

## Consolidated Financial Results for the Six Months Ended June,30 2020 (IFRS) (Q2 FY ending December 2020)

Company name: NIKKISO CO., LTD.  
 Stock exchange listing: Tokyo Stock Exchange  
 Stock code: 6376  
 URL: <https://www.nikkiso.co.jp>  
 Representative: Toshihiko Kai, President & CEO  
 Contact: Susumu Koito, Director, Executive Officer  
 Tel. +81-3-3443-3711

Scheduled date for filling of securities report: August 14, 2020  
 Scheduled date of commencement of dividend payment: September 14, 2020  
 Supplementary documents for quarterly results: Yes  
 Financial results briefing: None

(Amounts of less than one million yen are rounded down)

## 1. Consolidated Financial Results for the Six Months Ended June 30, 2020 (January 1, 2020 - June 30, 2020)

## (1) Consolidated Results of Operations

(Percentages show year-on-year changes)

	Revenue		Operating profit		Profit before tax		Profit for the year	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended Jun.30, 2020	74,833	(5.2)	4,162	17.0	3,863	28.8	2,970	48.2
Jun.30, 2019	78,956	4.5	3,558	12.3	2,999	8.6	2,003	(4.8)

  

	Profit for the year attributable to owners of the company		Total amount of comprehensive income		Basic earnings per share	Diluted earnings per share
	Million yen	%	Million yen	%	Yen	%
Six months ended Jun.30, 2020	2,844	49.3	2,456	—	39.93	39.88
Jun.30, 2019	1,905	(6.3)	(932)	—	26.76	26.72

## (2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the company	Equity ratio
	Million yen	Million yen	Million yen	%
Six months ended Jun.30, 2020	267,981	85,092	83,221	31.1
Financial period ended in December 2019	252,984	83,413	81,537	32.2

## 2. Dividend Conditions

	Dividends				
	End of the first quarter	End of the second quarter	End of the third quarter	Term-end	Total
	Yen	Yen	Yen	Yen	Yen
Financial period ended in December 2019	-	10.00	-	10.00	20.00
Financial period ending in December 2020	-	10.00			
Financial period ending in December 2020 (Forecast)			-	10.00	20.00

(Note) Revisions to dividend forecasts made during the quarter under review: None

3. Consolidated Financial Results Forecast for the Financial Period ending in December 2020 (January 1, 2020 - December 31, 2020)

(Percentages represent year-over-year change)

Annual	Revenue		Operating profit		Profit before tax		Profit for the year attributable to owners of the company		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	—	—	—	—	—	—	—	—	—

(Note) Revisions to consolidated financial forecasts made during the quarter under review: Yes

Due to the current difficulty of reasonably estimating the impact of the spread of novel coronavirus infectious disease (COVID-19), the consolidated earnings forecast announced on February 14, 2020 have been withdrawn, and new forecasts have yet to be determined.

\* Note

(1) Important changes in subsidiaries during the period

(change of specific subsidiaries in accordance with changes in the scope of consolidation)

Newly included: None, Excluded: None

(2) Application of particular accounts procedures to the preparation of consolidated financial statements

(i) Changes in accounting policies required by IFRSs: None

(ii) Changes other than (i) in accounting methods: None

(iii) Changes in accounting estimates: None

(3) Number of ordinary shares issued

(i) Number of shares issued as of term-end (including treasury shares)

As of June 30, 2020 74,286,464 shares

As of December 31, 2019 74,286,464 shares

(ii) Treasury shares as of term-end

As of June 30, 2020 3,037,928 shares

As of December,31 2019 3,067,681 shares

(iii) Average number of shares outstanding

Six months ended June 30, 2020 71,233,766 shares

Six months ended June 30, 2019 71,203,213 shares

\* Immediate report of financial results is out of the scope of audit.

\* Disclaimer regarding forward-looking information including appropriate use of forecast financial results

The forecast statements shown in these materials are based on information currently available and certain assumptions that the Company regards as reasonable. Actual performance and other results may differ from these forecast figures due to various factors.

3. Consolidated Financial Statements  
 (1) Consolidated Statement of Financial Position

(Unit: million yen)

	End of consolidated FY2019 (as of December 31, 2019)	End of the first six-month period of consolidated FY 2020 (as of June 30, 2020)
<b>Assets</b>		
Current assets		
Cash and cash equivalents	20,303	28,875
Trade and other receivables	53,256	47,197
Other short-term financial assets	468	453
Inventories	35,523	39,872
Income tax refund receivable	470	487
Other current assets	2,997	4,055
<b>Total current assets</b>	<b>113,020</b>	<b>120,940</b>
Non-current assets		
Property, plant and equipment	41,849	45,990
Goodwill and Intangible assets	61,105	60,924
Right-of-use assets	14,696	15,461
Investments accounted for using the equity method	2,947	3,468
Long-term financial assets	15,392	17,114
Deferred tax assets	3,315	3,464
Other non-current assets	657	615
<b>Total non-current assets</b>	<b>139,964</b>	<b>147,040</b>
<b>Total assets</b>	<b>252,984</b>	<b>267,981</b>

(Unit: million yen)

	End of consolidated FY2019 (as of December 31, 2019)	End of the first six-month period of consolidated FY 2020 (as of June 30, 2020)
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Short-term borrowings	21,680	24,515
Trade and other payables	28,231	25,270
Lease liabilities	2,550	2,494
Other short-term financial liabilities	820	907
Income taxes payable	869	1,465
Provisions	1,355	1,328
Other current liabilities	12,117	13,094
<b>Total current liabilities</b>	<b>67,625</b>	<b>69,076</b>
<b>Non-current liabilities</b>		
Long-term borrowings	83,050	93,695
Lease liabilities	11,830	12,649
Other long-term financial liabilities	949	1,004
Net defined benefit liabilities	3,315	3,330
Provisions	284	283
Deferred tax liabilities	2,399	2,770
Other non-current liabilities	115	79
<b>Total non-current liabilities</b>	<b>101,946</b>	<b>113,812</b>
<b>Total liabilities</b>	<b>169,571</b>	<b>182,889</b>
<b>Equity</b>		
Share capital	6,544	6,544
Capital surplus	11,001	10,976
Treasury shares	(2,519)	(2,494)
Other components of equity	1,447	973
Retained earnings	65,063	67,222
<b>Equity attributable to owners of the Company</b>	<b>81,537</b>	<b>83,221</b>
Non-controlling interests	1,875	1,870
<b>Total equity</b>	<b>83,413</b>	<b>85,092</b>
<b>Total liabilities and equity</b>	<b>252,984</b>	<b>267,981</b>

(2) Consolidated Statement of Profit or Loss and Consolidated Statement of Other Comprehensive Income

(Consolidated Statement of Profit or Loss)

(Unit: million yen)

	First six-month period of consolidated FY 2019 (From January 1, 2019 to June 30, 2019)	First six-month period of consolidated FY 2020 (From January 1, 2020 to June 30, 2020)
Revenue	78,956	74,833
Cost of sales	(53,293)	(50,384)
Gross profit	25,663	24,448
Selling, general and administrative expense	(22,366)	(21,025)
Other income	307	835
Other expenses	(45)	(96)
Operating profit	3,558	4,162
Financial income	385	279
Financial costs	(1,058)	(592)
Share of profit (loss) of associates and joint ventures accounted for using the equity method	112	13
Profit before tax	2,999	3,863
Income tax expenses	(995)	(893)
Profit for the year	2,003	2,970
Profit for the year attributable to:		
Owners of the Company	1,905	2,844
Non-controlling interests	98	125
Profit for the year	2,003	2,970
Earnings per share		
Basic (Yen)	26.76	39.93
Diluted (Yen)	26.72	39.88

## (Consolidated Statement of Other Comprehensive Income)

(Unit: million yen)

	First six-month period of consolidated FY 2019 (From January 1, 2019 to June 30, 2019)	First six-month period of consolidated FY 2020 (From January 1, 2020 to June 30, 2020)
Profit for the year	2,003	2,970
Other comprehensive income:		
Items that will not be reclassified subsequently to profit or loss		
Financial assets measured at fair value through other comprehensive income	(427)	1,234
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	(2)	1
Total	(430)	1,236
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	(2,357)	(1,675)
Gain (loss) on cash flow hedges	(124)	(37)
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	(23)	(37)
Total	(2,505)	(1,750)
Other comprehensive income, net of tax	(2,935)	(514)
Total comprehensive income	(932)	2,456
Total comprehensive income attributable to:		
Owners of the Company	(1,069)	2,396
Non-controlling interests	137	59
Total comprehensive income	(932)	2,456