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## Consolidated Financial Results for the Six Months Ended September 30, 2020 [Japanese GAAP]

November 12, 2020

Company name: NIPPON CONCRETE INDUSTRIES CO., LTD.  
 Stock exchange listing: Tokyo  
 Code number: 5269  
 URL: <https://www.ncic.co.jp/>  
 Representative: AMIYA Katsuhiko, Representative Director, Chairman and President  
 Contact: IMAI Shoichi, Director and Managing Executive Officer  
 Phone: 03-3452-1025  
 Scheduled date of filing quarterly securities report: November 12, 2020  
 Scheduled date of commencing dividend payments: December 01, 2020  
 Availability of supplementary briefing material on quarterly financial results: Yes  
 Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2020 (April 01, 2020 to September 30, 2020)

#### (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2020	22,753	(1.7)	1,037	-	1,368	-	747	-
September 30, 2019	23,141	(5.2)	(330)	-	(61)	-	(198)	-

(Note) Comprehensive income: Six months ended September 30, 2020: ¥ 1,345 million [-%]  
 Six months ended September 30, 2019: ¥ (482) million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2020	13.30	-
September 30, 2019	(3.53)	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of September 30, 2020	72,726	38,520	50.6
March 31, 2020	70,214	37,279	50.6

(Reference) Equity: As of September 30, 2020: ¥ 36,791 million  
 As of March 31, 2020: ¥ 35,538 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2020	-	2.00	-	0.00	2.00
Fiscal year ending March 31, 2021	-	2.50			
Fiscal year ending March 31, 2021 (Forecast)			-	3.50	6.00

(Note) Revision to the forecast for dividends announced most recently: Yes

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending March 31, 2021 :

Commemorative dividend	- yen
Special dividend	- yen

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021(April 01, 2020 to March 31, 2021)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	47,000	2.6	2,050	-	2,400	748.9	1,350	-	24.03

(Note) Revision to the financial results forecast announced most recently: Yes

### \* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2020

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name: )

Exclusion: - (Company name: )

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2020: 57,777,432 shares

March 31, 2020: 57,777,432 shares

2) Total number of treasury shares at the end of the period:

September 30, 2020: 1,614,582 shares

March 31, 2020: 1,628,882 shares

3) Average number of shares during the period:

Six months ended September 30, 2020: 56,157,207 shares

Six months ended September 30, 2019: 56,330,698 shares

\* Quarterly financial results reports are not required to be subjected to quarterly reviews.

\* Explanation for appropriate use of financial forecasts and other special notes.

The forecasts given in this document are based on the current available information in the company and certain reasonable assumptions to the company. Actual results may differ from these forecasts by a variety of reasons.

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## 1. Qualitative Information on Quarterly Financial Results for the Period under Review

### (1) Explanation of Business Results

In the six months ended September 30, 2020, the Japanese economy, affected by the global spread of COVID-19 pandemic, recorded a significant deterioration chiefly due to the state of emergency declaration issued in April. The economic performance for the first quarter dropped even more sharply than during the Lehman Shock crisis, and the pace of the subsequent recovery trend remains sluggish. With no end of the pandemic in sight and a new surge of infections in the U.S. and Europe, there is a growing uncertainty over the future economy and consumption trends.

Regarding the business environment in which the Group operates, the demand for concrete piles across Japan during the six months ended September 30 dropped from the same period of the previous year, while the demand in the Kanto region, our main business area, was higher than that a year earlier. The shipments of concrete poles throughout Japan were slightly at a higher level than those a year earlier, and the demand for poles for mobile phone base stations also remained robust. Other concrete products, which contribute to the development of new base stations for 5G mobile phones, reinforcement of national resilience, and prevention and mitigation of disasters, are also growing in demand.

Under such environment, the Group has been working on measures to materialize our corporate philosophy: We contribute to a safe, secure, and affluent society through concrete. Our efforts have also been focused on the improvement of our earnings through a company-wide cost reduction, with the strengthening of the foundation of our existing business as the top priority in view of the deficit in the previous year.

As a result, a significant recovery in profits was achieved with a slight decline in revenue. Net sales for the six months ended September 30, 2020 were 22,753 million yen (down 1.7% year-on-year); operating profit was 1,037 million yen (against operating loss of 330 million yen a year earlier); ordinary profit was 1,368 million yen (against ordinary loss of 61 million yen a year earlier); and profit attributable to owners of parent was 747 million yen (against loss attributable to owners of parent of 198 million yen a year earlier).

The impact of COVID-19 pandemic on our business has been insignificant so far.

Trends by business segment are as follows.

#### 1) Foundation Business

The demand for concrete piles during the six months ended September 30, 2020 was higher in the eastern Japan but lower in total than a year earlier, due to the significant fall in demand in the western Japan. Although our shipments and sales have increased in the Kanto region, net sales dropped to 11,839 million yen (down 18.2% year-on-year) as a result of the steep decline in demand in the western Japan.

As for the profit, although loss was recorded a year earlier mainly due to construction works with deficits and remodeling of main plant, the segment achieved an income of 522 million yen in the six months ended September 30, 2020 (against segment loss of 83 million yen a year earlier) as a result of our efforts to secure profits from construction works by such means as the improvement of profitability across the Group's manufacturing companies by means of thorough cost reduction in the factories as well as thorough construction progress management.

We will continue to focus on promoting sales activities tailored to regional characteristics and winning orders, and work on improving profit from construction works. We will also promote the development of technologies (including those relating to materials and peripheral works), enhance our construction management capability, respond to our customers' requests, and endeavor to improve the customers' satisfaction.

#### 2) Secondary Concrete Product Business

In the Pole-related Business among the Secondary Concrete Product Business, while the increase in the demand for concrete poles across Japan remained small, the Company's shipment of poles for mobile phone base stations continued to be robust, with the sales significantly higher and the market share on a recovery track, due to the

increasing demand for hybrid poles for power grids and the completion of large-scale pole constructions in sports facilities. The steady shipment of poles to Myanmar, where a national project for achieving 100% electrification is underway, also contributed to the net sales to 6,524 million yen (up 60.6% year-on-year).

In terms of the Civil Engineering Product Business, while distribution and construction of civil engineering products contributing to national resilience (such as precast concrete walls) were satisfactory, and sales of our group companies producing and distributing construction materials increased, net sales dropped to 4,236 million yen (down 5.0% year-on-year) due to construction delays and subsequent delays in production and shipment of RC segment.

As a result, net sales for the Secondary Concrete Product Business were 10,760 million yen (up 26.2% year-on-year).

As for the profit, the segment achieved an income of 1,229 million yen (up 118.3% year-on-year), owing to an improved profitability of the factories thanks to the increase in production of concrete poles and precast concrete walls as well as an increase in profit from construction works.

Regarding our ongoing efforts in each business, in the Pole-related Business, the shipments of COP (cap on poles), fit-in flange poles which enhance workability of construction, increased. Therefore, we are working to expand the sales of poles for mobile phone base stations with a view to 5G network rollouts. We are also strengthening product sales activities in conjunction with the construction of poles to boost our earnings. As the planned remodeling of main plant (aiming to enhance the production capacity to meet the increasing demand for joint poles) was completed in the second quarter of this fiscal year, a growth both in production and productivity is expected from the third quarter onward.

In the Civil Engineering Product Business, we received an increasing number of inquiries about our precast concrete walls (for faster construction with less manpower) and slope reinforcement works for flood control, following the increasing demand for greater national resilience as well as preventing and mitigating disasters. Accordingly, we are working actively to win orders and expand sales through putting our products into designs. In the Segment Business, the production and shipment are sluggish due to construction delays. However, as we have already won a tentative order for multiple sections of Linear Chuo Shinkansen, we are currently preparing for the start of full-scale production. At the same time, we endeavor to win orders for large-scale projects such as construction of underground regulating reservoirs in urban areas.

### 3) Real Estate and Solar Power Generation Business

In the Real Estate and Solar Power Generation Business, net sales were 153 million yen (up 1.7% year-on-year) and segment income was 89 million yen (up 8.9% year-on-year).

Our other efforts include CO2 recycling activity using concrete sludge, an industrial waste generated by our plants. The by-product of the recycling process is also utilized. In recognition of those environmental initiatives, we received an Encouragement Award from Green & Sustainable Chemistry Network. We will continue to work on reducing CO2 emissions and expanding sales channels of recycled products through this activity.

Following the business environment and conditions described above, the Group will keep a close eye on the situation of the COVID-19 pandemic and strive to maintain and increase its sales. Moreover, in the increasingly severe business environment, we will also implement further cost reductions while rebuilding a system for optimal production and construction.

(Note) Net sales and other figures do not include consumption and other taxes.

### (2) Explanation of Financial Position

The Group's financial policies are to reduce total assets so as to improve ROA through measures such as early collection of accounts receivable, optimization of product inventories and efficient capital investment strategies; and to reduce interest-bearing debts by improving the efficiency of the Group's funds and assets.

Total assets at the end of the second quarter of the fiscal year under review were 72,726 million yen, up 2,511 million yen from the end of the previous fiscal year.

Current assets were 29,479 million yen, up 1,815 million yen from the end of the previous fiscal year, and non-current assets were 43,246 million yen, up 696 million yen from the end of the previous fiscal year.

The increase in current assets was mainly due to an increase in cash and deposits, and the increase in non-current assets was mainly due to an increase in the market value of investment securities.

Total liabilities were 34,206 million yen, up 1,271 million yen from the end of the previous fiscal year.

Current liabilities were 21,942 million yen, up 1,747 million yen from the end of the previous fiscal year, and non-current liabilities were 12,263 million yen, down 475 million yen from the end of the previous fiscal year.

The increase in current liabilities was mainly due to an increase in short-term borrowings, and the decrease in non-current liabilities was mainly due to a decrease in long-term borrowings.

Total net assets were 38,520 million yen, up 1,240 million yen from the end of the previous fiscal year.

It was mainly due to an increase in the valuation difference on available-for-sale securities.

As a result of the above, the equity ratio remained the same at 50.6% as at the end of the previous consolidated fiscal year.

#### Analysis of Cash Flows

The cash and cash equivalents at the end of the six-month period ended on September 30, 2020 amounted to 7,152 million yen.

##### (Cash flows from operating activities)

Funds provided by operating activities amounted to 2,860 million yen (against a cash outflow of 813 million yen a year earlier). This was chiefly because the factors to increase funds, such as 1,307 million yen recorded as profit before income taxes and 732 million yen recorded as depreciation, exceeded the factor to decrease funds including 364 million yen recorded as decrease in trade payables.

##### (Cash flows from investing activities)

Funds used in investment activities totaled 1,349 million yen (against a cash outflow of 839 million yen a year earlier).

This was chiefly due to factors to decrease funds, such as 1,116 million yen recorded as purchase of property, plant and equipment and 217 million yen recorded as purchase of shares of subsidiaries.

##### (Cash flows from financing activities)

Funds provided by financial activities totaled 505 million yen (against a cash outflow of 267 million yen a year earlier).

This was chiefly because the factors to increase funds, such as 1,449 million yen recorded as net increase in short-term borrowings, exceeded the factors to decrease funds including 1,121 million yen recorded as net decrease in long-term borrowings.

### (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

The consolidated financial results forecast for the full fiscal year, published on May 20, 2020, was updated in line with the recent trend of results. For details, please refer to our “Notice of Revision to Full-Year Results Forecast and Year-End Dividend Forecast (appendix)” released today (November 12, 2020).

The impact of the COVID-19 pandemic on our business results during the second quarter was insignificant, due to the smooth continuation of plant production, shipments, construction work, sales and other business activities as a result of the group-wide efforts to prevent the spread of infection. If the further spread of the infection has a greater impact on our business activities and we accordingly judge that it is deemed necessary to revise the forecast, we will promptly announce the revised forecast.

## 2. Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2020	As of September 30,2020
<b>Assets</b>		
Current assets		
Cash and deposits	5,121,583	7,152,599
Notes and accounts receivable - trade	9,461,890	10,346,887
Electronically recorded monetary claims - operating	3,055,142	2,172,928
Merchandise and finished goods	4,895,644	5,446,899
Work in process	2,503,513	2,112,029
Raw materials and supplies	1,118,301	1,221,389
Other	1,511,443	1,058,689
Allowance for doubtful accounts	(3,800)	(32,118)
Total current assets	27,663,720	29,479,306
Non-current assets		
Property, plant and equipment		
Land	16,423,210	16,423,210
Other, net	9,417,075	9,254,421
Total property, plant and equipment	25,840,286	25,677,632
Intangible assets	328,811	340,062
Investments and other assets		
Investment securities	13,076,308	13,903,408
Other	3,453,493	3,577,424
Allowance for doubtful accounts	(148,298)	(251,625)
Total investments and other assets	16,381,503	17,229,207
Total non-current assets	42,550,600	43,246,902
Total assets	70,214,321	72,726,208

(Thousand yen)

	As of March 31,2020	As of September 30,2020
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	5,386,533	4,906,644
Electronically recorded obligations - operating	7,228,523	7,344,359
Short-term borrowings	1,950,000	3,399,000
Current portion of long-term borrowings	2,392,156	2,114,054
Income taxes payable	88,507	393,737
Provisions	499,511	469,461
Other	2,649,497	3,315,091
Total current liabilities	20,194,729	21,942,349
Non-current liabilities		
Bonds payable	31,500	18,000
Long-term borrowings	5,915,548	5,071,856
Retirement benefit liability	651,332	661,200
Other	6,141,289	6,512,762
Total non-current liabilities	12,739,669	12,263,819
Total liabilities	32,934,399	34,206,169
Net assets		
Shareholders' equity		
Share capital	5,111,583	5,111,583
Capital surplus	3,826,864	3,825,086
Retained earnings	17,170,058	17,917,120
Treasury shares	(536,786)	(530,921)
Total shareholders' equity	25,571,720	26,322,868
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,373,014	4,875,562
Revaluation reserve for land	5,312,368	5,312,368
Foreign currency translation adjustment	(46,795)	(18,246)
Remeasurements of defined benefit plans	328,060	298,938
Total accumulated other comprehensive income	9,966,648	10,468,623
Non-controlling interests	1,741,553	1,728,548
Total net assets	37,279,921	38,520,039
Total liabilities and net assets	70,214,321	72,726,208

## (2) Quarterly Consolidated Statements of Income and Comprehensive Income

## Quarterly Consolidated Statements of Income (For the six months)

(Thousand yen)

	For the six months ended September 30,2019	For the six months ended September 30,2020
Net sales	23,141,353	22,753,944
Cost of sales	20,464,011	18,860,501
Gross profit	2,677,341	3,893,443
Selling, general and administrative expenses	3,008,085	2,856,221
Operating profit (loss)	(330,744)	1,037,221
Non-operating income		
Interest income	5,963	5,918
Dividend income	168,665	178,768
Share of profit of entities accounted for using equity method	106,343	147,543
Other	67,337	70,669
Total non-operating income	348,309	402,900
Non-operating expenses		
Interest expenses	23,629	26,155
Other	55,597	45,896
Total non-operating expenses	79,226	72,051
Ordinary profit (loss)	(61,660)	1,368,070
Extraordinary income		
Gain on sales of non-current assets	1,024	895
Gain on sales of investment securities	49,004	-
Total extraordinary income	50,028	895
Extraordinary losses		
Loss on retirement of non-current assets	17,787	10,651
Loss on sales of non-current assets	11,228	-
Restructuring cost of production base	138,038	50,527
Total extraordinary losses	167,054	61,179
Profit (loss) before income taxes	(178,686)	1,307,786
Income taxes - current	89,506	393,739
Income taxes - deferred	(159,847)	70,940
Total income taxes	(70,341)	464,680
Profit (loss)	(108,345)	843,106
Profit attributable to non-controlling interests	90,457	96,040
Profit (loss) attributable to owners of parent	(198,802)	747,065

Quarterly Consolidated Statements of Comprehensive Income (For the six months)

(Thousand yen)

	For the six months ended September 30,2019	For the six months ended September 30,2020
Profit (loss)	(108,345)	843,106
Other comprehensive income		
Valuation difference on available-for-sale securities	(307,014)	482,710
Foreign currency translation adjustment	(16,537)	28,549
Remeasurements of defined benefit plans, net of tax	(35,838)	(29,122)
Share of other comprehensive income of entities accounted for using equity method	(14,410)	19,837
Total other comprehensive income	(373,801)	501,975
Comprehensive income	(482,146)	1,345,081
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(569,205)	1,246,764
Comprehensive income attributable to non-controlling interests	87,059	98,317

## (3) Quarterly Consolidated Statements of Cash Flows

(Thousand yen)

	For the six months ended September 30,2019	For the six months ended September 30,2020
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	(178,686)	1,307,786
Depreciation	770,846	732,219
Amortization of goodwill	28,464	28,464
Increase (decrease) in allowance for doubtful accounts	4,983	131,644
Increase (decrease) in provision for bonuses	23,552	(769)
Increase (decrease) in provision for bonuses for directors (and other officers)	10,488	26,674
Increase (decrease) in provision for loss on construction contracts	(47,383)	(50,090)
Increase (decrease) in retirement benefit liability	374	9,868
Decrease (increase) in retirement benefit asset	(84,358)	(37,317)
Share of loss (profit) of entities accounted for using equity method	(106,343)	(147,543)
Interest and dividend income	(174,628)	(184,686)
Interest expenses	23,629	26,155
Loss (gain) on sales of non-current assets	10,204	(895)
Loss on retirement of non-current assets	17,787	10,651
Loss (gain) on sales of investment securities	(49,004)	-
Restructuring cost of production base	138,038	50,527
Decrease (increase) in trade receivables	2,339,819	796
Decrease (increase) in inventories	513,505	(257,956)
Increase (decrease) in trade payables	(3,088,883)	(364,159)
Increase (decrease) in advances received	(114,542)	656,611
Decrease (increase) in accounts receivable - other	(57,593)	(101,362)
Increase (decrease) in accounts payable - other	(310,808)	253,413
Decrease (increase) in accounts receivable-liquidity	29,770	134,789
Decrease (increase) in other investments	67,542	335,613
Other, net	(428,513)	(229,767)
Subtotal	(661,738)	2,330,669
Interest and dividends received	184,139	223,505
Interest paid	(26,505)	(28,114)
Income taxes paid	(254,141)	(84,316)
Income taxes refund	-	469,486
Restructuring cost of production base paid	(54,887)	(50,527)
Net cash provided by (used in) operating activities	(813,134)	2,860,703
<b>Cash flows from investing activities</b>		
Purchase of investment securities	-	(280)
Proceeds from sales of investment securities	54,636	-
Purchase of property, plant and equipment	(872,396)	(1,116,362)
Proceeds from sales of property, plant and equipment	8,000	1,150
Purchase of intangible assets	(19,371)	(17,448)
Purchase of shares of subsidiaries	(10,793)	(217,060)
Collection of long-term loans receivable	120	120
Net cash provided by (used in) investing activities	(839,805)	(1,349,880)

(Thousand yen)

	For the six months ended September 30,2019	For the six months ended September 30,2020
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(115,400)	1,449,000
Proceeds from long-term borrowings	1,286,340	100,000
Repayments of long-term borrowings	(1,185,078)	(1,221,794)
Redemption of bonds	(13,500)	(13,500)
Dividends paid	(198,717)	-
Dividends paid to non-controlling interests	(10,376)	(9,263)
Repayments of lease obligations	(30,454)	(23,359)
Proceeds from sale and leaseback transactions	-	224,170
Net cash provided by (used in) financing activities	(267,186)	505,253
Effect of exchange rate change on cash and cash equivalents	(6,220)	14,939
Net increase (decrease) in cash and cash equivalents	(1,926,346)	2,031,016
Cash and cash equivalents at beginning of period	7,031,948	5,121,583
Cash and cash equivalents at end of period	5,105,602	7,152,599

(4) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Notes in the case of significant changes in the amount of shareholders' equity)

For the six months ended September 30, 2019

1. Dividends paid

Resolution	Types of shares	Total amount of dividends paid (Thousand yen)	Dividend per share (yen)	Record date	Effective date	Source of dividends
May 24, 2019 Board of Directors' Meeting	Common shares	200,644	3.50	March 31, 2019	June 10, 2019	Retained earnings

(Note) The total amount of dividends based on the resolution of the Board of Directors' Meeting held on May 24, 2019 includes dividend of 256 thousand yen for the Board Incentive Plan Trust (BIP) and dividend of 307 thousand yen for the Stock Granting Trust (J-ESOP).

2. Dividends with a record date in the six months ended September 30, 2019 but with an effective date after the end of the period

Resolution	Types of shares	Total amount of dividends paid (Thousand yen)	Dividend per share (yen)	Record date	Effective date	Source of dividends
November 14, 2019 Board of Directors' Meeting	Common shares	113,316	2.00	September 30, 2019	December 2, 2019	Retained earnings

(Note) The total amount of dividends based on the resolution of the Board of Directors' Meeting held on November 14, 2019 includes dividend of 128 thousand yen for the Board Incentive Plan Trust (BIP) and dividend of 140 thousand yen for the Stock Granting Trust (J-ESOP).

3. Significant changes in shareholders' equity

There is no relevant information.

For the six months ended September 30, 2020

1. Dividends paid

As no dividend was paid, there is no relevant information.

2. Dividends with a record date in the six months ended September 30, 2020 but with an effective date after the end of the period

Resolution	Types of shares	Total amount of dividends paid (Thousand yen)	Dividend per share (yen)	Record date	Effective date	Source of dividends
November 12, 2020 Board of Directors' Meeting	Common shares	141,646	2.50	September 30, 2020	December 1, 2020	Retained earnings

(Note) The total amount of dividends based on the resolution of the Board of Directors' Meeting held on November 12, 2020 includes dividend of 141 thousand yen for the Board Incentive Plan Trust (BIP) and dividend of 159 thousand yen for the Stock Granting Trust (J-ESOP).

3. Significant changes in shareholders' equity

There is no relevant information.

(Segment Information etc.)

[Segment Information]

I. For the six months ended September 30, 2019

1. Information on net sales and income (loss) by reportable segment

(Thousand yen)

	Reportable segment				Adjustment (Note 1)	Amounts recorded in the Quarterly Consolidated Statements of Income (Note 2)
	Foundation	Secondary Concrete Product	Real Estate and Solar Power Generation	Total		
Net sales						
Net sales to outside customers	14,465,794	8,524,226	151,332	23,141,353	-	23,141,353
Inter-segment net sales or transfers	3,877	-	-	3,877	(3,877)	-
Total	14,469,671	8,524,226	151,332	23,145,230	(3,877)	23,141,353
Segment income (loss)	(83,461)	563,035	82,561	562,134	(892,878)	(330,744)

(Notes) 1. The adjustment for segment income or loss mainly includes corporate expenses. Corporate expenses mainly include general and administrative expenses, not attributed to reportable segments.

2. Segment income or loss is adjusted to the operating loss in the quarterly consolidated statements of income.

2. Information on impairment losses of non-current assets and goodwill by reporting segment

There is no relevant information.

II. For the six months ended September 30, 2020

1. Information on net sales and income (loss) by reportable segment

(Thousand yen)

	Reportable segment				Adjustment (Note 1)	Amounts recorded in the Quarterly Consolidated Statements of Income (Note 2)
	Foundation	Secondary Concrete Product	Real Estate and Solar Power Generation	Total		
Net sales						
Net sales to outside customers	11,839,394	10,760,584	153,966	22,753,944	-	22,753,944
Inter-segment net sales or transfers	7,276	-	-	7,276	(7,276)	-
Total	11,846,670	10,760,584	153,966	22,761,221	(7,276)	22,753,944
Segment income (loss)	522,909	1,229,342	89,869	1,842,120	(804,898)	1,037,221

(Notes) 1. The adjustment for segment income mainly includes corporate expenses. Corporate expenses mainly include general and administrative expenses, not attributed to reportable segments.

2. Segment income is adjusted to the operating income in the quarterly consolidated statements of income.

2. Information on impairment losses of non-current assets and goodwill by reporting segment

There is no relevant information.

(Additional Information)

(A transaction in which the Company's shares are delivered to its employees, etc. through a trust)

(1) Summary of the transaction

As for the Board Incentive Plan Trust (hereinafter referred to as the "BIP Trust") and the Stock Granting Trust (J-ESOP) (hereinafter referred to as the "J-ESOP Trust") introduced in August 2015, the Company resolved at the Board of Directors' Meeting held on August 9, 2018 to continue the BIP Trust and the J-ESOP Trust for a new three-year period (from August 9, 2018 to August 31, 2021) and reintroduced them by entering into an agreement to extend their terms, for the purpose of increasing motivation to improve the Company's medium to long term performance and raising awareness towards the contribution to an increase in shareholder value.

(2) The Company's shares remaining in the trust

The Company's shares remaining in the trust are recorded as treasury shares in net assets at their book value (excluding incidental expenses) in the trust. The book value and the number of shares of the treasury shares at the end of the second quarter of the fiscal year under review are 23,875 thousand yen and 56,413 shares for the BIP Trust, and 25,106 thousand yen and 63,651 shares for the J-ESOP Trust.



November 12, 2020

Company name: NIPPON CONCRETE INDUSTRIES CO., LTD.  
 Representative: AMIYA Katsuhiko,  
 Representative Director and President  
 (Code: 5269, TSE 1st Section)  
 Contact: IMAI Shoichi,  
 Director and Managing Executive Officer  
 (Phone: 03-3452-1025)

### Notice regarding Revision of Full-year Financial Results Forecast and Year-end Dividend Forecast

Based on its recent business performance, NIPPON CONCRETE INDUSTRIES CO., LTD. (the “Company”) has revised its consolidated financial results forecast and year-end dividend forecast for the fiscal year ending March 31, 2021 announced on May 20, 2020.

#### 1. Revision to the Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021 (April 01, 2020 to March 31, 2021)

	Net sales (Million yen)	Operating profit (Million yen)	Ordinary profit (Million yen)	Profit attributable to owners of parent (Million yen)	Basic earnings per share (Yen)
Previously announced forecasts (A)	48,000	1,400	1,600	1,050	18.67
Revised forecasts (B)	47,000	2,050	2,400	1,350	24.03
Difference (B - A)	(1,000)	650	800	300	
Increase (Decrease) ratio (%)	(2.1)	46.4	50.0	28.6	
For ref.: Results for previous year (FY ended March 31, 2020)	45,824	(86)	282	(35)	(0.62)

#### Reasons for the revision

In terms of net sales, the sales in our Foundation Business are expected to decrease due chiefly to the demand for concrete piles across Japan likely to fall below the initial forecast. Our Secondary Concrete Product Business will also see lower-than-forecast net sales as a whole, due mainly to construction delays causing deferred production and shipments in the RC segment, despite the sales of precast concrete walls expected to increase.

On the other hand, we expect to achieve more gross profit than initially projected, through our successful efforts to further reduce product costs in the plants and ensure higher income on construction projects. This being combined with the steady progress of our company-wide actions to cut the selling, general and administrative expenses, our overall income is expected to be greater than our initial estimate.

## 2. Revision to the Year-end Dividend Forecast

	Annual dividends		
	2nd quarter-end	Year-end	Total
Previous forecasts (announced on May 20, 2020)	Yen 2.50	Yen 2.50	Yen 5.00
Revised forecasts		3.50	6.00
Dividends paid for this year	2.50		
Dividends paid for previous year (FY ended March 31, 2020)	2.00	0.00	2.00

### Reasons for the revision

The Company considers the return of profit to shareholders as one of its key business policies to follow, in parallel with the reinforcement of its management base and enhancement of its corporate value.

As to the distribution of retained earnings, the Company has made it a rule to provide appropriate returns to shareholders by ensuring steady dividend payments as far as its financial results allow. Based on the above revisions made to the full-year financial results forecast, the distribution of retained earnings for the fiscal year ending March 31, 2021 is forecast to be 3.50 yen per share (up 1 yen from the previous forecast) as shown above. With 2.50 yen as of September 30, 2020, the annual dividend is now expected to be 6 yen per share (up 1 yen from the previous forecast).

(Note) The forecasts given in this document are based on the information currently available in the Company and certain assumptions deemed reasonable by the Company, which means that no commitment is made by the Company as to the fulfillment of such forecasts. Actual results may differ from these forecasts for a variety of reasons.