

**Summary of Consolidated Financial Results
for the Third Quarter of the Fiscal Year Ending February 28, 2019
(Nine Months Ended November 30, 2018)**

[Japanese GAAP]

Company name: Freund Corporation
 Securities code: 6312
 Representative: Iwao Fusejima, President & CEO
 Contact: Norio Shiratori, Managing Director, General Manager, Corporate Administration Division
 Tel: +81-3-6890-0750

Listing: Tokyo (JASDAQ)
 URL: <http://www.freund.co.jp>

Scheduled date of filing of Quarterly Report: January 8, 2019

Scheduled date of payment of dividend: -

Preparation of supplementary materials for quarterly financial results: None

Holding of quarterly financial results meeting: None

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Third Quarter (March 1, 2018 – November 30, 2018) of the Fiscal Year Ending February 28, 2019

(1) Consolidated results of operations (Percentages represent year-on-year changes)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|---------------------------------|-------------|-------|------------------|--------|-----------------|--------|---|--------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Nine months ended Nov. 30, 2018 | 13,243 | (3.7) | 670 | (41.9) | 770 | (34.4) | 523 | (38.4) |
| Nine months ended Nov. 30, 2017 | 13,745 | (6.9) | 1,152 | (20.0) | 1,174 | (21.0) | 849 | 4.1 |

Note: Comprehensive income
 Nine months ended Nov. 30, 2018: 628 million yen (down 25.9%)
 Nine months ended Nov. 30, 2017: 847 million yen (up 78.5%)

| | Net income per share | Diluted net income per share |
|---------------------------------|----------------------|------------------------------|
| | Yen | Yen |
| Nine months ended Nov. 30, 2018 | 31.08 | - |
| Nine months ended Nov. 30, 2017 | 49.26 | - |

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|---------------------|--------------|-------------|--------------|----------------------|
| | Million yen | Million yen | % | Yen |
| As of Nov. 30, 2018 | 17,726 | 12,953 | 73.1 | 773.59 |
| As of Feb. 28, 2018 | 19,125 | 13,242 | 69.2 | 767.91 |

Reference: Equity capital As of Nov. 30, 2018: 12,953 million yen As of Feb. 28, 2018: 13,242 million yen

2. Dividends

| | Dividend per share | | | | |
|---|--------------------|--------|--------|----------|-------|
| | 1Q-end | 2Q-end | 3Q-end | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended Feb. 28, 2018 | - | 0.00 | - | 20.00 | 20.00 |
| Fiscal year ending Feb. 28, 2019 | - | 0.00 | - | - | - |
| Fiscal year ending Feb. 28, 2019 (forecast) | - | - | - | 20.00 | 20.00 |

Note: Revision to the most recently announced dividend forecast: None

3. Consolidated Forecast for the Fiscal Year Ending February 28, 2019 (March 1, 2018 – February 28, 2019)

(Percentages represent year-on-year changes)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Net income per share |
|-----------|-------------|-------|------------------|--------|-----------------|--------|---|--------|----------------------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| Full year | 18,000 | (9.1) | 1,000 | (49.3) | 1,100 | (44.8) | 800 | (45.9) | 47.49 |

Note: Revision to the most recently announced consolidated forecast: Yes

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

Newly added: - Excluded: -

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: Yes

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of outstanding shares (common stock)

1) Number of shares outstanding at the end of the period (including treasury shares)

| | | | |
|----------------------|-------------------|----------------------|-------------------|
| As of Nov. 30, 2018: | 18,400,000 shares | As of Feb. 28, 2018: | 18,400,000 shares |
|----------------------|-------------------|----------------------|-------------------|

2) Number of treasury shares at the end of the period

| | | | |
|----------------------|------------------|----------------------|------------------|
| As of Nov. 30, 2018: | 1,655,480 shares | As of Feb. 28, 2018: | 1,155,478 shares |
|----------------------|------------------|----------------------|------------------|

3) Average number of shares outstanding during the period

| | | | |
|----------------------------------|-------------------|----------------------------------|-------------------|
| Nine months ended Nov. 30, 2018: | 16,846,340 shares | Nine months ended Nov. 30, 2017: | 17,244,522 shares |
|----------------------------------|-------------------|----------------------------------|-------------------|

The current quarterly financial report is not subject to the quarterly review procedures based on the Financial Instruments and Exchange Act. At the time of disclosure, the review procedures for the quarterly financial statements have been completed.

The current financial report is not subject to quarterly review by certified public accountants or auditing firms.

Cautionary statement with respect to forecasts of future performance and other special items

Forecasts regarding future performance in these materials are based on certain assumptions judged to be valid and information currently available to the Company. Actual performance may differ significantly from these forecasts for a number of reasons.