

Summary of FY March 2018 Second Quarter Consolidated Financial Results [Japan GAAP] (April 1, 2017 to September 30, 2017)

Corporate Name: PROTO CORPORATION
Securities Code: 4298
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Stock Exchange Listing: TSE
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Scheduled dates:

Scheduled date of filing of quarterly report: November 13, 2017
Scheduled date for dividend payment: November 20, 2017

Quarterly earnings supplementary explanatory documents: Yes
Quarterly earnings presentation: Yes (for institutional investors and analysts)

(Figures are rounded down to million yen.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2017 (April 1, 2017 to September 30, 2017)

(1) Consolidated Operating Results

(Percentage represents change to the corresponding previous quarterly period.)

	Net Sales		Operating Income		Ordinary Income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six Months Ended September 30, 2017	29,386	11.3	1,795	34.1	1,950	49.3	857	22.1
Six Months Ended September 30, 2016	26,399	0.3	1,338	(39.7)	1,306	(43.3)	702	(43.6)

Note: Comprehensive income

As of September 30, 2017: 859 million yen; 35.5% As of September 30, 2016: 634 million yen; (44.4%)

	Net Income per Share		Net Income per Share (fully diluted)	
	Yen		Yen	
Six Months Ended September 30, 2017	42.76		—	
Six Months Ended September 30, 2016	34.93		—	

(2) Consolidated Financial Position

	Total Assets		Net Assets		Equity Ratio	
	Million yen		Million yen		%	
As of September 30, 2017	46,939		26,826		57.0	
As of March 31, 2017	41,934		26,401		63.0	

Reference: Equity capital

As of September 30, 2017: 26,761 million yen As of March 31, 2017: 26,401 million yen

2. Cash Dividends

	Cash Dividends per Share				
	Q1 End	Q2 End	Q3 End	Year-End	Annual
Year Ended March 2017	—	25.00	—	25.00	50.00
Year Ending March 2018	—	25.00	—	—	—
Year Ending March 2018 (Forecast)	—	—	—	25.00	50.00

Note: Revisions to the forecast of cash dividends for the current quarter: None

3. Forecast of the Consolidated Results for the Year Ending March 31, 2018 (April 1, 2017 to March 31, 2018)

(Percentage represents change to the corresponding previous period.)

	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	
Year Ending March 31, 2018	62,650	10.5	3,700	32.3	3,859	33.8	2,120	40.7	105.69	

Note: Revisions to the forecast of consolidated results for the current quarter: Yes

*** Note**

(1) Major changes in consolidated subsidiaries during the six months ended September 30, 2017: None

(2) Application of accounting methods which are exceptional for quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, accounting estimates and restatement of corrections

1) Changes in accounting policies resulting from the revision of the accounting standards and other regulations: None

2) Other changes in accounting policies: None

3) Changes in accounting estimates: None

4) Restatement of corrections: None

(4) Numbers of shares issued (common stock)

1) Numbers of shares issued (including treasury stock)	As of September 30, 2017	20,940,000 shares	As of March 31, 2017	20,940,000 shares
2) Number of treasury stock	As of September 30, 2017	881,450 shares	As of March 31, 2017	881,430 shares
3) The average number of outstanding shares over period (cumulative term)	Six months ended September 30, 2017	20,058,561 shares	Six months ended September 30, 2016	20,103,927 shares

*** Indication regarding the implementation status of the quarterly review procedure**

This quarterly financial report is exempt from quarterly review procedure based on the Financial Instruments and Exchange Act, and the review procedure of the quarterly financial statement based on the Financial Instruments and Exchange Act is not completed at the time of disclosure of this quarterly financial report.

*** Explanation for appropriate use of forecasts and other notes**

The forward-looking statements such as operational forecasts contained in this statements summary are based on the information currently available to the Company and certain assumptions which are regarded as legitimate. Actual results may differ significantly from these forecasts due to various factors.