

Consolidated Financial Results
For the Second Quarter of the Year Ending March 31, 2020
(Japan GAAP)

November 5, 2019

Company name : Nippon Light Metal Holdings Company, Ltd.
 Stock exchange listing : First Section of Tokyo
 Code number : 5703
 URL : <https://www.nikkeikinholdings.com/>
 Representative : Ichiro OKAMOTO, President & Chief Executive Officer
 The expected date for filing of securities report : November 6, 2019
 The expected date of dividends payment : December 2, 2019
 Additional documents to supplement quarterly financial results : Yes
 Quarterly IR presentation : Yes(for analysts and institutional investors)

(Amounts less than one million yen are rounded off)

1. Consolidated Financial Results for the Six Months Ended September 30, 2019

(April 1, 2019 – September 30, 2019)

(1) Consolidated Results of Operations (Accumulated Total)

(% : changes from the same period of the previous fiscal year)

Six months ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2019	231,585	(5.6)	11,718	(17.4)	11,462	(21.9)	7,681	(24.2)
September 30, 2018	245,336	7.4	14,186	0.4	14,674	8.1	10,129	17.0

(Note) Comprehensive income: ¥7,140million / (32.5%) for the Six months ended September 30, 2019
 ¥10,572 million / (4.6%) for the Six months ended September 30, 2018

Six months ended	Net profit per share (basic)	Net profit per share (diluted)
	Yen	Yen
September 30, 2019	12.40	—
September 30, 2018	16.36	—

(2) Consolidated Financial Position

Six months ended	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
September 30, 2019	466,204	206,084	41.0	308.92
Year ended March 31, 2019	481,303	202,735	39.0	303.37

(Reference) Shareholder's equity: ¥191,289million as of the Six months ended September 30, 2019
 ¥187,854 million as of the Year ended March 31, 2019

2. Dividends

	Annual dividend per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2019	—	4.00	—	5.00	9.00
Year ending March 31, 2020	—	4.00			
Year ending March 31, 2020 (forecasts)			—	5.00	9.00

(Note) Revisions to dividend forecasts published most recently : None

3. Forecast of Consolidated Financial Results for the Year Ending March 31, 2020

(April 1, 2019—March 31, 2020)

(% : changes from the same period of the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending March 31, 2020	470,000	(6.1)	25,000	(16.8)	24,000	(22.8)	15,500	(24.6)	25.03

(Note) Revisions to financial forecasts published most recently : Yes

*Notes

(1) Changes of important subsidiaries during the period

(changes of specific subsidiaries in accordance with changes in the scope of consolidation) : None

Newly added: — (Company name: —) Excluded : — (Company name : —)

(2) Application of particular accounts procedures to the preparation of quarterly consolidated financial statements

: None

(3) Changes in accounting policies and changes or restatement of accounting estimates

(i) Changes in accounting policies caused by revision of accounting standards : Yes

(ii) Changes in accounting policies other than (i) : None

(iii) Changes in accounting estimates : None

(iv) Restatement : None

(4) Number of shares outstanding (common stock)

(i) Number of shares outstanding at end of period (including treasury stock)

As of the Six months ended September 30, 2019	619,937,500 shares
As of the Year ended March 31, 2019	619,937,500 shares

(ii) Number of treasury stock at end of period

As of the Six months ended September 30, 2019	723,027 shares
As of the Year ended March 31, 2019	720,629 shares

(iii) Average number of shares outstanding during the term

For the Six months ended September 30, 2019	619,215,726 shares
For the Six months ended September 30, 2018	619,221,715 shares

* This financial summary does not need to undergo a quarterly review

* Explanations and other special notes concerning the appropriate use of business performance forecasts

- The forward-looking statements such as result forecasts included in this document are based on the information available to the Company at the time of the announcement and on certain assumptions considered reasonable, and the Company makes no representations as to their achievability. Actual results may differ materially from the forecast depending on a range of factors.

【Attached documents】 Quarterly Consolidated Financial Statements

1: Quarterly Consolidated Balance Sheets

(Millions of yen)

	Year ended (March 31, 2019)	Six months ended (September 30, 2019)
Assets		
Current assets		
Cash and deposits	33,417	34,724
Notes and accounts receivable – trade	152,681	133,386
Finished products	30,453	30,440
Work-in-progress, including costs related to construction-type contracts	19,105	21,215
Raw material and supplies	22,231	19,548
Other current assets	9,848	11,657
Allowance for doubtful accounts	(497)	(392)
Total current assets	267,238	250,578
Fixed assets		
Property, plant and equipment		
Buildings and structures	45,994	51,934
Machinery and equipment	44,164	48,356
Tools, furniture and fixtures	4,724	4,984
Land	54,663	54,666
Construction-in-progress	15,023	7,419
Total property, plant and equipment	164,568	167,359
Intangible assets		
Goodwill	1,999	1,777
Other intangible assets	3,555	3,360
Total intangible assets	5,554	5,137
Investments and other assets		
Other assets	44,165	43,346
Allowance for doubtful accounts	(222)	(216)
Total investments and other assets	43,943	43,130
Total fixed assets	214,065	215,626
Total assets	481,303	466,204

(Millions of yen)

	Year ended (March 31, 2019)	Six months ended (September 30, 2019)
Liabilities		
Current liabilities		
Notes and accounts payable – trade	76,244	63,935
Short-term borrowings	69,907	70,838
Income taxes payable	3,422	3,392
Other current liabilities	34,791	30,977
Total current liabilities	184,364	169,142
Long-term liabilities		
Bonds	666	648
Long-term debt	68,997	65,650
Liabilities for retirement benefits	19,741	19,743
Other long-term liabilities	4,800	4,937
Total long-term liabilities	94,204	90,978
Total liabilities	278,568	260,120
Net assets		
Shareholders' equity		
Common stock	46,525	46,525
Additional paid-in capital	19,500	19,500
Retained earnings	117,206	121,790
Treasury stock, at cost	(68)	(69)
Total shareholders' equity	183,163	187,746
Accumulated other comprehensive income		
Net unrealized gains (losses) on securities	3,322	3,344
Net unrealized gains(losses) on hedges	(9)	(84)
Revaluation surplus	145	145
Foreign currency translation adjustments	2,434	1,288
Remeasurements of defined benefits plans	(1,201)	(1,150)
Total accumulated other comprehensive income	4,691	3,543
Non-controlling interests	14,881	14,795
Total net assets	202,735	206,084
Total liabilities and net assets	481,303	466,204

2: Quarterly Consolidated Statements of Income and
 Quarterly Consolidated Statements of Comprehensive Income

Quarterly Consolidated Statements of Income

(Millions of yen)

	Six months ended (September 30, 2018)	Six months ended (September 30, 2019)
Net sales	245,336	231,585
Cost of sales	198,395	185,754
Gross profit	46,941	45,831
Selling, general and administrative expenses	32,755	34,113
Operating profit	14,186	11,718
Non-operating profit		
Rental income	405	391
Other	2,092	1,519
Total non-operating profit	2,497	1,910
Non-operating expenses		
Interest expense	656	622
Other	1,353	1,544
Total non-operating expenses	2,009	2,166
Ordinary profit	14,674	11,462
Special gains		
Gain on step acquisitions	1,371	-
Total special gains	1,371	-
Special losses		
Loss on impairment of fixed assets	917	-
Total special losses	917	-
Profit before income taxes and minority interests	15,128	11,462
Income taxes - current	4,080	2,825
Income taxes - deferred	340	130
Total income taxes	4,420	2,955
Net profit	10,708	8,507
Profit (loss) attributable to non-controlling interests	579	826
Profit attributable to owners of parent	10,129	7,681

Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended (September 30, 2018)	Six months ended (September 30, 2019)
Net profit	10,708	8,507
Other comprehensive income		
Net unrealized gains (losses) on securities	178	17
Net unrealized gains(losses) on hedges	151	(75)
Foreign currency translation adjustments	(143)	(1,048)
Remeasurements of defined benefit plans	(24)	79
Equity of other comprehensive losses of affiliates	(298)	(340)
Total other comprehensive losses	(136)	(1,367)
Comprehensive income	10,572	7,140
Comprehensive income attributable to owners of parent	10,013	6,533
Comprehensive income attributable to non-controlling interests	559	607