

**Translation**

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**Summary of Consolidated Financial Results  
for the Nine Months Ended December 31, 2017  
(Based on Japanese GAAP)**

February 9, 2018

Company name: KENKO Mayonnaise Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 2915 URL <http://www.kenkomayo.co.jp>  
 Representative: President Takashi Sumii  
 Executive Officer and General Manager  
 Inquiries: Atsushi Kyogoku TEL 03-5318-7530  
 Corporate Planning Office  
 Scheduled date to file Quarterly Securities Report: February 13, 2018  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2017 (from April 1, 2017 to December 31, 2017)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2017	55,885	2.8	3,405	(3.5)	3,444	(3.2)	2,393	(5.1)
Nine months ended December 31, 2016	54,376	7.7	3,527	24.5	3,559	26.6	2,521	15.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2017	145.24		–	
Nine months ended December 31, 2016	177.45		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2017	62,472	30,563	48.9
As of March 31, 2017	51,442	28,456	55.3

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2017	–	14.00	–	23.00	37.00
Year ending March 31, 2018	–	18.00	–	–	–
Year ending March 31, 2018 (Forecast)	–	–	–	19.00	37.00

3. Forecast of consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	72,700	2.7	4,080	2.3	4,100	2.1	2,870	0.1	174.20

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2017  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2017	16,476,000 shares	As of March 31, 2017	16,476,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2017	352 shares	As of March 31, 2017	273 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2017	16,475,706 shares	Nine months ended December 31, 2016	14,210,769 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Assets		
Current assets		
Cash and deposits	13,779	14,700
Notes and accounts receivable - trade	11,436	14,908
Merchandise and finished goods	1,881	1,722
Work in process	17	10
Raw materials and supplies	919	1,219
Deferred tax assets	350	341
Other	813	236
Allowance for doubtful accounts	(2)	(0)
Total current assets	29,196	33,139
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,461	5,156
Machinery, equipment and vehicles, net	6,653	5,986
Land	5,968	5,968
Construction in progress	8	7,794
Other, net	377	345
Total property, plant and equipment	18,469	25,250
Intangible assets		
Total intangible assets	268	215
Investments and other assets		
Deferred tax assets	398	290
Other	3,148	3,613
Allowance for doubtful accounts	(40)	(36)
Total investments and other assets	3,506	3,867
Total non-current assets	22,245	29,333
Total assets	51,442	62,472

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	8,751	10,756
Electronically recorded obligations - operating	–	1,008
Current portion of long-term loans payable	920	1,180
Income taxes payable	909	563
Other provision	460	409
Other	5,445	5,912
<b>Total current liabilities</b>	<b>16,487</b>	<b>19,830</b>
<b>Non-current liabilities</b>		
Long-term loans payable	1,489	7,410
Net defined benefit liability	443	400
Other provision	934	961
Other	3,630	3,307
<b>Total non-current liabilities</b>	<b>6,498</b>	<b>12,078</b>
<b>Total liabilities</b>	<b>22,985</b>	<b>31,909</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	5,424	5,424
Capital surplus	5,691	5,691
Retained earnings	16,688	18,405
Treasury shares	(0)	(0)
<b>Total shareholders' equity</b>	<b>27,803</b>	<b>29,520</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	798	1,152
Foreign currency translation adjustment	9	2
Remeasurements of defined benefit plans	(155)	(112)
<b>Total accumulated other comprehensive income</b>	<b>652</b>	<b>1,042</b>
<b>Total net assets</b>	<b>28,456</b>	<b>30,563</b>
<b>Total liabilities and net assets</b>	<b>51,442</b>	<b>62,472</b>

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Net sales	54,376	55,885
Cost of sales	40,035	41,309
Gross profit	14,341	14,576
Selling, general and administrative expenses	10,813	11,171
Operating profit	3,527	3,405
Non-operating income		
Interest income	0	0
Dividend income	30	31
Other	79	76
Total non-operating income	110	107
Non-operating expenses		
Interest expenses	41	50
Share of loss of entities accounted for using equity method	21	12
Other	16	7
Total non-operating expenses	78	69
Ordinary profit	3,559	3,444
Extraordinary income		
Subsidy income	21	61
Gain on donation of non-current assets	7	-
Reversal of provision on retirement of non-current assets	30	-
Other	0	0
Total extraordinary income	59	61
Extraordinary losses		
Loss on retirement of non-current assets	13	5
Impairment loss	7	1
Other	5	-
Total extraordinary losses	26	7
Profit before income taxes	3,592	3,498
Income taxes - current	1,066	1,127
Income taxes - deferred	3	(22)
Total income taxes	1,070	1,105
Profit	2,521	2,393
Profit attributable to owners of parent	2,521	2,393

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Profit	2,521	2,393
Other comprehensive income		
Valuation difference on available-for-sale securities	85	354
Remeasurements of defined benefit plans, net of tax	58	43
Share of other comprehensive income of entities accounted for using equity method	(27)	(7)
Total other comprehensive income	116	389
Comprehensive income	2,638	2,782
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,638	2,782