

Consolidated Financial Results Overview

2018 fiscal year second quarter cumulative(first half)

(Amounts less than one million yen are rounded down.)

(¥million)

	2017fiscal year (first half) ①	2018fiscal year (first half) ②	year-on-year increase decrease			Previous announcement on May 15	
			②-①	Rate of change	Except influence of Thai Baht	first half ③	Change ②-③
Sales	10,199	11,468	+1,268	12.4%	+1,236	11,200	+268
Operating Profit	755	865	+110	14.6%	+106	950	△84
Ordinary Profit	860	1,030	+169	19.8%	+165	1,050	△19
Quarterly net profit belong to shareholders of parent company	519	662	+142	27.5%	+139	650	+12
Thai baht Exchange rate	3.30¥/baht	3.33¥/baht				3.35¥/baht	

(Note) In the first half of fiscal 2017, we appropriated 20 million yen of operation loss for Shanghai-Nittan formerly 100% subsidiary company in China (Liquidated this January), and we appropriated 42 million yen of provision for loss on liquidation of subsidiary company as extraordinary loss.

2018Business Forecast

(¥million)

	2017fiscal year ①	2018 fiscal year				Change on year ④-①	Previous announcement on May 15	
		First half result	First half announced ②	Second half outlook ③	Annual outlook ④		2018fiscal year ⑤	Change ④-⑤
Sales	21,752	11,468	11,200	10,300	22,200	447	22,200	—
Operating Profit	1,559	865	950	900	1,750	190	1,750	—
Ordinary Profit	1,868	1,030	1,050	950	1,950	81	1,950	—
Net Income devolved to the shareholders of parent company	1,508	662	650	700	1,350	△158	1,350	—

(Note) The result for the first half of fiscal 2018 is nearly kept as forecast at the beginning of this fiscal year.

As for the outlook of the second half, it is forecasted as same transitional achievement as the first half of this year.

Judging from the above, annual outlook is not changed for the business result announced on 15, May,2018..

From now on, in case of occurring the matters of which should be announced for the correction of business results, we will promptly disclose.

Moreover, as for the current term of net profit belong to the shareholders of parent company, is forecasted compared from the prior half. That because, we appropriated 305 million yen of sales gain for investment securities selling and 102 million yen of investment transfer gain as extraordinary profit.

As for Thai Baht exchange rate, it is not changed 3.35yen/Baht as we have estimated at the beginning of this term.

1.Sales amount and operating profit By the Segments.

(¥million)

		2017fiscal year			2018fiscal year	year-on-year increase decrease	
		First half ①	Second half			First half ②	②-①
Forging business	Sales	8,514	9,527	18,041	9,320	+806	9.5%
	Operating Profit	717	781	1,498	827	+110	15.5%
Scaffolding parts business	Sales	1,075	1,019	2,094	826	△248	△23.1%
	Operating Profit	168	110	279	76	△92	△54.6%
Logistics products business	Sales	522	917	1,439	1,233	+711	136.3%
	Operating Profit	14	75	89	114	+99	671.4%
Real estate business	Sales	88	88	176	87	△1	△1.4%
	Operating Profit	45	39	85	42	△3	△7.1%
Segments total	Sales	10,199	11,552	21,752	11,468	+1,268	12.4%
	Operating Profit	945	1,007	1,953	1,060	+114	12.2%
Corporate expenses		△190	△179	△394	△195	△4	—
Operating Profit on P/L Account		755	806	1,559	865	+110	+14.6%

(Note) 20 million yen of operating loss for Shanghai-Nittan appropriated in the first half of previous term, is included in the Logistics product business.

2.Breakdown of forging business

①Sales amount By the country

(¥million)

	2017fiscal year				2018fiscal year		year-on-year increase decrease	
	First half ①	Second half	2017fiscal year	ratio	First half ②	ratio	②-①	Rate of change
Domestic sales amount	5,571	5,913	11,485	63.7%	5,840	62.7%	+269	△1.0%
Thailand sales amount	2,942	3,613	6,556	36.3%	3,479	37.3%	+536	1.00%
Total	8,514	9,527	18,041	100.0%	9,320	100.0%	+806	—
(Reference) Thai Baht exchange rates(1Baht:¥)	3.30¥/Baht	3.46¥/Baht	3.46¥/Baht		3.33¥/Baht			

②Sales amount By the industry

(¥million)

	2017fiscal year				2018fiscal year		year-on-year increase decrease	
	First half ①	Second half	2017fiscal year	ratio	First half ②	ratio	②-①	Rate of change
Automotive industry	6,415	7,077	13,492	73.2%	7,032	75.5%	+617	0.7%
Construction machinery industry	2,098	2,450	4,548	26.8%	2,287	24.5%	+188	△0.7%
Total	8,514	9,527	18,041	100.0%	9,320	100.0%	+806	—

※Sales amount for Automotive industry includes for passenger vehicles, commercial vehicles, trucks and forklifts.

※Sales amount for Construction machinery industry includes for Industrial machines and Scaffolding parts.

3.Non-operating income breakdown

(¥million)

	2017 fiscal year		2018 fiscal year	year-on-year increase decrease		
	First half	Second half		②-①	Rate of change	
	①					②
Non-operating income	138	233	372	201	+63	45.4%
Interest income	20	19	40	18	△2	△12.1%
Dividend income	63	138	201	65	+2	3.5%
Steel scrap selling income	13	13	26	21	+7	55.9%
Exchange profit/loss	7	9	16		△7	—
Others	33	53	86	96	+63	365.5%
Non-operating expense	33	29	63	36	+3	9.6%
Interest expense	4	4	9	4	±0	△3.8%
Dies disposal loss	25	22	47	19	△5	△22.7%
Exchange loss				3	+3	—
Others	3	2	5	9	+5	164.0%

(Note) Dividend received in second half of fiscal 2017 includes the dividend from the joint venture company.

(Note) Non-operating income & others in first half of fiscal 2018 includes the guaranty money receivable due to the production termination by the customer.

4.Breakdown of capital investment and depreciation

(¥million)

	2017fiscal year		2018fiscal year	year-on-year increase decrease		2018fiscal year (this time)	
	First half	Second half		②-①	Rate of change		
	①						②
Amount of capital investment	752	421	1,174	493	△258	△34.4%	1,150
(Forging division)	(750)	(393)	(1,144)	(333)	(△417)	△55.6%	(1,000)
Depreciation implementation Amount	546	606	1,153	524	△22	△4.1%	1,150

(Note) Major items of capital investment in first half of fiscal 2018 as follows:

- ① Expansion works of Tsukuba-equipment Center in Scaffolding business. : 135 million yen.
(Obtaining the land only)
- ② Forging tools(Dies) etc. investment in Thai subsidiary company of Siam Metal Technology Co., Ltd.
: 188 million yen.

(Note) Capital investment amount of fiscal 2018 stated in the "Consolidated Financial Results for Fiscal Year Ending March 31, 2018" dated on 15, May 2018. : No change.