

**Consolidated Financial Results**  
**For the Fiscal Year 2019 Ended March 31, 2020**  
**(Japan GAAP)**

May 15, 2020

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 of the ordinary general shareholders' meeting : June 24, 2020  
 The expected date of dividends payment : June 25, 2020  
 The expected date for filing of securities report : June 24, 2020  
 Additional documents to supplement financial results : Yes  
 IR presentation : No (for analysts and institutional investors)

(Amounts less than one million yen are rounded off)

1. Consolidated Financial Results for the Year Ended March 31, 2020

(April 1, 2019–March 31, 2020)

(1) Consolidated Results of Operations

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

Year 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	%
March 31, 2020	465,946	(6.9)	24,607	(18.1)	23,475	(24.5)	7,476	(63.6)
March 31, 2019	500,451	3.9	30,052	0.5	31,084	5.3	20,560	14.1

(Note) Comprehensive income: ¥ 6,135 million / (68.8%) for the Year ended March 31, 2020  
 ¥19,675 million / (10.2%) for the Year ended March 31, 2019

Year ended	Net profit per share (basic)	Net profit per share (diluted)	Return on equity (ROE)	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2020	12.07	—	4.0	4.9	5.3
March 31, 2019	33.20	—	11.4	6.6	6.0

(Reference) Equity in net profit of affiliates: ¥268 million for the Year ended March 31, 2020  
 ¥680 million for the Year ended March 31, 2019

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2020	470,004	201,198	39.6	300.83
As of March 31, 2019	481,303	202,735	39.0	303.37

(Reference) Shareholder's equity: ¥186,275 million as of the Year ended March 31, 2020  
 ¥187,854 million as of the Year ended March 31, 2019

### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
Year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2020	48,676	(29,684)	(15,745)	36,296
March 31, 2019	34,644	(22,777)	(8,904)	33,345

### 2. Dividends

	Annual dividend per share					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year end	Annual			
Year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2019	—	4.00	—	5.00	9.00	5,574	27.1	3.1
March 31, 2020	—	4.00	—	5.00	9.00	5,574	74.6	3.0
Year ending March 31, 2021 (forecast)	—	—	—	—	—		—	

\* Forecast of dividends for the year ending March 31, 2021, remains indeterminate due to unavailability of a rational performance forecast at the current time.

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

(April 1, 2020–March 31, 2021)

Forecast of financial results for the year ending March 31, 2021, remains indeterminate due to the difficulty of making a reasonable assessment at the current time as a consequence of the global spread of COVID-19. The forecast will be promptly disclosed when it becomes possible to do so.

#### \*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) 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) Restatements : None

##### (3) Number of shares outstanding (common stock)

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

As of the Year ended March 31, 2020	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 Year ended March 31, 2020	725,769 shares
As of the Year ended March 31, 2019	720,629 shares

(iii) Average number of shares outstanding during the term

For the Year ended March 31, 2020	619,214,426 shares
For the Year ended March 31, 2019	619,220,839 shares

\*This financial summary is not subject to audit.

\* 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】 Consolidated Financial Statements

### 1: Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2019	As of March 31, 2020
<b>Assets</b>		
Current assets		
Cash and deposits	33,417	36,349
Notes and accounts receivable – trade	123,039	105,458
Electronically recorded monetary claims – operating	29,642	27,575
Finished products	30,453	28,513
Work-in-progress, including costs related to construction-type contracts	19,105	19,309
Raw material and supplies	22,231	18,788
Other current assets	9,848	10,767
Allowance for doubtful accounts	(497)	(385)
Total current assets	<u>267,238</u>	<u>246,374</u>
Fixed assets		
Property, plant and equipment		
Buildings and structures	140,766	152,490
Accumulated depreciation	(94,772)	(96,976)
Buildings and structures(Net amount)	45,994	55,514
Machinery and equipment	290,629	298,133
Accumulated depreciation	(246,465)	(249,029)
Machinery and equipment (Net amount)	44,164	49,104
Tools, furniture and fixtures	34,317	35,869
Accumulated depreciation	(29,593)	(30,211)
Tools, furniture and fixtures(Net amount)	4,724	5,658
Land	54,663	54,587
Construction-in-progress	15,023	8,894
Total property, plant and equipment	<u>164,568</u>	<u>173,757</u>
Intangible assets		
Goodwill	1,999	1,555
Other intangible assets	3,555	4,312
Total intangible assets	<u>5,554</u>	<u>5,867</u>
Investments and other assets		
Investment securities	29,623	27,560
Deferred tax assets	6,618	8,981
Other assets	7,924	7,732
Allowance for doubtful accounts	(222)	(267)
Total investments and other assets	<u>43,943</u>	<u>44,006</u>
Total fixed assets	<u>214,065</u>	<u>223,630</u>
Total assets	<u>481,303</u>	<u>470,004</u>

(Millions of yen)

	As of March 31, 2019	As of March 31, 2020
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable – trade	76,244	63,826
Short-term borrowings	55,411	52,602
Current portion of long-term debt	14,496	10,068
Income taxes payable	3,422	2,654
Other current liabilities	34,791	33,191
Total current liabilities	184,364	162,341
Long-term liabilities		
Bonds	666	653
Long-term debt	68,997	69,299
Liabilities for retirement benefits	19,741	20,115
Provision for environmental measures	-	10,609
Other long-term liabilities	4,800	5,789
Total long-term liabilities	94,204	106,465
Total liabilities	278,568	268,806
<b>Net assets</b>		
Shareholders' equity		
Common stock	46,525	46,525
Additional paid-in capital	19,500	18,983
Retained earnings	117,206	119,108
Treasury stock, at cost	(68)	(69)
Total shareholders' equity	183,163	184,547
Accumulated other comprehensive income		
Net unrealized gains (losses) on securities	3,322	2,230
Net unrealized gains (losses) on hedges	(9)	(120)
Land revaluation surplus	145	145
Foreign currency translation adjustments	2,434	1,084
Remeasurements of defined benefits plans	(1,201)	(1,611)
Total accumulated other comprehensive income	4,691	1,728
Non-controlling interests	14,881	14,923
Total net assets	202,735	201,198
Total liabilities and net assets	481,303	470,004

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

<b>Consolidated Statements of Income</b>	(Millions of yen)	
	Year ended (March 31, 2019)	Year ended (March 31, 2020)
Net sales	500,451	465,946
Cost of sales	403,194	372,337
Gross profit	97,257	93,609
Selling, general and administrative expenses	67,205	69,002
Operating profit	30,052	24,607
Non-operating profit		
Interest income	81	85
Dividend income	289	302
Equity in earnings of affiliates	680	268
Rental income	804	760
Technical support fee	666	403
Other	2,354	1,596
Total non-operating profit	4,874	3,414
Non-operating expenses		
Interest expense	1,301	1,211
Loss on disposal of fixed assets	575	466
Rental expense	758	592
Other	1,208	2,277
Total non-operating expenses	3,842	4,546
Ordinary profit	31,084	23,475
Special gains		
Gain on step acquisitions	1,371	—
Total special gains	1,371	—
Special losses		
Environmental expenses	—	11,000
Loss on impairment of fixed assets	957	—
Loss on valuation of investment securities	386	—
Total special losses	1,343	11,000
Profit before income taxes	31,112	12,475
Income taxes - current	7,342	4,897
Income taxes - deferred	1,764	(1,707)
Total income taxes	9,106	3,190
Net profit	22,006	9,285
Profit attributable to non-controlling interests	1,446	1,809
Profit attributable to owners of parent	20,560	7,476

**Consolidated Statements of Comprehensive Income**

(Millions of yen)

	Year ended (March 31, 2019)	Year ended (March 31, 2020)
Net profit	22,006	9,285
Other comprehensive income		
Net unrealized gains (losses) on securities	(890)	(1,088)
Net unrealized gains (losses) on hedges	135	(111)
Foreign currency translation adjustments	(413)	(1,281)
Remeasurements of defined benefit plans	(766)	(438)
Equity of other comprehensive income (losses) of affiliates	(397)	(232)
Total other comprehensive income (losses)	(2,331)	(3,150)
Comprehensive income	19,675	6,135
Comprehensive income attributable to owners of parent	18,409	4,513
Comprehensive income attributable to non-controlling interests	1,266	1,622

### 3: Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended (March 31, 2019)	Year ended (March 31, 2020)
<b>Cash flows from operating activities</b>		
Profit before income taxes	31,112	12,475
Depreciation and amortization	17,294	18,694
Amortization of goodwill	222	444
Loss (gain) on step acquisitions	(1,371)	56
Loss on impairment of fixed assets	957	—
Loss (gain) on valuation of investment securities	386	—
Decrease in allowance for doubtful accounts	(625)	(69)
Increase (decrease) in net defined benefit liability	(1,110)	(242)
Increase (decrease) in provision for environmental measures	—	10,609
Interest and dividend income	(370)	(387)
Interest expenses	1,301	1,211
Equity in earnings of affiliates	(680)	(268)
Decrease (increase) in notes and accounts receivable - trade	3,812	18,854
Increase in inventories	(4,186)	4,873
Increase (decrease) in notes and accounts payable - trade	(3,721)	(10,359)
Other	(1,131)	750
Subtotal	41,890	56,641
Interest and dividend income received	658	633
Interest paid	(1,345)	(1,165)
Settlement package paid	(2,029)	—
Income taxes paid	(4,530)	(7,433)
Net cash provided by operating activities	34,644	48,676
<b>Cash flows from investing activities</b>		
Payments for purchase of property, plant and equipment	(22,262)	(28,269)
Proceeds from sales of property, plant and equipment	251	122
Payments for purchase of intangible assets	(1,373)	(1,487)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	1,201	53
Other	(594)	(103)
Net cash used in investing activities	(22,777)	(29,684)
<b>Cash flows from financing activities</b>		
Net decrease in short-term borrowings	(852)	(2,918)
Proceeds from long-term debt	20,145	10,637
Repayments of long-term debt	(19,926)	(14,694)
Cash dividends paid	(4,971)	(5,586)
Dividends paid to non-controlling interests	(691)	(885)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(1,857)	(1,382)
Other	(752)	(917)
Net cash used in financing activities	(8,904)	(15,745)
Effect of exchange rate changes on cash and cash equivalents	(135)	(296)
Net increase (decrease) in cash and cash equivalents	2,828	2,951
Cash and cash equivalents at beginning of the year	30,517	33,345
Cash and cash equivalents at end of the year	33,345	36,296