

SUMMARY OF CONSOLIDATED FINANCIAL RESULTS FOR THE FISCAL YEAR ENDED MARCH 31, 2018

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		
	2018	2017	Change
Net sales	512,047	527,274	-2.9%
Operating income	15,085	4,890	208.5%
Ordinary income	19,700	10,556	86.6%
Net income	26,352	3,574	637.2%
Net income/share (yen)	160.59	22.52	
Diluted net income/share (yen)	160.44	22.51	
Return on equity (%)	10.6	1.5	
Ordinary income to total assets (%)	3.0	1.6	
Operating income to net sales (%)	2.9	0.9	

(Note) Comprehensive income

Fiscal year ended March 31, 2018: ¥37,441 million

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

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

Fiscal year ended March 31, 2018: ¥4,375 million

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

(2) Financial Position

(Millions of yen, except per share figures)

	Year ended March 31	
	2018	2017
Total assets	654,227	646,288
Net assets	290,434	275,753
Shareholders' equity to total assets	41.1%	35.5%
Net assets/share (yen)	1,659.29	1,444.94

(Reference) Shareholders' equity at end of period

March 31, 2018: ¥268,771 million

March 31, 2017: ¥229,435 million

(3) Cash Flows

(Millions of yen)

	Year ended March 31	
	2018	2017
Operating activities	32,414	26,768
Investing activities	-1,797	-31,429
Financing activities	-34,784	3,595
Cash and cash equivalents at the end of period	36,478	39,850

DIVIDENDS

		FY ended March 31		Dec. 31
		2017	2018	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)		4,763	4,812	
Dividends payout ratio (consolidated)		133.2%	18.7%	99.7%
Dividends to net assets ratio (consolidated)		2.1%	1.9%	

FORECAST OF RESULTS FOR THE YEAR ENDING DEC. 31, 2018

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

	Year ending Dec. 31, 2018	
	Full-year	Change
Net sales	435,000	-
Operating income	3,500	-
Ordinary income	7,500	-
Net income	5,000	-
Net income/share (Yen)	30.10	

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) Nisshinbo Paper Products Inc.
- (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: No
 - (iv) Amended restatement: No
- (3) Number of shares issued (common stock)
 - (i) Number of shares issued including treasury stock shares

As of March 31, 2018:	178,798,939 shares
As of March 31, 2017:	178,798,939 shares
 - (ii) Number of treasury stock shares

As of March 31, 2018:	16,818,957 shares
As of March 31, 2017:	20,013,820 shares
 - (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2018:	164,100,138 shares
Fiscal year ended March 31, 2017:	158,754,693 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.