

# Financial Results Summary FY2021 first half

From 1<sup>st</sup> April, 2021 to 30<sup>th</sup> September, 2021

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.

9<sup>th</sup> November, 2021




**NICHIAS Corporation**

**Summary of business results for FY2021 H1**  
**(From 1<sup>st</sup> April, 2021 to 30<sup>th</sup> September, 2021)**

# ◇ Financial highlights FY2021 H1 Results



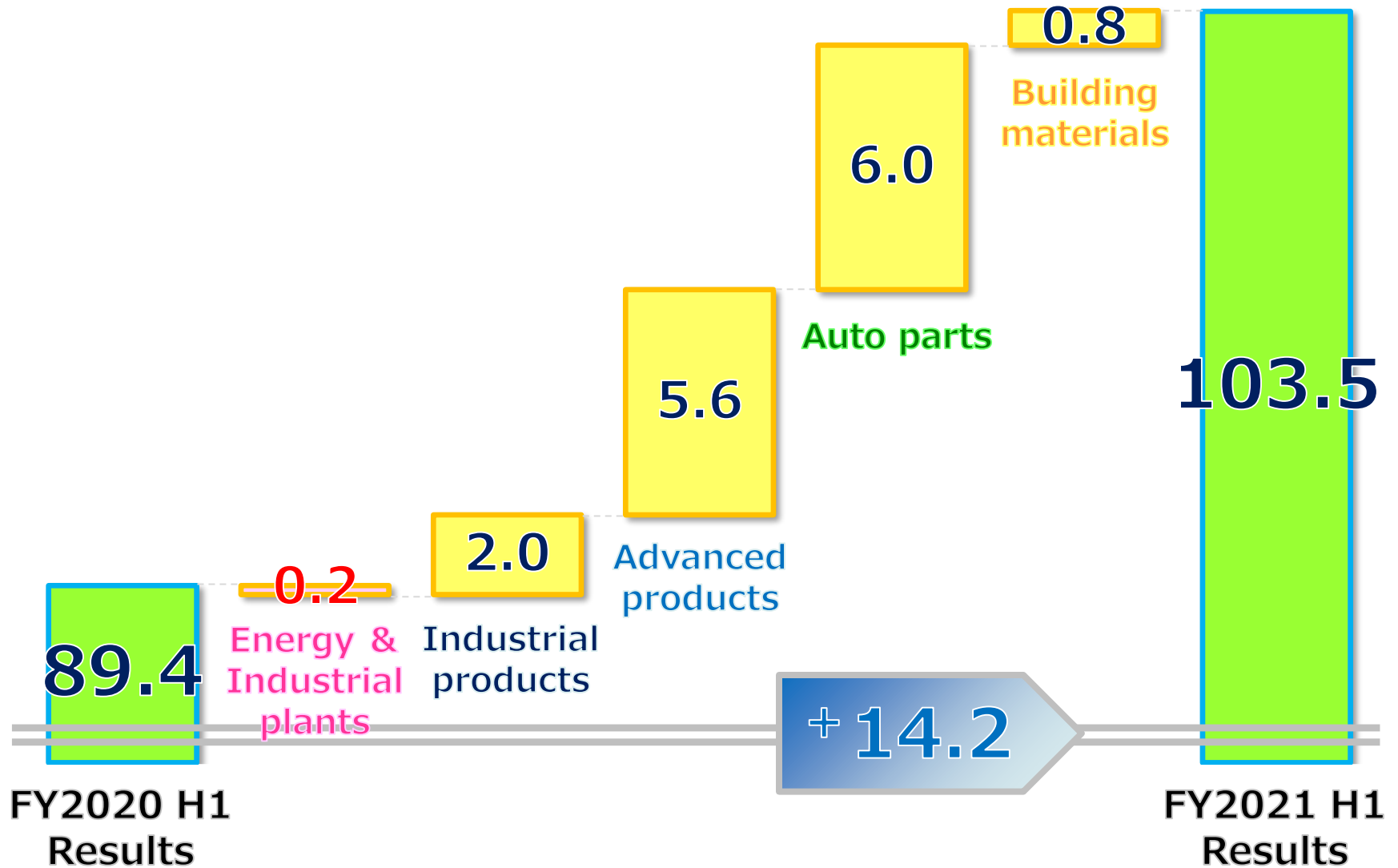
(Unit : billion JPY)

	FY2020 H1 Results	FY2021 H1		Change	
		Forecast 10 <sup>th</sup> May.	Results	YoY	Forecast
 Net Sales	89.4	97.0	103.5	15.8%	6.7%
Operating income	7.1	9.3	12.7	77.5%	36.3%
	8.0%	9.6%	12.2%	—	—
Ordinary income	7.7	9.3	13.9	80.4%	49.4%
	8.6%	9.6%	13.4%	—	—
Extra Ordinary	Profit	0.4	—	▲ 26.3%	—
	Loss	0.8	—	▲ 76.8%	—
Profit Attributable to owners of parent	4.7	6.3	10.2	119.7%	62.7%
	5.2%	6.5%	9.9%	—	—

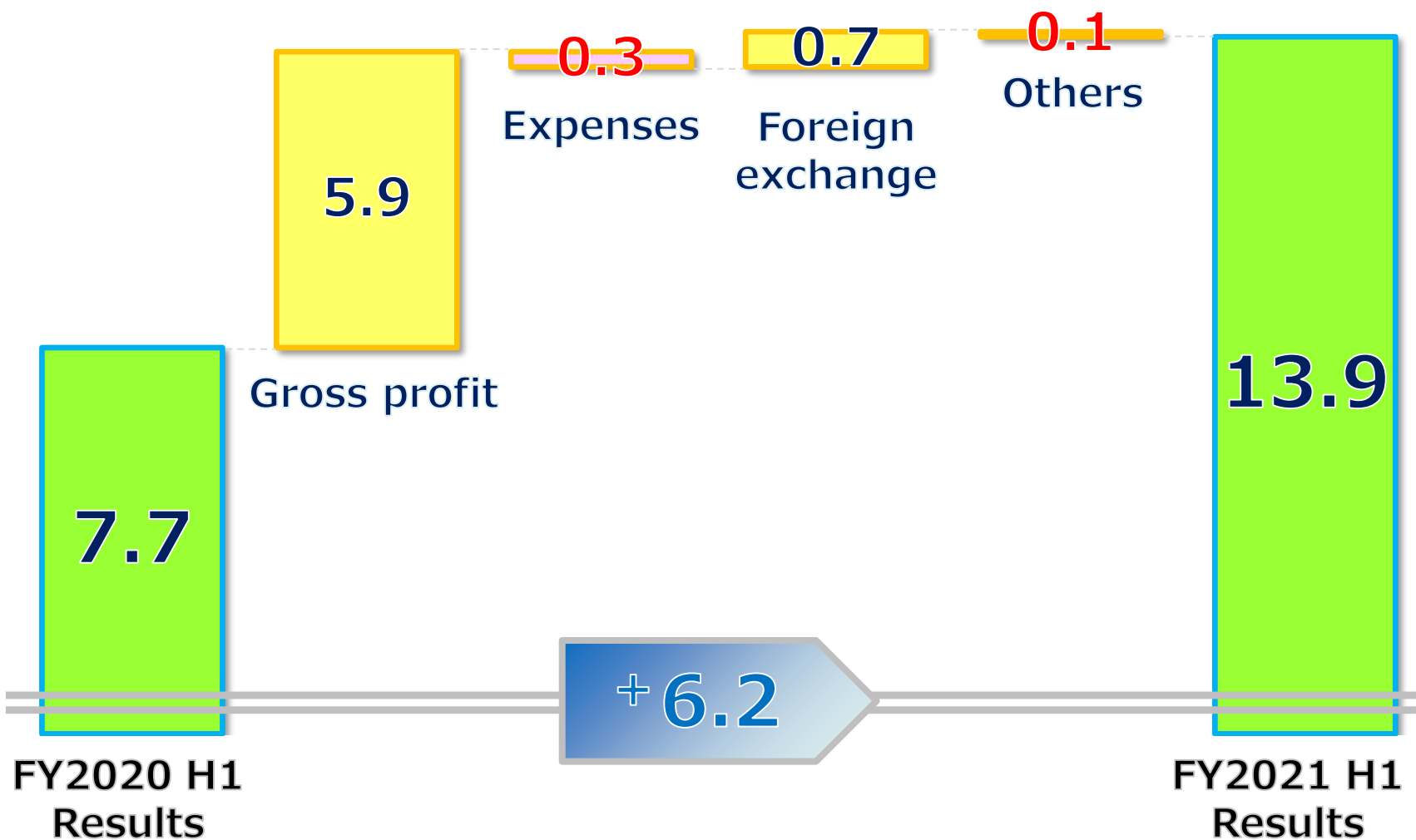
**Growth in Advanced products.  
Landed with better results.**



(Unit : billion JPY)



(Unit : billion JPY)



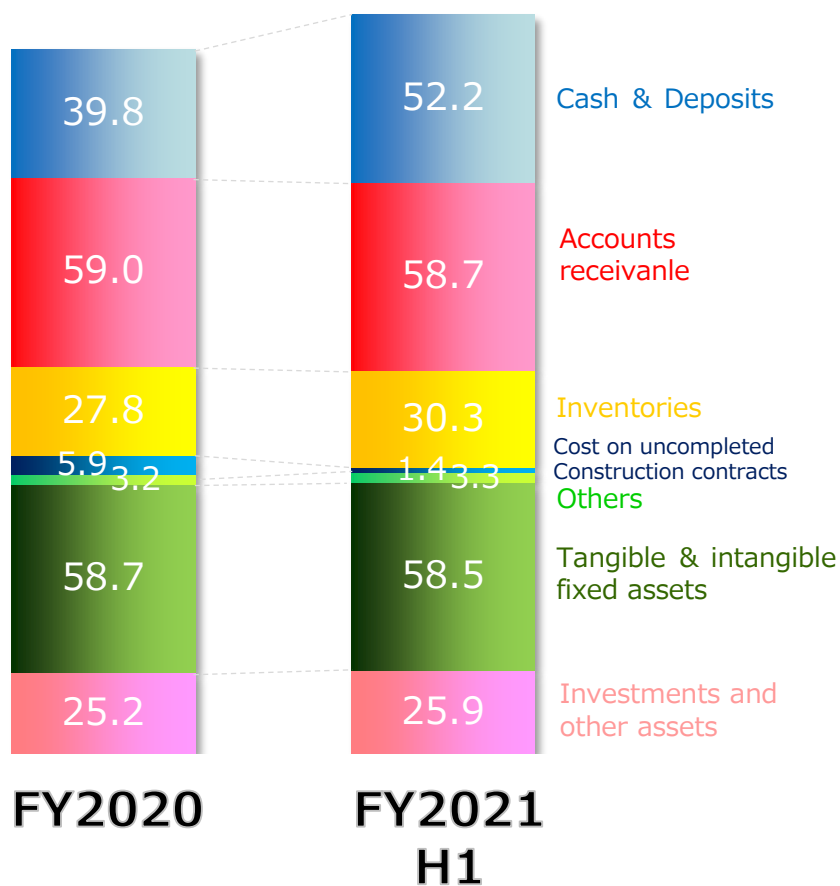
# ◇ Business results FY2021 H1 Group segment



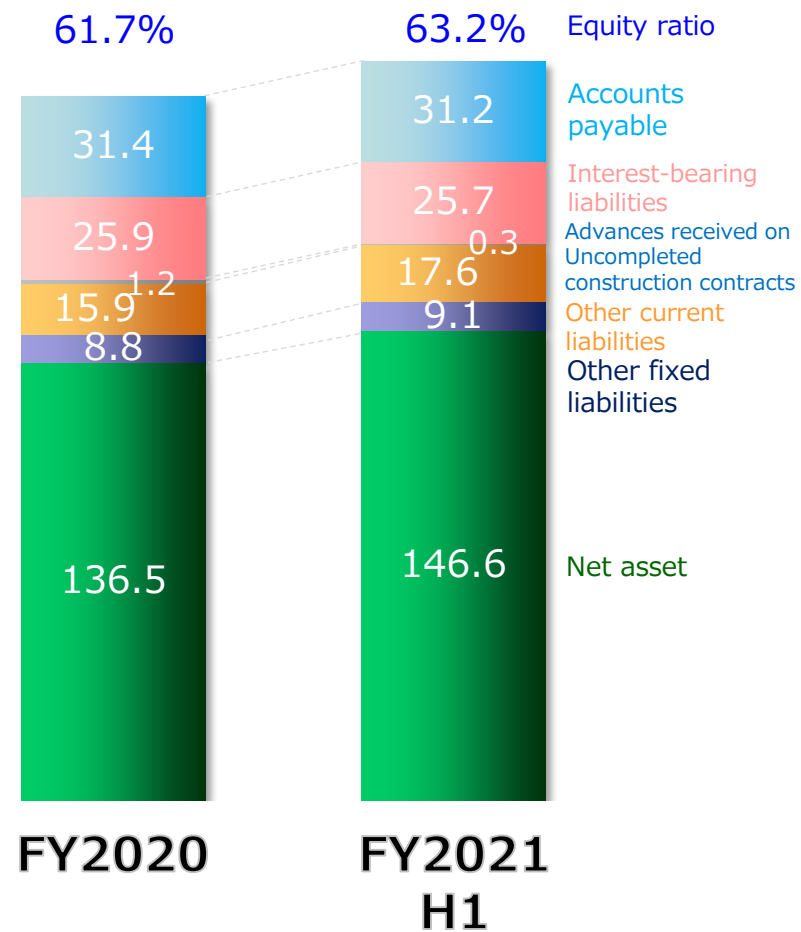
(Unit : billion JPY)

Segment		FY2020 H1 Results	FY2021 H1		Change	
			Fcst.10 <sup>th</sup> May.	Results	YoY	Forecast
Energy & Industrial plants	Net sales	28.3	28.0	28.0	▲0.8%	—
	Operating income	3.2 11.3%	2.6 9.3%	2.6 9.3%	▲19.0%	—
Industrial products	Net sales	20.8	22.5	22.8	9.4%	1.3%
	Operating income	2.7 12.9%	3.1 13.8%	3.9 17.2%	46.0%	26.3%
Advanced products	Net sales	11.3	13.0	16.8	49.3%	29.4%
	Operating income	1.4 12.2%	1.9 14.6%	3.7 22.1%	169.6%	95.6%
Auto parts	Net sales	16.1	21.5	22.2	37.4%	3.1%
	Operating income	0.1 0.5%	1.7 7.9%	2.3 10.4%	2,702.1%	35.5%
Building materials	Net sales	12.9	12.0	13.7	6.6%	14.2%
	Operating income	▲0.2 ▲1.6%	0.0 0.0%	0.1 1.0%	—	—
Total	Net sales	89.4	97.0	103.5	15.8%	6.7%
	Operating income	7.1 8.0%	9.3 9.6%	12.7 12.2%	77.5%	36.3%

## Assets



## Liabilities & Netassets

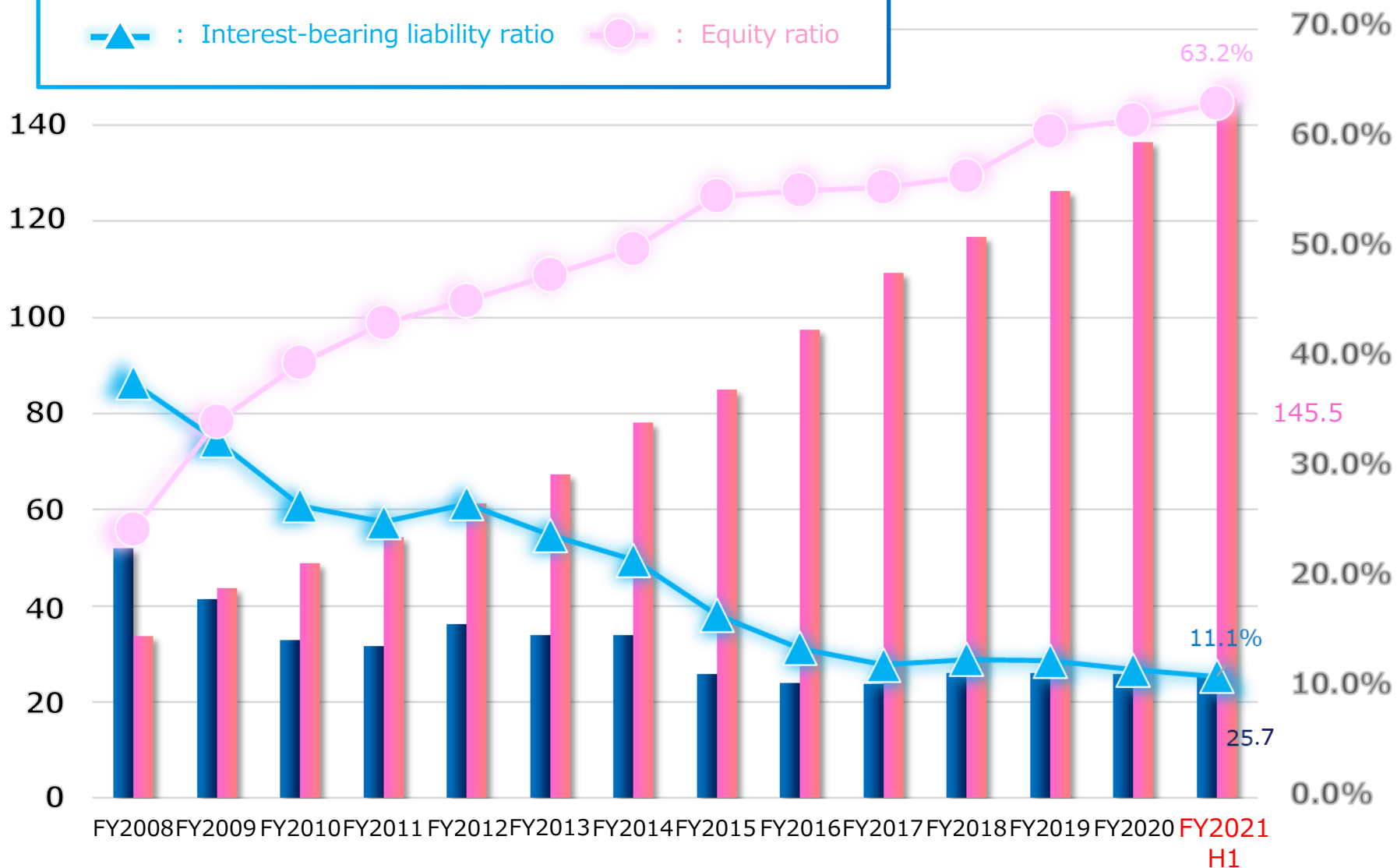





# ◇ Interest-bearing liabilities & Equity Trends













(Unit : billion JPY)



	Indicator	Target	FY2021 H1 Results	FY2021 Forecast	Policy
<b>Safety</b>	Liquidity on hand	3.0 months	3.0 months	2.9 months	A level at which the company will not immediately run short of working capital, even in a financial crisis.
	Equity ratio	Over 60%	63.2%	63.0%	Maintain current level
<b>Shareholders return policy</b>	Dividend payout	25~35% degree	27.2%	30.2%	Stable & continuous dividend
	Share buyback	—	—	—	Continue to consider this option in light of the balance with growth investment.
<b>Efficiency</b>	ROE	Over 10%	—	13.0%	


**Summary of business forecast for FY2021**  
**(From 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022)**

Segment	FY2021 H1 【Results】	FY2021 【Forecast】
Energy & Industrial plants		
Industrial products		
Advanced products		
Auto parts		
Building materials		

# ◇ Financial highlights for FY2021 Forecast



(Unit : billion JPY)

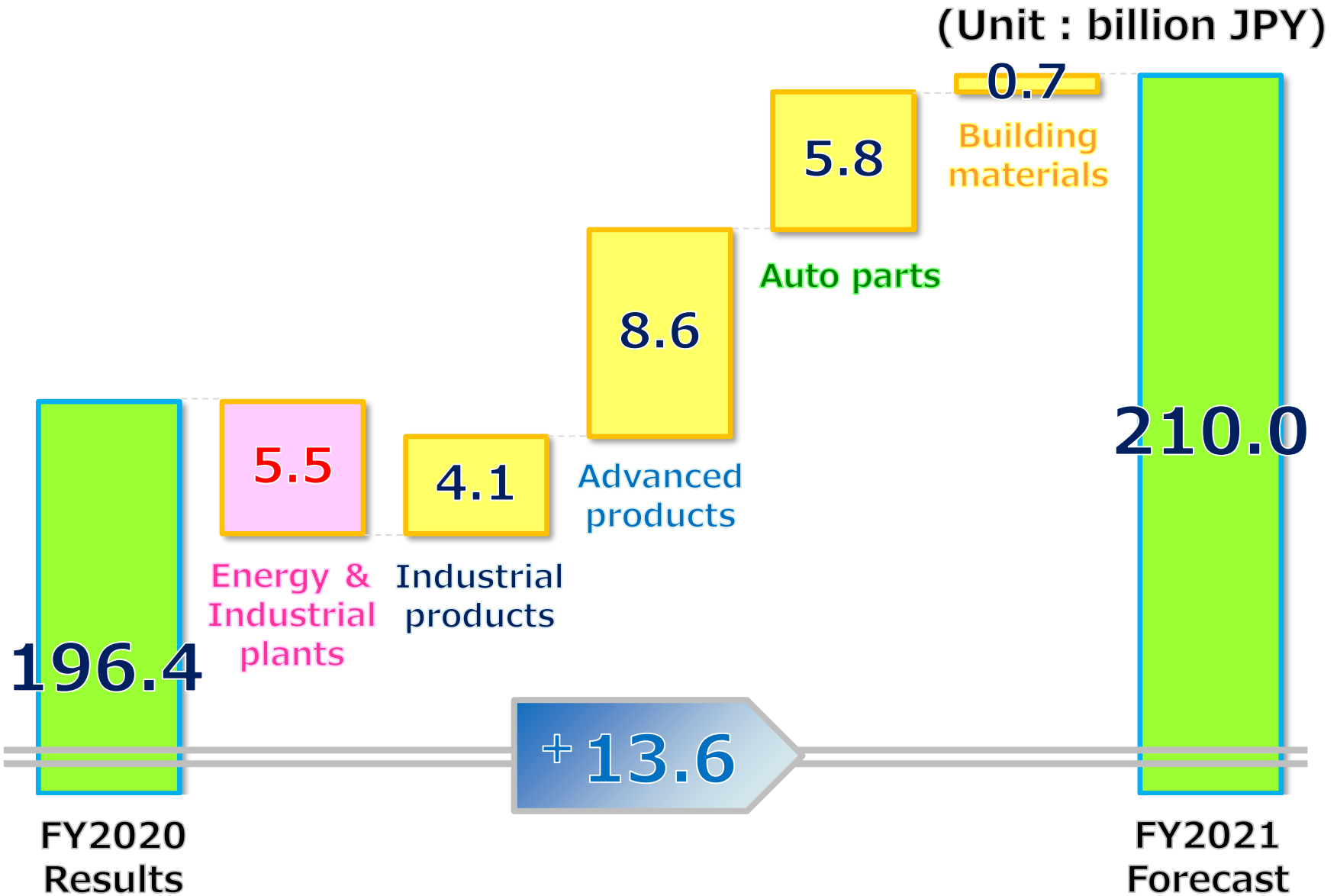
	FY2020 Results	FY2021			Change
		H1 Results	H2 Forecast	Full year Forecast	YoY
<b>Net Sales</b>	196.4	103.5	106.5	210.0	6.9%
<b>Operating income</b>	19.6 10.0%	12.7 12.2%	12.3 11.6%	25.0 11.9%	27.4% —
<b>Ordinary income</b>	21.3 10.8%	13.9 13.4%	12.1 11.4%	26.0 12.4%	22.2% —
<b>Profit</b> attributable to owners of parent	10.7 5.5%	10.2 9.9%	7.8 7.3%	18.0 8.6%	68.0% —

# ◇ Financial highlights for FY2021 Forecast

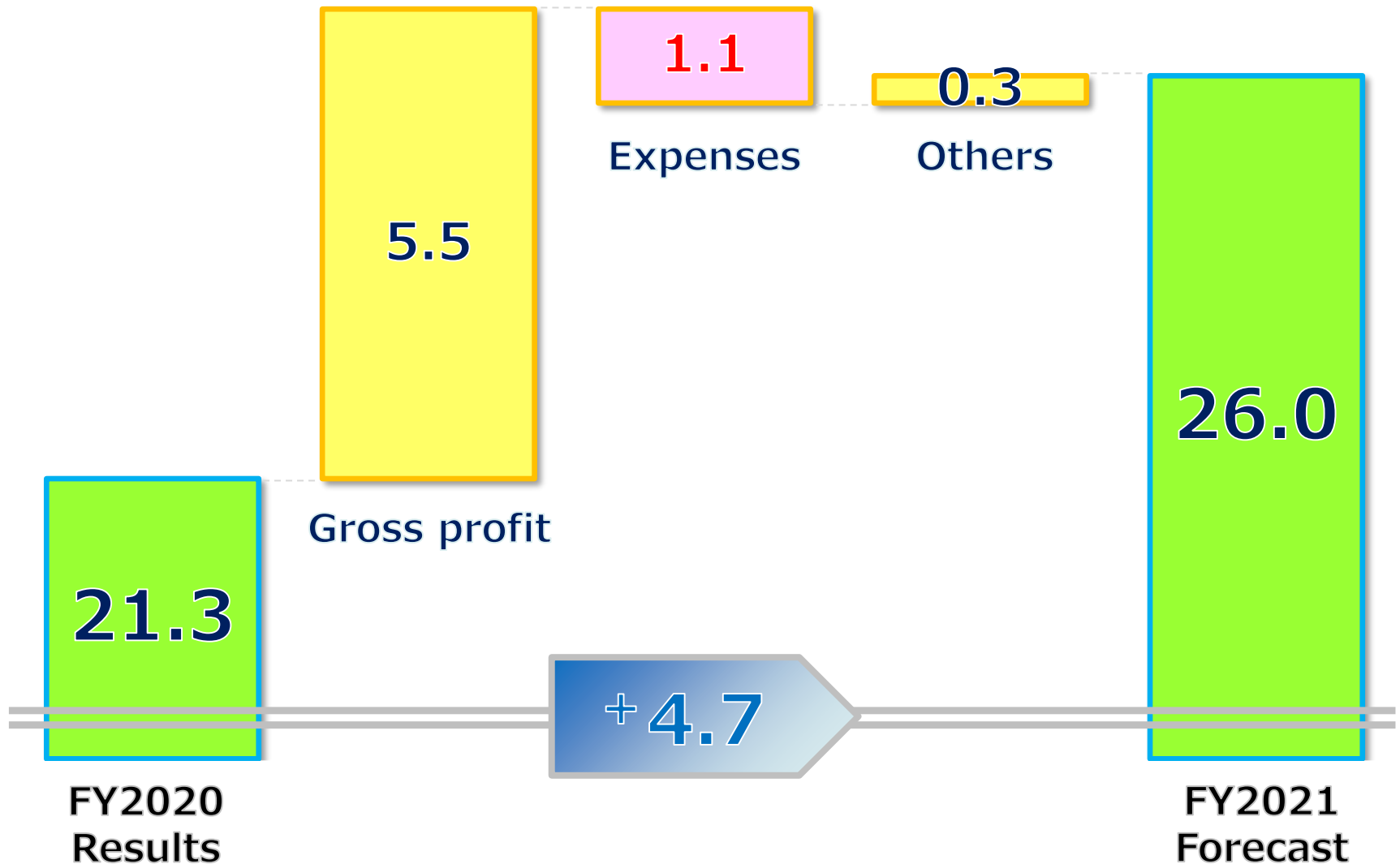


(Unit : billion JPY)

Segment		FY2017 Results	FY2018 Results	FY2019 Results	FY2020 Results	FY2021 Forecast	Change YoY
Energy & Industrial plants	Net sales	56.4	67.3	65.8	63.5	58.0	▲9%
	Operating income	4.7 8.4%	6.2 9.2%	7.2 10.9%	8.0 12.6%	5.8 10.0%	▲28%
Industrial products	Net sales	43.8	46.5	45.2	42.9	47.0	9%
	Operating income	6.6 15.0%	7.5 16.0%	6.0 13.2%	5.9 13.8%	7.3 15.5%	24%
Advanced products	Net sales	24.6	24.9	21.6	24.9	33.5	35%
	Operating income	4.6 18.9%	4.2 16.9%	2.8 12.7%	3.6 14.5%	7.1 21.2%	97%
Auto parts	Net sales	43.8	45.0	43.7	38.2	44.0	15%
	Operating income	4.4 10.0%	3.9 8.7%	3.0 6.8%	1.9 5.0%	4.4 10.0%	133%
Building materials	Net sales	29.0	31.8	32.5	26.8	27.5	3%
	Operating income	1.0 3.6%	0.9 2.8%	1.5 4.7%	0.2 0.8%	0.4 1.5%	82%
Total	Net sales	197.5	215.5	208.9	196.4	210.0	7%
	Operating income	21.4 10.8%	22.6 10.5%	20.4 9.8%	19.6 10.0%	25.0 11.9%	27%



(Unit : billion JPY)

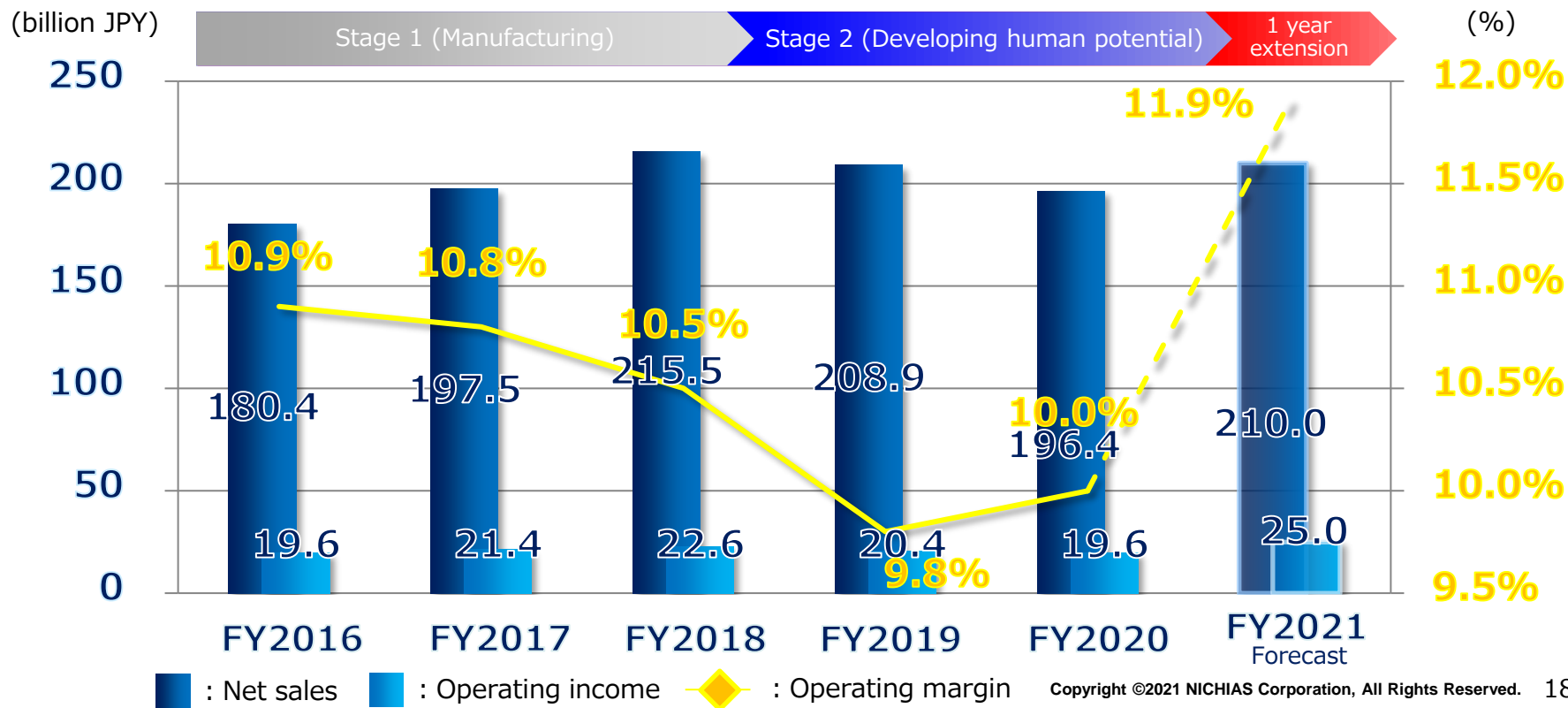




# **Medium-term business plan (FY2016 - FY2021)**

Current **Final fiscal year**  
**of medium-term business plan**  
**FY16 – FY21**

Examine and review business environment, and build a system that responds to change

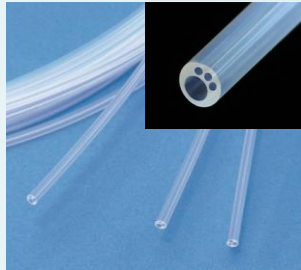


Focus on growth markets

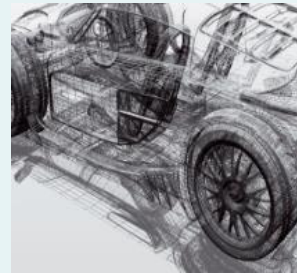
Strengthen overseas business

Increase & Efficient operation at Japanese business

Medical devices



Automotive parts



Oil & Petro-chemical



Environment



Rock Wool for industrial market



Rock Wool for residential market



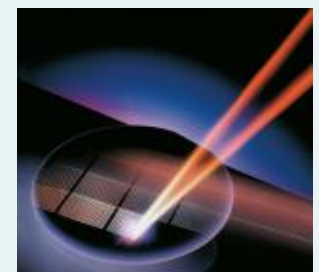
Fireproof



Contracts



Advanced products





# Key Major Capital Investment Projects in Medium-term Plan



Growth  
markets

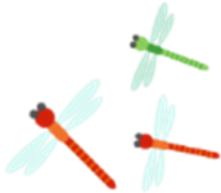
Investment  
**7bn yen**





Overseas  
business

Investment  
**6bn yen**





# Key Major Capital Investment Projects in Medium-term Plan



Japanese  
business

Investment  
**12bn yen**

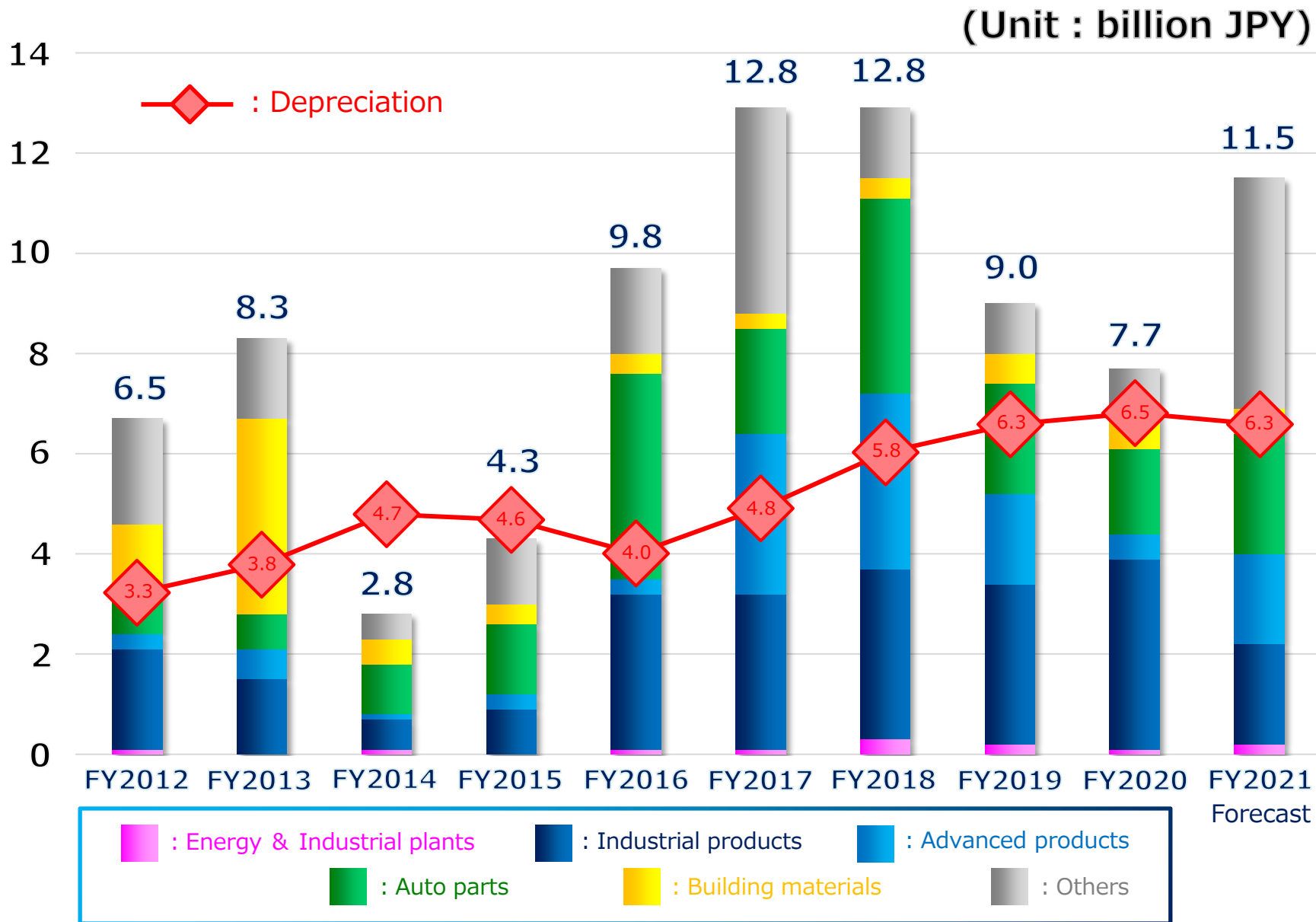




## Projects currently underway



Growth markets	Investment site	Investment amount
New plant for medical tubes	Vietnam (NHC)	1.0 bn yen
Production capability increase (Autoparts)	India (NIP)	0.5 bn yen
Japanese business	Investment site	Investment amount
Plant reorganization (new No. 2 and No. 3 buildings)	Ohji Factory	4.0 bn yen
Facility new office	Yuki Factory	0.5 bn yen
Move and new construction for branch building	Osaka branch	4.5 bn yen





# ◇ NKK ~ NICHIAS 'Kaizen' activity ~



A bright company where it is pleasant to work

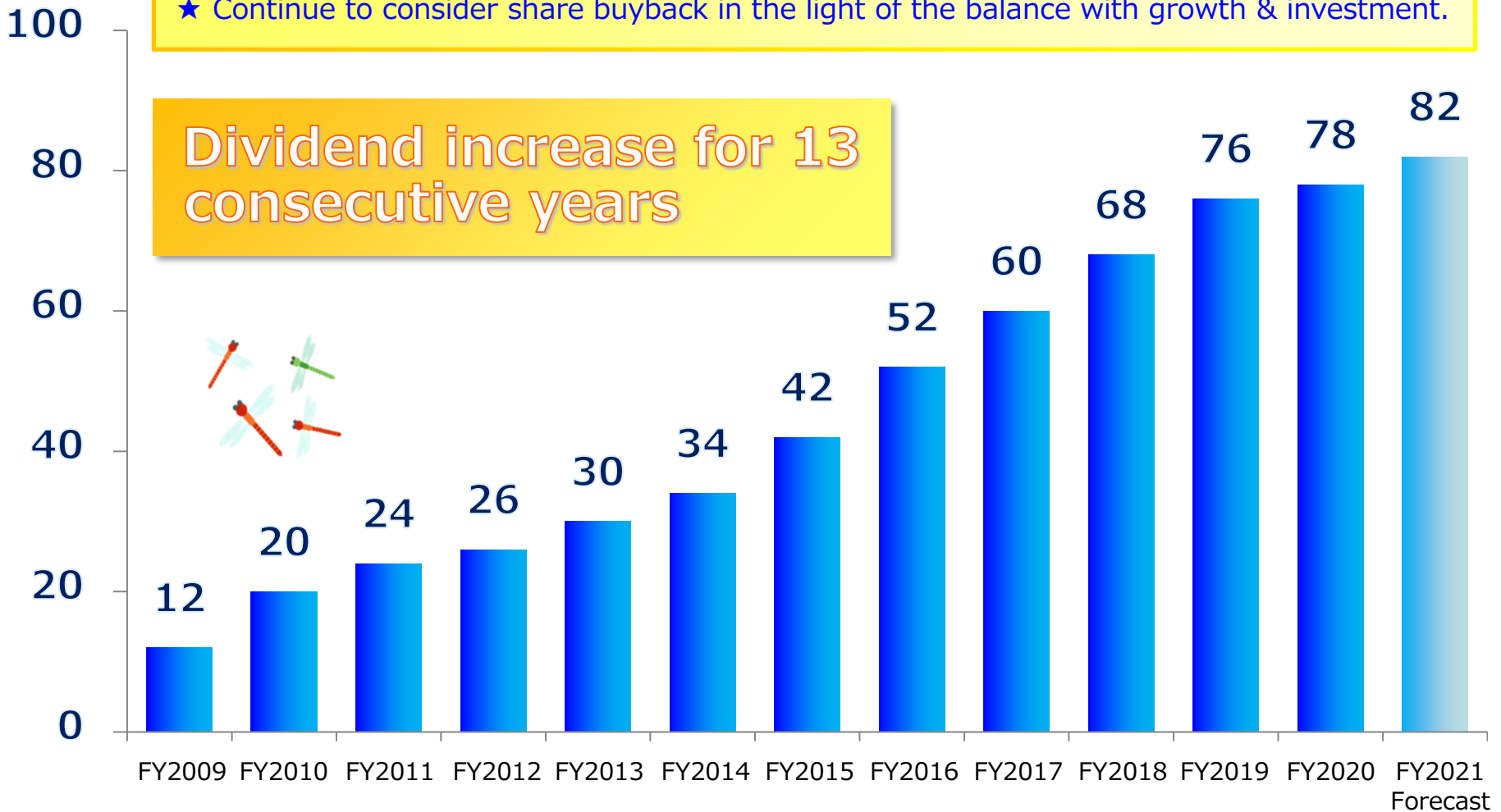


# Shareholder's return

(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.

Dividend increase for 13 consecutive years



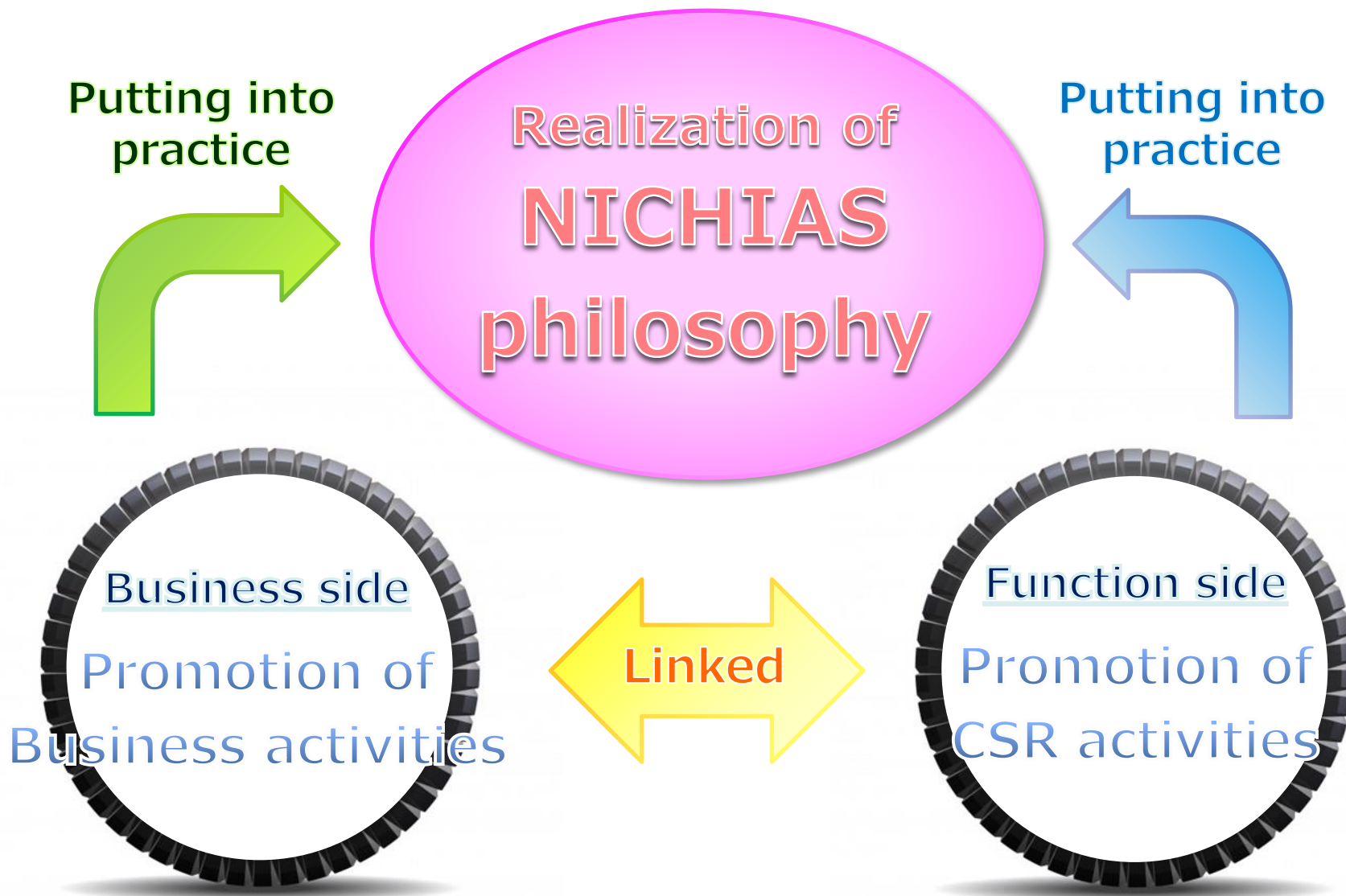
※ The reverse stock split was carried out on a one-for-two basis on 1st October, 2018.

※ 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.



# Tokyo Stock Exchange's New Market Classification

## Prime market from April 2022



# Carbon Neutral



To reduce CO2 emissions from our company to virtually zero by 2050.

# Workplace Health

Creating a cheerful workplace where people can work vigorously.



# Mental Health

Recognize stress & Improve performance.



# Physical Health

Early detection & Prevention of disease.





A bright company where  
it is pleasant to work

## 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



## 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, 2007  
Revised April 1, 2017

### 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.