



Making your dreams come true

FY2019 1Q (April 1 to June 30, 2019)

Financial Results Materials (Highlights)

July 24, 2019

Forecasts for operational performances, as well as future predictions described in this document, were prepared based on information available as of the day on which this document was released. This document in no way guarantees the contents and operational performances of the company in the future.

CHORI CO., LTD.

Key Points of the Summary

▶ **Business Results Summary (YoY Comparison)**

Net sales : Maintained results from the previous fiscal year, which had a significant increase in sales

Earnings : Increases in each level of income due to improved profitability

▶ **Profitability**

(1) Segment Results (YoY Comparison)

Net sales : Decreased sales in the Chemicals Business covered by increased sales in the Machinery Business

Segment income (Ordinary income) :

- Improved profitability in the Chemicals Business, increased profit due to the effect of gains in the Machinery Business
- Profits for the Fibers, Textiles, and Garments Business were secured at the same level as the previous fiscal year

(2) ROA (ordinary income basis), ROE (net income basis) (reference figures)

ROA: 8.3% (+1.0% YoY)

ROE: 12.0% (+1.3% YoY)

▶ **Financial Base**

Equity ratio: 48.3% (+2.9% YoY)

→ Maintained at a high level

Business Results Breakdown (YoY Comparison)



Net sales: Decreased sales in the Chemicals Business were covered by increased sales in the Machinery Business and growth in overseas markets

Each level of income:

Improvements to profit margin in the Chemicals Business and increased profit in the Machinery Business due to the effect of gains

Unit: billions of yen

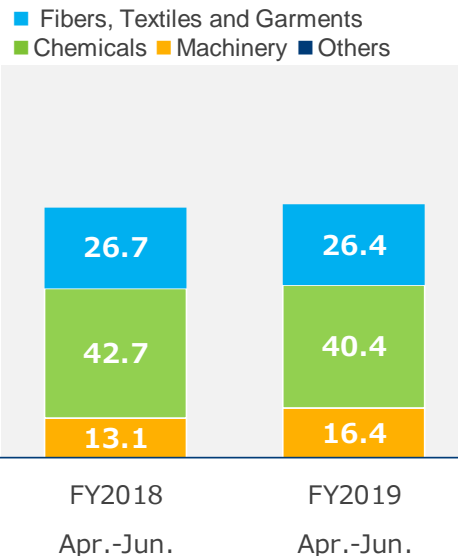
	FY2018	FY2019	Difference	Ratio
	Apr.-Jun.	Apr.-Jun.		
Net Sales	82.5	83.2	+0.7	+0.9%
Gross Profit	6.9	7.2	+0.2	+3.6%
Selling, general and administrative expenses	4.9	4.9	-0.0	-0.9%
Operating income	2.0	2.3	+0.3	+14.6%
Ordinary income	2.2	2.4	+0.2	+6.9%
Net income attributable to owners of the parent	1.5	1.6	+0.2	+10.9%

Segment Results

Net sales

Unit: billions of yen

	FY2018 Apr.-Jun.	FY2019 Apr.-Jun.	Difference
Fibers, Textiles and Garments	26.7	26.4	-0.3
Chemicals	42.7	40.4	-2.4
Machinery	13.1	16.4	+3.3
Others	0.0	0.0	+0.0
Total	82.5	83.2	+0.7



Fibers, Textiles and Garments ...Decreased sales and profit

Steady

Overseas base materials
Functional wear

Sluggish

Domestic fibers, textiles, and garments

Chemicals

...Decreased sales and increased profit

Steady

Fine chemicals
Materials for Electronics
Chinese business

Sluggish

Organic chemical materials

Machinery

...Increased sales and profit

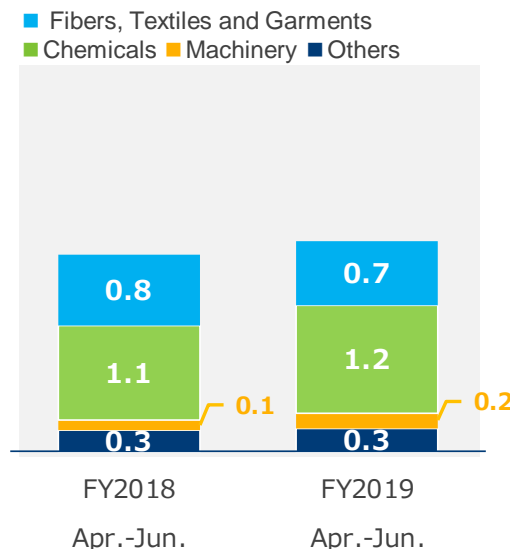
Steady

Vehicles

Ordinary income

Unit: billions of yen

	FY2018 Apr.-Jun.	FY2019 Apr.-Jun.	Difference
Fibers, Textiles and Garments	0.8	0.7	-0.1
Chemicals	1.1	1.2	+0.1
Machinery	0.1	0.2	+0.1
Others	0.3	0.3	+0.0
Total	2.2	2.4	+0.2



* Adjusted amounts for "Other" are included.

Net Sales by Operation

POINT

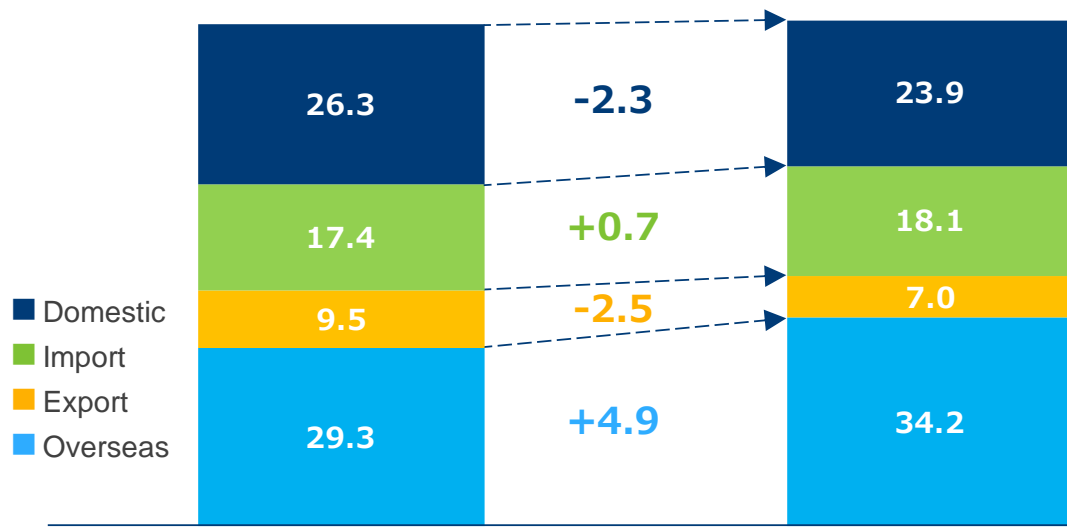
● Trade ratio : 71.3%(+3.1% YoY)

→ Domestic sales : Decreased sales centered on the Fibers, Textiles and Garments Business and Chemicals Business at Chori Co., Ltd.

Overseas sales : Increased sales centered on the Machinery Business

Net sales	82.5	Net sales	83.2	Net sales	+0.7
Overseas transactions	56.2	Overseas transactions	59.3	Overseas transactions	+3.1
(Trade ratio)	(68.2%)	(Trade ratio)	(71.3%)	(Trade ratio)	(+3.1%)

Unit: billions of yen



Domestic sales Amount of domestic sales

Import sales Amount of net sales from overseas to Japan

Export sales Amount of net sales from Japan to overseas

Overseas sales Amount of net sales from overseas transactions

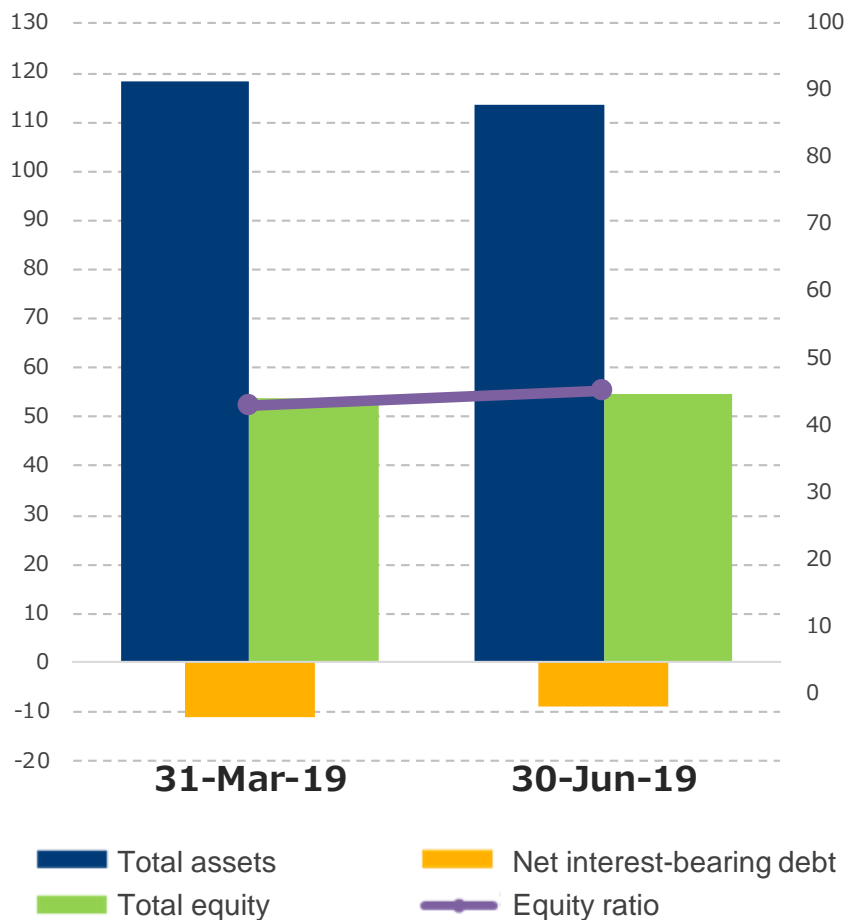
FY2018 Apr.-Jun.

FY2019 Apr.-Jun.

Financial Position

Unit: billions of yen

Unit: %



Financial soundness

Unit: billions of yen

	31-Mar-19	30-Jun-19	Difference
Total assets	118.5	113.5	-5.0
Net interest-bearing debt	-10.9	-9.1	+1.8
Total equity	53.8	54.8	+1.0
Equity ratio	45.4%	48.3%	+2.9%

Profitability/Capital efficiency

	31-Mar-19	30-Jun-19(*)	Difference
ROA (Ordinary income basis)	7.3%	8.3%	+1.0%
ROA (Net income basis)	4.7%	5.6%	+0.9%
ROE (Net income basis)	10.7%	12.0%	+1.3%

* Annual basis

FY2019 Business Results Forecast



- Consistent promotion of measures for the Medium-term Management Plan “Chori Innovation Plan 2019”
- In FY2019 1Q, the rate of progress for the full-year profit forecast was off to a strong start, with each level of income exceeding 25%

Unit: billions of yen

	FY2019 Apr.-Jun. Result	FY2019 Apr.-Mar. Forecast	FY2019 Progress
Net Sales	83.2	370.0	22.5%
Operating income	2.3	8.3	27.8%
Ordinary income	2.4	9.0	26.7%
Net income attributable to owners of the parent	1.6	5.8	28.1%

**Dividends
Forecast**

Annual dividend forecasted for FY2019 is expected to be 62 yen per share, which consists of an interim dividend of 31 yen per share and a year-end dividend of 31 yen per share.

M a k i n g y o u r d r e a m s c o m e t r u e

CHORI CO.,LTD.