

Financial Results Summary FY2019

From 1st April, 2019 to 31st March, 2020

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

11th May, 2020



NICHIAS Corporation

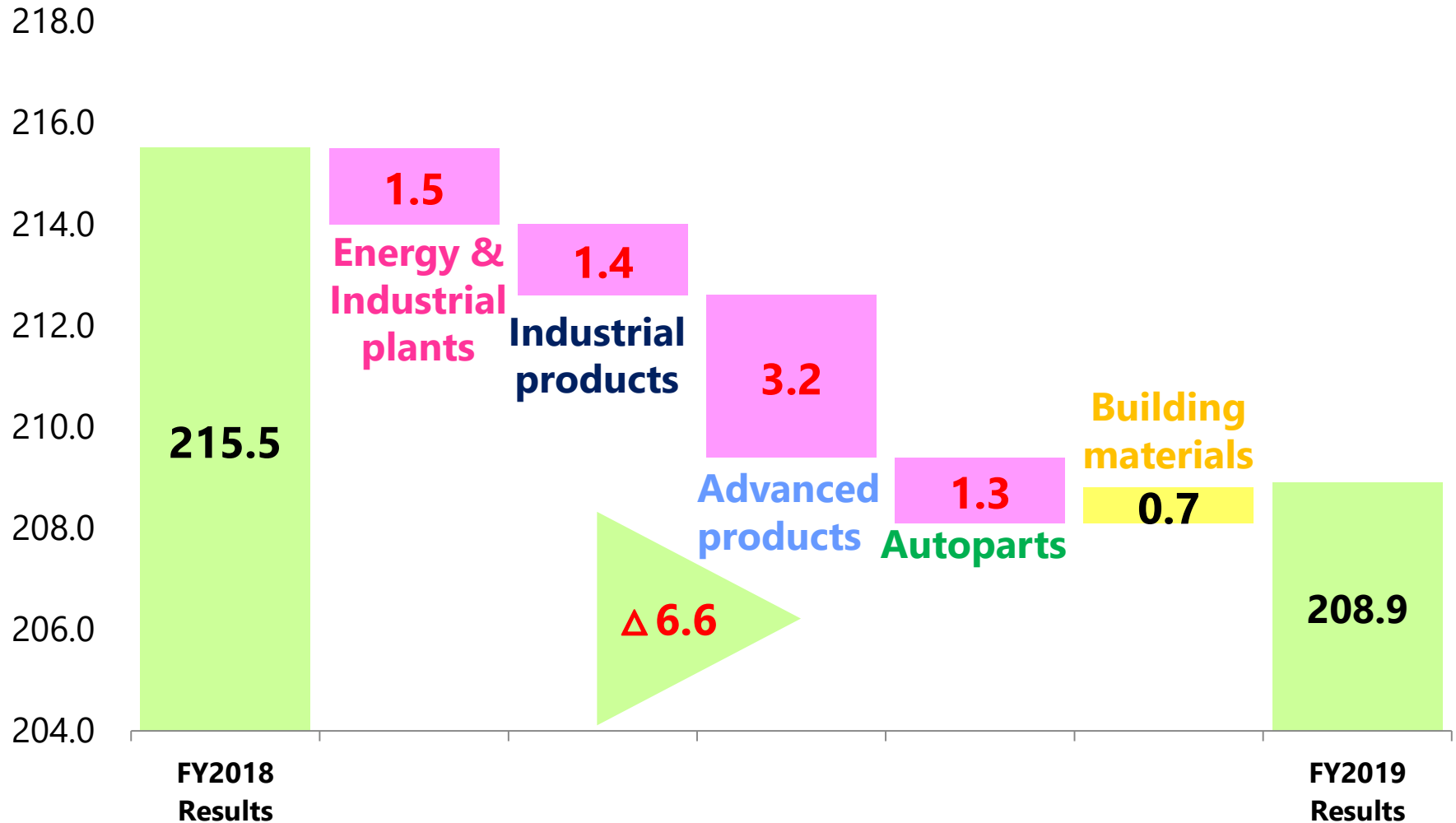
Financial highlights FY2019 Results

(Unit: billion JPY)

		FY2018	FY2019		Change	
		Results	Forecast 10 th Feb, 2020	Results	YoY	Forecast
Net Sales		215.5	208.0	208.9	Δ 3.1%	0.4%
Operating income		22.6 10.5%	20.8 10.0%	20.4 9.8%	Δ 9.7%	Δ 1.8%
Ordinary income		23.2 10.8%	21.2 10.2%	21.6 10.4%	Δ 6.6%	2.0%
Extra ordinary	Profit	0.1	-	0.1	Δ 45.5%	-
	Loss	0.5	-	0.7	44.6%	-
Profit Attributable to owners of parent		15.9 7.4%	14.5 7.0%	14.7 7.0%	Δ 7.5%	1.2%

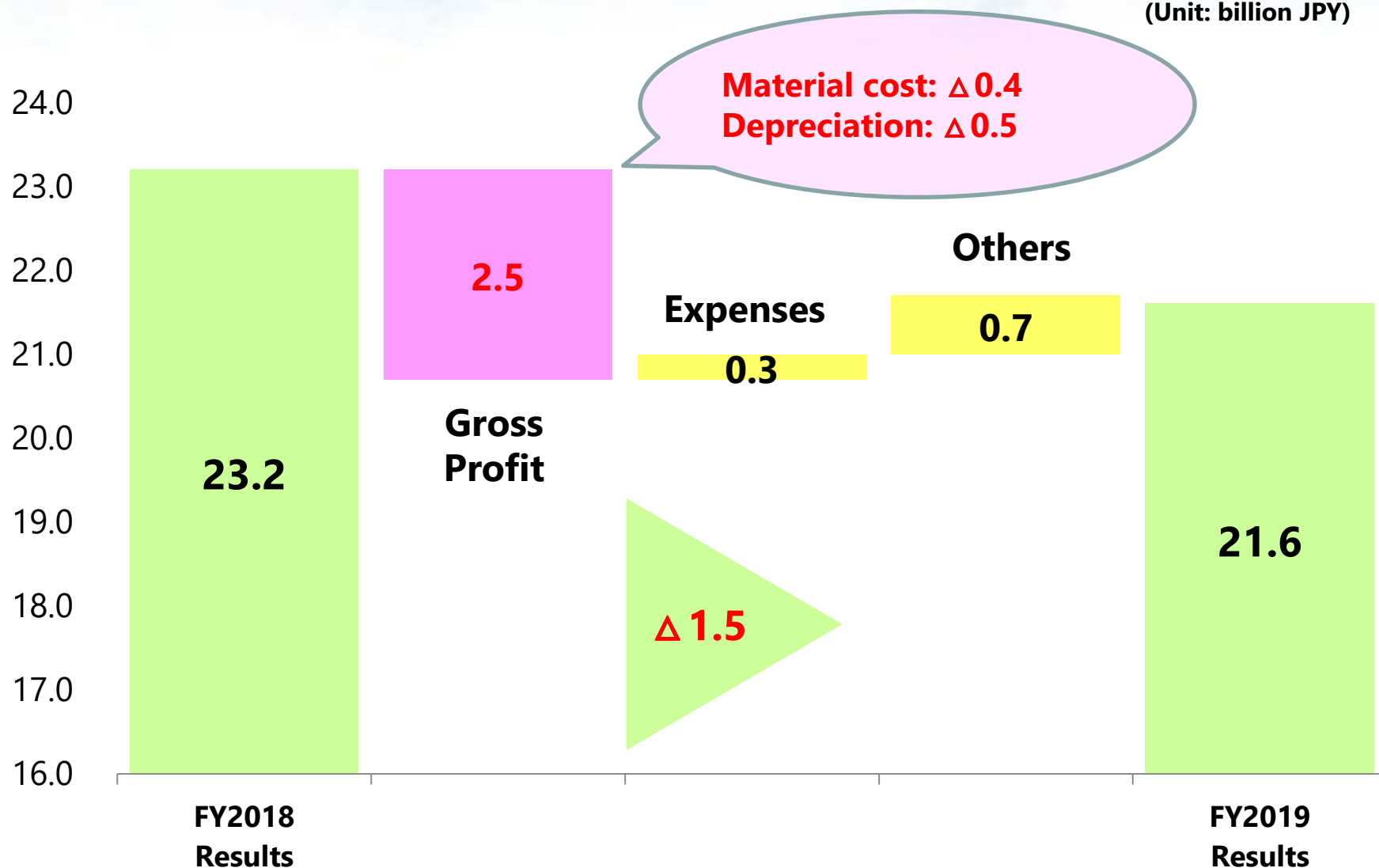
Change analysis FY2019 Net sales

(Unit: billion JPY)



Change analysis FY2019 Ordinary income

(Unit: billion JPY)



Business results FY2019 Group segment

(Unit: billion JPY)

Segment		FY2018 Results	F2019 Forecast 10 th Feb.	FY2019 Results	Change	
					YoY	Forecast
Energy & Industrial plants	Net sales	67.3	64.0	65.8	Δ 2.2%	2.9%
	Operating income	6.2 9.2%	6.5 10.2%	7.2 10.9%	16.3%	10.5%
Industrial products	Net sales	46.5	46.0	45.2	Δ 2.9%	Δ 1.8%
	Operating income	7.5 16.0%	6.4 13.9%	6.0 13.2%	Δ 19.9%	Δ 6.6%
Advanced products	Net sales	24.9	21.5	21.6	Δ 13.0%	0.6%
	Operating income	4.2 16.9%	2.8 13.0%	2.8 12.7%	Δ 34.4%	Δ 1.6%
Autoparts	Net sales	45.0	44.5	43.7	Δ 2.8%	Δ 1.7%
	Operating income	3.9 8.7%	3.4 7.6%	3.0 6.8%	Δ 23.7%	Δ 12.4%
Building materials	Net sales	31.8	32.0	32.5	2.2%	1.6%
	Operating income	0.9 2.8%	1.7 5.3%	1.5 4.7%	73.5%	Δ 9.8%
Total	Net sales	215.5	208.0	208.9	Δ 3.1%	0.4%
	Operating income	22.6 10.5%	20.8 10.0%	20.4 9.8%	Δ 9.7%	Δ 1.8%

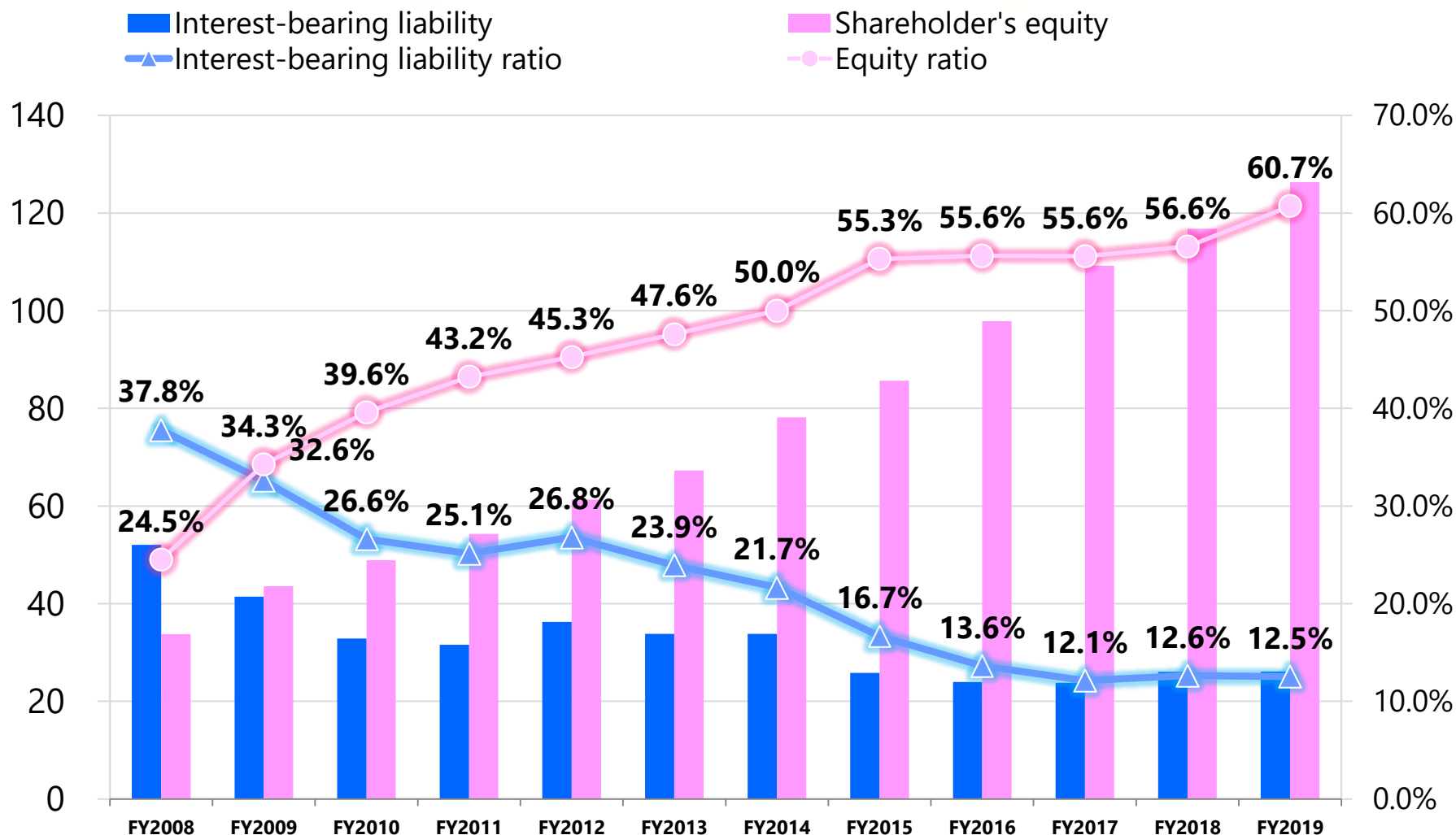
Balance sheet highlights FY2019

(Unit: billion JPY)

		206.4	+1.7	208.1
Assets	Cash & Deposits	28.5	+5.8	34.3
	Account receivable	60.1	Δ 4.2	55.8
	Inventories	24.5	+2.7	27.3
	Account receivable From uncompleted contracts	9.2	Δ 3.6 +0.2	5.6
	Others	59.0	+2.7	61.6
	Property, Plant & intangible assets	22.1	Δ 2.0	20.1
	Investment			
		206.4		208.1
Liabilities & Net assets	Account payable	35.8	Δ 4.8	31.1
	Interest bearing liability	26.1		26.1
	Advances received on uncompleted contracts	4.3	Δ 3.0	1.3
	Fixed liability	15.9	Δ 0.1	15.8
	Current liability	6.6		6.6
	Net asset	117.8	+9.4	127.2
		FY2018		FY2019

Interest bearing liabilities & Equity Trends











(Unit: billion JPY)



Financial policy

	Index	Target	FY2018 Results	FY2019 Results	Policy
Safety	Short term liquidity	3.0months (FY2024)	1.6months	2.0months	The level that does not immediately fall short of funding.
	Equity ratio	60% (FY2020)	56.6%	60.7%	Continue to keep current level.
Efficiency	ROE	Over 10%	14.0%	12.1%	-
Share holders return policy	Dividend payout	25~35%	28.5%	34.4%	Stable & continuous dividend.
	Share buyback	-	2.0billion (JPY)	-	Continue to consider it in light of the balance with growth investment.

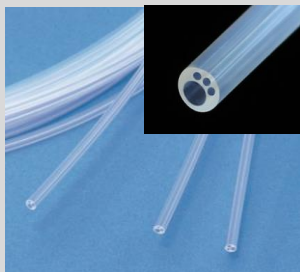
Business outlook FY2020

Segment	FY2019 Results	FY2020 Forecast
Energy & Industrial plant		
Industrial products		
Advanced products		
Autoparts		
Building materials		

Medium-term business plan Second stage

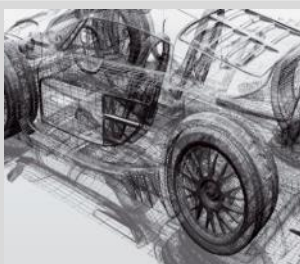
**Focus on
growing market**

**Medical
devices**



**Strengthen
overseas business**

**Automotive
parts**



**Increase & Efficient
operation at
Japanese business**

**Oil & Petro
-chemical**



Environment



**Rock Wool
for
industrial
market**



**Rock Wool
for
residential
market**



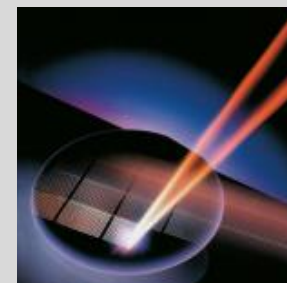
Fireproof



Contracts



**Advanced
products**



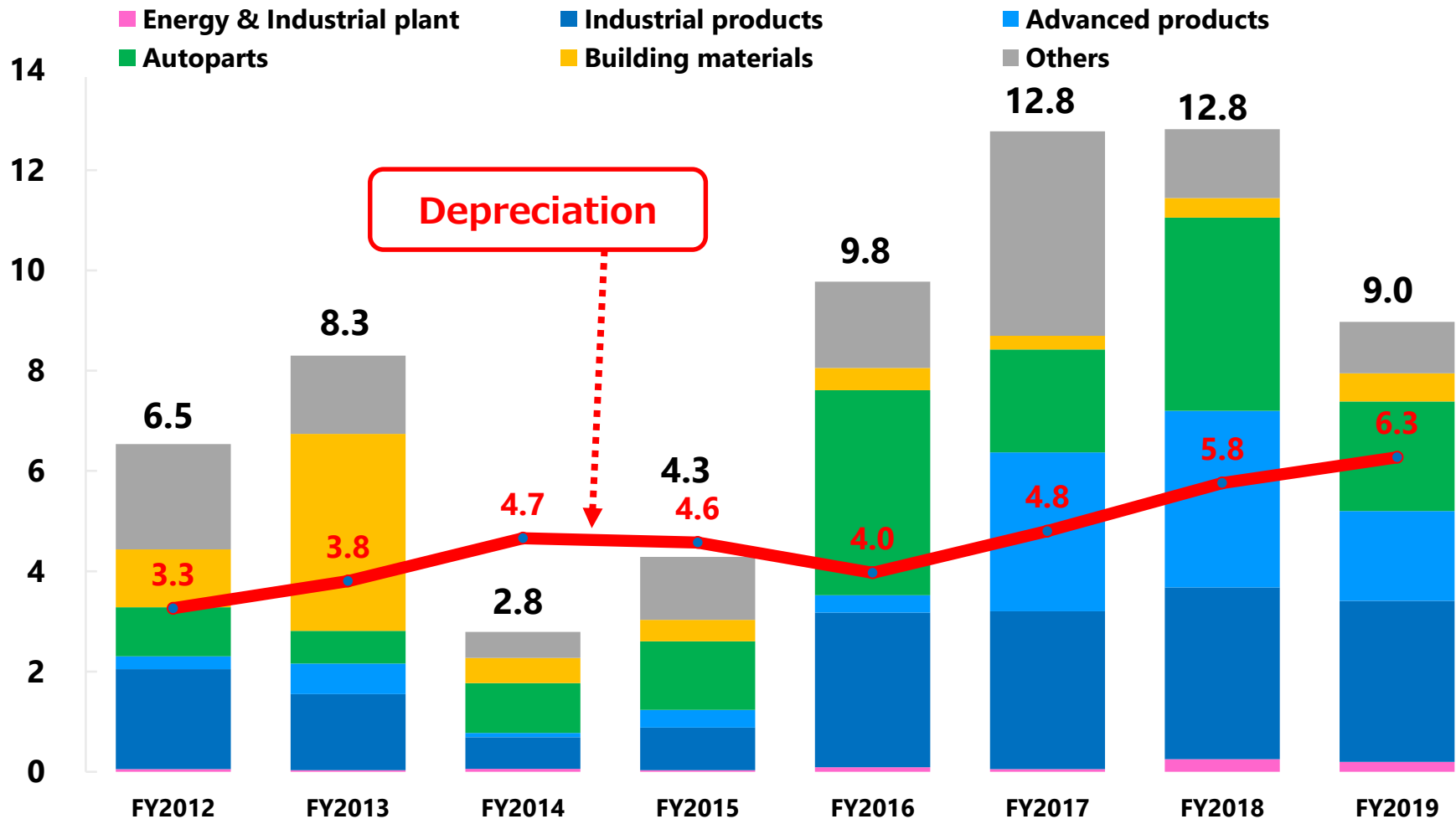
Medium-term business plan Investment

(Unit: billion JPY)

Completed		Place	Amount
<div>Growing market</div> <div>Overseas Market</div> <div>Japanese business</div>	● VOC & Dehumidifier (Environment) products	China Vietnam	2.4
	● Rock Wool No. 3 production line	Indonesia	4.0
	● METAKOTE No. 3 production line	Malaysia	3.1
	● Production capability increase (Autoparts)	Czech Republic	0.3
	● Production capability increase (Autoparts)	China	2.2
	● Factory re-development	Tsurumi & Oji factory	3.7
	● R&D center expansion (5 th building)	Hamamatsu R&D Ctr.	0.9
	● Production capability increase (Advanced products)	KUMAMOTO NICHIAS	2.4
	● Production capability increase (Autoparts)	Yuki factory, Japan	1.0
	● Production capability increase (Advanced products)	NICHIAS CERATECH FUKUSHIMA NICHIAS	5.7
On going		Place	Amount
<div>Growing market</div> <div>Japanese business</div>	● Covered rubber gasket (5 th factory)	Malaysia	0.6
	● Tubing for medical devices	Vietnam	0.9
	● Factory re-development	Oji factory, Japan	4.6
	● Production equipment integration	NICHIAS CERATECH	1.0

Investment & Depreciation cost Trends

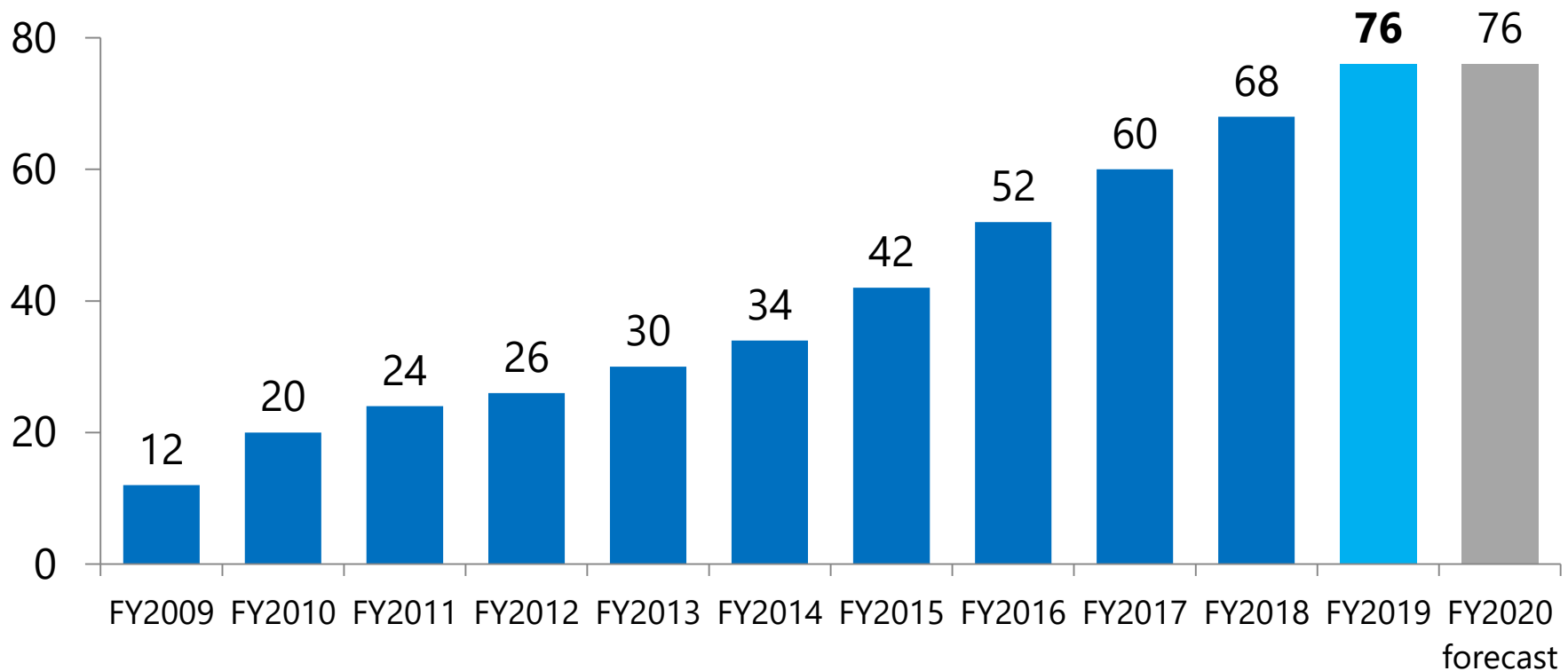
(Unit: billion JPY)



Shareholder's return Trends

(Unit: JPY)

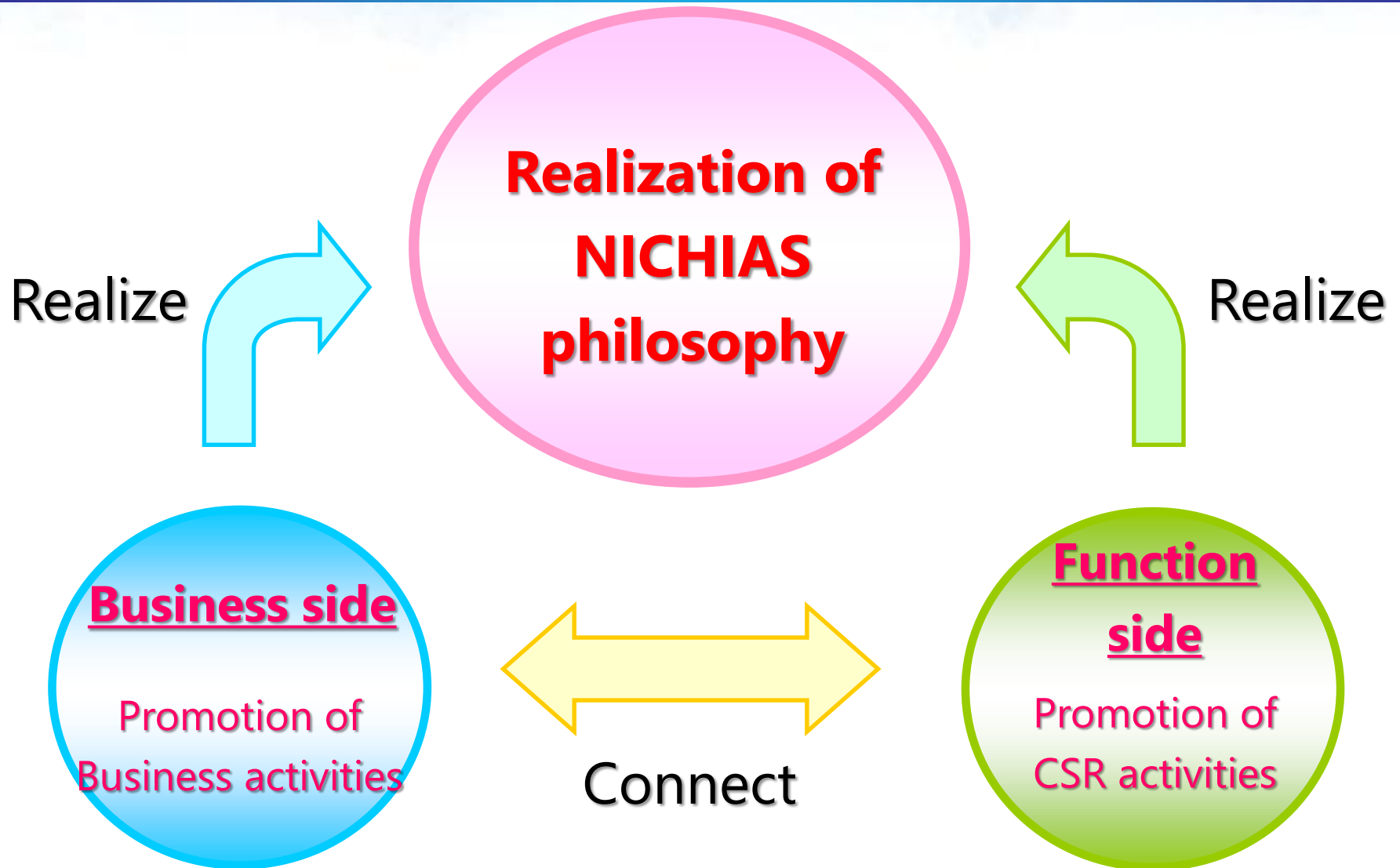
**Basic on ongoing stable dividends and aims for a dividend payout ratio of 25-35%.
Continue to consider share buyback in the light of the balance with growth & investment.**



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.

Business and Function (CSR activities)



A bright company where
it is pleasant to work

ขอบคุณ

ありがとう

Dě kuji

Danke

ありがとう

cảm ơn bạn

고맙습니다

ありがとう

Gracias

谢谢

ありがとう

Terima kasi

धन्यवाद

ありがとう

Thank you



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' "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.