

**Consolidated Financial Results**  
**for the Fiscal Year Ended June 30, 2019**  
**[Japanese GAAP]**



August 13, 2019

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

Stock exchange listing: Tokyo Stock Exchange

Code number: 1954

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

Representative: Ryuichi Arimoto, Representative Director and President

Contact: Tetsumi Aoki, General Manager, Accounting Department

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Scheduled date of holding general shareholder's meeting: September 26, 2019

Scheduled date of commencing dividend payments: September 11, 2019

Scheduled date of filing securities report: September 27, 2019

Availability of supplementary briefing material on quarterly financial results: Yes

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

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

**1. Consolidated Financial Results for the Fiscal Year Ended June 30, 2019 (July 1, 2018 to June 30, 2019)**

(1) Consolidated Operating Results (% indicates changes from the previous fiscal year.)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2019	108,589	2.4	5,110	(22.1)	5,584	(16.9)	3,318	(27.2)
June 30, 2018	106,023	4.6	6,561	20.1	6,721	12.8	4,555	38.5

(Note) Comprehensive income: Fiscal year ended June 30, 2019 : ¥1,349 million [(71.3)%]

Fiscal year ended June 30, 2018 : ¥4,698 million [29.1%]

Fiscal year ended	Net income per share	Diluted net income per share	Return on equity	Return on assets	Operating income on Net sales
	Yen	Yen	%	%	%
June 30, 2019	212.50	-	5.7	4.9	4.7
June 30, 2018	294.12	-	8.1	5.9	6.2

(Reference) Income(loss) from investment in affiliates (Equity method): Fiscal year ended June 30, 2019: ¥(129) million

Fiscal year ended June 30, 2018: -

(2) Consolidated Financial Position

Fiscal year ended	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
June 30, 2019	112,821	60,205	52.4	3,767.50
June 30, 2018	113,890	59,449	51.2	3,755.55

(Reference) Equity: Fiscal year ended June 30, 2019 : ¥59,090 million

Fiscal year ended June 30, 2018 : ¥58,363 million

(Note) From the beginning of the fiscal year ended June 30, 2019, the Company has adopted "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No.28, February 16, 2018), etc. The accounting standard is retrospectively applied to the amount as of June 30, 2018.

(3) Consolidated Cash Flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
June 30, 2019	3,109	(3,504)	(1,936)	12,633
June 30, 2018	(602)	977	(3,062)	15,233

## 2. Dividends

	Dividends per share					Total dividends paid (annual)	Payout ratio (consolidated)	Dividend on net assets ratio
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended June 30, 2018	-	-	-	75.00	75.00	1,192	25.5	2.1
Fiscal year ended June 30, 2019	-	-	-	75.00	75.00	1,193	35.3	2.0
Fiscal year ending June 30, 2020 (Forecast)	-	-	-	100.00	100.00		33.1	

(Note) “Total dividends paid (annual)” includes dividends on the Company’s shares held by the Employee Share Ownership Plan (ESOP) trust.

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2020 (July 1, 2019 to June 30, 2020)

(% indicates changes from the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
<b>【 Japanese GAAP 】</b>									
Full year	127,700	17.6	5,800	13.5	6,200	11.0	3,600	8.5	241.87

(% indicates changes from the previous fiscal year.)

	Revenue		Operating income		Income before tax		Income attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
<b>【 IFRS 】</b>									
Full year	127,700	-	6,700	-	7,000	-	4,500	-	302.33

(Note) The Company has decided to voluntarily apply International Financial Reporting Standards (IFRS) from the year - end of fiscal year ending June 30, 2020. Therefore, in addition to the forecast calculated based on Japanese GAAP, the forecast calculated using IFRS, is disclosed. The percentage comparisons to results for fiscal year ended June 30, 2019 produced using Japanese GAAP, are not included in the above table.

(Note) At the meeting of Board of Directors held on August 13, 2019, the Company approved the acquisition of its own shares. “Net income per share” and “Basic earnings per share” in Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2020 have been stated after factoring in the impact of the Company’s acquisition of its own shares.

### \* Notes

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): None  
New companies: None  
Excluded companies: None
- (2) 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: Yes
  - 3) Changes in accounting estimates: Yes
  - 4) Retrospective restatement: None
- (3) Total number of issued shares (common stock)
  - 1) Total number of issued shares at the end of the period (including treasury stock)
 

Fiscal year ended June 30, 2019	: 15,919,544 shares
Fiscal year ended June 30, 2018	: 15,905,049 shares
  - 2) Total number of treasury stock at the end of the period
 

Fiscal year ended June 30, 2019	: 235,268 shares
Fiscal year ended June 30, 2018	: 364,422 shares
  - 3) Average number of shares during the period
 

Fiscal year ended June 30, 2019	: 15,616,157 shares
Fiscal year ended June 30, 2018	: 15,490,332 shares

**(Reference) Nonconsolidated Financial Results****1. Nonconsolidated Financial Results for the Fiscal Year Ended June 30, 2019 (July 1, 2018 to June 30, 2019)**

(1) Nonconsolidated Operating Results (% indicates changes from the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
June 30, 2019	68,013	5.0	2,711	(22.1)	3,359	(16.2)	2,329	(20.3)
June 30, 2018	64,782	4.9	3,478	16.3	4,007	4.9	2,920	26.9

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended		
June 30, 2019	149.16	-
June 30, 2018	188.56	-

## (2) Nonconsolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Fiscal year ended				
June 30, 2019	95,339	53,866	56.5	3,434.43
June 30, 2018	95,808	53,012	55.3	3,411.24

(Reference) Equity: Fiscal year ended June 30, 2019: ¥53,866 million

Fiscal year ended June 30, 2018: ¥53,012 million

(Note) From the beginning of the fiscal year ended June 30, 2019, the Company has adopted “Partial Amendments to Accounting Standard for Tax Effect Accounting” (ASBJ Statement No.28, February 16, 2018), etc. The accounting standard is retrospectively applied to the amount as of June 30, 2018.

**2. Nonconsolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2020 (July 1, 2019 to June 30, 2020)**

(% indicates changes from the previous fiscal year.)

	Net sales		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	77,400	13.8	5,100	51.8	3,700	58.8	248.58

(Note) At the meeting of Board of Directors held on August 13, 2019, the Company approved the acquisition of its own shares. Net income per share in Nonconsolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2020 has been stated after factoring in the impact of the Company’s acquisition of its own shares.

\* These consolidated financial results are not subject to audit procedures by certified public accountants or audit firm.

\* 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. The Company is scheduled to hold a financial results briefing session for investors and analysts on September 2, 2019. The financial briefing materials to be distributed at this briefing session will be subsequently posted on the Company’s website.