

# Business Results for FY2020

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NACHI-FUJIKOSHI CORP.

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# Business Results for FY2020

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## Business Results for FY2020

**FY2020**

(Billion JPY)

	FY2019 (A)	FY2020 (B)	Increase/ Decrease (B) – (A)
Net Sales	249.0	201.0	(-19.3%) -48.0
Operating Income	(5.4%) 13.3	(3.4%) 6.8	(-48.7%) -6.5
Ordinary Income	(4.9%) 12.2	(2.7%) 5.5	(-55.0%) -6.7
Net Income	8.2	2.4	(-70.2%) -5.8
Exchange rate (USD) (Euro) (RMB)	JPY 109 JPY 122 JPY 15.8	JPY 107 JPY 121 JPY 15.4	2 JPY appreciation 1 JPY appreciation 0.4 JPY appreciation
Cash Dividends	JPY 100	JPY 50	-50 JPY

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# Consolidated Financial Data

**FY2020**

(Billion JPY)

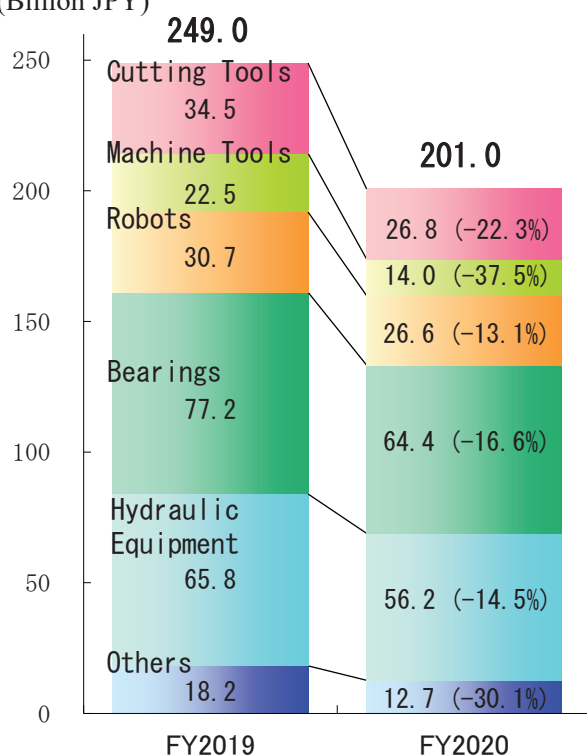
	FY2019 (A)	FY2020 (B)	Increase/ Decrease (B)-(A)
ROE	7.1%	2.1%	-5.0pt
Total Assets	300.7	293.0	-7.7
Stockholder's Equity (Stockholder's Equity Ratio)	(39.3%) 118.2	(39.9%) 116.8	-1.4
Interest-bearing Debt (Net D/E Ratio)	(0.5) 86.3	(0.5) 103.1	+16.8
Capacity Investment	21.4	12.5	-8.9
Depreciation and Amortization	16.7	16.9	+0.2
Number of Employees (persons)	7,456	7,242	-214

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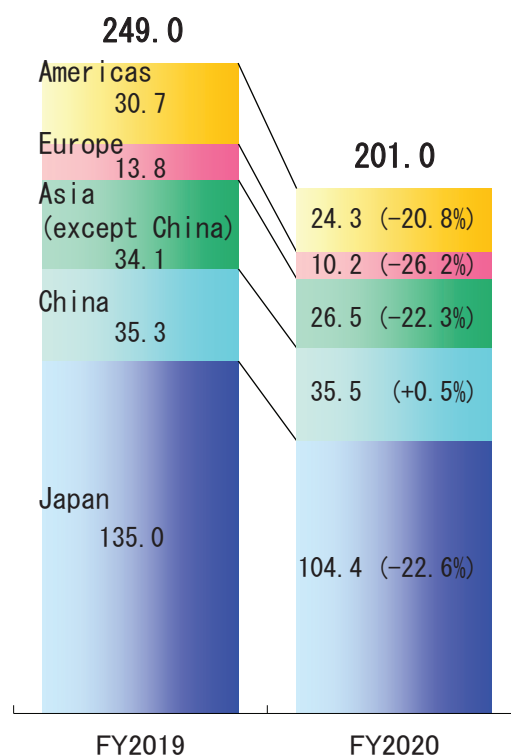
# Sales by Business Segment and Region

**FY2020**

(Sales by Business Segment)  
(Billion JPY)



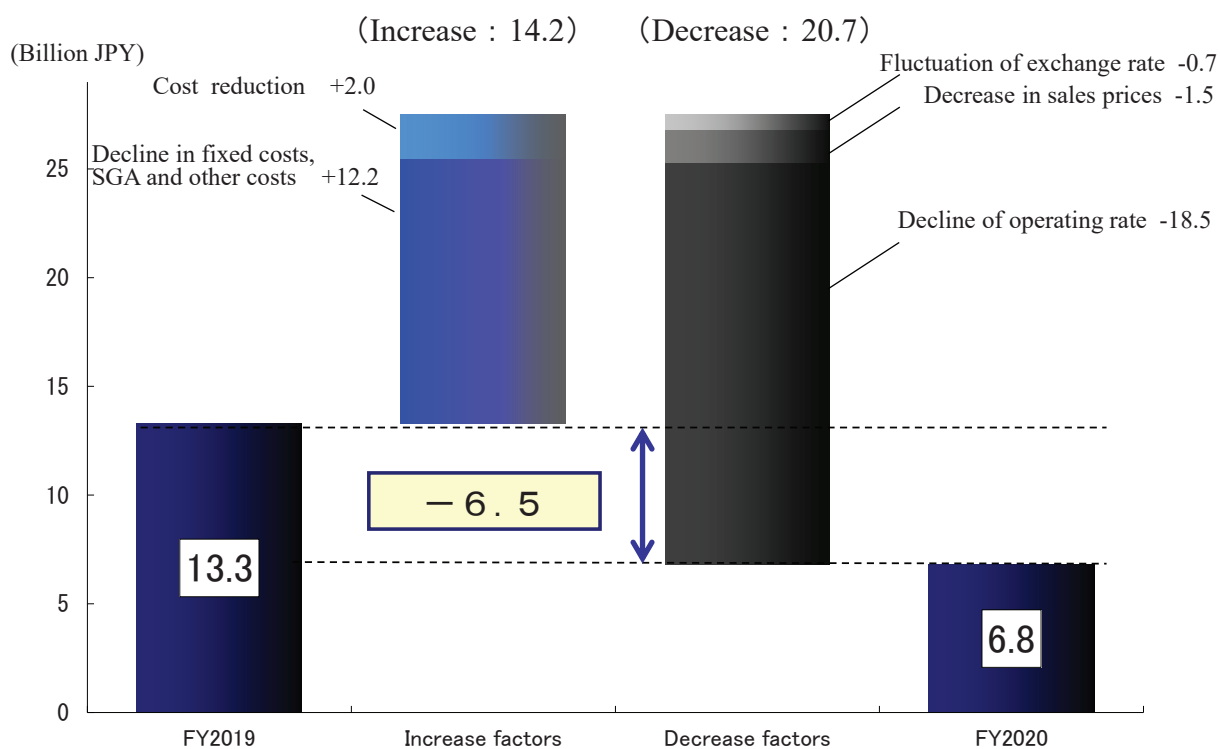
(Sales by Region)



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# Causes of Changes in Operating Income

FY2020



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# Sales and Operating Income by Business Segment

FY2020

(Billion JPY)

		FY2019 (A)	FY2020 (B)	Increase/ Decrease (B) - (A)
Machinery & Tools	Cutting Tools	34.5	26.8	(-22.3%) -7.7
	Machine Tools	22.5	14.0	(-37.5%) -8.5
	Robots	30.7	26.6	(-13.1%) -4.1
	Net Sales	87.7	67.5	(-23.0%) -20.2
	Operating Income	(7.0%) 6.1	(3.7%) 2.5	(-58.9%) -3.6
Components	Bearings	77.2	64.4	(-16.6%) -12.8
	Hydraulic Equipment	65.8	56.2	(-14.5%) -9.6
	Net Sales	143.0	120.6	(-15.6%) -22.4
	Operating Income	(3.8%) 5.4	(3.1%) 3.6	(-32.4%) -1.8
Others	Net Sales	18.2	12.7	(-30.1%) -5.5
	Operating Income	(9.5%) 1.7	(4.5%) 0.5	(-67.0%) -1.2
Total Net Sales		249.0	201.0	(-19.3%) -48.0
Total Operating Income		(5.4%) 13.3	(3.4%) 6.8	(-48.7%) -6.5

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# Business Forecast for FY2021

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## Consolidated Financial Highlights (FY2021 Plan) **FY2021e**

(Billion JPY)

	FY2020 (A)	FY2021 Plan (B)	Increase/ Decrease (B) – (A)
Net Sales	201.0	205.0	(+2.0%) +4.0
Operating Income	(3.4%) 6.8	(3.9%) 8.0	(+16.8%) +1.2
Ordinary Income	(2.7%) 5.5	(3.3%) 6.8	(+23.4%) +1.3
Net Income	2.4	4.0	(+62.7%) +1.6
Exchange rate (USD) (EUR) (RMB)	JPY 107 JPY 121 JPY 15.4	JPY 102 JPY 125 JPY 15.5	5 JPY appreciation 4 JPY depreciation 0.1 JPY depreciation
Cash Dividends	JPY 50	JPY 80	+30 JPY

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# Trend of business results every half year

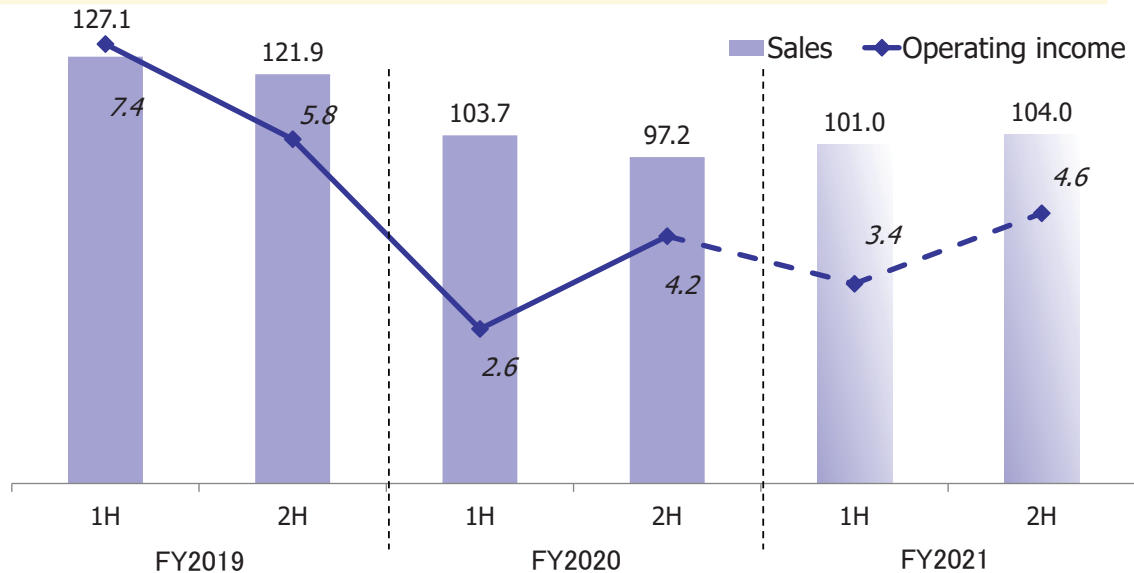
FY2021e

(Topics)

FY2020 1H : From April, the effects of new coronavirus expanded

FY2020 2H : In third quarter bottomed up, from the fourth quarter recovered slowly

FY2021 : Continue to recover slowly

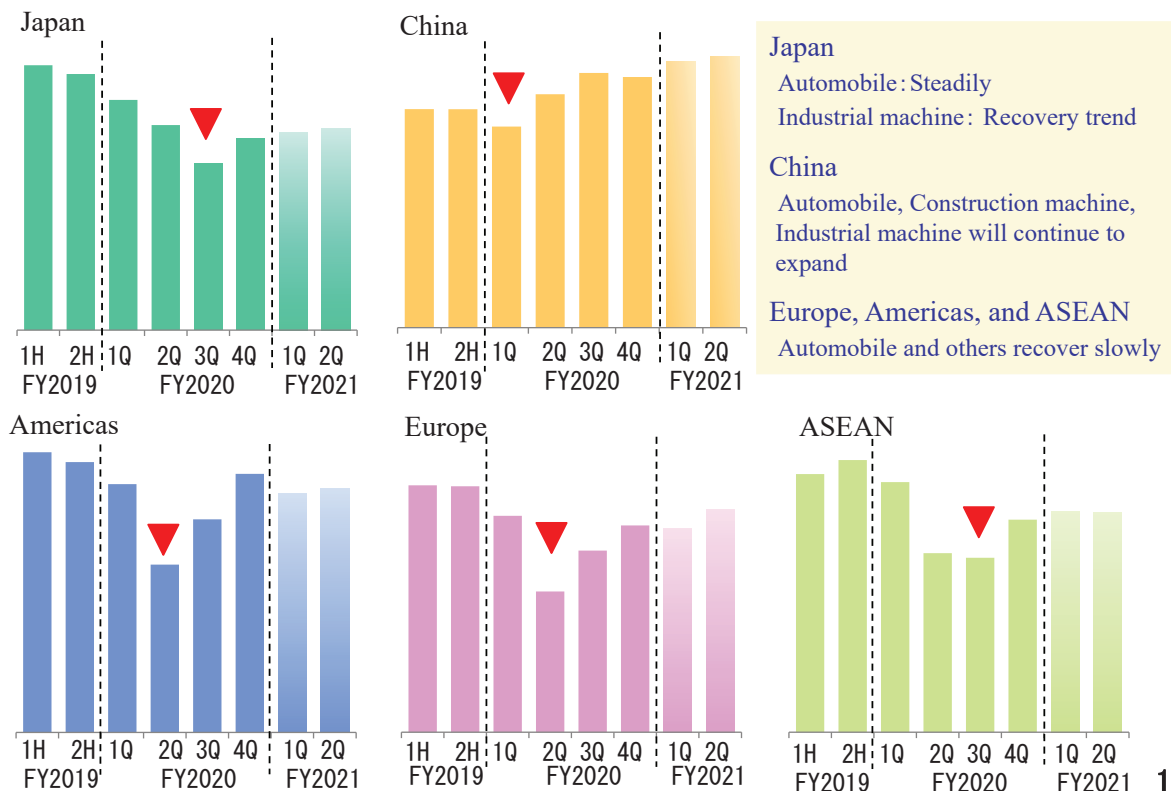


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# Trend of the demand①

FY2021e

(Trend by Region)

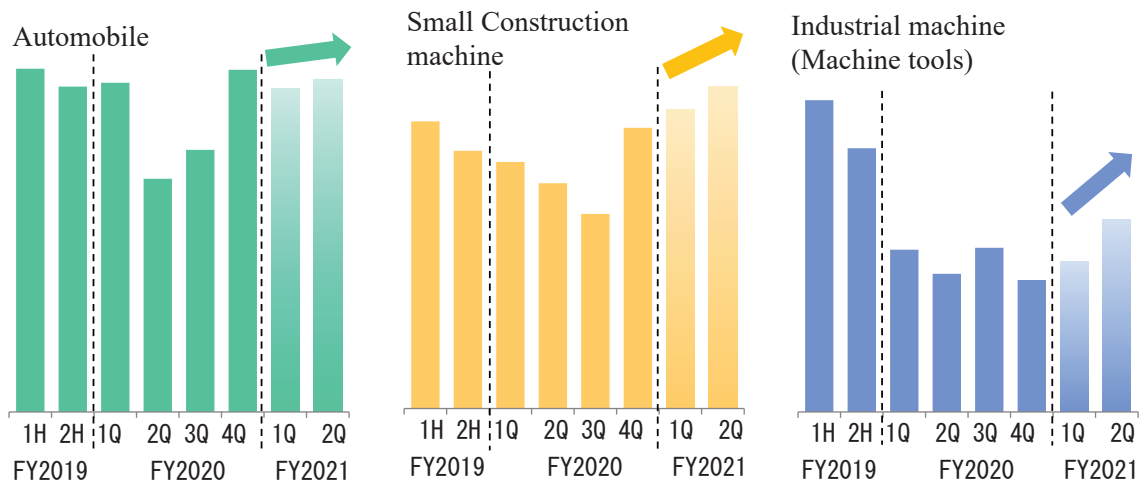


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## Trend of the demand②

FY2021e

(Trend by type of industries : Trend of production by main customer)



(Trend of main industries)

**Automobile** : It will go steadily mainly by Japanese companies.  
It will recover slowly overseas.

**Construction machine** : The demand will expand mainly in China.

**Industrial machine** : Electrical and electronic will recover, Machine tools and others have a partial recovery trend

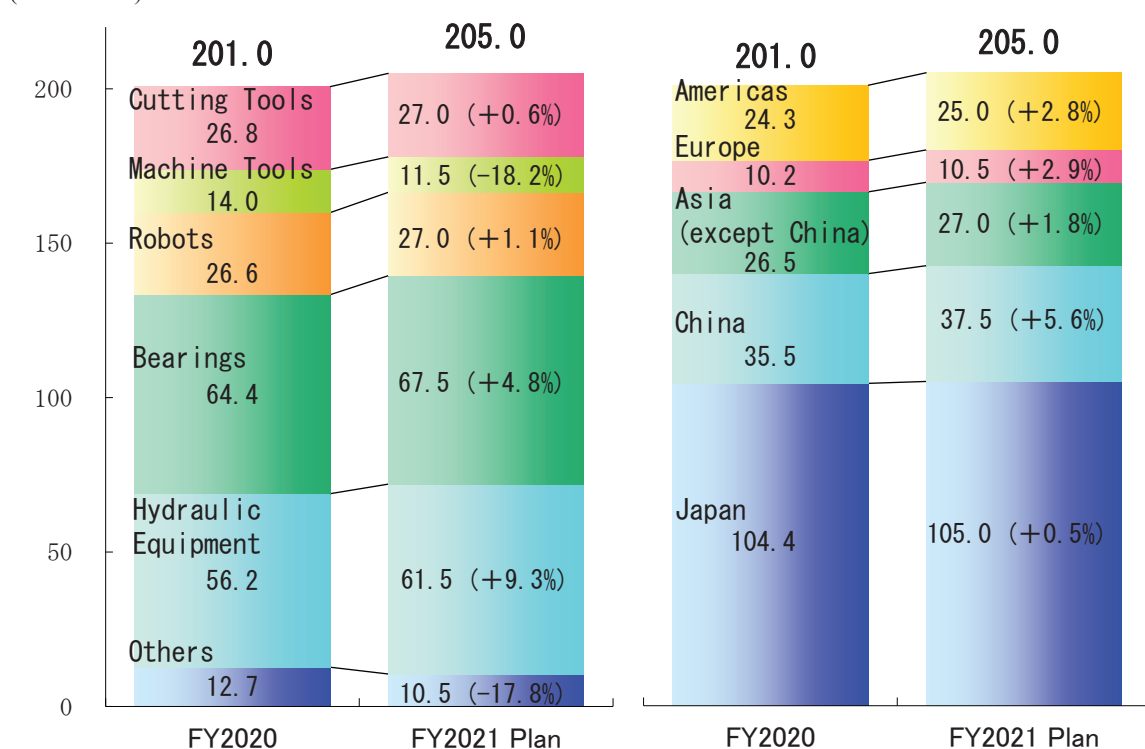
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## Sales by Business Segment and Region

FY2021e

(Sales by Business Segment)

(Sales by Region)



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## Sales and Operating Income by Business Segment (FY2021 Plan)

**FY2021e**

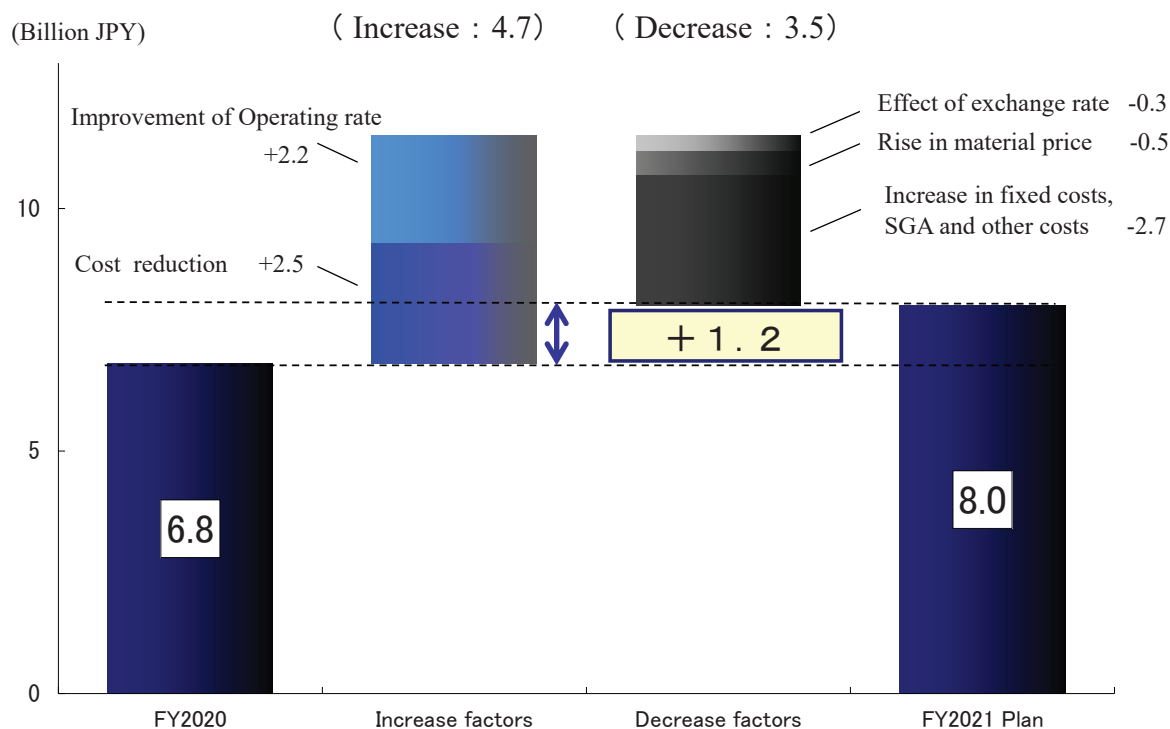
(Billion JPY)

		FY2020 (A)		FY2021 Plan (B)		Increase/ Decrease (B) - (A)	
Machinery & Tools	Cutting Tools	26.8		27.0		(+0.6%)	+0.2
	Machine Tools	14.0		11.5		(-18.2%)	-2.5
	Robots	26.6		27.0		(+1.1%)	+0.4
	Net Sales	67.5		65.5		(-3.1%)	-2.0
	Operating Income	(3.7%) 2.5		(3.2%) 2.1		(-16.3%)	-0.4
Components	Bearings	64.4		67.5		(+4.8%)	+3.1
	Hydraulic Equipment	56.2		61.5		(+9.3%)	+5.3
	Net Sales	120.6		129.0		(+6.9%)	+8.4
	Operating Income	(3.1%) 3.6		(4.3%) 5.6		(+51.8%)	+2.0
Others	Net Sales	12.7		10.5		(-17.8%)	-2.2
	Operating Income	(4.5%) 0.5		(2.9%) 0.3		(-47.8%)	-0.2
Total Net Sales		201.0		205.0		(+2.0%)	+4.0
Total Operating Income		(3.4%) 6.8		(3.9%) 8.0		(+16.8%)	+1.2

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## Causes of Changes in Operating Income (FY2021 Plan)

**FY2021e**



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(Billion JPY)

	FY2020 (A)	FY2021 Plan (B)	Increase/ Decrease (B) – (A)
ROE	2.1%	3.4%	+1.3pt
Total Assets	293.0	291.9	-1.1
Stockholder's Equity (Stockholder's Equity Ratio)	(39.9%) 116.8	(41.0%) 119.6	+2.8
Interest-bearing Debt (Net D/E Ratio)	(0.5) 103.1	(0.5) 95.8	-7.3
Capacity Investment	12.5	17.0	+4.5
Depreciation and Amortization	16.9	17.0	+0.1
Number of Employees (persons)	7,242	7,300	+58

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## (Reference) Strategy of Automobile

Further strengthen of gasoline-powered vehicle for Decarbonized society  
 The change to Electric Vehicle getting speedily      The progress of CASE



### ◆ Electric actuators and so on



### ◆ Bearings for Electric Vehicle



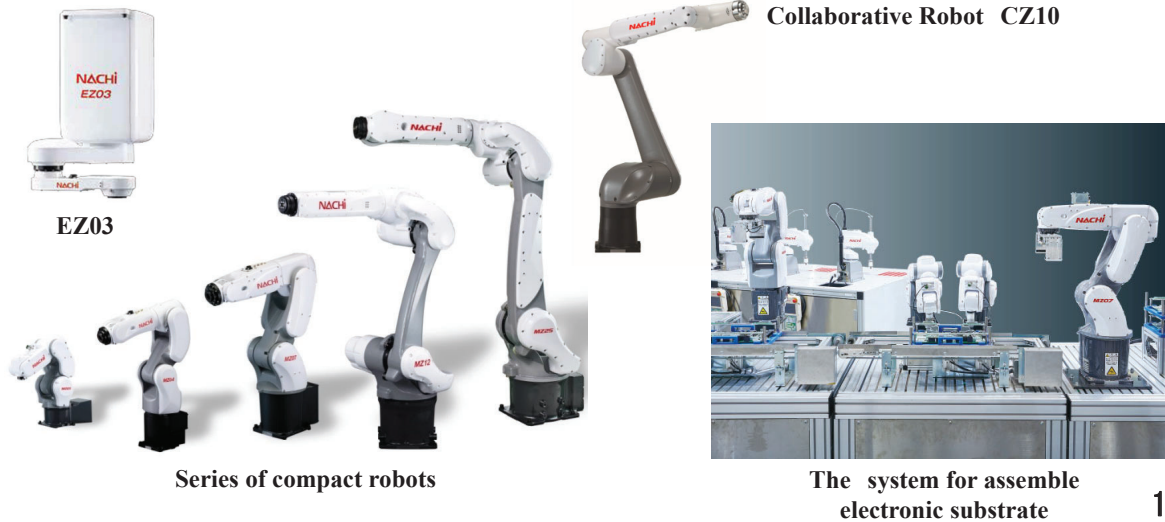
### ◆ Skiving machine Skiving cutter



## (Reference) Strategy of Industrial machine Area①

The demand for automation to adjust for decline in the labour force population and correspond for environment  
The necessity of Social distance and remoteization because of the COVID-19

- ◆ Compact robots for Electrical and electronic and other Industrial machine



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## (Reference) Strategy of Industrial machine Area②

- ◆ Hydraulic Equipment for industrial machine  
Next-generation Battery and manufacturing facility for MLCC
- ◆ Hydraulic Equipment for Construction machine  
Urban development in a rising nation, and activation of housing start  
→The demand of mini-shovel



Expand the series from mini construction machine to compact construction machine



- ◆ Carbide round tools and Taps  
Long life and correspond for hard-to-machine material



AquaREVO Drills



AquaREVO Mills



Hyper Z Tap

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# NACHI

<http://www.nachi-fujikoshi.co.jp/>

These materials describe our future earnings forecasts and business plans, and are based on the assumption of an economic environment and business policies that remain fixed as they are now. Therefore, please note that actual earnings are subject to various factors, including market fluctuations and currency fluctuations, which may result in a different earnings forecast.