

**Consolidated Financial Results**  
**for the Six Months Ended December 31, 2016**  
**[Japanese GAAP]**



February 13, 2017

**Company name: Nippon Koei Co., Ltd.**

Stock exchange listing: Tokyo Stock Exchange

Code number: 1954

URL: <https://www.n-koei.co.jp/english>

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Scheduled date of filing quarterly securities report: February 13, 2017

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes (for investors and analysts)

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

**1. Consolidated Financial Results for the Six Months Ended December 31, 2016 (July 1, 2016 to December 31, 2016)**

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income (loss)		Ordinary income (loss)		Profit (loss) attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended December 31, 2016	26,304	29.3	(2,747)	-	(2,286)	-	(1,800)	-
December 31, 2015	20,336	20.7	(3,500)	-	(3,328)	-	(2,651)	-

(Note) Comprehensive income: Six months ended December 31, 2016: ¥(3,975) million [ - %]

Six months ended December 31, 2015: ¥(3,189) million [ - %]

	Net income (loss) per share		Diluted net income (loss) per share	
	Yen		Yen	
Six months ended December 31, 2016	(116.96)		-	
December 31, 2015	(173.46)		-	

(Note) The Company conducted a share consolidation at a rate of one share for every five shares on January 1, 2017. The figures for “Net income (loss) per share” are amounts on the assumption that the Company conducts the share consolidation on the beginning of previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2016	113,878	46,786	40.8
June 30, 2016	100,989	51,460	50.6

(Reference) Equity: As of December 31, 2016 : ¥46,444 million

As of June 30, 2016 : ¥51,122 million

**2. Dividends**

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 30, 2016	-	-	-	10.00	10.00
Fiscal year ending June 30, 2017	-	-	-	-	-
Fiscal year ending June 30, 2017 (Forecast)	-	-	-	75.00	75.00

(Note)

(1) Revision to the forecast for dividends announced most recently: None

(2) The Company conducted a share consolidation at a rate of one share for every five shares on January 1, 2017. The figure for “Year-end annual dividends” for fiscal year ending June 30, 2017 (Forecast) is an amount that takes into account the share consolidation. For details, please refer to “\* Explanation of the proper use of financial results forecast and other notes.”

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2017(July 1, 2016 to June 30, 2017)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	105,000	28.3	6,000	27.0	6,300	44.3	3,600	97.5	233.84

(Note)

- (1) Revision to the financial results forecast announced most recently: None
- (2) The Company conducted a share consolidation at a rate of one share for every five shares on January 1, 2017. The figure for “Net income per share” of full year in the Consolidated Financial Results Forecasts for the Fiscal Year Ending June 30, 2017 is an amount that takes into account the share consolidation. For details, please refer to “\* Explanation of the proper use of financial results forecast and other notes.”

#### \* Notes:

- (1) Changes in significant subsidiaries during the period (Changes in scope of consolidations resulting from change in subsidiaries): None
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: None
  - 2) Changes in accounting policies other than 1) above: None
  - 3) Changes in accounting estimates: None
  - 4) Retrospective restatement: None
- (4) Total number of issued shares (common stock)
- 1) Total number of issued shares at the end of the period (including treasury stock):
    - As of December 31, 2016 : 17,331,302 shares
    - As of June 30, 2016 : 17,331,302 shares
  - 2) Total number of treasury stock at the end of the period:
    - As of December 31, 2016 : 1,914,108 shares
    - As of June 30, 2016 : 1,963,228 shares
  - 3) Average number of shares during the period:
    - Six months ended December 31, 2016 : 15,395,122 shares
    - Six months ended December 31, 2015 : 15,283,229 shares

(Note) The Company conducted a share consolidation at a rate of one share for every five shares on January 1, 2017. The figures for “Total number of issued shares at the end of the period”, “Total number of treasury stock at the end of the period” and “Average number of shares during the period” are amounts on the assumption that the Company conducts the share consolidation on the beginning of previous fiscal year.

#### \* Presentation regarding the implementation status of the quarterly review procedures

At the time of disclosure of these quarterly financial results, quarterly review procedures for the quarterly consolidated financial statements have not been completed.

#### \* Explanation of the proper use of financial results forecast and other notes

1. The earnings forecasts and other forward-looking statements disclosed herein are based on information available to the Company as of the date of publication of this document and certain assumptions deemed reasonable. Actual results, etc. may differ significantly due to a wide range of factors.
2. Following the approval of the proposal concerning the share consolidation at the 72nd Ordinary General Meeting of Shareholders held on September 29, 2016, the Company conducted a share consolidation at a rate of one share for every five shares on January 1, 2017. Forecast of dividend and Consolidated Financial Results for the Fiscal Year Ending June 30, 2017 with and without taking into account the share consolidation are as follows:

##### (1) Dividend Forecast for the Fiscal Year Ending June 30, 2017

	Without taking into account the share consolidation	With taking into account the share consolidation
Year-end dividend per share	Yen 15.00	Yen 75.00

##### (2) Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2017

	Without taking into account the share consolidation	With taking into account the share consolidation
Net income per share of full year	Yen 46.77	Yen 233.84

3. The Company is scheduled to hold a financial results briefing session for investors and analysts on February 23, 2017. The financial briefing materials to be distributed at this briefing session will be subsequently posted on the Company’s website.