

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, 2021**

**August, 2021**

**DaikyoNishikawa Corporation**

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# 1. Financial Results

## First Quarter Result

- Although there was a decline in production of our customers due to the semiconductor shortage, sales increased because COVID-19 impact was smaller than the same period of the previous year.
- While launch costs of the new US plant increased, an operating income of 645 million yen was mainly brought by a increase in sales and cost reduction.

# Consolidated Profit and Loss Statement

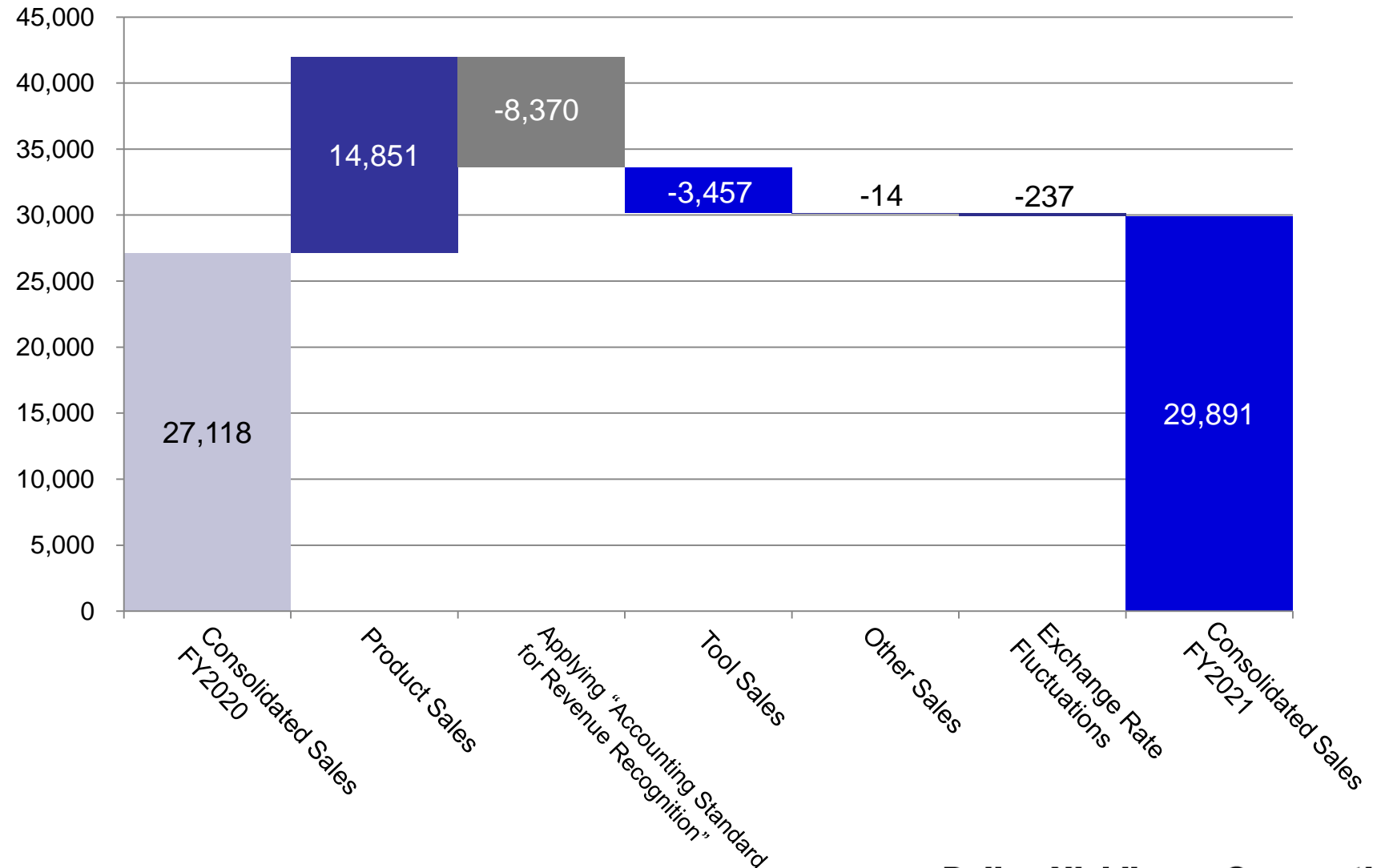


Sales increased because an impact of a decline in production due to COVID-19 was smaller than the first quarter of the previous year as well as profit.

	Three Months Ended June. 30, 2020	Three Months Ended June. 30, 2021	Changes (Y on Y)	(Millions of Yen) Changes (%)
Net Sales	27,118	29,891	2,772	10.2%
Operating Income	-1,657	645	2,303	—
Ordinary Income	-1,604	836	2,441	—
Profit Attributable to Owners of Parent	-2,675	344	3,019	—
Operating Income Margin	—	2.2%	—	—
Net Income per Share	-37.76yen	4.85yen	42.61yen	—

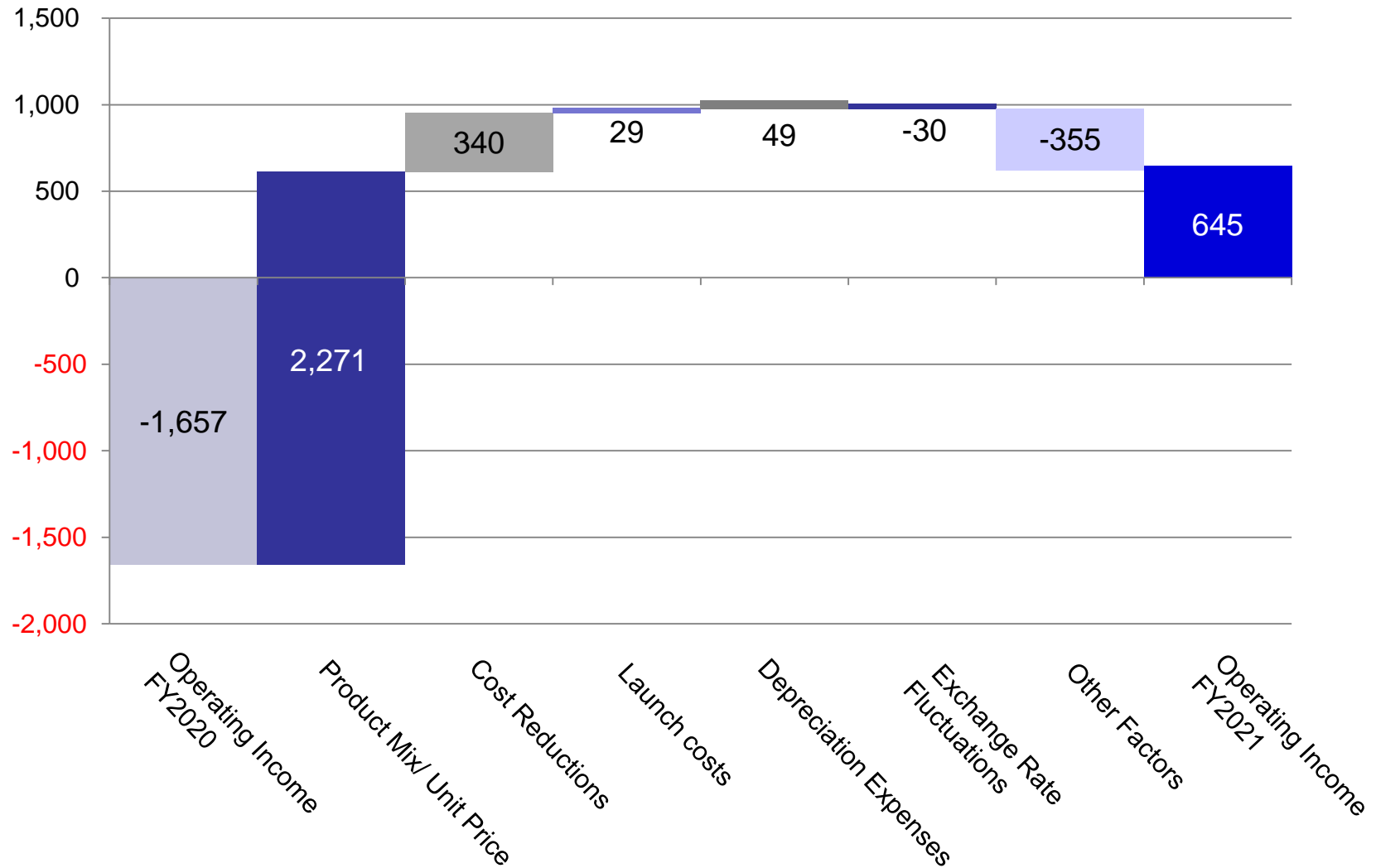
# Net sales increase or decrease factor

(Millions of yen)



# Operating income increase or decrease factor

(Millions of yen)



# Financial Results by Segment



Segment	Outline
Japan	<ul style="list-style-type: none"><li>■ <b>SALES</b> : Increased because an impact of a decline in production due to COVID-19 impact was smaller than the same period of FY2020.</li><li>■ <b>PROFIT</b> : Achieved operating income of 704 million yen.</li></ul>
China/Korea	<ul style="list-style-type: none"><li>■ <b>SALES</b> : Increased because an impact of COVID-19 in China was smaller than the same period of FY2020.</li><li>■ <b>PROFIT</b> : Operating loss of 45million yen.</li></ul>
ASEAN	<ul style="list-style-type: none"><li>■ <b>SALES</b> : Decreased due to a decrease in mold sales.</li><li>■ <b>PROFIT</b> : Decreased due to a decrease in mold sales.</li></ul>
Americas	<ul style="list-style-type: none"><li>■ <b>SALES</b> : Decreased due to an impact of a decline in production of our customers and a decrease in mold sales.</li><li>■ <b>PROFIT</b> : Operating loss of 23 million yen due to launch costs of the new US plant in addition to a decline in production.</li></ul>



# Sales by Segment



Sales increased because an impact of a decline in production due to COVID-19 in Japan was smaller than the first quarter of the previous year.

(Millions of Yen)

		Three Months Ended June. 30, 2020	Three Months Ended June. 30, 2021	Changes (Y on Y)	Changes (%)
Domestic	Japan (component ratio)	13,287 (49.0)	22,312 (74.6)	9,024 (25.6Pts)	67.9%
	China/Korea	829	1,097	267	32.3%
Overseas	ASEAN	3,283	2,682	-601	-18.3%
	Americas	9,717	3,799	-5,918	-60.9%
	Overseas Total (component ratio)	13,831 (51.0)	7,579 (25.4)	-6,252 (-25.6Pts)	-45.2%
Total		27,118	29,891	2,772	10.2%

(※) As the "Accounting Standard for Revenue Recognition" was applied from FY2021, the financial forecast for FY2021 is based on this standard. Therefore, the changes include the difference by this standard.

# Operating Income by Segment

While launch costs of the new US plant increased, operating income was brought by a increase in sales and cost reduction.

(Millions of Yen)

		Three Months Ended June. 30, 2020	Three Months Ended June. 30, 2021	Changes (Y on Y)	Changes (%)
Domestic	Japan (component ratio)	-3,270 (—)	704 (89.5)	3,974 (—)	—
	China/Korea	-27	-45	-17	—
Overseas	ASEAN	314	151	-163	-51.9%
	Americas	934	-23	-958	—
	Overseas Total (component ratio)	1,221 (—)	82 (10.5)	-1,138 (—)	-93.2%
Total		-2,049	786	2,835	—

## 2. Financial Forecast for Fiscal 2021

# Financial Forecast for FY 2021



A decrease in sales in the first half of the year will be offset by an increase in the second half of the year. Profit will increase because of a reduction of launch costs of the new US plant and a change of tax accounting process in Mexico.

(Millions of yen)

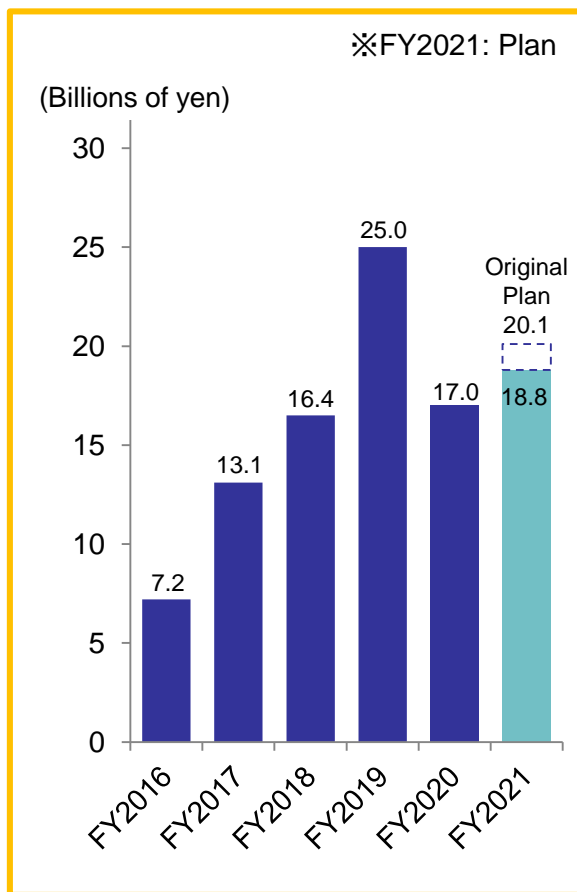
	Forecast (Original)	Forecast (Revised)	Changes (%)	Forecast (Original)	Forecast (Revised)	Changes (%)
Net Sales	(※)61,000	(※)60,000	-1.6%	(※)131,000	(※)131,000	—
Operating Income	400	200	-50.0%	1,700	1,800	5.9%
Ordinary Income	600	400	-33.3%	2,900	3,100	6.9%
Net Income Attributable to Owners of Parent	-200	-100	—	300	1,000	233.3%
Operating Margin	0.7%	0.3%	—	1.3%	1.4%	—
Net Income per Share	-2.82yen	-1.41yen	—	4.23yen	14.09yen	—

(※) As the "Accounting Standard for Revenue Recognition" is applied from FY2021, the financial forecast for FY2021 is based on this standard.

# Capital Investment, Depreciation and R&D Expenses

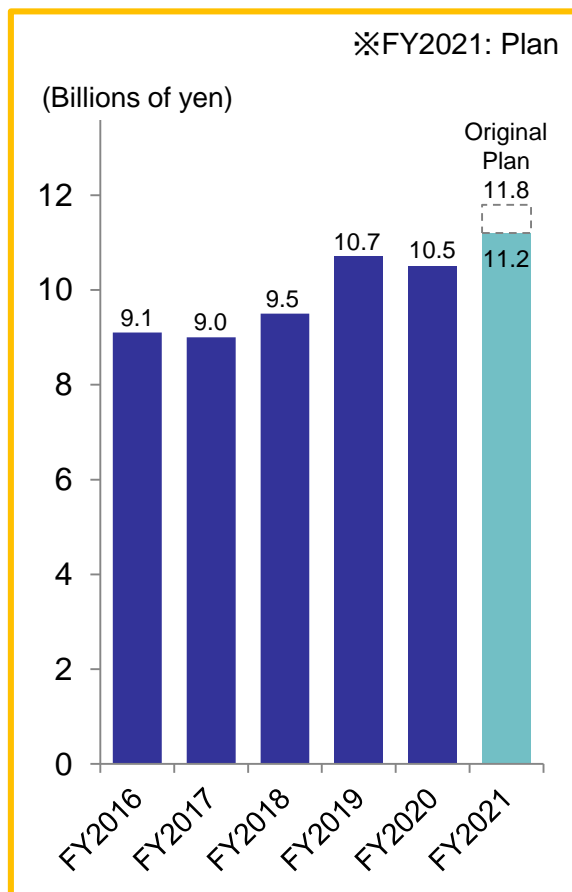
## 《Capital Investment》

Decrease because of a change of development contents and a reduction of capital Investment



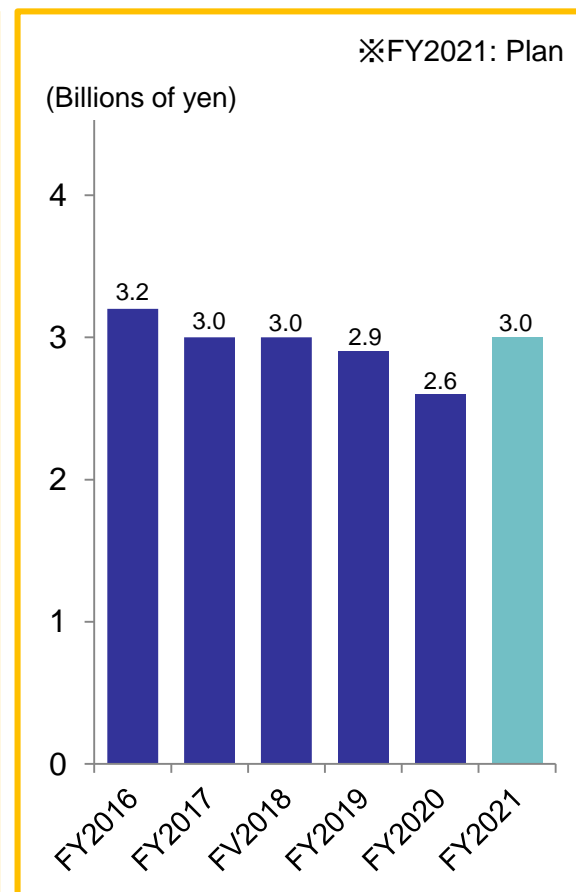
## 《Depreciation》

Decrease attendant on a reduction of capital investment

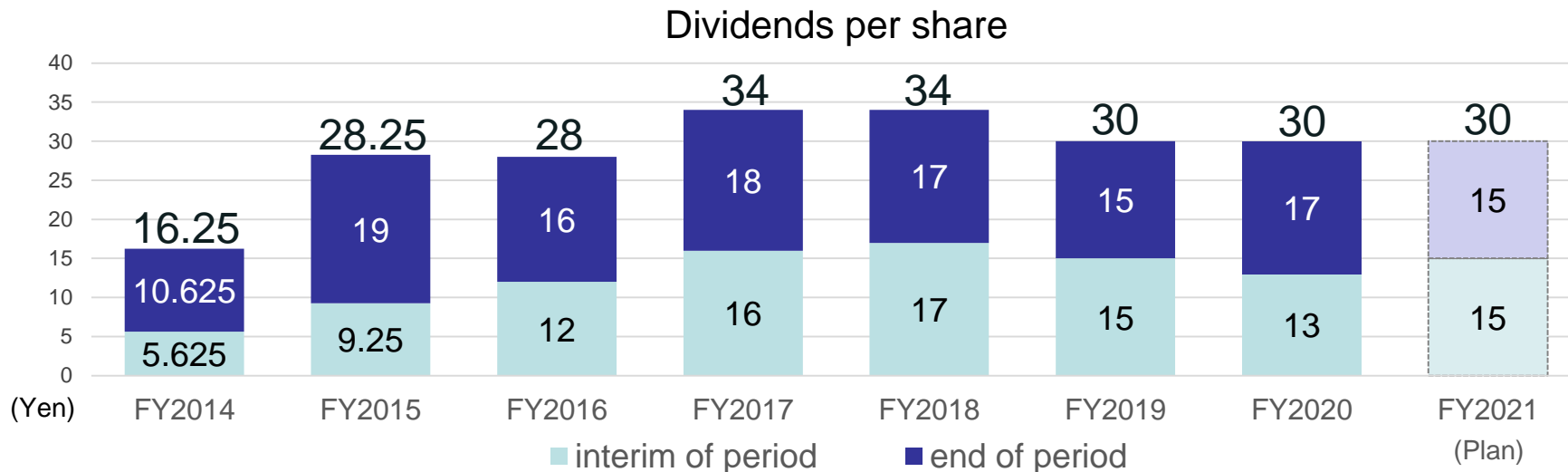


## 《R&D Expenses》

Accelerate R&D to create beyond expectation products



The annual dividends for FY 2021 will be 30 yen, the same as FY2020.



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

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

## Payout Ratio

FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021 (Plan)
17.0%	17.7%	18.9%	19.3%	23.2%	43.3%	83.9%	709.2%

※FY2016 : Excluding commemorative dividend

### 3. Expand sales of resin tailgates

## Start to provide Honda with New 「CIVIC」 Hatchback

- High rigidity is ensured by using thermo-plastic reinforced with glass fiber.
- Parts reduction for design and productivity improvement



Image courtesy by Honda Motor Co., Ltd.

Pursue the potential for plastic to strengthen the tailgate business and contribute the environmental-friendly mobility society through light weight.



## **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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