



The Financial Statement Briefing For Q3 of the Year Ending March 31, 2021

February 1, 2021

JASDAQ: 6467

株式会社 ニチダイ
NICHIDAI CORPORATION

<https://www.nichidai.jp/>

I) Business introduction

II) FY21/3 3rd Quarter Financial Results Overview

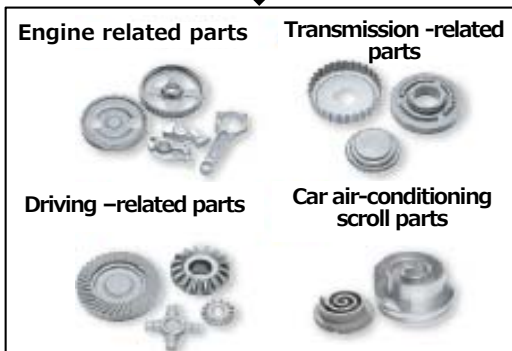
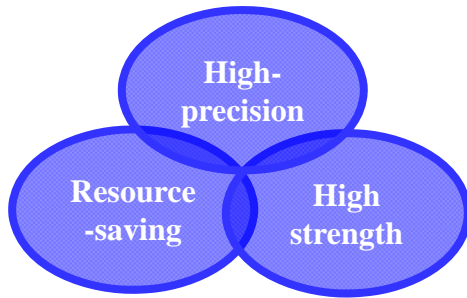
III) FY21/3 Full year outlook

IV) Dividends

I) Business introduction

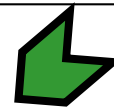
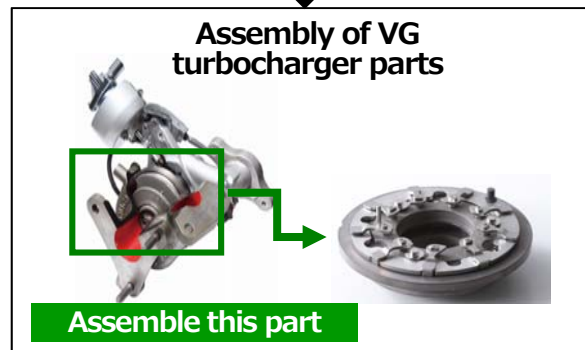
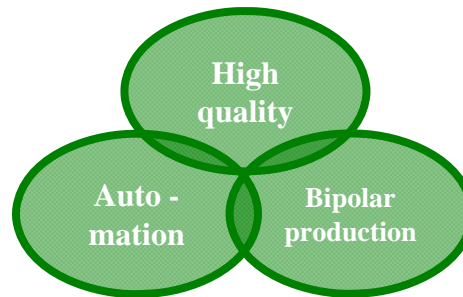
Net-Shape Business

Total support dies for the Production of high-precision automotive parts



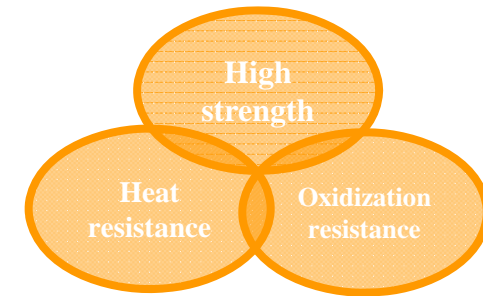
Assembly Business

Assembles useful components for improving fuel economy and reducing exhausts



Filter Business

Providing metal filters that can be used under severe conditions to various industries



Aerospace



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Financial Highlights

Performance

- **Net Sales** 7,732 Million of Yen (Growth Rate 32.5% Down)
- **Ordinary income** **△293** Million of Yen (Profit of 724 million yen in the previous year)
- **Net income Attributable to Owners of the Parent** **△238** Million of Yen (Profit of 481 million yen in the previous year)

Background

- **In the 3rd quarter, the automobile industry is on a recovery track.**
- **The Net- Shape Business and Assembly Business are still at a low level.**
- **The Filter Business continues to perform well.**



II) FY21/3 3rd Quarter Financial Results Overview - Sales and Profit -

Millions of Yen

	20/3 3Q Results	21/3 3Q Results	Growth Rate
Net Sales	11,447	7,732	△32.5%
Gross income from sales	2,377	1,019	△57.1%
S.G.&A expense	1,688	1,462	△13.4%
Operating income	688	△442	-
Non-operating income	△36	△149	-
Ordinary income	724	△293	-
Net income Attributable to Owners of the Parent	481	△238	-

Exchange Rate	20/3 3Q Results	21/3 3Q Results
USD	109.39Yen	107.44Yen
THB	3.49Yen	3.42Yen

Review of the previous term

■ Decrease in sales

Although there was a recovery trend, the Net-Shape Business and Assembly Business remained at a low level.

■ SG&A expenses

Decreased due to various cost control measures.

■ Non-operating

Employment adjustment subsidy income
⇒ 150 million yen
Foreign exchange loss
⇒ 14 million yen

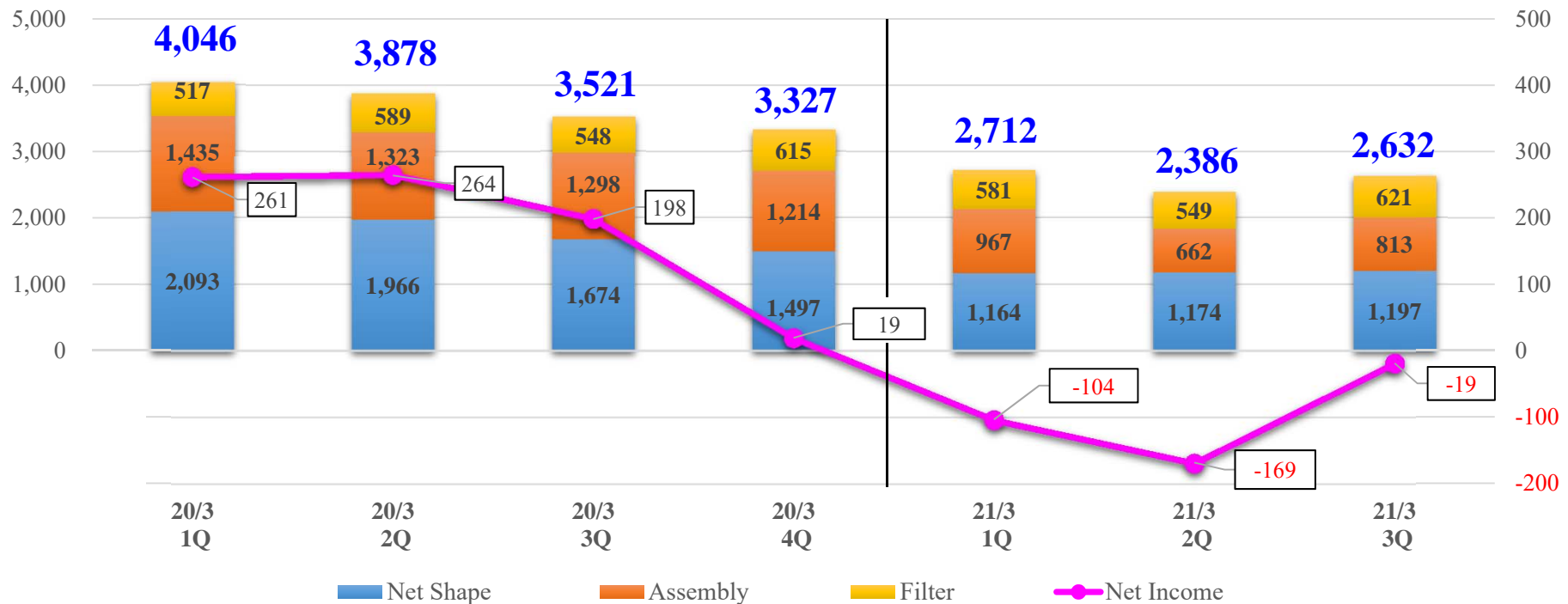
II) FY21/3 3rd Quarter Financial Results Overview - Quarterly performance trends -

- Due to the impact of the COVID-19 infection, which has continued from the first half of the year, sales in the Net-Shape Business and Assembly Business remained sluggish, resulting in a loss.
- From 3Q, both businesses are on a recovery trend and the loss range is decreasing.
- The Filter Business maintains the same level of profits.

Trends in sales and ordinary income by business (quarterly basis)

Sales (Left axis)
Millions of Yen

Ordinary Income (Right Axis)
Millions of Yen



II) FY21/3 3rd Quarter Financial Results Overview - Trend of Net-Shape Business -

【Factors behind change in net sales】

Both the Die Division and the Precision -forged Products Division remained at almost the same level as the previous quarter.

Orders received in the Die Division will be on a recovery trend from 3rd quarter.

【Factors behind change in ordinary income】

Sales of both the Die Division and Precision -forged Products Division were sluggish, and a loss was recorded. In the 3Q, the profitability of the Die Division is improving..

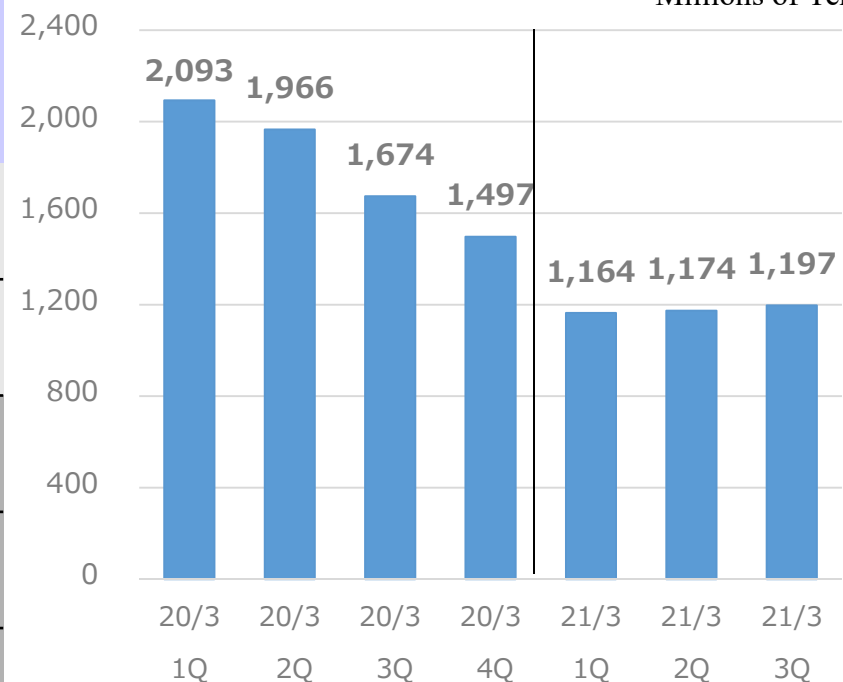
《Domestic and overseas sales and ordinary income》

Millions of Yen

	20/3 3 rd results	21/3 3 rd results	Growth Rate
Domestic	3,726	2,353	△36.8%
Overseas	2,007	1,182	△41.1%
Sales Total	5,733	3,536	△38.3%
Ordinary income (Ordinary income rate)	367	△380	—
	6.4%	△10.8%	—

《Quarterly Sales Trend》

Millions of Yen



II) FY21/3 3rd Quarter Financial Results Overview - Trend of Assembly Business -

【Factors behind change in net sales】

Sales of turbocharger parts are sluggish both in domestic and overseas.
The situation is gradually recovering from the bottom of 2nd quarter.

【Factors behind change in ordinary income】

Recorded a loss due to sluggish sales. Earnings improved from the previous quarter.

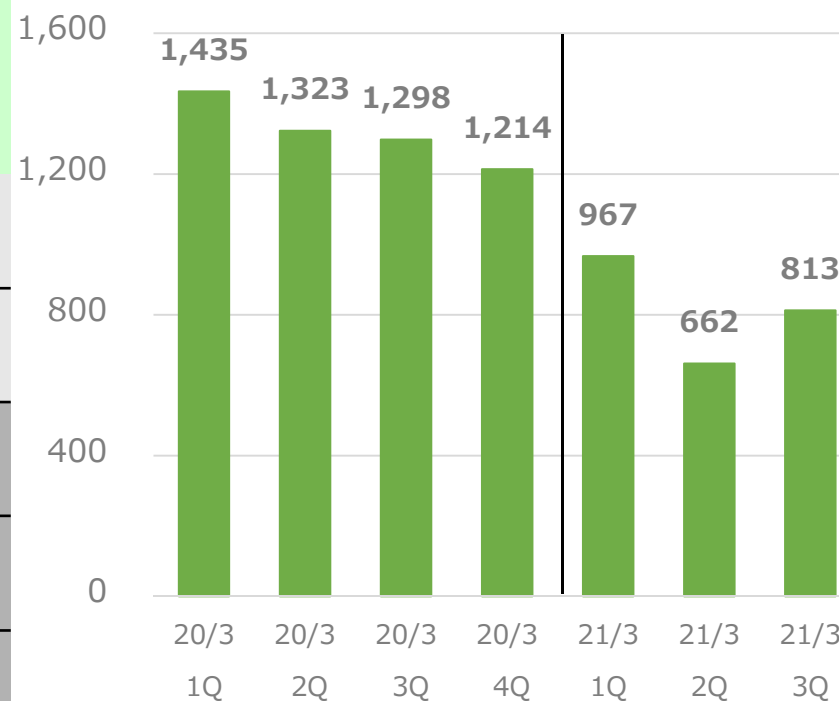
《 Domestic and overseas sales and ordinary income 》

Millions of Yen

	20/3 3 rd results	21/3 3 rd results	Growth Rate
Domestic	2,105	1,478	△29.8%
Overseas	1,952	965	△50.6%
Sales Total	4,058	2,443	△39.8%
Ordinary income (Ordinary income rate)	128	△162	—
	3.2%	△6.6%	—

《 Quarterly Sales Trend 》

Millions of Yen



* Rounded down to the nearest million yen

II) FY21/3 3rd Quarter Financial Results Overview - Trend of Filter Business -

【Factors behind change in net sales】

Sales for main users are strong. Maintain sales.

Overseas sales are expected to increase.

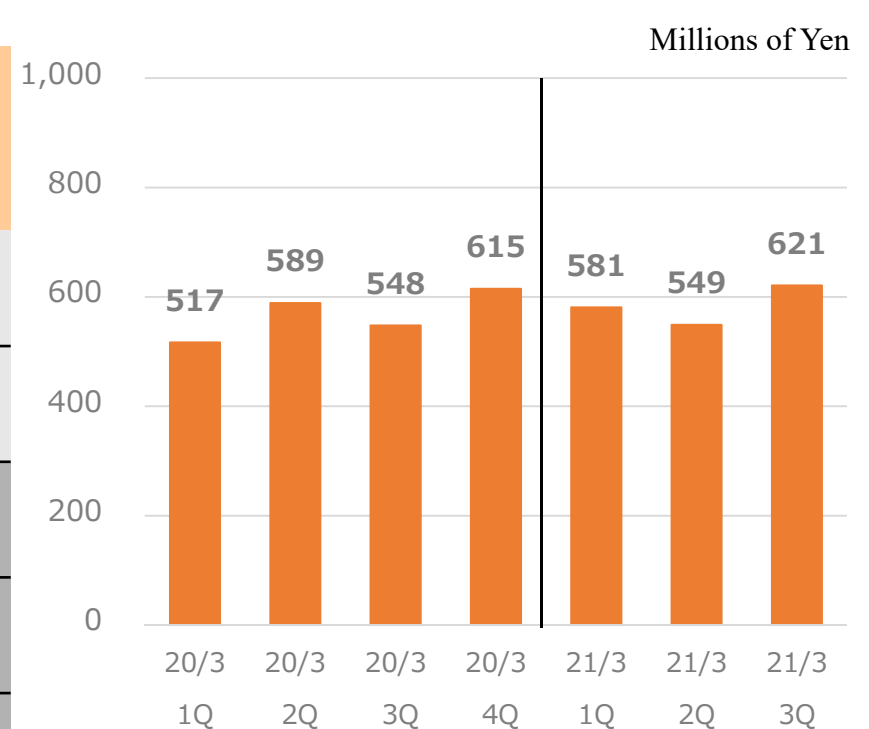
【Factors behind change in ordinary income】

Profit increased due to the effect of increased sales.

《 Domestic and overseas sales and ordinary income 》

	Millions of Yen		
	20/3 3 rd results	21/3 3 rd results	Growth Rate
Domestic	1,321	1,270	△3.9%
Overseas	333	481	44.4%
Sales Total	1,654	1,751	5.9%
Ordinary income (Ordinary income rate)	228	249	9.0%
	13.8%	14.2%	—

《 Quarterly Sales Trend 》



* Rounded down to the nearest million yen

II) FY 21/3 Summary of financial results for the first half - Status of B/S -

Consolidated balance sheet

Millions of Yen

FY20/3 4Q Total Assets:16,384		FY21/3 3Q Total Assets:15,550(△833)	
Total current assets 9,068	Total current liabilities 3,007	Total current assets 8,464 (△603)	Total current liabilities 2,846 (△157)
	Total fixed liabilities 776		Total fixed liabilities 807 (+31)
Total fixed assets 7,315	Total net assets 12,600	Total fixed assets 7,088 (△230)	Total net assets 11,893 (△707)

* Rounded down to the nearest million yen

Increase/decrease indication with 20/3
+ = increase, △ = decrease

Current assets: Decrease in trade receivable (△823 million yen)
Current liabilities: Decrease in accounts payable-trade (△145 million yen)
Borrowings: 1,503 million yen at the end of the period ending March 2020.
 1,797 million yen at 3Q of the period ending March 2021.

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III) FY21/3 Full year outlook

IV) Dividends

【Business Environment】

- In the second half of the year, the automobile industry will be on a recovery trend. Along with this, sales in the Net-Shape Business and Assembly business are also on a recovery trend.
- The Filter business is expected to remain at the same level as in the first half.
- Based on the above, there is no change in the full-year earnings forecast.

Performance

■ Net Sales	10,400 Million of Yen (Growth Rate 29.6% Down)
■ Ordinary income	△375 Million of Yen (Profit of 743 million yen in the previous year)
■ Net income Attributable to Owners of the Parent	△300 Million of Yen (Profit of 477 million yen in the previous year)



III) FY 21/3 Full year outlook - Sales and Profit -

There is no revision of the full-year plan from the figures announced in October 2020.

Millions of Yen

	20/3 results	21/3 Plan	Growth Rate
Net Sales	14,774	10,400	△29.6%
Gross income from sales	2,948	1,410	△52.2%
S.G.&A expense	2,235	1,990	△11.0%
Operating income	712	△580	-
Non-operating income	△30	△205	-
Ordinary income	743	△375	-
Net income Attributable to Owners of the Parent	477	△300	-
Exchange Rate	20/3 results	21/3 Plan	
USD	109.55Yen	108Yen	
THB	3.63Yen	3.4Yen	



III) FY 21/3 Full year outlook - Status of sales by business -

The same situation as at the time of the October 2020 announcement.

Millions of Yen

	20/3 results	21/3 Plan	Growth Rate
Net-Shape	7,231	4,900	Δ32.2%
Assembly	5,272	3,240	Δ38.5%
Filter	2,270	2,260	Δ0.5%
Consolidated Total	14,774	10,400	Δ29.6%

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IV) Dividends

	End of Interim Period	Year End	Full Year
	Yen Sen	Yen Sen	Yen Sen
2017FY	10.00	10.00	20.00
2018FY	8.00	10.00 (Ordinary dividend 8.00) (Special dividend 2.00)	18.00 (Ordinary dividend 16.00) (Special dividend 2.00)
2019FY	10.00	15.00 (Ordinary dividend 10.00) (Special dividend 5.00)	25.00 (Ordinary dividend 20.00) (Special dividend 5.00)
2020FY	10.00	10.00	20.00
2021FY (Plan)	0.00	4.00	4.00

Medium-term Management Strategies

In and after fiscal March 2019, we will push forward with the Medium-term Management Strategies based on the following challenges and strategies.

【Basic Strategy】

Challenge 1: Challenge to adding resilience to existing business

Building unrivaled technological strength

- Make efforts to become a niche top company.
- Evolve and establish synergy-driven original technologies.

Further improvement of QDC

- Achieve various KPIs.
- Make steady efforts to reduce cost.

Challenge 2: Challenge to the next generation

Further evolvement of overseas business

- Expand overseas ratio.
- Further enhance overseas bases.

Launch new businesses

- Respond to the next-generation vehicles.
- Make use of in-house seeds.

【Personal・Institutional strategy】

Challenge 3: Challenge to a great place to work

Environment enabling self-fulfillment

- Mechanism that welcomes challenges.
- Mechanism allowing to have a picture of growth.

Enhancement of comfortable working environment

- Workstyle reform.
- Communication reform.

Thank you very much for coming today.

NICHIDAI CORPORATION

This document has been prepared based on the judgments and assumptions made through information available for our company at this time.

Therefore, actual operating results may differ from forecasts due to intrinsic uncertainties.

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