



**NICHIDAI CORPORATION**

**Summary of Consolidated Financial Results for the 2<sup>nd</sup> Quarter Ended September 30, 2012**

October 31, 2012

Company name: NICHIDAI CORPORATION

Listed Stock Exchange: Osaka Securities Exchange

Code number: 6467

(URL <http://www.nichidai.jp>)

Company Representative: Motonobu Furuya, President & CEO

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Reporting date of financial statements: November 14, 2012

Commencement date of dividend payment: December 3, 2012

(Rounded down to the nearest million yen.)

1. Consolidated Financial Results for the 2<sup>nd</sup> Quarter Ended September 30, 2012 (From April 1, 2012 to September 30, 2012)

(1) Consolidated Operating Results (Total)

(% indicates changes in net sales compared with preceding same period.)

	Net sales		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the 2 <sup>nd</sup> Quarter Ended Sept. 30, 2012	6,563	14.6	489	76.5	478	93.3	283	89.6
Ended Sept. 30, 2011	5,726	26.5	277	75.4	247	61.1	149	11.1

(Note) Comprehensive income FY 2013 for the 2<sup>nd</sup> Quarter 324 million yen (130.6%)

FY 2012 for the 2<sup>nd</sup> Quarter 140 million yen (14.5%)

	EPS		Adjusted EPS	
	Yen	Sen	Yen	Sen
For the 2 <sup>nd</sup> Quarter Ended Sept. 30, 2012	31	33	—	—
Ended Sept. 30, 2011	16	53	—	—

(2) Consolidated Financial Position

	Total Assets		Net Assets		Shareholders' Equity Ratio	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Ended Sept. 30, 2012	13,603	52.4	7,504	52.4	7,504	52.4
FY 2012	13,797	50.1	7,234	50.1	7,234	50.1

(Ref.) Shareholders' Equity FY 2013 for the 2<sup>nd</sup> Quarter 7,123 million yen FY 2012 6,909 million yen

2. Dividends

	Dividends per Share									
	End of 1 <sup>st</sup> Quarter		End of 2 <sup>nd</sup> Quarter		End of 3 <sup>rd</sup> Quarter		Year End		Full Year	
	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen
FY 2012	—	—	6	00	—	—	6	00	12	00
FY 2013	—	—	8	00	—	—	—	—	—	—
FY2013 (Forecast)	—	—	—	—	—	—	8	00	16	00

(Note) Change made in forecast of dividends: N/A

3. Consolidated Forecast for the Year Ending March 2013 (From April 1, 2012 to March 31, 2013)

(% indicates changes in net sales, operating income, etc compared with preceding same period.)

	Net sales		Operating Income		Ordinary Income		Net Income		EPS	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen	Sen
Full Year	13,500	7.8	1,070	27.4	1,000	21.3	560	19.5	61	87

(Note) Change made in Consolidated Forecast: N/A

※Note

(1) Changes of important subsidiaries during the period (changes in specified subsidiaries that involve changes in the scope of consolidation): N/A

(2) Adoption of any simplified way of accounting method or any accounting procedure specific to the preparation of quarterly financial statements: N/A

(3) Changes in accounting principle, procedure or method associated with preparing the consolidated of quarterly financial results

① Changes resulting from revision of accounting policy YES

② Changes other than ① N/A

③ Changes in accounting estimate YES

④ Restatement N/A

(4) Number of outstanding shares (ordinary shares)

① Number of outstanding shares at the end of the term (including treasury stocks)

Ended Sept. 30, 2012 9,053,300 shares FY 2012 9,053,300 shares

② Number of treasury stocks at the end of the term

Ended Sept. 30, 2012 1,757 shares FY 2012 1,757 shares

③ Average number of outstanding shares during the period

Ended Sept. 30, 2012 9,051,543 shares Ended Sept. 30, 2011 9,051,571 shares

※ Explanation regarding appropriate use of business forecasts and other special instructions

The above forecasts of operating results are based on the information available at the time this document was released, and actual operating results may differ from these forecasts due to various factors.

## 1. Qualitative Information on the Second Quarter Financial Results

### (1) Qualitative information on consolidated business results

During the six months ended September 30, 2012, the Japanese automobile industry, or our primary customer, continued to enjoy good sales in the North American and Southeast Asian markets. But the future is unclear due partly to the termination of Japan's eco-car subsidiary program, sharp sales decline in China and Europe's financial turbulence.

Amid these circumstances, in the Forging Die Division of the Net-Shape Business, while sales for the Southeast Asian market were solid, domestic sales fell below the plan affected by the sluggish Indonesian motorcycle market and other factors. As a consequence, overall segment sales amounted to 2,987 million yen (up 13.1% year-on-year).

Sales of the Assembly Business exceeded the plan as NICHIDAI (THAILAND) LTD. bolstered production to eliminate the backlog that had been accumulated from the supply-chain disruption caused by the last year's Thai flooding. However, some product models require inventory adjustment and they have been affected by the European market stagnation and deceleration in emerging markets. As a consequence, overall segment sales amounted to 2,885 million yen (up 17.5% year-on-year).

As for the Filter Business, while products for specific industries including healthcare did well, sales for other industries remained poor due to stagnant capital investment coupled with worsened domestic business confidence and decelerating overseas markets, resulting in overall segment sales of 690 million yen (up 9.5% year-on-year).

As a result of the above, consolidated sales for the period under review totaled 6,563 million yen (up 14.6% year-on-year).

With regard to income, a growth has been recorded in comparison with the previous year, in which our financial results were affected by the Great East Japan Earthquake, but the planned target was not attained on the ordinary income basis due to the sluggish sales of the Net-Shape Business and the continued high level of transportation cost for the Assembly Business. As a consequence of the above, operating income was 489 million yen (up 76.5% year-on-year), ordinary income was 478 million yen (up 93.3% year-on-year) and net income was 283 million yen (up 89.6% year-on-year).

### (2) Qualitative information on consolidated financial position

#### [1] Summary of assets, liabilities and net assets

Total assets at the end of the second quarter consolidated accounting period under review decreased by 193 million yen from the end of the previous consolidated fiscal year to 13,603 million yen. The decrease is mainly attributable to increases of 306 million yen in tangible fixed assets. A decrease of 522 million yen in notes and accounts receivable is also reflected.

Total liabilities decreased by 463 million yen from the end of the previous consolidated fiscal year to 6,099 million yen. Primary factors are increases of 620 million yen in borrowings, 100 million yen in allowance for bonus, the decrease of 154 million yen in accounts payable and 1,000 million yen in corporate bonds.

Net assets increased by 269 million yen from the end of the previous consolidated fiscal year to 7,504 million yen, reflecting net income of 283 million yen and other factors. Equity ratio was 52.4%.

#### [2] Summary of cash flows

Cash and cash equivalents (hereinafter, "cash") at the end of the second quarter consolidated accounting period under review decreased by 67 million yen from the end of the previous consolidated fiscal year to 1,432 million yen.

#### (Cash Flows from Operating Activities)

Net cash provided by operations amounted to 1,142 million yen (up 198.6% year-on-year). This is the amount obtained after having deducted factors contributing to decreases which include: an decrease of 156 million yen of accounts payable and 141 million yen of payment of income taxes from factors contributing to increases which include: 478 million yen of net income before taxation, 272 million yen of depreciation, an increase of 101 million yen in allowance for bonus, a decrease of 522 million yen in trade receivables and a decrease of 52 million yen in inventories.

#### (Cash Flows from Investing Activities)

Net cash used in investment amounted to 754 million yen (up 207.0% year-on-year). The increase is mainly attributable to an expenditure of 644 million yen for acquisition of tangible fixed assets, such as expansion of the NICHIDAI(THAILAND)LTD. and replacement of facility for the production base in Japan..

(Cash Flows from Financing Activities)

Net cash used in financing activities amounted to 458 million yen (gain 96 million yen on the previous year). This is the amount obtained after having deducted factors contributing to decrease which include: a net decrease of 46 million yen in short-term loan, an expenditure of 583 million yen in payment of long-term debt, an expenditure of 1,000 million yen in redemption of corporate bonds and 53 million yen of dividend payment from factors contributing to increases which include 1,250 million yen of proceeds from long-term debt.

(3) Qualitative Information regarding Forecast of Consolidated Financial Results

No revisions have been made to the forecast of consolidated financial results that was announced on May 1, 2012.