



**NICHIDAI CORPORATION**

**Summary of Consolidated Financial Results for the 2<sup>nd</sup> Quarter Ended September 30, 2018**

October 31, 2018

Company name: NICHIDAI CORPORATION

Listed Stock Exchange: Tokyo 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 12, 2018

Commencement date of dividend payment: December 3, 2018

(Rounded down to the nearest million yen.)

1. Consolidated Financial Results for the 2<sup>nd</sup> Quarter Ended September 30, 2018 (From April 1, 2018 to September 30, 2018)

(1) Consolidated Operating Results (Total)

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

	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	%
For the 2 <sup>nd</sup> Quarter Ended Sept. 30, 2018	8,400	13.9	652	100.0	666	96.6	440	103.4
Ended Sept. 30, 2017	7,378	8.7	326	85.8	338	171.1	216	234.1

(Note) Comprehensive income FY 2018 for the 2<sup>nd</sup> Quarter 350million yen ( 13.9 % )

FY 2017 for the 2<sup>nd</sup> Quarter 307 million yen ( — % )

	EPS		Adjusted EPS	
	Yen	Sen	Yen	Sen
For the 2 <sup>nd</sup> Quarter Ended Sept. 30, 2018	48	68	—	—
Ended Sept. 30, 2017	23	93	—	—

(2) Consolidated Financial Position

	Total Assets		Net Assets		Shareholders' Equity Ratio	
	Millions of Yen		Millions of Yen		%	
Ended Sept. 30, 2018	16,617		11,487		62.7	
FY 2018	16,151		11,228		63.0	

(Ref.) Shareholders' Equity FY 2018 for the 2<sup>nd</sup> Quarter 10,424 million yen FY 2018 10,173 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 2018	—	—	8	00	—	—	10	00	18	00
FY 2019	—	—	10	00	—	—	—	—	—	—
FY2019 (Forecast)	—	—	—	—	—	—	10	00	20	00

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

3. Consolidated Forecast for the Year Ending March 2019 (From April 1, 2018 to March 31, 2019)

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

	Net sales		Operating Income		Ordinary Income		Net income Attributable to Owners of the Parent		EPS	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen	Sen
Full Year	16,220	6.4	1,173	55.3	1,187	52.5	790	51.2	87	28

(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 N/A

② Changes other than ① N/A

③ Changes in accounting estimate N/A

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, 2018 9,053,300 shares FY 2018 9,053,300 shares

② Number of treasury stocks at the end of the term

Ended Sept. 30, 2018 2,066 shares FY 2018 2,066 shares

③ Average number of outstanding shares during the period

Ended Sept. 30, 2018 9,051,234 shares Ended Sept. 30, 2017 9,051,285 shares

※This quarterly summary of financial results is outside the scope of quarterly review.

※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) Management's Discussion on Results of Operations

Looking at the Japanese automobile market, or our primary customer industry, during the consolidated cumulative second quarter under review, domestic sales remained almost the same level as the previous year and sales quantity hovered at high levels in the United States. In the Asian regions, while sales remain healthy in the ASEAN and Indian markets, signs of deceleration are seen mainly in the Chinese market, where a year-on-year decrease in monthly sales were recorded.

Meanwhile, the global economy is still unclear adversely affected by the US-China trade friction and other factors.

Under such circumstances, the Forging Die Division of the Net-Shape Business enjoyed strong sales to key users. The Precision-forged Products Division, both domestic and overseas bases, experienced solid demand for scroll forged goods for car air conditioning system.

Consequently, segment sales of the Net-Shape Business rose to 3,983 million yen (up 19.1% year-on-year).

In the Assembly Business, there was a change to model lineup as the production of new models of VG turbocharger parts has been started. Consequently, segment sales of the Assembly Business amounted to 3,127 million yen (up 2.5% year-on-year).

The Filter Business saw sales exceeding the previous year's level, primarily supported by strong sales for health care products. Consequently, segment sales of the Filter Business jumped to 1,288 million yen (up 31.2% year-on-year).

As a result of the above, consolidated sales totaled 8,400 million yen (up 13.9% year-on-year).

On the income front, reflecting the increase in sales of the Net-Shape Business, operating income soared to 652 million yen (up 100.0% year-on-year), ordinary income climbed to 666 million yen (up 96.6% year-on-year) and net income attributable to owners of the parent came to 440 million yen (up 103.4% year-on-year).