

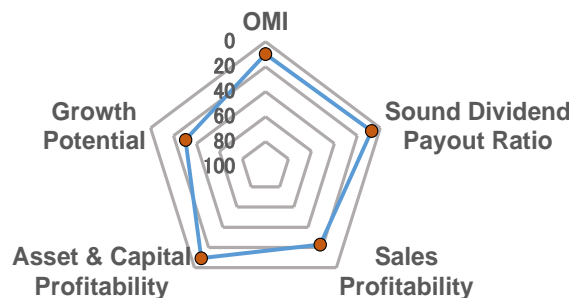
Overall Management Indicator

| (All 29 sectors) | Score | From the Top | Ranking | Score (50 as average in all companies) | | | | |
|------------------------------------|-------|--------------|----------------|--|----|----|----|----|
| | | | | 30 | 40 | 50 | 60 | 70 |
| Overall Management Indicator (OMI) | 62.4 | 9.8 % | 330 among 3372 | ***** ***** ***** ***** ***** | | | | |

Major 4 Categories Composing "Overall Management Indicator"

| | Score | From the Top | Ranking | Score (50 as average in all companies) | | | | |
|-------------------------------|-------|--------------|-----------------|--|----|----|----|----|
| | | | | 30 | 40 | 50 | 60 | 70 |
| Growth Potential | 53.5 | 30.4 % | 1024 among 3372 | ***** ***** ***** ***** ***** | | | | |
| Asset & Capital Profitability | 62.6 | 9.4 % | 317 among 3372 | ***** ***** ***** ***** ***** | | | | |
| Sales Profitability | 54.9 | 22.8 % | 769 among 3372 | ***** ***** ***** ***** ***** | | | | |
| Sound Dividend Payout Ratio | 64.8 | 7.5 % | 254 among 3372 | ***** ***** ***** ***** ***** | | | | |

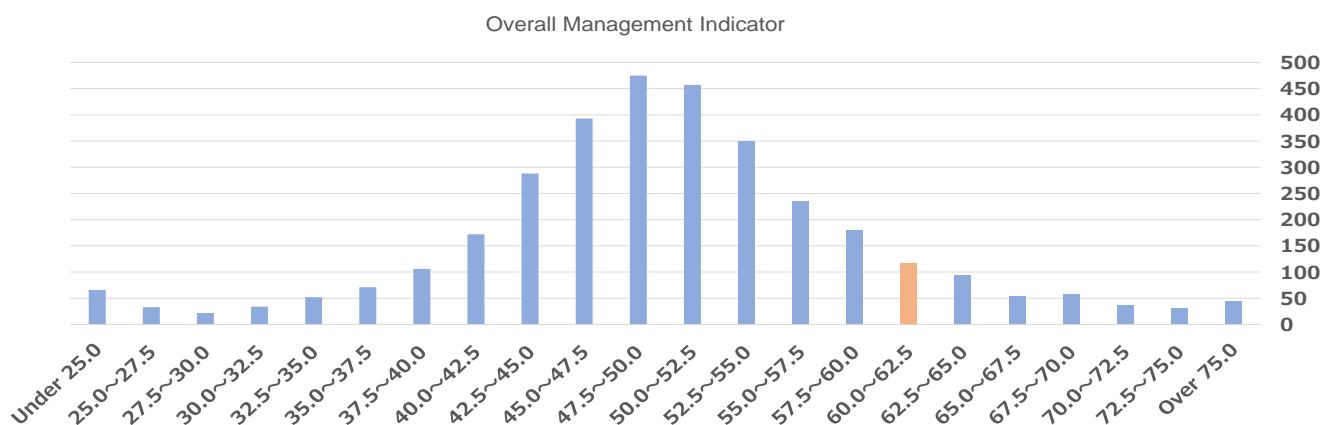
| (In the Sector) | Score | From the Top | Ranking |
|-------------------------------|-------|--------------|---------------|
| Overall Management Indicator | 62.4 | 20.6 % | 82 among 398 |
| Growth Potential | 53.5 | 41.2 % | 164 among 398 |
| Asset & Capital Profitability | 62.6 | 19.6 % | 78 among 398 |
| Sales Profitability | 54.9 | 36.2 % | 144 among 398 |
| Sound Dividend Payout Ratio | 64.8 | 15.6 % | 62 among 398 |



... Within the Top 30%

Overall Management Indicator 3372 Companies in 29 Sectors Distribution Chart (Orange: the Company)

(right axis: no. of companies)



Overall Management Indicator Historical Ranking / Percentage from the Top

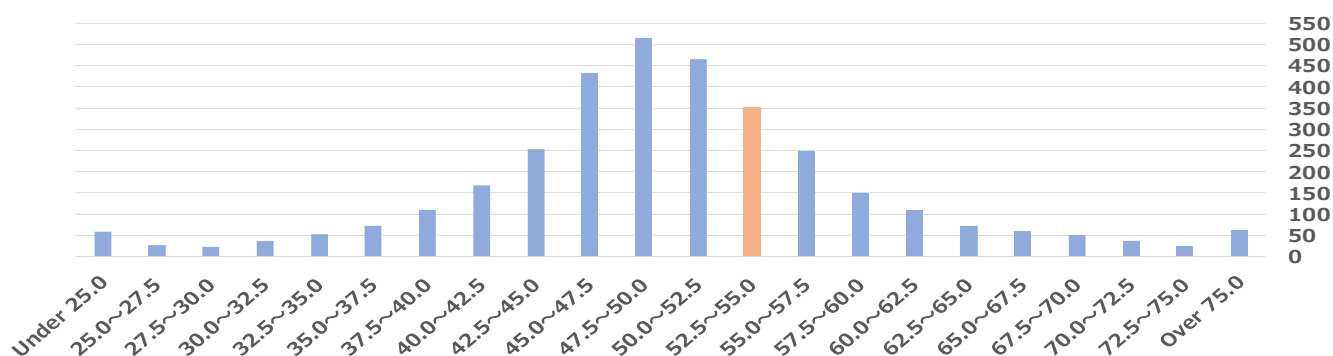
| Accounting Period | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|----------|----------|----------|----------|----------|----------|
| Reference Date | May 2013 | May 2014 | May 2015 | May 2016 | May 2017 | May 2018 |
| No. of companies | 3292 | 3279 | 3220 | 3238 | 3326 | 3372 |
| Ranking | 368 | 477 | 314 | 255 | 308 | 335 |
| From the Top | 11.2 % | 14.5 % | 9.8 % | 7.9 % | 9.3 % | 9.9 % |

Management Indicators Ranking Report

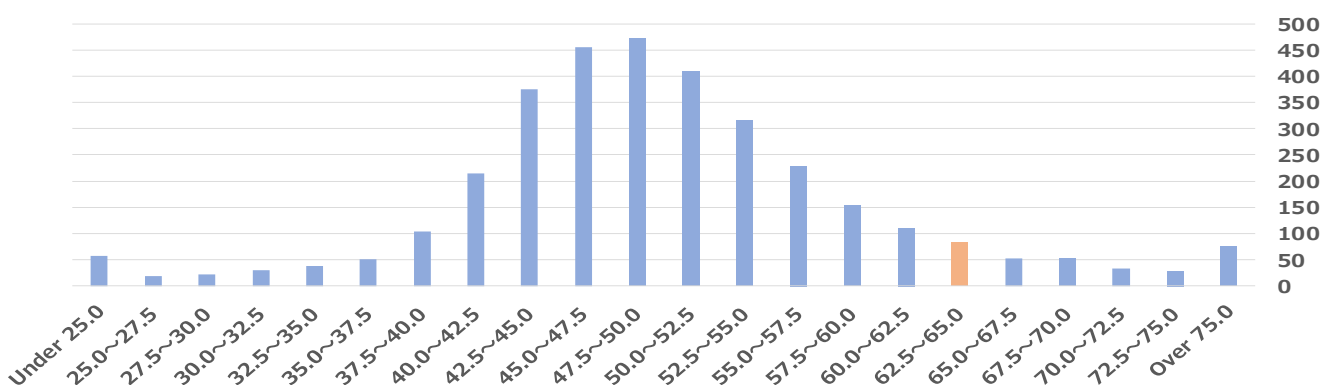
Distribution of All Companies in Major 4 Categories

Based on the data as of Feb. 2019
 Mar. 7, 2019
 Spring Capital Co., Ltd.

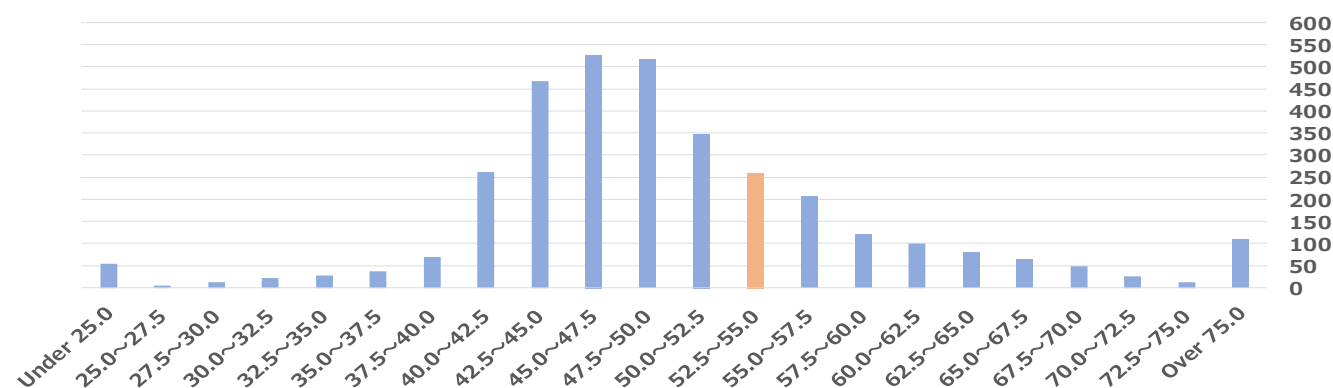
Growth Potential 3372 Companies in 29 Sectors Distribution Chart (Orange: the Company) (right: no. of companies)



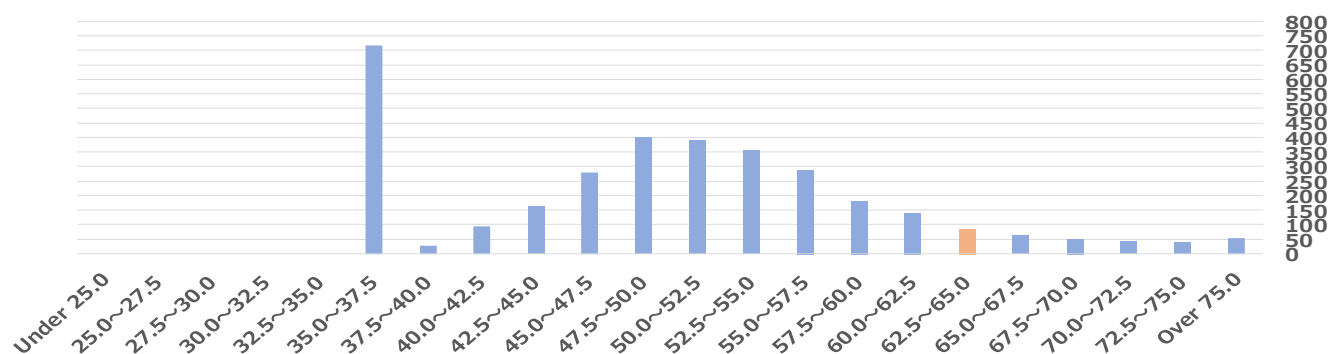
Asset & Capital Profitability 3372 Companies in 29 Sectors Distribution Chart (Orange: the Company) (right: no. of companies)



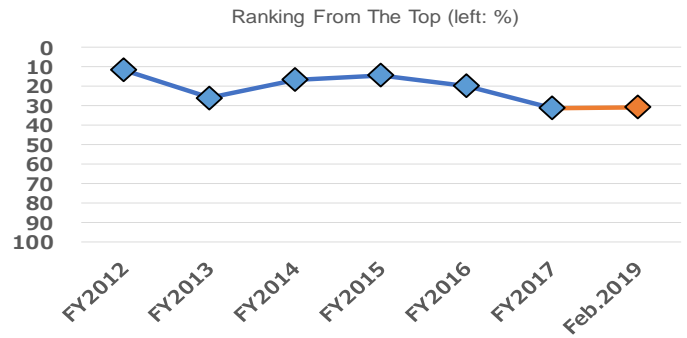
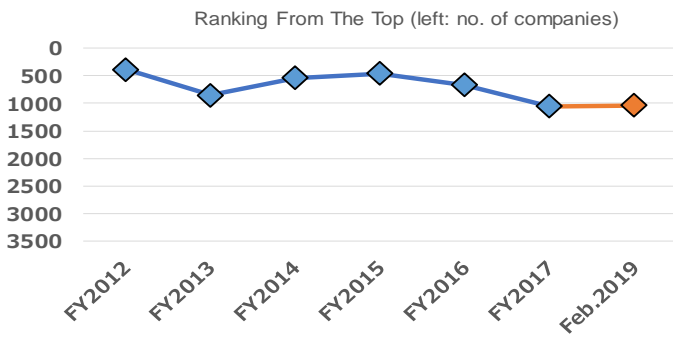
Sales Profitability 3372 Companies in 29 Sectors Distribution Chart (Orange: the Company) (right: no. of companies)



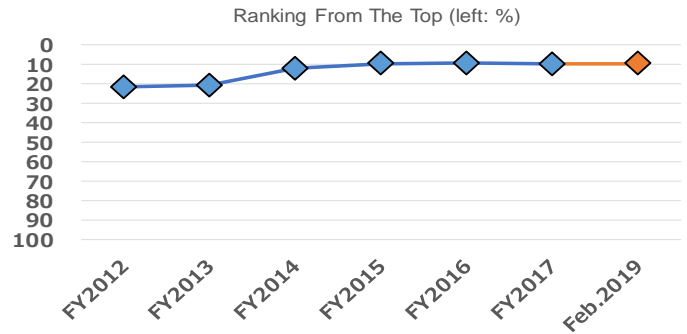
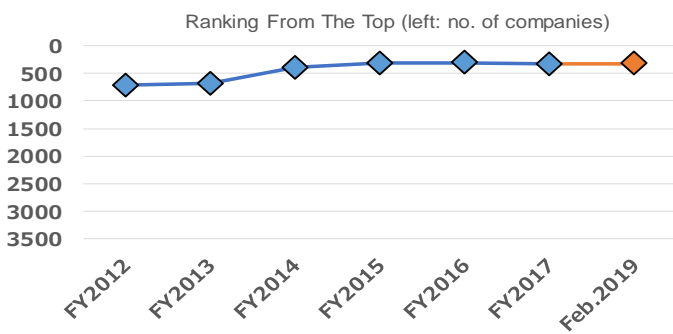
Sound Dividend Payout Ratio 3372 Companies in 29 Sectors Distribution Chart (Orange: the Company) (right: no. of companies)



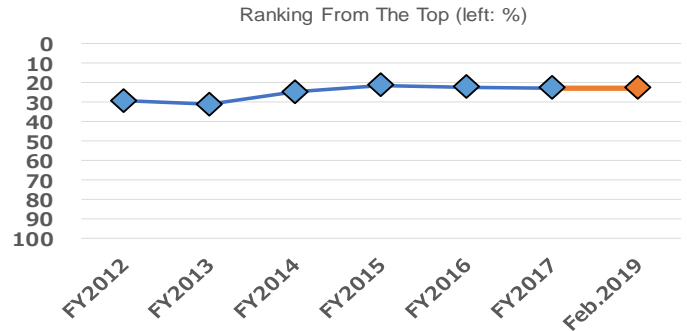
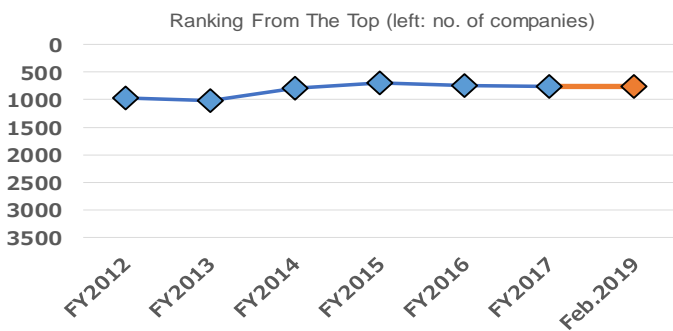
Growth Potential Historical Chart



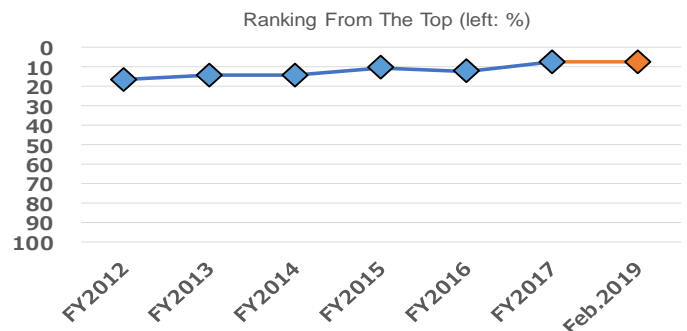
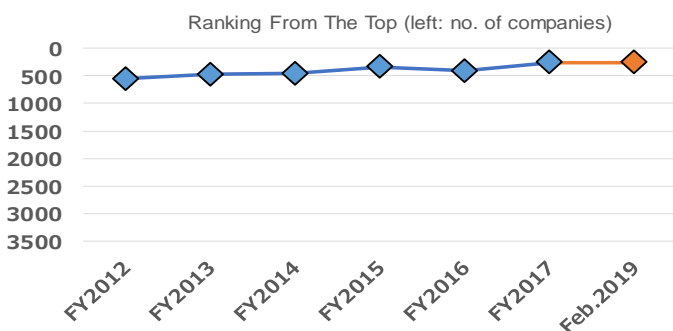
Asset & Capital Profitability Historical Chart



Sales Profitability Historical Chart



Sound Dividend Payout Ratio Historical Chart



Management Indicators Ranking Quintile Chart (All Categories)

| | From the Top 80% ~ 100% | From the Top 60% ~ 80% | From the Top 40% ~ 60% | From the Top 20% ~ 40% | From the Top within 20% |
|--|----------------------------|---------------------------|---------------------------|---------------------------|----------------------------|
| 【 Overall Management Indicator 】 ...★ | | | | | ★ |

| 【 Major 4 Categories 】 ...☆ | From the Top 80% ~ 100% | From the Top 60% ~ 80% | From the Top 40% ~ 60% | From the Top 20% ~ 40% | From the Top within 20% |
|-----------------------------------|----------------------------|---------------------------|---------------------------|---------------------------|----------------------------|
| 【 Growth Potential 】 | | | | ☆ | |
| 【 Asset & Capital Profitability 】 | | | | | ☆ |
| 【 Sales Profitability 】 | | | | ☆ | |
| 【 Sound Dividend Payout Ratio 】 | | | | | ☆ |

| Growth Potential - Intermediate Categories ...● | From the Top 80% ~ 100% | From the Top 60% ~ 80% | From the Top 40% ~ 60% | From the Top 20% ~ 40% | From the Top within 20% |
|--|----------------------------|---------------------------|---------------------------|---------------------------|----------------------------|
| < Minor Categories > ...◎ | | | | | |
| (3 terms) | | | | ● | |
| < Sales Growth Rate > | | | | | ◎ |
| < Operating Profit Growth Rate > | | | | ◎ | |
| < Recurring Profit Growth Rate > | | | | ◎ | |
| < Net Profit Growth Rate > | | | ◎ | | |
| (Previous Term) | | | ● | | |
| < Sales Growth Rate > | | | | ◎ | |
| < Operating Profit Growth Rate > | | | ◎ | | |
| < Recurring Profit Growth Rate > | | | ◎ | | |
| < Net Profit Growth Rate > | | | ◎ | | |
| (This Term) | | | ● | | |
| < Sales Growth Rate > | | | | ◎ | |
| < Operating Profit Growth Rate > | | | ◎ | | |
| < Recurring Profit Growth Rate > | | | ◎ | | |
| < Net Profit Growth Rate > | | | | ◎ | |

Management Indicators Ranking Quintile Chart (All Categories) Continued

| Asset & Capital Profitability - Intermediate Categories ...● | From the Top 80% ~ 100% | From the Top 60% ~ 80% | From the Top 40% ~ 60% | From the Top 20% ~ 40% | From the Top within 20% |
|---|----------------------------|---------------------------|---------------------------|---------------------------|----------------------------|
| < Minor Categories > ...◎ | | | | | |
| (ROA) | | | | | ● |
| < ROA 3 Terms > | | | | | ◎ |
| < ROA Previous Term > | | | | | ◎ |
| < ROA This Term > | | | | | ◎ |
| (ROE) | | | | | ● |
| < ROE 3 Terms > | | | | | ◎ |
| < ROE Previous Term > | | | | | ◎ |
| < ROE This Term > | | | | | ◎ |

| Sales Profitability - Intermediate Categories ...● | From the Top 80% ~ 100% | From the Top 60% ~ 80% | From the Top 40% ~ 60% | From the Top 20% ~ 40% | From the Top within 20% |
|---|----------------------------|---------------------------|---------------------------|---------------------------|----------------------------|
| < Minor Categories > ...◎ | | | | | |
| (Previous Term) | | | | ● | |
| < Operating Profit ROS > | | | | ◎ | |
| < Recurring Profit ROS > | | | | ◎ | |
| < Net Profit ROS > | | | | ◎ | |
| (This Term) | | | | ● | |
| < Operating Profit ROS > | | | | ◎ | |
| < Recurring Profit ROS > | | | | ◎ | |
| < Net Profit ROS > | | | | ◎ | |

| Sound Dividend Payout Ratio - Intermediate Categories ...● | From the Top 80% ~ 100% | From the Top 60% ~ 80% | From the Top 40% ~ 60% | From the Top 20% ~ 40% | From the Top within 20% |
|---|----------------------------|---------------------------|---------------------------|---------------------------|----------------------------|
| < Minor Categories > ...◎ | | | | | |
| (3 terms) | | | | | ● |
| < Dividend Payout Ratio > | | | | ◎ | |
| < DOE > | | | | | ◎ |
| (Previous Term) | | | | | ● |
| < Dividend Payout Ratio > | | | | | ◎ |
| < DOE > | | | | | ◎ |

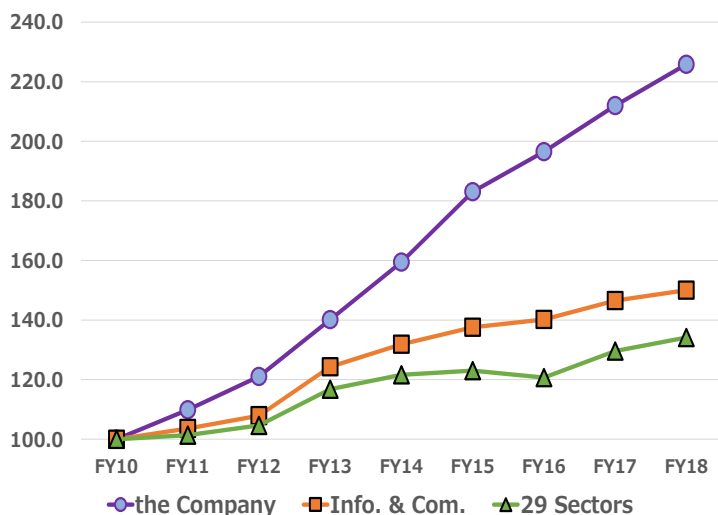
Reference

Average of Management Indicator Scores by Sector

| | Number of companies | Overall Management Indicator | Ranking | Growth Potential | Ranking | Asset & Capital Profitability | Ranking | Sales Profitability | Ranking | Sound Dividend Payout Ratio | Ranking |
|---------------------------------------|---------------------------|------------------------------------|---------|---------------------|---------|-------------------------------------|---------|------------------------|---------|-----------------------------------|---------|
| Fishery, Agriculture & Forestry | 11 | 46.8 | 24 | 46.5 | 26 | 47.8 | 23 | 46.9 | 26 | 49.8 | 15 |
| Mining | 6 | 49.0 | 15 | 49.4 | 13 | 46.9 | 24 | 52.2 | 6 | 49.5 | 18 |
| Construction | 174 | 50.0 | 11 | 49.6 | 12 | 51.7 | 5 | 48.9 | 16 | 49.7 | 17 |
| Foods | 127 | 47.8 | 21 | 48.6 | 19 | 48.0 | 19 | 47.4 | 24 | 49.4 | 19 |
| Textiles and Apparels | 53 | 45.6 | 26 | 45.4 | 28 | 44.4 | 27 | 47.5 | 23 | 50.6 | 9 |
| Pulp and Paper | 26 | 44.2 | 28 | 45.2 | 29 | 44.9 | 26 | 46.0 | 27 | 47.5 | 27 |
| Chemicals | 210 | 51.6 | 5 | 50.4 | 8 | 50.5 | 8 | 52.9 | 4 | 51.4 | 3 |
| Pharmaceutical | 62 | 45.6 | 27 | 47.6 | 23 | 42.3 | 29 | 48.6 | 17 | 49.1 | 20 |
| Oil and Coal Products | 11 | 52.4 | 4 | 52.8 | 2 | 50.8 | 7 | 51.2 | 10 | 50.7 | 7 |
| Rubber Products | 19 | 51.2 | 7 | 49.2 | 15 | 51.2 | 6 | 53.1 | 2 | 50.5 | 10 |
| Glass and Ceramics Products | 58 | 50.0 | 10 | 51.6 | 5 | 48.2 | 17 | 51.9 | 7 | 48.5 | 23 |
| Iron and Steel | 47 | 47.7 | 22 | 49.4 | 14 | 46.5 | 25 | 48.1 | 21 | 49.0 | 21 |
| Nonferrous Metals | 35 | 48.6 | 16 | 49.9 | 11 | 48.8 | 11 | 48.2 | 20 | 48.6 | 22 |
| Metal Products | 91 | 48.6 | 17 | 49.2 | 16 | 48.7 | 13 | 50.2 | 13 | 48.3 | 25 |
| Machinery | 230 | 51.4 | 6 | 51.1 | 7 | 50.0 | 9 | 53.0 | 3 | 50.3 | 12 |
| Electric Appliances | 249 | 49.5 | 12 | 48.7 | 18 | 48.4 | 16 | 50.1 | 14 | 51.5 | 1 |
| Transportation Equipment | 94 | 47.8 | 20 | 48.0 | 21 | 48.0 | 20 | 47.6 | 22 | 50.1 | 14 |
| Precision Instruments | 50 | 50.8 | 8 | 51.4 | 6 | 48.7 | 12 | 51.9 | 9 | 50.6 | 8 |
| Other Products | 103 | 47.4 | 23 | 46.1 | 27 | 47.8 | 22 | 48.5 | 18 | 50.8 | 6 |
| Electric Power and Gas | 23 | 49.5 | 13 | 50.2 | 10 | 47.8 | 21 | 49.0 | 15 | 51.4 | 2 |
| Land Transportation | 64 | 48.2 | 18 | 47.9 | 22 | 48.5 | 15 | 50.8 | 11 | 48.4 | 24 |
| Marine Transportation | 14 | 43.8 | 29 | 47.4 | 25 | 42.6 | 28 | 47.1 | 25 | 45.4 | 29 |
| Air Transportation | 5 | 50.1 | 9 | 48.6 | 20 | 54.5 | 2 | 50.7 | 12 | 47.2 | 28 |
| Warehousing and Harbor Transportation | 38 | 49.4 | 14 | 50.2 | 9 | 49.0 | 10 | 48.4 | 19 | 50.3 | 11 |
| Information & Communication | 398 | 52.6 | 3 | 52.4 | 4 | 52.7 | 4 | 52.6 | 5 | 49.7 | 16 |
| Wholesale Trade | 310 | 48.0 | 19 | 49.2 | 17 | 48.1 | 18 | 45.7 | 29 | 50.8 | 5 |
| Retail Trade | 343 | 46.5 | 25 | 47.5 | 24 | 48.5 | 14 | 45.7 | 28 | 47.8 | 26 |
| Real Estate | 123 | 56.3 | 1 | 55.5 | 1 | 55.8 | 1 | 56.8 | 1 | 50.3 | 13 |
| Services | 398 | 53.4 | 2 | 52.4 | 3 | 54.1 | 3 | 51.9 | 8 | 51.0 | 4 |
| All Sectors | 3372 | 50.0 | | 50.0 | | 50.0 | | 50.0 | | 50.0 | |

Growth Potential

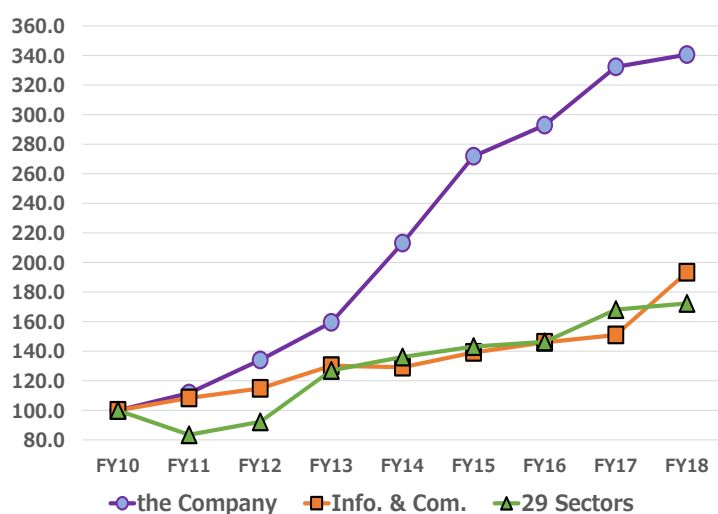
Sales (FY2010 = 100)



Sales Change (yoy, %)

| | the Company | Info. & Com. | 29 Sectors |
|---------------------------------|-------------|--------------|------------|
| FY2011 | 9.9 | 3.6 | 1.4 |
| FY2012 | 10.2 | 4.1 | 3.2 |
| FY2013 | 15.7 | 15.2 | 11.6 |
| FY2014 | 13.8 | 6.1 | 4.1 |
| FY2015 | 14.8 | 4.3 | 1.1 |
| FY2016 | 7.4 | 1.9 | -1.9 |
| FY2017 | 7.9 | 4.5 | 7.4 |
| FY2018 | 6.5 | 2.4 | 3.5 |
| FY2010-FY2018 8 Term Average | 10.7 | 5.2 | 3.7 |
| FY2013-FY2018 5 Term Average | 10.0 | 3.8 | 2.8 |

Recurring Profit (FY2010 = 100)

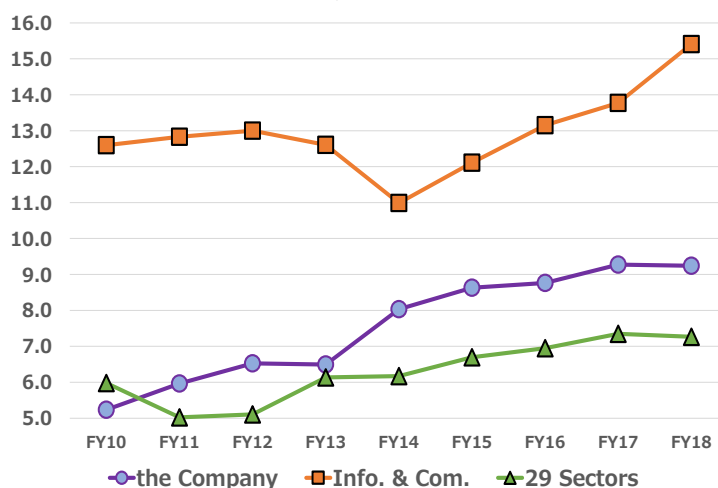


Recurring Profit Change (yoy, %)

| | the Company | Info. & Com. | 29 Sectors |
|---------------------------------|-------------|--------------|------------|
| FY2011 | 11.7 | 8.4 | -16.5 |
| FY2012 | 20.0 | 6.0 | 10.4 |
| FY2013 | 18.9 | 13.3 | 37.8 |
| FY2014 | 33.7 | -0.8 | 7.1 |
| FY2015 | 27.5 | 7.7 | 5.2 |
| FY2016 | 7.7 | 4.9 | 2.3 |
| FY2017 | 13.5 | 3.4 | 14.9 |
| FY2018 | 2.5 | 28.1 | 2.5 |
| FY2010-FY2018 8 Term Average | 16.6 | 8.6 | 7.0 |
| FY2013-FY2018 5 Term Average | 16.4 | 8.2 | 6.3 |

Sales Profitability

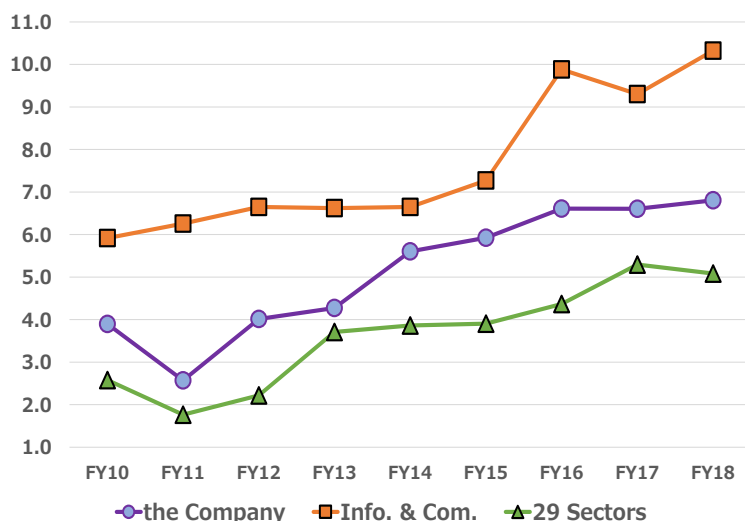
Operating Profit ROS (%)



Operating Profit ROS (%)

| | the Company | Info. & Com. | 29 Sectors |
|---------------------------------|-------------|--------------|------------|
| FY2010 | 5.2 | 12.6 | 6.0 |
| FY2011 | 6.0 | 12.8 | 5.0 |
| FY2012 | 6.5 | 13.0 | 5.1 |
| FY2013 | 6.5 | 12.6 | 6.1 |
| FY2014 | 8.0 | 11.0 | 6.2 |
| FY2015 | 8.6 | 12.1 | 6.7 |
| FY2016 | 8.8 | 13.2 | 7.0 |
| FY2017 | 9.3 | 13.8 | 7.3 |
| FY2018 | 9.2 | 15.4 | 7.3 |
| FY2010-FY2018 9 Term Average | 7.6 | 12.9 | 6.3 |
| FY2014-FY2018 5 Term Average | 8.8 | 13.1 | 6.9 |

Net Profit ROS (%)

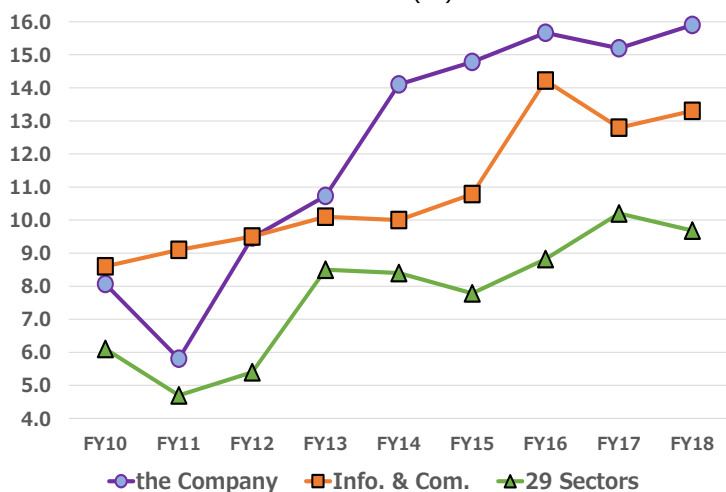


Net Profit ROS (%)

| | the Company | Info. & Com. | 29 Sectors |
|---------------------------------|-------------|--------------|------------|
| FY2010 | 3.9 | 5.9 | 2.6 |
| FY2011 | 2.6 | 6.3 | 1.8 |
| FY2012 | 4.0 | 6.6 | 2.2 |
| FY2013 | 4.3 | 6.6 | 3.7 |
| FY2014 | 5.6 | 6.7 | 3.9 |
| FY2015 | 5.9 | 7.3 | 3.9 |
| FY2016 | 6.6 | 9.9 | 4.4 |
| FY2017 | 6.6 | 9.3 | 5.3 |
| FY2018 | 6.8 | 10.3 | 5.1 |
| FY2010–FY2018 9 Term Average | 5.1 | 7.7 | 3.6 |
| FY2014–FY2018 5 Term Average | 6.3 | 8.7 | 4.5 |

ROE

ROE (%)

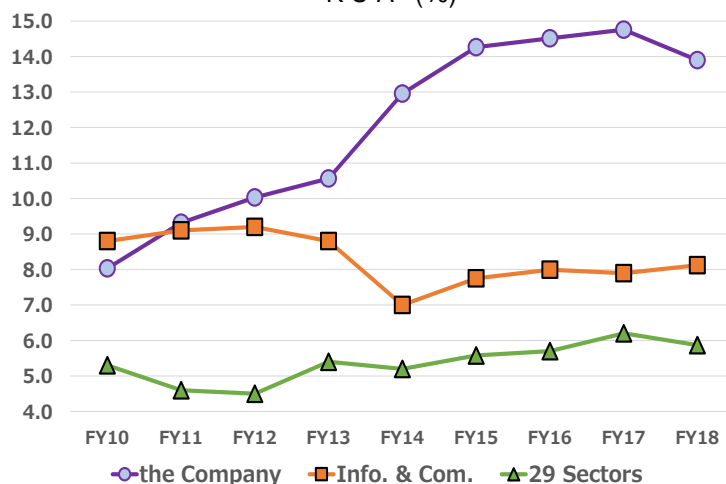


ROE (%)

| | the Company | Info. & Com. | 29 Sectors |
|---------------------------------|-------------|--------------|------------|
| FY2010 | 8.1 | 8.6 | 6.1 |
| FY2011 | 5.8 | 9.1 | 4.7 |
| FY2012 | 9.5 | 9.5 | 5.4 |
| FY2013 | 10.7 | 10.1 | 8.5 |
| FY2014 | 14.1 | 10.0 | 8.4 |
| FY2015 | 14.8 | 10.8 | 7.8 |
| FY2016 | 15.7 | 14.2 | 8.8 |
| FY2017 | 15.2 | 12.8 | 10.2 |
| FY2018 | 15.9 | 13.3 | 9.7 |
| FY2010–FY2018 9 Term Average | 12.2 | 10.9 | 7.7 |
| FY2014–FY2018 5 Term Average | 15.1 | 12.2 | 9.0 |

ROA

ROA (%)



ROA (%)

| | the Company | Info. & Com. | 29 Sectors |
|---------------------------------|-------------|--------------|------------|
| FY2010 | 8.0 | 8.8 | 5.3 |
| FY2011 | 9.3 | 9.1 | 4.6 |
| FY2012 | 10.0 | 9.2 | 4.5 |
| FY2013 | 10.6 | 8.8 | 5.4 |
| FY2014 | 13.0 | 7.0 | 5.2 |
| FY2015 | 14.3 | 7.7 | 5.6 |
| FY2016 | 14.5 | 8.0 | 5.7 |
| FY2017 | 14.8 | 7.9 | 6.2 |
| FY2018 | 13.9 | 8.1 | 5.9 |
| FY2010–FY2018 9 Term Average | 12.0 | 8.3 | 5.4 |
| FY2014–FY2018 5 Term Average | 14.1 | 7.8 | 5.7 |

Simplified Fact Sheet

Mar. 7, 2019

Valuation Data, Profitability Indicators and Ranking

Spring Capital Co., Ltd.

Valuation and Market Data as of Mar. 7, 2019

| | | | | |
|-------------------------|--------|--------------------------------|--------|------------------|
| Closing Price | 3,250 | Since last year High | 4,875 | 1/25/2018 |
| PER (estimated) | 14.72 | Since last year Low | 2,530 | 8/13/2018 |
| PER (actual) | 16.15 | 6-Month % Change | 6.9 % | (TOPIX) -4.9 % |
| PBR (actual) | 2.32 | 12-Month % Change | 3.0 % | (TOPIX) -6.0 % |
| Dividend Yield (actual) | 2.22 % | 12-Month Historical Volatility | 47.8 % | (TOPIX) 16.9 % |
| EV/EBITDA | 7.91 | | | |
| PSR (forecast) | 1.00 | | | |
| PSR (actual) | 1.07 | | | |

Profitability Indicators and All-Company Rankings Based on Business Results Announced by the Company
(29 sectors excluding financials) (calculated by Spring)

| Fiscal Year | | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|-------------------|-------|---------|---------|---------|---------|---------|---------|
| Accounting Period | | 2014/03 | 2015/03 | 2016/03 | 2017/03 | 2018/03 | 2019/03 |
| | | Actual | Actual | Actual | Actual | Actual | Est. |
| No. of Companies | | 3365 | 3363 | 3443 | 3467 | 3512 | 3512 |
| Sales | Y mil | 22,028 | 25,063 | 28,775 | 30,893 | 33,328 | 35,500 |
| Ranking | | 1895 | 1808 | 1742 | 1683 | 1637 | 1623 |
| Operating Profit | Y mil | 1,430 | 2,013 | 2,484 | 2,707 | 3,091 | 3,280 |
| Ranking | | 1575 | 1383 | 1287 | 1275 | 1254 | 1218 |
| Recurring Profit | Y mil | 1,676 | 2,240 | 2,857 | 3,078 | 3,492 | 3,580 |
| Ranking | | 1520 | 1355 | 1220 | 1186 | 1190 | 1183 |
| Net Profit | Y mil | 941 | 1,405 | 1,705 | 2,042 | 2,202 | 2,416 |
| Ranking | | 1540 | 1324 | 1233 | 1180 | 1214 | 1152 |

* Percentage from the Top is not calculated for this section to exclude company size effects.

| | | | | | | | |
|-------------------------|---|------|------|------|------|------|------|
| Operating Profit ROS | % | 6.5 | 8.0 | 8.6 | 8.8 | 9.3 | 9.2 |
| All Companies | % | 5.5 | 5.7 | 6.2 | 6.7 | 7.3 | 7.2 |
| Ranking | | 1120 | 888 | 906 | 925 | 892 | 874 |
| Percentage from the Top | % | 33.3 | 26.4 | 26.3 | 26.7 | 25.4 | 24.9 |
| Recurring Profit ROS | % | 7.6 | 8.9 | 9.9 | 10.0 | 10.5 | 10.1 |
| All Companies | % | 5.8 | 5.9 | 6.2 | 6.7 | 7.4 | 7.3 |
| Ranking | | 971 | 833 | 721 | 784 | 760 | 782 |
| Percentage from the Top | % | 28.9 | 24.8 | 20.9 | 22.6 | 21.6 | 22.3 |
| Net Profit ROS | % | 4.3 | 5.6 | 5.9 | 6.6 | 6.6 | 6.8 |
| All Companies | % | 3.4 | 3.6 | 3.6 | 4.3 | 5.2 | 5.0 |
| Ranking | | 1144 | 889 | 862 | 811 | 903 | 805 |
| Percentage from the Top | % | 34.0 | 26.4 | 25.0 | 23.4 | 25.7 | 22.9 |

ROE, ROA, Dividend Payout Ratio, and DOE Indicators and Rankings Based on Business Results Announced by the Company
(29 sectors excluding financials) (calculated by Spring)

| Accounting Period | | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|--------------------------------|---|---------|---------|---------|---------|---------|---------|
| | | 2014/03 | 2015/03 | 2016/03 | 2017/03 | 2018/03 | 2019/03 |
| | | Actual | Actual | Actual | Actual | Actual | Est. |
| ROE | % | 10.7 | 14.1 | 14.8 | 15.7 | 15.2 | 15.9 |
| 29 Sectors | % | 8.5 | 8.4 | 7.8 | 8.8 | 10.2 | 9.7 |
| Ranking | | 892 | 552 | 536 | 521 | 605 | 474 |
| No. of Companies | | 3329 | 3340 | 3421 | 3438 | 3493 | 3507 |
| Percentage from the Top | % | 26.8 | 16.5 | 15.7 | 15.2 | 17.3 | 13.5 |

* ROE is an important indicator, calculated as net profit / equity (= shareholders' equity), that measures the final profit secured using shareholders' equity.

As the average of term-end equity of 2 terms is used as the denominator, companies posting zero or negative equity during the relevant terms are excluded.

ROE for the latest quarter is calculated using estimated net profit for this term and shareholders' equity as of the end of the previous term and of the latest quarter.

| | | | | | | | |
|--------------------------------|---|------|------|------|------|------|------|
| ROA | % | 10.6 | 13.0 | 14.3 | 14.5 | 14.8 | 13.9 |
| 29 Sectors | % | 5.4 | 5.2 | 5.6 | 5.7 | 6.2 | 5.9 |
| Ranking | | 526 | 364 | 317 | 304 | 321 | 342 |
| No. of Companies | | 3351 | 3355 | 3427 | 3450 | 3540 | 3512 |
| Percentage from the Top | % | 15.7 | 10.8 | 9.3 | 8.8 | 9.1 | 9.7 |

* ROA is calculated as Earnings before Interest and Taxes (operating profit + interest revenue + dividend income and interest on securities) / total assets. It is justifiable for a company to expand its business by financial leverage using debt, if the company's ROA exceeds the company's financing cost (e.g. cost of issuing 10-year corporate bonds = 2%).

Interest coverage ratio shown on P11 indicates the ratio of Earnings before Interest and Taxes to financial expenses (interest and discount expenses), with 10 times regarded as ideal.

If the interest coverage ratio holds a sufficient level with a high ROA and Profit Ratio of Sales, a company has no problem in financing aggressively.

As the average of term-end equity of 2 terms is used as the denominator, companies unable to be measured with the same standard are excluded.

ROA for the latest quarter is calculated using estimated operating profit for this term and total assets as of the end of the previous term and of the latest quarter.

| | | | | | | |
|--------------------------------|---|------|------|------|------|------|
| Dividend Payout Ratio | % | 34.1 | 29.1 | 33.0 | 30.5 | 35.5 |
| 29 Sectors | % | 29.2 | 31.2 | 33.8 | 30.1 | 27.4 |
| Ranking | | 764 | 1075 | 813 | 1032 | 595 |
| No. of Companies | | 3365 | 3220 | 3238 | 3438 | 3525 |
| Percentage from the Top | % | 22.7 | 33.4 | 25.1 | 30.0 | 16.9 |

* Dividend Payout Ratio is calculated as total dividend / net profit. It should be noted that it may differ from the figure announced by the companies calculated from profit per share according to the accounting principle.

Data for total annual dividend exceeding net profit and dividend of unprofitable companies are excluded from the rankings.

| | | | | | | |
|--------------------------------|---|------|------|------|------|------|
| DOE | % | 3.7 | 4.1 | 4.9 | 4.8 | 5.4 |
| 29 Sectors | % | 2.5 | 2.5 | 2.7 | 2.8 | 2.9 |
| Ranking | | 352 | 289 | 214 | 287 | 212 |
| No. of Companies | | 3365 | 3220 | 3238 | 3438 | 3493 |
| Percentage from the Top | % | 10.5 | 9.0 | 6.6 | 8.3 | 6.1 |

* DOE, calculated as ROE times the dividend payout ratio, can be called the "true dividend payout ratio", and is closely tracked by global investors.

Its inverse (1 / DOE) equals the period (year) to recover shareholders' equity via the dividend.

As the average of term-end equity of two terms is used as the denominator, companies posting zero or negative equity during the relevant terms are excluded.

Simplified Fact Sheet

Mar. 7, 2019

Review of Financial Indicators and Financial Soundness based on Business Results

Spring Capital Co., Ltd.

Management Indicators, Cash Flow, and Financial Indicators Calculated by Spring based on Business Results Announced by the Company (million yen, %, multiple)

| Fiscal Year Accounting Period | | 2013 2014/03 | 2014 2015/03 | 2015 2016/03 | 2016 2017/03 | 2017 2018/03 | Latest Quarter |
|----------------------------------|----------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------------|
| Data Source | | Securities Report | Securities Report | Securities Report | Securities Report | Securities Report | Financial Results |
| Current Ratio | % | 230.7 | 238.0 | 255.1 | 293.3 | 284.8 | 342.5 |
| Fixed Assets Ratio | % | 68.3 | 59.6 | 59.2 | 54.7 | 57.9 | 56.0 |
| Equity Ratio | % | 59.5 | 60.8 | 63.3 | 66.9 | 62.6 | 66.6 |
| Debt Ratio | % | 67.2 | 63.8 | 57.9 | 49.5 | 59.8 | 50.2 |
| D/E Ratio | % | 6.3 | 2.9 | 1.9 | 1.5 | 9.1 | 7.1 |
| Interest Coverage Ratio | Multiple | 311.0 | 714.3 | 1,323.5 | 2,902.0 | 1,104.0 | Calc. only at year-end |
| Financial Leverage | Multiple | 1.7 | 1.6 | 1.6 | 1.5 | 1.6 | 1.5 |
| CF from Operating Activities | Y mil | 960 | 1,681 | 1,543 | 1,144 | 2,174 | |
| CF from Investing Activities | Y mil | -466 | 178 | -1,287 | -505 | -179 | |
| CF from Financing Activities | Y mil | -757 | 8 | -286 | -604 | -606 | |
| (Cash and Cash Equivalents) | Y mil | (3,633) | (5,504) | (5,470) | (5,503) | (6,892) | |
| (EBITDA) | Y mil | (1,818) | (2,378) | (3,025) | (3,265) | (3,701) | |

Review of Financial Soundness as of Mar. 7, 2019

Comparison with average data of all companies in the TSE 29 industrial sectors (excluding 4 financial sectors) and with the sector

| | | A 29 sectors | B Sector | Standard Criterion | Standard Value | Desirable Value | The Company | Result |
|--------------------|---|-----------------|-------------|-----------------------|-------------------|--------------------|-------------|----------|
| Current Ratio | % | 146.7 | 146.5 | Lower of A or B | 146.5 | Higher | 342.5 | Positive |
| Fixed Assets Ratio | % | 136.5 | 157.4 | Higher of A or B | 157.4 | Lower | 56.0 | Positive |
| Equity Ratio | % | 41.0 | 40.6 | Lower of A or B | 40.6 | Higher | 66.6 | Positive |
| Debt Ratio | % | 137.2 | 134.2 | Higher of A or B | 137.2 | Lower | 50.2 | Positive |
| D/E Ratio | % | 142.2 | 137.5 | Higher of A or B | 142.2 | Lower | 7.1 | Positive |

Corporate Information as of Mar. 7, 2019

| | | | |
|-----------------------------|--|---------------------------------|--|
| Ticker Code | 4674 | | |
| Company Name | CRESCO LTD. | | |
| Head Office | Shinagawa Intercity A-tower 25th-27th Floor, 2-15-1 Kounan, Minato-ku, Tokyo, 108-6026 JAPAN | | |
| Stock Listings | The Tokyo Stock Exchange, First Section | | |
| TSE Industrial Sector | Information & Communication | | |
| Investment Unit | 100 shares | | |
| Minimum Investment | 325,000 | President | Hiroyuki Nemoto |
| Date of Listing | 7/23/1997 | Paid-in Capital | 2,514 mil yen |
| Date of Establishment | 9/9/1948 | Market Capitalization | 39,000 mil yen ranked 1,255 of 3,713 companies |
| Accounting Period | March | 25-Day Average Trading Value | 83 mil yen ranked 1,476 of 3,713 companies |
| Floating Stock Ratio | 11.6% | Market Cap as of March-end 2018 | 42,720 mil yen ranked 1,295 of 3,713 companies |
| Major Shareholder Ownership | 78.0% | Average Trading Value in FY2017 | 181 mil yen ranked 1,398 of 3,713 companies |

Disclaimers

- This report has been prepared under a contract between CRESCO LTD. (hereafter "the Company") and Spring Capital Co., Ltd. (hereafter "SC") by SC. In the contract, the Company has consented that SC prepare this report based entirely upon the standards of SC only and excluding any intervention from the Company on all items, including qualitative information, management indicators adopted in the Management Indicators Rankings, and classification of business sectors (or the Company's business sector) chosen for the comparison reports.
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Disclaimers on Overall Management Indicator

- "All sectors" in this report refer to the 29 sectors that remain when excluding the four financial sectors (Banks, Securities and Commodity Futures, Insurance, and Other Financials), which use different accounting standards, from the 33 sectors as defined by Tokyo Stock Exchange, and consist of all companies whose common shares were listed on the Japanese stock market as of the end of March 2018. Given that the calculations of the Growth Potential, the ROA, the ROE, and other items use figures of full-year financial results for the most recent four fiscal years, companies that had not released full-year financial results and companies that had posted zero or negative equity at least once during the four-year period, as well as companies whose disclosed full-year financial results cannot be recalculated into reasonable figures based on the Japanese GAAP and companies that had not been able to disclose the FY2017 financial results by May 18, 2018, are excluded. Thereby, a total of 3,372 companies have been analyzed in the rankings.
- The numbers used in this report for FY2018 are adopted from one of the following sources in the order of decreasing priority: (1) numbers in a company's disclosed financial results; (2) the company's forecasts; or (3) the estimates by SC. In this FY2018 Q3 report (as of February 2019), SC's estimates for FY2018 were used for 38 companies.
- On P7-P8, a historical comparison is made on Growth Potential, Sales Profitability, ROE, and ROA with 29 business sectors and with the Company's sector as defined by the Tokyo Stock Exchange. The figures for ROE and ROA used in the comparison match those on P10. However, for Growth Potential and Sales Profitability, the figures do not match those on P9. This difference is due to the fact that, for the purpose of comparing the Growth Potential over the long term, the comparative report limits its target to only those companies in the 29 business sectors and the Company's sector (as defined by the Tokyo Stock Exchange) that have continuously announced their full-year financial results from FY2010 to FY2017. This modification of the universe for the comparison of the Growth Potential is conducted every year in the finalized ranking report for the previous fiscal year based on values available as of May.
- Going forward, the finalized report for FY2018 will be based on the values available as of May 2019 and will be issued the following month.
- The Overall Management Indicator (as scored by SC) in this report represents an overall score for the major categories (Growth Potential, Asset & Capital Profitability, Sales Profitability, and Sound Dividend Payout Ratio). The weighting for each category is 30%, 25%, 20%, and 25%, respectively.
- The data in this report on corporate financial results are owned by SC, and a part of the data has been verified for greater accuracy with information vendors with which SC has a contract. However, SC does not guarantee integrity of its data. The content of this report was relevant as of the time of compilation and may change without prior notice.