

Consolidated Earnings Report for the Second Quarter of Fiscal 2017 [Japanese GAAP]

October 25, 2016

Company Name: **KOITO MANUFACTURING CO., LTD.**
 Stock Listing: First Section, Tokyo Stock Exchange
 Code Number: 7276
 URL: <http://www.koito.co.jp>
 Representative Director: Hiroshi Mihara, President
 Inquiries: Hideo Yamamoto, Director and Managing Corporate Officer
 Tel: +81-3-3443-7111
 Filing of Quarterly Securities Report: November 2, 2016
 Scheduled Payment of Dividends: December 5, 2016
 Supplementary explanatory materials prepared: Yes
 Explanatory meeting: Yes

(¥ millions are rounded down)

1. Consolidated Results for the Second Quarter of Fiscal 2017(April 1, 2016 to September 30, 2016)

(1) Consolidated Operating Results (¥millions; percentage figures represent year-on-year changes)

Second Quarter	Net sales		Operating income		Recurring profit		Profit attributable to owners of parent
Fiscal 2017	383,720	0.1%	39,748	22.7%	39,646	20.6%	22,929 61.8%
Fiscal 2016	383,310	18.6%	32,399	32.1%	32,882	28.4%	14,175 △3.3%

Note: Comprehensive income or loss: September 30, 2016: ¥8,284 million (623.7%), September 30, 2015:¥ 1,144 million (△95.9%)

Second Quarter	Net income per share (¥)	Net income per share (diluted) (¥)
Fiscal 2017	142.69	142.63
Fiscal 2016	88.21	88.20

(2) Consolidated Financial Position

(¥millions)

	Total assets	Net assets	Equity ratio (%)	Net assets per share (¥)
September 30, 2016	570,049	329,625	51.2	1,816.06
March 31, 2016	588,683	329,671	48.6	1,780.94

Note: Equity: September 30, 2016: ¥ 291,830 million, March 31, 2016: ¥ 286,185 million

2. Dividends

	Dividend per share (¥)				
	First Quarter	Second Quarter	Third Quarter	Year End	Full Year
Fiscal 2016	—	16.00	—	20.00	36.00
Fiscal 2017	—	20.00			
Fiscal 2017 (forecast)			—	—	—

Notes: 1. Revisions to recent dividend forecasts: Yes

2. The dividend record date is March 31, as prescribed by KOITO's Articles of Incorporation; the dividend forecast for the March 31, 2017 is currently undecided.

3. Forecast of Consolidated Results for Fiscal 2017 (April 1, 2016 to March 31, 2017)

(¥million; percentage figures represent year-on-year changes)

	Net sales		Operating income		Recurring profit		Profit attributable to owners of parent	Net income per share (¥)
Full year	787,000	△3.3%	82,000	△0.3%	83,000	△1.5%	49,000 5.8%	304.93

Note: Revisions to recent consolidated business forecasts: Yes

***Notes**

- (1) Changes to important subsidiaries during the second quarter (changes in specified subsidiaries resulting in revised scope of consolidation): None
- (2) Application of special accounting methods in the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting principles, accounting estimates and restatements
- ①Changes in accounting policies in conjunction with revisions to accounting standards: Yes
- ②Other changes: None
- ③Changes in accounting estimates: None
- ④Restatements: None

(Note) For details, please refer to (3) Changes in Accounting Principles, Accounting Estimates and Restatements under 2. Summary Information (Notes) on page 4 of the supplementary materials.

- (4) Number of shares issued (common stock)

①Number of shares issued (including treasury stock):

Fiscal 2017, 2Q	160,789,436	Fiscal 2016	160,789,436
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②Number of treasury stock:

Fiscal 2017, 2Q	95,694	Fiscal 2016	95,649
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③Average number of stock during the second quarter:

Fiscal 2017, 2Q	160,693,772	Fiscal 2016, 2Q	160,693,975
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***Explanations concerning status of quarterly review procedures**

This quarterly earnings report is not subject to the review procedures for quarterly reporting based on the Financial Instruments and Exchange Act. At the time of issue of this report, the review procedures for quarterly reporting based on the Financial Instruments and Exchange Act were being carried out.

《 For Reference Only 》

Forecast of Non-consolidated Result for Fiscal 2017 (April 1, 2016 to March 31, 2017)

(¥millions; percentage figures represent year-on-year changes)

	Net sales		Operating income		Recurring profit		Net income		Net income per share (¥)
Full year	288,000	6.3%	25,000	16.0%	40,000	8.2%	28,000	28.4%	174.24

Note: Revisions to recent non-consolidated business forecasts: Yes

*Explanations concerning proper use of business forecasts and other noteworthy matters

The above forecasts are based on information available, and certain assumptions that are judged to be reasonable, at the time of the release of this report. KOITO is not promising that the Company will achieve these forecasts. Actual results could differ from forecasts due to a variety of factors.