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July 31, 2018

Consolidated Financial Results for the First Three Months of the Fiscal Year Ending March 31, 2019 <under Japanese GAAP>

Company name: **Paramount Bed Holdings Co., Ltd.**
 Listing: Tokyo Stock Exchange
 Securities code: 7817
 URL: <http://www.paramountbed-hd.co.jp>
 Representative: Kyosuke Kimura, President and Chief Executive Officer
 Contact: Kenji Ouchi, Executive Officer, General Manager of Finance Division
 TEL: 03-3648-1100

Scheduled date to file Quarterly Securities Report: August 9, 2018
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: None
 Holding of quarterly financial results presentation meeting: None

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated financial results for the first three months of the fiscal year ending March 31, 2019 (from April 1, 2018 to June 30, 2018)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

| | Net sales | | Operating income | | Ordinary income | | Net income attributable to owners of the parent | |
|--------------------|-----------------|-----|------------------|--------|-----------------|-------|---|-------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Three months ended | | | | | | | | |
| June 30, 2018 | 17,586 | 9.8 | 2,102 | 34.9 | 2,200 | (8.4) | 1,516 | (9.2) |
| June 30, 2017 | 16,017 | 3.4 | 1,559 | (14.3) | 2,402 | 113.7 | 1,670 | 138.3 |

Note: Comprehensive income Three months ended June 30, 2018: ¥1,782 million: [(1.3)%]
 Three months ended June 30, 2017: ¥1,806 million: [—%]

| | Basic net income per share | Diluted net income per share |
|--------------------|----------------------------|------------------------------|
| Three months ended | Yen | Yen |
| June 30, 2018 | 50.92 | 50.41 |
| June 30, 2017 | 60.50 | 55.57 |

(2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio |
|----------------|-----------------|-----------------|-----------------------|
| As of | Millions of yen | Millions of yen | % |
| June 30, 2018 | 135,381 | 103,460 | 76.4 |
| March 31, 2018 | 139,176 | 102,803 | 73.9 |

Reference: Equity

As of June 30, 2018: ¥103,459 million
 As of March 31, 2018: ¥102,802 million

2. Dividends

| | Dividends per share | | | | |
|--|---------------------|--------------------|-------------------|-----------------|--------|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2018 | – | 45.00 | – | 45.00 | 90.00 |
| Fiscal year ending March 31, 2019 | – | | | | |
| Fiscal year ending March 31, 2019 (Forecast) | | 50.00 | – | 50.00 | 100.00 |

Note: Revisions to the dividends forecasts most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating income | | Ordinary income | | Net income attributable to owners of the parent | | Basic net income per share |
|--------------------------------------|-----------------|-----|------------------|-----|-----------------|--------|---|--------|----------------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Six months ending September 30, 2018 | 37,000 | 6.3 | 4,600 | 5.0 | 4,800 | (16.8) | 3,200 | (19.5) | 107.51 |
| Fiscal year ending March 31, 2019 | 81,000 | 4.9 | 11,500 | 7.9 | 11,900 | (2.2) | 8,100 | (3.2) | 272.14 |

Note: Revisions to the earnings forecasts most recently announced: None

* Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Application of special accounting for preparing quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - a. Changes in accounting policies in accordance with changes in accounting standards, etc.: None
 - b. Changes in accounting policies due to other reasons: None
 - c. Changes in accounting estimates: None
 - d. Restatement: None
- (4) Number of shares issued (common shares)
 - a. Number of shares issued at the end of the period (including treasury shares)

| | |
|----------------------|-------------------|
| As of June 30, 2018 | 30,877,487 shares |
| As of March 31, 2018 | 30,877,487 shares |

- b. Number of treasury shares at the end of the period

| | |
|----------------------|------------------|
| As of June 30, 2018 | 1,060,746 shares |
| As of March 31, 2018 | 1,113,339 shares |

- c. Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

| | |
|----------------------------------|-------------------|
| Three months ended June 30, 2018 | 29,777,264 shares |
| Three months ended June 30, 2017 | 27,614,288 shares |

*** Quarterly financial results reports are not required to be subjected to quarterly reviews.**

*** Proper use of earnings forecasts, and other special matters**

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, the statements herein do not constitute assurances regarding the Company's actual results. Actual financial and other results may differ substantially from the statements herein due to various factors. Please refer to "1. Qualitative information regarding financial results for the first three months, (3) Information regarding consolidated earnings forecasts and other forward-looking statements" on page 3 of the attached materials for the suppositions that form the assumptions for the earnings forecasts and cautions regarding the use of the earnings forecasts.