

Consolidated Financial Results
For the Third Quarter of the Year Ending March 31, 2021
(Japan GAAP)

February 10, 2021

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
 Scheduled date of filing securities report: February 15, 2021
 Scheduled date of commencement of dividend payment: —
 Preparation of supplementary materials for financial results: None
 Holding of a briefing on financial results: None

(Amounts less than one million yen are rounded off)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2020

(April 1, 2020 – December 31, 2020)

(1) Consolidated Results of Operations (Accumulated Total)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2020	313,002	(10.5)	15,559	(13.8)	15,093	(15.6)	9,440	(19.2)
December 31, 2019	349,651	(7.6)	18,040	(22.4)	17,874	(24.6)	11,690	(26.9)

(Note) Comprehensive income: ¥12,049 million / (4.1%) for the Nine months ended December 31, 2020
 ¥12,563 million / (16.4%) for the Nine months ended December 31, 2019

	Profit per share (basic)	Profit per share (diluted)
Nine months ended	Yen	Yen
December 31, 2020	152.46	—
December 31, 2019	188.79	—

(Note) Because the Company conducted a share consolidation at a ratio of 10 shares to 1 share of its common stock on October 1, 2020, profit per share is calculated on the assumption that this share consolidation was conducted at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
Nine months ended December 31, 2020	495,023	209,399	39.2
Year ended March 31, 2020	470,004	201,198	39.6

(Reference) Shareholder's equity: ¥194,130 million as of the Nine months ended December 31, 2020
 ¥186,275 million as of the year ended March 31, 2020

2. Dividends

	Annual dividend per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total
Year ended March 31, 2020	Yen —	Yen 4.00	Yen —	Yen 5.00	Yen 9.00
Year ending March 31, 2021	—	0.00	—		
Year ending March 31, 2021 (forecasts)				65.00	65.00

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

Because the Company conducted a share consolidation at a ratio of 10 shares to 1 share of its common stock on October 1, 2020, forecasts of dividend per share for the fiscal year ending March 31, 2021 indicate amounts that take the effect of this share consolidation into consideration. For details, please refer to “Explanations concerning the appropriate use of business performance forecasts and other special notes.”

3. Forecast of Consolidated Financial Results for the Year Ending March 31, 2021

(April 1, 2020—March 31, 2021)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending March 31, 2021	415,000	(10.9)	18,000	(26.9)	17,000	(27.6)	10,000	33.8	161.51

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

The profit per share in the forecasts of consolidated financial results for the year ending March 31, 2021 takes the effect of the share consolidation into consideration. For details, please refer to “Explanations concerning the appropriate use of business performance forecasts and other special notes.”

*Notes

(1) Change in significant subsidiaries during the period

(changes in specified subsidiaries affecting 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, changes in accounting estimates, and restatements

- (i) Changes in accounting policies due to revision of accounting standards: None
 (ii) Changes in accounting policies other than (i) above : 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 Nine months ended December 31, 2020	61,993,750 shares
As of March 31, 2020	61,993,750 shares

(ii) Number of treasury stock at end of period

As of the Nine months ended December 31,2020	94,066shares
As of the March 31, 2020	72,576 shares

(iii) Average number of shares outstanding during the term

For the Nine months ended December 31, 2020	61,916,316 shares
For the Nine months ended December 31, 2019	61,921,513 shares

(Note) Because the Company conducted a share consolidation at a ratio of 10 shares to 1 share of its common stock on October 1, 2020, the number of shares outstanding (common stock) is calculated on the assumption that this share consolidation was conducted at the beginning of the previous fiscal year.

* Status of a quarterly review

- The current quarterly financial report is not subject to quarterly review by certified public accountants or auditing firms.

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

(Note of caution concerning forward-looking statements)

(1)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.

(2)The Company conducted a share consolidation at a ratio of 10 shares to 1 share of its common stock on October 1, 2020. Dividend forecast and forecast of consolidated financial results for the year ending March 31, 2021 that do not take this share consolidation into consideration would be as follows.

1. Dividend forecast for the year ending March 31, 2021

Year-end dividend per share: 6.50 yen

2. Forecast of consolidated financial results for the year ending March 31, 2021

Net profit per share for the full year: 16.15 yen

【Attached documents】 Quarterly Consolidated Financial Statements

1: Quarterly Consolidated Balance Sheets

(Millions of yen)

	Year ended (March 31, 2020)	Nine months ended (December 31, 2020)
Assets		
Current assets		
Cash and deposits	36,349	60,811
Notes and accounts receivable – trade	133,033	130,399
Merchandise and finished goods	28,513	26,832
Work-in-process	19,309	19,908
Raw material and supplies	18,788	19,596
Other current assets	10,767	12,766
Allowance for doubtful accounts	(385)	(397)
Total current assets	246,374	269,915
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	55,514	57,453
Machinery and equipment, net	49,104	49,445
Tools, furniture and fixtures, net	5,658	6,408
Land	54,587	54,641
Construction in progress	8,894	7,177
Total property, plant and equipment	173,757	175,124
Intangible assets		
Goodwill	1,555	1,222
Other intangible assets	4,312	5,320
Total intangible assets	5,867	6,542
Investments and other assets		
Other assets	44,273	43,691
Allowance for doubtful accounts	(267)	(249)
Total investments and other assets	44,006	43,442
Total fixed assets	223,630	225,108
Total assets	470,004	495,023

(Millions of yen)

	Year ended (March 31, 2020)	Nine months ended (December 31, 2020)
Liabilities		
Current liabilities		
Notes and accounts payable – trade	63,826	67,953
Short-term borrowings	62,670	64,177
Income taxes payable	2,654	2,085
Other current liabilities	33,191	31,575
Total current liabilities	162,341	165,790
Non-current liabilities		
Bonds payable	653	621
Long-term borrowings	69,299	83,705
Retirement benefit liability	20,115	20,529
Provision for environmental measures	10,609	9,245
Other non-current liabilities	5,789	5,734

Total non-current liabilities	106,465	119,834
Total liabilities	268,806	285,624
Net assets		
Shareholders' equity		
Share capital	46,525	46,525
Capital surplus	18,983	18,992
Retained earnings	119,108	125,451
Treasury shares	(69)	(107)
Total shareholders' equity	184,547	190,861
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,230	3,143
Deferred gains or losses on hedges	(120)	32
Revaluation reserve for land	145	145
Foreign currency translation adjustment	1,084	1,389
Remeasurements of defined benefits plans	(1,611)	(1,440)
Total accumulated other comprehensive income	1,728	3,269
Non-controlling interests	14,923	15,269
Total net assets	201,198	209,399
Total liabilities and net assets	470,004	495,023

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

Quarterly Consolidated Statements of Income

(Millions of yen)

	Nine months ended (December 31, 2019)	Nine months ended (December 31, 2020)
Net sales	349,651	313,002
Cost of sales	279,639	248,683
Gross profit	70,012	64,319
Selling, general and administrative expenses	51,972	48,760
Operating profit	18,040	15,559
Non-operating income		
Other	2,782	2,893
Total non-operating profit	2,782	2,893
Non-operating expenses		
Interest expenses	914	802
Other	2,034	2,557
Total non-operating income	2,948	3,359
Ordinary profit	17,874	15,093
Profit before income taxes and minority interests	17,874	15,093
Income taxes - current	3,693	3,526
Income taxes - deferred	1,161	1,176
Total income taxes	4,854	4,702
Profit	13,020	10,391
Profit attributable to non-controlling interests	1,330	951
Profit attributable to owners of parent	11,690	9,440

Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine months ended (December 31, 2019)	Nine months ended (December 31, 2020)
Profit	13,020	10,391
Other comprehensive income		
Valuation difference on available-for-sale securities	429	951
Deferred gains or losses on hedges	17	152
Foreign currency translation adjustment	(606)	541
Remeasurements of defined benefit plans	97	186
Share of other comprehensive income of entities accounted for using equity method	(394)	(172)
Total other comprehensive income (losses)	(457)	1,658
Comprehensive income	12,563	12,049
Comprehensive income attributable to owners of parent	11,366	10,981
Comprehensive income attributable to non-controlling interests	1,197	1,068