

*** 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 September 30, 2017	5,536,000 shares
As of December 31, 2016	5,536,000 shares

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

As of September 30, 2017	603,693 shares
As of December 31, 2016	603,624 shares

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

Nine months ended September 30, 2017	4,932,360 shares
Nine months ended September 30, 2016	5,212,647 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.

Attached Materials

Index

- 1. Qualitative information regarding financial results for the first nine months..... 2
 - (1) Information regarding operating results 2
 - (2) Information regarding financial position 2
 - (3) Information regarding consolidated earnings forecasts and other forward-looking statements 2
- 2. Quarterly consolidated financial statements and significant notes thereto 3
 - (1) Consolidated balance sheet..... 3
 - (2) Consolidated statement of income and consolidated statement of comprehensive income..... 5
 - Consolidated statement of income (cumulative) 5
 - Consolidated statement of comprehensive income (cumulative) 6
 - (3) Notes to quarterly consolidated financial statements 7
 - Notes on premise of going concern 7
 - Notes on substantial changes in the amount of shareholders’ equity..... 7
 - Segment information, etc..... 7

1. Qualitative information regarding financial results for the first nine months

(1) Information regarding operating results

In the first nine months of the fiscal year ending December 31, 2017, the Japanese economy continued to follow a trend of moderate recovery owing to such factors as improvements in employment and income environments due to robust corporate earnings. However, due to concerns arising from the political management of the Trump administration in the U.S. and the impact of geopolitical risk of North Korea, the outlook for the global economy remains uncertain.

The business environment surrounding the OAT Agrio Group (the “Group”), in regard to the agricultural industry in Japan, is expected to undergo significant changes as the “Agricultural Competitiveness Enhancement Support Act,” which promotes the industrial reorganization of the fields of agricultural materials such as fertilizers and agrichemicals and the fields of distribution and processing, came into force.

Amid this situation, the Group actively engaged in sales initiatives to expand sales of all products both in Japan and overseas.

As a result, in the first nine months under review, net sales was ¥11,507 million, up ¥1,381 million or 13.6% year on year, operating income was ¥2,379 million, up ¥519 million or 27.9% year on year, ordinary income was ¥2,368 million, up ¥710 million or 42.8% year on year and profit attributable to owners of parent was ¥1,605 million, up ¥549 million or 52.0% year on year.

The Group has a single business segment, the AgriTechno Business. The operating results by business fields in this segment are as follows.

In the agrichemicals field, sales in the domestic market were up year on year due to favorable performance of new products of rice herbicides despite a downturn in shipment volumes of certain products such as insecticide *Oncol* and acaricide *Cyflumetofen*. Sales in the overseas markets were up year on year as a result of growth in sales of agricultural chemical intermediaries of rice herbicides and insecticide *Oncol* despite sales of acaricide *Cyflumetofen* to overseas markets being slightly down year on year. As a result, overall net sales in the agrichemicals field increased by ¥644 million, or 8.1% year on year, to ¥8,639 million.

In the fertilizer and biostimulant field, the Group achieved an increase in shipments in the domestic market primarily involving greenhouse fertilizers and drip fertigation fertilizers, and shipments of *Atonik*, a plant growth agent, to overseas markets rose sharply. As a result, overall net sales in the fertilizer and biostimulant field increased by ¥737 million, or 34.6% year on year, to ¥2,867 million.

(2) Information regarding financial position

Total assets as of September 30, 2017, was ¥12,003 million, an increase of ¥456 million compared to December 31, 2016. This was mainly the result of a decrease of ¥187 million in cash and deposits and an increase of ¥494 million in notes and accounts receivable - trade.

Total liabilities was ¥5,733 million, a decrease of ¥1,028 million compared to December 31, 2016. This was mainly the result of decreases of ¥719 million in notes and accounts payable - trade and ¥993 million in short-term loans payable.

Net assets was ¥6,270 million, an increase of ¥1,484 million compared to December 31, 2016. This was mainly the result of an increase in retained earnings from profit attributable to owners of parent.

(3) Information regarding consolidated earnings forecasts and other forward-looking statements

As a result of the growth in sales of agricultural chemicals and biostimulants to overseas markets in particular, sales and profit for the first nine months increased compared with the previous earnings forecasts. As for the full-year consolidated earnings forecasts for the fiscal year ending December 31, 2017, net sales, operating income, ordinary income and profit attributable to owners of parent are expected to exceed the previous forecasts. Accordingly, the consolidated earnings forecasts have been revised.

For details, please refer to “Notice Regarding Revisions to Earnings Forecasts and Dividends Forecasts” released today (November 10, 2017).

2. Quarterly consolidated financial statements and significant notes thereto

(1) Consolidated balance sheet

(Millions of yen)

	As of December 31, 2016	As of September 30, 2017
Assets		
Current assets		
Cash and deposits	2,774	2,587
Notes and accounts receivable - trade	3,064	3,558
Merchandise and finished goods	2,019	1,634
Work in process	199	333
Raw materials	632	733
Other	429	579
Allowance for doubtful accounts	(18)	(21)
Total current assets	9,100	9,405
Non-current assets		
Property, plant and equipment	1,766	1,800
Intangible assets		
Goodwill	119	95
Other	119	105
Total intangible assets	239	200
Investments and other assets	440	596
Total non-current assets	2,446	2,597
Total assets	11,547	12,003
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,169	1,449
Short-term loans payable	1,979	985
Income taxes payable	272	633
Provision for sales returns	24	19
Provision for sales rebates	50	202
Provision for bonuses	89	130
Other	594	781
Total current liabilities	5,179	4,202
Non-current liabilities		
Long-term loans payable	1,032	1,000
Provision for directors' retirement benefits	12	2
Net defined benefit liability	216	208
Deferred tax liabilities	48	63
Other	273	256
Total non-current liabilities	1,581	1,530
Total liabilities	6,761	5,733

(Millions of yen)

	As of December 31, 2016	As of September 30, 2017
Net assets		
Shareholders' equity		
Capital stock	461	461
Capital surplus	2,721	2,721
Retained earnings	2,078	3,535
Treasury shares	(788)	(788)
Total shareholders' equity	4,474	5,931
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(23)	9
Foreign currency translation adjustment	(73)	(62)
Remeasurements of defined benefit plans	(19)	(18)
Total accumulated other comprehensive income	(116)	(71)
Subscription rights to shares	3	3
Non-controlling interests	425	407
Total net assets	4,785	6,270
Total liabilities and net assets	11,547	12,003

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income (cumulative)

(Millions of yen)

	Nine months ended September 30, 2016	Nine months ended September 30, 2017
Net sales	10,126	11,507
Cost of sales	5,489	6,066
Gross profit	4,637	5,440
Selling, general and administrative expenses	2,777	3,061
Operating income	1,859	2,379
Non-operating income		
Interest income	11	16
Dividend income	4	3
Subsidy income	–	6
Other	9	12
Total non-operating income	24	39
Non-operating expenses		
Interest expenses	21	21
Foreign exchange losses	193	26
Other	11	1
Total non-operating expenses	226	50
Ordinary income	1,657	2,368
Extraordinary income		
Gain on sales of non-current assets	0	1
Total extraordinary income	0	1
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Loss on valuation of shares of subsidiaries and associates	119	28
Total extraordinary losses	119	29
Profit before income taxes	1,538	2,340
Income taxes - current	614	812
Income taxes - deferred	(139)	(70)
Total income taxes	474	742
Profit	1,063	1,597
Profit (loss) attributable to non-controlling interests	7	(7)
Profit attributable to owners of parent	1,056	1,605

Consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended September 30, 2016	Nine months ended September 30, 2017
Profit	1,063	1,597
Other comprehensive income		
Valuation difference on available-for-sale securities	(46)	33
Foreign currency translation adjustment	(170)	7
Remeasurements of defined benefit plans, net of tax	40	1
Total other comprehensive income	(176)	42
Comprehensive income	887	1,639
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	921	1,650
Comprehensive income attributable to non-controlling interests	(33)	(11)

(3) Notes to quarterly consolidated financial statements

Notes on premise of going concern

No items to report.

Notes on substantial changes in the amount of shareholders' equity

No items to report.

Segment information, etc.

[Segment information]

As the Group consists of a single business segment, the AgriTechno Business, this information is omitted.