

Financial Results for the 1st Quarterly of FY2018

Process Technology for Tomorrow

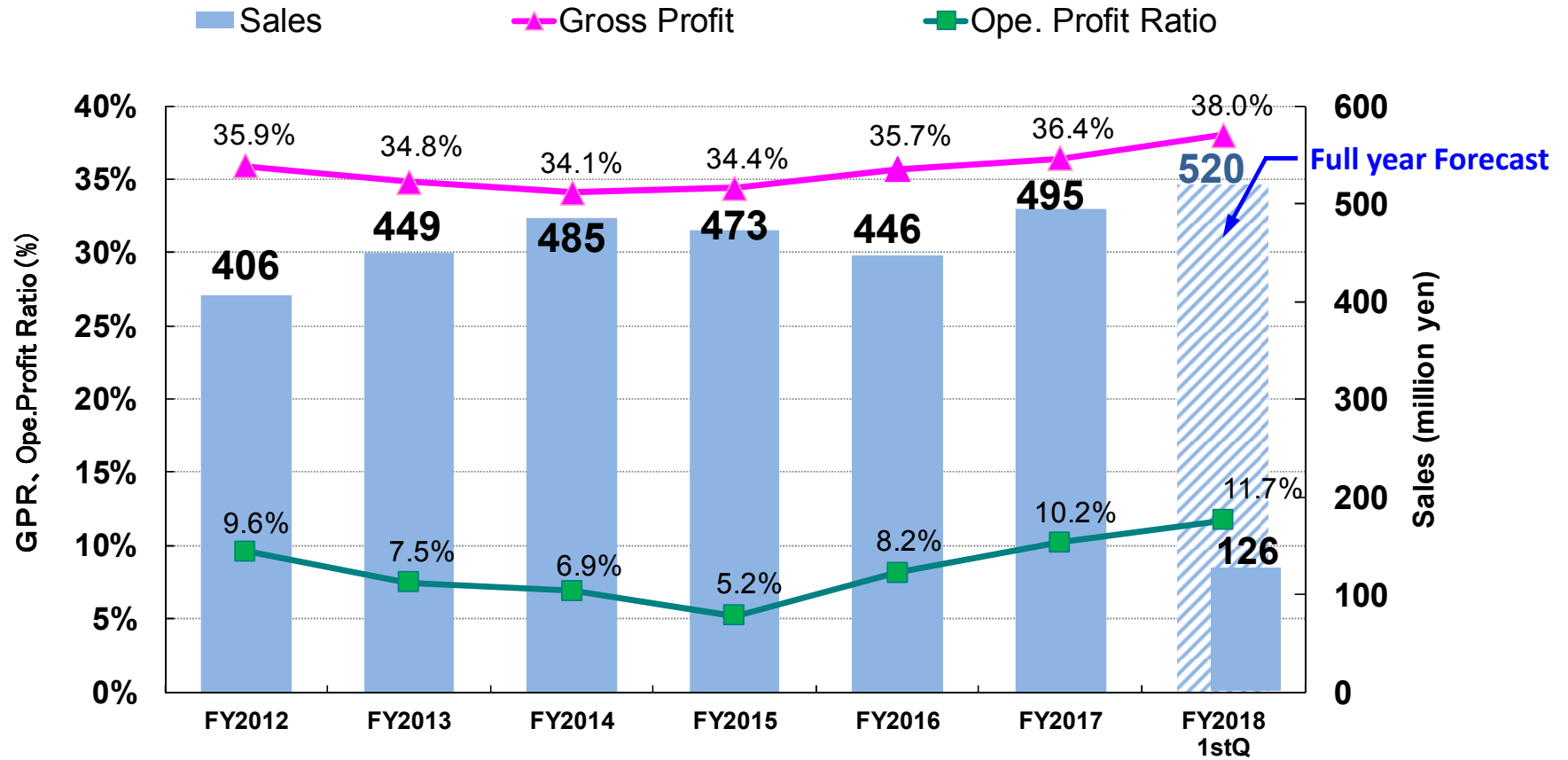
HOSOKAWA MICRON CORPORATION

<http://www.hosokawamicron.co.jp/en/>





Financial Results (consolidated)



US\$	78.87	92.82	102.33	119.30	111.89	111.26	112.97
Euro	102.39	121.82	138.82	136.84	124.11	122.85	133.01



Financial Results (consolidated) overview

In the 1st Quarter of FY2018, Consolidated Bookings increased by 27.1% compared to the same period in the previous year, to JPY 16.03 billion. Continuing from the last fiscal year, Bookings in Powder Processing business continues favorable. Blown Film business maintains high level of bookings, though it slowed down compared to the previous fiscal year.

Consolidated Sales were worth JPY12.7 billion, 17.4% increase compared to the previous corresponding period at a rate lower than that of the Bookings, so that Backlogs on the 1st quarter end achieved the highest ever JPY30.5 billion.

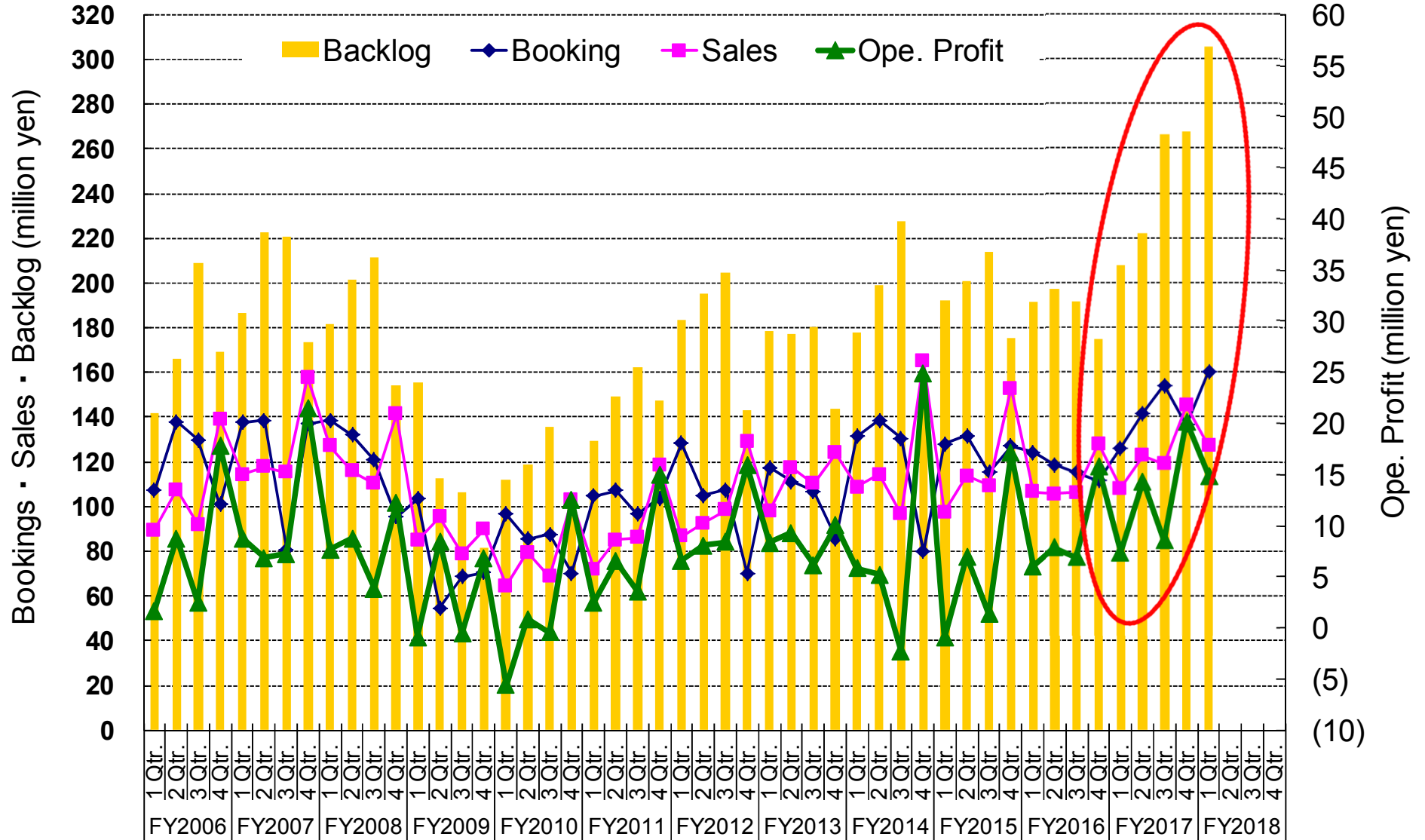
Estimated beneficial effect value of Yen depreciation against Euro were JPY1.07 billion for Bookings, JPY1.01 billion for Sales, and JPY100 million for Operation Income.

Our Gross Profit rate increased to 38.0% as a result of improvement of Gross margin of large-size orders. Operating income reached JPY1,489 million, almost double compared to the same period of the previous fiscal year.

However, due to the effects of the tax reform in the United States, higher tax rate was applied as a result of JPY300 million reversals of deferred tax assets at the US subsidiary. Consequently, Net income in the 1st quarter became JPY767 million, increased only by 23.3% compared to the previous corresponding period.



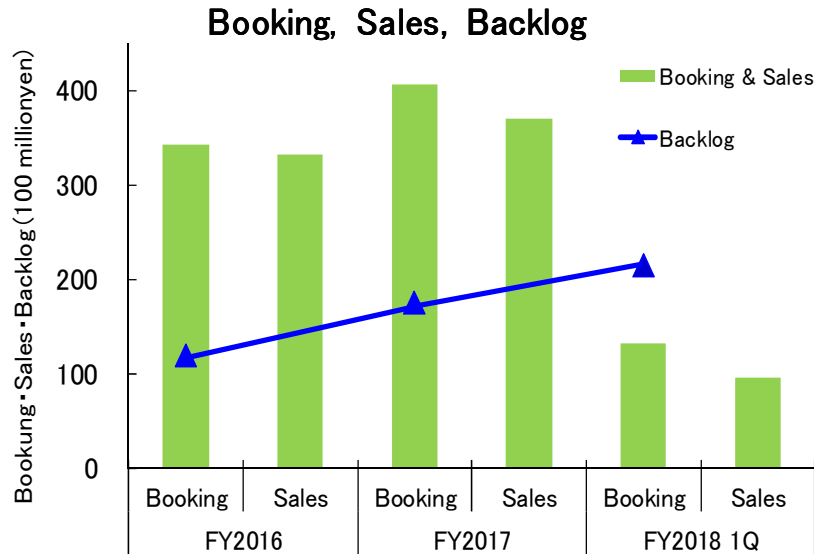
Financial Results (consolidated)



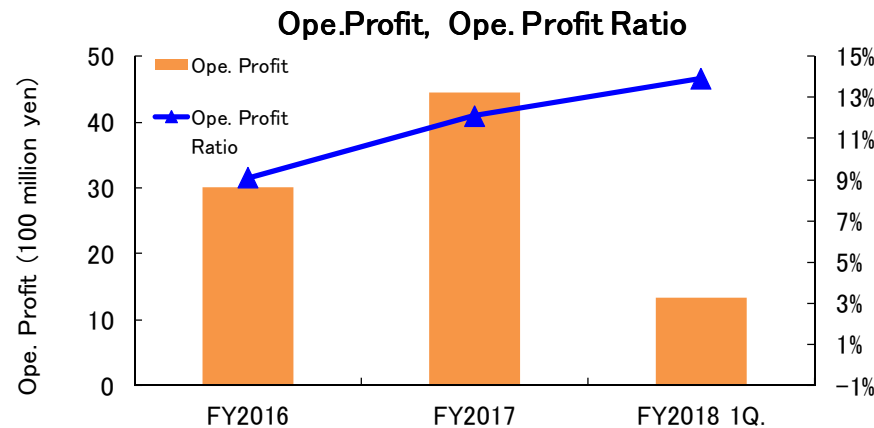
Financial Results (consolidated)

<Powder Processing>

Sales Ratio of Powder processing business: 75.1%



Overall market situation was preferable, except pharmaceutical market including generic market whose demand for capital investment has reached its maturity.



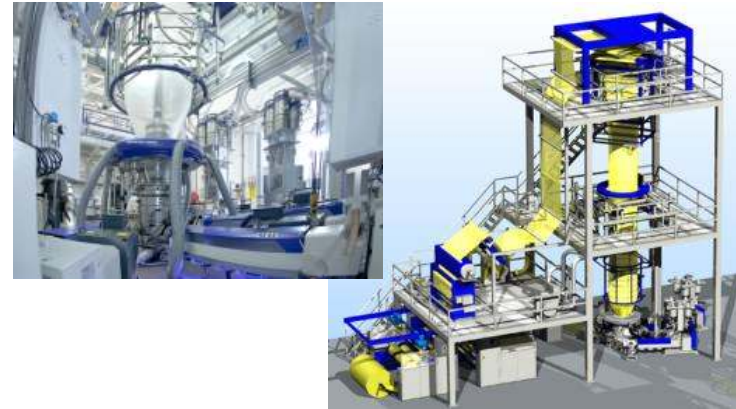
Sales has been increased slowly compared to the sharp increase of bookings, but favorable order taking and high level of backlog at the beginning of this fiscal year brought higher sales and earnings compared to the previous corresponding period.

Financial Results (consolidated)

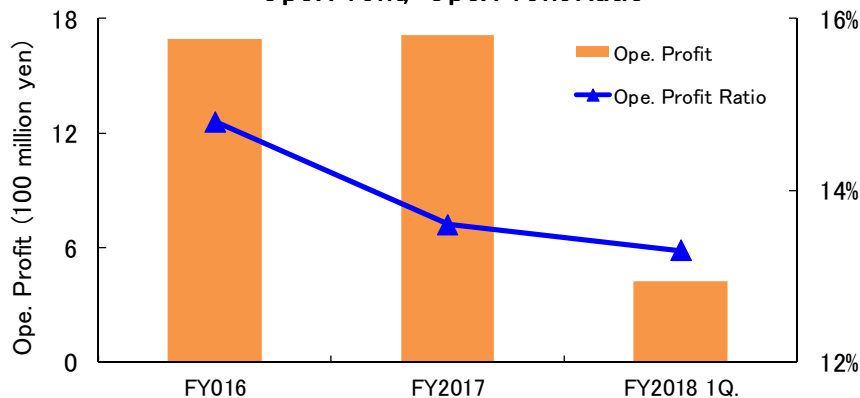
<Blown Film>

Sales Ratio of Blown Film business: 24.9%

Booking, Sales, Backlog



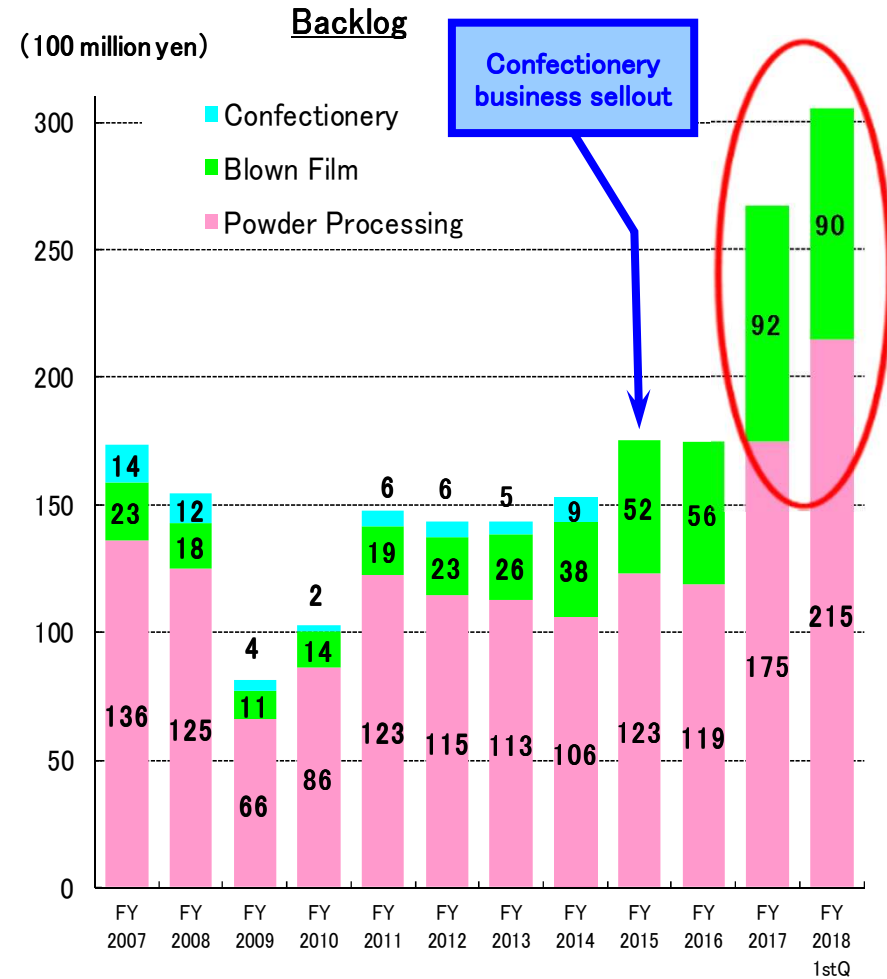
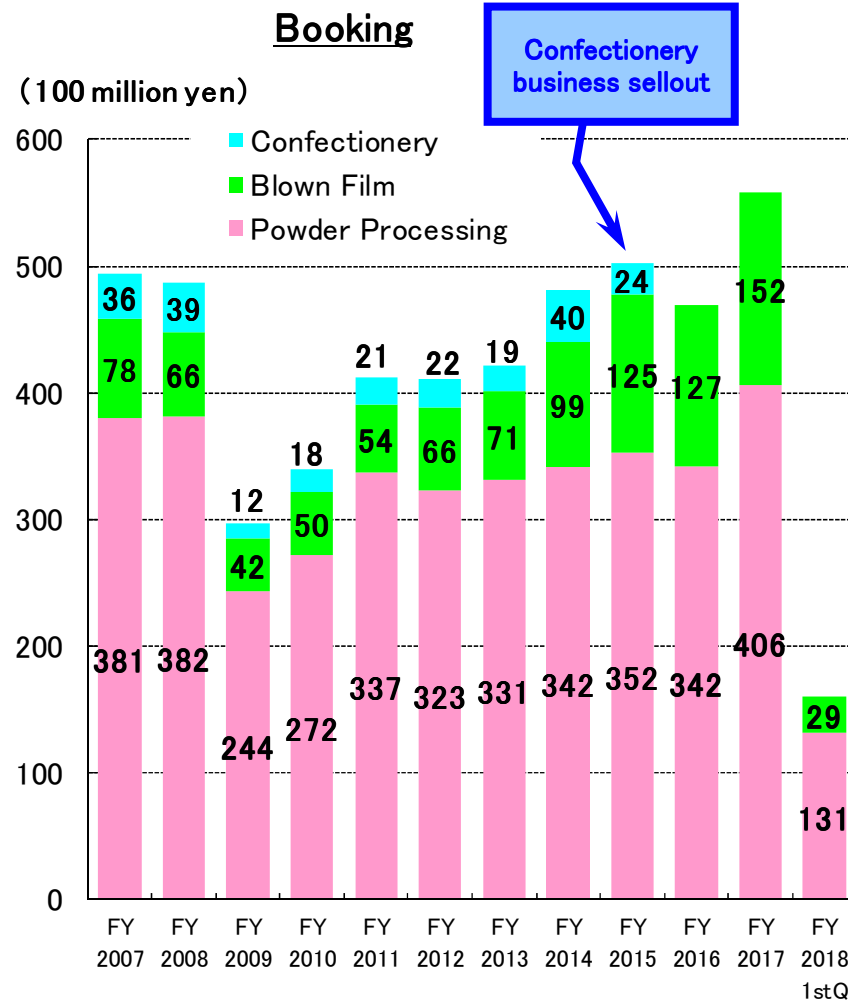
Ope. Profit, Ope. Profit Ratio



As of the end of the first quarter, the progress rate for the first half forecast (announced value) is 50 to 60%. Order backlog carried over in the second quarter were exceeded 30 billion yen, but there is concern about delivery time of some parts and purchased goods due to the booming economy. Considering such current circumstances, both the first half year forecast and the full year forecast remain unchanged.



Financial Results (by business segment, consolidated)





Announcement of full year forecast (consolidated)

	FY2018			Full Year		
	1Q Actual	1H Announced	1Q/1H Progress	FY2017 Actual	FY2018 Forecast	Variance (%)
Sales	12,698	25,000	50.8%	49,519	52,000	5.0%
Operating Income	1,489	2,400	62.0%	5,045	5,300	5.1%
Ordinary Income	1,521	2,400	63.4%	5,219	5,300	1.6%
Net Income	767	1,650	46.5%	3,572	3,600	0.8%
Earnings per share		201.75		429.06	440.17	
Dividends per share*		50.00		87.50	100.00	
Payout ratio %		24.8%		20.4%	22.7%	
Ex-Rate US\$=	112.97	110.00		112.26	110.00	
EURO=	133.01	125.00		122.85	125.00	

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