



August 3, 2017

## Consolidated Financial Results for the First Quarter of Fiscal Year 2017

Company name: DISCO Corporation  
 Stock code number: 6146 (Tokyo Stock Exchange 1st Section)  
 URL: <http://www.disco.co.jp>  
 Telephone number: 81-3-4590-1099

- Notes:
1. The accompanying financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.
  2. Amounts are rounded down to the nearest million yen.

### 1. Consolidated Results of FY2017 1Q(April 1, 2017 through June 30, 2017)

#### 1) Operating results (Accumulated)

	Three months ended		
	June 30, 2016	June 30, 2017	YoY(%)
Net sales	31,273	44,414	42.0
Operating income	6,928	15,107	118.0
Ordinary income	7,493	14,929	99.2
Net income	5,794	10,672	84.2
Net income per share (yen)	161.93	297.55	-

#### 2) Financial position

	As of March 31, 2017	As of June 30, 2017
Total assets	225,748	226,664
Net assets	181,318	182,106
Equity ratio (%)	79.9%	79.9%

(Reference) Equity (defined as shareholders' equity plus valuation and translation adjustments) :

181,098 million yen (as of June 30, 2017)  
 180,383 million yen (as of March 31, 2017)

### 2. Dividends

	Fiscal Year 2016	Fiscal Year 2017 Actual	Fiscal Year 2017 Forecast
1Q-end dividend per share (yen)	—	—	—
2Q-end dividend per share (yen)	83.00	—	130.00
3Q-end dividend per share (yen)	—	—	—
Year-end dividend per share (yen)	291.00	—	—
Annual dividend per share (yen)	374.00	—	—

Note: Revision of dividends forecast for during this period: Yes

### 3. Earnings Forecasts of FY2017

(Millions of yen)

	Six month ending September 30,2017	YoY (%)	Nine month ending December 31,2017	YoY (%)
Net sales	83,100	27.4	115,600	21.1
Operating income	26,000	74.6	34,300	63.3
Ordinary income	26,000	66.6	34,500	65.3
Net income	18,600	56.8	24,600	59.0
Net income per share (yen)	518.57	—	685.85	—

Note: Revision of earnings forecast for during this period: Yes

### 4. Others

- 1) Important changes in subsidiaries: None
- 2) Changes in principles, procedures and display of accounting method concerning consolidated statement policies.
  1. Changes in accounting policies along with changes in accounting standards: Yes
  2. Other changes: None
- 3) Number of shares outstanding (common stock)
  - ① Number of shares issued (include treasury stocks)
 

As of June 30, 2017:	35,872,671 shares
As of March 31, 2017:	35,870,471 shares
  - ② Number of shares of treasury stock
 

As of June 30, 2017:	4,623 shares
As of March 31, 2017:	4,523 shares
  - ③ Average number of shares
 

As of June 30, 2017:	35,866,675 shares
As of June 30, 2016:	35,785,645 shares

#### Explanations on the appropriate use of earnings forecasts:

The performance forecasts and estimates stated in this Financial Review are based on certain assumptions judged to be reasonable at the present time in light of information currently available. Consequently, actual operating results may differ substantially from the projections in the Financial Review.

### (Reference) Non-consolidated Earnings Forecasts of FY2017

(Millions of yen)

	Six month ending September 30,2017	YoY (%)	Nine month ending December 31,2017	YoY (%)
Net sales	70,700	26.8	98,200	22.1
Operating income	19,600	87.9	25,900	82.1
Ordinary income	21,500	66.2	27,900	77.0
Net income	15,600	434.9	20,200	67.5
Net income per share (yen)	434.93	—	563.18	—

Note: Revision of earnings forecast for during this period: Yes

**5. Consolidated quarterly balance sheets**

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
<b>Assets</b>		
Current assets		
Cash and deposits	77,718	72,536
Notes and accounts receivable - trade	38,895	47,278
Merchandise and finished goods	6,832	7,128
Work in process	10,394	10,199
Raw materials and supplies	13,108	13,679
Other	7,761	4,593
Allowance for doubtful accounts	-71	-68
Total current assets	<u>154,639</u>	<u>155,346</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	35,113	34,757
Other, net	31,109	31,628
Total property, plant and equipment	<u>66,223</u>	<u>66,385</u>
Intangible assets	588	549
Investments and other assets		
Other	4,326	4,407
Allowance for doubtful accounts	-30	-24
Total investments and other assets	<u>4,296</u>	<u>4,383</u>
Total non-current assets	<u>71,108</u>	<u>71,317</u>
Total assets	<u>225,748</u>	<u>226,664</u>

	(Millions of yen)	
	As of March 31, 2017	As of June 30, 2017
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	5,897	5,668
Electronically recorded obligations - operating	11,931	12,600
Short-term loans payable	-	299
Current portion of long-term loans payable	8,989	8,423
Income taxes payable	3,323	4,027
Provision for bonuses	5,300	3,089
Other provision	883	852
Other	7,395	8,800
Total current liabilities	<u>43,722</u>	<u>43,761</u>
Non-current liabilities		
Provision for directors' retirement benefits	14	14
Other	693	782
Total non-current liabilities	<u>707</u>	<u>796</u>
Total liabilities	<u>44,430</u>	<u>44,557</u>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	20,374	20,382
Capital surplus	22,362	22,369
Retained earnings	136,247	136,482
Treasury shares	-18	-20
Total shareholders' equity	<u>178,965</u>	<u>179,213</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	40	29
Foreign currency translation adjustment	1,388	1,864
Remeasurements of defined benefit plans	-10	-9
Total accumulated other comprehensive income	<u>1,418</u>	<u>1,884</u>
Subscription rights to shares	840	901
Non-controlling interests	93	106
Total net assets	<u>181,318</u>	<u>182,106</u>
Total liabilities and net assets	<u>225,748</u>	<u>226,664</u>

<b>6. Consolidated quarterly statements of (comprehensive)</b>	(Millions of yen)	
	FY2016 1Q	FY2017 1Q
Net sales	31,273	44,414
Cost of sales	14,271	18,271
Gross profit	17,001	26,142
Selling, general and administrative expenses	10,072	11,035
Operating profit	6,928	15,107
Non-operating income		
Interest income	11	12
Share of profit of entities accounted for using equity method	-	72
Foreign exchange gains	517	-
Rent income	22	18
Other	56	37
Total non-operating income	607	140
Non-operating expenses		
Interest expenses	11	10
Sales discounts	11	13
Share of loss of entities accounted for using equity method	5	-
Foreign exchange losses	-	274
Depreciation	13	12
Other	1	6
Total non-operating expenses	42	317
Ordinary profit	7,493	14,929
Extraordinary income		
Gain on sales of non-current assets	0	12
Insurance income	-	72
Total extraordinary income	0	85
Extraordinary losses		
Loss on sales and retirement of non-current assets	11	5
Impairment loss	378	-
Loss on valuation of investment securities	-	0
Special retirement expenses	4	3
Loss on disaster	85	-
Total extraordinary losses	479	9
Profit before income taxes	7,014	15,005
Income taxes - current	1,050	3,251
Income taxes - deferred	176	1,069
Total income taxes	1,227	4,320
Profit	5,787	10,685
Profit attributable to		
Profit attributable to owners of parent	5,794	10,672
Profit (loss) attributable to non-controlling interests	-7	12
Other comprehensive income		
Foreign currency translation adjustment	-2,062	406
Remeasurements of defined benefit plans, net of tax	-3	1
Share of other comprehensive income of entities accounted for using equity method	-80	57
Total other comprehensive income	-2,146	465
Comprehensive income	3,640	11,150
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,651	11,138
Comprehensive income attributable to non-controlling interests	-10	12