



Consolidated Financial Results for the six months of Fiscal Year 2018

(Fiscal Year 2018: Year ending March 31, 2018)

November 7, 2017

Company Name	NORITAKE CO., LIMITED
Stock Exchange Listings	Tokyo, Nagoya
Code Number	5331
URL	http://www.noritake.co.jp/eng/
Representative	Tadashi Ogura, President
Contact Person	Yoshimasa Nakamura, General Manager of Finance and Accounting Dept. (Tel: +81-52-561-7116)

(Millions of Yen: Amounts less than 1 million yen are omitted.)

1. Consolidated Financial Results for the six months of Fiscal Year 2018 (April 1, 2017 - September 30, 2017)

(1) Operating Results

	Net Sales		Operating Profit		Ordinary Profit	
	Millions of Yen	Change	Millions of Yen	Change	Millions of Yen	Change
Six months of FY 2018	56,911	6.5%	2,223	101.5%	3,158	71.1%
Six months of FY 2017	53,421	(1.1%)	1,103	(19.3%)	1,846	(6.7%)

	Profit Attributable to Owners of Parent		Basic Earnings per Share	Diluted Earnings per Share
	Millions of Yen	Change	Yen	Yen
Six months of FY 2018	2,478	156.7%	172.64	—
Six months of FY 2017	965	(59.7%)	67.26	—

*The Company conducted a reverse stock split at a ratio of one share for every ten shares on October 1, 2016. The figures for the basic earnings per share are amounts on the assumption that the Company conducts the reverse stock split on the beginning of previous fiscal year.

(2) Financial Position

	Total Assets	Net Assets	Ratio of Shareholders' Equity	Shareholders' Equity per Share
	Millions of Yen	Millions of Yen	%	Yen
2nd quarter of FY 2018	147,689	90,497	59.0	6,068.26
FY 2017	142,362	87,125	59.0	5,846.51

(Reference) Shareholders' Equity: 2nd quarter of FY 2018 87,139 million yen
FY 2017 83,928 million yen

2. Dividends

	Dividends per Share		
	Interim (Yen)	Year-End (Yen)	Total (Yen)
FY 2017	3.00	30.00	—
FY 2018 (Actual)	30.00	—	—
FY 2018 (Forecast)	—	40.00	70.00

(Note) Revisions to forecast of dividends per share for FY 2018 : Yes

*As the Company conducted a reverse stock split at a ratio of one share for every ten shares on October 1, 2016, figures for the dividends per share for FY 2017 are amounts that take into account the reverse stock split, and total annual dividends are shown as “—”, and the annual dividend per share as calculated on a post-consolidation basis is 60 yen for FY 2017.

3. Forecast of Consolidated Financial Results for Fiscal Year 2018 *

	Net Sales		Operating Profit		Ordinary Profit	
	Millions of Yen	Change	Millions of Yen	Change	Millions of Yen	Change
FY 2018	114,000	4.8%	4,000	28.2%	5,600	15.2%
	Profit Attributable to Owners of Parent		Basic Earnings per Share			
	Millions of Yen	Change	Yen			
FY 2018	15,000	265.2%	1,044.57			

(Note) Revisions to forecast of consolidated financial results : None

4. Other Information

- (1) Status changes of specified subsidiaries involving changes in the scope of consolidation : None
- (2) Adoption of accounting methods used specifically for quarterly consolidated financial statements : None
- (3) Change in accounting policies, accounting estimates or restatement
 - ① Changes in accordance with revision of accounting standards : None
 - ② Other changes in accounting policies : None
 - ③ Changes in accounting estimates : None
 - ④ Restatement : None

(4) Number of shares outstanding (Common Shares)

	Outstanding shares at end of period (including treasury shares)	Treasury shares at end of period	Average number of shares outstanding over period	
2nd quarter of FY 2018	15,842,849	1,482,894	2nd quarter of FY 2018	14,357,796
FY 2017	15,842,849	1,487,548	2nd quarter of FY 2017	14,358,302

*The Company conducted a reverse stock split at a ratio of one share for every ten shares on October 1, 2016. The figures for the average number of shares outstanding over period are amounts on the assumption that the Company conducts the reverse stock split on the beginning of previous fiscal year.

*Cautionary Statement:

- 1.This report is not subject to quarterly review procedures.
- 2.Forecast of consolidated financial results for FY 2018 is based on management's assumptions and beliefs in the light of information currently available. A number of important risks and uncertainties could cause actual results to differ materially from it, therefore Noritake suggests that you should not place undue reliance on it for investment purpose and so forth.

CONSOLIDATED BALANCE SHEETS

	FY 2017	FY 2018 2Q
	As of March 31, 2017	As of September 30, 2017
	Millions of Yen	Millions of Yen
Assets		
Current assets		
Cash and deposits	11,275	11,934
Notes and accounts receivable - trade	27,286	28,732
Electronically recorded monetary claims - operating	3,067	4,179
Merchandise and finished goods	8,013	8,625
Work in process	4,617	5,031
Raw materials and supplies	4,423	4,412
Other	2,552	2,858
Allowance for doubtful accounts	(26)	(19)
Total current assets	61,210	65,754
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,240	16,930
Other, net	26,387	25,409
Total property, plant and equipment	43,628	42,340
Intangible assets	1,068	1,034
Investments and other assets		
Investment securities	33,539	35,647
Net defined benefit asset	1,935	1,983
Other	1,103	1,053
Allowance for doubtful accounts	(122)	(123)
Total investments and other assets	36,455	38,560
Total non-current assets	81,152	81,934
Total assets	142,362	147,689

	FY 2017 As of March 31, 2017 Millions of Yen	FY 2018 2Q As of September 30, 2017 Millions of Yen
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,215	10,463
Electronically recorded obligations - operating	5,395	6,683
Short-term loans payable	9,671	8,495
Current portion of long-term loans payable	445	5,328
Income taxes payable	804	693
Provision for bonuses	1,504	1,509
Notes payable - facilities	141	169
Electronically recorded obligations - non-operating	1,442	242
Other	3,962	5,643
Total current liabilities	32,583	39,230
Non-current liabilities		
Long-term loans payable	13,018	7,894
Provision	272	256
Net defined benefit liability	1,917	1,892
Other	7,444	7,917
Total non-current liabilities	22,652	17,961
Total liabilities	55,236	57,192
Net assets		
Shareholders' equity		
Capital stock	15,632	15,632
Capital surplus	18,783	18,783
Retained earnings	42,417	44,457
Treasury shares	(3,891)	(3,882)
Total shareholders' equity	72,941	74,991
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,982	14,188
Foreign currency translation adjustment	(2,590)	(2,875)
Remeasurements of defined benefit plans	594	835
Total accumulated other comprehensive income	10,986	12,148
Non-controlling interests	3,197	3,357
Total net assets	87,125	90,497
Total liabilities and net assets	142,362	147,689

CONSOLIDATED STATEMENTS OF INCOME

	FY 2017 2Q (April 1, 2016 through September 30, 2016)	FY 2018 2Q (April 1, 2017 through September 30, 2017)
	Millions of Yen	Millions of Yen
Net sales	53,421	56,911
Cost of sales	39,320	41,698
Gross profit	14,101	15,212
Selling, general and administrative expenses		
Selling expenses	8,806	8,750
General and administrative expenses	4,191	4,238
Total selling, general and administrative expenses	12,998	12,989
Operating profit	1,103	2,223
Non-operating income		
Interest income	43	50
Dividend income	305	328
Rent income	210	215
Foreign exchange gains	—	18
Share of profit of entities accounted for using equity method	362	373
Other	76	72
Total non-operating income	999	1,058
Non-operating expenses		
Interest expenses	40	30
Foreign exchange losses	82	—
Rent expenses on non-current assets	87	71
Other	45	21
Total non-operating expenses	256	122
Ordinary profit	1,846	3,158
Extraordinary income		
Gain on sales of non-current assets	10	283
Other	—	0
Total extraordinary income	10	284
Extraordinary losses		
Loss on disposal of non-current assets	202	85
Impairment loss	—	117
Loss on liquidation of subsidiaries and associates	69	—
Other	15	2
Total extraordinary losses	286	206
Profit before income taxes	1,570	3,236
Income taxes - current	499	681
Income taxes - deferred	(29)	(129)
Total income taxes	469	552
Profit	1,100	2,684
Profit attributable to non-controlling interests	135	205
Profit attributable to owners of parent	965	2,478

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	FY 2017 2Q (April 1, 2016 through September 30, 2016)	FY 2018 2Q (April 1, 2017 through September 30, 2017)
	Millions of Yen	Millions of Yen
Profit	1,100	2,684
Other comprehensive income		
Valuation difference on available-for-sale securities	(118)	1,210
Foreign currency translation adjustment	(2,710)	(271)
Remeasurements of defined benefit plans, net of tax	441	244
Share of other comprehensive income of entities accounted for using equity method	(33)	4
Total other comprehensive income	(2,420)	1,187
Comprehensive income	(1,319)	3,871
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,199)	3,641
Comprehensive income attributable to non-controlling interests	(119)	230

CONSOLIDATED STATEMENTS OF CASH FLOWS

	FY 2017 2Q (April 1, 2016 through September 30, 2016) Millions of Yen	FY 2018 2Q (April 1, 2017 through September 30, 2017) Millions of Yen
Cash flows from operating activities		
Profit before income taxes	1,570	3,236
Depreciation	1,991	2,003
Impairment loss	—	117
Increase (decrease) in allowance for doubtful accounts	(11)	(5)
Increase (decrease) in net defined benefit liability and asset	555	279
Increase (decrease) in provision	(84)	(15)
Interest and dividend income	(349)	(379)
Interest expenses	40	30
Share of (profit) loss of entities accounted for using equity method	(362)	(373)
Loss (gain) on sales of short-term and long-term investment securities	13	(0)
Loss (gain) on sales and retirement of property, plant and equipment and intangible assets	191	(197)
Decrease (increase) in notes and accounts receivable - trade	1,877	(2,599)
Decrease (increase) in inventories	(183)	(1,099)
Increase (decrease) in notes and accounts payable - trade	681	2,543
Other, net	(65)	380
Subtotal	5,863	3,921
Interest and dividend income received	350	398
Interest expenses paid	(40)	(29)
Income taxes paid	(584)	(660)
Net cash provided by (used in) operating activities	5,588	3,630
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(1,855)	(2,537)
Proceeds from sales of property, plant and equipment and intangible assets	121	635
Purchase of investment securities	(10)	(11)
Proceeds from sales of investment securities	43	2
Payments of loans receivable	(9)	(228)
Collection of loans receivable	40	72
Payments into time deposits	(786)	(659)
Proceeds from withdrawal of time deposits	783	984
Other, net	(53)	1,135
Net cash provided by (used in) investing activities	(1,727)	(606)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(1,154)	(1,184)
Repayments of long-term loans payable	(253)	(237)
Proceeds from sales of treasury shares	599	—
Purchase of treasury shares	(601)	(3)
Cash dividends paid	(430)	(438)
Other, net	(54)	(70)
Net cash provided by (used in) financing activities	(1,894)	(1,935)
Effect of exchange rate change on cash and cash equivalents	(528)	(12)
Net increase (decrease) in cash and cash equivalents	1,438	1,076
Cash and cash equivalents at beginning of period	8,583	8,910
Cash and cash equivalents at end of period	10,021	9,987

SEGMENT INFORMATION

FY 2017 2Q (April 1, 2016 through September 30, 2016) (Millions of Yen)

	Industrial Products	Ceramics & Materials	Engineering	Tabletop	Total
Net sales:					
External customers	28,070	13,555	7,231	4,563	53,421
Operating profit (loss)	277	779	409	(362)	1,103

FY 2018 2Q (April 1, 2017 through September 30, 2017) (Millions of Yen)

	Industrial Products	Ceramics & Materials	Engineering	Tabletop	Total
Net sales:					
External customers	29,497	15,403	7,947	4,062	56,911
Operating profit (loss)	805	1,364	604	(551)	2,223