



NICHIDAI CORPORATION

Summary of Consolidated Financial Results for the 2nd Quarter Ended September 30, 2017

October 31, 2017

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 10, 2017

Commencement date of dividend payment: December 1, 2017

(Rounded down to the nearest million yen.)

1. Consolidated Financial Results for the 2nd Quarter Ended September 30, 2017 (From April 1, 2017 to September 30, 2017)

(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 nd Quarter Ended Sept. 30, 2017	7,378	8.7	326	85.8	338	171.1	216	234.1
Ended Sept. 30, 2016	6,790	△5.3	175	△60.2	124	△70.7	64	△77.3

(Note) Comprehensive income FY 2017 for the 2nd Quarter 307million yen (— %)

FY 2016 for the 2nd Quarter △330 million yen (— %)

	EPS		Adjusted EPS	
	Yen	Sen	Yen	Sen
For the 2 nd Quarter Ended Sept. 30, 2017	23	93	—	—
Ended Sept. 30, 2016	7	16	—	—

(2) Consolidated Financial Position

	Total Assets		Net Assets		Shareholders' Equity Ratio	
	Millions of Yen		Millions of Yen		%	
Ended Sept. 30, 2017	16,008		10,792		61.3	
FY 2017	15,961		10,577		60.4	

(Ref.) Shareholders' Equity FY 2017 for the 2nd Quarter 9,813 million yen FY 2017 9,640 million yen

2. Dividends

	Dividends per Share									
	End of 1 st Quarter		End of 2 nd Quarter		End of 3 rd Quarter		Year End		Full Year	
	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen
FY 2017	—	—	10	00	—	—	10	00	20	00
FY 2018	—	—	8	00	—	—	—	—	—	—
FY2018 (Forecast)	—	—	—	—	—	—	8	00	16	00

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

3. Consolidated Forecast for the Year Ending March 2018 (From April 1, 2017 to March 31, 2018)

(% 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	14,700	3.9	740	15.3	720	11.8	440	3.6	48	61

(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, 2017 9,053,300 shares FY 2017 9,053,300 shares

② Number of treasury stocks at the end of the term

Ended Sept. 30, 2017 2,015 shares FY 2017 2,015 shares

③ Average number of outstanding shares during the period

Ended Sept. 30, 2017 9,051,285 shares Ended Sept. 30, 2016 9,051,293 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 primary customer industry of our group companies, during the consolidated cumulative second quarter under review, the number of cars sold continued to have a strong showing in the North American and Chinese markets, and also increased in the domestic market in which light vehicles are on a recovery track. Reflecting such sales trend, the number of cars manufactured by Japanese car manufacturers were on the rise at home and abroad.

Meanwhile, uncertainties, including decelerating economy in emerging countries and political climate in the United States and Europe, may affect the Japanese automobile industry.

Under such circumstances, in the Forging Die Division of the Net-Shape Business, sales remained almost same as the previous year, although domestic sales increased in the second quarter. The Precision-forged Goods Division posted sales exceeding the previous year, supported by overseas production which remained healthy. Consequently, segment sales of the Net-Shape Business amounted to 3,344 million yen (up 0.3% year-on-year). In the Assembly Business, continued from the first quarter, sales of turbocharger parts for gasoline-powered vehicles remained at a high level. Consequently, segment sales amounted to 3,051 million yen (up 21.9% year-on-year).

As for the Filter Business, despite a temporary decline in sales of large-size seawater strainers, strong sales of filters for the medical industry generated a year-on-year increase in overall sales. Consequently, segment sales of the Filter Business rose to 982 million yen (up 3.0% year-on-year).

As a result of the above, consolidated sales totaled 7,378 million yen (up 8.7% year-on-year).

Turning to profit and loss, sales increase of the Assembly Business helped boost operating income to 326 million yen (up 85.8% year-on-year). Ordinary income rose to 338 million yen (up 171.1% year-on-year) after an exchange gain of 16 million yen was recorded. Net income attributable to owners of the parent was 216 million yen (up 234.1% year-on-year).