

Financial results for the fiscal year  
ended March 31, 2023  
Forecasts of consolidated financial  
results and dividend forecasts for the  
fiscal year ending March 31, 2024



May 15, 2023  
Nippon Light Metal Holdings Company, Ltd.

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1. Financial results for the fiscal year ended March 31, 2023
2. Forecasts of financial results and dividend forecasts for the fiscal year ending March 31, 2024

# Financial results for the fiscal year ended March 31, 2023

## Financial results for the fiscal year ended March 31, 2023

– compared with the same period in previous fiscal year

Higher sales but lower profit: Sales increased due to the increased sales prices and other factors reflecting the situation in the aluminum ingot market. However, the sale of products related to the automobile business and the truck body business and the sale of thick sheets for semiconductor manufacturing equipment fell significantly, and a sharp rise in the price of raw materials and fuel surpassed the effect of the sales price revisions, leading to a decline in operating profit.

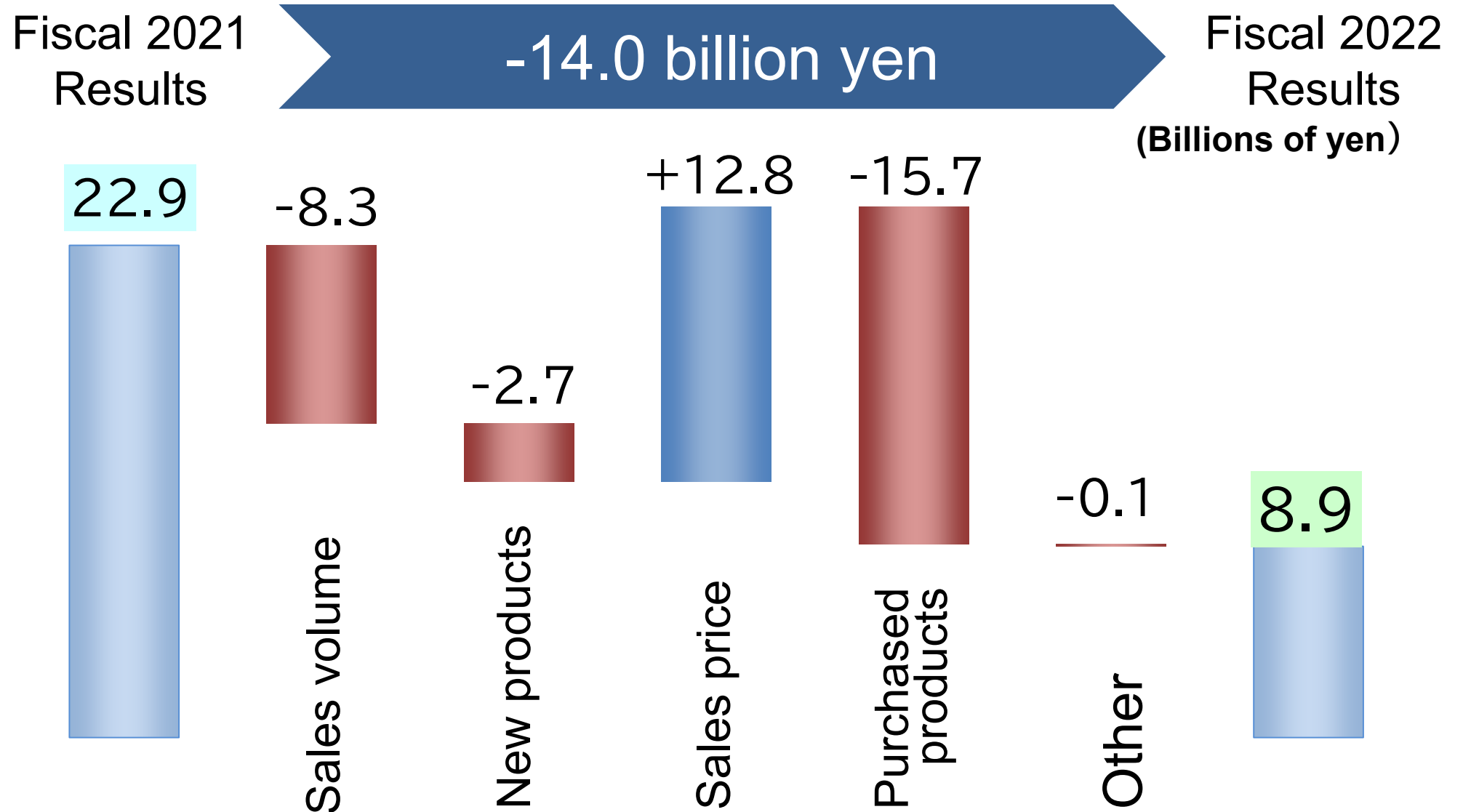
(Billions of yen)

	Fiscal 2021 Results	Fiscal 2022 Results	Change
Net sales	486.6	517.0	+30.4 (+6.2%)
Operating profit	22.2	7.5	-14.7 (-66.0%)
Ordinary profit	22.9	8.9	-14.0 (-61.4%)
Profit attributable to owners of parent	16.8	7.2	-9.6 (-57.0%)
ROCE	8.7%	3.2%	-5.5p
Dividends per share	85 yen	50 yen	-35 yen

# Financial results for the fiscal year ended March 31, 2023

## Factors behind changes in ordinary profit

– compared with the same period in previous fiscal year



# Financial results for the fiscal year ended March 31, 2023

## Segment information – compared with the same period in previous fiscal year

Aluminum sheet and extrusions: Operating profit fell due to lower sales for semiconductor manufacturing equipment, autos and truck bodies, as well as the impact of higher raw material and fuel prices.

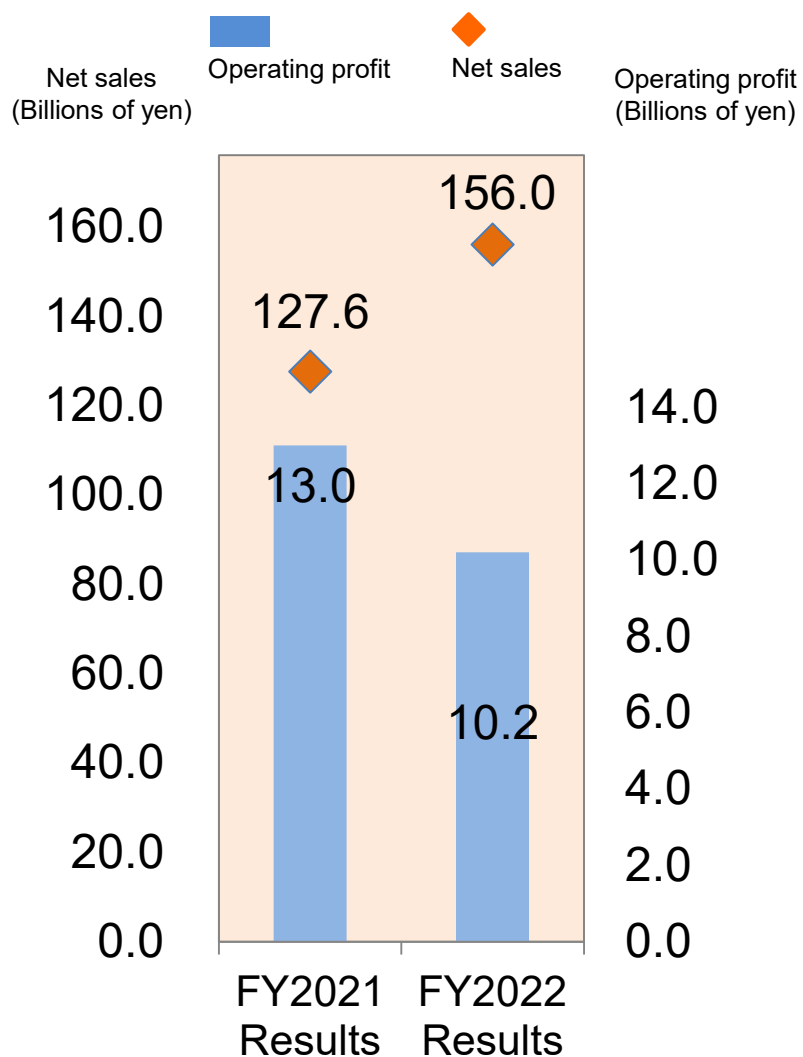
Fabricated products and others: In addition to lower sales in the truck body business, costs rose significantly due to the sharp rise in raw material and fuel prices, resulting in lower operating profit.

(Billions of yen)

	Net sales			Operating profit		
	Fiscal 2021 Results	Fiscal 2022 Results	Change	Fiscal 2021 Results	Fiscal 2022 Results	Change
Aluminum ingot and chemicals	127.6	156.0	+28.4 (+22.2%)	13.0	10.2	-2.8 (-21.7%)
Aluminum sheet and extrusions	113.9	107.4	-6.5 (-5.7%)	7.5	-0.6	-8.1 (—)
Fabricated products and others	153.4	153.2	-0.2 (-0.2%)	3.8	0.1	-3.7 (-98.4%)
Aluminum foil, powder, and paste	91.7	100.4	+8.7 (+9.5%)	1.6	1.5	-0.1 (-3.3%)
Management, shared	—	—	—	-3.7	-3.7	±0
合計	486.6	517.0	+30.4 (+6.2%)	22.2	7.5	-14.7 (-66.0%)

# Financial results for the fiscal year ended March 31, 2023

## Aluminum ingot and chemicals



### Alumina and chemicals

- **Sales:** In the alumina-related business, despite a drop in sales for refractories and other, in the chemical-related business, sales were up due to higher sales of organic chlorine compounds as well as price revisions.
- **Profitability:** Although the sales price revisions had a growing impact, the impact of the steep rise in the price of aluminum hydroxide was also large, keeping operating profit in line with the previous year's levels.

### Nikkei MC Aluminium

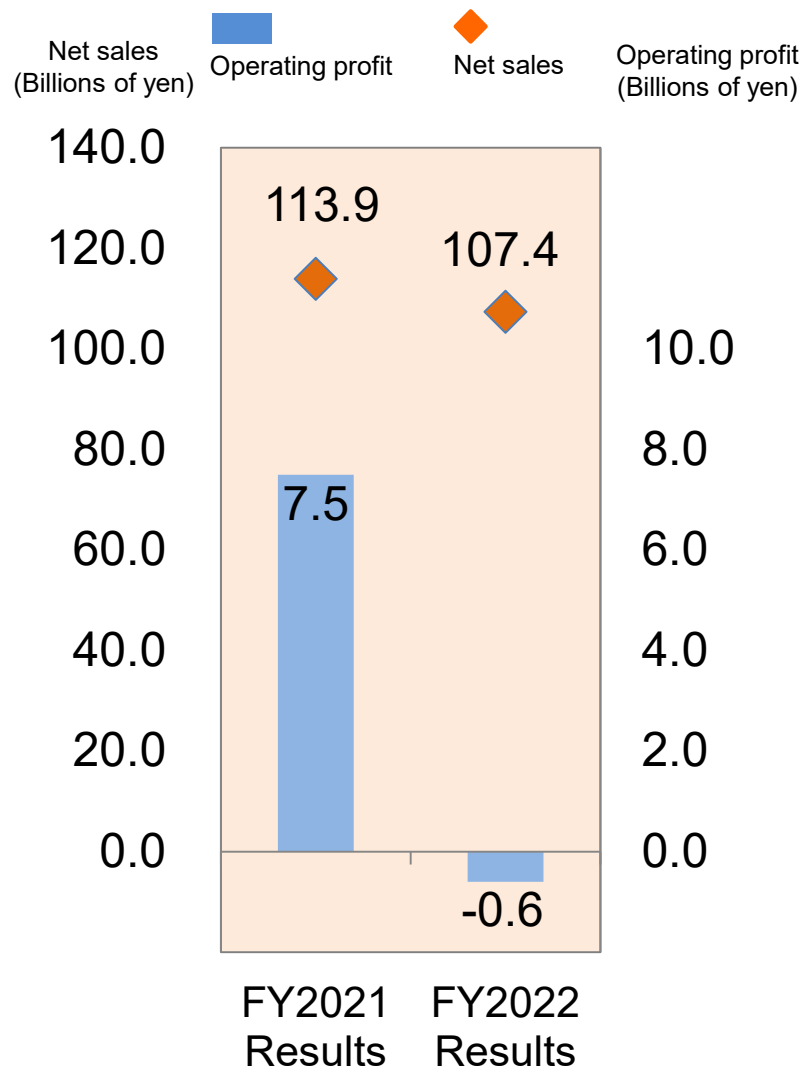
- **Sales:** Despite the impact of decreased auto production in Japan and China, sales volume increased over the previous year in both Japan and overseas, and in addition, conditions in the aluminum market also improved. As a result, sales increased.
- **Profitability:** In addition to the steep rise in fuel and material prices, the shrinking marginal gains on sales prices and scrap due to worsening aluminum market conditions since Q2 also had an impact, resulting in lower operating profit.

Sales volume for Nikkei MC Aluminium (1,000 tons)

	H1 FY22			H2 FY22			FY22 Total		
	Previous year	Results	Change	Previous year	Results	Change	Previous year	Results	Change
Japan	67.5	65.1	-4%	65.0	71.9	+11%	132.5	137.0	+3%
Overseas	68.1	69.7	+2%	70.0	68.8	-2%	138.1	138.5	+0%
Total	135.6	134.8	-1%	135.0	140.7	+4%	270.6	275.5	+2%

# Financial results for the fiscal year ended March 31, 2023

## Aluminum sheet and extrusions



### Sheet

- Sales: Sales of thick sheets for semiconductor manufacturing equipment have been in a demand correction phase since Q2.
- Profitability: In addition to lower sales and a spike in raw material and fuel prices, the decline in aluminum ingot prices had a major impact, leading to lower operating profit.

Sales volume for sheet business (1,000 tons)

	H1 FY22			H2 FY22			FY22 Total		
	Previous year	Results	Change	Previous year	Results	Change	Previous year	Results	Change
		35.3	32.0	-9%	37.5	29.1	-22%	72.8	61.1

### Nikkeikin Aluminium Core Technology

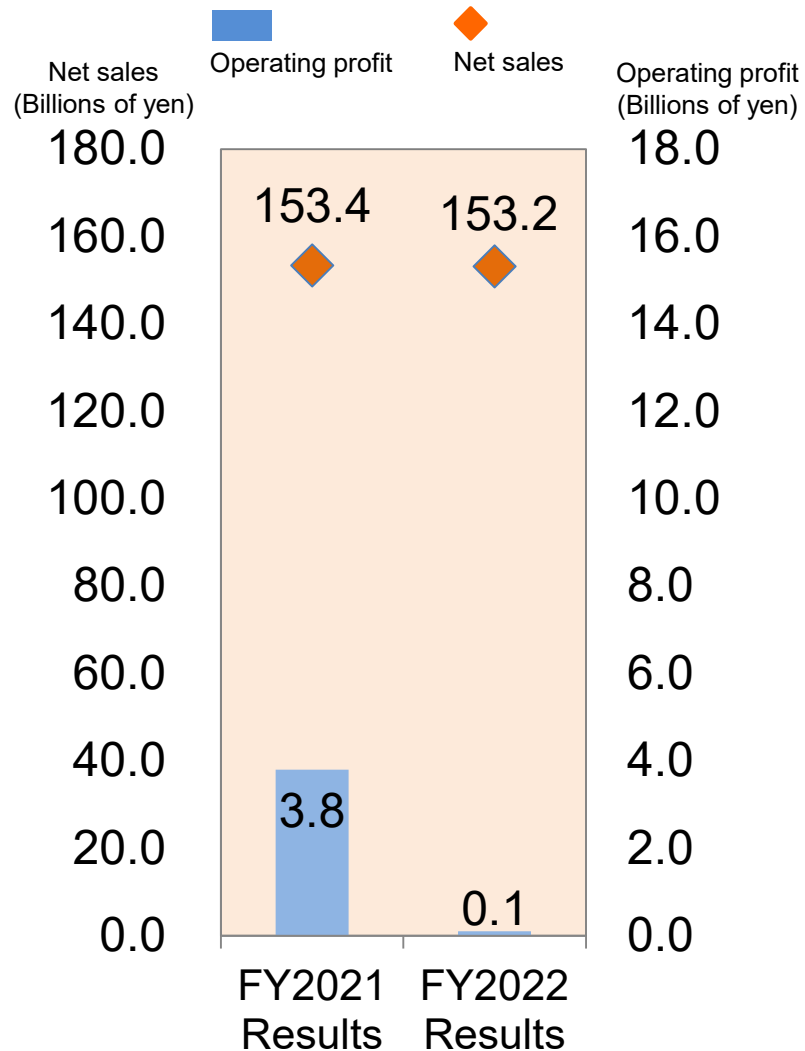
- Profitability: In addition to the impact of lower sales for automobile and truck bodies, costs were also higher due to the spike in raw material and fuel prices. This resulted in lower operating profit.

Sales volume for Nikkeikin Aluminium Core Technology (1,000 tons)

	H1 FY22			H2 FY22			FY22 Total		
	Previous year	Results	Change	Previous year	Results	Change	Previous year	Results	Change
		18.6	16.2	-13%	17.5	17.7	+1%	36.1	33.9

# Financial results for the fiscal year ended March 31, 2023

## Fabricated products and others



### Nippon Fruehauf

- Sales: Despite a recovery from Q4, sales was significantly down due to an ongoing reduction in the production of truck chassis through Q3.
- Profitability: In addition to lower sales, the rise in material prices had a major impact, and the effect of price revisions did not materialize adequately even in Q4, leading to a significant reduction in profit.

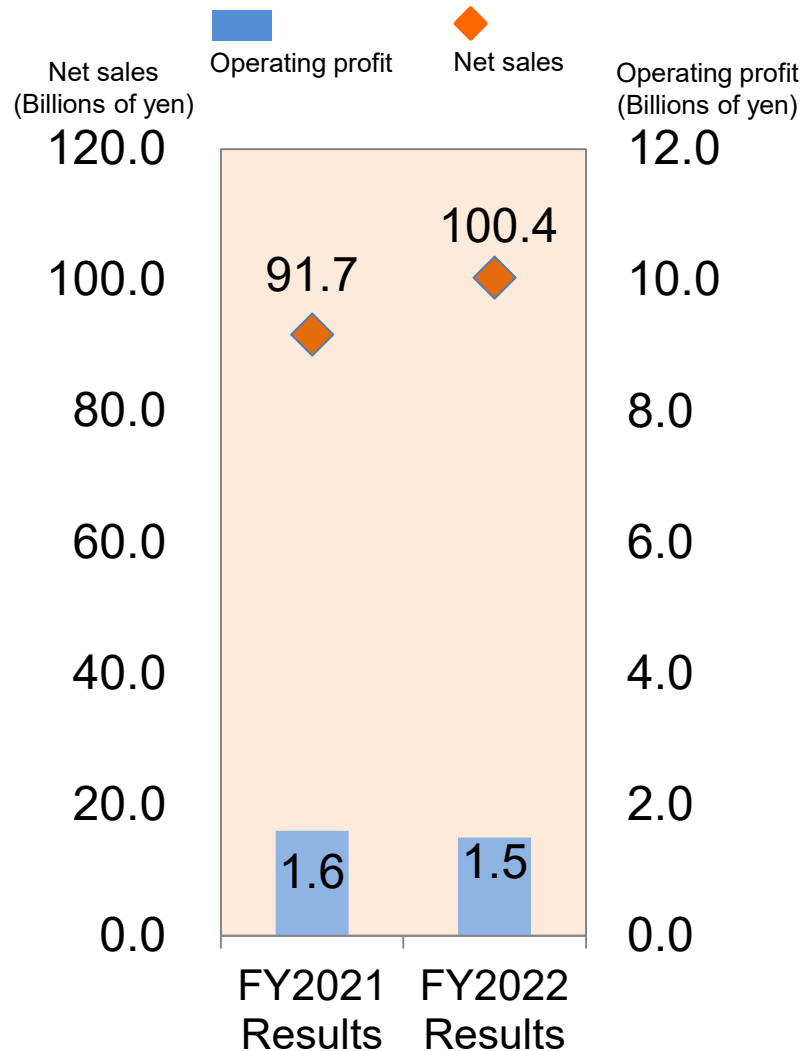
### Nikkei Panel System

- Refrigerator and freezer sector: Despite active capital investment in logistics centers due to an increase in the sales of frozen food and e-commerce, sales were down from the same period of the previous fiscal year due in part to the impact of difficulties in procuring construction materials for some large projects.
- Clean rooms: Sales increased, supported by robust demand for semiconductor manufacturing plants and semiconductor-related factories.



# Financial results for the fiscal year ended March 31, 2023

## Aluminum foil, powder, and paste



### Toyo Aluminium

#### ■ Sales:

##### Aluminum foil division

- The sale of foils for lithium-ion battery exteriors fell due to the impact of automobile production cutbacks, but sales rose due to strong sales of processed foil for medical product packaging, higher sales prices reflecting conditions in the aluminum ingot market and price revisions.

##### Powder and paste division

- In powder products, heat dissipation powder products faced an inventory correction from the second half, and paste products were sluggish due to ongoing auto production cutbacks in Japan, but overseas sales rose significantly, resulting in higher sales overall.

##### Daily necessities division

- In consumer products, sales of house-care products and aluminum foil were solid, despite a decline in stay-at-home demand, and in products for packaging, sales for frozen food packaging were strong. This coupled with sales price revisions led to higher sales.

#### ■ Profitability:

The impact of higher costs due to a spike in raw material and fuel prices was greater than the effect of higher sales, leading to lower profit.

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1. Financial results for the fiscal year ended March 31, 2023
2. Forecasts of financial results and dividend forecasts for the fiscal year ending March 31, 2024

# Forecast of consolidated financial results for the fiscal year ending March 31, 2024

## Full-year financial results forecasts and dividend forecasts

(Billions of yen)

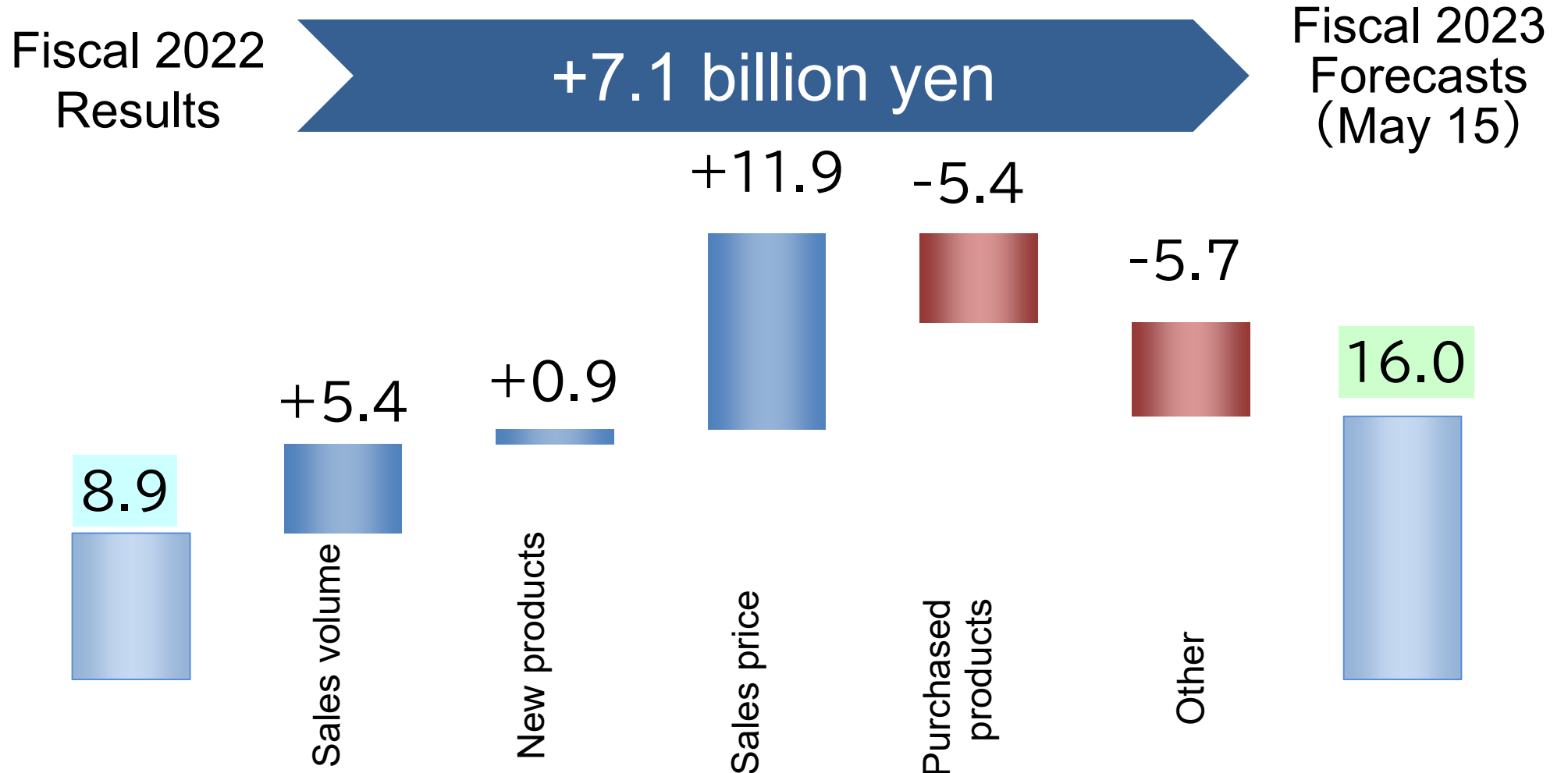
	Fiscal 2022 Results	Fiscal 2023 Forecasts (May 15)	Change
Net sales	517.0	550.0	+33.0 (+6.4%)
Operating profit	7.5	17.0	+9.5 (+125.5%)
Ordinary profit	8.9	16.0	+7.1 (+80.6%)
Profit attributable to owners of parent	7.2	7.5	+0.3 (+4.1%)
ROCE	3.2%	5.2%	+2.0p
Dividends per share	50 yen	50 yen	±0

# Forecast of consolidated financial results for the fiscal year ending March 31, 2024

## Factors behind changes in ordinary profit

– compared with the same period in previous fiscal year

Higher sales, higher profit: Despite demand corrections for semiconductor manufacturing equipment in H1, we expect a recovery in auto and truck body sales, and also anticipate that the effect of sales price revisions will surpass the spike in raw material and fuel prices, bringing profit to levels over those of the previous year.



# Forecast of consolidated financial results for the fiscal year ending March 31, 2024

## Segment information – compared with the previous year

Aluminum sheet and extrusions: We expect a recovery in thick sheets for semiconductor manufacturing equipment in H2, and a gradual recovery for auto and truck bodies.

Fabricated products and others: We expect the decline in profit in the previous fiscal year to be restored by a recovery in sales of truck chassis and the effect of sales price revisions.

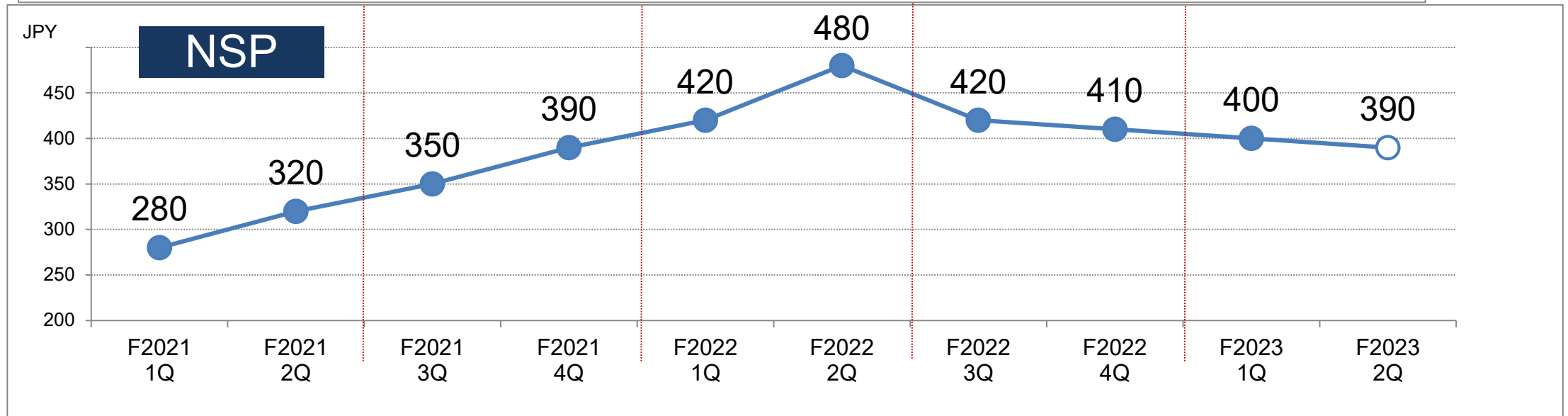
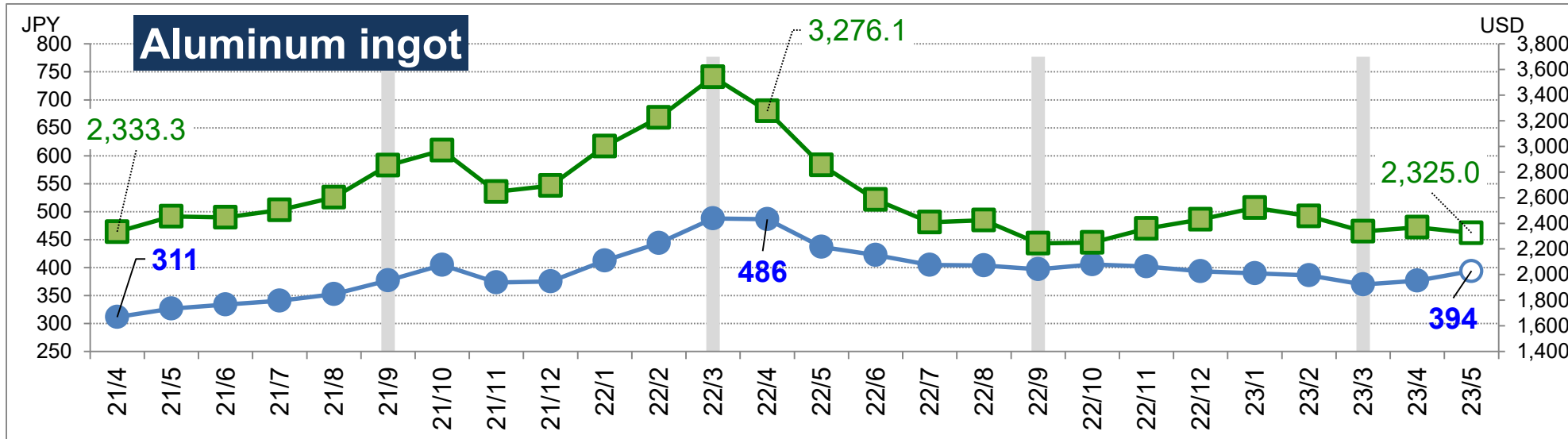
(Billions of yen)

	Net sales			Operating profit		
	Fiscal 2022 Results	Fiscal 2023 Forecasts	Change	Fiscal 2022 Results	Fiscal 2023 Forecasts	Change
Aluminum ingot and chemicals	156.0	160.0	+4.0 (+2.6%)	10.2	10.5	+0.3 (+2.9%)
Aluminum sheet and extrusions	107.4	105.0	-2.4 (-2.2%)	-0.6	0.5	+1.1 (—)
Fabricated products and others	153.2	182.0	+28.8 (+18.8%)	0.1	7.0	+6.9 (+11,764.4%)
Aluminum foil, powder, and paste	100.4	103.0	+2.6 (+2.6%)	1.5	3.0	+1.5 (+97.6%)
Management, shared	—	—	—	-3.7	-4.0	-0.3
<b>Total</b>	<b>517.0</b>	<b>550.0</b>	<b>+33.0</b> <b>(+6.4%)</b>	<b>7.5</b>	<b>17.0</b>	<b>+9.5</b> <b>(+125.5%)</b>

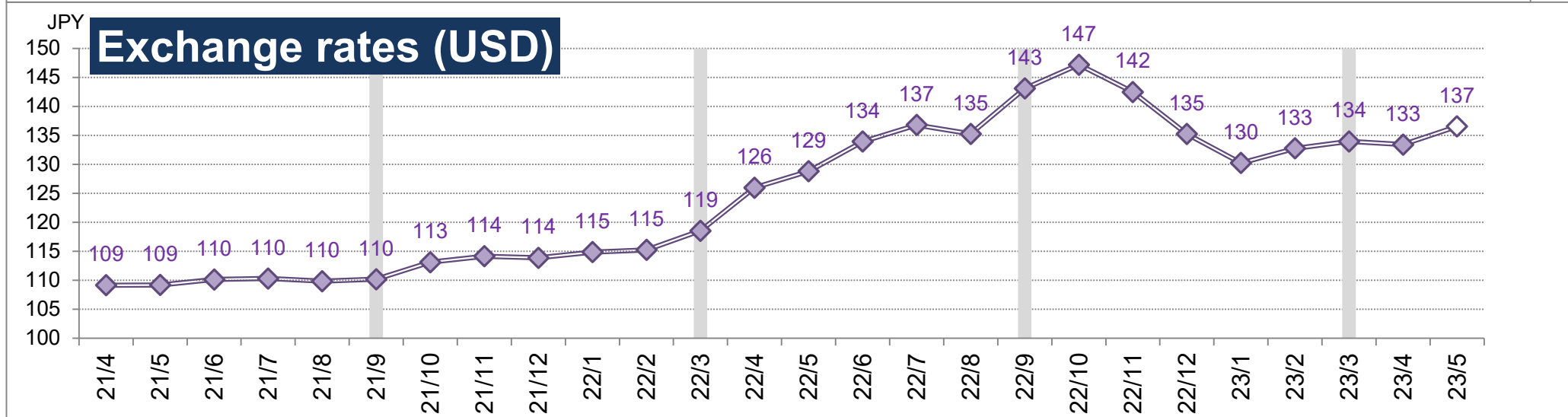
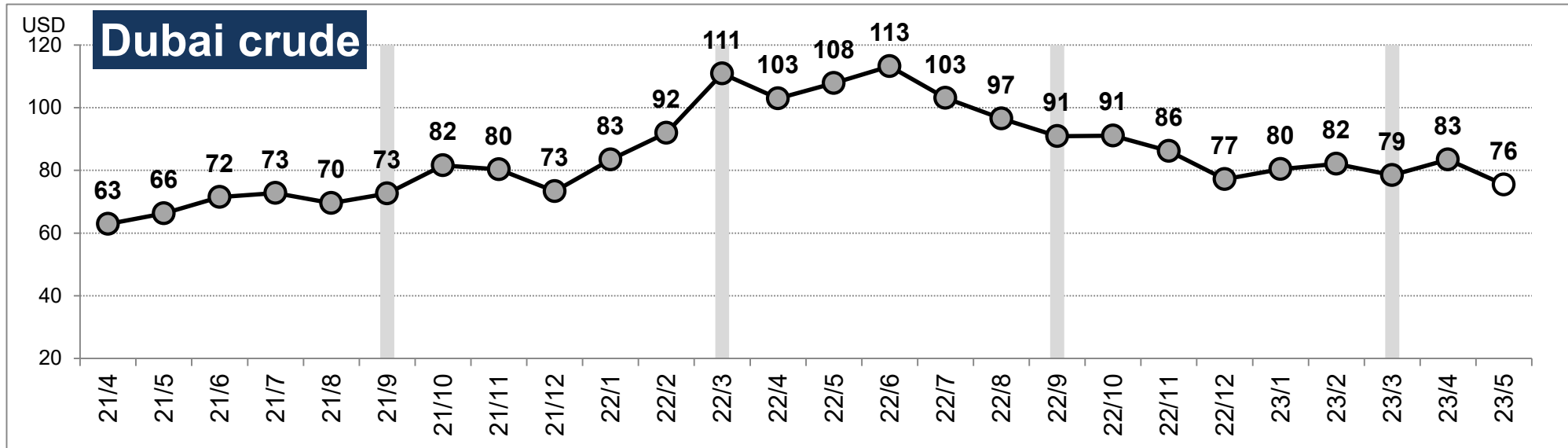
# Supplemental materials

# Financial results for the fiscal year ended March 31, 2023

## Trends in the price of aluminum ingot



# Trends in crude oil prices and exchange rates



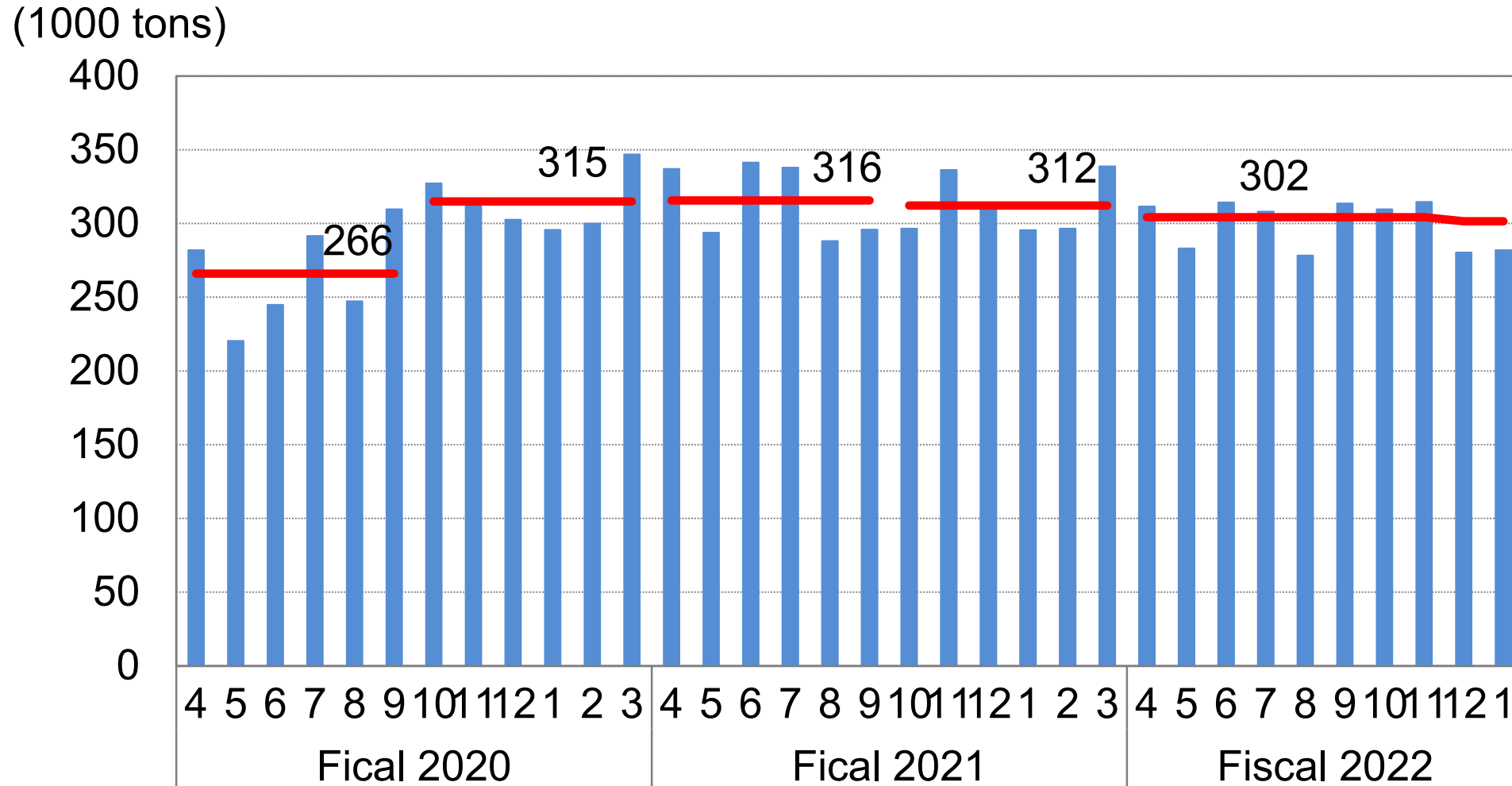


# Financial results for the fiscal year ended March 31, 2023

## Elements and sensitivity

	Fiscal 2021 Results	Fiscal 2022 Results	Fiscal 2023 Forecasts	Sensitivity to ordinary profit
Aluminum ingot (yen/kg)	378	408	400	Assuming a 10 yen/kg increase -0.5 billion yen/year
Exchange rates (JPY/USD)	112	135	140	Assuming 10 yen appreciation -0.5 billion yen/year
Dubai crude (USD/BBL)	78	93	95	Assuming a USD10/BBL increase -0.6 billion yen/year

# Trends in overall demand for aluminum products in Japan



# Financial results for the fiscal year ended March 31, 2023

## Financial results of key companies

(Billions of yen)

	Fiscal 2021 Results			Fiscal 2022 Results		
	Net sales	Operating profit	Ordinary profit	Net sales	Operating profit	Ordinary profit
Nippon Light Metal (Parent)	137.6	6.5	10.0	155.3	2.9	7.2
Toyo Aluminium (Consolidated)	92.0	1.5	2.3	100.8	0.9	2.5
Nikkei MC Aluminium (Consolidated)	84.2	3.9	4.3	103.8	2.3	2.8
Nippon Fruehauf (Consolidated)	60.4	-1.6	-1.5	54.4	-5.4	-5.4
Nikkeikin Aluminium Core Technology (Consolidated)	52.8	2.6	2.7	52.7	-1.3	-0.9
Nikkei Panel System (Consolidated)	28.6	3.3	3.5	30.9	4.1	4.1

# Forecast of consolidated financial results for the fiscal year ending March 31, 2024

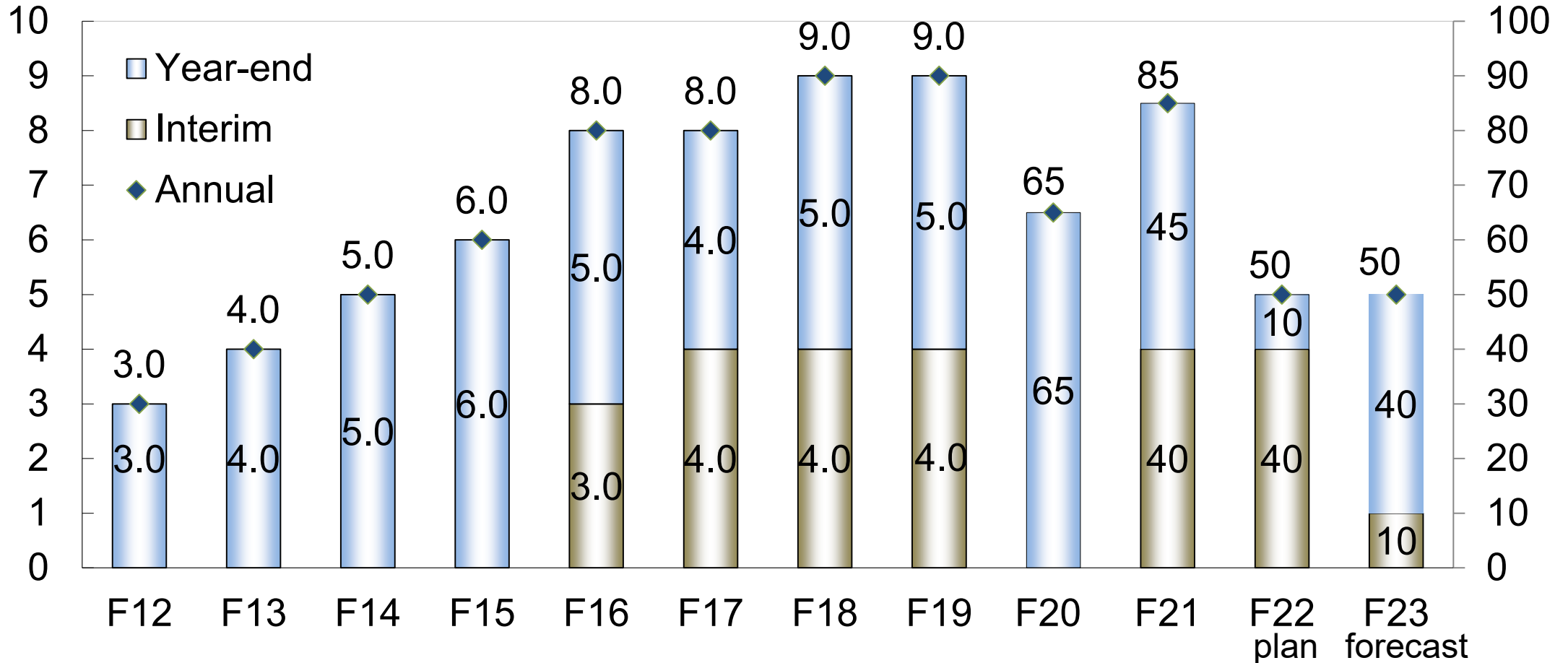
## Measures to restore earnings

		Main initiatives	Recovery over previous year (estimate)
Fabricated products and others	Nippon Fruehauf	<ul style="list-style-type: none"> <li>• Revisions to sales prices (compensating for spike in material costs)</li> <li>• Captured recovery in demand due to normalization of truck chassis supply</li> <li>• Improvements to factory productivity</li> </ul>	+5.0 billion yen
Aluminum sheet and extrusions	Nippon Light Metal, sheet	<ul style="list-style-type: none"> <li>• Revisions to sales prices (increase in prices to make up for spike in fuel and raw material costs)</li> <li>• Formulization (absorbing changes in price of added metals)</li> <li>• Attracting demand for high-value-added products and boosting sales (thick sheets for semiconductor manufacturing equipment, applications for auto batteries, etc.)</li> </ul>	+1.0 billion yen
	Nikkeikin Aluminium Core Technology	<ul style="list-style-type: none"> <li>• Revisions to sales prices (increase in prices to make up for spike in fuel and raw material costs)</li> <li>• Formulization (absorbing changes in price of added metals)</li> <li>• Capturing higher demand due to recovery in truck bodies and auto supply chain normalization</li> </ul>	

# Forecast of consolidated financial results for the fiscal year ending March 31, 2024

## Dividends per share

We determine the dividend amount and other on the basis of total dividend payout ratio, including the acquisition of treasury stock, of more than 30%.



The Company carried out a share consolidation at a ratio of 1 share for every 10 shares of common stock on October 1, 2020.

Notes on this document

1. This document is intended to provide information on the financial results for the fiscal year ending March 31, 2023, and future management strategies, and not to solicit the purchase or sale of the marketable securities issued by the Company.
2. The forward-looking statements, including future trends and earnings estimates, are not historical facts and involve risks and uncertainties, and therefore do not guarantee future performance. Actual financial results may differ materially from the estimates due to various factors, including unpredictable changes in economic conditions. Significant factors that may affect actual financial results include but are not limited to the economic climate surrounding the Group, social trends, and changes in the Group's relative competitiveness in line with the demand trends for the products and services provided by the Group.
3. The matters described in this document reflect the views of the Company at the time of its preparation and are subject to change without prior notice.
4. The Company shall assume no responsibility for any damage resulting from the use of this document.