



Annual Review 2019

For the year ended March 31, 2019

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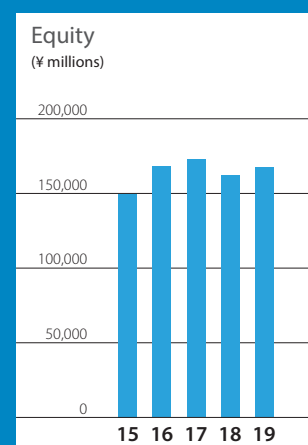
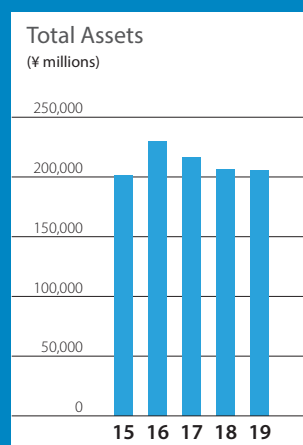
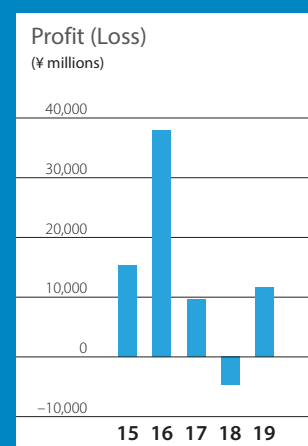
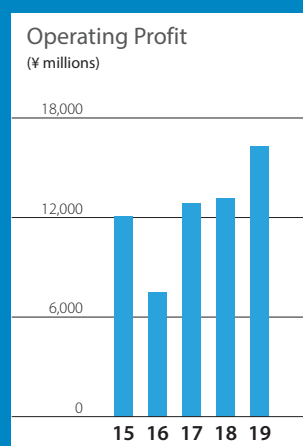
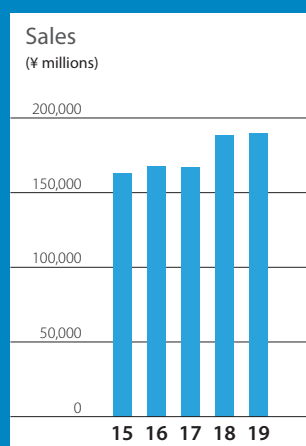
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Financial Highlights

Nissin Kogyo Co., Ltd. and Consolidated Subsidiaries
Years ended March 31, 2018 and 2019

	Millions of yen		Thousands of U.S. dollars
	2018	2019	2019
For the year:			
Sales	¥188,221	¥189,693	\$1,709,100
Operating profit	13,162	16,301	146,869
Profit (loss) before income tax	(1,173)	16,556	149,167
Profit (loss)	(4,708)	11,615	104,649
Profit (loss) attributable to owners of the parent	(8,717)	7,344	66,168
At year-end:			
Total assets	¥206,423	¥205,467	\$1,851,221
Equity	162,445	167,414	1,508,370
Per share (yen and U.S. dollars):			
Basic earnings (losses) per share	¥ (133.97)	¥ 112.88	\$ 1.02
Cash dividends paid	45.00	45.00	0.41

Note: U.S. dollar amounts have been translated from yen, for convenience only, at the rate of ¥110.99=U.S.\$1, the approximate exchange rate as of March 31, 2019.



Thank you to all of our shareholders for your continuing encouragement and support.

The Nissin Kogyo Group is working to establish an earnings base by providing products that are smaller, lighter and offering environmental friendliness and safety, and products creating cutting-edge high added value.



Business Results for the Year

In the fiscal year under review (the year ended March 31, 2019), the economic state saw the overall economy continue a moderate recovery trend backed by growth in the U.S. and emerging markets, despite U.S.-China trade friction, depreciation of currencies in emerging countries and a slowdown in China. Japan's economy continued a gentle recovery trend against a backdrop of brisk employment and solid domestic demand.

The automobile market contracted compared to the previous fiscal year due to decreases in the U.S. and China, despite generally good performances in emerging countries such as India and those in the ASEAN. In Japan, sales volume grew slightly due to increased sales of compact vehicles. The motorcycle market was strong in India, Indonesia and Vietnam, but sales decreased year on year in Thailand.

In this business environment, the Nissin Kogyo Group pursued the aims of its 13th medium-term management plan to achieve growth as the largest motorcycle brake company and through aluminum weight-reduction technologies, as well as by restructuring its automobile business.

In the motorcycle brake business, sales continued to expand for hydraulic brake products, ABS and combined braking systems (CBS) in response to a trend for greater safety. In aluminum products, Nissin Kogyo will continue to work toward expanding its production capabilities for lighter undercarriage parts utilizing core aluminum casting technology cultivated since its founding and to respond to needs for lighter products to contribute to better fuel performance in automobiles.

As a result, in the fiscal year under review, consolidated sales increased 0.8% from the previous fiscal year to ¥189,693 million, owing to higher sales of motorcycle products in Asia and South America and increased sales of aluminum products in Japan and the rest of Asia,

despite foreign exchange rate effects and a decrease in sales of automobile products in China and North America. Operating income increased 23.8% to ¥16,301 million due to increased revenues, decreased costs and a temporary reduction in expenses despite the impact of foreign exchange translation. Profit before income tax was ¥16,556 million, following an operating loss of ¥1,173 million the previous fiscal year. Profit was ¥11,615 million, up from an operating loss of ¥4,708 million year on year, and profit attributable to owners of the parent was ¥7,344 million, compared to an operating loss of ¥8,717 million the previous fiscal year.

Forecasts for the Fiscal Year Ending March 31, 2020

The Group's current forecasts for the fiscal year ending March 31, 2020, the final year of the 13th medium-term management plan, are for sales of ¥187,000 million, operating profit of ¥16,700 million, profit before income tax of ¥17,500 million, profit of ¥14,000 million and profit attributable to owners of the parent of ¥9,500 million.

We plan to pay cash dividends of ¥45 per share.

In closing, I would like to ask for the continued support of all our shareholders.

August 2019

A handwritten signature in black ink, reading 'Kawaguchi' with a stylized flourish at the end.

Yasushi Kawaguchi

President

New Adoptions of Our Products

Through its aluminum weight-reduction and braking system technologies, Nissin Kogyo makes significant contributions to motorized society in terms of both environmental performance and safety.



Front caliper



Rear caliper
(electronic parking brake)



Honda CR-V

Honda's CR-V uses our electronic parking brakes, other brake products and aluminum products that contribute to making vehicles lighter.

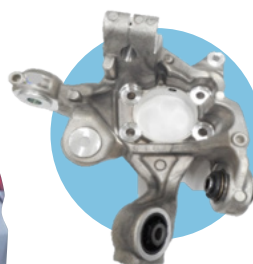


Rear lower arm



Compliance bracket

Automobile Business



Rear knuckle
(housing)

Subaru Forester

We supply the rear knuckle that contributes to making vehicles lighter to enhance fuel efficiency through our core aluminum casting technology for the Subaru Forester.

Research and Development Activities

The Nissin Kogyo Group constantly strives to keep one step ahead of changes in the world by conducting research and development activities to create new product families that can contribute to safety and environmental performance, while meeting the needs of customers and society.

In Japan, Group efforts are centered on brake systems and aluminum products for motorcycles and automobiles. To respond to needs related to achieving a low-carbon society, we are moving ahead with developing technologies that reduce

weight and improve fuel efficiency. We are also developing products that contribute to better safety and comfort, as well as developing materials and manufacturing processes, all from a global perspective.

In motorcycles, the mandatory fitting of advanced braking systems is spreading throughout the world. Consequently, we are improving the ease of handling finished cars and expanding the range of onboard models, by developing light-weight combined braking systems (CBS) and optimum anti-lock braking systems (ABS) control.



Honda PCX Series

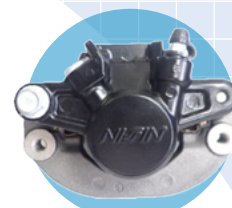
We supply the ABS and other brake products for Honda's PCX Series sold in the ASEAN region, Japan, North and South America and Europe.



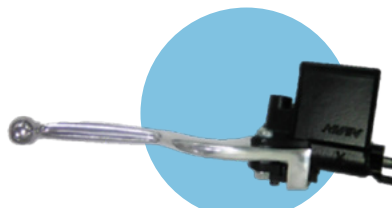
ABS



Front caliper



Rear caliper



Front master cylinder

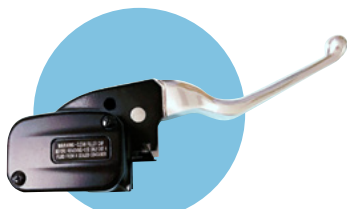


Rear master cylinder

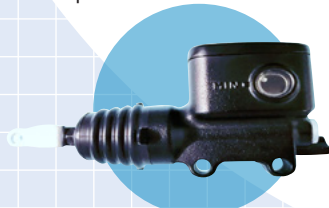
Motorcycle Business



Front caliper



Front master cylinder



Rear master cylinder



Rear caliper



Harley-Davidson FXDR 114

Our brake products are used in the Harley Davidson FXDR 114 sold in North America, Japan and Europe.

In automobiles, we are contributing to environmental load reduction, including through expanded application of light-weight, low-drag torque brake calipers and regulation-compliant copper pads. Moreover, accompanying the electrification of automobiles, we are expanding the number of models equipped with electronic parking brakes (EPB).

We are enhancing our investment in research and development and development platforms to advance the speed of these activities. Specifically, as a form of computerized assessment, we are

working on optimizing development efficiency through such means as speed and action confirmation through CAE analysis, casting defect prediction, brake screeching measures, ABS control simulation through HILS and car body action analysis.

Nissin Kogyo's Development Division is the key driver of the Group's research and development. R&D expenditures in the year under review were ¥4,805 million, with Japan accounting for ¥4,582 million and North America for ¥223 million.

Basic Philosophy

The Group implements corporate governance based on its guidelines and rules of conduct, including its Basic Principles, Respect for the Individual (Self-Reliance/Fairness/Equal Opportunity) and its mission statement, “Always stay ahead of changes in the world and provide superior products, technologies and ideas to meet the needs of customers and society.”

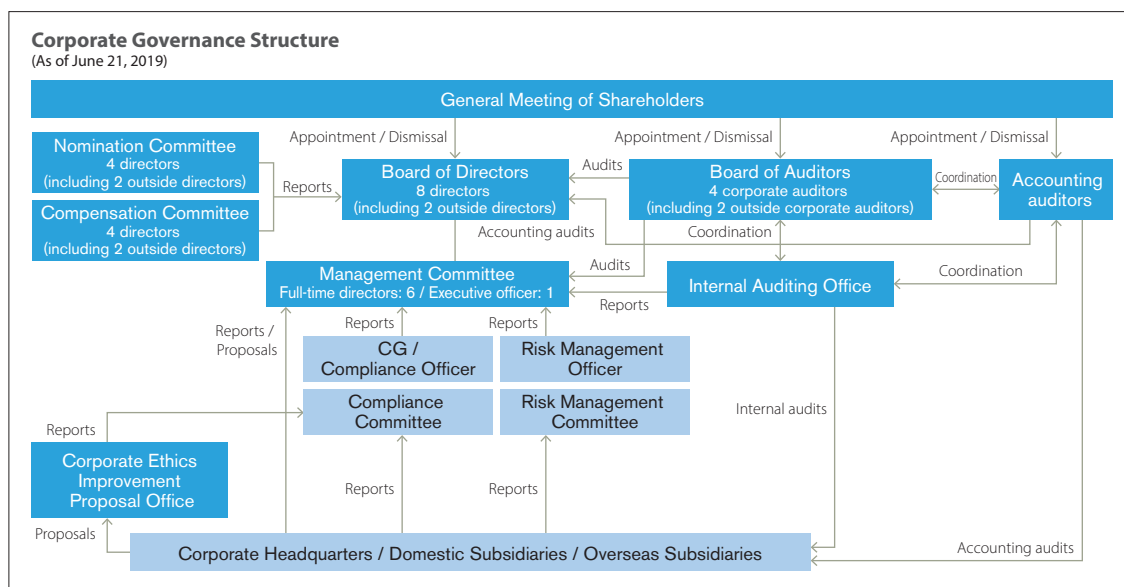
Overview of Nissin Kogyo's Organization

Nissin Kogyo's Board of Directors comprises 8 directors, of whom 2 are outside directors, and its role is to deliberate upon legal matters and major management issues. The Management Committee comprises 7 directors, including 6 full-time directors and 1 executive officer, and its role is to conduct prior deliberation on matters to be brought up for discussion by the Board of Directors, as well as to sufficiently deliberate upon important matters of management, share management issues, and decide upon measures to solve those issues.

The Company is a Company with Board of Auditors, in accordance with the Companies Act. The Board of Auditors is comprised of 4 corporate auditors, 2 of whom are outside corporate auditors. Corporate auditors attend meetings of the Board of Directors, Management Committee and other important meetings and audit business execution.

The Internal Auditing Office appoints 4 full-time corporate auditors and concurrent corporate auditors elected from the accounting field to form an Independent Operation Auditing Department. The job of this department is to provide support in the execution of internal auditing and to respond to requests from corporate auditors. In internal auditing, the Internal Auditing Office conducts audits of all domestic divisions on a twice-yearly basis, along with conducting regular audits of overseas bases.

The system for execution of operations is modeled on a high standard of effectiveness and efficiency and utilizes the cooperation of the 5 headquarters and overseas bases.



Total Remuneration for Directors and Corporate Auditors with Subtotals for Each Type of Remuneration and Numbers of Recipients

Classification	Total compensation paid (Millions of yen)	Total compensation paid by type (Millions of yen)		Number of recipients (Persons)
		Fixed compensation	Performance-based compensation (Executive bonus)	
Directors (excluding outside directors)	243	205	38	9
Corporate auditors (excluding outside corporate auditors)	43	35	8	2
Outside directors and corporate auditors	16	16	—	4

Environmental Initiatives

Nissin Kogyo positions environmental issues among management's most important challenges, and has taken a progressive approach to environmental protection activities. Beyond providing customers with resource- and energy-saving products, the Nissin Kogyo Group concentrates wholeheartedly on the environment and safety, and is developing a framework for further environmental protection.

Environmental Policy of Nissin Kogyo

In June 1998, Nissin Kogyo formulated its Environmental Policy to promote environmental protection activities. Every member of the Group is working together toward the formation of a recycling-oriented, sustainable society.

Environmental Protection Activities

Nissin Kogyo is working to establish environmentally friendly plants that contribute to the reduction of CO₂ emissions in production activities. As a part of these activities, we have been introducing cogeneration facilities that use natural gas to generate electricity consumed at production plants, while also effectively utilizing the hot water and heat produced when power is generated.

Naoetsu Plant's approach

Cogeneration facilities were introduced at the Naoetsu Plant in December 2005. The electricity generated is used by our production plant for automobile parts and the hot water and heat are utilized in surface processing and heating and cooling systems. In the winter months, the hot water and surplus heat are also used to melt snow.

Tobu Plant's approach

After the Naoetsu Plant, cogeneration facilities were next installed in November 2006 at the Tobu Plant. The electricity generated is used in our production plant for automobile brakes, and the hot water and heat are used in surface processing and heating and cooling systems.

Nissin Kogyo will continue to actively promote production activities with environmentally friendly facilities that help reduce CO₂ emissions.



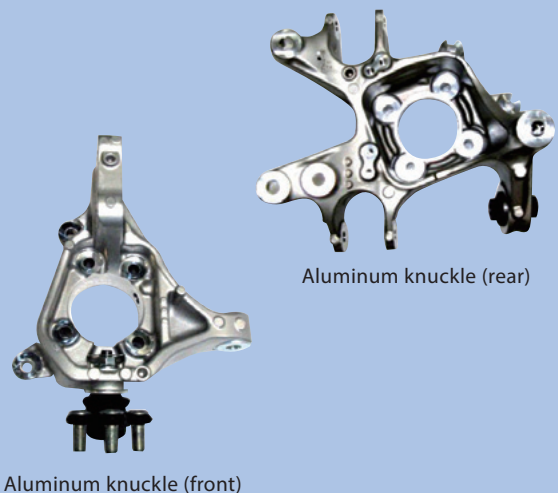
Cogeneration facility at the Naoetsu Plant



Cogeneration facility at the Tobu Plant

Environmentally Friendly Products

Nissin Kogyo is promoting a shift from steel to aluminum using aluminum weight-reduction technology. The aluminum knuckle is one example. By changing the material for this product from steel to aluminum, each car can be lightened by around 4 kg, contributing to energy savings and CO₂ reductions.



Business Results

Looking at the economic situation during the fiscal year under review, the fiscal year ended March 31, 2019, in broad terms, the global economy continued a moderate recovery overall, with a strong economy in the U.S., backed by improvements in employment and income environments, and continued growth in emerging markets despite U.S.-China trade friction, depreciation of currencies in emerging countries and a slowdown in China. Japan's economy continued a gentle recovery trend against a backdrop of brisk employment and solid domestic demand.

In 2018, overall automobile sales volume decreased compared to the previous fiscal year due to tapering off in the U.S. market and a slowdown in China, despite generally good performances in emerging countries such as India and ASEAN. In Japan, sales volume slightly increased due to brisk sales of compact vehicles. As for motorcycles, sales volumes decreased year on year in Thailand and Japan, but were brisk in Indonesia, Vietnam and India.

In this business environment, the Nissin Kogyo Group pursued the aims of its 13th medium-term management plan to achieve sustainable growth as the largest motorcycle brake company and through aluminum weight-reduction technologies, as well as by restructuring its automobile business.

In the motorcycle brake business, sales continued to expand for hydraulic brake products, ABS and combined braking systems (CBS) in response to a trend for greater safety. In aluminum products, Nissin Kogyo will continue to work toward expanding its production capabilities for lighter undercarriage parts utilizing core aluminum casting technology cultivated since its founding, to respond to needs for lighter products to contribute to better fuel performance in automobiles.

As a result, in the fiscal year under review, consolidated sales increased 0.8% from the previous fiscal year to ¥189,693 million, owing to higher sales of motorcycle products in Asia and South America and increased sales of aluminum products in Japan and the rest of Asia, despite foreign exchange rate

effects and a decrease in sales of automobile products in China and North America. Operating income increased 23.8% to ¥16,301 million due to increased revenues, decreased costs and a temporary reduction in expenses despite the impact of foreign exchange translation. Profit before income tax was ¥16,556 million, after loss before income tax of ¥1,173 million the previous fiscal year. Profit was ¥11,615 million, up from loss of ¥4,708 million year on year, and profit attributable to owners of the parent was ¥7,344 million compared to loss attributable to owners of the parent of ¥8,717 million the previous fiscal year.

Breakdown by Geographic Segment

Japan

In Japan, overall sales increased 8.0% year on year to ¥29,023 million mainly due to higher sales of aluminum products.

Profit decreased 24.2% to ¥1,977 million owing to an increase in costs due to quality-related expenses and launching new products, despite an increase in revenues.

North America

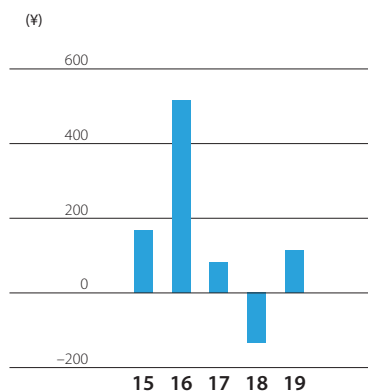
In North America, sales decreased 3.2% year on year to ¥40,688 million, due to lower sales of automobile products and the impact of flooding that halted production at a main client in Mexico.

Profit was ¥124 million, an increase of ¥3,260 million year on year, owing to reduced costs and having booked impairment losses in the previous fiscal year, despite the impact of reduced revenue.

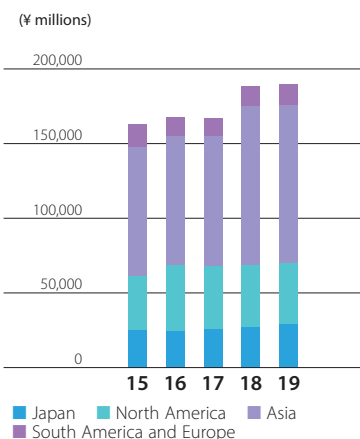
Asia

In Asia, sales were almost level with the previous fiscal year at ¥105,994 million, due to the impact of currency rates and a decrease in sales in China, in spite of higher sales in Indonesia, India and Vietnam.

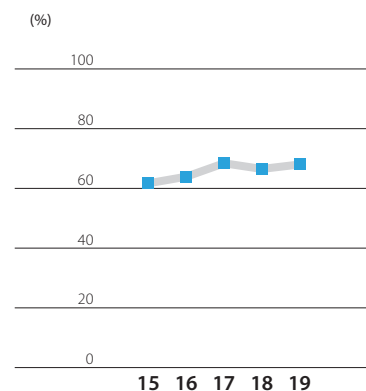
Basic Earnings (Losses) per Share



Sales by Geographic Segment



Shareholders' Equity Ratio



Profit increased 3.1% compared to the previous year to ¥13,001 million due to the effect of increased revenue and reduced quality-related expenses, despite foreign exchange rate effects.

South America and Europe

In South America and Europe, sales increased by 6.5% year on year to ¥13,987 million, mainly due to a recovery in the Brazilian market and expanded sales of combined braking systems for motorcycles, despite the impact of foreign exchange rate effects.

Profit increased by 34.0% compared with the previous fiscal year to ¥1,056 million owing to higher sales, in spite of the impact of foreign exchange rate effects.

Financial Position

Total assets as of March 31, 2019 were down ¥957 million from the previous fiscal year-end to ¥205,467 million. The main reasons for changes in assets, liabilities and equity were as follows.

Current assets were up ¥1,926 million from the previous fiscal year-end to ¥122,856 million. This mainly reflected an increase in other financial assets.

Non-current assets were down ¥2,883 million from the previous fiscal year-end to ¥82,611 million. This mainly reflected a decrease in investments accounted for using the equity method.

Current liabilities were down ¥4,524 million from the previous fiscal year-end to ¥30,586 million. This was mainly due to a decrease in trade and other payables.

Non-current liabilities were down ¥1,402 million from the previous fiscal year-end to ¥7,467 million. This was mainly due to a decrease in other non-current liabilities.

Total equity was up ¥4,969 million from the previous fiscal year-end to ¥167,414 million. This was mainly due to an increase in retained earnings.

Cash Flows

Cash and cash equivalents ("cash") for the fiscal year ended March 31, 2019 stood at ¥35,527 million, down ¥5,142 million from the previous fiscal year. The status of cash flows in the fiscal year ended March 31, 2019 was as follows.

Net cash provided by operating activities was ¥17,484 million (compared with ¥21,845 million in the previous fiscal year). This was mainly accounted for by profit before income tax and depreciation and amortization expense.

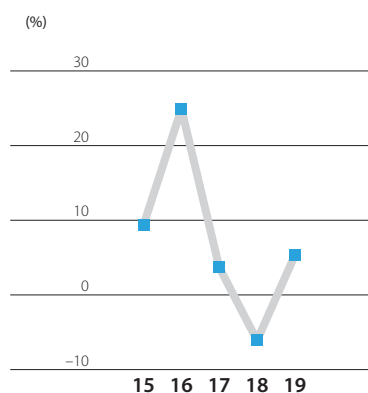
Net cash used in investing activities was ¥18,317 million (compared with ¥12,467 million in the previous fiscal year). This mainly reflected purchase of property, plant and equipment.

Net cash used in financing activities was ¥4,052 million (compared with ¥6,710 million in the previous fiscal year). This mainly reflected dividends paid.

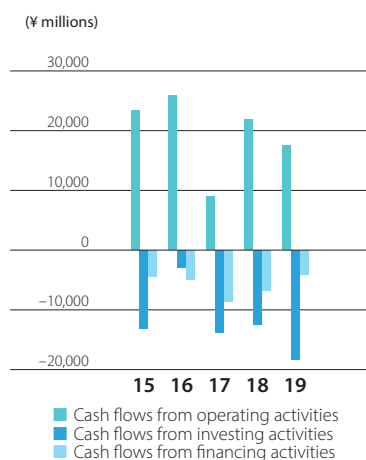
Basic Stance Regarding Selection of Accounting Standards

The consolidated financial statements of the Group have been prepared in compliance with International Financial Reporting Standards (IFRS) from the fiscal year ended March 31, 2016.

Return on Equity



Cash Flows



Consolidated Statement of Financial Position

Nissin Kogyo Co., Ltd. and Consolidated Subsidiaries
March 31, 2018 and 2019

	Millions of yen		Thousands of U.S. dollars
	2018	2019	2019
ASSETS			
Current assets:			
Cash and cash equivalents	¥ 40,669	¥ 35,527	\$ 320,092
Trade receivables	27,701	27,401	246,878
Other financial assets	26,639	32,981	297,153
Inventories	23,343	24,652	222,110
Other current assets	2,577	2,294	20,669
Total current assets	120,930	122,856	1,106,911
Non-current assets:			
Property, plant and equipment	50,170	51,475	463,781
Intangible assets	1,115	933	8,406
Investments accounted for using the equity method	12,560	11,055	99,604
Other financial assets	18,290	17,229	155,230
Deferred tax assets	1,703	1,083	9,758
Other non-current assets	1,656	835	7,523
Total non-current assets	85,494	82,611	744,310
Total assets	¥206,423	¥205,467	\$1,851,221

Note: The accompanying consolidated financial statements are expressed in yen, and solely for the convenience of the reader, have been translated into U.S. dollars at the rate of 110.99 = U.S.\$1, the approximate rate of exchange prevailing at March 31, 2019. This translation should not be construed as a representation that all amounts shown could be converted into U.S. dollars at such rate.

Consolidated Statement of Changes in Equity

Nissin Kogyo Co., Ltd. and Consolidated Subsidiaries
Year ended March 31, 2019

	Total equity attributable to owners of the parent						Non-controlling interests	Total equity
	Capital stock	Capital surplus	Treasury shares	Retained earnings	Other components of equity	Total		
Balance as of March 31, 2018	¥3,694	¥3,908	¥(526)	¥123,900	¥ 6,060	¥137,035	¥25,603	¥162,638
Comprehensive income:								
Profit	—	—	—	7,344	—	7,344	4,271	11,615
Other comprehensive income	—	—	—	—	(2,112)	(2,112)	418	(1,693)
Total comprehensive income	—	—	—	7,344	(2,112)	5,233	4,689	9,922
Total transactions with owners:								
Increase (decrease) in treasury shares	—	—	(0)	—	—	(0)	—	(0)
Dividends	—	—	—	(2,928)	—	(2,928)	(2,218)	(5,146)
Transfer from other components of equity to retained earnings	—	—	—	44	(44)	—	—	—
Total transactions with owners	—	—	(0)	(2,884)	(44)	(2,928)	(2,218)	(5,146)
Balance as of March 31, 2019	¥3,694	¥3,908	¥(527)	¥128,360	¥ 3,905	¥139,340	¥28,074	¥167,414

	Millions of yen		Thousands of U.S. dollars
LIABILITIES AND EQUITY	2018	2019	2019
Liabilities:			
Current liabilities:			
Trade payables	¥ 19,076	¥ 16,826	\$ 151,599
Borrowings	3,164	3,967	35,742
Other financial liabilities	4,765	3,506	31,588
Income tax payables	1,347	735	6,622
Provisions	2,052	1,283	11,560
Other current liabilities	4,705	4,270	38,472
Total current liabilities	35,110	30,586	275,574
Non-current liabilities:			
Borrowings	372	796	7,172
Other financial liabilities	1	158	1,424
Net defined benefit liability	2,726	2,998	27,011
Provisions	592	308	2,775
Deferred tax liabilities	3,614	2,755	24,822
Other non-current liabilities	1,563	453	4,081
Total non-current liabilities	8,869	7,467	67,276
Total liabilities	43,978	38,053	342,851
Equity:			
Capital stock	3,694	3,694	33,282
Capital surplus	3,908	3,908	35,210
Treasury shares	(526)	(527)	(4,748)
Retained earnings	123,713	128,360	1,156,501
Other components of equity	6,060	3,905	35,183
Total equity attributable to owners of the parent	136,849	139,340	1,255,428
Non-controlling interests	25,596	28,074	252,942
Total equity	162,445	167,414	1,508,370
Total liabilities and equity	¥206,423	¥205,467	\$1,851,221

	Total equity attributable to owners of the parent						Non-controlling interests	Total equity
	Capital stock	Capital surplus	Treasury shares	Retained earnings	Other components of equity	Total		
Balance as of March 31, 2018	\$33,282	\$35,210	\$(4,739)	\$1,116,317	\$ 54,600	\$1,234,661	\$230,678	\$1,465,339
Comprehensive income:								
Profit	—	—	—	66,168	—	66,168	38,481	104,649
Other comprehensive income	—	—	—	—	(19,029)	(19,029)	3,766	(15,254)
Total comprehensive income	—	—	—	66,168	(19,029)	47,148	42,247	89,395
Total transactions with owners:								
Increase (decrease) in treasury shares	—	—	(0)	—	—	(0)	—	(0)
Dividends	—	—	—	(26,381)	—	(26,381)	(19,984)	(46,365)
Transfer from other components of equity to retained earnings	—	—	—	396	(396)	—	—	—
Total transactions with owners	—	—	(0)	(25,984)	(396)	(26,381)	(19,984)	(46,365)
Balance as of March 31, 2019	\$33,282	\$35,210	\$(4,748)	\$1,156,501	\$ 35,183	\$1,255,428	\$252,942	\$1,508,370

Note: U.S. dollar amounts have been translated from yen, for convenience only, at the rate of ¥110.99=U.S.\$1, the approximate exchange rate as of March 31, 2019.

Consolidated Statement of Income

Nissin Kogyo Co., Ltd. and Consolidated Subsidiaries
Years ended March 31, 2018 and 2019

	Millions of yen		Thousands of U.S. dollars
	2018	2019	2019
Sales	¥ 188,221	¥ 189,693	\$ 1,709,100
Cost of sales	(162,819)	(162,228)	(1,461,645)
Gross profit	25,402	27,465	247,455
Selling, general and administrative expenses	(11,051)	(10,843)	(97,693)
Other income	1,266	533	4,802
Other expenses	(2,455)	(855)	(7,703)
Operating profit	13,162	16,301	146,869
Finance income	1,676	1,788	16,110
Finance costs	(990)	(135)	(1,216)
Share of profit (loss) of entities accounted for using the equity method	(15,021)	(1,397)	(12,587)
Profit (loss) before income tax	(1,173)	16,556	149,167
Income tax expense	(3,536)	(4,941)	(44,518)
Profit (loss)	¥ (4,708)	¥ 11,615	\$ 104,649
Profit (loss) attributable to:			
Owners of the parent	(8,717)	7,344	66,168
Non-controlling interests	4,008	4,271	38,481
Profit (loss)	¥ (4,708)	¥ 11,615	\$ 104,649
Earnings (losses) per share:			
Basic earnings (losses) per share (yen)	¥ (133.97)	¥ 112.88	\$ 1.02

Note: U.S. dollar amounts have been translated from yen, for convenience only, at the rate of ¥110.99=U.S.\$1, the approximate exchange rate as of March 31, 2019.

Consolidated Statement of Comprehensive Income

Nissin Kogyo Co., Ltd. and Consolidated Subsidiaries
Years ended March 31, 2018 and 2019

	Millions of yen		Thousands of U.S. dollars
	2018	2019	2019
Profit (loss)	¥(4,708)	¥11,615	\$104,649
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Financial assets valued at fair value through other comprehensive income	1,182	(1,798)	(16,200)
Remeasurements of defined benefit plans	33	(10)	(90)
Other, net	33	72	649
Total other comprehensive income that will not be reclassified to profit or loss, net of taxes	1,248	(1,737)	(15,650)
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	(1,944)	110	991
Share of other comprehensive income of entities accounted for using the equity method	124	(67)	(604)
Total other comprehensive income that may be reclassified to profit or loss, net of taxes	(1,820)	43	387
Other comprehensive income, net of taxes	(572)	(1,693)	(15,254)
Total comprehensive income	¥(5,280)	¥ 9,922	\$ 89,395
Total comprehensive income attributable to:			
Owners of the parent	¥(8,597)	¥ 5,233	\$ 47,148
Non-controlling interests	3,317	4,689	42,247
Total comprehensive income	¥(5,280)	¥ 9,922	\$ 89,395

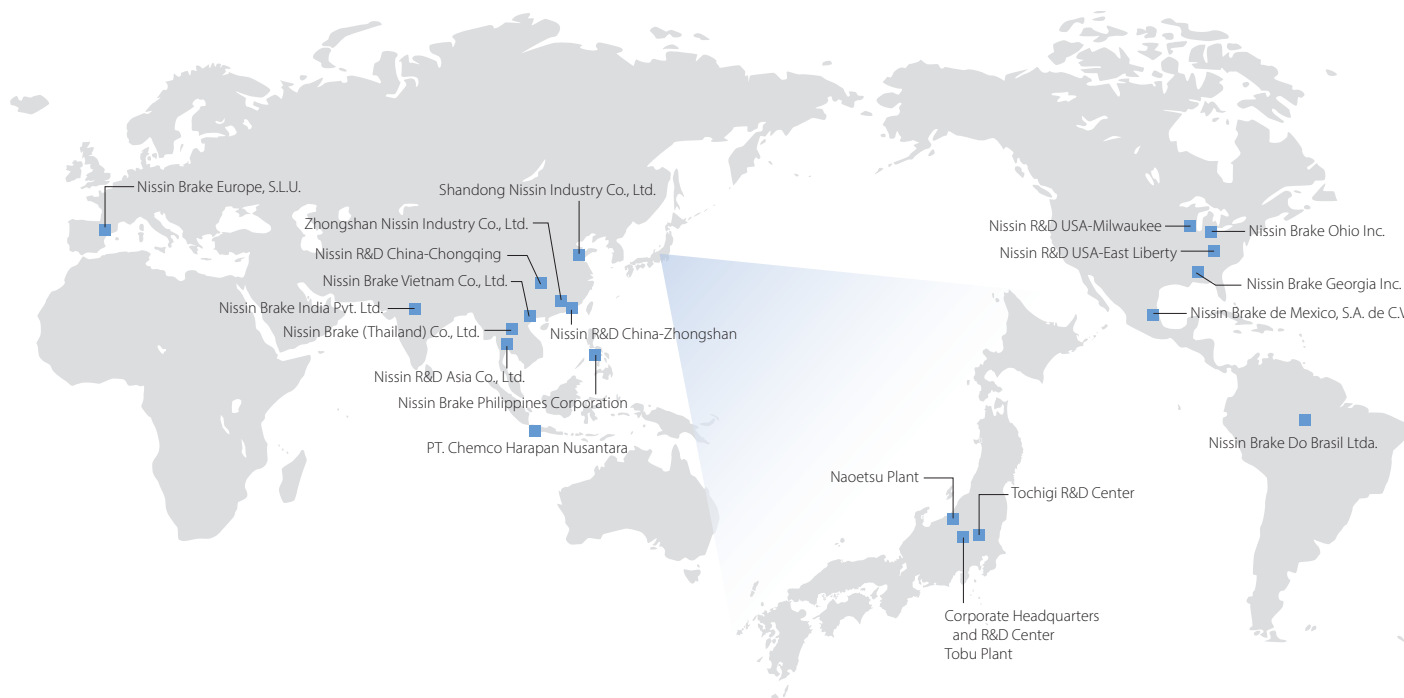
Note: U.S. dollar amounts have been translated from yen, for convenience only, at the rate of ¥110.99=U.S.\$1, the approximate exchange rate as of March 31, 2019.

Consolidated Statement of Cash Flows

Nissin Kogyo Co., Ltd. and Consolidated Subsidiaries
Years ended March 31, 2018 and 2019

	Millions of yen		Thousands of U.S. dollars
	2018	2019	2019
Cash flows from operating activities:			
Profit (loss) before income tax	¥ (1,173)	¥ 16,556	\$ 149,167
Depreciation and amortization expense	9,638	9,579	86,305
Impairment loss	1,735	78	703
Finance cost (income)	(1,573)	(1,686)	(15,191)
Share of (profit) loss of entities accounted for using the equity method	15,021	1,397	12,587
Increase (decrease) in provisions and net defined benefit liability	1,032	(716)	(6,451)
(Increase) decrease in trade and other receivables	(1,352)	370	3,334
(Increase) decrease in inventories	(2,018)	(1,250)	(11,262)
Increase (decrease) in trade and other payables	1,721	(2,214)	(19,948)
Other, net	326	(1,189)	(10,713)
Subtotal	23,358	20,926	188,540
Interest and dividends received	1,676	1,788	16,110
Interest paid	(77)	(94)	(847)
Income taxes (paid) refund	(3,112)	(5,136)	(46,274)
Net cash flows from (used in) operating activities	21,845	17,484	157,528
Cash flows from investing activities:			
Net (increase) decrease in time deposits	(2,332)	(7,642)	(68,853)
Purchase of property, plant and equipment	(10,192)	(10,410)	(93,792)
Proceeds from sale of property, plant and equipment	145	65	586
Purchase of intangible assets	(249)	(382)	(3,442)
Cash advances and loans made to other parties	—	(43)	(387)
Other, net	161	95	856
Net cash flows from (used in) investing activities	(12,467)	(18,317)	(165,033)
Cash flows from financing activities:			
Net increase (decrease) in short-term borrowings	(1,964)	1,468	13,226
Proceeds from long-term bank loans	777	661	5,955
Repayments of long-term bank loans	(475)	(1,031)	(9,289)
Dividends paid to owners of the parent	(2,928)	(2,928)	(26,381)
Dividends paid to non-controlling shareholders	(2,117)	(2,218)	(19,984)
Other, net	(3)	(4)	(36)
Net cash flows from (used in) financing activities	(6,710)	(4,052)	(36,508)
Effect of exchange rate changes on cash and cash equivalents	(539)	(257)	(2,316)
Net increase (decrease) in cash and cash equivalents	2,129	(5,142)	(46,328)
Cash and cash equivalents at beginning of period	38,541	40,669	366,420
Cash and cash equivalents at end of period	¥ 40,669	¥ 35,527	\$ 320,092

Note: U.S. dollar amounts have been translated from yen, for convenience only, at the rate of ¥110.99=U.S.\$1, the approximate exchange rate as of March 31, 2019.



[Domestic]

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[Overseas]

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Zhongshan Nissin Industry Co., Ltd.

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Tel: +91-1494-246733

Corporate Data

(As of March 31, 2019)

Name: NISSIN KOGYO CO., LTD.

Established: October 1953

Paid-In Capital: ¥3,694 billion

Employees: 10,325

Directors and Corporate Auditors:

President

Yasushi Kawaguchi

Executive Director

Junya Takei

Managing Director

Kazuya Sato

Directors

Takayoshi Shinohara

Keiichi Kobayashi

Aiji Yamanaka

Masataka Fukui

Takaaki Taguchi

Statutory Corporate Auditors

Kiyoshi Sakashita

Takanobu Watanabe

Corporate Auditors

Hiroyuki Negishi

Heiji Saito

Total Shares Issued and Outstanding: 65,452,143

Number of Shareholders: 16,752

Stock Listing: Tokyo Stock Exchange, First Section

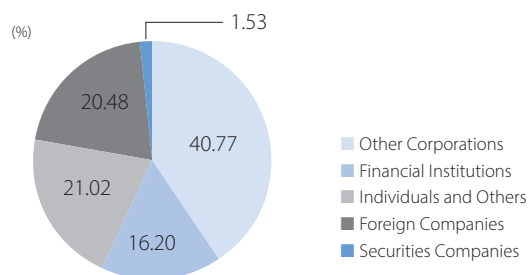
Stock Code: 7230

Transfer Agent:

Sumitomo Mitsui Trust Bank, Limited

1-4-1, Marunouchi, Chiyoda-ku, Tokyo, Japan

Shareholdings by Shareholder Type:



Principal Shareholders:

Name	Shareholding (Thousands of shares)	Percentage of total shares outstanding (%)
Honda Motor Co., Ltd.	22,682	34.86
Daishin Sangyo Co., Ltd.	3,398	5.22
Japan Trustee Services Bank, Ltd. (Trust Account)	2,235	3.43
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,149	3.37
SSBTC CLIENT OMNIBUS ACCOUNT	1,994	3.06
Naoya Miyashita	1,963	3.01
Japan Trustee Services Bank, Ltd. (Trust Account 9)	1,403	2.15
Northern Trust Co. (AVFC) RE-HCR00	944	1.45
DFA INTL SMALL CAP VALUE PORTFOLIO	727	1.11
Japan Trustee Services Bank, Ltd. (Trust Account 5)	727	1.11



NISSIN KOGYO CO., LTD.

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<http://www.nissinkogyo.co.jp>