

SUMMARY OF CONSOLIDATED FINANCIAL RESULTS FOR THE FISCAL YEAR ENDED MARCH 31, 2017

This consolidated financial report has been prepared in accordance with Japanese accounting standards and Japanese law. Figures are in Japanese yen rounded down to the nearest million.

PERFORMANCE

(1) Business Results

(Millions of yen, except per share figures)

	Year ended March 31		
	2017	2016	Change
Net sales	527,274	533,989	-1.3%
Operating income	4,890	12,617	-61.2%
Ordinary income	10,556	17,034	-38.0%
Net income	3,574	10,775	-66.8%
Net income/share (yen)	22.52	67.93	
Diluted net income/share (yen)	22.51	67.84	
Return on equity (%)	1.5	4.4	
Ordinary income to total assets (%)	1.6	2.6	
Operating income to net sales (%)	0.9	2.4	

(Note) Comprehensive income

Fiscal year ended March 31, 2017: -¥1,995 million

Fiscal year ended March 31, 2016: -¥17,638 million

(Reference) Equity in earnings of non-consolidated subsidiaries and affiliates

Fiscal year ended March 31, 2017: ¥4,405 million

Fiscal year ended March 31, 2016: ¥2,873 million

(2) Financial Position

(Millions of yen, except per share figures)

	Year ended March 31	
	2017	2016
Total assets	646,288	651,793
Net assets	275,753	284,471
Shareholders' equity to total assets	35.5%	35.9%
Net assets/share (yen)	1,444.94	1,472.26

(Reference) Shareholders' equity at end of period

March 31, 2017: ¥229,435 million

March 31, 2016: ¥233,688 million

(3) Cash Flows

(Millions of yen)

	Year ended March 31	
	2017	2016
Operating activities	26,768	39,566
Investing activities	-31,429	-22,793
Financing activities	3,595	-9,044
Cash and cash equivalents at the end of period	39,850	42,271

DIVIDENDS

		Fiscal year ended March 31,		
		2016	2017	2018 (Forecast)
Dividends per share	Interim (yen)	15.00	15.00	15.00
	Year-end (yen)	15.00	15.00	15.00
	Annual (yen)	30.00	30.00	30.00
Total amount of dividend payment (mil. of yen)		4,760	4,763	
Dividends payout ratio (consolidated)		44.2%	133.2%	23.8%
Dividends to net assets ratio (consolidated)		1.9%	2.1%	

FORECAST OF RESULTS FOR THE YEAR ENDING MARCH 31, 2018

Millions of yen, except per share figures; percentages indicate year-on-year change)

	Year ending March 31, 2018	
	Full-year	Change
Net sales	520,000	-1.4%
Operating income	15,000	206.7%
Ordinary income	20,000	89.5%
Net income	20,000	459.5%
Net income/share (Yen)	125.96	

OTHER IMPORTANT INFORMATION

- (1) Important subsidiary changes during term under review (changes to specific subsidiaries pursuant to changes in scope of consolidation): Yes
Inclusion: — (company name)
Exclusion: 1 (company name) CHOYA
- (2) Changes in accounting policy, changes in accounting estimation, amended restatement
 - (i) Changes in accounting policy due to revision of accounting standards, etc.: No
 - (ii) Changes in accounting policy for reasons other than (i): No
 - (iii) Changes in accounting estimation: Yes
 - (iv) Amended restatement: No
- (3) Number of shares issued (common stock)
 - (i) Number of shares issued including treasury stock shares

As of March 31, 2017:	178,798,939 shares
As of March 31, 2016:	178,798,939 shares
 - (ii) Number of treasury stock shares

As of March 31, 2017:	20,013,820 shares
As of March 31, 2016:	20,071,007 shares
 - (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2017:	158,754,693 shares
Fiscal year ended March 31, 2016:	158,618,445 shares

(Notes)

Explanation of appropriate use of performance forecasts and other special items

This document contains forecasts of performance and other projections based on information currently available and certain assumptions judged by Nisshinbo to be reasonable. Actual performance may materially differ from these projections as a result of changes in the economic environment and other risks and uncertainties.