



Consolidated Financial Results Ended March 31, 2018

May 2018

Financial Results

Consolidated Profit and Loss Statement



◆ Increased net sales/income due to preferable sales to major customers

	(Millions of yen)			
	Financial Results Ended Mar. 31, 2017	Financial Results Ended Mar. 31, 2018	Changes (Y on Y)	Changes (%)
Net Sales	155,643	171,967	16,324	10.5%
Operating Income	14,376	18,052	3,675	25.6%
Ordinary Income	13,865	18,742	4,876	35.2%
Net Income Attributable to Owners of Parent	10,096	12,464	2,368	23.5%
Operating Margin	9.2%	10.5%	1.3Pts	—
Net Income per Share	137.50yen	175.94yen	38.44yen	—

◆ Increase sales in every segment, domestic/overseas ratio is flat

(Millions of yen)

Net sales to outside clients

		Financial Results Ended Mar. 31, 2017	Financial Results Ended Mar. 31, 2018	Changes (Y on Y)	Changes (%)
Domestic	Japan (component ratio)	122,866 (78.9)	134,633 (78.3)	11,767 (-0.6Pts)	9.6%
	China/Korea	6,195	8,176	1,981	32.0%
Overseas	ASEAN	9,451	10,407	956	10.1%
	Americas	17,129	18,750	1,621	9.5%
	Overseas total (component ratio)	32,777 (21.1)	37,333 (21.7)	4,556 (+0.6Pts)	13.9%
Total		155,643	171,967	16,324	10.5%

Operating Income by Region



◆ Each segment increased in profit, overseas ratio rose by about 11%

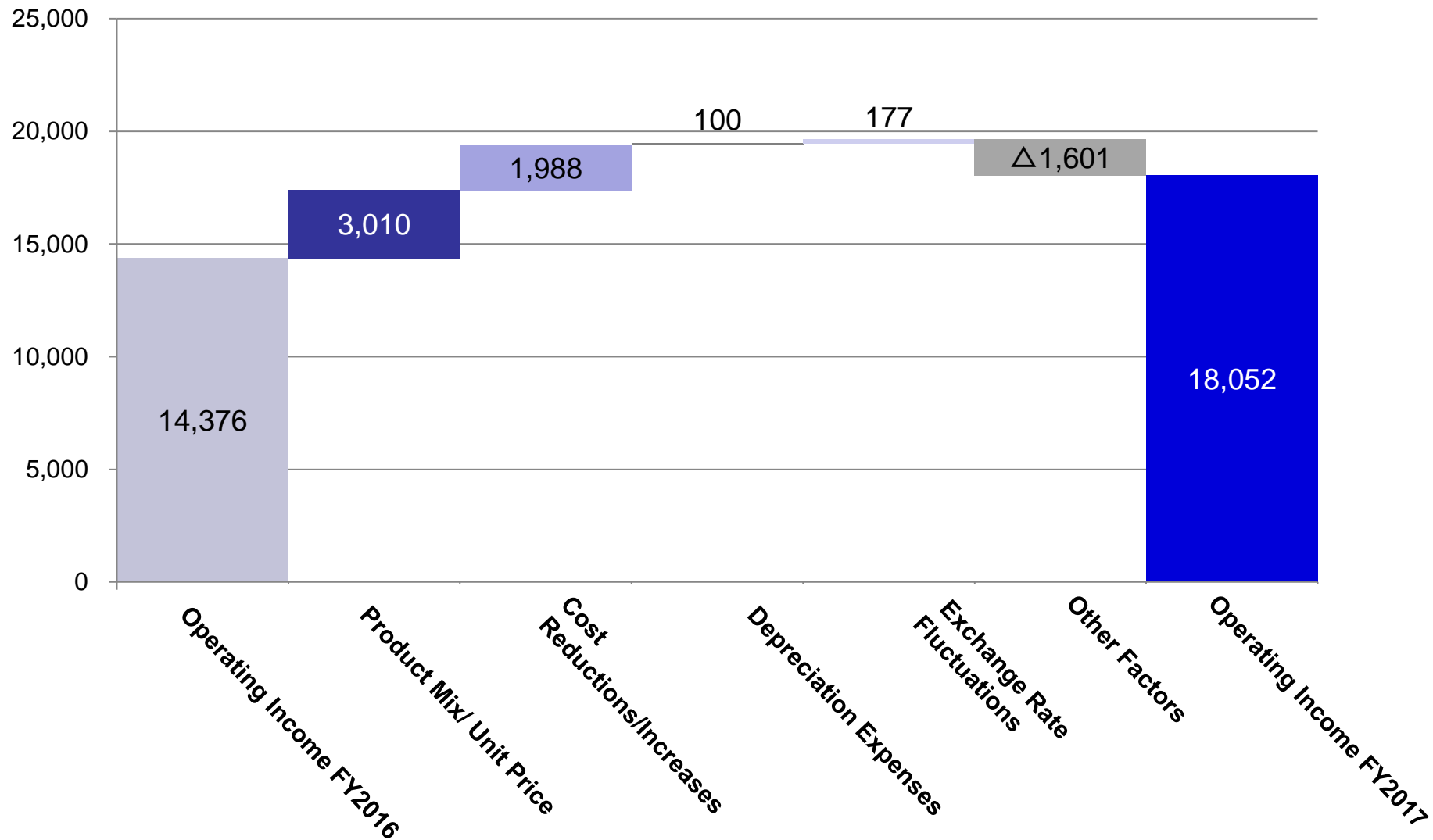
(Millions of yen)

		Financial Results Ended Mar. 31, 2017	Financial Results Ended Mar. 31, 2018	Changes (Y on Y)	Changes (%)
Domestic	Japan (component ratio)	11,873 (81.7)	13,079 (70.6)	1,206 (-11.1Pts)	10.2%
	China/Korea	315	1,456	1,140	361.4%
Overseas	ASEAN	959	1,138	179	18.7%
	Americas	1,380	2,854	1,474	106.8%
	Overseas total (component ratio)	2,654 (18.3)	5,448 (29.4)	2,794 (+11.1Pts)	105.3%
	Total	14,529	18,529	4,000	27.5%

Reasons for Increase or Decrease in Consolidated Operating Income



(Millions of yen)



Financial Forecast for Fiscal 2018

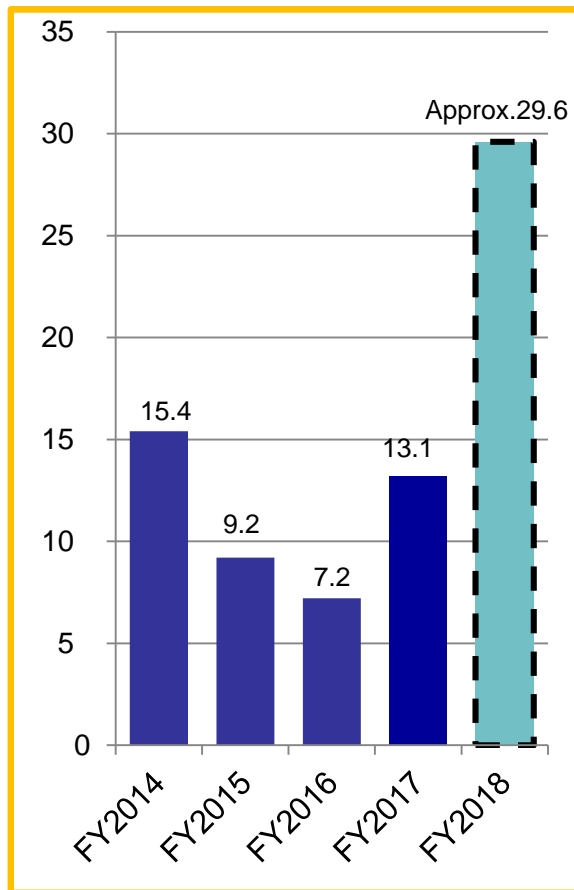
◆ Increase in sales slightly, decline in profit for FY2018

	FY2017	FY2018 Forecast	Changes	Changes (%)
			(Millions of yen)	
Net Sales	171,967	173,000	1,033	0.6%
Operating Income	18,052	14,800	-3,252	-18.0%
Ordinary Income	18,742	14,700	-4,042	-21.6%
Net Income Attributable to Owners of Parent	12,464	10,300	-2,164	-17.4%
Operating Margin	10.5%	8.6%	-1.9Pts	—
Net Income per Share	176.69円	145.38円	-31.31円	—

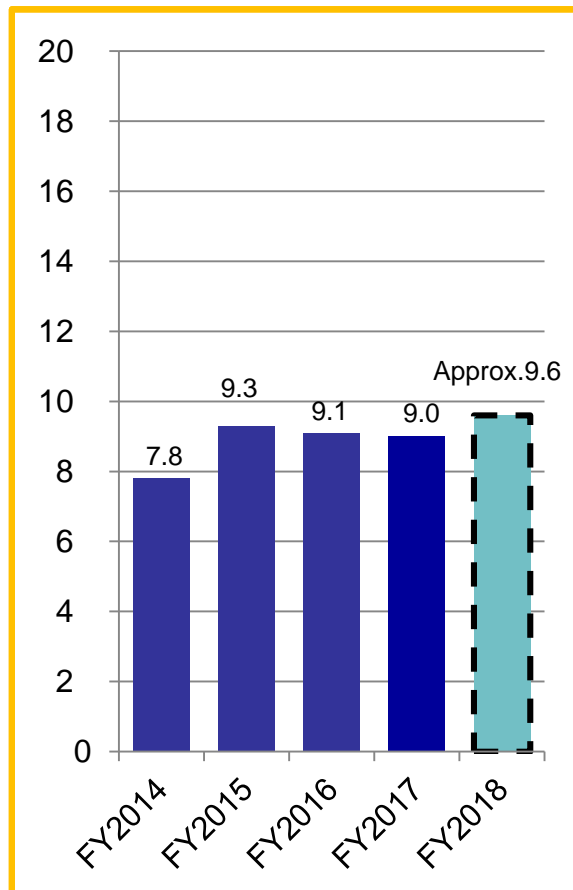
◆ Increase Capital investment for the New Business Site in Higashi-Hiroshima

(Billions of yen)

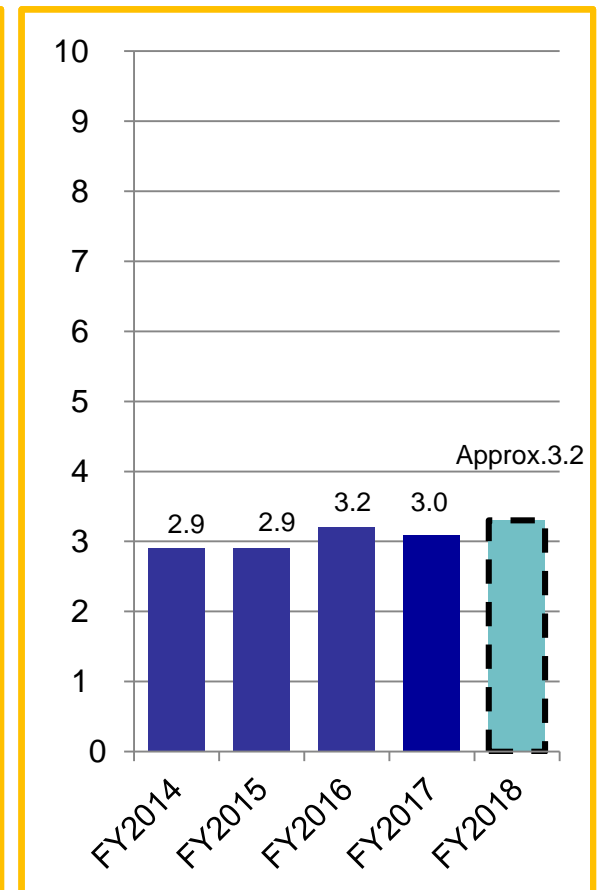
《Capital Investment》



《Depreciation》



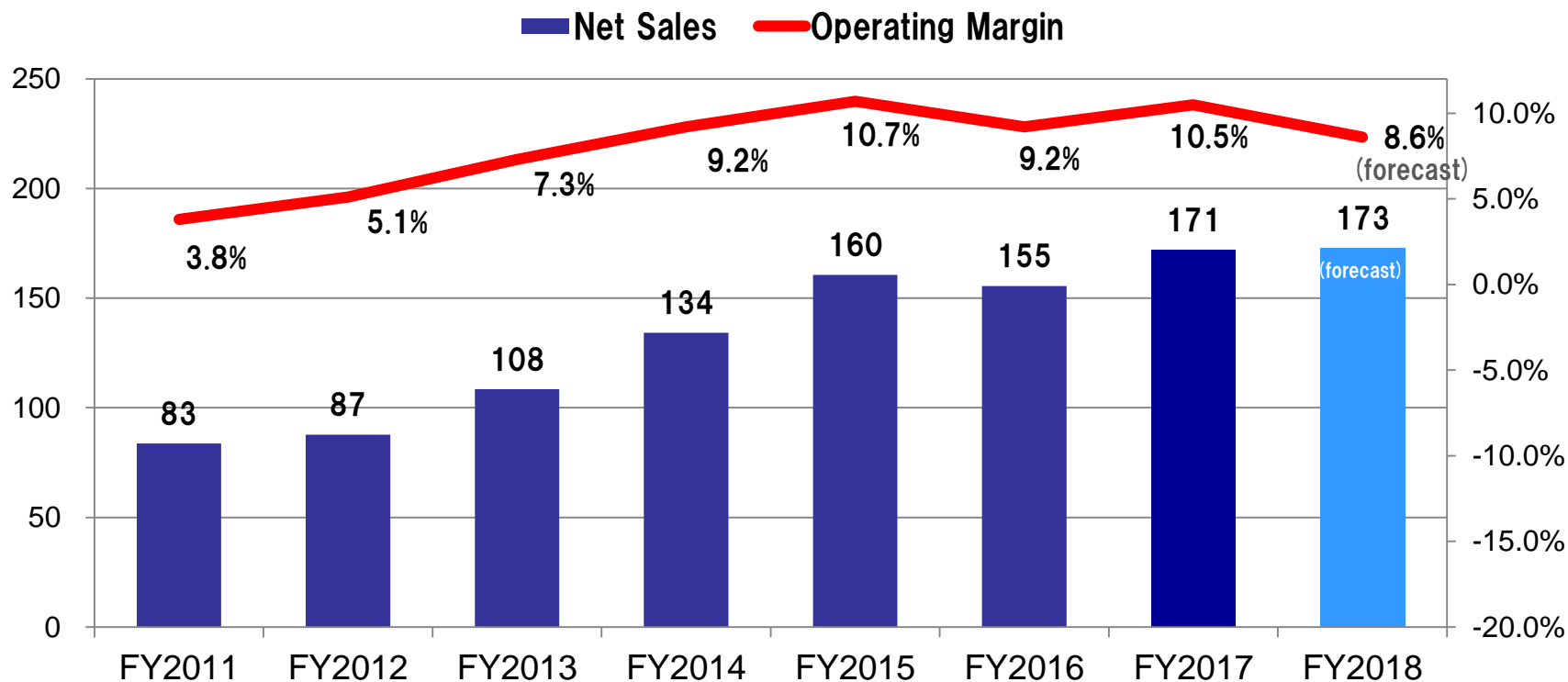
《R&D Expenses》



Note: Figures for FY2018 are forecast.

Medium-Term Business Plan

Management Indicators



FY2018 Target in Medium-Term Business Plan

Net Sales : **160** billion yen

Operating Margin : more than **8%**

ROE : more than **10%**

Performance forecast clear each indicator

Base Strategy

1. Strengthen the operation of quality assurance system to realize quality that exceeds customer expectations
2. Develop operating functions in four major global segments (Japan, China/Korea, ASEAN, and Americas).
3. Pioneer market-oriented products and technologies
4. Establish global and local manufacturing and procurement method
5. Boost managerial strength in pursuit of global business expansion
6. Redesign system for implementation of human resource development and recruitment

Product Strategy

1. Establish core competency in strategic product fields
2. Pursue optimal materials, structures, crafting techniques, and cost to add value in major products through engineering breakthroughs

Customer Satisfaction Strategy

1. Obtain sustained orders by proposing developments in strategic products in response to customer needs
2. Win orders by making full use of hubs in four major global segments

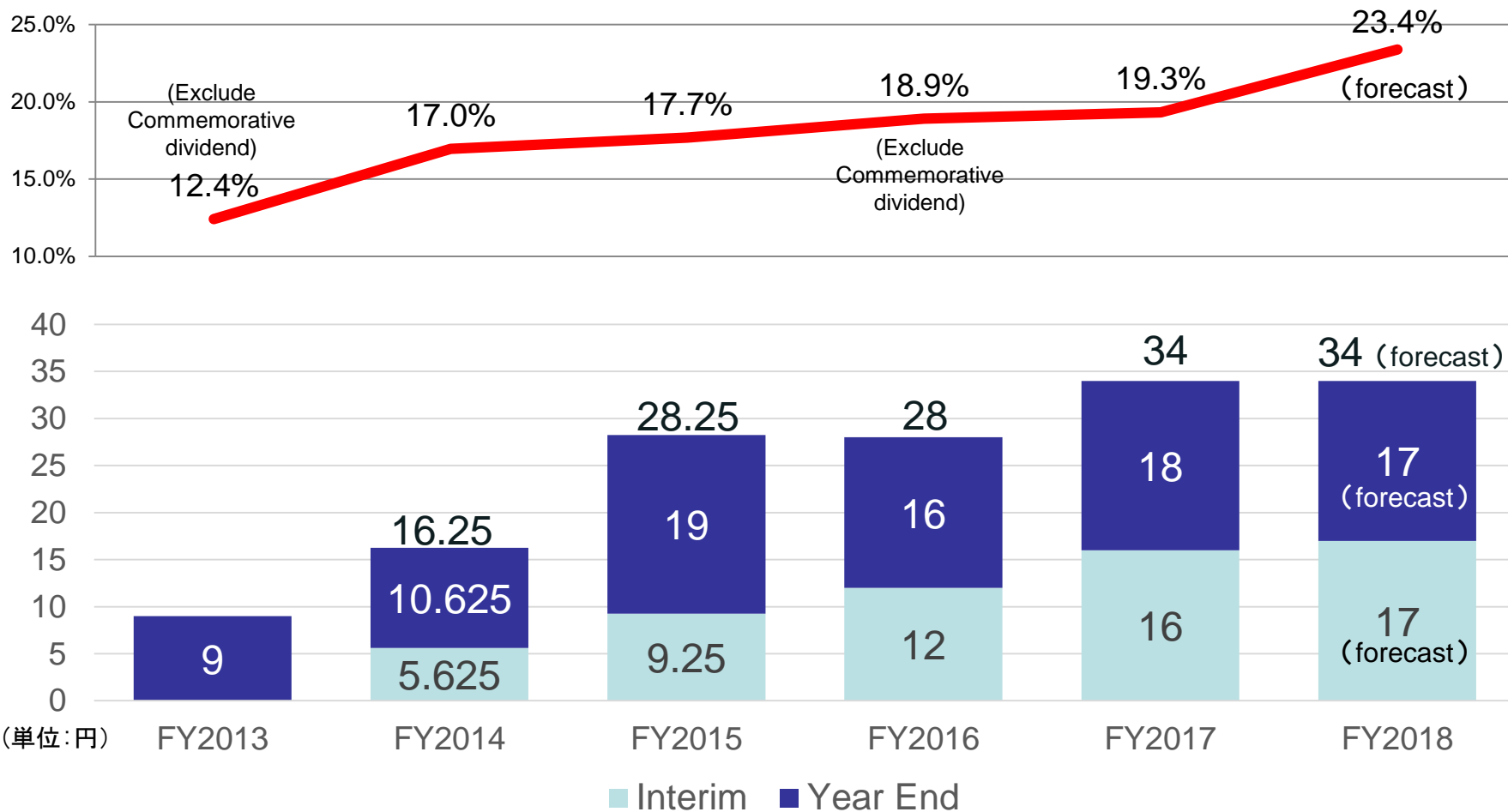
Outpost Strategy

1. Link group operation and build a scenario for stable and profitable operation at each base
2. Establish an organizational framework for optimal production, procurement, and delivery
3. Spread the production methods of the main factory in Japan to establish autonomous operation at each base

Continue to offer solutions with our superior, light plastic products
Maximize our DNA to tap into new markets and further expand business

Shareholder Return

Change in dividend per share / payout ratio



Note: DaikyoNishikawa conducted a four-for-one share split of ordinary shares on the effective date of January 1, 2016. Fiscal 2015 interim dividend per share was calculated under the assumption that a share split was conducted (37.00 yen to 9.25 yen). Fiscal 2014 annual dividend per share was calculated under the assumption that a share split was conducted (65.00 yen to 16.25 yen).

Important Information

This presentation material contains certain statements describing the future plans, strategies, and performance of DaikyoNishikawa Corporation and its consolidated subsidiaries. These statements are not based on historical or present fact, but rather assumptions and estimates based on information currently available. These future plans, strategies, and performances are subject to known and unknown risks, uncertainties, and other factors. DaikyoNishikawa Corporation's actual performance, business activities, and financial position may differ materially from the assumptions and estimates provided on account of the risks, uncertainties, and other factors. The information contained on this presentation should not be considered as an offer, or solicitation, to deal in any of the investments or funds.

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