

Nittobo

**(Results Briefing)
Nittobo Group
Fiscal Year 2017 2Q**

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Notice related to the figures in this presentation

The estimated figures described in this presentation are based on information the company possesses and certain assumptions that are considered to be reasonable as of the date of the announcement. The Company makes no promises/guarantees that these figures will be achieved.

2nd November 2017

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Major Results from Income Statement (Consolidated Accounting)

(Millions of yen)

	FY2016 1 st Half	FY2017 1 st Half	Increase Decrease
Sales	40,893	43,172	2,279
Operating income (%)	5,476 13.4%	6,236 14.4%	760 1.0%
Ordinary income (%)	5,280 12.9%	6,481 15.0%	1,201 2.1%
Net income	3,634	7,428	3,794
Net income per share (Yen)	91.24*	191.10	99.86

* In connection with the consolidation of shares conducted on October 1, 2017, figures were calculated as if the consolidation of shares had been conducted at the beginning of the previous fiscal year

Major Results from Balance Sheet Statement (Consolidated Accounting)

(Millions of yen)

	As of March 31, 2017	As of September 31, 2017	Increase Decrease
Total assets	140,182	146,220	6,038
Net assets	78,281	85,444	7,163
(Retained earnings)	36,313	42,960	6,647
NET interest-bearing debt	9,128	1,399	(7,729)
Equity ratio (%)	55.2%	57.8%	2.6%

Major Results from Statement of Cash Flows (Consolidated Accounting)

(Millions of yen)

		FY2016 1 st half	FY2017 1 st half
	Profit before income taxes	5,230	10,394
	Depreciation	2,012	1,999
	Working capital, etc.	(1,939)	(7,520)
	Cash flows from operating activities	5,303	4,873
	Cash flows from investing activities	(924)	4,510
	Cash flows from financing activities	(2,116)	(6,000)
	Effect of exchange rate change on cash and cash equivalents	(472)	(48)
	Net increase in cash and cash equivalents	1,790	3,334
Cash and cash equivalents	Beginning of period	17,466	17,428
	End of period	19,256	20,762

Brief Results per Business Segment

(Millions of yen)

	FY2016 1 st Half				FY2017 1 st Half				Increase Decrease	
	Sales			O.P.*	Sales			O.P.*	Sales	O.P.*
	External	Internal	Total		External	Internal	Total			
Textile	2,495	2	2,497	(227)	2,467	0	2,468	(227)	(29)	0
Glass fiber yarn	12,685	3,125	15,810	2,202	14,873	3,168	18,042	3,642	2,232	1,440
Glass fiber cloth	6,815	11	6,827	1,298	7,128	18	7,147	1,223	320	(75)
Glass fiber for industrial materials	10,894	150	11,044	928	10,600	107	10,708	368	(336)	(560)
Life science	6,764	186	6,950	1,720	6,949	176	7,126	1,776	176	56
Others	1,238	530	1,769	101	1,152	815	1,967	(64)	198	(165)
Adjustments			(4,006)	(547)			(4,287)	(482)	(281)	(65)
Total amount	40,893			5,476	43,172			6,236	2,279	760
Return on sales (%)				13.4%				14.4%		

* O.P. stands for operating income.

Revision of the forecast from recently announced figures

(Millions of yen)

	(a) Previous Forecast (Aug. 31)	(b) Revised Forecast (Nov. 2)	Amount Changed (b)-(a)	Change (%)
Sales	85,000	85,000	0	0
Operating income	11,500	11,500	0	0
(%)	13.5%	13.5%	0.0%	0.0%
Ordinary income	11,600	11,600	0	0
(%)	13.6%	13.6%	0.0%	0.0%
Net income	10,400	10,000	(400)	(3.8%)
Net income per share (Yen)	267.99	257.69	—	—

Nittobo Macau Glass Weaving Co., Ltd., a consolidated subsidiary of Nitto Boseki Co., Ltd. suffered damage from Typhoon No. 13 that occurred on August 23, 2017. The effects from the typhoon damage have been factored into the estimated extraordinary income or loss for the second half of the fiscal year.

Forecast in FY2017

(Millions of yen)

	FY2016 results	FY2017 forecast	Increase Decrease
Sales	83,324	85,000	1,676
Operating income	11,148	11,500	352
Ordinary income	11,396	11,600	204
Net income	7,479	10,000	2,521
Net income per share (Yen)	188.57*	257.69	69.12
Dividend per share(Yen)	35.0*	35.0**	0.0

* In connection with the consolidation of shares conducted on October 1, 2017, figures were calculated as if the consolidation of shares had been conducted at the beginning of the previous fiscal year.

**Dividend forecast amount was calculated as if the consolidation of shares had been conducted at the beginning of the fiscal year 2017.