

# Financial Results

## FY 2019 Quarter 1

1<sup>st</sup> April, 2019 – 30<sup>th</sup> June, 2019

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.

5<sup>th</sup> August, 2019



**NICHIAS Corporation**

# Business outlook FY2019 Q1 (1<sup>st</sup> April, 2019 – 30<sup>th</sup> June, 2019)

| Segments                     | FY2018 Q1   | FY2019 Q1  | Analysis  |
|------------------------------|---|--|---|
| Energy and industrial plants |    |    | Steady demand by oil refinery, petrochemical & power plant sector.                      |
| Industrial products          |    |    | Good demand of sealing and insulation materials by infrastructure & electronics sector. |
| Advanced products            |    |    | Weak demand by semiconductor equipment parts.   |
| Autoparts                    |   |   | Stable demand from Japan and overseas market.   |
| Building materials           |  |  | Strong demand of Wrap-type fireproof materials.   |

# Financial highlights FY2019 Q1 (1<sup>st</sup> April, 2019-30<sup>th</sup> June, 2019)

(Unit: Billions of JPY)

|   | FY2018      |        |        |           | FY2019  |       |       |                                 |       |                                 |                                 |      |
|---|-------------|--------|--------|-----------|---------|-------|-------|---------------------------------|-------|---------------------------------|---------------------------------|------|
|   | Q1          | H1     | H2     | Full year | Q1      |       | Q2    | H1                              |       | H2                              | Full year                       |      |
|   | Results     |        |        |           | Results | YoY   | H1-Q1 | Forecast<br>6 <sup>th</sup> May | YoY   | Forecast<br>6 <sup>th</sup> May | Forecast<br>6 <sup>th</sup> May | YoY  |
| <b>Sales</b>  | 52.7        | 106.6  | 108.9  | 215.5     | 47.4    | Δ 10% | 50.6  | 98.0                            | Δ 8%  | 110.0                           | 208.0                           | Δ 3% |
| <b>Operating income</b>                                     | 6.5         | 11.7   | 10.9   | 22.6      | 4.5     | Δ 31% | 4.3   | 8.8                             | Δ 25% | 12.0                            | 20.8                            | Δ 8% |
|   | 12.3%       | 11.0%  | 10.0%  | 10.5%     | 9.4%    |       | 8.6%  | 9.0%                            |       | 10.9%                           | 10.0%                           |      |
| <b>Ordinary income</b>                                      | 6.7         | 12.2   | 11.0   | 23.2      | 4.6     | Δ 32% | 4.4   | 9.0                             | Δ 26% | 12.2                            | 21.2                            | Δ 9% |
|   | 12.7%       | 11.5%  | 10.1%  | 10.8%     | 9.6%    |       | 8.7%  | 9.2%                            |       | 11.1%                           | 10.2%                           |      |
| <b>Profit</b><br>attributable to<br>owners of the<br>parent | 4.6         | 8.3    | 7.6    | 15.9      | 3.3     | Δ 29% | 2.9   | 6.2                             | Δ 25% | 8.3                             | 14.5                            | Δ 9% |
|   | 8.8%        | 7.8%   | 7.0%   | 7.4%      | 7.0%    |       | 5.7%  | 6.3%                            |       | 7.5%                            | 7.0%                            |      |
|   | (Unit: JPY) |        |        |           |         |       |       |                                 |       |                                 |                                 |      |
| <b>Basic earning per share</b>                              | 69.59       | 124.48 | 114.20 | 238.70    | 49.92   | Δ 28% | 43.54 | 93.30                           | Δ 25% | 124.91                          | 218.21                          | Δ 9% |
| <b>Dividends</b>  |             | 32     | 36     | 68        |         |       |       | 36                              | 12.5% | 36                              | 72                              | 5.8% |
| <b>Dividend payout ratio</b>                                |             | 25.7%  | 31.5%  | 28.5%     |         |       |       | 38.6%                           |       | 28.8%                           | 33.0%                           |      |

# Business results FY2019 Q1 (1<sup>st</sup> April, 2019 - 30<sup>th</sup> June, 2019)

(Unit: Billions of JPY)

| Segments                   |                  | FY2018  |       |       |           | FY2019  |       |       |                                 |       |                                 |                                 |       |
|----------------------------|------------------|---------|-------|-------|-----------|---------|-------|-------|---------------------------------|-------|---------------------------------|---------------------------------|-------|
|                            |                  | Q1      | H1    | H2    | Full year | Q1      |       | Q2    | H1                              |       | H2                              | Full year                       |       |
|                            |                  | Results |       |       |           | Results | YoY   | H1-Q1 | Forecast<br>6 <sup>th</sup> May | YoY   | Forecast<br>6 <sup>th</sup> May | Forecast<br>6 <sup>th</sup> May | YoY   |
| Energy & industrial plants | Net sales        | 15.3    | 33.1  | 34.2  | 67.3      | 13.6    | Δ 11% | 16.4  | 30.0                            | Δ 9%  | 31.5                            | 61.5                            | Δ 9%  |
|                            | Operating income | 1.7     | 3.4   | 2.8   | 6.2       | 1.3     | Δ 24% | 0.9   | 2.2                             | Δ 35% | 3.0                             | 5.2                             | Δ 16% |
|                            | %                | 11.0%   | 10.3% | 8.1%  | 9.2%      | 9.5%    |       | 5.6%  | 7.3%                            |       | 9.5%                            | 8.5%                            |       |
| Industrial products        | Net sales        | 12.0    | 22.9  | 23.7  | 46.5      | 11.0    | Δ 9%  | 11.5  | 22.5                            | Δ 2%  | 25.0                            | 47.5                            | 2%    |
|                            | Operating income | 2.2     | 3.8   | 3.6   | 7.5       | 1.6     | Δ 31% | 1.8   | 3.4                             | Δ 11% | 4.2                             | 7.6                             | 2%    |
|                            | %                | 18.6%   | 16.7% | 15.4% | 16.0%     | 14.1%   |       | 16.0% | 15.1%                           |       | 16.8%                           | 16.0%                           |       |
| Advanced products          | Net sales        | 7.0     | 13.2  | 11.6  | 24.9      | 4.8     | Δ 31% | 5.2   | 10.0                            | Δ 25% | 13.0                            | 23.0                            | Δ 8%  |
|                            | Operating income | 1.3     | 2.5   | 1.7   | 4.2       | 0.5     | Δ 61% | 0.5   | 1.0                             | Δ 60% | 1.9                             | 2.9                             | Δ 31% |
|                            | %                | 19.3%   | 18.8% | 14.7% | 16.9%     | 11.0%   |       | 9.1%  | 10.0%                           |       | 14.6%                           | 12.6%                           |       |
| Autoparts                  | Net sales        | 11.5    | 22.5  | 22.5  | 45.0      | 11.2    | Δ 2%  | 11.3  | 22.5                            | Δ 0%  | 23.0                            | 45.5                            | 1%    |
|                            | Operating income | 1.0     | 1.8   | 2.1   | 3.9       | 1.0     | Δ 4%  | 0.9   | 1.9                             | 3%    | 1.8                             | 3.7                             | Δ 5%  |
|                            | %                | 9.0%    | 8.2%  | 9.2%  | 8.7%      | 8.9%    |       | 8.0%  | 8.4%                            |       | 7.8%                            | 8.1%                            |       |
| Building materials         | Net sales        | 6.8     | 14.9  | 16.9  | 31.8      | 6.8     | Δ 0%  | 6.2   | 13.0                            | Δ 13% | 17.5                            | 30.5                            | Δ 4%  |
|                            | Operating income | 0.2     | 0.1   | 0.8   | 0.9       | 0.1     | Δ 41% | 0.2   | 0.3                             | 130%  | 1.1                             | 1.4                             | 58%   |
|                            | %                | 2.3%    | 0.9%  | 4.4%  | 2.8%      | 1.4%    |       | 3.3%  | 2.3%                            |       | 6.3%                            | 4.6%                            |       |
| Total                      | Net sales        | 52.7    | 106.6 | 108.9 | 215.5     | 47.4    | Δ 10% | 50.6  | 98.0                            | Δ 8%  | 110.0                           | 208.0                           | Δ 3%  |
|                            | Operating income | 6.5     | 11.7  | 10.9  | 22.6      | 4.5     | Δ 31% | 4.3   | 8.8                             | Δ 25% | 12.0                            | 20.8                            | Δ 8%  |
|                            | %                | 12.3%   | 11.0% | 10.0% | 10.5%     | 9.4%    |       | 8.6%  | 9.0%                            |       | 10.9%                           | 10.0%                           |       |