



UNIPRES CORPORATION

FY2019 2nd Quarter Financial Results



UNIPRES CORPORATION



FY2019 2Q Financial Results

Forecast of FY2019

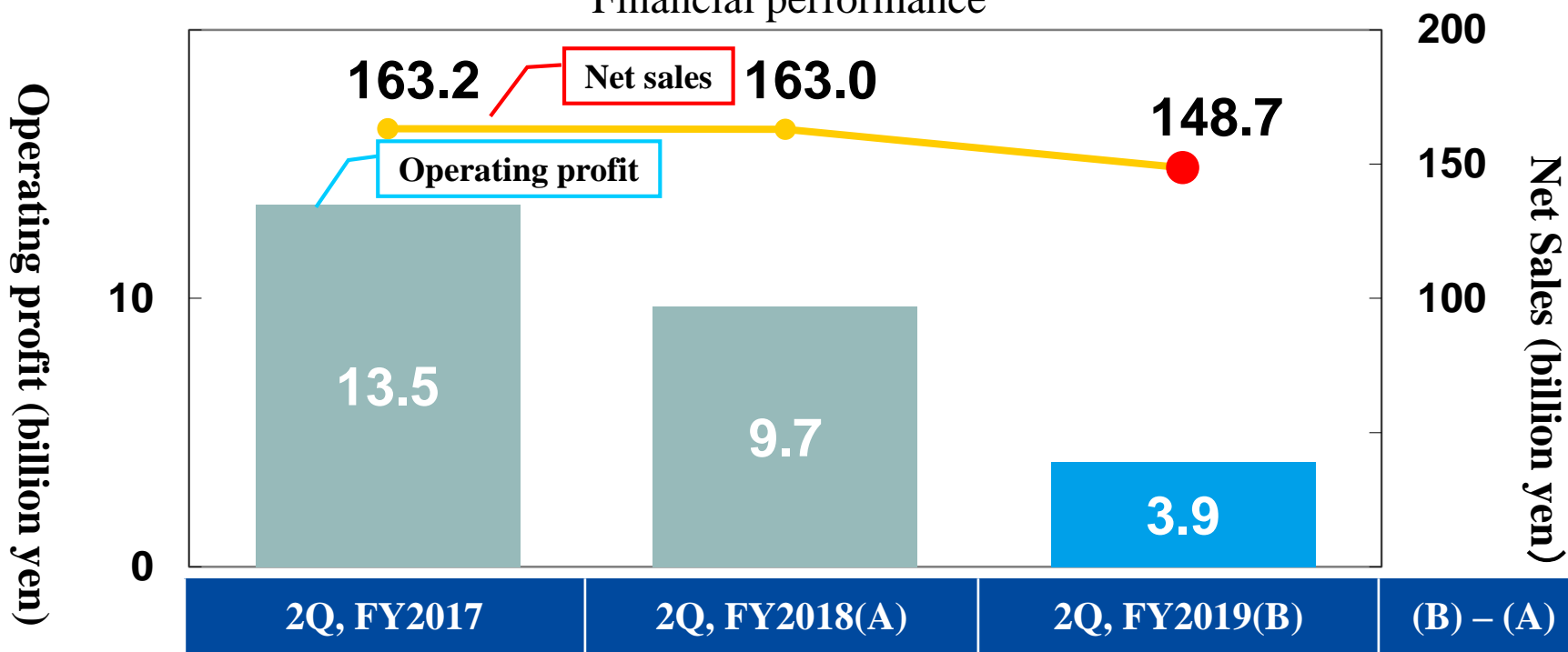


FY2019 2Q Financial Results

1. Net sales decreased due to production reduction by customer and Forex impact.

2. Operating profit decreased mainly as a result of production reduction by customer.

Financial performance



	2Q, FY2017	2Q, FY2018(A)	2Q, FY2019(B)	(B) – (A)
Net sales	163.2	163.0	148.7	-14.3
Operating profit	13.5	9.7	3.9	-5.8
Ordinary profit	14.1	10.0	3.8	-6.2
Net income attributable to owners of parent	8.1	6.0	1.3	-4.7

※ Net sales decreased by 14.3 billion yen due to production reduction by customer and Forex impact.

※ Operating profit decreased by 5.8 billion yen mainly as a result of production reduction by customer.



Consolidated Sales by Product Group

(billion yen)

	2Q, FY2018		2Q, FY2019		Variance	Variance %
	Sales	%	Sales	%		
Car body press products	134.9	82.7%	125.4	84.3%	-9.5	+1.6%
Transmission products	24.4	15.0%	20.8	14.0%	-3.6	-1.0%
Plastic products	1.9	1.2%	1.9	1.3%	0	+0.1%
Other	1.8	1.1%	0.6	0.4%	-1.2	-0.7%
Total	163.0	100%	148.7	100%	-14.3	—

※ No significant change to the composition ratio.



Consolidated Sales by Customer

(billion yen)

	2Q, FY2018		2Q, FY2019		Variance
	Sales	%	Sales	%	
Nissan Motor-related products					
Sub-total	136.6	83.8%	124.1	83.5%	-0.3%
Dongfeng Motor Company Limited	29.1	17.9%	26.7	18.0%	+0.1%
Nissan Motor	20.6	12.6%	20.4	13.7%	+1.1%
Nissan North America	18.4	11.3%	19.4	13.0%	+1.7%
JATCO (Incl. overseas operations)	19.4	11.9%	16.6	11.2%	-0.7%
Nissan Mexicana	17.4	10.7%	16.2	10.9%	+0.2%
Nissan Europe	14.5	8.9%	9.6	6.5%	-2.4%
NISSAN SHATAI	7.4	4.5%	5.6	3.8%	-0.7%
Marelli Corporation. (Incl. overseas operations)	5.3	3.3%	4.1	2.8%	-0.5%
Renault Nissan India	1.2	0.7%	3.1	2.1%	+1.4%
Nissan Thailand	1.3	0.8%	1.3	0.9%	+0.1%
Zhengzhou Nissan	0.7	0.4%	0.2	0.1%	-0.3%
Nissan Indonesia	0.3	0.2%	0.1	0.1%	-0.1%

※ The composition ratio decreased by 0.3% mainly because of sales decrease of Nissan Europe.

Consolidated Sales by Customer

(billion yen)

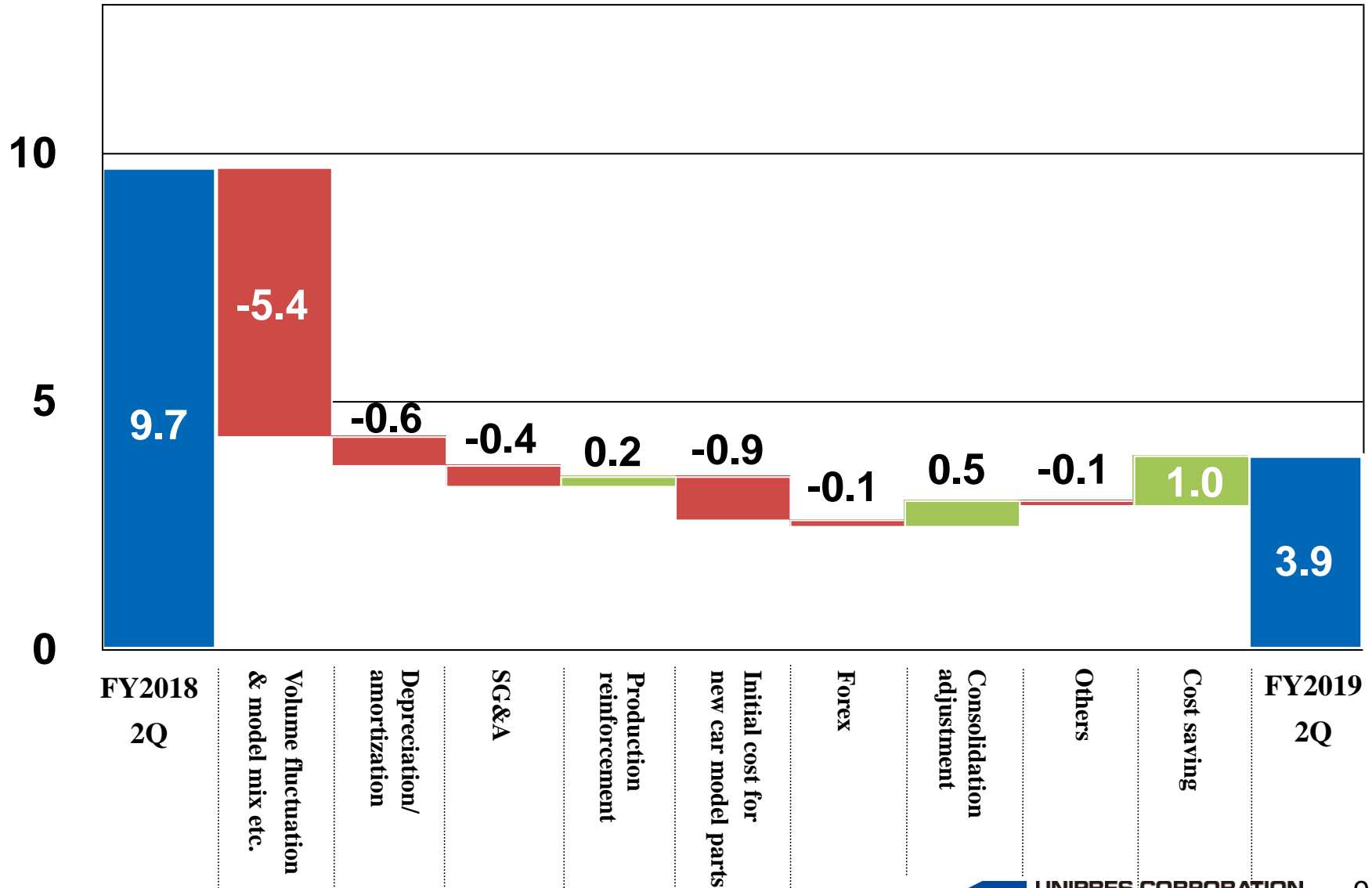


		2Q, FY2018		2Q, FY2019		Variance
		Sales	%	Sales	%	
Other customers		26.4	16.2%	24.6	16.5%	+0.3%
Sub-total						
Incl.) Honda	Honda of America Mfg., Inc.	3.2	2.0%	3.2	2.2%	+0.2%
	Honda of The U.K. Manufacturing Ltd.	2.8	1.7%	2.0	1.3%	-0.4%
	Honda De Mexico, S.A. De C.V.	1.5	0.9%	1.8	1.2%	+0.3%
	Honda Motor Co., Ltd.	1.5	0.9%	1.4	1.0%	+0.1%
	P.T. Honda Prospect Motor	1.0	0.6%	0.6	0.4%	-0.2%
Renault	Renault S.A.S.	2.7	1.6%	3.1	2.1%	+0.5%
	Dongfeng Renault Automotive Co., Ltd	1.9	1.2%	0.4	0.3%	-0.9%
	Renault India Private Limited	0.0	0.0%	0.01	0.0%	0.0%
Mazda	Mazda Motor Corporation	1.2	0.7%	1.2	0.8%	+0.1%
	Mazda Motor Manufacturing de Mexico, S.A. de C.V.	0.7	0.4%	0.3	0.2%	-0.2%
AISIN AW CO., LTD. (Incl. overseas operations)		1.4	0.8%	1.3	0.9%	+0.1%
MITSUBISHI MOTORS CORPORATION (Incl. overseas operations)		0.2	0.1%	1.1	0.8%	+0.7%
Groupe PSA		-	-	1.1	0.7%	+0.7%
Dynax Corporation (Incl. overseas operations)		1.4	0.8%	1.0	0.7%	-0.1%
SUBARU CORPORATION		0.7	0.4%	0.8	0.5%	+0.1%
SUZUKI MOTOR CORPORATION (Incl. overseas operations)		0.1	0.0%	0.5	0.3%	+0.3%
NSK-Warner K.K.		0.3	0.2%	0.2	0.1%	-0.1%
Daihatsu Motor Co., Ltd.		0.1	0.1%	0.2	0.1%	0.0%
Hino Motors, Ltd. (Incl. overseas operations)		0.1	0.1%	0.1	0.1%	0.0%
Musashi Seimitsu Industry Co., Ltd.		0.1	0.0%	0.1	0.1%	+0.1%
UD Trucks Corporation		0.1	0.1%	0.1	0.1%	0.0%
Isuzu Motors Limited (Incl. overseas operations)		0.1	0.1%	0.1	0.1%	0.0%

※ The composition ratio rose by 0.3% by sales expansion to Mitsubishi and conversion of UM Corporation, SAS into a subsidiary company as well as sales increase of Groupe PSA.

Operating Profit Variance Analysis

(billion yen)



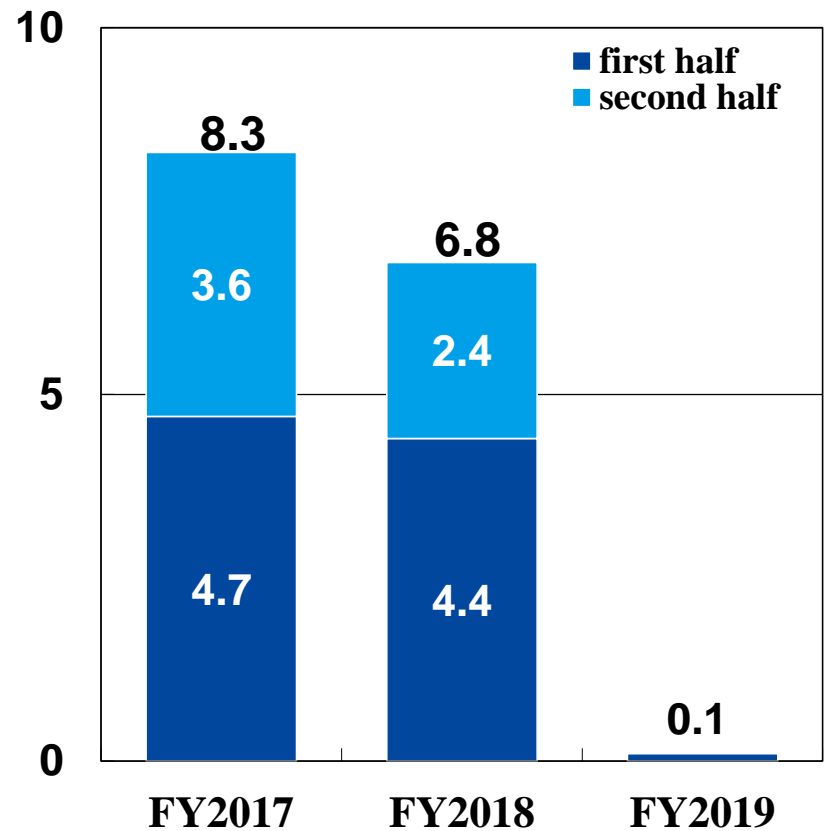
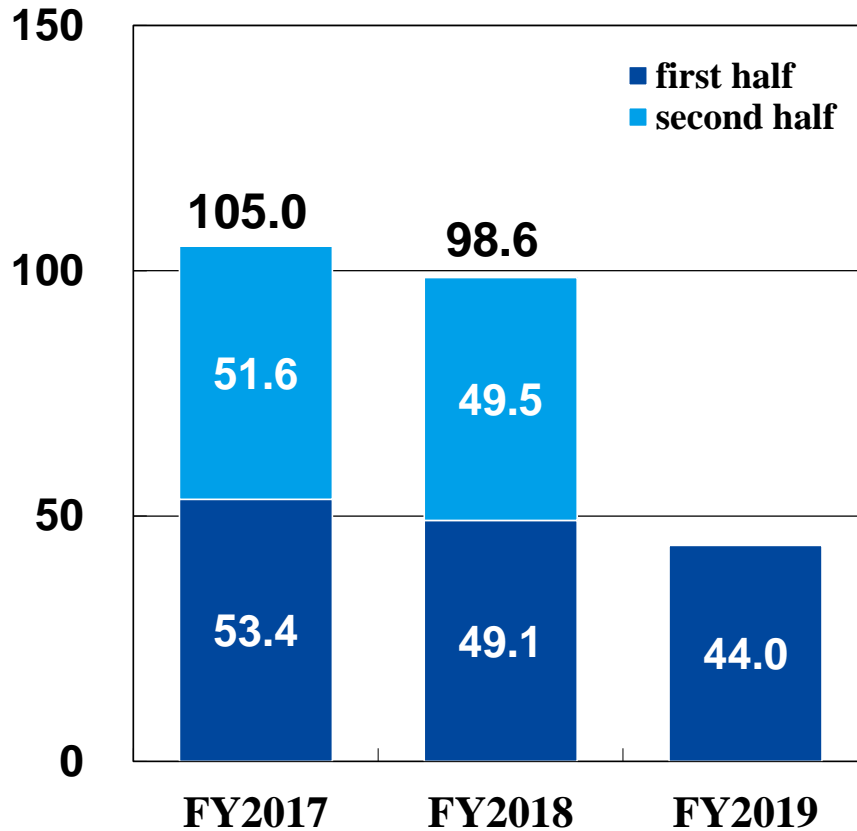
Sales & Operating Profit by Region (Japan)

(billion yen)

Net Sales

(billion yen)

Operating profit



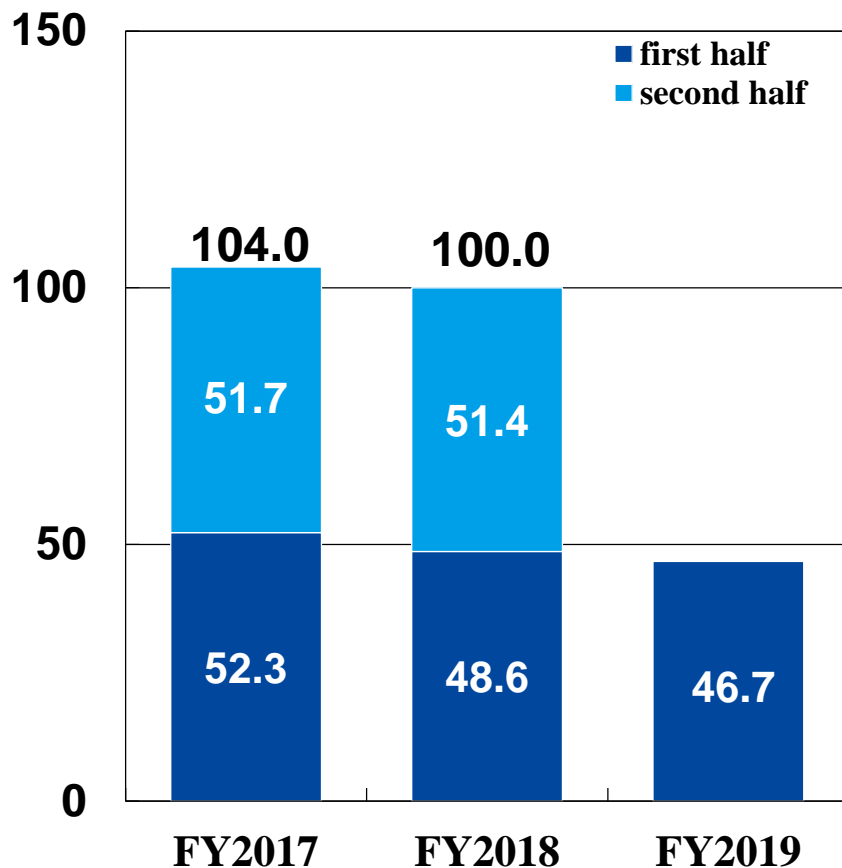
- ※ Net sales dropped by 10.4% due to customers' reduced production, etc.
- ※ Operating profit decreased by 97.7%.



Sales & Operating Profit by Region (The Americas)

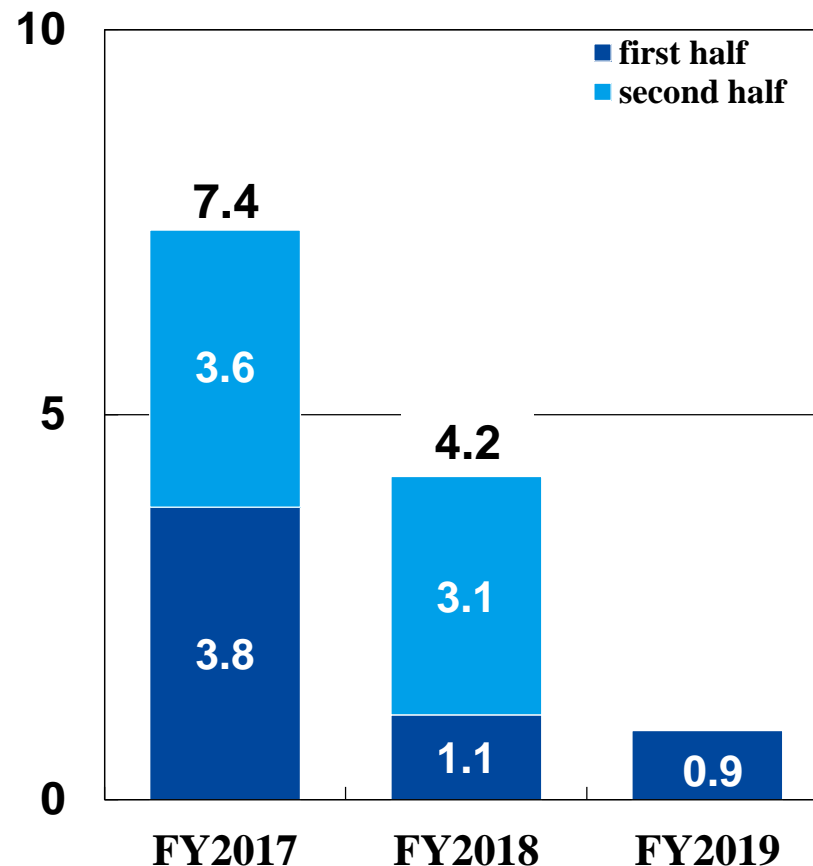
(billion yen)

Net Sales



(billion yen)

Operating profit



※ Net sales dropped by 3.9% due to customers' reduced production and Forex impact, etc.

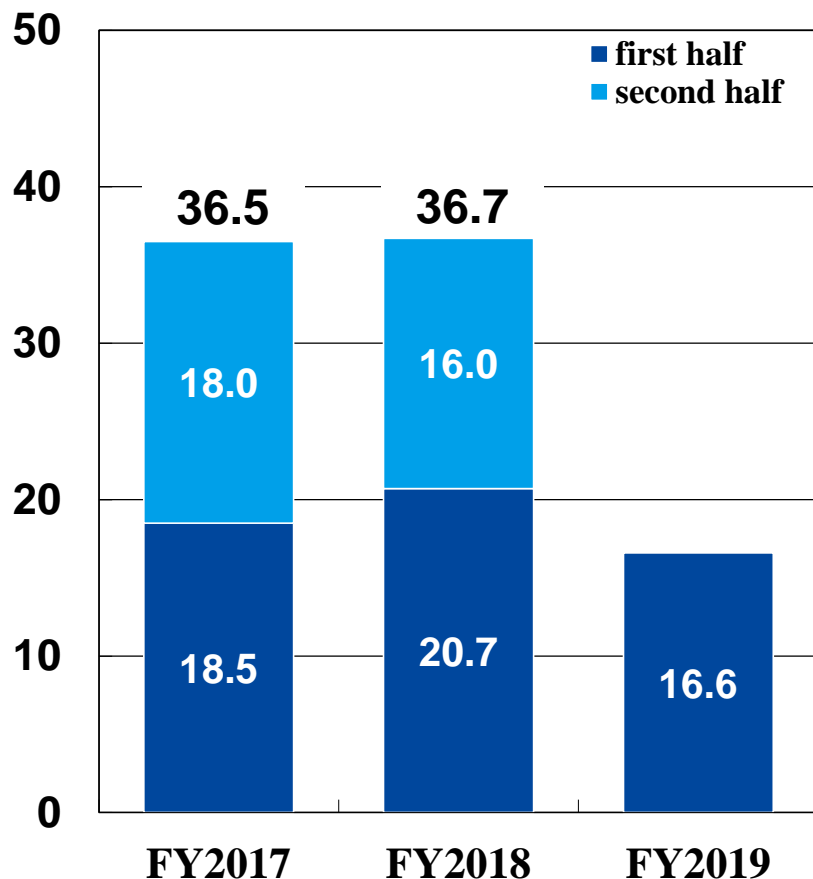
※ Operating profit dropped by 18.2% as a result of sales decrease.



Sales & Operating Profit by Region (Europe)

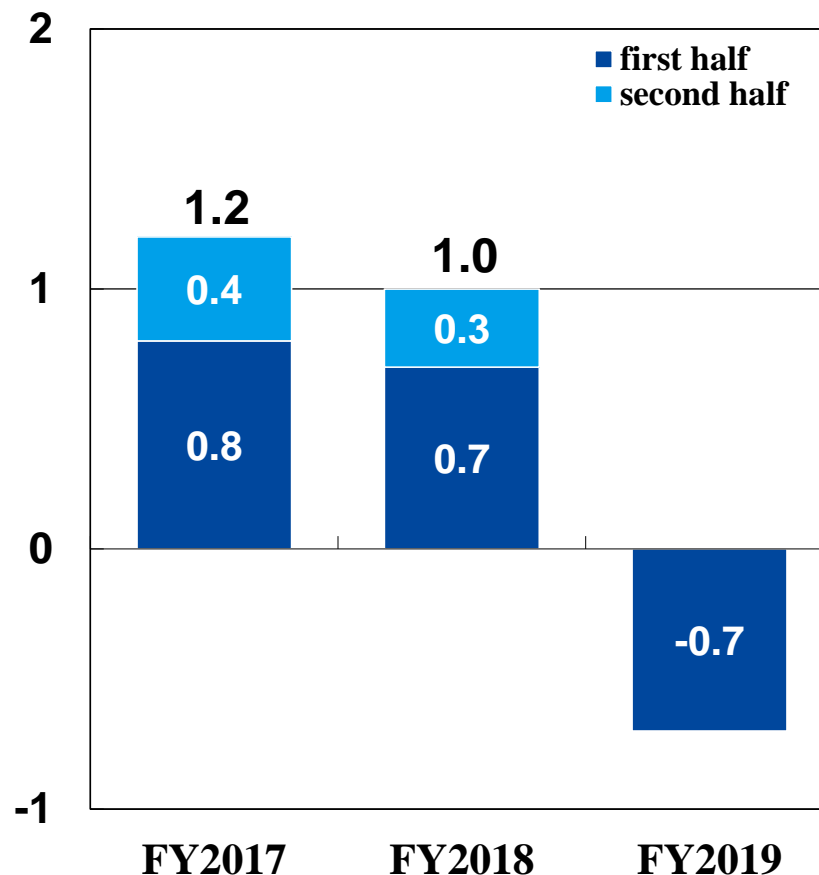
(billion yen)

Net sales



(billion yen)

Operating profit



※ Net sales decreased by 19.8% due to production reduction by customer and Forex impact, etc.

※ Operating profit was lost by 0.7 billion yen.

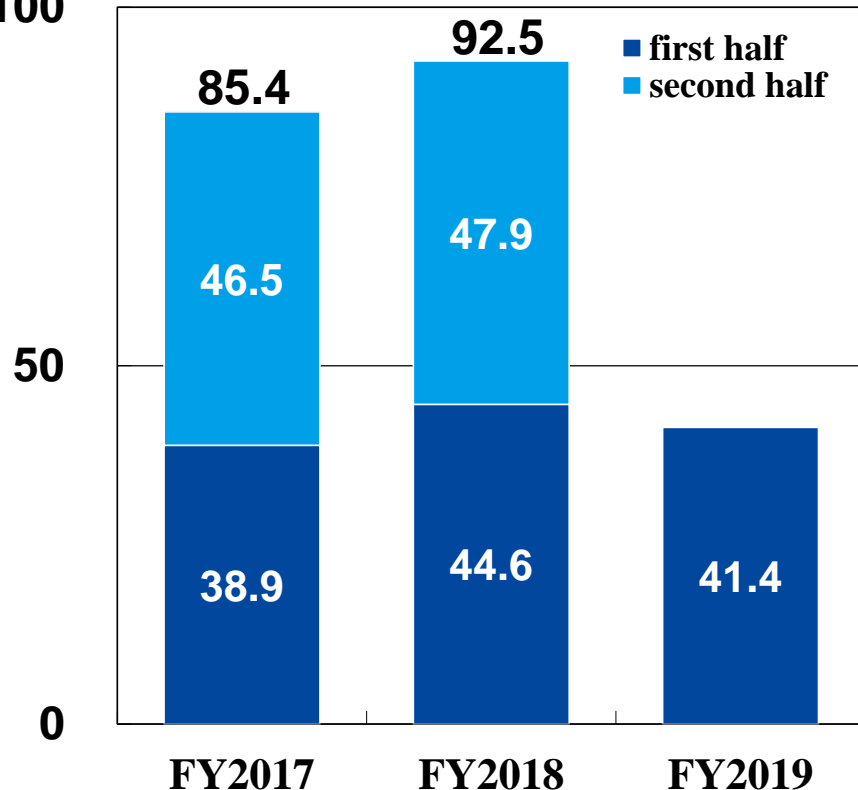


Sales & Operating Profit by Region (Asia)

(billion yen)

Net sales

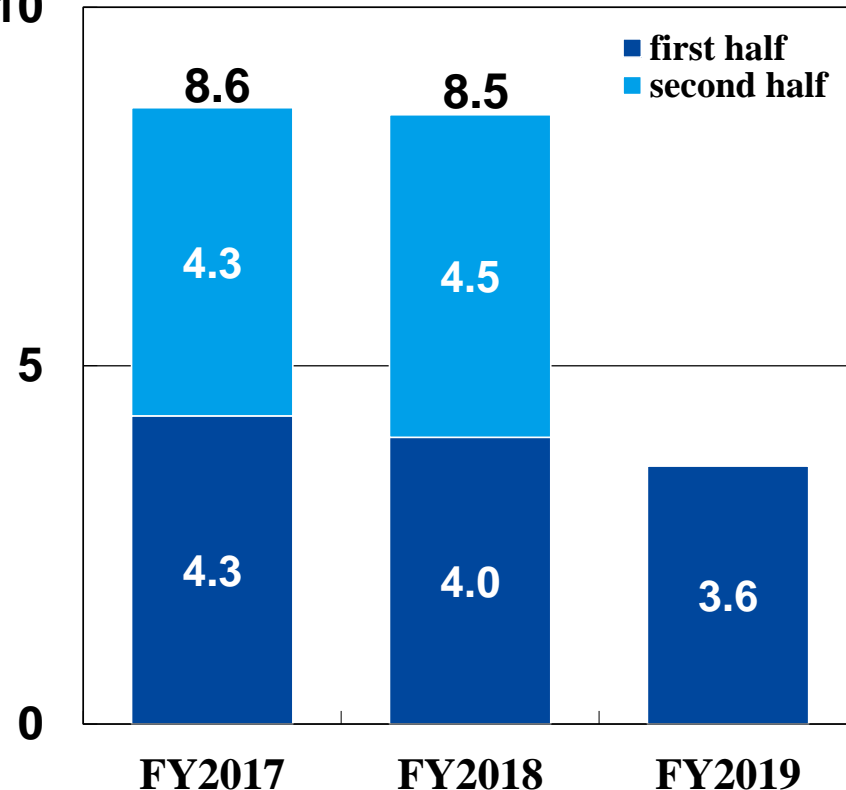
100



(billion yen)

Operating profit

10



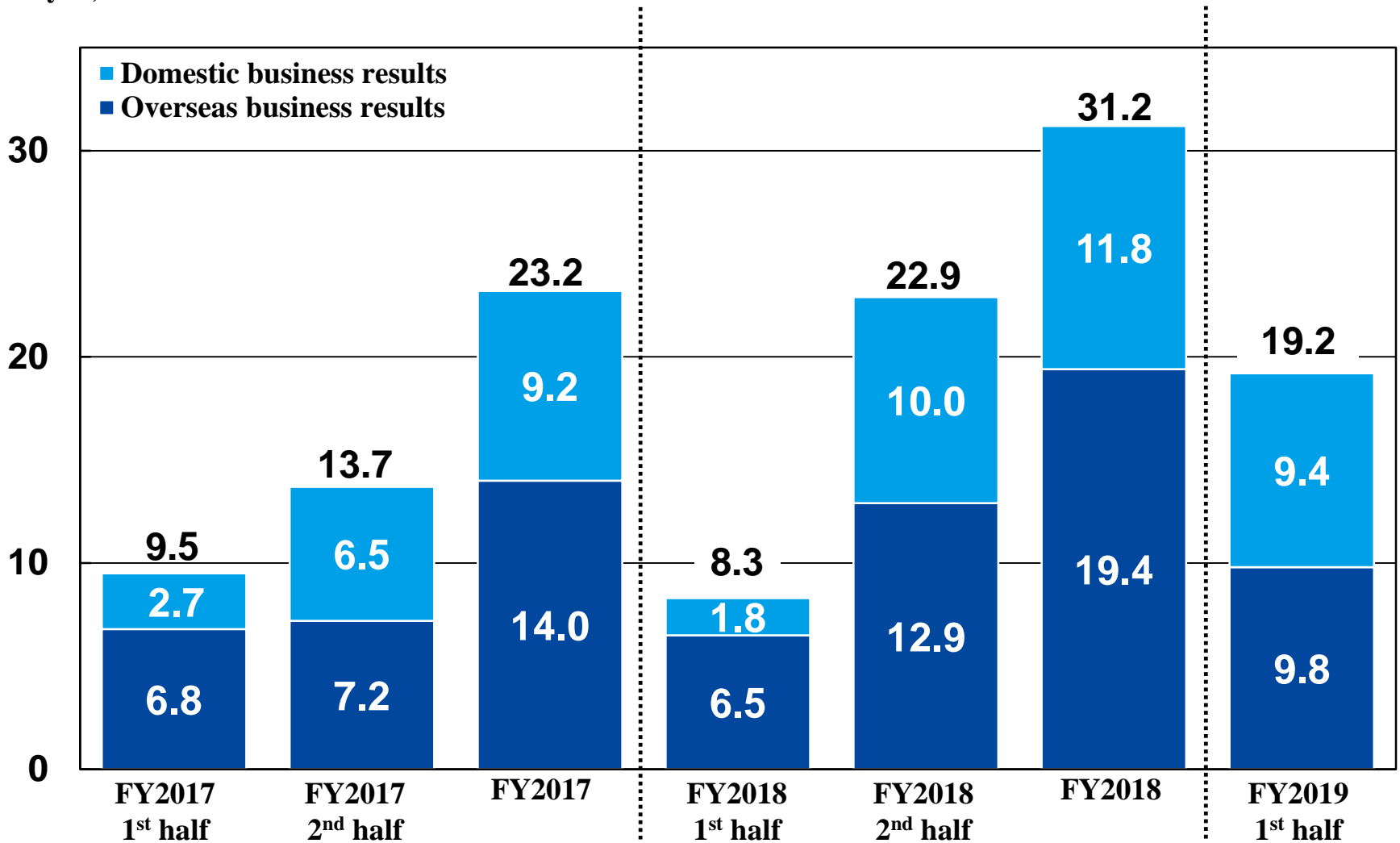
※ Net sales decreased by 7.2% because of Forex impact, etc.

※ Operating profit decreased by 10.0% as a result of sales decrease.



Capital investment

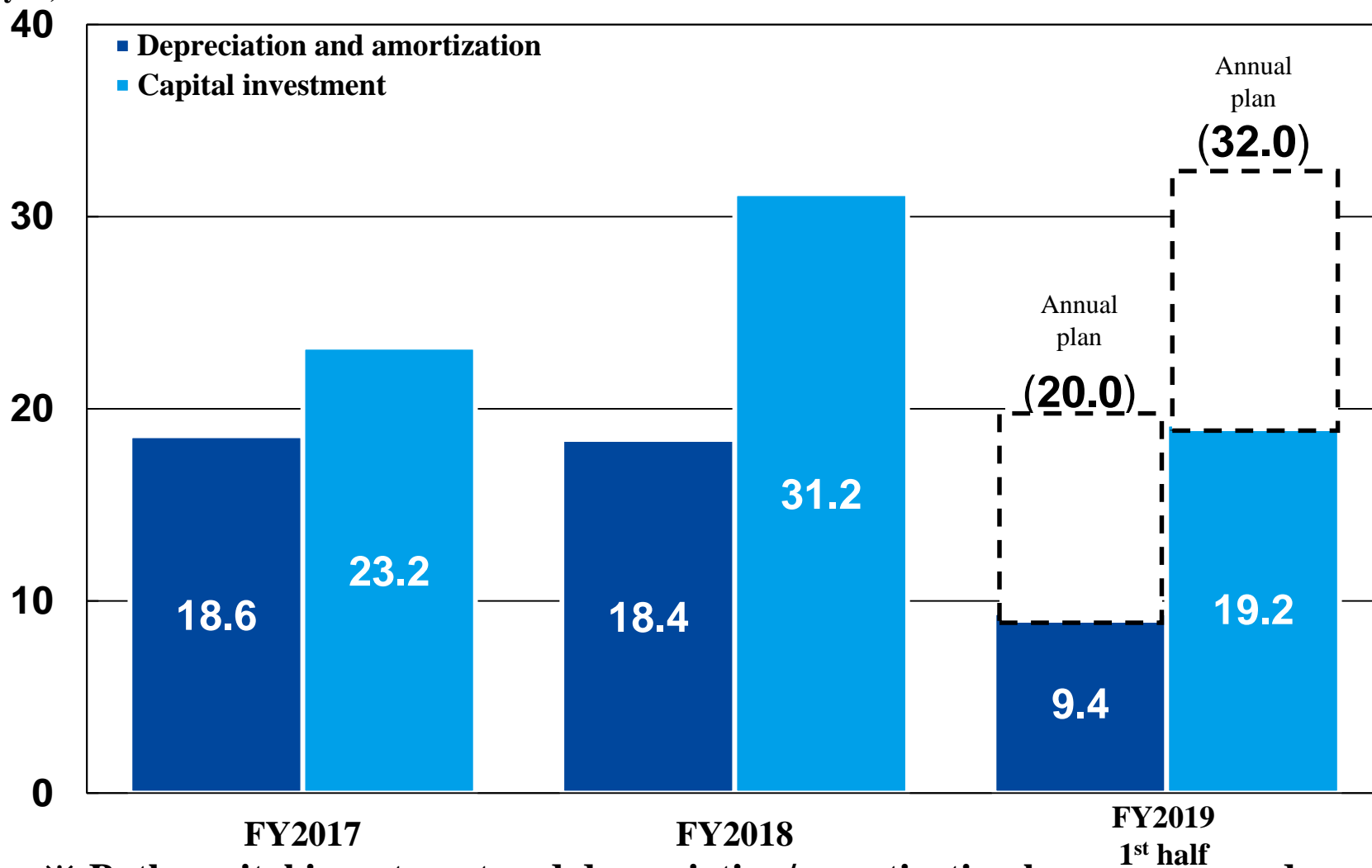
(billion yen)





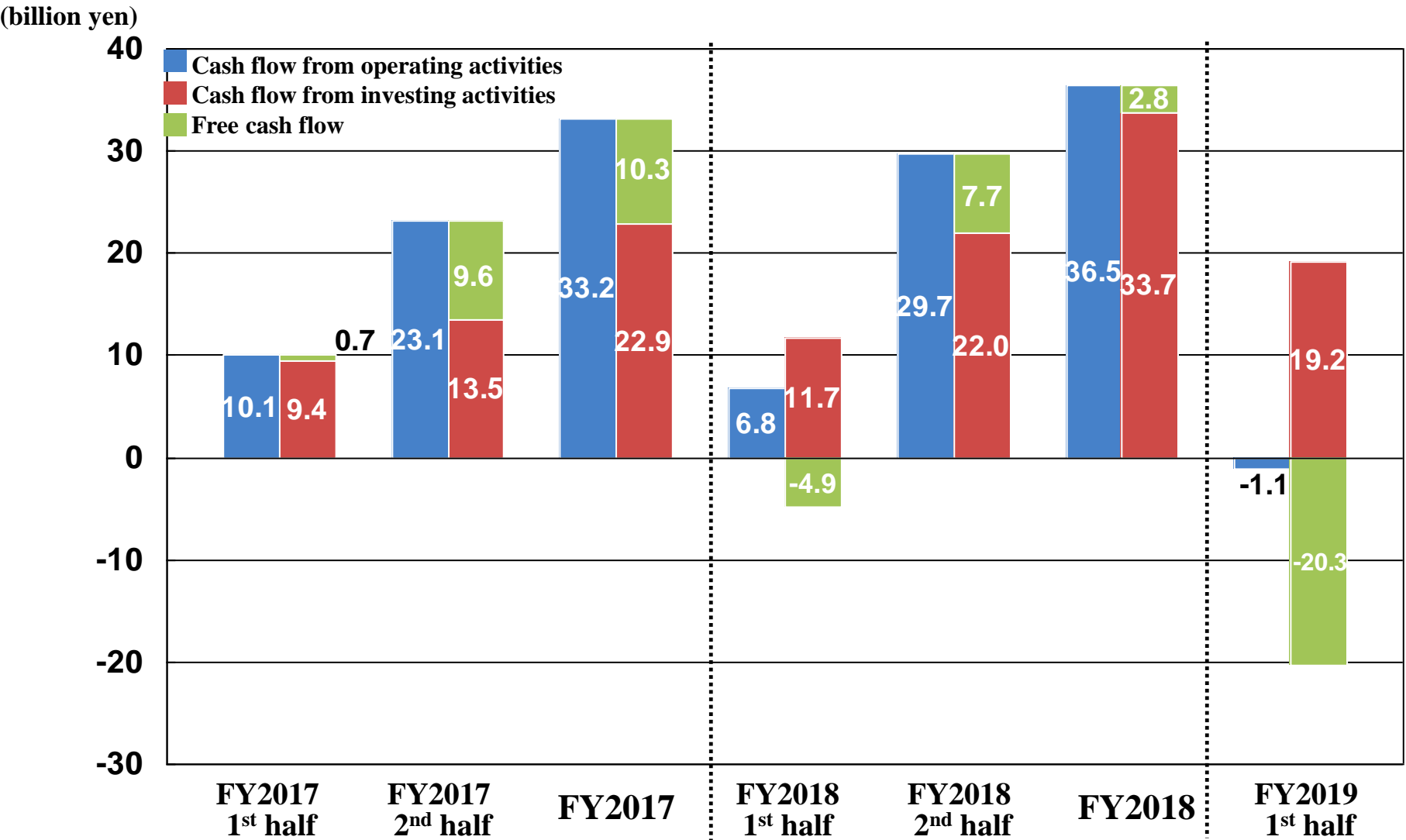
Capital investment & Depreciation / Amortization

(billion yen)



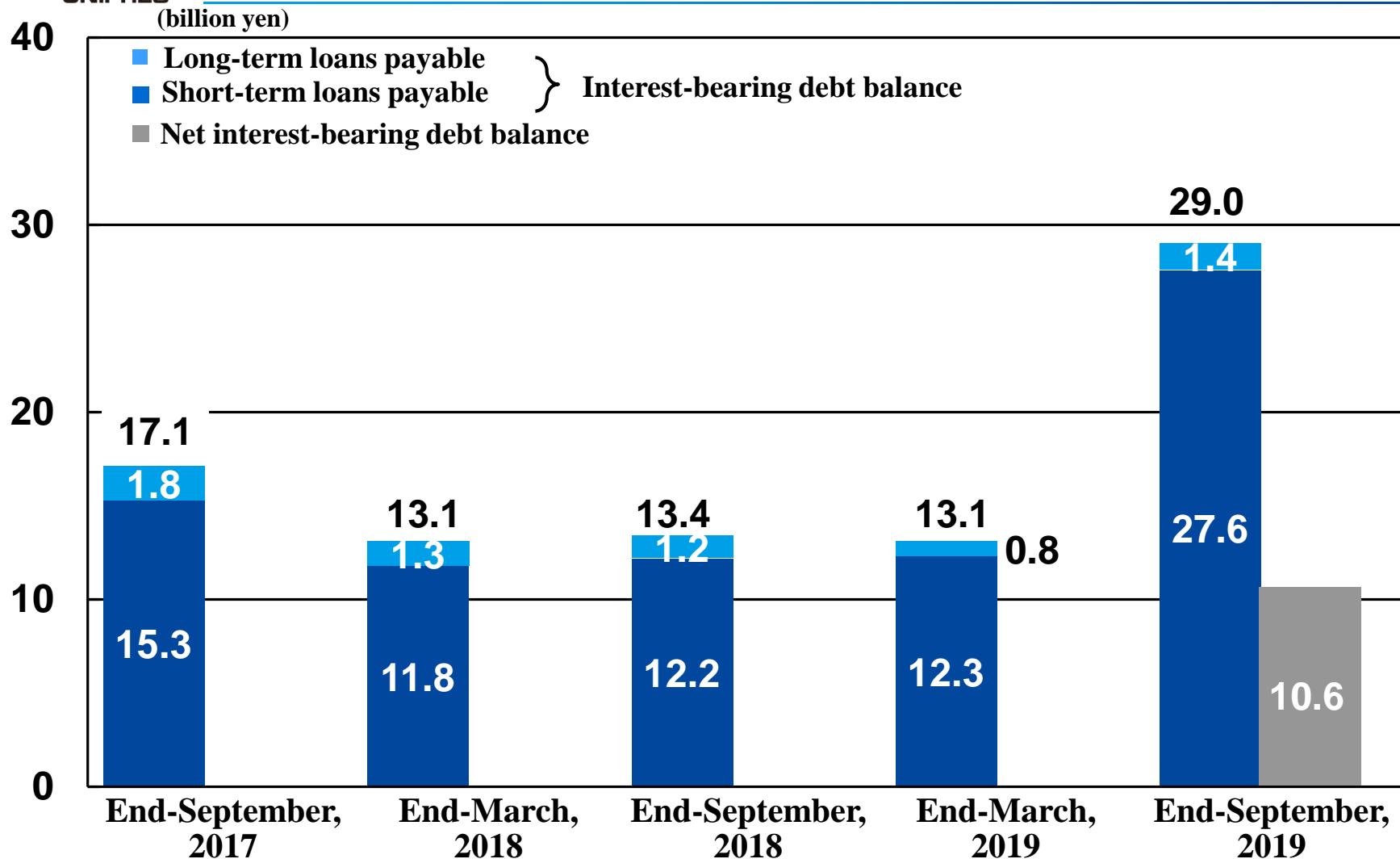
※ Both capital investment and depreciation/amortization have progressed nearly as planned.

Cash Flows





Interest-bearing Debt & Net Interest-bearing Debt Balance

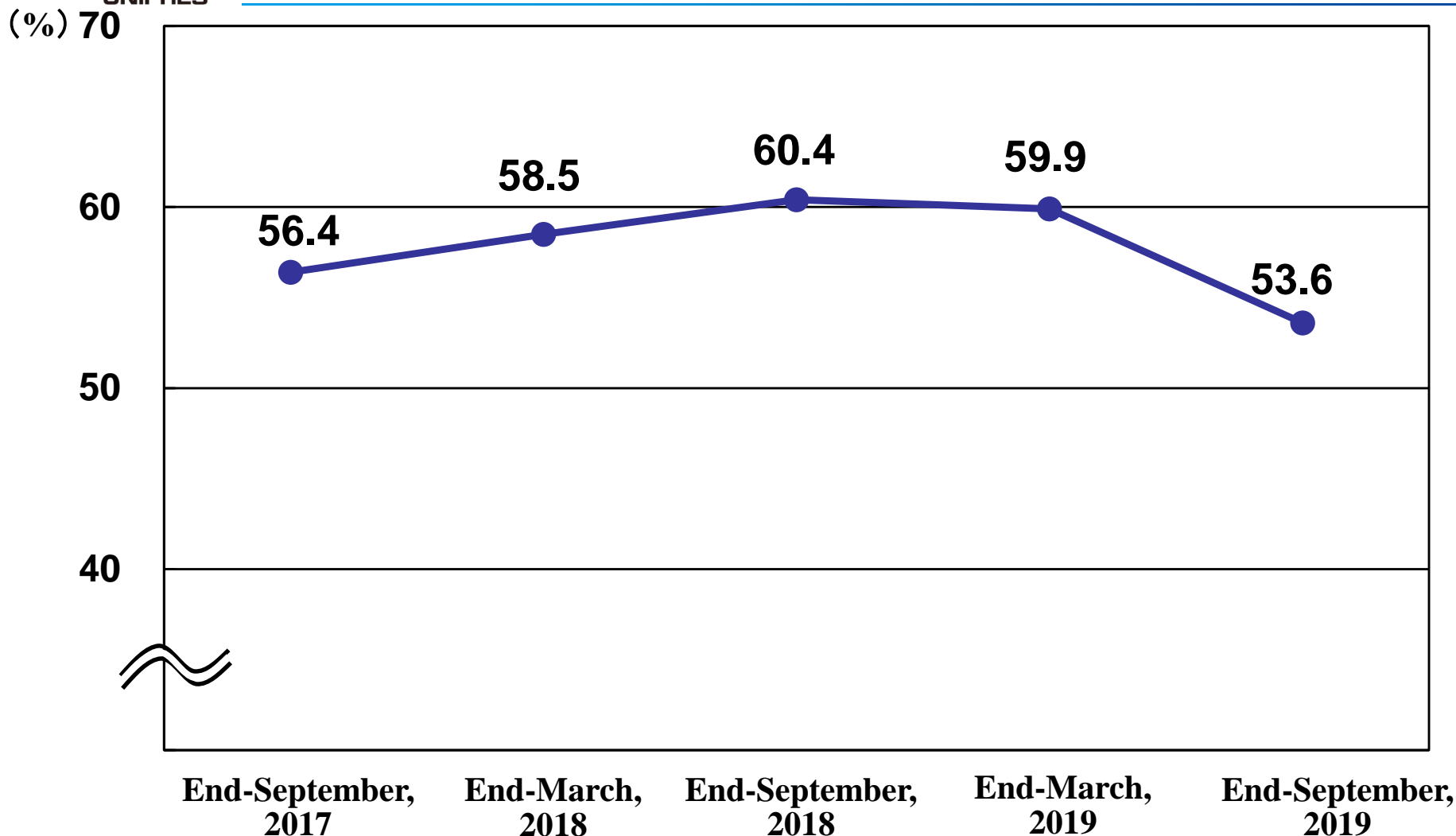


※ Interest-bearing debts increased by 15.9 billion yen compared with the end-March, 2019.

※ Net interest-bearing debts including cash and deposits was 10.6 billion yen.



Changes in equity-to-total assets



※ The ratio decreased by 6.3% to 53.6% compared to the end of March 2019 due to the acquisition of treasury shares.



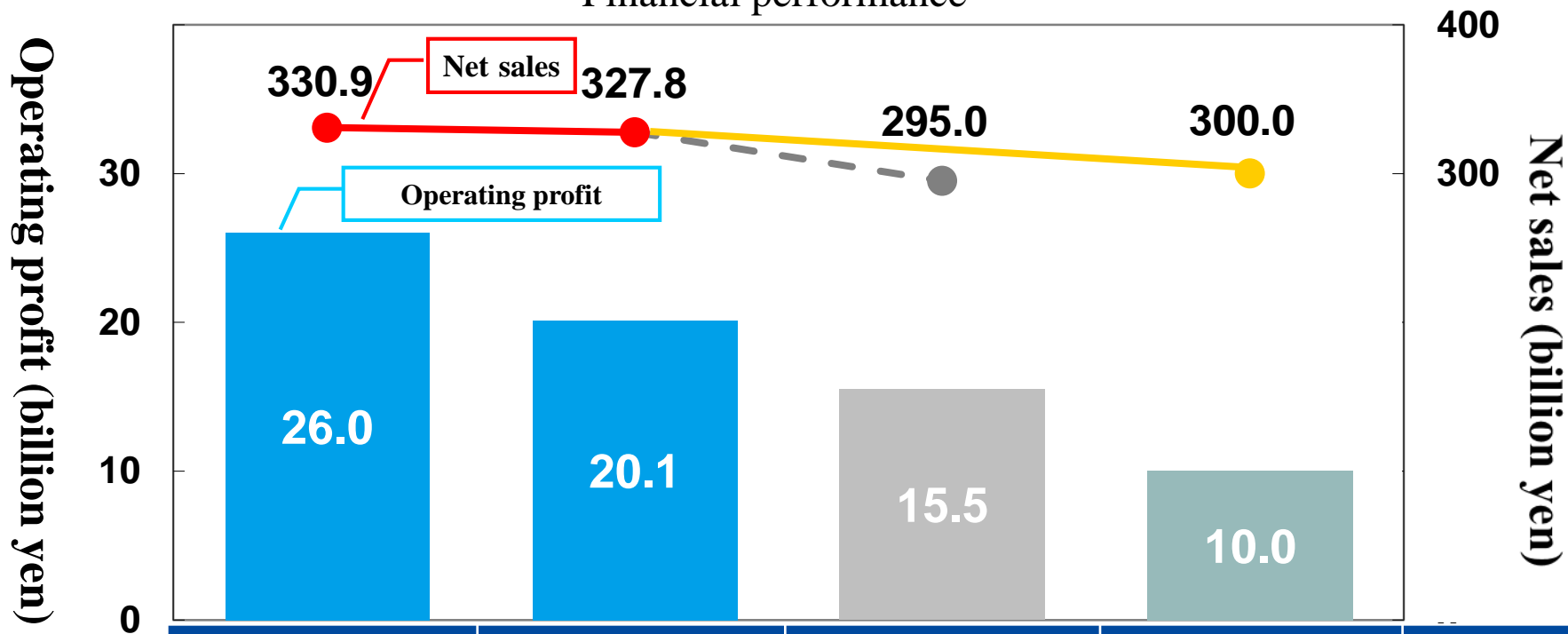
Forecast of FY2019

- 1. Net sales forecast to decline mainly due to customers' production decreased and Forex impact.**
- 2. Operating profit forecast to decrease due to sales decline.**
- 3. Large capital investment planned mainly for enhancing production capacity.**



Consolidated Business Plan for FY2019

Financial performance

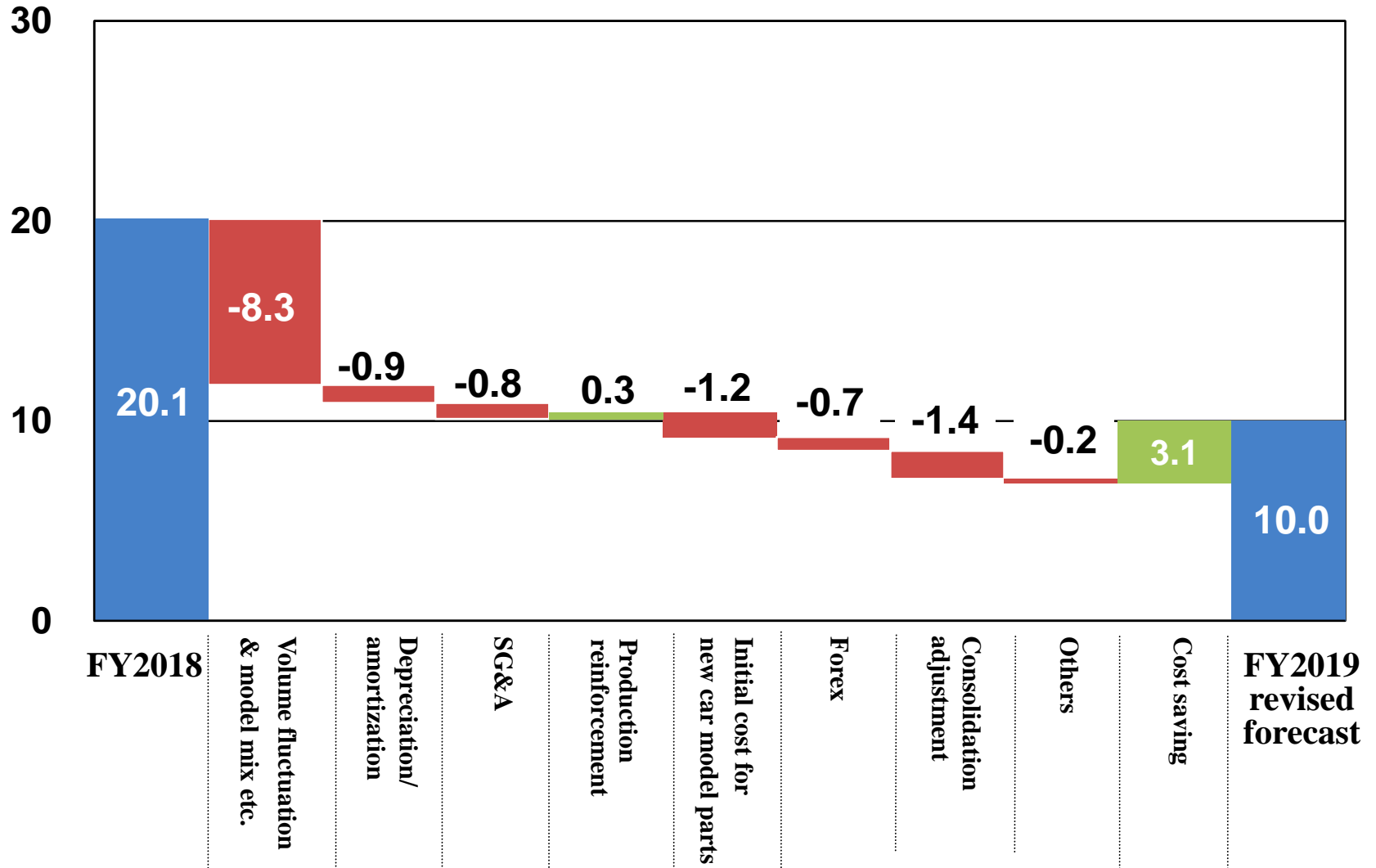


	FY2017	FY2018(A)	FY2019 initial plan	FY2019 revised forecast (B)	(B)-(A)
Net sales	330.9	327.8	295.0	300.0	-27.8
Operating profit	26.0	20.1	15.5	10.0	-10.1
Ordinary profit	26.4	21.0	16.0	10.0	-11.0
Net income attributable to owners of parent	15.9	12.9	10.0	5.5	-7.4



Forecast of Operating Profit Variance Analysis

(billion yen)

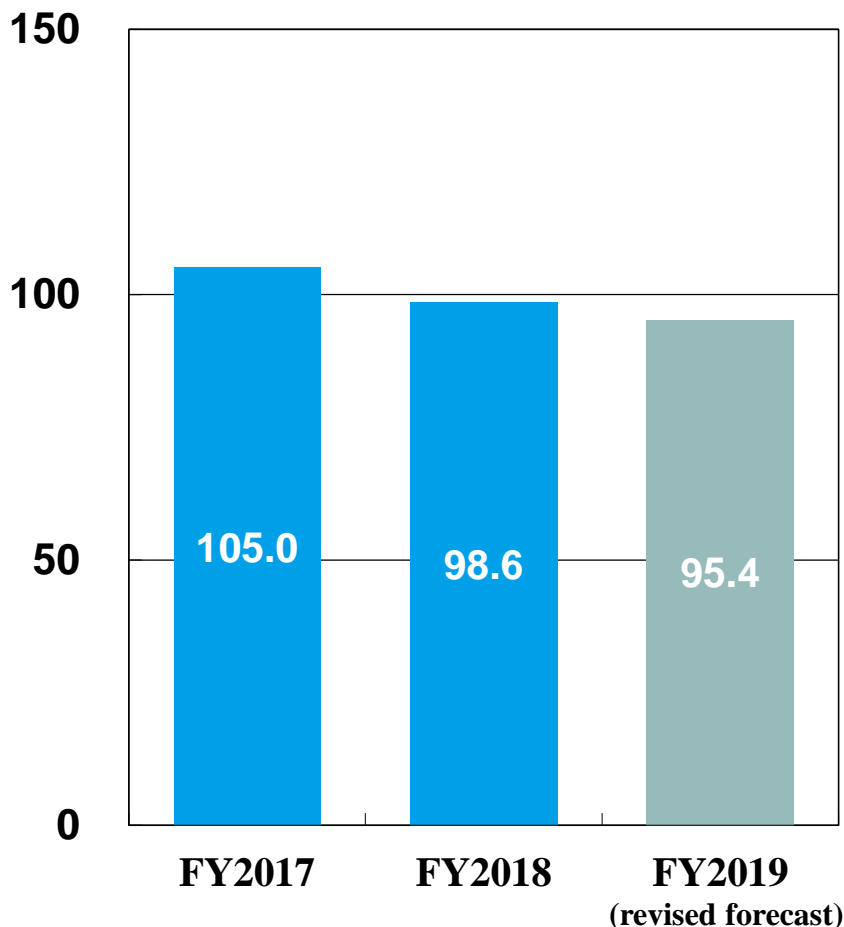




Sales/Operating Profit by Region (Japan)

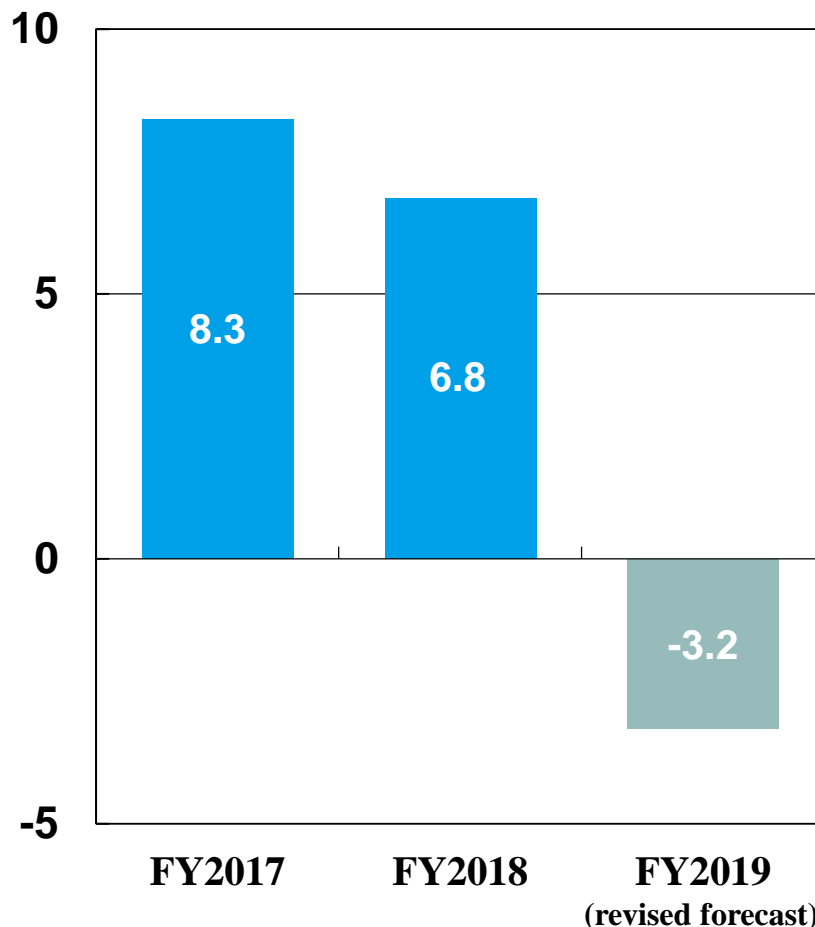
(billion yen)

Net sales



(billion yen)

Operating profit



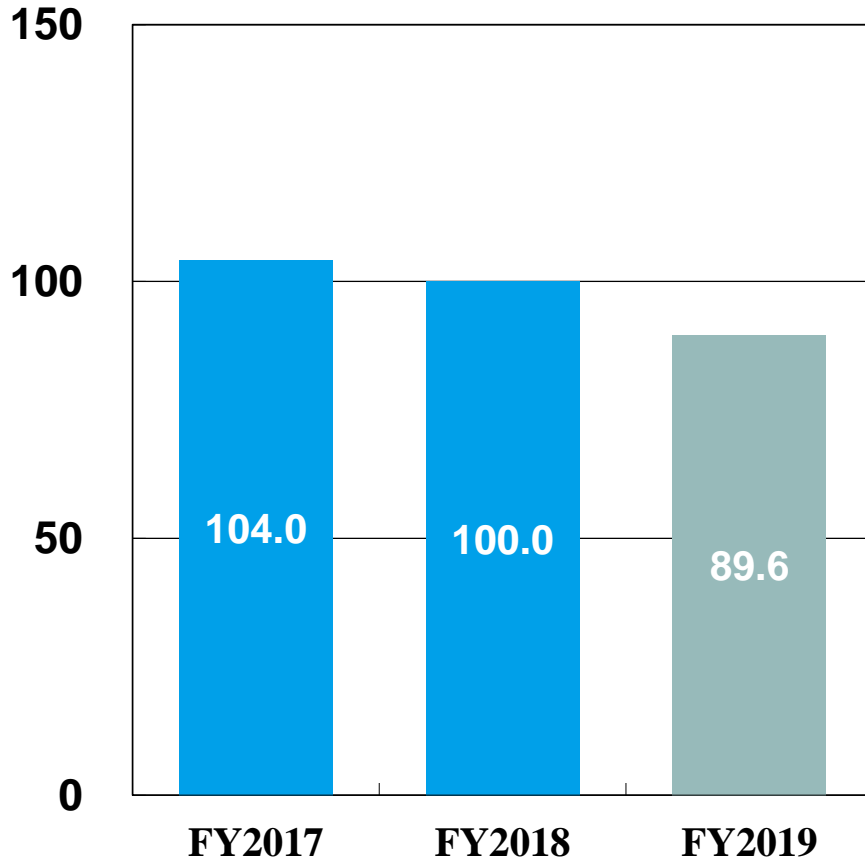
- ※ Net sales projected to decrease because of production cut by customer, etc.
- ※ A loss in operating profit is expected due to the impact of transfer pricing taxation.



Sales/Operating Profit by Region (the Americas)

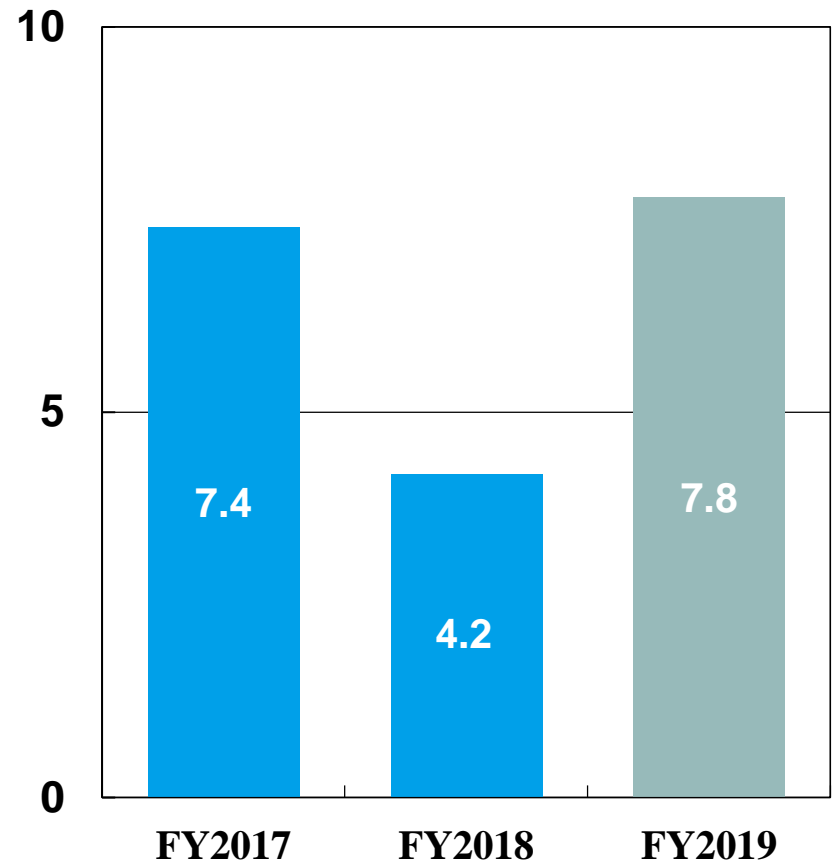
(billion yen)

Net sales



(billion yen)

Operating profit



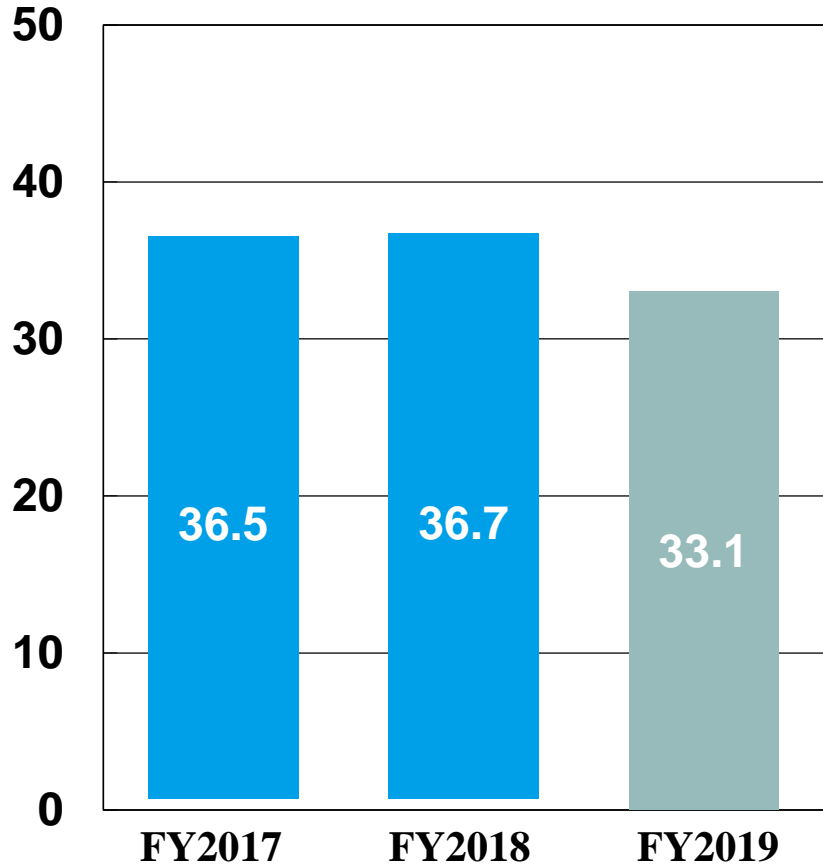
- ※ Net sales projected to decrease because of production cut by customer and Forex impact, etc.
- ※ An increase in operating profit is planned because of the impact of transfer pricing taxation, etc.



Sales/Operating Profit by Region (Europe)

(billion yen)

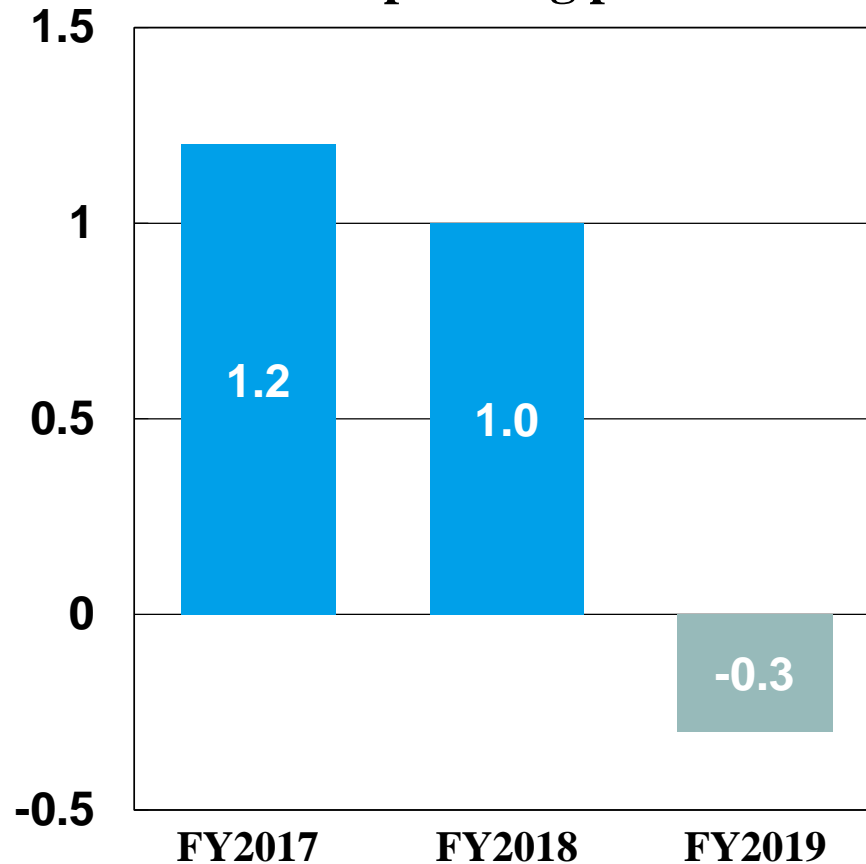
Net Sales



(revised forecast)

(billion yen)

Operating profit



(revised forecast)

- ※ Despite the impact of the conversion of UM Corporation, SAS into a subsidiary company, net sales is planned to decline by production reduction by customer and Forex impact, etc.
- ※ A loss in operating profit is expected.



Sales/Operating Profit by Region (Asia)

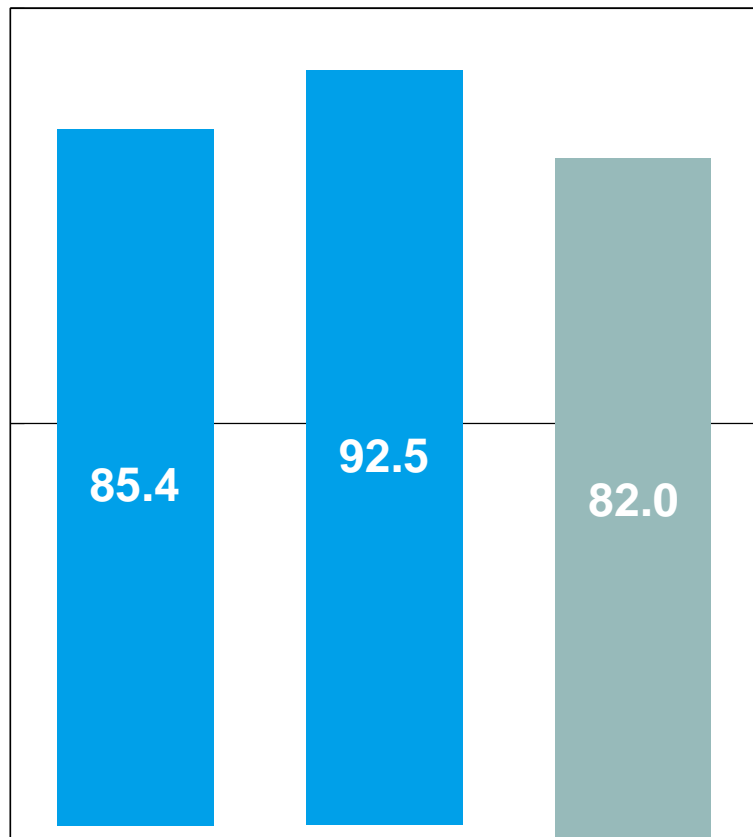
(billion yen)

Net Sales

100

50

0



FY2017

FY2018

FY2019

(revised forecast)

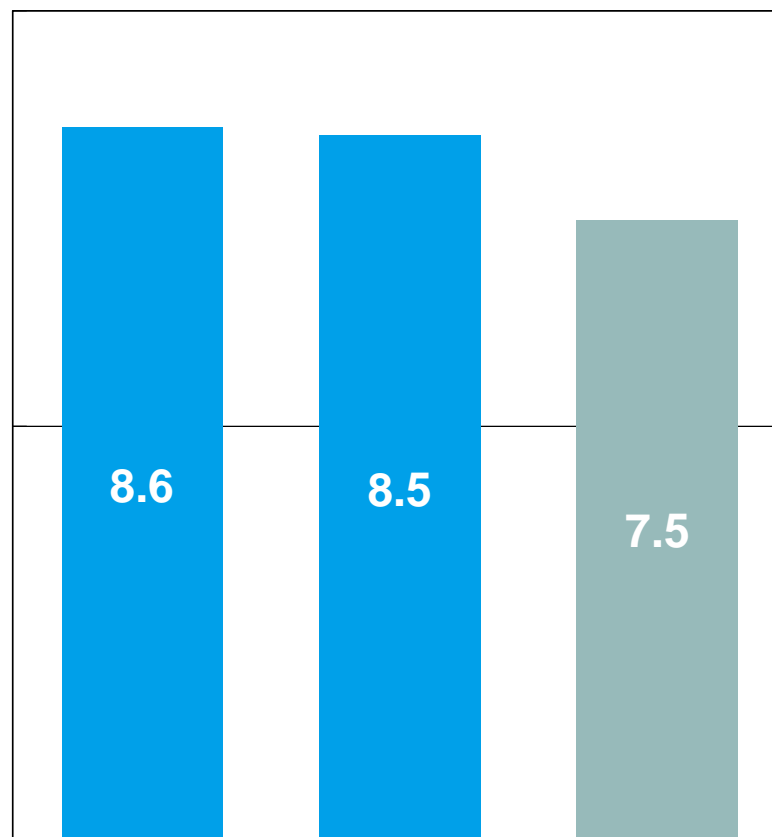
(billion yen)

Operating profit

10

5

0



FY2017

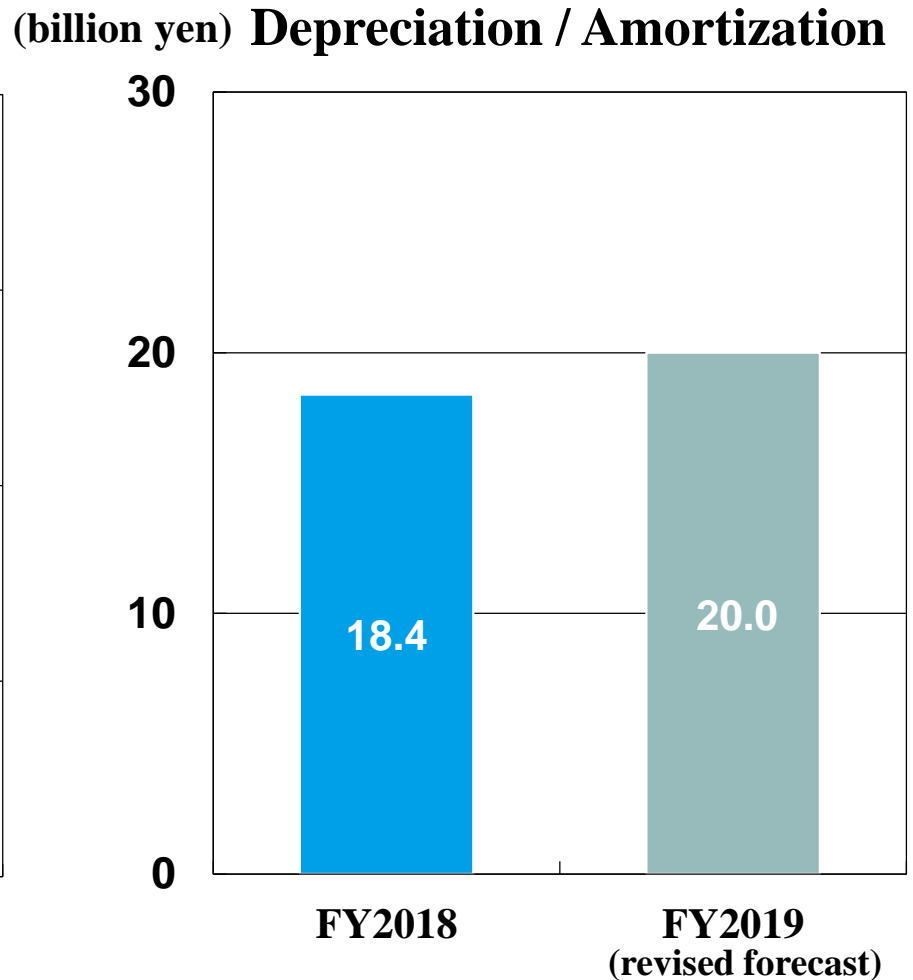
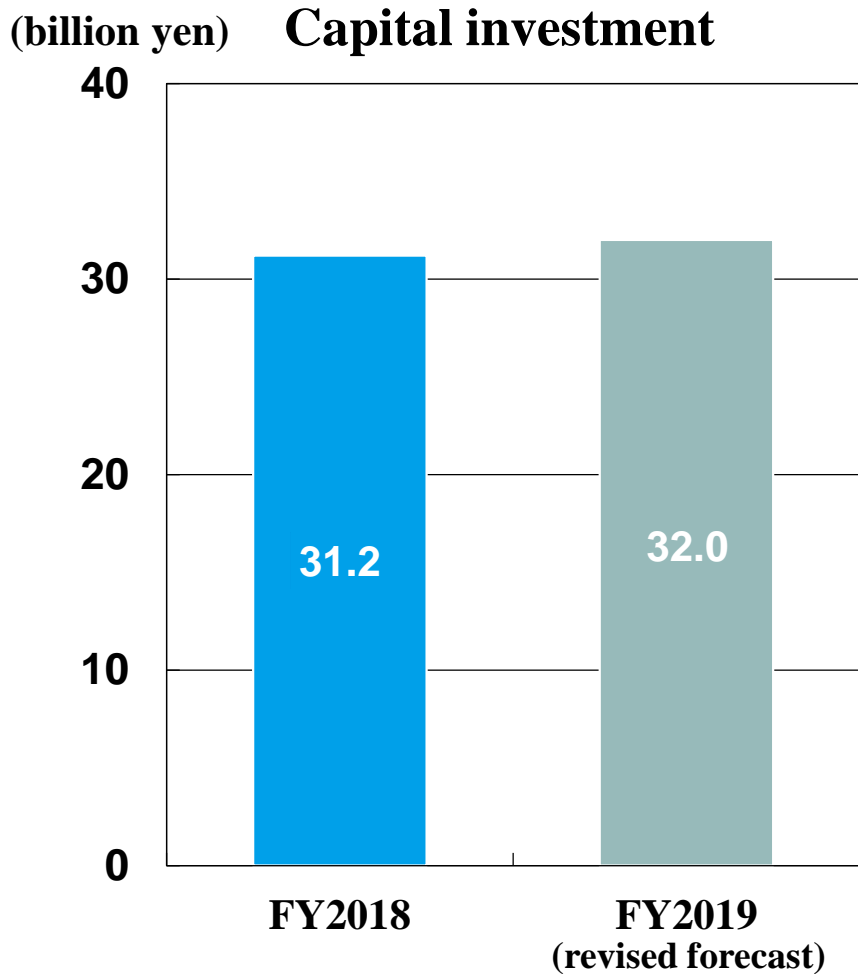
FY2018

FY2019

(revised forecast)

※ A decrease in net sales is planned due to Forex impact, etc.

※ Operating profit projected to be lower.



- ※ As installation of hot stamping machines planned, capital investment forecast to increase by 0.8 billion yen. Depreciation / amortization is expected to rise by 1.6 billion yen.
- ※ The initial plan for both capital investment and depreciation / amortization has no change.



The Acquisition of Treasury Shares

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**The acquisition of treasury shares has been implemented
from May 15 to August 27, 2019**

Content of Items Related to Acquisition

- **Total number of shares acquired** **2,986,900 shares**
- **Total amount of acquisition** **4,999,970,900 yen**

(The resolution made at the Board of directors' meeting held on May 14, 2019)

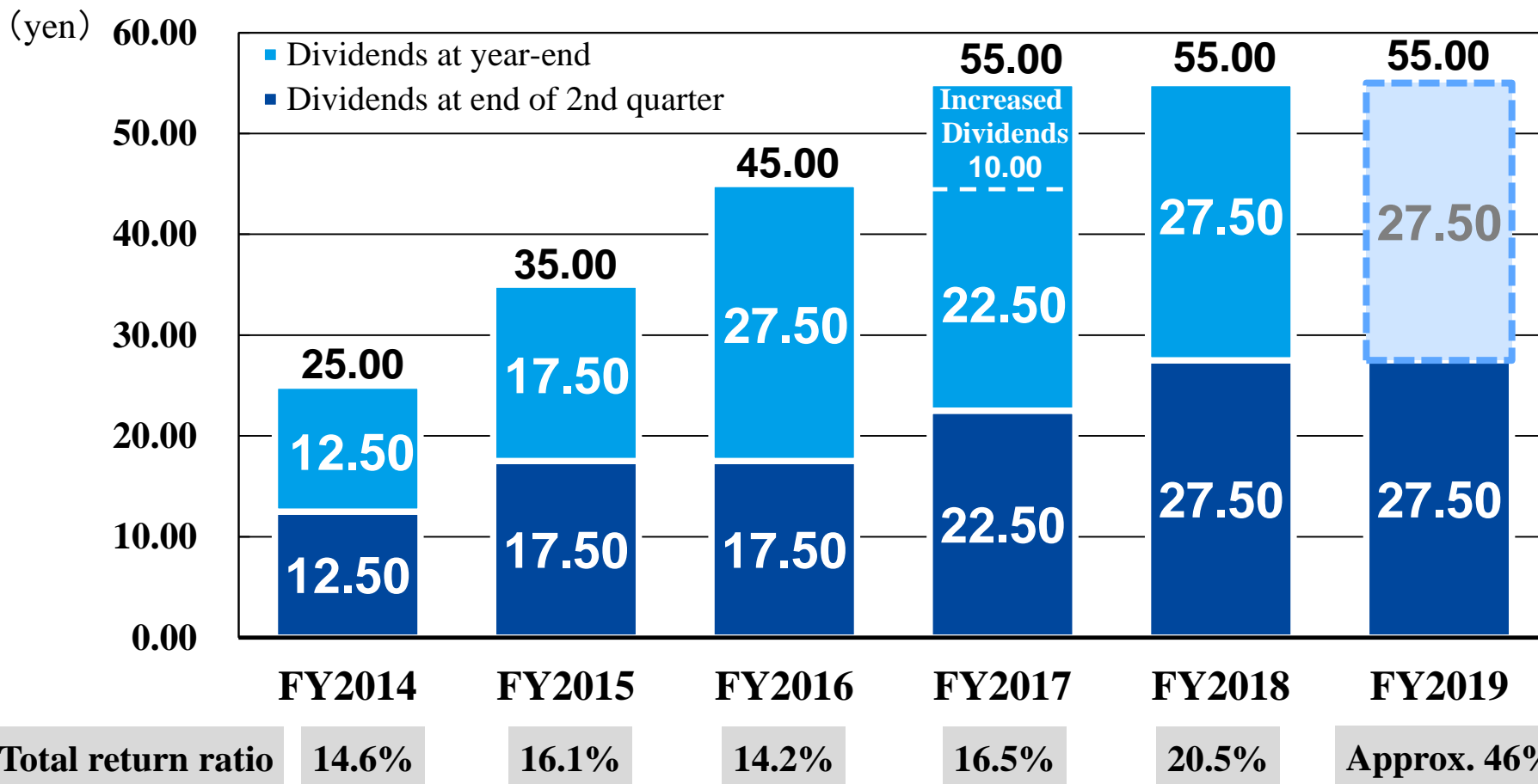
- Total number of shares to be acquired 3,200,000 shares (maximum)
- Total amount of acquisition 5.0 billion yen (maximum)

**We will continue to consider the acquisition of
treasury shares according to circumstances**



Dividends

In spite of downward revision, we sustain the existing dividend policy and plan to keep 55 yen per share in FY2019.





UNIPRES



Exchange rate

Reference

(yen)

	2Q, FY2018		2Q, FY2019		Annual plan	
	Average for the period	term end	Average for the period	term end	At first	Second half
US \$	110.71	113.58	108.68	107.96	110.00	105.00
STG £	148.92	144.55	142.37	136.53	145.00	129.00
EURO	130.66	127.88	124.07	122.46	124.00	117.00
MEX \$	5.71	5.60	5.73	5.62	5.70	5.20
RMB	17.01	16.67	16.23	15.68	16.20	14.50
INR	1.61	1.57	1.56	1.53	1.50	1.50
THB	3.41	3.33	3.49	3.51	3.45	3.45
IDR	0.0079	0.0077	0.0078	0.0076	0.0075	0.0075

Precautions for treatment of material

The future outlook of the Company mentioned in this presentation material was prepared based on information available to the Company that point in time.

This is absolutely an expectation about the future at this point in time, which contains risks and uncertain factors, and therefore, may vary widely from actual results.

The main factors out of these uncertain factors include, but are not limited to, the following:

- Economic conditions of the main markets (Japan, Americas, Europe and Asia etc.), consumer trends, rapid fluctuations in supply and demand for products in connection with business conditions and strategies of our customers in the automobile industry etc.
- Impact on production costs of our products in connection with sharp price increases in oil and steel materials
- Large fluctuations in exchange rates
- Changes in interest rates in the money and capital markets