



NICHIDAI CORPORATION

Summary of Consolidated Financial Results for the 2nd Quarter Ended September 30, 2019

October 31, 2019

Company name: NICHIDAI CORPORATION

Listed Stock Exchange: Tokyo Securities Exchange

Code number: 6467

(URL <https://www.nichidai.jp>)

Company Representative: Motonobu Furuya, President & CEO

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Reporting date of financial statements: November 13, 2019

Commencement date of dividend payment: December 2, 2019

(Rounded down to the nearest million yen.)

1. Consolidated Financial Results for the 2nd Quarter Ended September 30, 2019 (From April 1, 2019 to September 30, 2019)

(1) Consolidated Operating Results (Total)

(% indicates changes in net sales compared with preceding same period.)

	Net sales		Operating Income		Ordinary Income		Net income Attributable to Owners of the Parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the 2 nd Quarter Ended Sept. 30, 2019	7,925	△5.7	505	△22.4	526	△21.0	349	△20.7
Ended Sept. 30, 2018	8,400	13.9	652	100.0	666	96.6	440	103.4

(Note) Comprehensive income FY 2019 for the 2nd Quarter 502million yen (43.6 %)

FY 2018 for the 2nd Quarter 350 million yen (13.9 %)

	EPS		Adjusted EPS	
	Yen	Sen	Yen	Sen
For the 2 nd Quarter Ended Sept. 30, 2019	38	62	—	—
Ended Sept. 30, 2018	48	68	—	—

(2) Consolidated Financial Position

	Total Assets		Net Assets		Shareholders' Equity Ratio	
	Millions of Yen		Millions of Yen		%	
Ended Sept. 30, 2019	17,050		12,401		65.8	
FY 2019	17,183		12,037		63.5	

(Ref.) Shareholders' Equity FY 2019 for the 2nd Quarter 11,211 million yen FY 2019 10,912 million yen

2. Dividends

	Dividends per Share									
	End of 1 st Quarter		End of 2 nd Quarter		End of 3 rd Quarter		Year End		Full Year	
	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen
FY 2019	—	—	10	00	—	—	15	00	25	00
FY 2020	—	—	10	00	—	—	—	—	—	—
FY2020 (Forecast)	—	—	—	—	—	—	10	00	20	00

(Note) Revisions to the dividend forecast since the most recent announcement : N/A

Breakdown of the year-end dividend for the fiscal year ended March, 2019 Ordinary dividend : 10 Yen Special dividend : 5 Yen

3. Consolidated Forecast for the Year Ending March 2020 (From April 1, 2019 to March 31, 2020)

(% indicates changes in net sales, operating income, etc compared with preceding same period.)

	Net sales		Operating Income		Ordinary Income		Net income Attributable to Owners of the Parent		EPS	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen	Sen
Full Year	15,500	△11.0	1,000	△27.9	1,000	△29.4	660	△31.8	72	92

(Note) Revisions to the dividend forecast since the most recent announcement : N/A

※Note

(1) Changes of important subsidiaries during the period (changes in specified subsidiaries that involve changes in the scope of consolidation): N/A

(2) Adoption of any simplified way of accounting method or any accounting procedure specific to the preparation of quarterly financial statements: N/A

(3) Changes in accounting principle, procedure or method associated with preparing the consolidated of quarterly financial results

① Changes resulting from revision of accounting policy N/A

② Changes other than ① N/A

③ Changes in accounting estimate N/A

④ Restatement N/A

(4) Number of outstanding shares (ordinary shares)

① Number of outstanding shares at the end of the term (including treasury stocks)

Ended Sept. 30, 2019 9,053,300 shares FY 2019 9,053,300 shares

② Number of treasury stocks at the end of the term

Ended Sept. 30, 2019 2,066 shares FY 2019 2,066 shares

③ Average number of outstanding shares during the period

Ended Sept. 30, 2019 9,051,234 shares Ended Sept. 30, 2018 9,051,234 shares

※The quarterly consolidated financial results presented herein are not subject to the quarterly review by certified public accountants or audit corporations.

※Explanation regarding appropriate use of business forecasts and other special instructions

The above forecasts of operating results are based on the information available at the time this document was released, and actual operating results may differ from these forecasts due to various factors.

1. Qualitative Information on the Second Quarter Financial Results

(1) Management's Discussion on Results of Operations

Looking at the Japanese automobile market, or our primary customer industry, during the consolidated cumulative second quarter under review, sales quantity in the Japanese market increased from the previous year but remained at almost the same level as the previous year in the North American market. Meanwhile, the global automobile market was weak due mainly to flagging sales in the key Asian markets such as Chinese and Indian markets. As for automobile production quantity of Japanese finished car manufacturers, domestic production posted growth compared to a year earlier. In contrast, overseas production is on a downward trend on a year-to-year basis.

Under such circumstances, while the Forging Die Division of the Net-Shape Business posted an increase in sales, the Precision-forged Products Division was sluggish. Consequently, segment sales of the Net-Shape Business came to 4,059 million yen (up 1.9% year-on-year).

The Assembly Business saw a decline in overseas sales of turbocharger parts. Consequently, segment sales of the Assembly Business fell to 2,759 million yen (down 11.8% year-on-year).

The Filter Business posted a decrease in sales because we didn't have a project for special procurement during the period under review as we did in the previous year, despite growth in sales mainly to overseas markets.

Consequently, segment sales of the Filter Business amounted to 1,106 million yen (down 14.1% year-on-year).

As a result of the above, consolidated sales totaled 7,925 million yen (down 5.7% year-on-year).

On the income front, although the Filter Business recorded growth in income as same as the first quarter, other businesses experienced declines in income. Consequently, operating income dropped to 505 million yen (down 22.4% year-on-year), ordinary income decreased to 526 million yen (down 21.0% year-on-year) and net income attributable to owners of the parent came to 349 million yen (down 20.7% year-on-year).