

Financial results for the first quarter of  
the fiscal year ending March 31, 2024  
Forecasts of financial results



July 31, 2023  
Nippon Light Metal Holdings Company, Ltd.

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1. Financial results for the first quarter of the fiscal year ending March 31, 2024
2. Forecasts of financial results for the first half and full fiscal year ending March 31, 2024

# Financial results for the first quarter of the fiscal year ending March 31, 2024

## Financial results for the first quarter of the fiscal year

– compared with the same period in the previous fiscal year

Lower sales and profit: Although the strong performance of the panel system division and the sale of products related to the Japanese automobile business and truck body business had a positive effect, the drop in sales prices reflecting the aluminum ingot market, in addition to a correction in semiconductor demand and a slowdown in China's auto industry, also had an impact.

(Billions of yen)

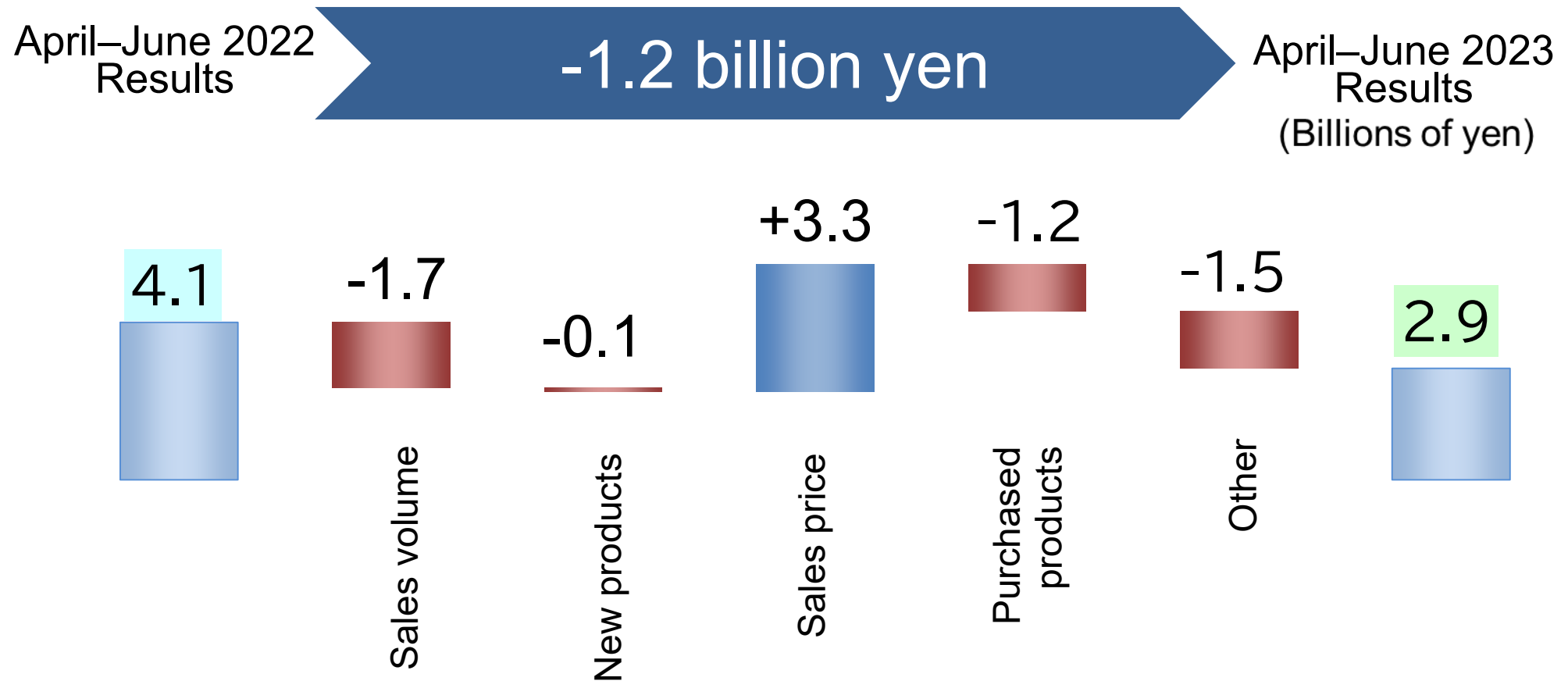
	April–June 2022 Results	April–June 2023 Results	Change
Net sales	123.2	122.5	-0.7 (-0.6%)
Operating profit	3.4	2.0	-1.4 (-42.7%)
Ordinary profit	4.1	2.9	-1.2 (-29.0%)
Profit attributable to owners of parent	2.6	1.2	-1.4 (-54.8%)

# Financial results for the first quarter of the fiscal year ending March 31, 2024

## Factors behind changes in ordinary profit

– compared with the same period in the previous fiscal year

Lower sales and profit: Although the effect of sales price revisions surpassed the effect of the rise in raw material and fuel prices, the decline in sales of thick sheets for semiconductor manufacturing equipment and auto-related sales in China, among other factors, also had an impact, leading to lower profit.



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

Aluminum sheet and extrusions: In addition to an ongoing demand correction for thick sheets for semiconductor manufacturing equipment, sales to Chinese auto manufacturers fell.

Fabricated products and others: Solid demand for panel systems and a recovery in production of truck bodies as well as an improvement in revenue were contributing factors.

(Billions of yen)

	Net sales			Operating profit		
	April–June 2022 Results	April–June 2023 Results	Change	April–June 2022 Results	April–June 2023 Results	Change
Aluminum ingot and chemicals	38.8	37.9	-0.9 (-2.4%)	3.7	3.1	-0.6 (-17.2%)
Aluminum sheet and extrusions	27.9	22.9	-5.0 (-17.8%)	1.2	-1.2	-2.4 (—)
Fabricated products and others	32.2	36.4	+4.2 (+12.8%)	-1.3	-0.4	+0.9 (—)
Aluminum foil, powder, and paste	24.3	25.3	+1.0 (+4.1%)	0.8	1.5	+0.7 (+97.9%)
Management, shared	—	—	—	-1.0	-1.0	±0
<b>Total</b>	<b>123.2</b>	<b>122.5</b>	<b>-0.7</b> <b>(-0.6%)</b>	<b>3.4</b>	<b>2.0</b>	<b>-1.4</b> <b>(-42.7%)</b>

# Aluminum ingot and chemicals

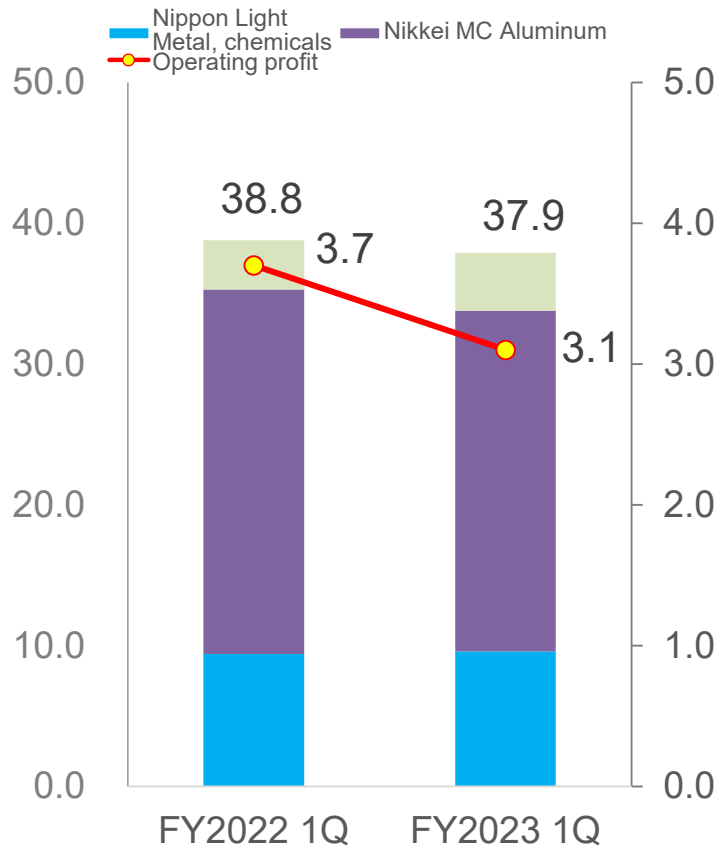
Profit for alumina and chemicals was in line with the same period in the previous fiscal year. On the other hand, though the sales volume of secondary alloys increased on a recovery in auto production, sales and profit fell, in part due to the impact of lower sales prices related to conditions in the aluminum market.

**Net sales**  
(Billions of yen)

**Operating profit**  
(Billions of yen)

**Alumina and chemicals**  
(Nippon Light Metal, chemicals)

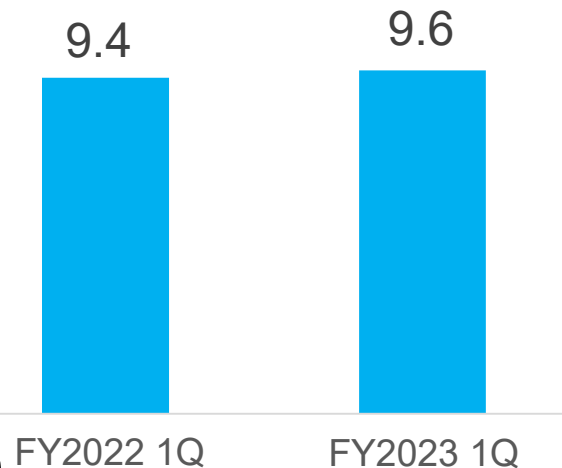
**Secondary alloy ingot (Nikkei MC Aluminum)**



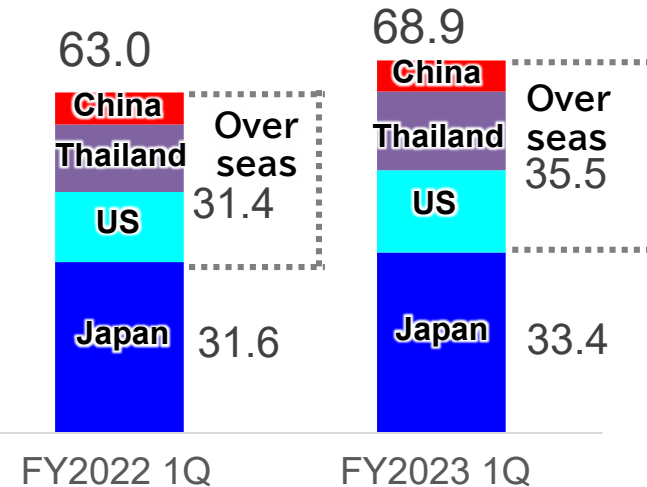
- In the alumina-related business, sales volume fell primarily for products for refractories and ceramics, and in the chemical-related business, sales volume was down for organic chlorine compounds and others.
- Although the effect of sales price revisions contributed, the spike in raw material and fuel prices also had an impact, and profit was down slightly compared to the same period in the previous fiscal year.

- Higher sales due to recovery in production of autos in Japan
- Solid sales overseas in the US and Thailand
- The drop in sales prices linked to conditions in the aluminum ingot market had an impact on lower sales and profits.

**Net sales**  
(Billions of yen)

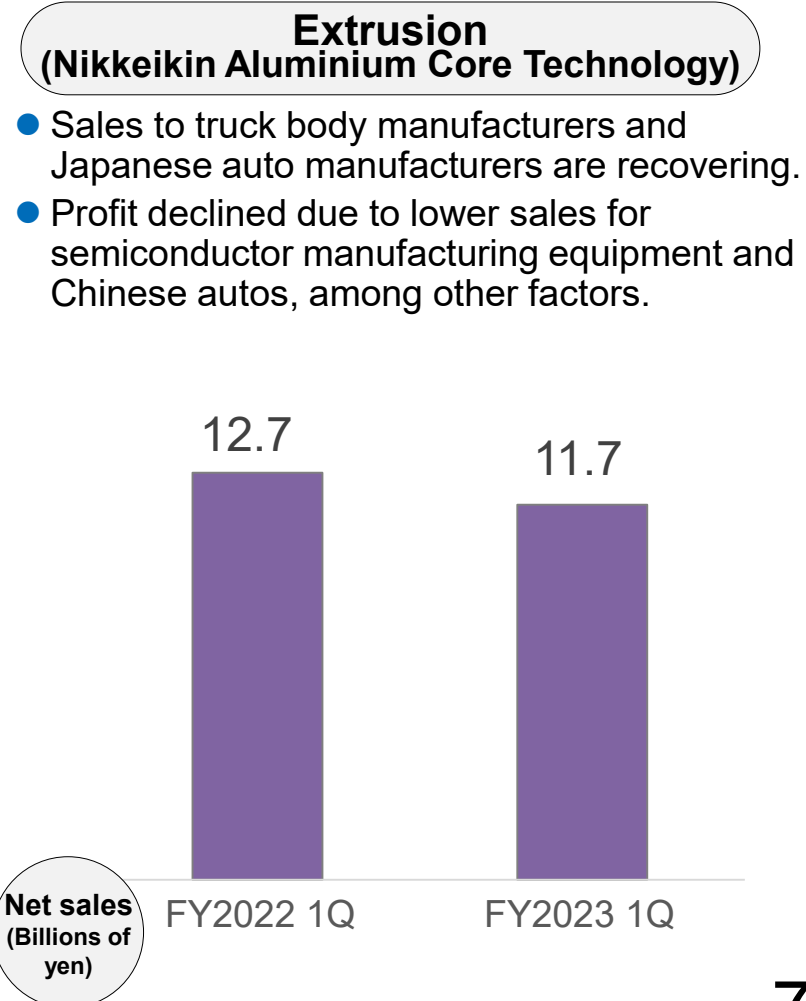
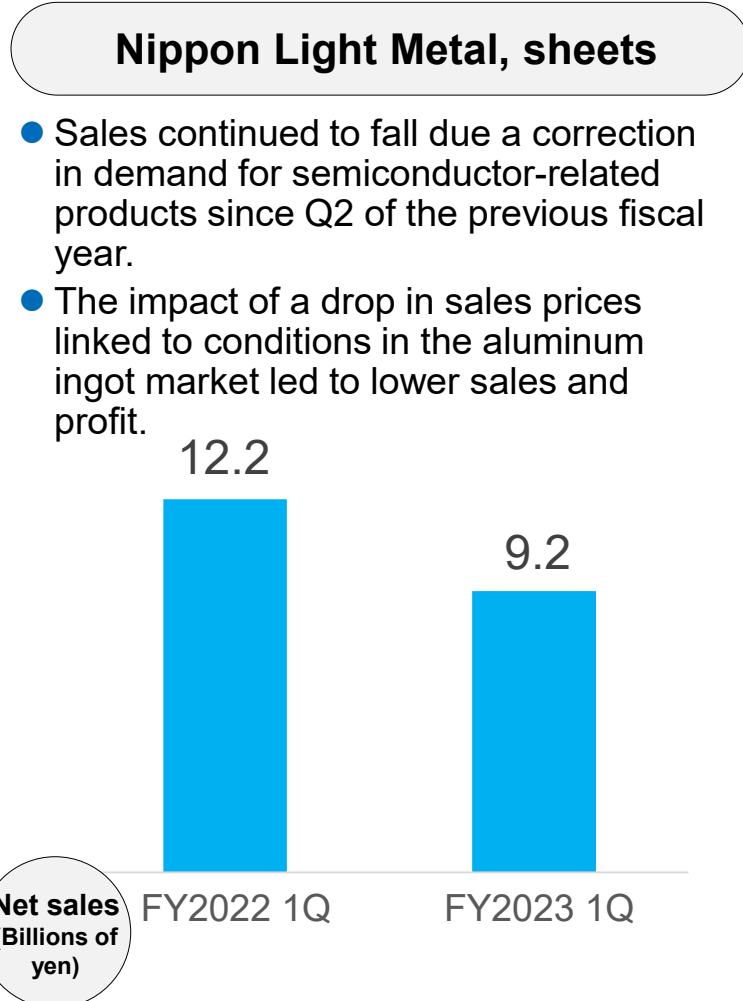
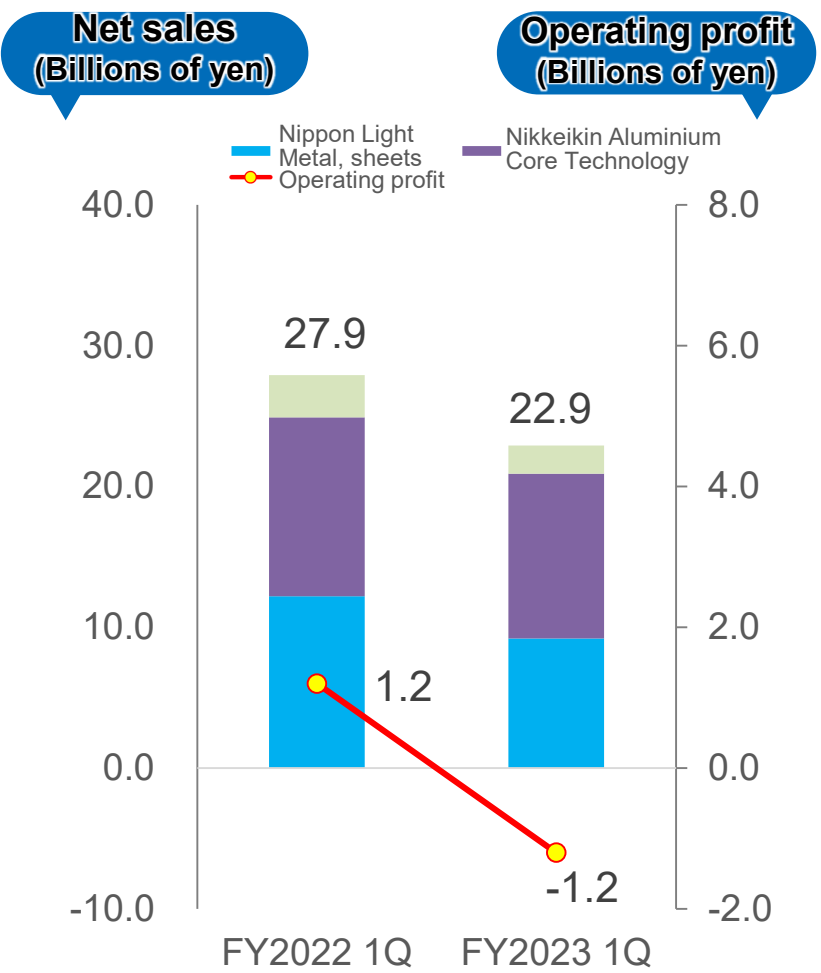


**Sales volume**  
(1,000 tons)



# Aluminum sheet and extrusions

Although sales were recovering on stronger production of trucks and domestic auto production, the ongoing demand correction for thick sheets for semiconductor manufacturing equipment, as well as the decline in sales for Chinese autos, led to a drop in profit.



# Fabricated products and others

In the truck body business, profit improved due to the effect of sales price revisions, as well as higher sales attributable to a recovery in production on the back of a stable supply of chassis. In the panel system, the refrigerator and freezer sector and the clean room field were strong performers.

**Net sales**  
(Billions of yen)

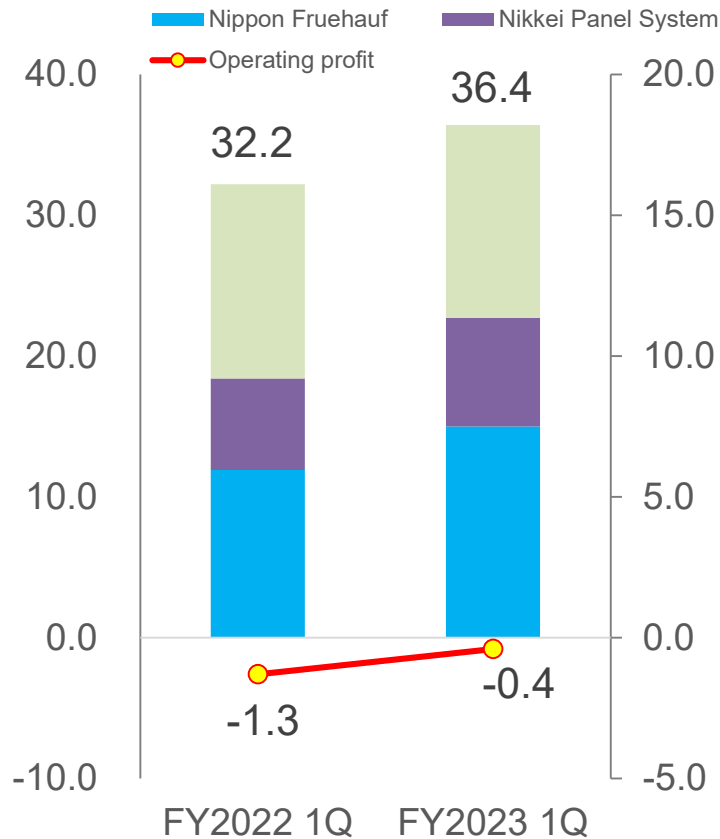
**Operating profit**  
(Billions of yen)

## Nippon Fruehauf

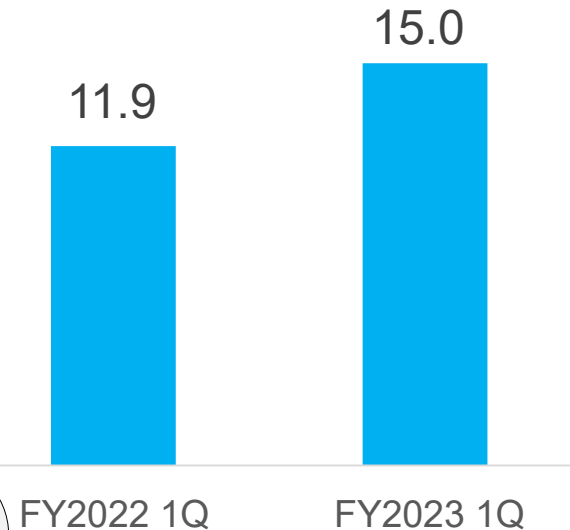
## Nikkei Panel System

- The supply of truck chassis generally stabilized and production recovered as the supply chain normalized.
- In addition to a pause in the rise in material prices, the first signs of the effect of sales price revisions contributed to improvement in profits.

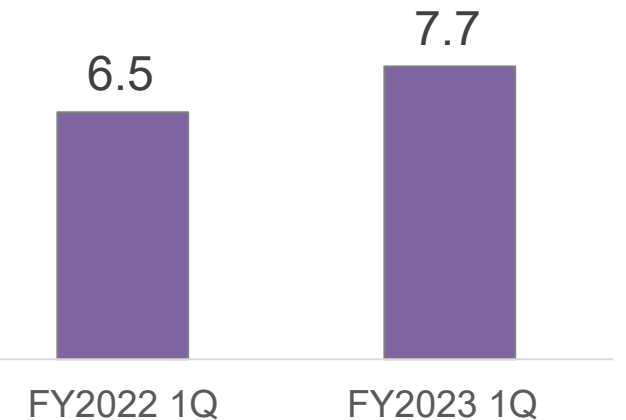
- The refrigerator and freezer sector saw an increase in large projects, primarily for food factories and low-temperature distribution warehouses.
- In the clean room field, demand was robust from manufacturers of semiconductor-related material, parts and manufacturing equipment.



**Net sales**  
(Billions of yen)



**Net sales**  
(Billions of yen)



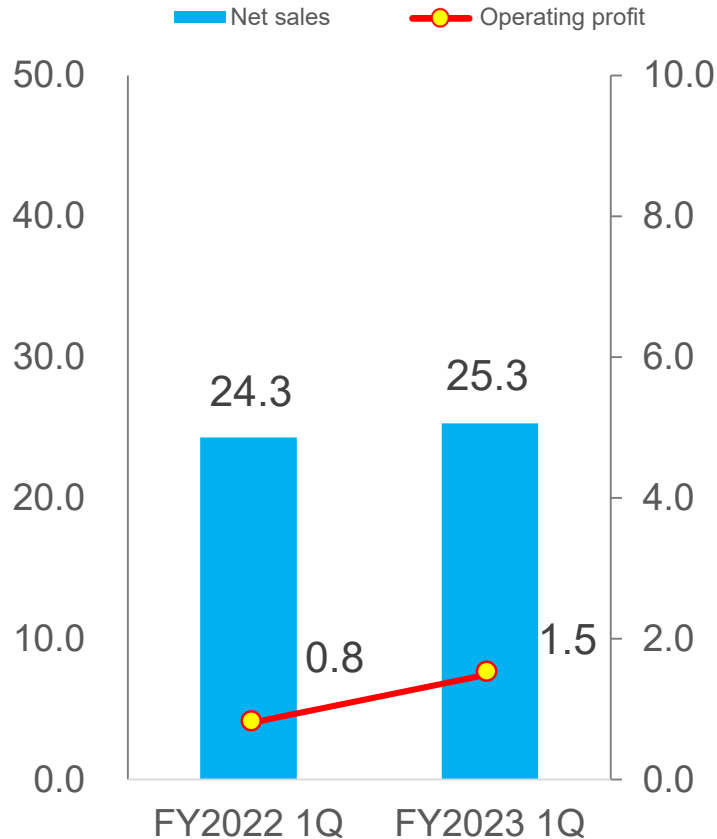


# Aluminum foil, powder, and paste

Sales and profit both rose due to higher sales for foils for lithium-ion battery exteriors, an increase in sales for medical product packaging and paste for overseas auto manufacturers, and sales price revisions to counter the steep rise in fuel and material prices.

Net sales  
(Billions of yen)

Operating profit  
(Billions of yen)



## Aluminum foil division

- The sale of foils for lithium-ion battery exteriors increased over the same period in the previous fiscal year due in part to the recovery in automobile production.
- The sale of processed foil for medical product packaging is also recovering.

## Powder and paste division

- Sales of powder products for heat dissipation, such as aluminum powder for electronic materials and aluminum nitride, declined due to demand corrections related to semiconductors.
- In paste products, sales of automobile paints gradually recovered in the domestic market, and sales to overseas manufacturers increased over the same period of the previous fiscal year.

## Daily necessities division

- In consumer products, solid sales of house-care products and the effect of price revisions for aluminum foil contributed to results.
- Sales of packaging products for frozen foods and other factors led to strong sales.

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## First-half forecasts – compared to forecasts released in May

We expect operating profit, ordinary profit and profit attributable to owners of parent to be higher than we previously forecasted in May in the first half of this consolidated fiscal year, and have thus revised these forecasts upward.

(Billions of yen)

	H1 FY22 Results	H1 FY23 Forecast released in May	H1 FY23 Current forecast	Change Compared to forecasts released in May
Net sales	253.1	250.0	250.0	—
Operating profit	3.7	2.5	4.0	+1.5 (+60.0%)
Ordinary profit	5.2	2.5	4.5	+2.0 (+80.0%)
Profit attributable to owners of parent	3.8	1.0	2.0	+1.0 (+100.0%)

# First-half Segment information – compared to forecasts released in May

In the panel system division and in the aluminum foil, powder and paste division, which were strong performers in the first quarter, we expect similar results from the second quarter, as well as ongoing improvements in earnings for the truck body business. Although the auto-related business is expected to continue recovering in Japan, the demand outlook for China is uncertain.

(Billions of yen)

	Net sales				Operating profit			
	H1 FY22 Results	H1 FY23 Forecast released in May	H1 FY23 Current forecast	Change Compared to forecasts released in May	H1 FY22 Results	H1 FY23 Forecast released in May	H1 FY23 Current forecast	Change Compared to forecasts released in May
Aluminum ingot and chemicals	79.1	76.0	76.0	±0	6.2	5.5	5.5	±0
Aluminum sheet and extrusions	55.5	44.0	43.0	-1.0 (-2.3%)	0.4	-1.5	-1.5	±0
Fabricated products and others	68.8	81.0	81.0	±0	-1.8	0	0	±0
Aluminum foil, powder, and paste	49.7	49.0	50.0	+1.0 (+2.0%)	0.6	0.5	2.0	+1.5 (+300.0%)
Management, shared	—	—	—	—	-1.7	-2.0	-2.0	±0
<b>Total</b>	<b>253.1</b>	<b>250.0</b>	<b>250.0</b>	<b>—</b>	<b>3.7</b>	<b>2.5</b>	<b>4.0</b>	<b>+1.5 (+60.0%)</b>

# Full-year financial results forecasts

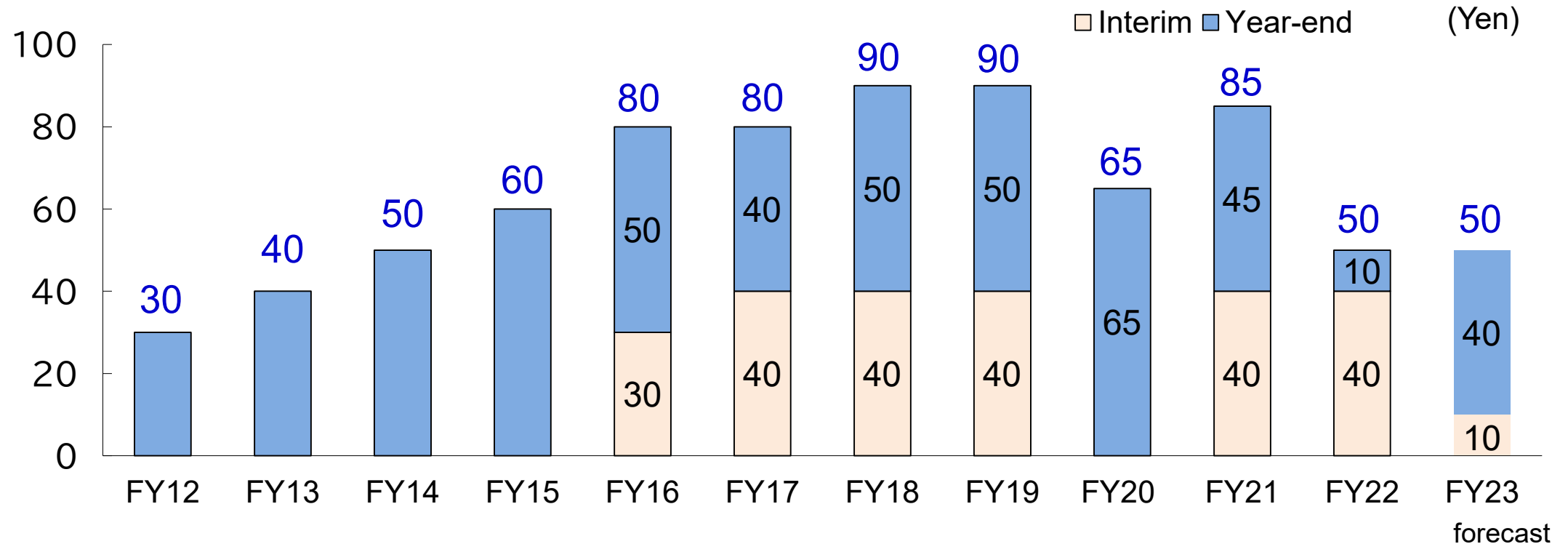
Given the uncertain demand outlook for semiconductors and China's automobile sector, among other factors, we have not changed our consolidated forecasts from those released on May 15, 2023.

(Billions of yen)

	Fiscal 2022 Results	Fiscal 2023 Forecasts	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%)
Dividends per share	50 yen	50 yen	±0

# Dividends per share

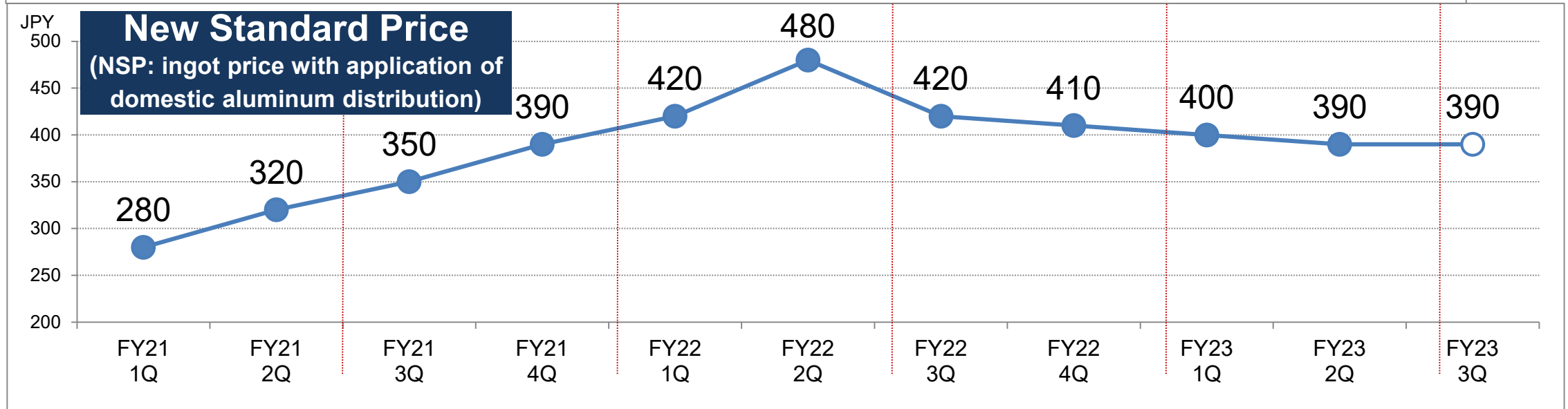
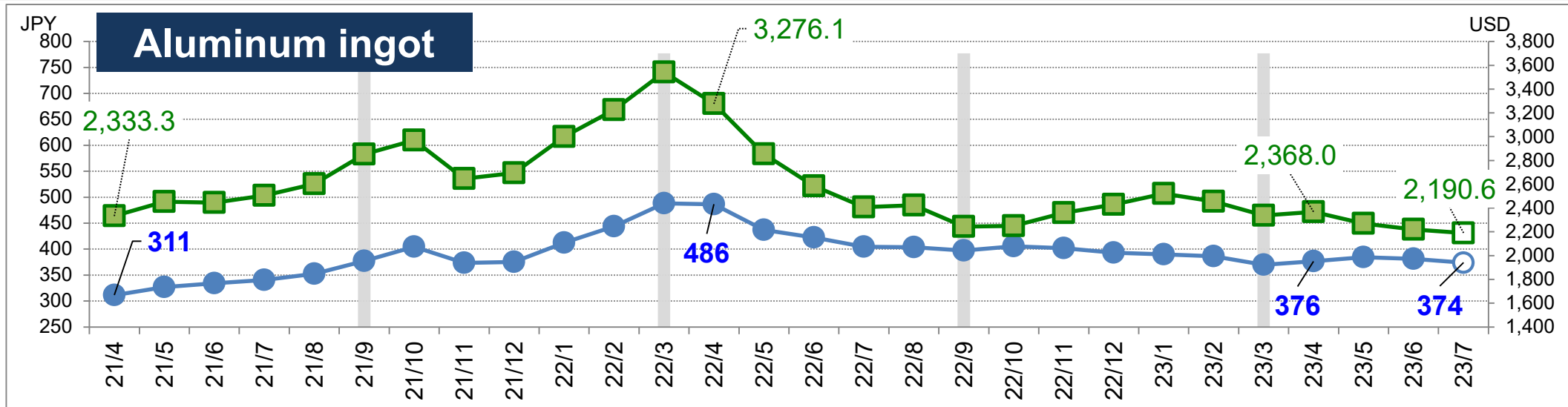
We have not changed our interim and year-end dividend forecasts from those released on May 15, 2023.



The Company carried out a share consolidation at a ratio of 1 share for every 10 shares of common stock on October 1, 2020, and the dividend amount per share prior to FY2019 (fiscal year ended in March 2020) takes into account the effect of this share consolidation.

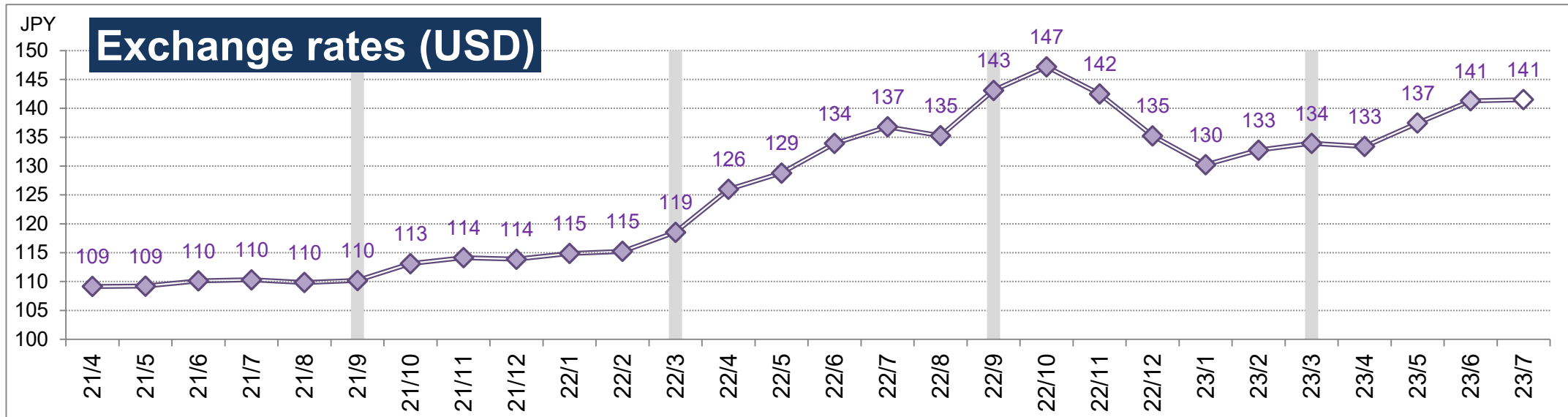
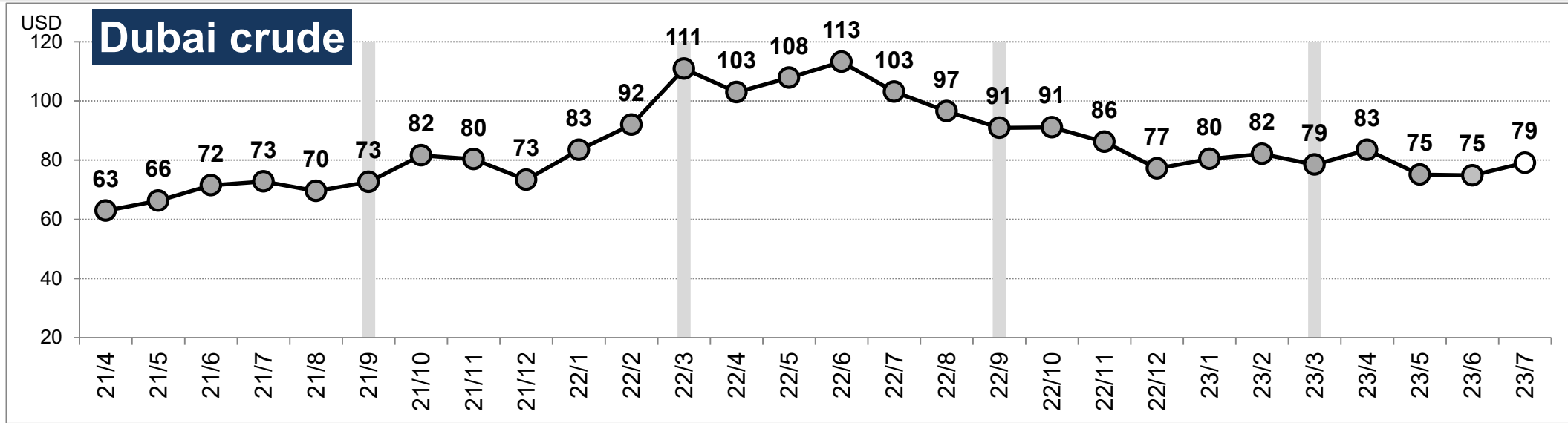
# Supplemental materials

# Trends in the price of aluminum ingot





# Trends in crude oil prices and exchange rates



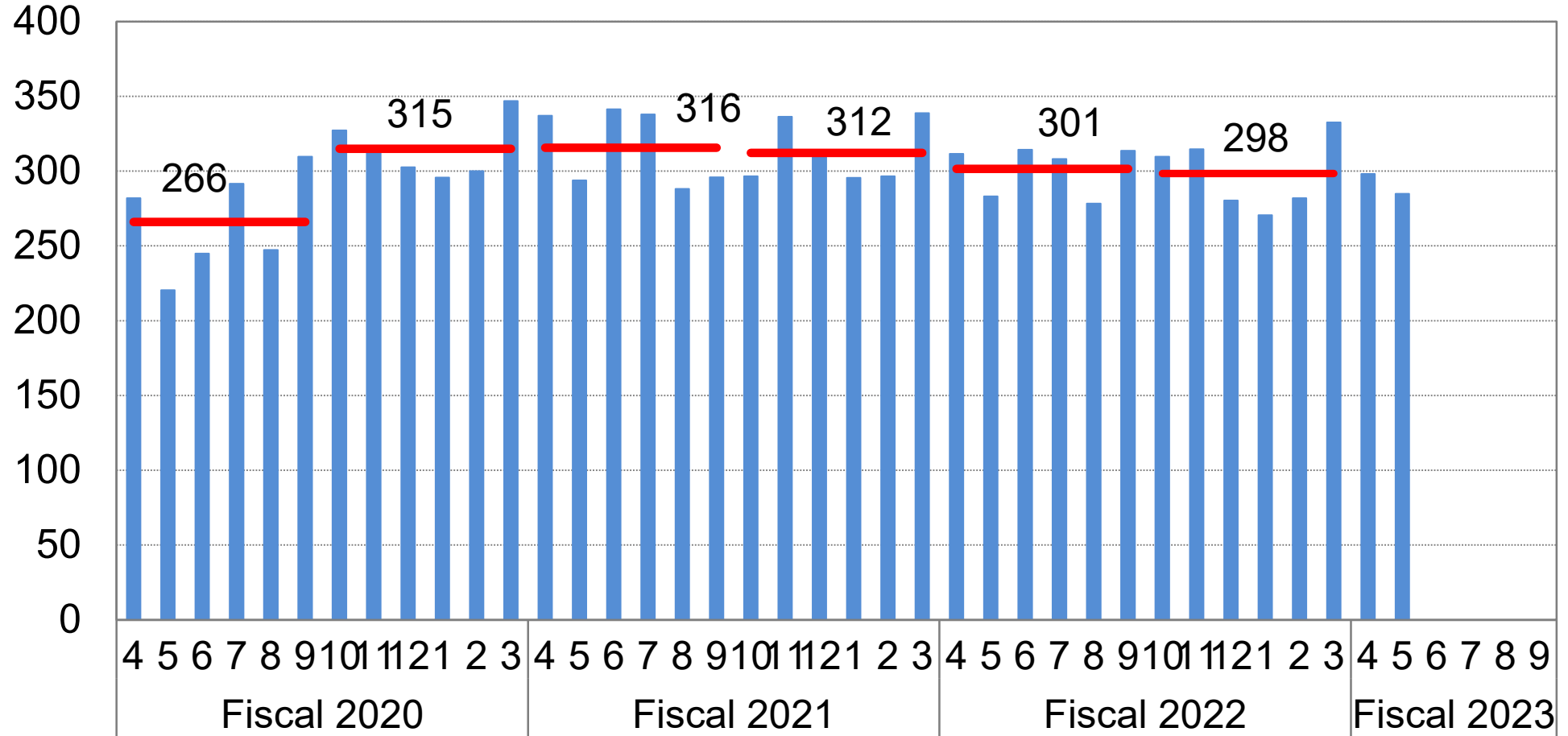
# Elements and sensitivity

	Fiscal 2021 Results	Fiscal 2022 Results	Fiscal 2023 Forecasts	April-June 2023 Results	Sensitivity to ordinary profit
Aluminum ingot (yen/kg)	378	408	400	381	Assuming a 10 yen/kg increase -0.5 billion yen/year
Exchange rates (JPY/USD)	112	135	140	137	Assuming 10 yen appreciation -0.5 billion yen/year
Dubai crude (USD/BBL)	78	93	95	78	Assuming a USD10/BBL increase -0.6 billion yen/year

# Trends in overall demand for aluminum products in Japan

(1000 tons)

Source: Japan Aluminum Association



# Product sales volume

(1000 tons)

	April-June 2022 Results	April-June 2023 Results	Change
Nikkei MC Aluminum (secondary alloy ingot)	63.0	68.9	+5.9 (+9%)
Japan	31.6	33.4	+1.8 (+6%)
Overseas	31.4	35.5	+4.1 (+13%)
Nippon Light Metal, sheets (aluminum sheet)	18.2	14.0	-4.2 (-23%)
Nikkeikin Aluminium Core Technology Company (extrusions)	7.7	8.9	+1.2 (+16%)

# Financial results of key companies

(Billions of yen)

	April-June 2022 Results			April-June 2023 Results		
	Net sales	Operating profit	Ordinary profit	Net sales	Operating profit	Ordinary profit
Nippon Light Metal (Non-consolidated)	39.6	2.4	6.2	35.7	0.9	4.5
Toyo Aluminium (Consolidated)	24.4	0.8	1.3	25.4	1.5	1.9
Nikkei MC Aluminum (Consolidated)	25.9	0.8	0.9	24.2	0.5	0.6
Nippon Fruehauf (Consolidated)	11.9	-1.2	-1.2	15.0	-0.5	-0.5
Nikkeikin Aluminium Core Technology (Consolidated)	12.7	0	0.1	11.7	-0.9	-0.8
Nikkei Panel System (Consolidated)	6.5	0.5	0.5	7.7	0.9	0.9

# Segment information – compared with the previous fiscal year

(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
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>

Notes on this document

1. This document is intended to provide information on the financial results for the fiscal year ending March 31, 2024, 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.
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