

Summary of Business Results for the First Quarter Ended June 30, 2018

[Japan GAAP] (Consolidated)

July 31, 2018

| | | |
|--|---|--|
| Company | SWCC SHOWA HOLDINGS CO., LTD. | Listed on the TSE |
| Stock Code | 5805 | URL: http://www.swcc.co.jp |
| Representative Contact | Takayo Hasegawa, President and Representative Director Tetsuo Komata, Manager of Business Planning Dept., Business Strategy Headquarters | T E L: +81-44-223-0520 |
| Expected date of filing of quarterly report: | August 3, 2018 | Expected starting date of dividend payment: - |
| Preparation of quarterly supplementary financial document: | Yes | |
| Quarterly results briefing: | None | |

(Rounded down to million yen)

1. Consolidated business results for the three months ended June 2018

(April 1, 2018 through June 30, 2018)

(1) Consolidated results of operations

(% 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 | % |
| Three months ended Jun. 2018 | 42,363 | 8.9 | 1,229 | 3.1 | 1,088 | 18.0 | 812 | - |
| Three months ended Jun. 2017 | 38,906 | 8.9 | 1,192 | - | 922 | - | -82 | - |

(Note) Comprehensive income

Three months ended June 2018: 485 million yen (197.5%)

Three months ended June 2017: 163 million yen (-%)

| | Net income per share | | Diluted net income per share | |
|------------------------------|----------------------|-----|------------------------------|-----|
| | Yen | Yen | Yen | Yen |
| Three months ended Jun. 2018 | 27.24 | - | - | - |
| Three months ended Jun. 2017 | -2.68 | - | - | - |

(Note) The Company conducted a 1-for-10 reverse stock split effective on October 1, 2017. Net income per share is calculated assuming that the reverse stock split was conducted at the beginning of the previous consolidated fiscal year.

(2) Consolidated financial position

| | Total assets | Net assets | Shareholders' equity ratio |
|-----------------|--------------|-------------|----------------------------|
| | Million yen | Million yen | % |
| As of Jun. 2018 | 124,209 | 33,806 | 26.7 |
| As of Mar. 2018 | 123,518 | 33,477 | 26.6 |

(Reference) Shareholders' equity

As of June 2018: 33,168 million yen

As of March 2018: 32,857 million yen

(Note) The Company has applied the "Partial Revision of Accounting Standard for Tax Effects" (ASBJ Statement No. 28, issued on February 16, 2018) from the beginning of the first quarter of the current fiscal year. The figures for the previous fiscal year have been calculated retrospectively after applying the standard.

2. Dividends

| | Annual dividend | | | | |
|----------------------------------|-----------------|-----------|-----------|----------|-------|
| | End of 1Q | End of 2Q | End of 3Q | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Year ended Mar. 2018 | - | 0.00 | - | 5.00 | 5.00 |
| Year ending Mar. 2019 | - | - | - | - | - |
| Year ending Mar. 2019 (forecast) | - | 0.00 | - | 5.00 | 5.00 |

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

3. Forecast of consolidated business results for the fiscal year ending March 2019

(April 1, 2018 through March 31, 2019)

(% change from the previous corresponding period)

| | Net sales | | Operating income | | Ordinary income | | Net income attributable to owners of parent | | Net income per share |
|--------------------------------------|-------------|-----|------------------|-------|-----------------|-------|---|-------|----------------------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| For the six months ending Sept. 2018 | 85,000 | 6.4 | 2,100 | -19.8 | 1,700 | -20.9 | 1,200 | 16.4 | 40.24 |
| Year ending Mar. 2019 | 175,000 | 4.1 | 5,400 | -14.0 | 4,500 | -8.0 | 3,300 | -11.7 | 110.65 |

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

※Notes

(1) Changes in significant subsidiaries during the period: None

(2) Applications of simplified accounting procedures and specific accounting procedures: Yes

(3) Changes in rules, procedures and indication methods of accounting procedures

- 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 : Yes
- ④ Restatement : None

(4) Shares outstanding (common stock)

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

As of June 2018 30,826,861 shares
As of March 2018 30,826,861 shares

② Number of treasury stock at the end of period

As of June 2018 1,002,528 shares
As of March 2018 1,002,411 shares

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

Three months ended June 2018 29,824,375 shares
Three months ended June 2017 30,813,102 shares

(Note) The Company conducted a 1-for-10 reverse stock split effective on October 1, 2017. Number of shares outstanding at the end of period, number of treasury stock at the end of period, and average number of stock during period are calculated assuming that the reverse stock split was conducted at the beginning of the previous consolidated fiscal year.

***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**

1. Figures for the business forecasts for the six months ending Sept. 2018 and for the fiscal year ending March 2019 are revised figures which were announced in the "Notice Concerning Revision to the Business Forecasts" dated July 31, 2018.
2. Forecasts regarding future performance in this material 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. Actual results may differ significantly from the forecasts due to various factors.