

A faded, grayscale image of a car's interior, showing the dashboard, steering wheel, and center console. The image is semi-transparent, allowing the text to be overlaid on it.

Consolidated Financial Results for the Three Months Ended June 30, 2020

August, 2020

DaikyoNishikawa Corporation



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1. Financial Results

First Quarter Result

- Sales decreased compared to the same period of the previous year due to a significant reduction in production at major customers because of the Corona-Virus Disease-2019
- Operating profit loss occurred due to the impact of production cuts, despite efforts to reduce costs in a difficult business environment
- While implementing measures to prevent the spread of Corona-Virus Disease-2019, DaikyoNishikawa carried out strategies set forth in the medium-term management plan and promote company-wide cost reduction

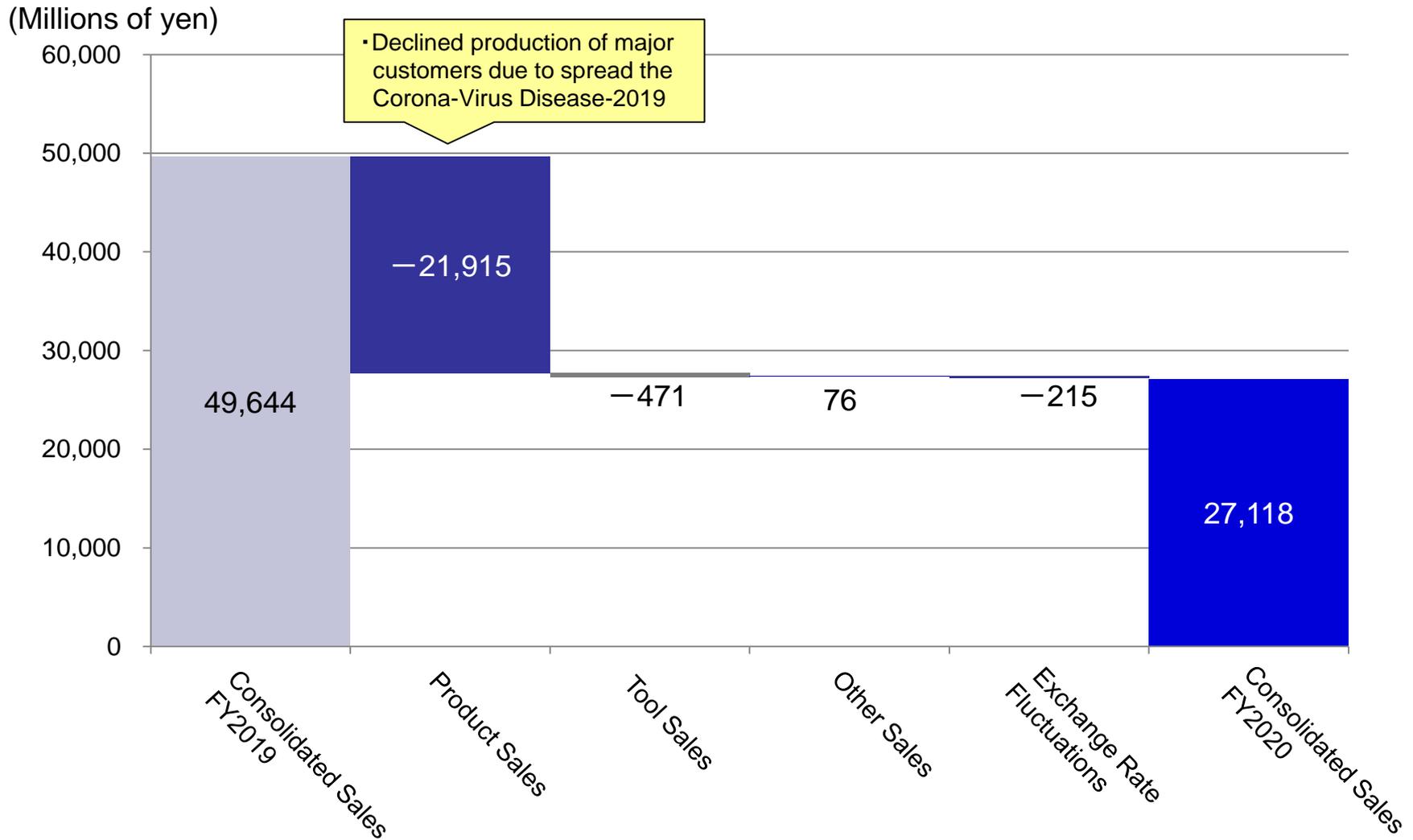
Consolidated Profit and Loss Statement



Sales decreased due to a significant reduction in production at major customers because of the Corona-Virus Disease-2019
Profit also decreased due to decline production

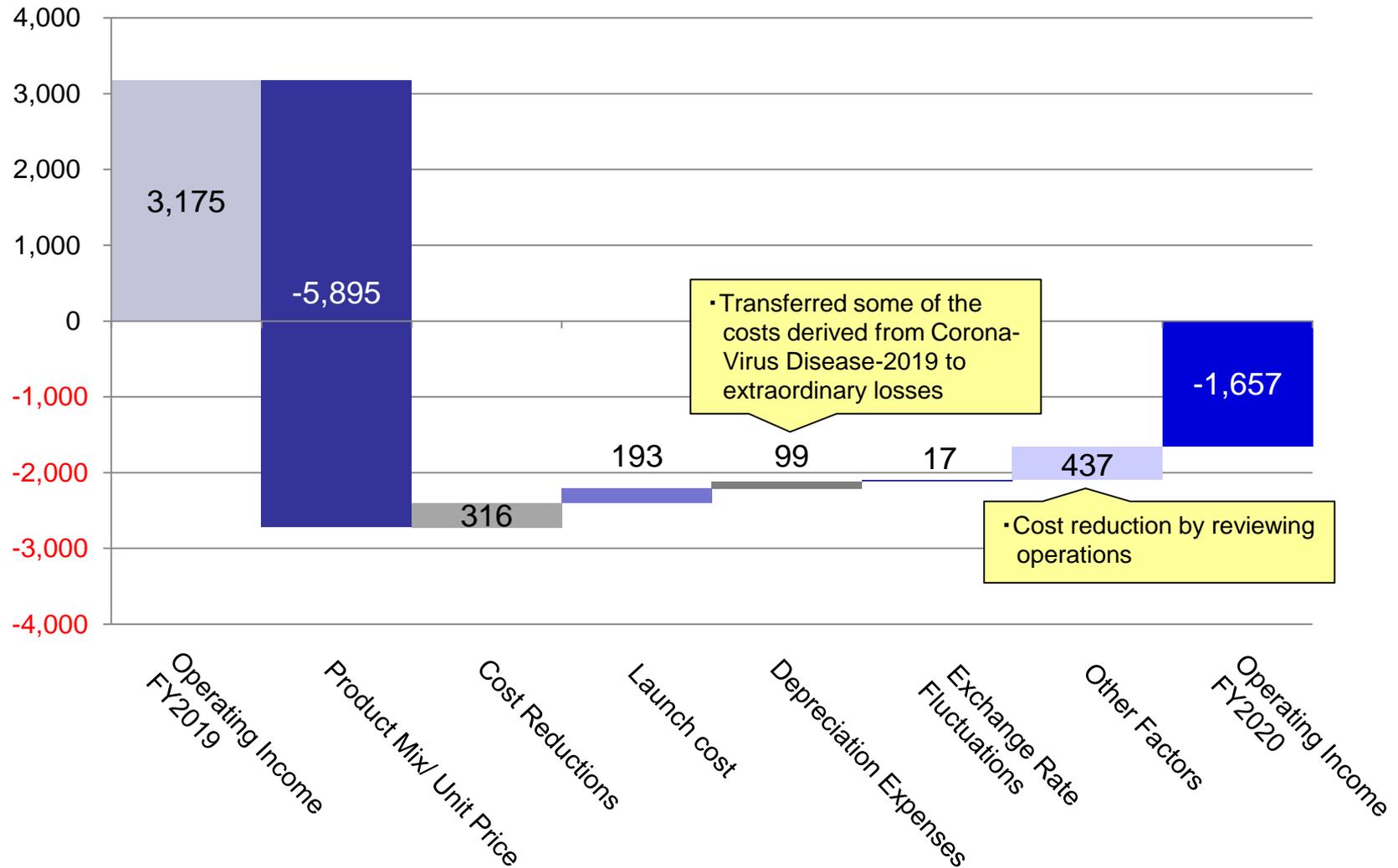
	Three Months Ended June. 30, 2019	Three Months Ended June. 30, 2020	Changes (Y on Y)	(Millions of Yen) Changes (%)
Net Sales	49,644	27,118	-22,526	-45.4%
Operating Income	3,175	-1,657	-4,832	—
Ordinary Income	3,200	-1,604	-4,804	—
Profit Attributable to Owners of Parent	2,338	-2,675	-5,013	—
Operating Profit Margin	6.4%	—	—	—
Net Income per Share	33.00yen	-37.76yen	-70.76yen	—

Net sales increase or decrease factor



Operating income increase or decrease factor

(Millions of yen)



Financial Results by Segment



Segment	Outline of business performance
Japan	<ul style="list-style-type: none">■ SALES : Decreased due to drastically decline production of major customers due to spread of the Corona-Virus Disease-2019■ PROFIT : In spite of the effort to reduce costs, operating loss occurred due to decline production
China/Korea	<ul style="list-style-type: none">■ SALES : Decreased due to decline production of major customers because of wide spread of the Corona-Virus Disease-2019 infection■ PROFIT : Operating loss due to decline production
ASEAN	<ul style="list-style-type: none">■ SALES : Decreased due to decline production of major customers■ PROFIT : Decreased due to decline production
Americas	<ul style="list-style-type: none">■ SALES : Increased due to the impact of production growth of major customers■ PROFIT : Increased due to the impact of production growth

Sales by Segment



Sales increased in Americas segment due to the expansion of vehicle production, but decreased in other segments due to the impact of the COVID-2019

(Millions of Yen)

		Three Months Ended June. 30, 2019	Three Months Ended June. 30, 2020	Changes (Y on Y)	Changes (%)
Domestic	Japan (component ratio)	36,884 (74.3)	13,287 (49.0)	-23,597 (-25.3Pts)	-64.0%
	China/Korea	1,610	829	-780	-48.5%
Overseas	ASEAN	4,015	3,283	-732	-18.1%
	Americas	7,133	9,717	2,584	36.2%
	Overseas Total (component ratio)	12,760 (25.7)	13,831 (51.0)	1,071 (25.3Pts)	8.4%
Total		49,644	27,118	-22,526	-45.4%

Operating Income by Segment



Profit decreased except for Americas segment due to decline production

(Millions of Yen)

		Three Months Ended June. 30, 2019	Three Months Ended June. 30, 2020	Changes (Y on Y)	Changes (%)
Domestic	Japan (component ratio)	2,229 (71.9)	-3,270 (—)	-5,500 (—)	—
	China/Korea	104	-27	-132	—
Overseas	ASEAN	479	314	-165	-34.5%
	Americas	287	934	647	225.4%
	Overseas Total (component ratio)	871 (28.1)	1,221 (—)	349 (—)	40.1%
Total		3,101	-2,049	-5,150	—

2. Financial Forecast for Fiscal 2020

Outline

- Sales decreased 20.4% year on year to 145 billion yen
- Operating income decrease 94.4% year on year to 500 million yen
- DaikyoNishikawa forecasts the impact of the Corona-Virus Disease-2019 shall gradually ease from the second quarter, but does not expect to complete recovery to the previous year's level

Initiatives for Fiscal 2020

- Continue to carry out the strategies set out in the medium-term management plan
- Preparations for new US plant operation in 2021
- Promote cost reduction/cost improvement for the entire company
- Thorough implementation of measures to prevent the spread of infection

Assuming a gradual recovery from the second quarter on

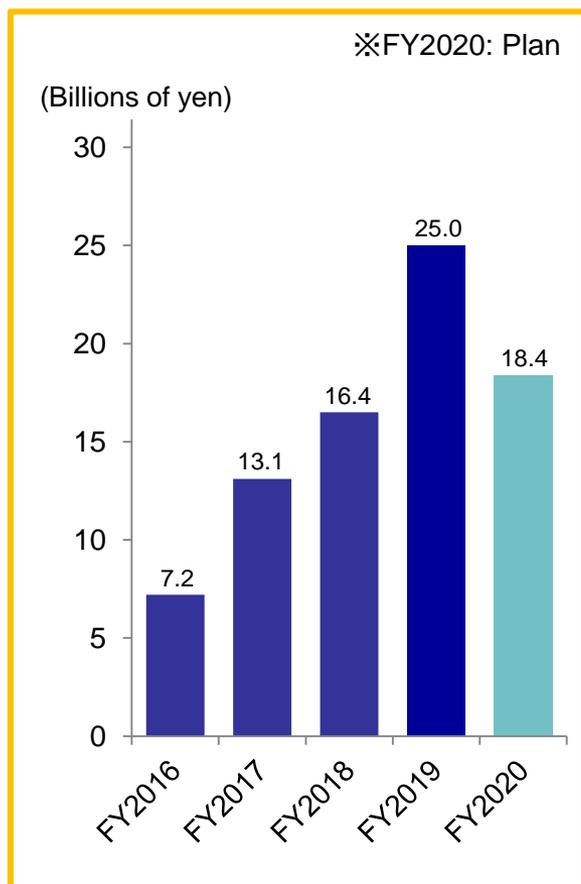
(Millions of Yen)

	FY2020 Forecast (2 nd Quarter)	Changes (Y on Y, %)	FY2020 Forecast (the full year)	Changes (Y on Y, %)
Net Sales	60,000	-36.5%	145,000	-20.4%
Operating Income	-2,100	—	500	-94.4%
Ordinary Income	-1,300	—	1,500	-84.2%
Profit Attributable to Owners of Parent	-2,200	—	0	—
Net Income per Share	-31.02yen	—	0.00yen	—

Capital Investment, Depreciation and R&D Expenses

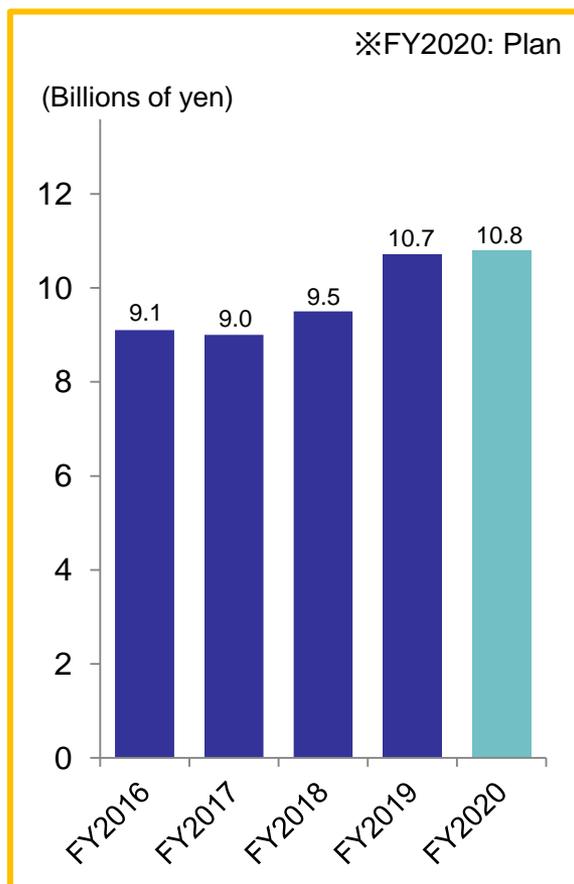
《Capital Investment》

Headquarters relocation was almost completed, resulting in capital investment decrease



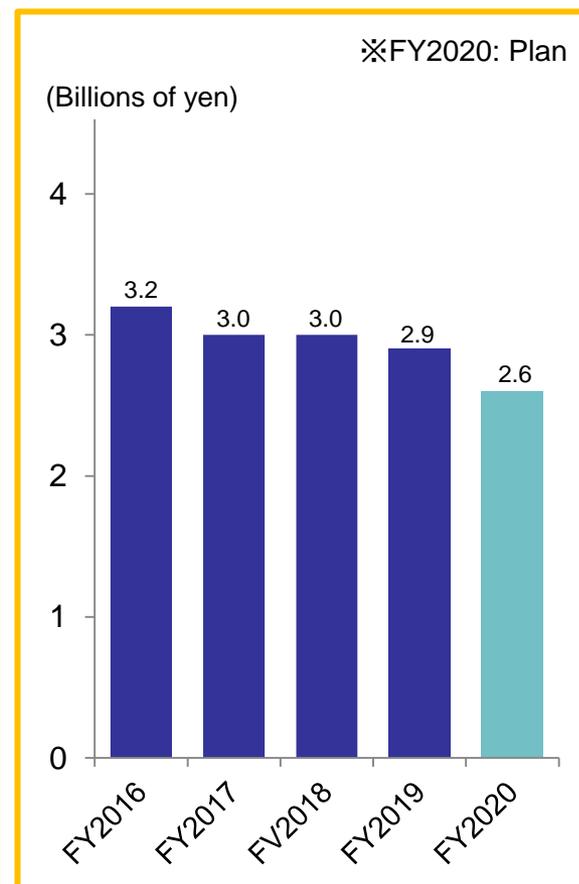
《Depreciation》

A slight increase due to the start of depreciation at the new headquarters

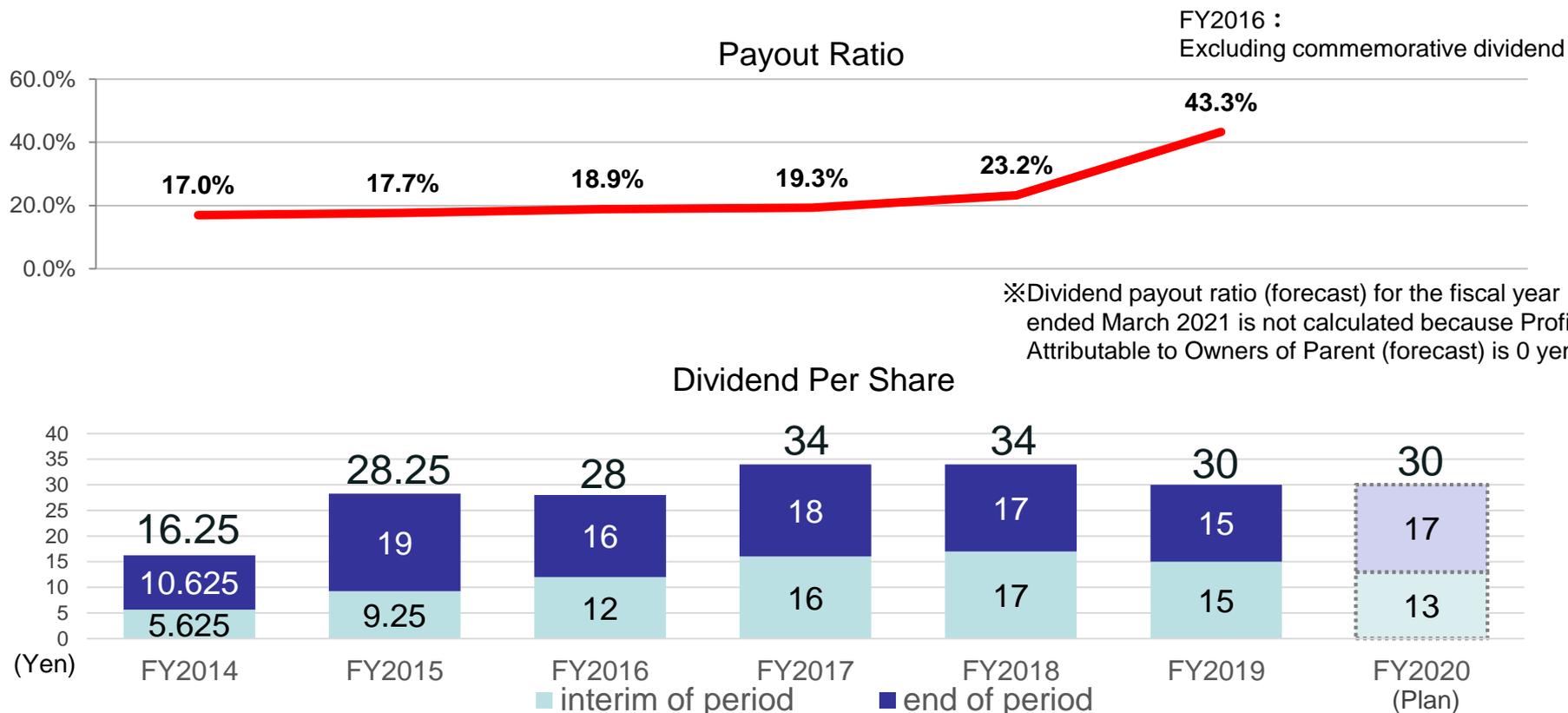


《R&D Expenses》

Decrease due to streamlining of R&D expenses



Annual dividend forecast per share remains 30 yen



※On January 1, 2016, we split its common stock into four shares.

The annual dividend for FY2014 and the interim period for FY2015 are calculated as dividends per share, assuming that a stock split was conducted.

Important Information

This presentation material contains certain statements describing the future plans, strategies and performance of DaikyoNishikawa Corporation and its consolidated subsidiaries. These statements are not based on historical or present fact, but rather assumptions and estimates based on information currently available. These future plans, strategies and performances are subject to known and unknown risks, uncertainties and other factors. DaikyoNishikawa Corporation's actual performance, business activities and financial position may differ materially from the assumptions and estimates provided on account of the risks, uncertainties and other factors. The information contained on this presentation should not be considered as an offer, or solicitation, to deal in any of the investments or funds.

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