

Financial Results

FY2020 Quarter 1

1st April, 2020 - 30th June, 2020

All forecasts and plan that are not historical facts in this document are future business result related forecast. These are showed by based on information and data currently available to the company. Various uncertain factors could cause actual results to differ.

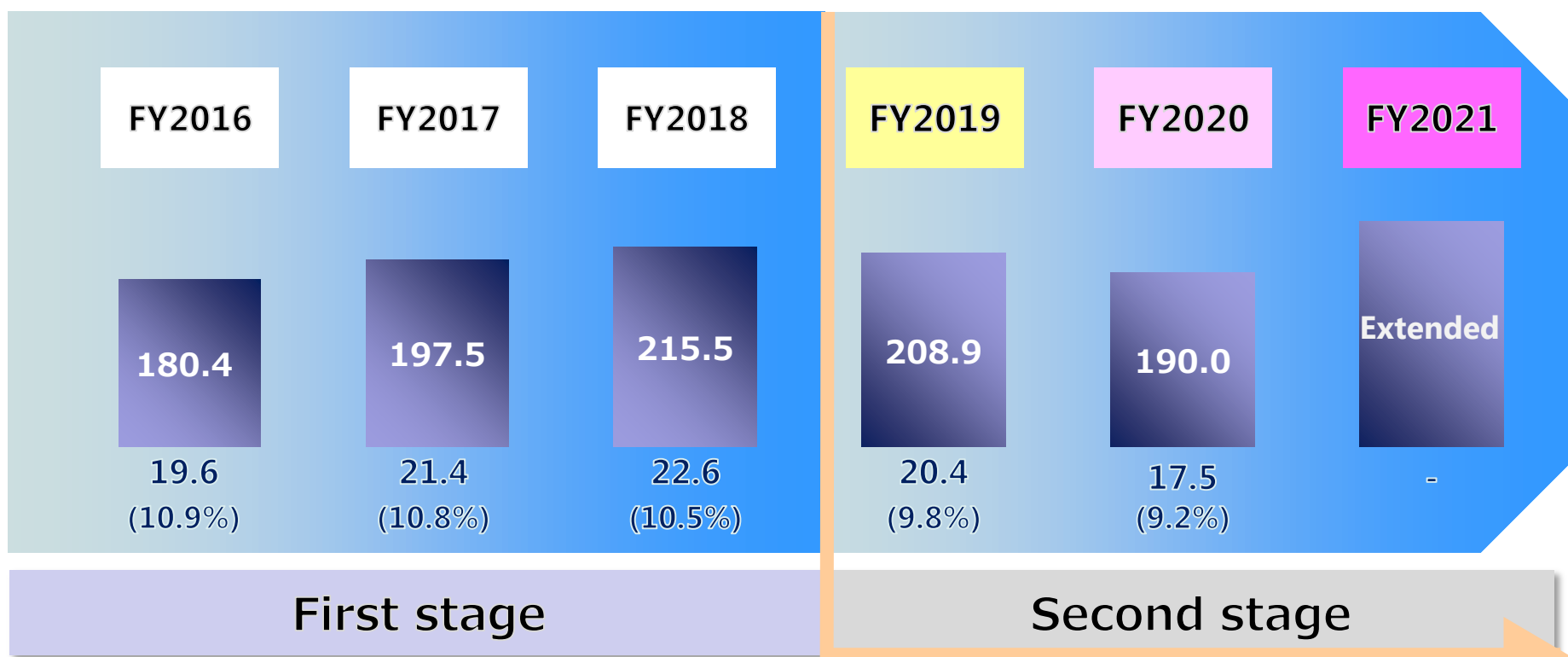
3rd August, 2020



NICHIAS Corporation

Extension of Medium-term business plan











Due to the impact of Coronavirus pandemic, we will extend the second stage of our Medium-term business plan by one to six years. (FY2016 - FY2021)



[TOP] Net sales, [Middle] Operating income, [Bottom] Operating margin

(Unit: Billion yen)

Business outlook FY2020 Q1 (1st April, 2020 - 30th June, 2020)

Segments	FY2019 Q1	FY2020 Q1	Analysis
Energy and Industrial plants			Steady demand by oil refinery, petrochemical & power plant sectors.
Industrial products			Demand for insulation materials for electronics components declined.
Advanced products			Demand for semiconductor market was ahead of schedule.
Autoparts			The impact of production adjustments due to lower global automobile demand.
Building materials			Effects of extended construction periods and delays in construction.

Financial highlights FY2020 Q1

(1st April, 2020 - 30th June, 2020)

(Unit: Billion yen)

	FY2019				FY2020							
	Q1	H1	H2	Full year	Q1		Q2	H1		H2	Full year	
	Results				Results	YoY	H1-Q1	Forecast	YoY	Forecast	Forecast	YoY
Net sales	47.4	101.0	107.9	208.9	43.0	Δ9%	45.5	88.5	Δ12%	101.5	190.0	Δ9%
Operating income	4.5	10.0	10.5	20.4	3.8	Δ15%	3.2	7.0	Δ30%	10.5	17.5	Δ14%
	9.4%	9.9%	9.7%	9.8%	8.8%		7.0%	7.9%		10.3%	9.2%	
Ordinary income	4.6	10.0	11.6	21.6	3.3	Δ27%	3.7	7.0	Δ30%	10.5	17.5	Δ19%
	9.6%	9.9%	10.7%	10.4%	7.7%		8.1%	7.9%		10.3%	9.2%	
Profit <small>Attributable to owners of the parent</small>	3.3	7.0	7.6	14.7	1.8	Δ45%	2.6	4.4	Δ38%	7.3	11.7	Δ20%
	7.0%	7.0%	7.1%	7.0%	4.3%		5.7%	5.0%		7.2%	6.2%	

(Unit: Yen)

Basic earnings per share	49.92	106.14	115.08	221.21	27.58	Δ45%	38.75	66.33	Δ38%	110.05	176.38	Δ20%
Dividends		38	38	76				38		38	76	
Dividend payout ratio		35.8%	33.0%	34.4%				57.3%		34.5%	43.1%	

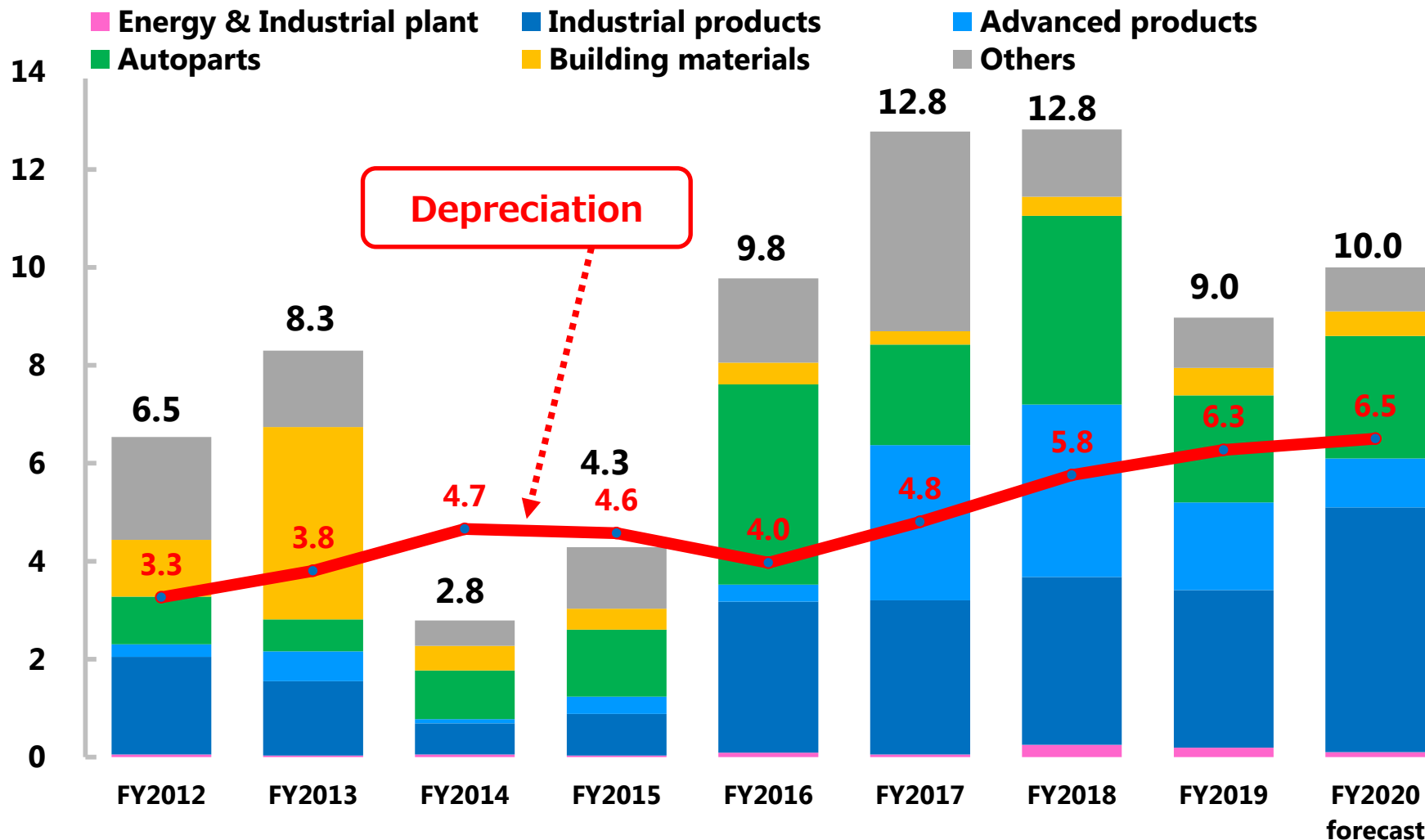
Business Results FY2020 Q1 (1st April, 2020 - 30th June, 2020)

(Unit: Billion yen)

Segments		FY2019				FY2020							
		Q1	H1	H2	Full year	Q1		Q2	H1		H2	Full year	
		Results				Results	YoY	H1-Q1	Forecast	YoY	Forecast	Forecast	YoY
Energy & Industrial plants	Net sales	13.6	30.9	34.9	65.8	12.5	Δ8%	16.0	28.5	Δ8%	33.0	61.5	Δ7%
	Operating income	1.3	3.1	4.1	7.2	1.4	9%	1.5	2.9	Δ5%	3.9	6.8	Δ5%
	%	9.5%	9.9%	11.8%	10.9%	11.2%		9.4%	10.2%		11.8%	11.1%	
Industrial products	Net sales	11.0	22.5	22.7	45.2	10.5	Δ5%	11.0	21.5	Δ4%	23.0	44.5	Δ1%
	Operating income	1.6	3.1	2.9	6.0	1.5	Δ4%	1.4	2.9	Δ7%	3.2	6.1	2%
	%	14.1%	13.8%	12.6%	13.2%	14.2%		12.8%	13.5%		13.9%	13.7%	
Advanced products	Net sales	4.8	10.4	11.3	21.6	6.2	29%	4.8	11.0	6%	11.0	22.0	2%
	Operating income	0.5	1.4	1.3	2.8	0.9	66%	0.6	1.5	6%	1.3	2.8	2%
	%	11.0%	13.7%	11.9%	12.7%	14.2%		12.9%	13.6%		11.8%	12.7%	
Autoparts	Net sales	11.2	22.3	21.4	43.7	7.7	Δ32%	7.8	15.5	Δ30%	19.5	35.0	Δ20%
	Operating income	1.0	1.8	1.2	3.0	Δ0.0	-	Δ0.1	Δ0.1	-	1.1	1.0	Δ66%
	%	8.9%	7.9%	5.7%	6.8%	Δ0.3%		Δ1.0%	Δ0.6%		5.6%	2.9%	
Building materials	Net sales	6.8	15.0	17.5	32.5	6.2	Δ9%	5.8	12.0	Δ20%	15.0	27.0	Δ17%
	Operating income	0.1	0.6	0.9	1.5	0.1	Δ40%	Δ0.3	Δ0.2	-	1.0	0.8	Δ48%
	%	1.4%	4.1%	5.2%	4.7%	0.9%		Δ4.4%	Δ1.7%		6.7%	3.0%	
Total	Net sales	47.4	101.0	107.9	208.9	43.0	Δ9%	45.5	88.5	Δ12%	101.5	190.0	Δ9%
	Operating income	4.5	10.0	10.5	20.4	3.8	Δ15%	3.2	7.0	Δ30%	10.5	17.5	Δ14%
	%	9.4%	9.9%	9.7%	9.8%	8.8%		7.0%	7.9%		10.3%	9.2%	

Investment & Depreciation cost Trends

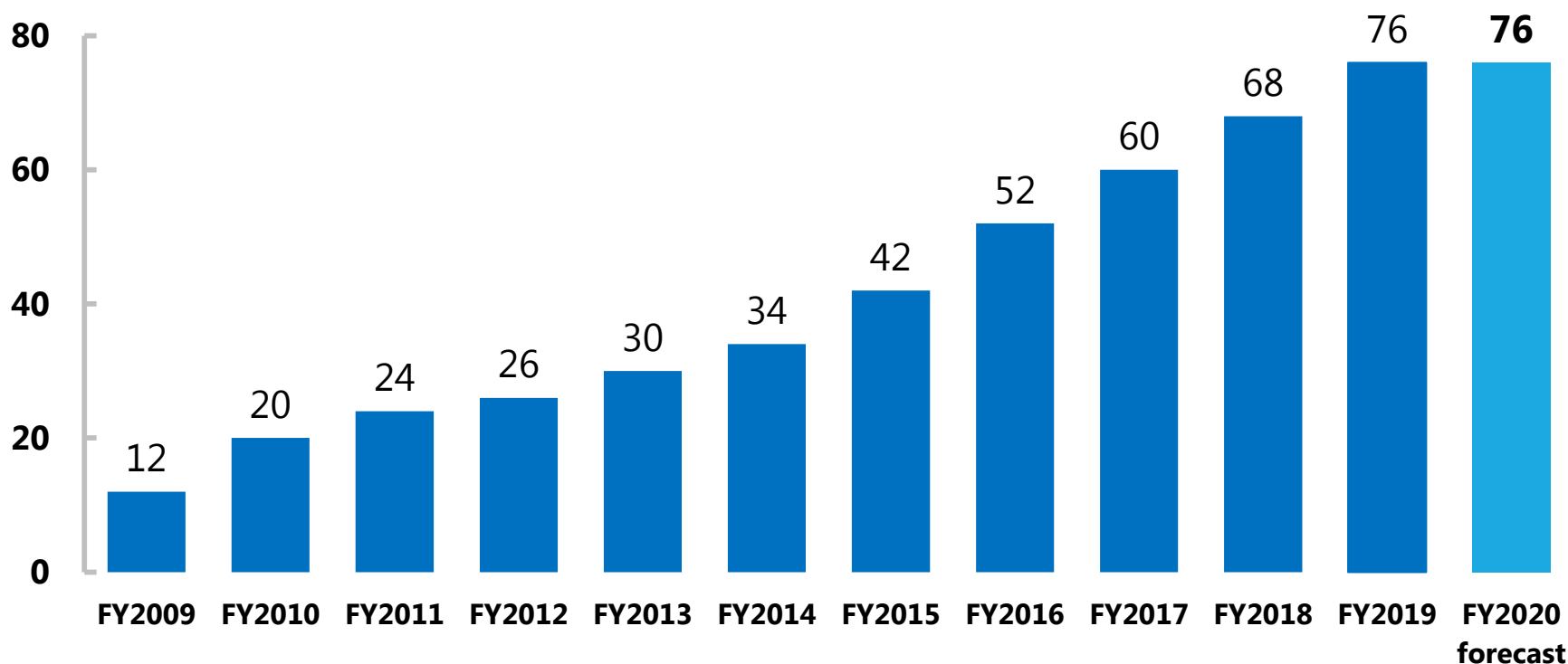
(Unit: Billion yen)



Shareholder's return Trends

(Unit: Yen)

**Focused on maintaining stable dividends to shareholders.
Continue to consider share buyback in the light of the balance with growth & investment.**



The reverse stock split was carried out on a one-for-two basis on 1st October, 2018.

The amount shown on the above graph is based on the assumption that the reverse stock split was carried out at the beginning of the FY2009.

The NICHIAS Philosophy

NICHIAS contributes to the Earth's bright future through our "Insulation and Protection" technologies.

Our Promise

- We will abide by community standards and work together with the communities we serve.
- We will strive for customer satisfaction while never forgetting a sense of gratitude.
- We will believe in mutual trust and continue to grow together.



"TATSU-TAMOTSU" technologies for a brighter future



"TATSU-TAMOTSU" refers to NICHIAS's "Insulation and Protection" technologies.

NICHIAS Environmental Charter

NICHIAS contributes to the realization of a society centered on sustainable development by utilizing our "Insulation and Protection" technology solutions in the reduction of a variety of negative environmental impacts including the mitigation of global warming.

Environmental Action Guidelines

In keeping with the NICHIAS Environmental Charter, NICHIAS continually engages in and endeavors to improve upon the following activities.

1. Thorough compliance

Fulfill social responsibilities by not only observing legal requirements, but also establishing and implementing our own voluntary standards.

2. Development of products with lower environmental impact

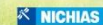
Strive to develop and promote products and services effective in reducing environmental impact.

3. Enhancement of environmental performance

Establish and make progress toward environmental goals in such areas as energy and natural resources conservation, and chemicals management, etc.

4. Coexistence with society

Coexist with the local community, and value the rich natural environment.



Established April 6, 2001
Revised April 1, 2019

Points of Attention

The content of this material only presents information under the conditions stated herein and may not cover all possible conditions. In addition, while utmost care is taken with regard to the accuracy of the content in drafting this material, please understand that none of the information, explanation or recommendations included in this material provides any kind of guarantee. This material includes confidential information, such as knowledge or know-how, etc., of our company. Please refrain from using all or part of this material for purposes other than the purpose of the submission of this material to your company, or from disclosing the same to any third party. We do not guarantee that the method of use, etc. included in this material does not infringe upon any intellectual property of a third party.