

Financial Results Presentation Material

First Quarter of Fiscal Year Ending March 31, 2022

August 9, 2021
Securities code: 6490



NIPPON PILLAR PACKING CO., LTD.

Highlights of Results Briefing

Results of 1Q of the Fiscal Year Ending March 2022

**Quarterly sales and operating income hit record highs.
Both sales and profits increased year-on-year.**

Sales

- Electronic equipment business
Orders received for the semiconductor and liquid crystal manufacturing equipment industry increased substantially. Full-year business performance forecast has been revised upwardly, reflecting the growth of orders received and sales that exceeded 4Q of fiscal 2021.
- Industrial equipment business
While products for precision equipment continued to be firm, demand was sluggish in the petroleum refining and petrochemical markets.
There is no change to our full-year business performance forecast.

Profits

- Driven by the sales growth of the Electronic equipment business, operating income increased 2.2 times year-on-year.
- Operating income ratio also significantly improved to 25.3%.

Upward revision of full-year business performance forecast

We have upwardly revised our full-year business performance forecast with prospects for continuing robust conditions in the semiconductor market.

- Sales: 33.5 billion yen → 36.3 billion yen (up 2.8 billion yen)
- Operating income: 6 billion yen → 8 billion yen (up 2.0 billion yen)

Dividend increase expected

- We have raised forecast for full-year dividend per share from initially planned 60 yen to 70 yen (payout ratio: 30.1%).

TOPICS

- Implementation of workplace COVID-19 vaccination (at Head Office, Sanda Factory and Fukuchiyama Factory for 1,100 persons) as part of stepped-up efforts against infectious diseases
- Appointment of outside female director, disclosure of skill matrix

- 1. Summary of First Quarter Results**
- 2. Business Performance Forecast for the Fiscal Year Ending March 2022**



1. Summary of First Quarter Results

Summary of Business Performance for the First Quarter

(Unit: Million Yen)

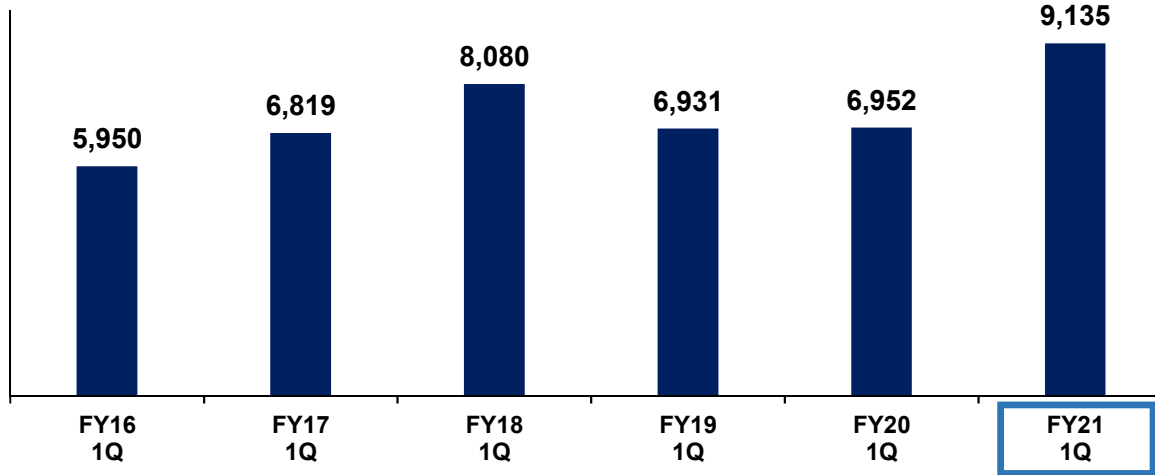
	FY20 1Q	FY21 1Q	Change from the same period of the previous fiscal year	
	Results	Results	Rise/Fall	Change rate (%)
Consolidated results				
Sales	6,952	9,135	2,183	31.4
Operating income	1,052	2,313	1,261	119.9
Operating income ratio	15.1%	25.3%	10.2P	—
Ordinary income	1,095	2,380	1,285	117.2
Net income	783	1,696	913	116.6
Net earnings per share	32.59	71.77	39.18	—
By segment				
Electronic equipment business				
Sales	4,478	6,803	2,325	51.9
Operating income	760	2,014	1,254	165.0
Industrial equipment business				
Sales	2,450	2,300	-150	-6.1
Operating income	279	280	1	0.4

Trends of Company-wide Earnings

Sales

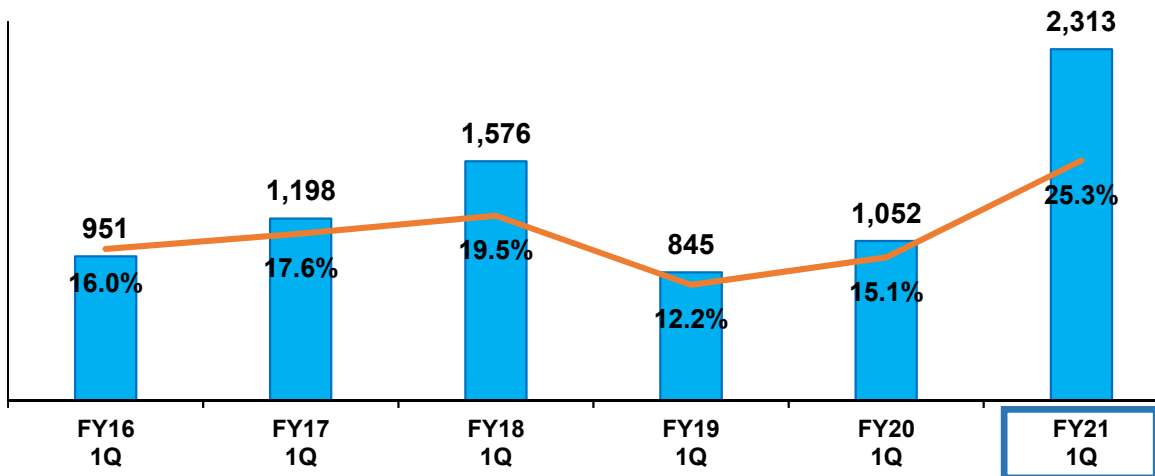
(Unit: Million Yen)

(YoY +31.4%)



Operating income/Operating income ratio

(YoY +119.9%)



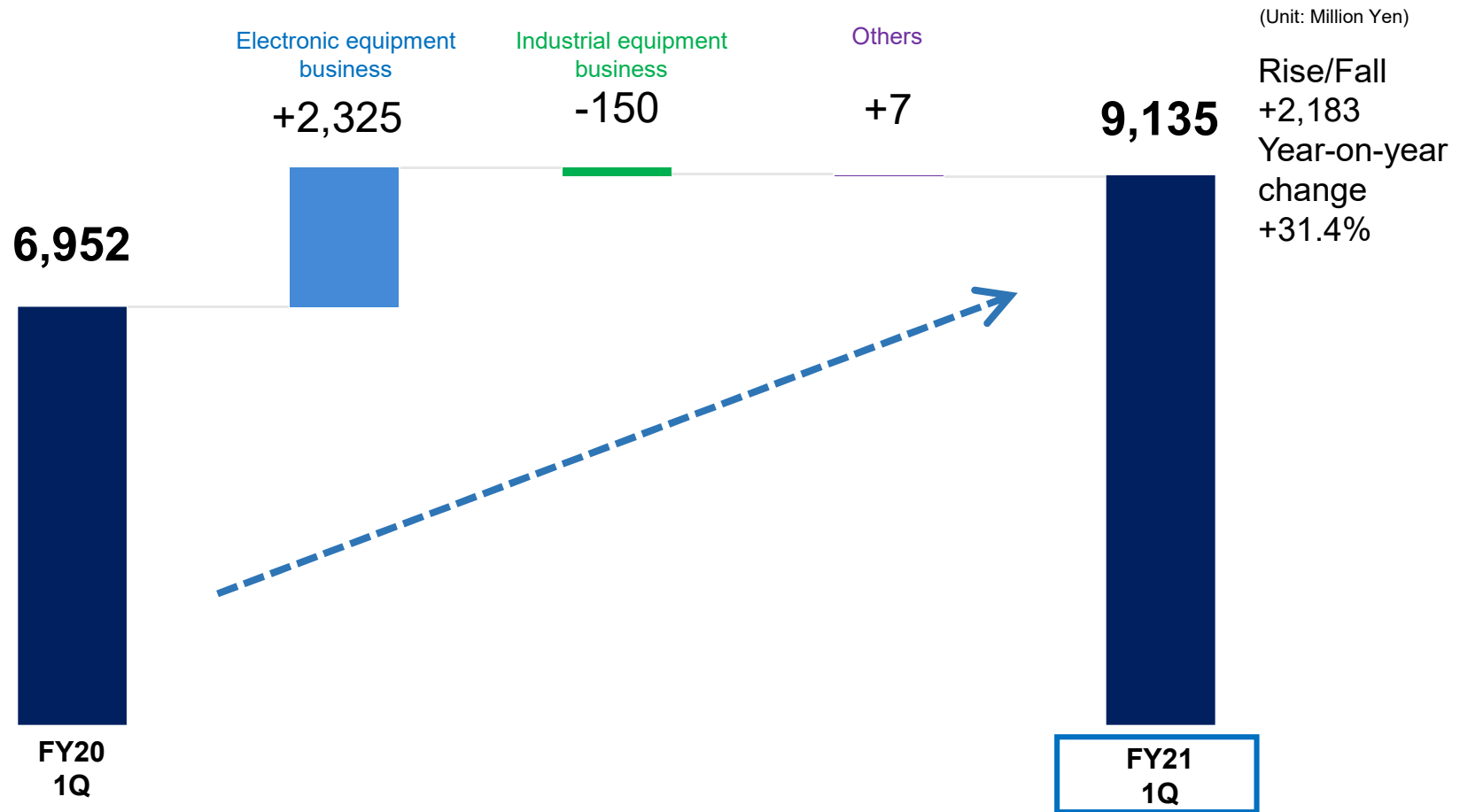
Points

- ✓ Quarterly sales and operating income
 - Hit record highs.
 - Increased substantially year-on-year.
- ✓ Electronic equipment business
 - Both sales and profits increased.
 - Brisk demand continued in the semiconductor market.
- ✓ Industrial equipment business
 - While sales declined, profits increased.
 - Amid the pandemic resurgence, overseas new plant projects have come to a standstill.

Analysis of Rise/Fall in 1Q Sales

Electronic equipment business: Sales increased as fluoro resin products for semiconductor manufacturing equipment remained steady.

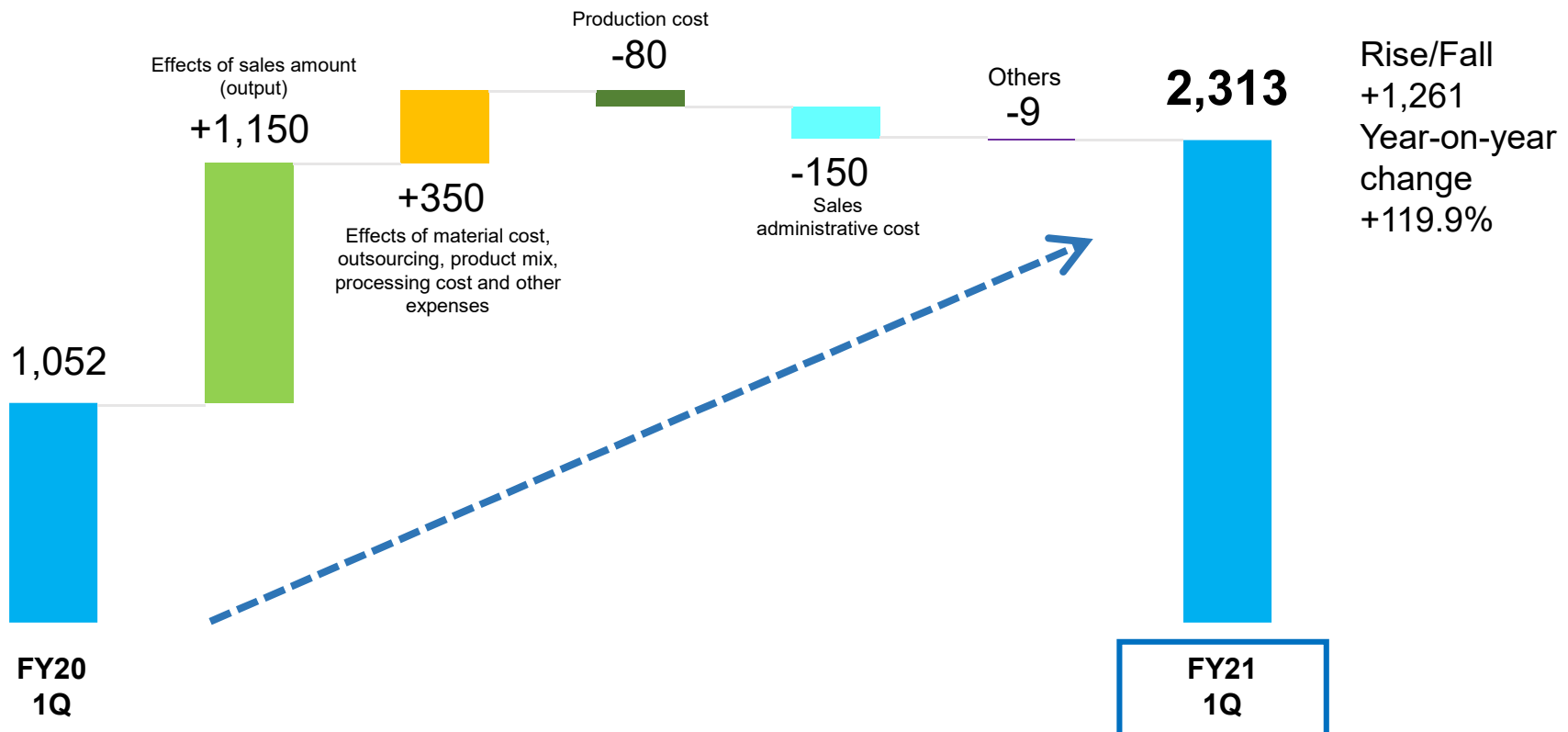
Industrial equipment business: Despite the recovery in crude oil prices, sales were slow due to the restraint on investment on a global scale.



Analysis of Rise/Fall in 1Q Operating Income

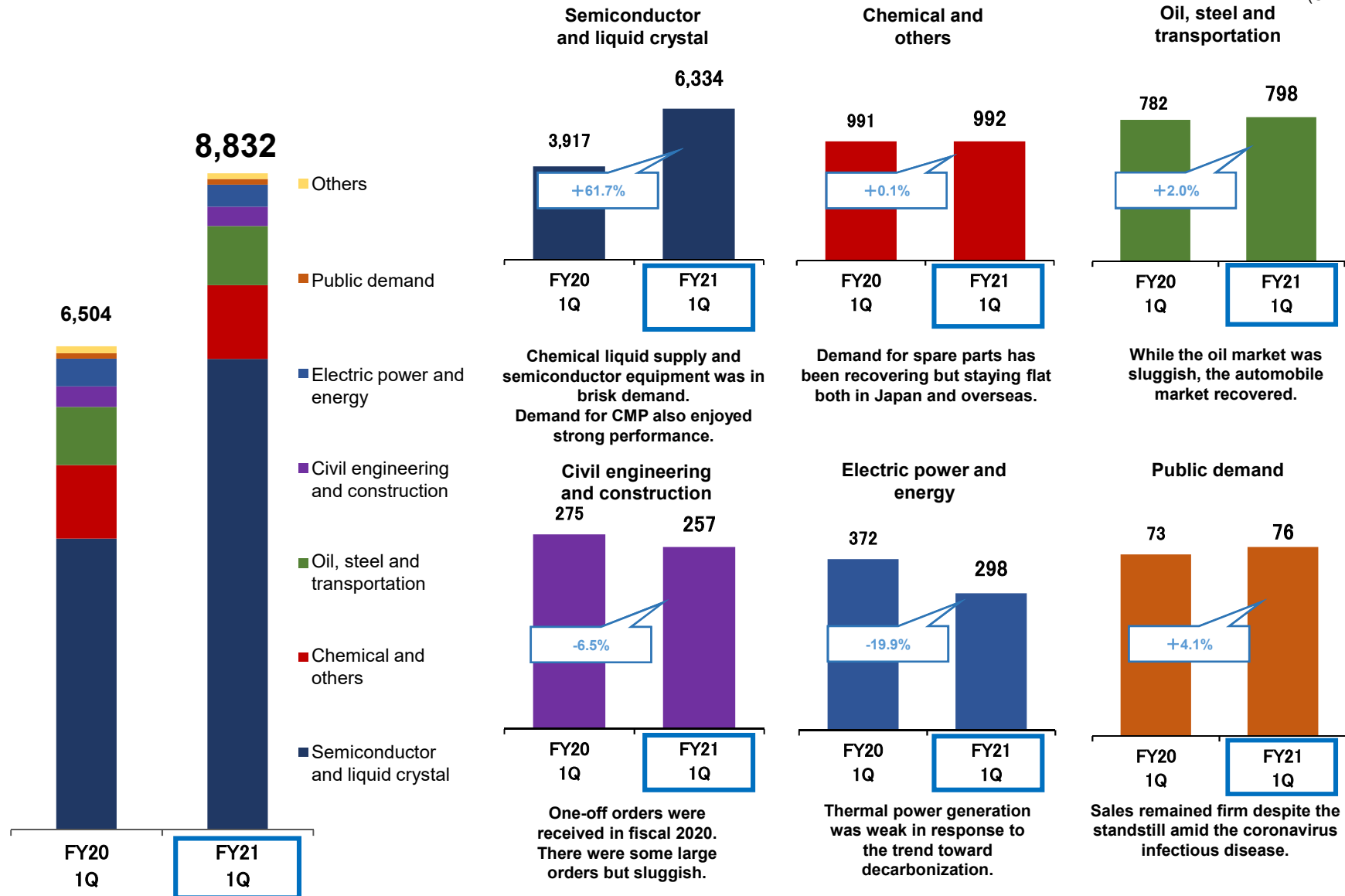
- Having kept our production line running to meet the growing demand for semiconductor wafer cleaning equipment, productivity improved as reflected by a decrease in defect rate and operating income ratio increased as well.
- Labor cost, dispatching fee, and other expenses increased because of our strong business performance.

(Unit: Million Yen)



Sales by Market (Non-consolidated)

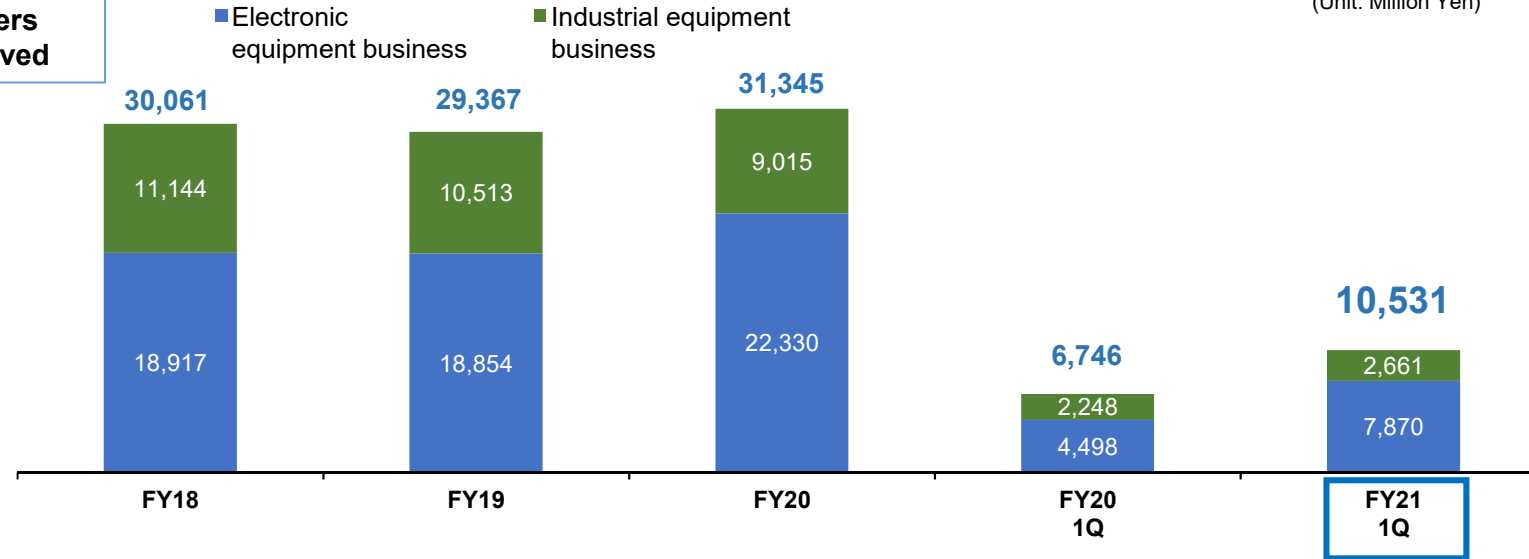
(Unit: Million Yen)



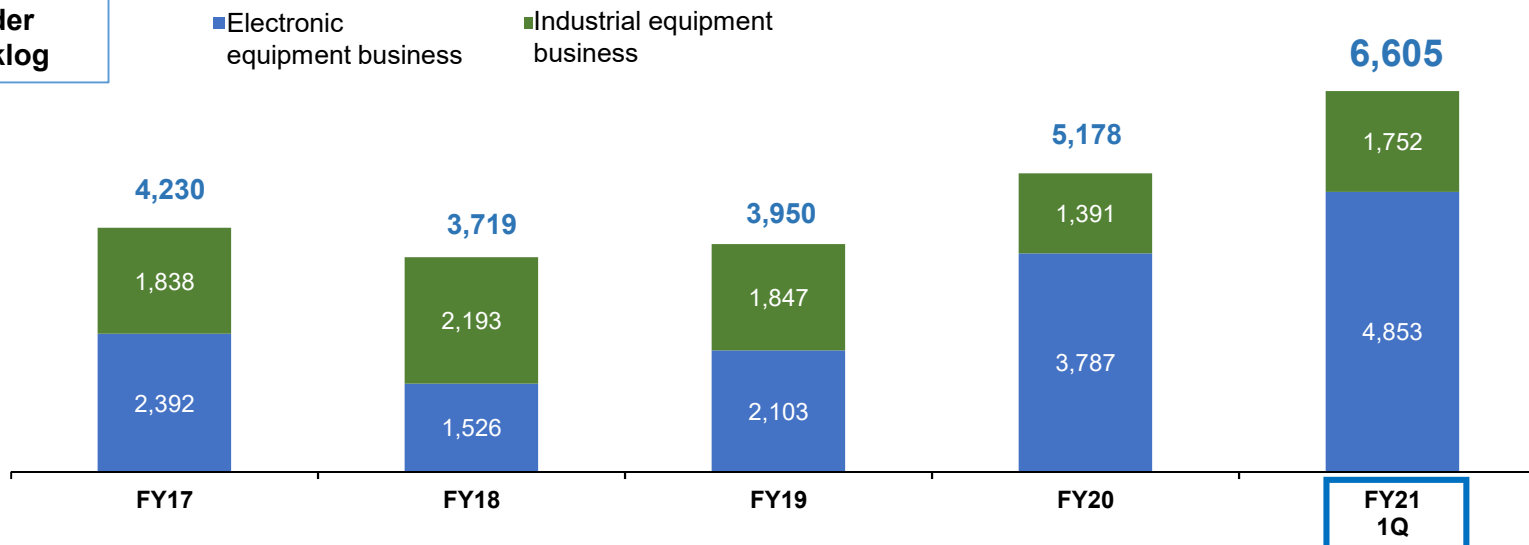
Changes in Orders Received and Order Backlog

(Unit: Million Yen)

Orders received



Order backlog





2. Business Performance Forecast for the Fiscal Year Ending March 2022

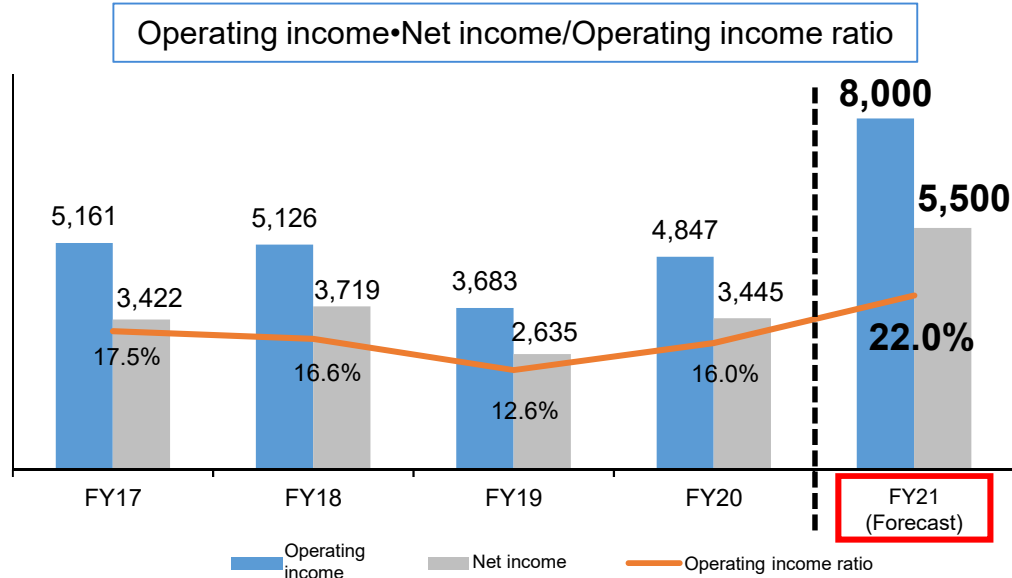
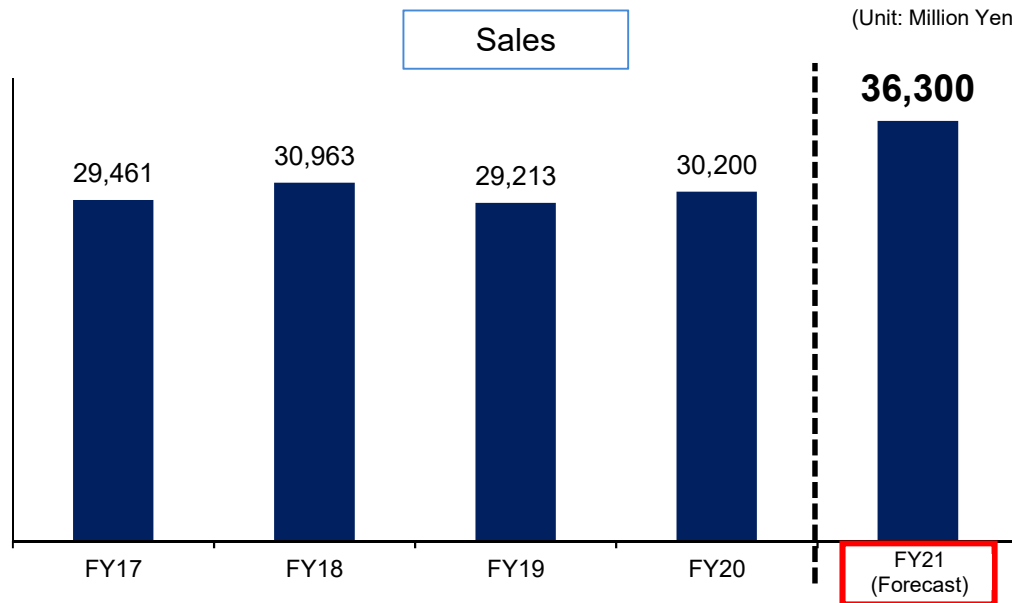


Business Performance Forecast for the Fiscal Year Ending March 2022

(Unit: Million Yen)

	FY20	FY21	Year-on-year change	
	<Results>	<Forecast>	Rise/Fall	Change rate (%)
Consolidated results				
Sales	30,200	36,300	6,100	20.2
Operating income	4,847	8,000	3,153	65.1
Operating income ratio	16.0%	22.0%	4.1P	—
Ordinary income	5,094	8,000	2,906	57.0
Net income	3,445	5,500	2,055	59.6
Net earnings per share	144.66	232.73	88.07	—
Dividend	50	70	20	—
By segment				
Electronic equipment business				
Sales	20,645	26,700	6,055	29.3
Operating income	4,130	7,050	2,920	70.7
Industrial equipment business				
Sales	9,471	9,500	29	0.3
Operating income	691	900	209	30.2

Trends of Company-wide Earnings



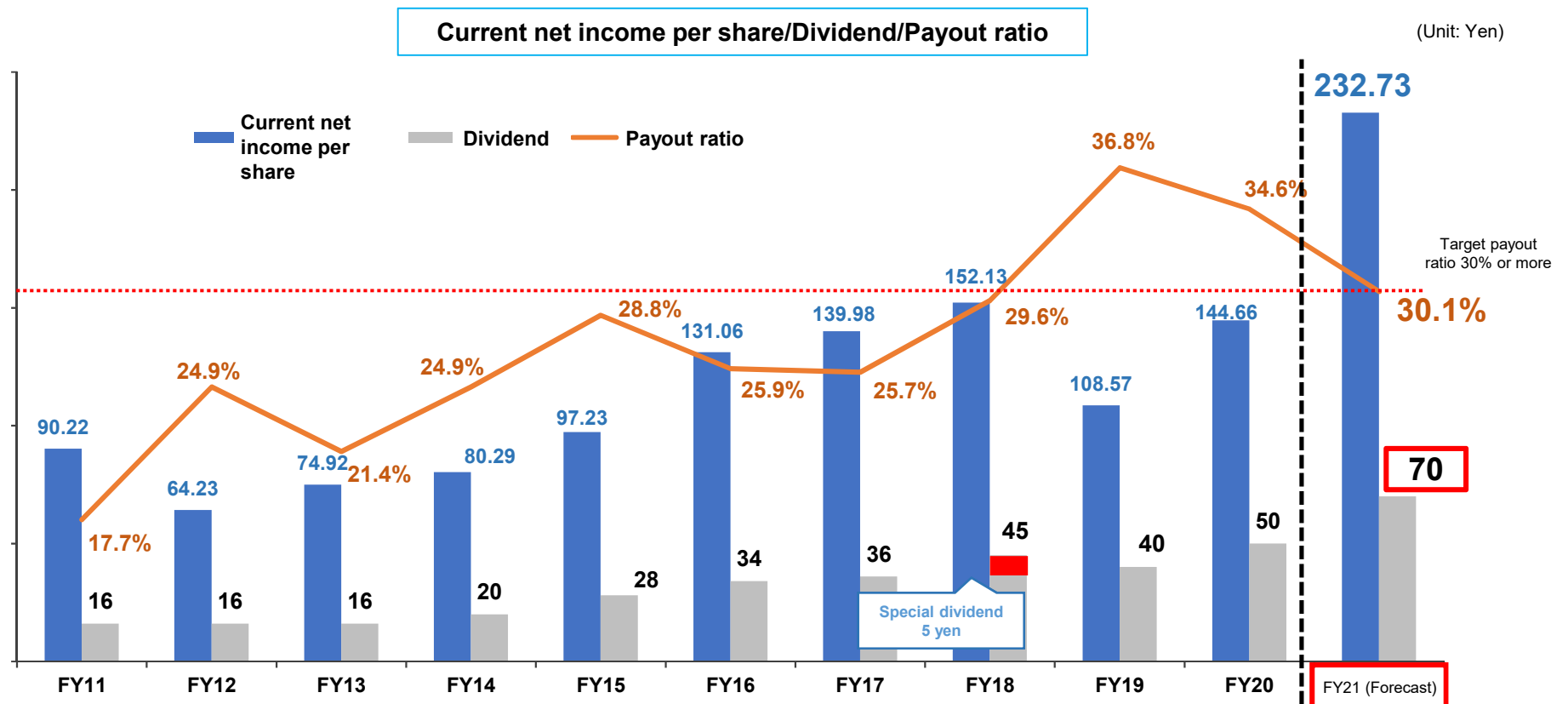
Points

- ✓ Upwardly revised from the previous forecast.
 - Sales 33,500 → 36,300
 - Operating income 6,000 → 8,000
 - Operating income ratio 17.9% → 22.0%
- ✓ Record-high sales and profits are forecasted.
- ✓ Electronic equipment business
 - Segment sales and profits are expected to reach new record highs.
 - Demand will remain at a high level in 2Q onward as manufacturers of various devices plan to increase production.
- ✓ Industrial equipment business
 - We will make further efforts to reap profits in the Chinese market by putting our new overseas plant (Chuzhou) into operation.
 - We will strengthen maintenance of our plants in Japan and overseas, and improve ability to propose safety measures.

Return to Shareholders

[Dividend increase]

- Reflecting the strong performance of the electronic equipment business, we have upwardly revised our full-year business performance forecast.
- We have further raised our full-year dividend forecast of 60 yen announced in June 2021 to 70 yen.
- We plan to distribute a record-high amount of dividend.





The fluid leak prevention and control equipment manufacturer

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