

Translation

Consolidated Financial Results for Third Quarter FY3/2019 (Japanese GAAP)

February 8, 2019

Company name: **The Nisshin Oillio Group, Ltd.**
 Stock exchange listing: Tokyo (First Section)
 Stock code: 2602
 URL: <http://www.nisshin-oillio.com/english/index.shtml>
 Representative: Takahisa Kuno, Representative Director, President
 Contact: Kenji Matsuura, General Manager, Financial Dept.
 TEL: +81-3-3206-5036 (from overseas)

Scheduled date to file quarterly securities report: February 12, 2019
 Scheduled date to commence dividend payments: —
 Supplementary explanatory materials prepared: Yes
 Explanatory meeting: No

(Figures have been rounded down to the nearest million)

1. Consolidated financial results for the third quarter ended December 31, 2018 (April 1, 2018 to December 31, 2018)

(1) Consolidated operating results (for the nine month period) (Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to the parent's shareholders	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
3 rd quarter FY3/2019	263,695	3.3	11,371	54.2	12,187	66.7	8,099	54.7
3 rd quarter FY3/2018	255,297	5.2	7,374	(20.7)	7,308	(20.9)	5,234	(21.4)

Note: Comprehensive income

3rd quarter FY3/2019: ¥8,523 million (-7.5%)

3rd quarter FY3/2018: ¥9,219 million (42.8 %)

	Net income per share	Diluted net income per share
	Yen	Yen
3 rd quarter FY3/2019	237.28	—
3 rd quarter FY3/2018	154.25	—

* The Company conducted a consolidation of its shares of common stock at the ratio of five shares to one share as of October 1, 2017. Net income per share has been calculated as if the consolidation of shares had been conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
3 rd quarter FY3/2019	269,403	148,771	51.7
FY3/2018	271,732	141,360	49.0

Note: Equity

3rd quarter FY3/2019: ¥139,307 million

FY3/2018: ¥133,230 million

2. Cash dividends

	Cash dividends per share				
	1 st quarter	2 nd quarter	3 rd quarter	Fiscal year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY3/2018	–	6.00	–	30.00	–
FY3/2019	–	35.00	–		
FY3/2019 (forecasts)				35.00	70.00

Note: Revisions to the most recently announced cash dividend forecast: None

* The Company conducted a consolidation of its shares of common stock at the ratio of five shares to one share as of October 1, 2017. The fiscal year-end cash dividend per share for FY3/2018 reflects the consolidation, but the annual cash dividend per share is omitted, as it cannot be calculated as a simple sum

3. Consolidated earnings forecasts for FY3/2019 (April 1, 2018 to March 31, 2019)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to the parent's shareholders		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY3/2019	357,000	5.6	10,800	18.6	11,400	22.9	8,000	15.4	234.35

Note: Revisions to the most recently announced consolidated earnings forecasts: None

Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in a change in the scope of consolidation): No
New: - Excluded: -
- (2) Adoption of special accounting procedure applied for quarterly consolidated financial statements: Yes
Deferral accounting of cost variance
Cost variance arising from seasonal fluctuations in capacity utilization is deferred as current liabilities (other) since it is expected to be almost completely eliminated by the end of the cost accounting period.
- (3) Changes in accounting policies, accounting estimates and restatement of prior financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
 - Changes in accounting policies due to other reasons: No
 - Changes in accounting estimates: No
 - Restatement of prior financial statements: No
- (4) Number of common shares and outstanding
- | | |
|--|-------------------|
| a. Total number of issued shares at the end of the period (including treasury stock) | |
| 3Q FY3/2019 | 34,667,857 shares |
| FY3/2018 | 34,667,857 shares |
| b. Number of treasury shares at the end of the period | |
| 3Q FY3/2019 | 531,752 shares |
| FY3/2018 | 530,615 shares |
| c. Average number of shares during the nine months period | |
| 3Q FY3/2019 | 34,136,469 shares |
| 3Q FY3/2018 | 33,936,993 shares |

* From the second quarter of FY3/2019, the Company introduced the Board Benefit Trust, a share-based compensation plan using a trust for directors and others. Shares of the Company held within the trust are included in treasury stock.

* The Company conducted a consolidation of its shares of common stock at the ratio of five shares to one share as of October 1, 2017. The total number of issued shares at the end of the period, the number of treasury shares at the end of the period, and the average number of shares during the nine month period have been calculated as if the consolidation of shares had been conducted at the beginning of the previous fiscal year.

* This quarterly financial report falls outside the scope of the quarterly review procedures by a certified public account or auditing firm.

* **Explanation regarding future projections such as consolidated earnings forecasts, etc.**

We delivered a solid business performance during the nine months ended December 31, 2018. In the fourth quarter, we will continue striving to expand sales of high value-added products and form and maintain appropriate selling prices. With regard to our consolidated earnings forecasts for the full fiscal year, we expect to surpass our initial profit forecasts. However, given that we are still assessing the amounts of profits, we have not revised the consolidated earnings forecasts announced in the financial report on May 9, 2018.

* **Cautionary statement on the use pertaining to forward-looking statements**

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. This is not to be interpreted as a promise or guarantee of the attainability of the forecasts included herein. Actual business results may differ substantially due to a number of factors..