



Presentation Material for Financial Results for the First Quarter of the Fiscal Year Ended March 31, 2024

DaikyoNishikawa Corporation

August 2023

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1. 1st quarter FY2023 Financial Results (YoY change)

1st quarter FY2023 Financial Results (YoY change)

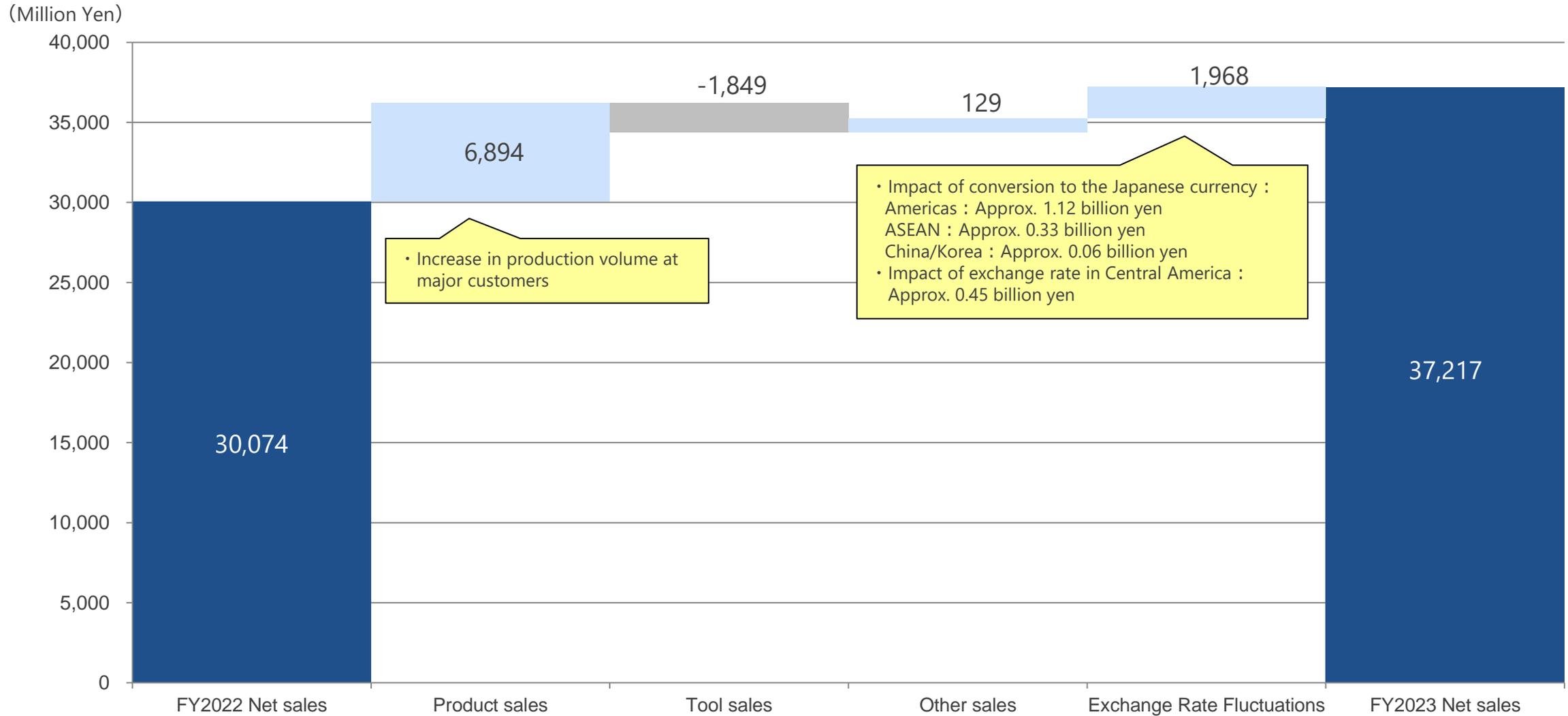


- Net sales increased due to higher production volume at major customers.
- Operating income increased due to the impact of higher sales and cost improvement, despite the impact of surging raw material and energy costs at all locations.

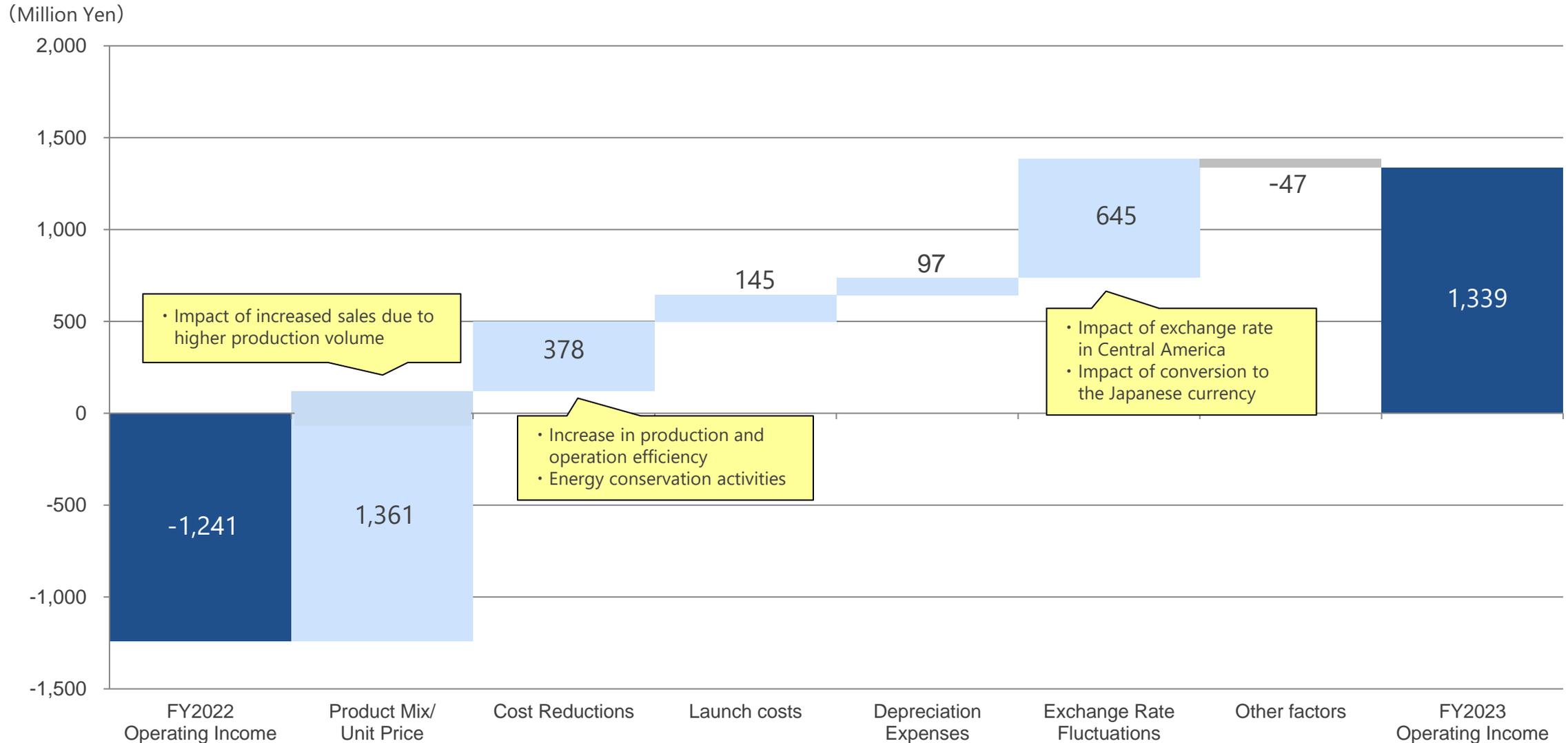
(Million Yen)

	FY2022	FY2023	YoY change	
	Q1	Q1	Amount	Rate
Net Sales	30,074	37,217	7,143	23.8%
Operating Income	-1,241	1,339	2,581	—
Operating Income Margin	-4.1%	3.6%	7.7pts	
Ordinary Income	-1,008	1,749	2,757	—
Profit Attributable to Owners of Parent	-1,127	1,150	2,277	—

Net sales increase or decrease factor (YoY change)



Operating income increase or decrease factor (YoY change)



External sales by segment (YoY change)



- In Japan, net sales increased due to higher production volume at major customers, and the increase in sales to strategic OEMs.
- In Americas, net sales increased due to higher production volume at customers, and impact of exchange rate.
- In ASEAN, net sales increased due to the higher production volume at customers, production transfer from Japan, and impact of convention to the Japanese currency.
- In China/Korea, net sales decreased due to lower production volume at customers and sales of molds.

(Million Yen)

		FY2022	FY2023	YoY change	
		Q1	Q1	Amount	Rate
Domestic	Japan (Component ratio)	19,431 (64.6%)	23,973 (64.4%)	4,541	23.4%
Overseas	Americas	6,390	9,186	2,795	43.7%
	ASEAN	2,839	3,465	626	22.1%
	China/Korea	1,412	592	-819	-58.0%
	Overseas total (Component ratio)	10,642 (35.4%)	13,244 (35.6%)	2,601	24.4%
Total		30,074	37,217	7,143	23.8%

Operating income by segment (YoY change)



- In Japan, operating income increased due to impact of the higher production and change in product mix, as well as decrease in development costs associated with launch in North America in the previous year.
- In Americas, operating income increased due to the recognition of development costs in the previous first quarter and recovery of costs for the impact of the delay in the conversion to the dual-shift operation in this quarter in North America, as well as the impact of exchange rate in Central America.
- In ASEAN, increase due to impact of higher sales and change in product mix.
- In China/Korea, operating income decreased due to the impact of lower sales and higher development costs for new car models.

(Million Yen)

		FY2022	FY2023	YoY change	
		Q1	Q1	Amount	Rate
Domestic	Japan (Component ratio)	-1,158 (-)	165 (9.5%)	1,324	-
Overseas	Americas	-1,493	1,322	2,815	-
	ASEAN	277	521	243	87.7%
	China/Korea	65	-260	-325	-
	Overseas total (Component ratio)	-1,150 (-)	1,583 (90.5%)	2,733	-
Consolidation adjustment		1,067	-409		
Operating Income		-1,241	1,339	2,581	-

※FY2022Q1 consolidation adjustments include development costs in North America recorded in FY2021

2. 1st quarter FY2023 Financial Results (QoQ change)

1st quarter FY2023 Financial Results (QoQ change)



Sales and profits decreased in this quarter compared to the previous fourth quarter.

- The previous fourth quarter included the shift of surging raw material and energy costs to prices.
- Due to the lower production volume in the first quarter compared to the previous fourth quarter.

(Million Yen)

	FY2022				FY2023	QoQ change (23Q1/22Q4)	
	Q1	Q2	Q3	Q4	Q1	Amount	Rate
Net Sales	30,074	32,937	39,618	43,114	37,217	-5,896	-13.7%
Operating Income	-1,241	-205	823	4,076	1,339	-2,736	-67.1%
Operating Income Margin	-4.1%	-0.6%	2.1%	9.5%	3.6%	-5.9pts	
Ordinary Income	-1,008	-171	114	3,929	1,749	-2,180	-55.5%
Profit Attributable to Owners of Parent	-1,127	-438	-362	2,446	1,150	-1,296	-53.0%

External sales by segment (QoQ change)



- In Japan, net sales decreased due to the lower production volume at major customers, and the previous fourth quarter included the shift of surging raw material and energy costs to prices.
- In Americas, net sales increased due to the higher production volume at customers, impact of exchange rate, and recovery of costs for the impact of the delay in the conversion to the dual-shift operation.
- In ASEAN, net sales decreased due to the lower production volume at customers and sales of molds.
- In China/Korea, net sales decreased due to the lower production volume at customers and sales of molds.

(Million Yen)

		FY2022				FY2023	QoQ change (23Q1/22Q4)	
		Q1	Q2	Q3	Q4	Q1	Amount	Rate
Domestic	Japan (Component ratio)	19,431	25,171	28,062	30,291	23,973	-6,317	-20.9%
Overseas	Americas	6,390	4,552	7,020	8,072	9,186	1,113	13.8%
	ASEAN	2,839	2,373	3,320	3,753	3,465	-288	-7.7%
	China/Korea	1,412	839	1,215	997	592	-404	-40.6%
	Overseas total (Component ratio)	10,642	7,765	11,555	12,823	13,244	421	3.3%
Total		30,074	32,937	39,618	43,114	37,217	-5,896	-13.7%

Operating income by segment (QoQ change)



- In Japan, operating income decreased due to the impact of the lower sales and the previous fourth quarter included the shift of surging raw material and energy costs to prices.
- In Americas, operating income increased due to recovery of costs for the impact of the delay in the conversion to the dual-shift operation, and impact of exchange rate.
- In ASEAN, despite the lower sales, operating income increased due to price pass-through and changes in product mix.
- In China/Korea, net sales decreased due to the lower sales of molds and the lower production.

(Million Yen)

		FY2022				FY2023	QoQ change (23Q1/22Q4)	
		Q1	Q2	Q3	Q4	Q1	Amount	Rate
Domestic	Japan (Component ratio)	-1,158	296	1,056	3,904	165	-3,738	-95.7%
	Americas	-1,493	-585	-465	-206	1,322	1,529	—
Overseas	ASEAN	277	218	411	127	521	393	307.5%
	China/Korea	65	-50	-19	-76	-260	-183	—
	Overseas total (Component ratio)	-1,150	-418	-73	-155	1,583	1,738	—
Consolidation adjustment		1,067	-83	-159	327	-409		
Operating Income		-1,241	-205	823	4,076	1,339	-2,736	-67.1%

※FY2022Q1 consolidation adjustments include development costs in North America recorded in FY2021

3. FY2023 Financial Forecast

FY2023 Financial Forecast



Revised forecasts for FY2023 for both the first half and the full year

The first half

- Net sales are expected to decrease in each segment except ASEAN due to the lower production than expected in the first quarter.
- Operating income is expected to increase due to changes in product mix and the impact of exchange rate in Central America.
- Ordinary income is expected to increase due to the impact of the higher operating income, as well as foreign exchange gains arising from dividends received in the first quarter.

The full year

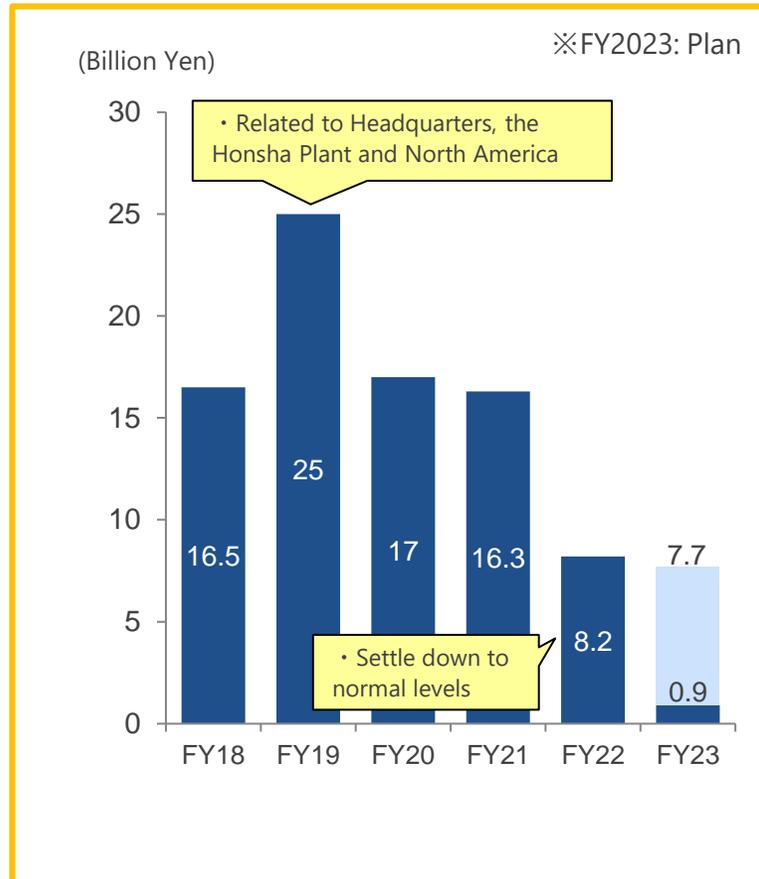
- In addition to the revision of the first half, the revision considers the impact of surging raw material prices on manufacturing costs and the status of production volume in China, etc.

(Million Yen)

	FY2022	FY2023 (announced on May 11)		FY2023 (announced on August 8)		Forecast Difference	
	Actual	First Half Forecast	Full Year Forecast	First Half Forecast	Full Year Forecast	First Half	Full Year
Net Sales	145,744	79,000	163,000	76,000	160,000	-3,000	-3,000
Operating Income	3,453	2,300	8,200	3,200	8,300	900	100
Operating Income Margin	2.9%	2.9%	5.0%	4.2%	5.2%	1.3pts	0.2pts
Ordinary Income	2,864	1,700	7,200	3,100	7,700	1,400	500
Profit Attributable to Owners of Parent	518	900	4,800	2,000	5,000	1,100	200

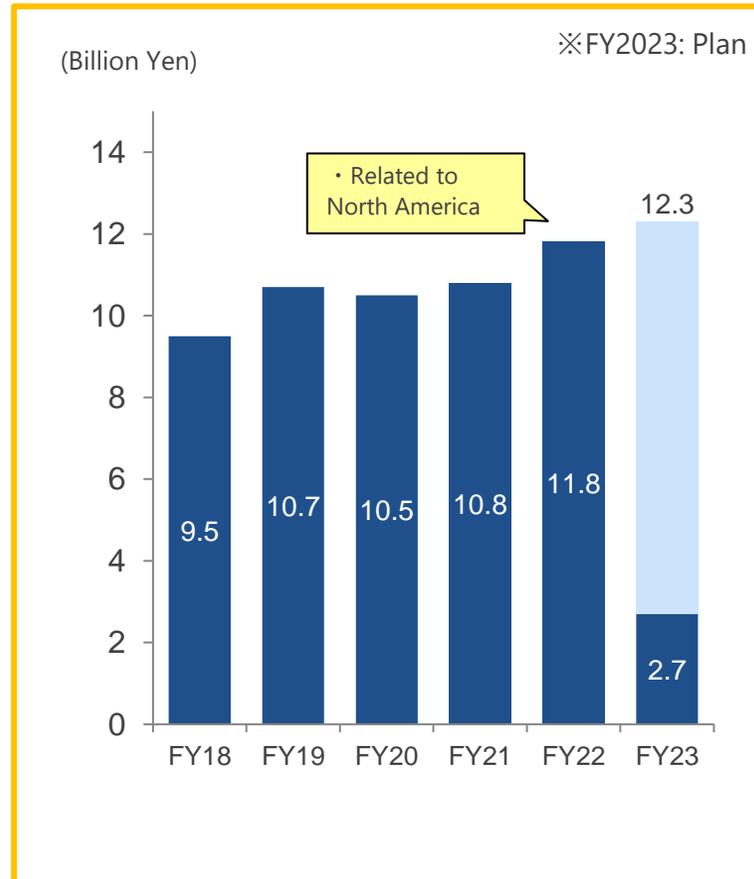
《Capital Investment》

Decrease because large investments in the Headquarters, the Honsha Plant and North America peaked out



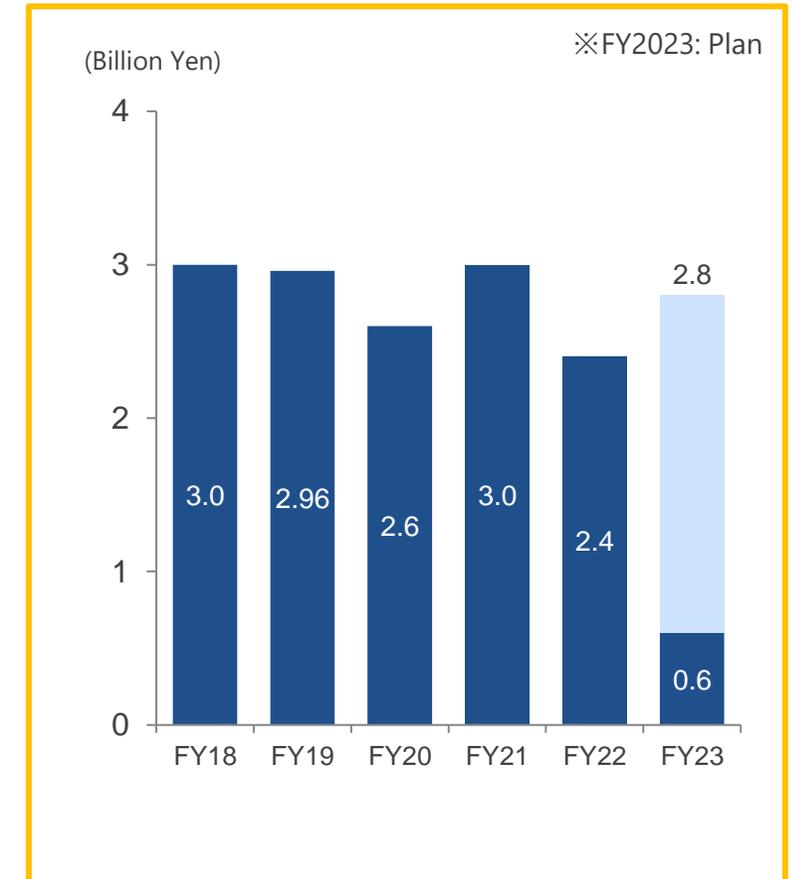
《Depreciation》

Increase in depreciation expenses due to the start in North America

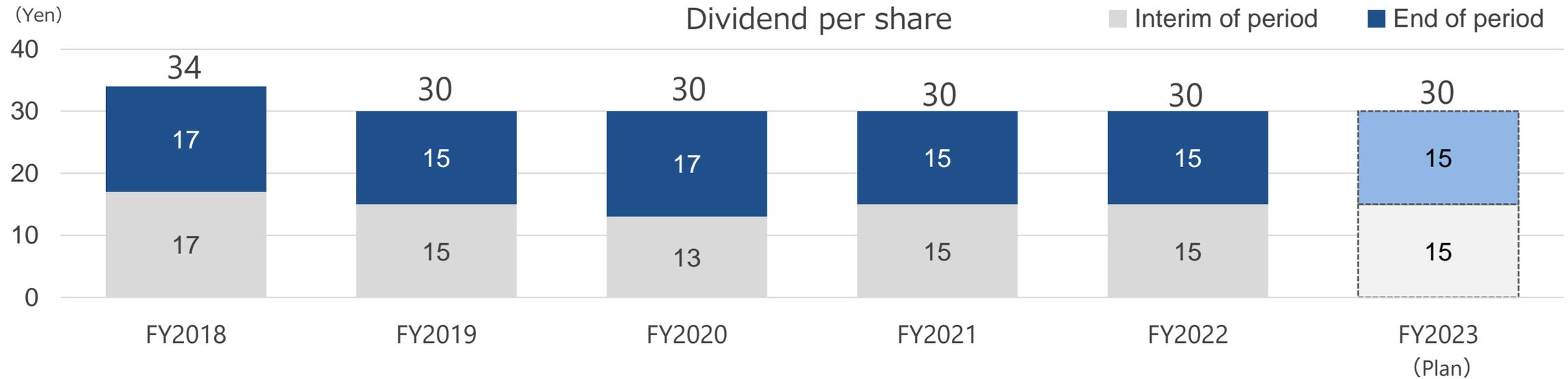


《R&D Expenses》

Continuing research and development to create products that exceed the expectations of society and customers



■ Annual dividend forecast for FY2023 remains 30 yen per share



Payout Ratio

FY2018	FY2019	FY2020	FY2021	FY2022	FY2023 (Plan)
23.2%	43.3%	83.9%	—	411.2%	42.7%

[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.

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