

**NICHIDAI CORPORATION**  
**Summary of Financial Results for the Ended March 31, 2010**

April 30, 2010

Company name: Nichidai Corporation

Listed Stock Exchange: JASDAQ

Code number: 6467

(URL <http://www.nichidai.jp>)

Company Representative: Motonobu Furuya, President & CEO

Contact Information: Hirokazu Tsuji, Administrative Headquarters General Manager TEL (0774) 62-3481

Annual shareholders' meeting: June 28, 2010

Reporting date of financial statements: June 29, 2010

(Rounded down to the nearest million yen.)

1. Consolidated Financial Results for the Year Ended March 31, 2010 (From April 1, 2009 to March 31, 2010)

(1) Consolidated Operating Results (Total) (% = Year-on-year change)

	Net sales		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY 2010	6,887	△33.7	△412	—	△419	—	△450	—
FY 2009	10,394	△17.4	315	△73.9	190	△82.2	205	△51.3

	EPS		Adjusted EPS		Return on Equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Sen	Yen	Sen	%	%	%
FY 2010	△49	74	—	—	△7.1	△3.7	△6.0
FY 2009	22	73	—	—	3.1	1.6	3.0

(Ref.) Gain or loss on investment by equity method FY 2010 —million yen FY 2009 —million yen

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	BPS	
	Millions of Yen	Millions of Yen	%	Yen	Sen
FY 2010	11,205	6,444	55.2	682	72
FY 2009	11,522	6,848	57.2	728	08

(Ref.) Shareholders' Equity FY 2010 6,179 million yen FY 2009 6,590 million yen

(3) Consolidated Statements of Cash Flows

	Operating Activities	Investing Activities	Financing Activities	Cash & Cash Equivalents at the end of the period
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
FY 2010	270	△321	△230	1,060
FY 2009	1,033	△632	395	1,320

2. Dividends

(Record Date)	Dividends per Share						Total Dividends (Full Year)	Payout Ratio (Consolidated)	Dividend on Equity Ratio (Consolidated)
	End of 1 <sup>st</sup> Quarter	End of Interim Period	End of 3 <sup>rd</sup> Quarter	Year End	Full Year				
FY 2009	Yen — Sen —	Yen 8 Sen 00	Yen — Sen —	Yen 0 Sen 00	Yen 8 Sen 00	Millions of Yen	%	%	
FY 2010	— —	0 00	— —	0 00	0 00	72	—	—	
FY 2011 (Forecast)	— —	3 00	— —	3 00	6 00	—	36.2	—	

### 3. Consolidated Forecast for the Year Ending March 2011 (From April 1, 2010 to March 31, 2011)

(Percentage indicates changes compared with the previous year for full year, and changes compared with the interim period of the previous year for interim period.)

	Net sales		Operating Income		Ordinary Income		Net Income		EPS	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen	Sen
6months ended	4,220	36.8	70	—	20	—	10	—	1	10
Full Year	9,000	30.7	300	—	200	—	150	—	16	57

#### 4. Others

(1) Changes of important subsidiaries during the period (changes in specified subsidiaries that involve changes in the scope of consolidation) N/A

(2) Changes in accounting principle, procedure or method associated with preparing the consolidated financial results (to be stated in the changes of important items that form the basis of the consolidated financial results)

① Changes resulting from revision of accounting policy Applicable

② Changes other than ① N/A

(3) Number of outstanding shares (ordinary shares)

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

FY 2010 9,053,300 shares FY 2009 9,053,300 shares

② Number of treasury stocks at the end of the term

FY 2010 1,643 shares FY 2009 1,643 shares

(Ref.) Overview of non-consolidated operating results

1. Non-Consolidated Operating Results for the FY 2010 (From April 1, 2009 to March 31, 2010)

(1) Non-Consolidated Operating Results

(% = Year-on-year change)

	Net sales		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY 2010	4,103	△30.5	△327	—	△342	—	△359	—
FY 2009	5,904	—	177	—	89	—	173	—

	EPS		Adjusted EPS	
	Yen	Sen	Yen	Sen
FY 2010	△39	69	—	—
FY 2009	19	19	—	—

(2) Non-Consolidated Financial Position

	Total Assets		Net Assets		Shareholders' Equity Ratio		BPS	
	Millions of Yen		Millions of Yen		%		Yen	Sen
FY 2010	9,102		5,965		65.5		659	03
FY 2009	9,315		6,312		67.8		697	44

(Ref.) Shareholders' Equity

FY 2010 5,965 million yen

FY 2009 6,312 million yen

2. Non-Consolidated Forecast for the Year Ending 2011 (From April 1, 2010 to March 31, 2011)

(Percentage indicates changes compared with the previous year for full year, and changes compared with the interim period of the previous year for interim period.)

	Net sales		Operating Income		Ordinary Income		Net Income		EPS	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen	Sen
6months ended	2,500	41.0	60	—	20	—	30	—	3	31
Full Year	5,300	29.1	230	—	150	—	130	—	14	36

\* Explanation of appropriate use of the forecast and other special instructions.

The above forecasts of operating results are based on the information available at the time this document was released, and actual operating results may differ from these forecasts due to various factors.

## 1. Operating Results

### (1) Analysis on Operating Results

#### [1] Overview of Operating Results

During the consolidated financial year under review, in the domestic automobile industry, or our primary customer, car production dropped sharply due to the worsening economy originated from the U.S. financial crisis of 2008. Toward the end of the year, however, it turned into recovery and kept increasing driven by the increase in the number of cars sold under the new car subsidy program, combined with the growth of China and other emerging markets.

Amid such circumstances, the worsening economy pushed sales of the Net-Shape Business, the core operations of the Group, to a low level in the first half year. After the second half year, however, sales gradually improved supported by the recovery of the Japanese key users and the growth of China, Korea and other Asian markets. Consequently, overall sales of the Net-Shape Business were 4,103 million yen (down 34.2% from a year ago).

Meanwhile, continuing downturn in the European automobile market, the primary delivery destination of the Assembly Business, pushed down its sales to 1,847 million yen (down 34.3% from a year ago). NICHIDAI (THAILAND) LTD. started mass production of turbocharger parts as scheduled in the fourth quarter.

In the Filter Business, despite an increase in sales of the new products for healthcare and other products, sales plunged to 937 million yen (down 30.6% from a year ago), adversely affected by diminishing capital investment appetite in the Japanese market, combined with the slumping oil drilling filters, or the key products of THAI SINTERED MESH CO., LTD.

As a result of the above, consolidated sales totaled 6,887 million yen (down 33.7% from a year ago).

Income has turned into recovery with the Net-Shape Business posting operating income in the fourth quarter. Nevertheless, slow sales in the first half year heavily affected the Net-Shape Business and the Assembly Business with operating losses of 327 million yen and 131 million yen, respectively. The Filter Business was also hit by the stagnant demand, posting 46 million yen (down 64.4% from a year ago) of operating income.

As a result of the above, the Company recorded operating loss of 412 million yen (operating income of 315 million yen in the same period last year), and ordinary loss of 419 million yen (ordinary income of 190 million yen in the same period last year). Net loss was 450 million yen (net income of 205 million yen in the same period last year); this is partly attributable to the disposal of deferred tax assets as a result of deliberation over its collectability, in view of the trends of our current and future business performances.

#### [2] Forward-looking statement for the next financial year

For the next financial year, in the domestic automobile industry, or the Group's primary customer, such structural transformation as changes in power train encouraged by the global environmental measures and growth of the emerging markets centered on China and India is expected to become clearer during the process of recovery from the global recession.

In such situations, we foresee that the Group's performance will slowly improve in the first half of the next year, and will start to recover in full scale in the second half.

Recovery of demand for precision forging dies for the Japanese key users, coupled with the start of mass production of precision-forged parts for American parts manufacturers, is expected to boost sales of the Net-Shape Business.

Regarding the Assembly Business, we see NICHIDAI (THAILAND) LTD. go into full-fledged mass production of turbocharger parts against the backdrop of recovery of the European automobile market and rising demand for the emerging markets.

While in the Filter Business, diminishing investment appetite in the Japanese market and downturn in the oil drilling market, or the primary delivery destination of THAI SINTERED MESH CO., LTD., are expected to continue for some time, we will make up for the falloff in existing demand by developing new applications and exploiting overseas markets with a focus on Asia.

As a consequence of the above, we forecast sales of 9,000 million yen (up 30.7% from a year ago), operating income of 300 million yen, ordinary income of 200 million yen and net income of 150 million yen for the next financial year.