Company furthered sales through initiatives such as "Machinami sankan-bi," an event held to promote sales. In addition, the Company advanced efforts to develop communities of high quality that can be passed on to the next generation in the forms of initiatives for planning and proposing not only individual gardens and external facilities but also integrated rows of houses and activities for supporting community development, adopting the concept of "beauty that blooms with time" in which attractions and value grow over the years.

Sales in the Houses for Sale Business amounted to ¥28,610 million, down 4.9% year-on-year, and operating income to ¥1,613 million, down 35.0% year-on-year.

(Condominiums Business)

In the Condominium Business, the Company advanced its brand strategies by thoroughly enforcing area-specific strategies and integrating homebuilding knowhow gained through custom detached houses. Looking at properties on sale, orders received were solid for condominiums such as Grande Maison Uemachidai the Tower (Chuo-ku, Osaka), where Ene Farm fuel cells for household use will be installed in all units, and Grande Maison Shinagawa Seaside no Mori (Shinagawa-ku, Tokyo). Handovers also progressed according to plan for properties, such as Grande Maison Ekoda no Mori (Nakano-ku, Tokyo).

Sales in the Condominiums Business amounted to ¥33,936 million, up 96.7% year-on-year, and operating income to ¥4,826 million, up 87.9% year-on-year.

(Urban Redevelopment Business)

In the Urban Redevelopment Business, occupancy rates for rental properties owned by the Sekisui House Group, such as offices, commercial buildings and Prime Maison rental houses developed by the Company, remained high.

Sales in the Urban Redevelopment Business amounted to ¥16,447 million, up 34.9% year-on-year, and operating income to ¥3,650 million, up 45.6% year-on-year.

<Overseas Business>

In the United States, Woodside Homes Company, LLC, which became a consolidated subsidiary of the Company in the previous fiscal year, achieved a solid increase in housing sales. In China, condominiums in Taicang are almost sold out, with handovers are advancing smoothly. In Australia, progress was made on construction work on condominiums to be handed over during the current fiscal year. In Singapore, sales of condominium units in the Seaside Residence development remained strong.

Sales in the Overseas Business amounted to ¥34,779 million, up 5.8% year-on-year. Operating loss of ¥203 million was posted as we were unable to absorb the burden of fixed costs in China and Australia.

<Other Businesses>

In the Exterior Business, the Company worked to step up integrated proposals for houses and external facilities. The Company made aggressively proposals for building original gardens and external facilities in custom detached houses, rental houses and condominiums based on the "Gohon no Ki" landscaping plan through which garden trees are selected from native, non-cultivated and other plant varieties to match the local climate.

Sales in the Other Businesses amounted to ¥18,239 million, down 5.7% year-on-year, and operating loss to ¥448 million.

(2) Qualitative Information Regarding Consolidated Financial Conditions

Total assets decreased by ¥145,247 million to ¥2,273,765 million at the end of the first quarter of the consolidated fiscal year under review. This was primarily attributable to a decrease in cash and deposits in accordance with payments of notes and accounts payable and income taxes. Liabilities decreased ¥110,513 million to ¥1,100,377 million, mainly due to the decreases in notes and accounts payable and income taxes payment. Net asset, despite posting profit attributable to owners of parent, decreased ¥34,733 million to ¥1,173,387 million, mainly due to payments of dividends and a decrease in translation adjustment.

(3) Qualitative Information Regarding Consolidated Results Forecast

The consolidated results forecast for the fiscal year ending January 31, 2019 remained unchanged from the plan announced on March 8, 2018, considering the progress in improvements in sales, orders in the respective business segments.

2. Consolidated Quarterly Financial Statements

(1) Consolidated Quarterly Balance Sheets

(¥ million)

	As of January 31, 2018	As of April 30, 2018
Assets		
Current assets		
Cash and deposits	325,834	177,978
Notes receivable, accounts receivable from completed construction contracts	45,877	43,300
Short-term investment securities	589	589
Costs on uncompleted construction contracts	9,414	13,722
Buildings for sale	369,124	372,848
Land for sale in lots	599,514	588,806
Undeveloped land for sale	109,480	118,171
Other inventories	7,627	8,426
Deferred tax assets	29,075	22,953
Other	77,402	78,686
Less allowance for doubtful accounts	(1,270)	(1,219)
Total current assets	1,572,669	1,424,264
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	189,209	196,949
Machinery, equipment and vehicles	8,981	9,905
Land	322,502	323,226
Construction in progress	26,117	21,867
Other, net	6,002	6,515
Total property, plant and equipment	552,814	558,465
Intangible assets	22,016	21,457
Investments and other assets		
Investment in securities	173,802	167,942
Long-term loans receivable	25,341	25,579
Asset for retirement benefits	14,725	15,108
Deferred tax assets	3,080	5,022
Other	54,994	56,357
Less allowance for doubtful accounts	(431)	(433)
Total investments and other assets	271,512	269,578
Total noncurrent assets	846,343	849,500
Total assets	2,419,012	2,273,765

(¥ million)

	As of January 31, 2018	As of April 30, 2018
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	104,136	77,390
Electronically recorded obligations-operating	68,677	45,176
Short-term bonds payable	-	20,000
Short-term loans payable	209,707	197,184
Current portion of bonds	15,000	-
Current portion of long-term loans payable	2,431	1,162
Accrued income taxes	32,200	8,699
Advances received on construction contracts in progress	142,690	133,421
Accrued employees' bonuses	28,900	20,183
Accrued directors' and corporate auditors' bonuses	1,560	-
Provision for warranties for completed construction	2,980	2,870
Other	98,612	81,626
Total current liabilities	706,898	587,716
Noncurrent liabilities		
Bonds payable	235,000	235,000
Long-term loans payable	154,201	163,601
Guarantee deposits received	60,508	61,552
Deferred income taxes	12,499	10,860
Accrued retirement benefits for directors and corporate auditors	1,337	910
Liabilities for retirement benefits	21,504	21,722
Other	18,941	19,013
Total noncurrent liabilities	503,993	512,661
Total liabilities	1,210,891	1,100,377
Net assets		
Shareholders' equity		
Capital stock	202,591	202,591
Capital surplus	251,563	251,563
Retained earnings	626,961	621,715
Less treasury stock, at cost	(948)	(942)
Total shareholders' equity	1,080,167	1,074,926
Accumulated other comprehensive income		
Net unrealized holding gain on securities	48,033	45,071
Deferred gain (loss) on hedges	(68)	13
Translation adjustments	50,677	26,708
Retirement benefits liability adjustments	16,166	14,125
Total accumulated other comprehensive income	114,807	85,919
Stock subscription rights	761	777
Non-controlling interests	12,384	11,763
Total net assets	1,208,121	1,173,387
Total liabilities and net assets	2,419,012	2,273,765

(2) Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income

(Consolidated Quarterly Statements of Income)

For the three months ended April 30, 2017 and 2018

(¥ million)

	Feb. 1, 2017– Apr. 30, 2017	Feb. 1, 2018 – Apr. 30, 2018
Net sales	440,708	459,947
Cost of sales	348,848	367,040
Gross profit	91,860	92,907
Selling, general and administrative expenses	58,305	61,776
Operating income	33,554	31,130
Non-operating income		
Interest income	365	371
Dividends income	55	52
Equity in earnings of affiliates	2,166	1,779
Other	573	535
Total non-operating income	3,160	2,739
Non-operating expenses		
Interest expenses	554	1,013
Foreign exchange losses	301	183
Other	615	529
Total non-operating expenses	1,470	1,726
Ordinary income	35,244	32,143
Extraordinary income		
Gain on sales of shares of subsidiaries and affiliates	888	-
Total extraordinary income	888	-
Extraordinary loss		
Loss on sales or disposal of fixed assets	206	221
Loss on impairment of fixed assets	25	20
Total extraordinary losses	232	242
Profit before income taxes	35,900	31,901
Income taxes-current	5,527	4,929
Income taxes-deferred	4,394	4,732
Total income taxes	9,922	9,662
Profit	25,978	22,238
Profit attributable to non-controlling interests	301	(131)
Profit attributable to owners of parent	25,676	22,369

(Consolidated Quarterly Statements of Comprehensive Income)

For the three months ended April 30, 2017 and 2018

	Feb. 1, 2017 – Apr. 30, 2017	Feb. 1, 2018 – Apr. 30, 2018
Profit	25,978	22,238
Other comprehensive income		
Net unrealized holding gain (loss) on securities	(926)	(3,201)
Translation adjustment	(9,858)	(23,029)
Retirement benefits liability adjustments	(2,249)	(2,048)
Share of other comprehensive income (loss) of affiliates accounted for by the equity method	209	(621)
Total other comprehensive income	(12,824)	(28,900)
Comprehensive income	13,154	(6,662)
Comprehensive income attributable to		
Owners of the parent	12,868	(6,519)
Non-controlling shareholders' interests	285	(143)

(3) Notes to Consolidated Quarterly Financial Statements

(Notes Regarding Assumption of a Going Concern)

Not applicable

(Notes on significant changes in the amount of shareholders' equity)

Not applicable

(Matters relating to business combination)

(Material review of the amount of initial allocation of the acquisition costs for comparison)

The business combination with Woodside Homes Company, LLC on March 1 (February 28 in US time), 2017, which was provisionally processed in the first quarter of the previous fiscal year, was finally accounted for in the third quarter of the previous fiscal year.

As the provisional processing of the business combination was finalized, a material review of the amount of initial allocation of the acquisition costs which is included for comparison in these consolidated financial statements for the first quarter of the fiscal year under review was reflected.

As a result, in the consolidated quarterly statements of income for the first quarter of the previous fiscal year, gross profit, operating income, ordinary income and profit attributable to owners of parent decreased ¥346 million, ¥331 million, ¥226 million, and ¥139 million, respectively.