

## Summary of Consolidated Financial Results for the Fiscal Year Ended February 28, 2018

[Japanese GAAP]

Company name: Freund Corporation  
 Securities code: 6312  
 Representative: Iwao Fusejima, President & CEO  
 Contact: Yuji Takanami, General Manager, Corporate Administration Division  
 Tel: +81-3-6890-0750

Listing: Tokyo (JASDAQ)  
 URL: <http://www.freund.co.jp>

Scheduled date of Annual General Meeting of Shareholders: May 30, 2018  
 Scheduled date of filing of Annual Securities Report: May 31, 2018  
 Scheduled date of payment of dividend: May 31, 2018  
 Preparation of supplementary materials for financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and securities analysts)

(All amounts are rounded down to the nearest million yen)

### 1. Consolidated Financial Results for the Fiscal Year Ended February 28, 2018 (March 1, 2017 – February 28, 2018)

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Feb. 28, 2018	19,801	(6.4)	1,971	(3.4)	1,994	(4.9)	1,477	38.8
Fiscal year ended Feb. 28, 2017	21,164	11.2	2,041	51.6	2,097	50.4	1,064	10.7

Note: Comprehensive income  
 Fiscal year ended Feb. 28, 2018: 1,401 million yen (up 49.5%)  
 Fiscal year ended Feb. 28, 2017: 937 million yen (up 17.4%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit on total assets	Operating profit on net sales
	Yen	Yen	%	%	%
Fiscal year ended Feb. 28, 2018	85.69	-	11.6	10.4	10.0
Fiscal year ended Feb. 28, 2017	61.72	-	9.0	11.6	9.6

Reference: Equity in earnings of affiliates  
 Fiscal year ended Feb. 28, 2018: - million yen  
 Fiscal year ended Feb. 28, 2017: - million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Feb. 28, 2018	19,125	13,242	69.2	767.91
As of Feb. 28, 2017	19,101	12,185	63.8	706.62

Reference: Equity capital  
 As of Feb. 28, 2018: 13,242 million yen  
 As of Feb. 28, 2017: 12,185 million yen

(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 the period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Feb. 28, 2018	594	(493)	(499)	6,568
Fiscal year ended Feb. 28, 2017	3,605	(351)	(277)	6,982

### 2. Dividends

	Dividend per share					Total dividends	Dividend payout ratio (consolidated)	Dividend on equity (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
Fiscal year ended Feb. 28, 2017	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended Feb. 28, 2017	-	0.00	-	20.00	20.00	344	32.4	2.9
Fiscal year ended Feb. 28, 2018	-	0.00	-	20.00	20.00	344	23.3	2.7
Fiscal year ending Feb. 28, 2019 (forecast)	-	0.00	-	20.00	20.00		25.5	

### 3. Consolidated Forecast for the Fiscal Year Ending February 28, 2019 (March 1, 2018 – February 28, 2019)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	20,000	1.0	1,900	(3.6)	1,900	(4.7)	1,350	(8.6)	78.29

**\* Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

Newly added: - Excluded: -

(2) Changes in accounting policies and accounting-based estimates, and restatements

- 1) Changes in accounting policies due to revisions in accounting standards, others: None  
 2) Changes in accounting policies other than 1) above: None  
 3) Changes in accounting-based estimates: None  
 4) Restatements: None

(3) Number of outstanding shares (common stock)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Feb. 28, 2018: 18,400,000 shares As of Feb. 28, 2017: 18,400,000 shares

2) Number of treasury shares at the end of the period

As of Feb. 28, 2018: 1,155,478 shares As of Feb. 28, 2017: 1,155,478 shares

3) Average number of shares outstanding during the period

Fiscal year ended Feb. 28, 2018: 17,244,522 shares Fiscal year ended Feb. 28, 2017: 17,244,534 shares

**Reference: Summary of Non-consolidated Financial Results**

**Non-consolidated Financial Results for the Fiscal Year Ended February 28, 2018 (March 1, 2017 – February 28, 2018)**

(1) Non-consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Feb. 28, 2018	14,282	(9.0)	1,729	12.5	1,945	11.0	1,501	76.0
Fiscal year ended Feb. 28, 2017	15,696	14.2	1,537	40.2	1,752	35.9	852	21.7

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended Feb. 28, 2018	87.06	-
Fiscal year ended Feb. 28, 2017	49.46	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Feb. 28, 2018	17,407	12,535	72.0	726.92
As of Feb. 28, 2017	16,948	11,361	67.0	658.82

Reference: Shareholders' equity As of Feb. 28, 2018: 12,535 million yen As of Feb. 28, 2017: 11,361 million yen

This financial report is not subject to audit by certified public accountants or auditing firms.

Cautionary statement with respect to forecasts of future performance and other special items

Forecasts regarding future performance in these materials are based on certain assumptions judged to be valid and information currently available to the Company. Actual performance may differ significantly from these forecasts for a number of reasons.