

# Consolidated Financial Results for the Fiscal Year Ended June 30, 2016 [Japanese GAAP]



August 12, 2016

**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

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Scheduled date of holding general shareholder's meeting: September 29, 2016

Scheduled date of commencing dividend payments: September 9, 2016

Scheduled date of filing securities report: September 30, 2016

Availability of supplementary briefing material on financial results: Yes

Schedule of 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, 2016 (July 1, 2015 to June 30, 2016)**

**(1) Consolidated Operating Results**

(% indicates changes from the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2016	81,865	0.0	4,723	4.9	4,365	(20.3)	1,823	(57.2)
June 30, 2015	81,839	3.3	4,502	5.8	5,477	20.6	4,261	42.1

(Note) Comprehensive income: Fiscal year ended June 30, 2016: ¥(924) million [ - %]

Fiscal year ended June 30, 2015: ¥6,032 million [42.9%]

	Net income per share	Diluted net income per share	Return on equity	Return on assets	Operating income on Net sales
Fiscal year ended	Yen	Yen	%	%	%
June 30, 2016	23.82	-	3.5	4.7	5.8
June 30, 2015	56.01	-	8.5	6.8	5.5

(Reference) Income from investment in affiliates (Equity method): Fiscal year ended June 30, 2016: -

Fiscal year ended June 30, 2015: -

**(2) Consolidated Financial Position**

	Total assets	Net assets	Equity ratio	Net assets per share
Fiscal year ended	Million yen	Million yen	%	Yen
June 30, 2016	100,989	51,460	50.6	665.31
June 30, 2015	84,110	52,981	62.6	690.09

(Reference) Equity: Fiscal year ended June 30, 2016: ¥51,122 million

Fiscal year ended June 30, 2015: ¥52,644 million

**(3) Consolidated Cash Flows**

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
June 30, 2016	379	(17,705)	15,199	9,400
June 30, 2015	881	2,702	(745)	11,673

## 2. Dividends

	Dividends per share					Total dividends paid (annual)	Payout ratio (consolidated)	Dividend on net assets ratio (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended June 30, 2015	-	-	-	10.00	10.00	772	17.9	1.5
Fiscal year ended June 30, 2016	-	-	-	10.00	10.00	771	42.0	1.5
Fiscal year ending June 30, 2017 (Forecast)	-	-	-	75.00	75.00		32.0	

(Notes)

- (1) “Total dividends paid (annual)” includes dividends on the Company’s shares held by the Employee Share Ownership Plan (ESOP) trust.
- (2) The Company is planning to implement a share consolidation in a rate of one share for every five shares effective January 1, 2017. “Year-end Dividends per share” at the end of fiscal year ending June 30, 2017 (Forecast) is listed the figure calculated by considering the effect of the planned share consolidation. If the effect of the planned share consolidation is not taken into account, “Year-end Dividends per share” at the end of fiscal year ending June 30, 2017 (Forecast) is projected to be 15.00 yen. For details, please refer to No.2 under “\* 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 fiscal year.)

	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	234.25

(Note) “Net income per share” of full year in the Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2017 is calculated by considering the effect of the share consolidation. If the effect of the share consolidation is not taken into account, “Net income per share” of full year in the Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2017 is projected to be 46.85 yen. For details, please refer to No.2 under “\* Explanation of the proper use of financial results forecast and other notes”.

### \* Notes:

- (1) Changes in significant subsidiaries during the fiscal year ended June 30, 2016 (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes  
 New: 2 (BDP HOLDINGS LIMITED, BUILDING DESIGN PARTNERSHIP LIMITED)  
 Excluded: -
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - 1) Changes in accounting policies due to the revision of accounting standards: Yes
  - 2) Changes in accounting policies other than 1) above: None
  - 3) Changes in accounting estimates: None
  - 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, 2016 : 86,656,510 shares  
 Fiscal year ended June 30, 2015 : 86,656,510 shares
  - 2) Total number of treasury stock at the end of the period:  
 Fiscal year ended June 30, 2016 : 9,816,140 shares  
 Fiscal year ended June 30, 2015 : 10,370,910 shares
  - 3) Average number of shares during the period:  
 Fiscal year ended June 30, 2016 : 76,544,407 shares  
 Fiscal year ended June 30, 2015 : 76,077,020 shares

**(Reference) Nonconsolidated Financial Results****1. Nonconsolidated Financial Results for the Fiscal Year Ended June 30, 2016 (July 1, 2015 to June 30, 2016)**

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

	Net sales		Operating income		Ordinary income		Net income	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2016	60,327	(0.2)	3,275	2.7	3,548	(42.3)	1,678	(70.6)
June 30, 2015	60,471	2.0	3,190	3.0	6,146	53.7	5,714	159.9

	Net income per share	Diluted net income per share
Fiscal year ended	Yen	Yen
June 30, 2016	21.92	-
June 30, 2015	75.11	-

**(2) Nonconsolidated Financial Position**

	Total assets	Net assets	Equity ratio	Net assets per share
Fiscal year ended	Million yen	Million yen	%	Yen
June 30, 2016	83,673	48,112	57.5	626.14
June 30, 2015	73,391	48,691	66.3	638.28

(Reference) Equity: Fiscal year ended June 30, 2016: ¥48,112 million

Fiscal year ended June 30, 2015: ¥48,691 million

**2. Nonconsolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2017 (July 1, 2016 to June 30, 2017)**

(% 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	63,000	4.4	3,600	1.5	2,100	25.1	136.65

(Note) “Net income per share” of full year in the Nonconsolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2017 is calculated by considering the effect of the share consolidation. If the effect of the share consolidation is not taken into account, “Net income per share” of full year in the Nonconsolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2017 is projected to be 27.33 yen. For details, please refer to “\* Explanation of the proper use of financial results forecast and other notes”.

**\* Presentation regarding the implementation status of audit procedures**

This Consolidated Financial Results is exempt from the audit stipulated in the Financial Instruments and Exchange Act. The audit procedures for financial statements based on the stipulations of said Act have not been completed at the time of disclosure of this Consolidated Financial Results.

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

- 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.
- At the meeting of the Board of Directors held on August 12, 2016, the Company resolved to present a proposal concerning a share consolidation at the 72nd general shareholders' meeting to be held on September 29, 2016. Subject to approval at the shareholders' meeting, a share consolidation in a rate of one share for every five shares will be implemented on January 1, 2017 as the effective date. Also the Company is planning to decrease the size of the Share Unit from 1,000 shares to 100 shares on the same date. When the share consolidation is not taken into account, forecast of dividends and Consolidated Financial Results for the Fiscal Year Ending June 30, 2017 are as follows:
  - Dividend Forecast for the Fiscal Year Ending June 30, 2017  
Year-end Dividends per share 15.00 yen
  - Consolidated Financial Results Forecasts for the Fiscal Year Ending June 30, 2017  
Net income per share of full year 46.85 yen
- The Company will hold a financial results briefing session for institutional investors and securities analysts on August 23, 2016. After the session, supplementary briefing material on financial results will be published on the Company's website.