



Aluminum lightens the world

アルミでかなえる、軽やかな世界

Results Briefing for Fiscal 2020 (FY2020*)

* Throughout this document, FY2020 refers to the fiscal year ended March 31, 2021.

May 12, 2021

UACJ Corporation



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1. Results for FY2020



Overview of Results for FY2020

Ordinary income: ¥6.0 billion (up ¥2.2 billion YoY)

Sales volume: Flat YoY

- Growth in demand for can stock from UATH*¹ (Thailand) and TAA*² (United States)
- Although demand from transportation equipment manufacturers, centered on automakers, recovered through 2H, the impact of the slump in 1H resulted in a YoY decline

Ordinary income: Up ¥2.2 billion YoY

Positive factors

- Improvement in UATH's performance
- Improvement in TAA's performance
- Upturn in inventory valuation

Negative factors

- Decrease in sales as a result of COVID-19
- Changes in sales product mix

*1 UACJ (Thailand) Co., Ltd.

*2 Tri-Arrows Aluminum Holding Inc.

Results for FY2020

| (Billions of yen) | FY2019 Full-Year (A) | FY2020 Full-Year (B) | Change (B) – (A) |
|---|----------------------------|----------------------------|---------------------|
| Net sales | 615.1 | 569.8 | (45.3) |
| Operating income | 10.1 | 11.1 | 1.0 |
| Ordinary income before inventory valuation impact | 9.8 | 6.2 | (3.6) |
| Inventory valuation impact | (6.0) | (0.2) | 5.8 |
| Ordinary income | 3.8 | 6.0 | 2.2 |
| Net income* | 2.0 | (3.3) | (5.3) |
| Adjusted EBITDA** | 47.3 | 44.7 | (2.6) |

* Net income: Net income attributable to owners of the parent

** Adjusted EBITDA: EBITDA excluding the impact of inventory valuation

Sales and Operating Income by Segment

| (Billions of yen) | FY2019 Full-Year (A) | | FY2020 Full-Year (B) | | Change (B) – (A) | |
|--|-------------------------|---------------------|-------------------------|---------------------|---------------------|---------------------|
| | Sales | Operating income | Sales | Operating income | Sales | Operating income |
| Flat-rolled products | 503.8 | 12.5 | 477.8 | 17.2 | (26.0) | 4.7 |
| Precision- machined components and related business | 188.8 | 3.1 | 165.1 | (0.6) | (23.7) | (3.7) |
| Wrought copper products | 22.9 | 0.4 | - | - | (22.9) | (0.4) |
| (Adjustment) | (100.3) | (5.9) | (73.1) | (5.4) | 27.2 | 0.5 |
| Total | 615.1 | 10.1 | 569.8 | 11.1 | (45.3) | 1.0 |

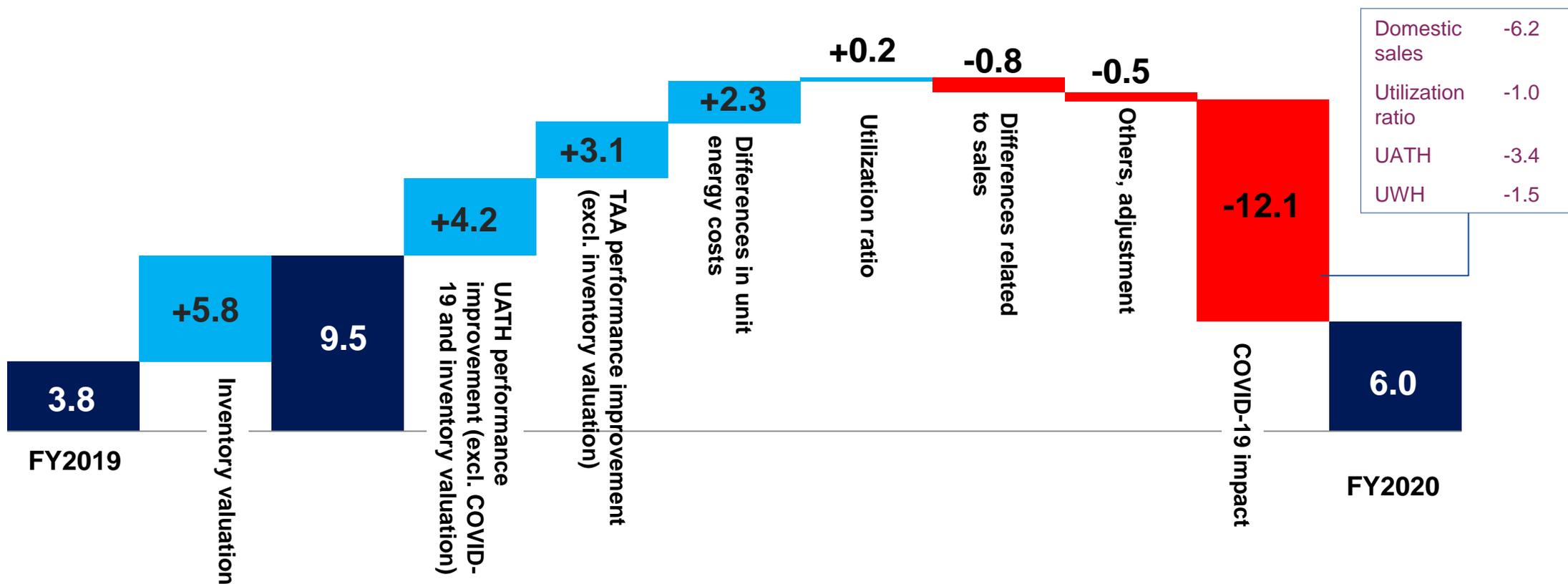
Sales Volume, Flat Rolled Products

| | FY2019 Full-Year (A) | FY2020 Full-Year (B) | Change (B) – (A) |
|---------------------------------|--|--|--|
| Can stock | 659 | 693 | 34 |
| Foil | 44 | 52 | 8 |
| IT | 17 | 25 | 8 |
| Automotive materials | 152 | 123 | (29) |
| Thick plates | 39 | 42 | 3 |
| Other general-purpose materials | 199 | 180 | (19) |
| Total | 1,110 (For Japanese market: 483 For overseas market: 627) | 1,113 (For Japanese market: 441 For overseas market: 673) | 3 (For Japanese market: (43) For overseas market: 46) |

Analysis of Consolidated Ordinary Income (FY2019 → FY2020)

¥3.8 billion (FY2019) → ¥6.0 billion (FY2020)

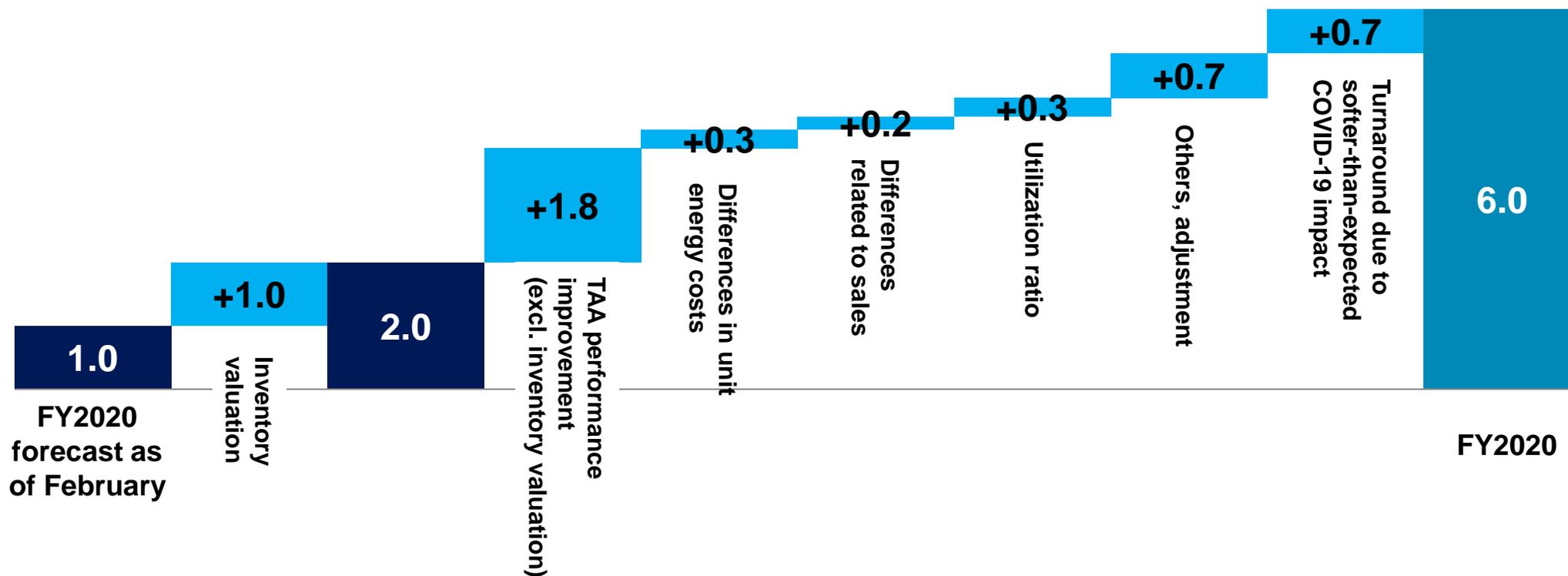
(Billions of yen)



Analysis of Consolidated Ordinary Income (Forecast as of Feb. FY2020 → FY2020 Full-Year)

¥1.0 billion (Forecast as of Feb.) → ¥6.0 billion (FY2020 Full-Year)

(Billions of yen)



Consolidated Balance Sheet

Total assets decreased by ¥19.8 billion due to a decrease in inventories as a result of careful selection of capital investments and the implementation of structural reforms.

| | March 31, 2020 | March 31, 2021 | Change from March 31, 2020 | (Billions of yen) |
|--|----------------|----------------|----------------------------|--|
| Cash and deposits | 28.7 | 28.1 | (0.7) | |
| Notes and accounts receivable – trade | 100.9 | 120.0 | 19.1 | |
| Inventories | 135.9 | 131.7 | (4.2) | Drew down inventories to improve free cash flow |
| Other current assets | 23.3 | 14.8 | (8.6) | |
| Noncurrent assets | 425.5 | 400.3 | (25.2) | Noncurrent assets down due to careful screening of capital expenditures |
| Investments and other assets | 38.4 | 38.1 | (0.3) | |
| Total assets | 752.8 | 733.0 | (19.8) | Total assets down due to the sale of business (results of structural reforms) |
| Notes and accounts payable – trade | 96.0 | 101.1 | 5.1 | |
| Short-term loans payable | 107.8 | 110.0 | 2.2 | |
| Long-term loans payable | 236.2 | 225.7 | (10.5) | |
| Other | 110.0 | 99.7 | (10.3) | |
| Total shareholders' equity | 182.8 | 177.5 | (5.3) | |
| Accumulated other comprehensive income, non-controlling assets | 20.0 | 19.0 | (1.0) | |
| Total liabilities and net assets | 752.8 | 733.0 | (19.8) | |

Consolidated Cash Flow Statement

We maintained positive free cash flows despite COVID-19

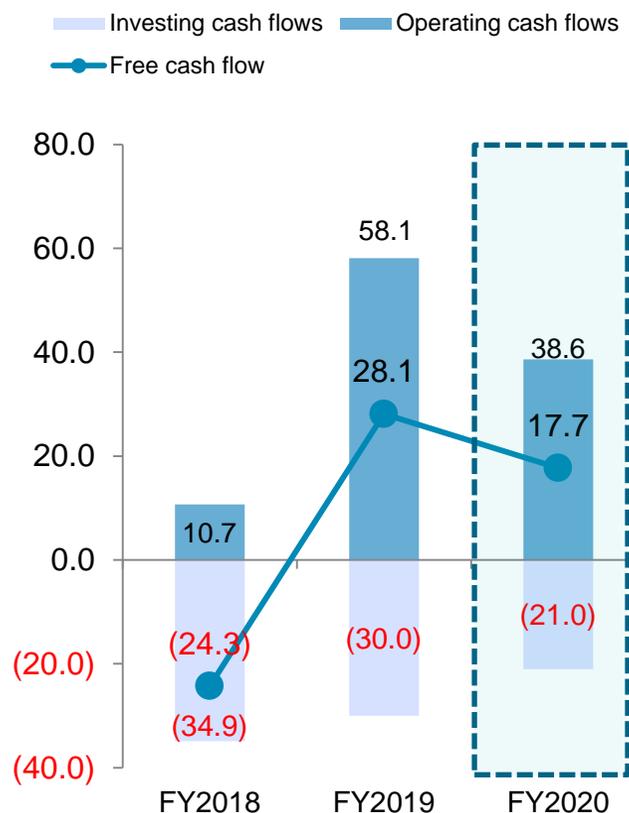
Consolidated Cash Flows in FY2020

(Billions of yen)

| | |
|--|---------------|
| Income before income taxes | 3.47 |
| Depreciation and amortization (including goodwill) | 33.40 |
| Change in receivables and payables | 1.75 |
| Cash flows from operations | 38.62 |
| Capital expenditures | (23.16) |
| Sale of shares in subsidiary due to change in scope of consolidation | 2.21 |
| Free cash flow | 17.67 |
| Dividends | (1.69) |
| Other financing cash flows | (7.46) |
| Decrease (increase) in cash and deposits | (0.3) |
| Increase in interest-bearing debt | (8.22) |

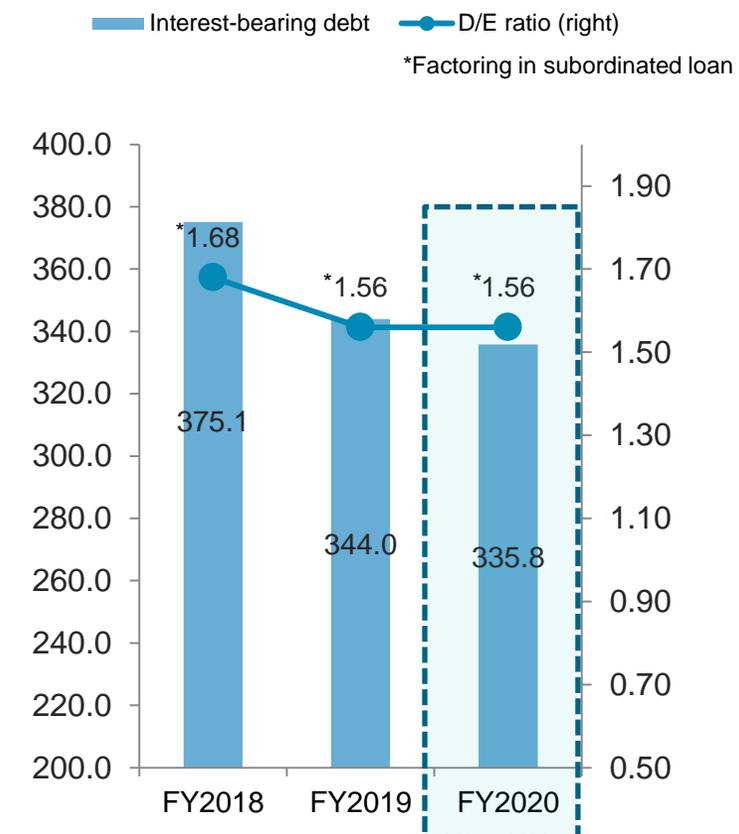
Consolidated Cash Flows

(Billions of yen)



Interest-Bearing Debt, D/E Ratio

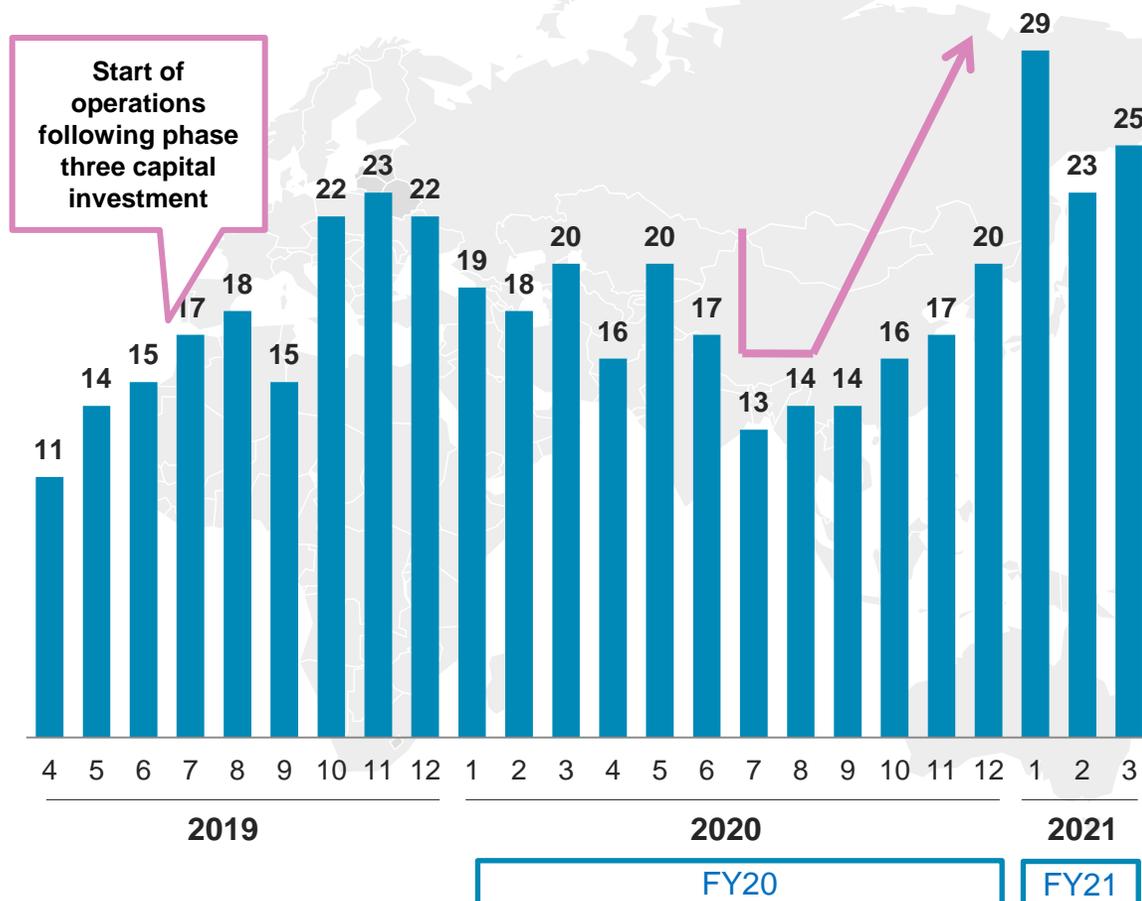
(Billions of yen)



Situation in Thailand (UATH) – Overview of FY2020

Sales volume rose, as the impact of COVID-19 bottomed out in Q3 and demand was robust from January 2021

Monthly sales volume at UATH
(thousands of tons)



FY2020 overview

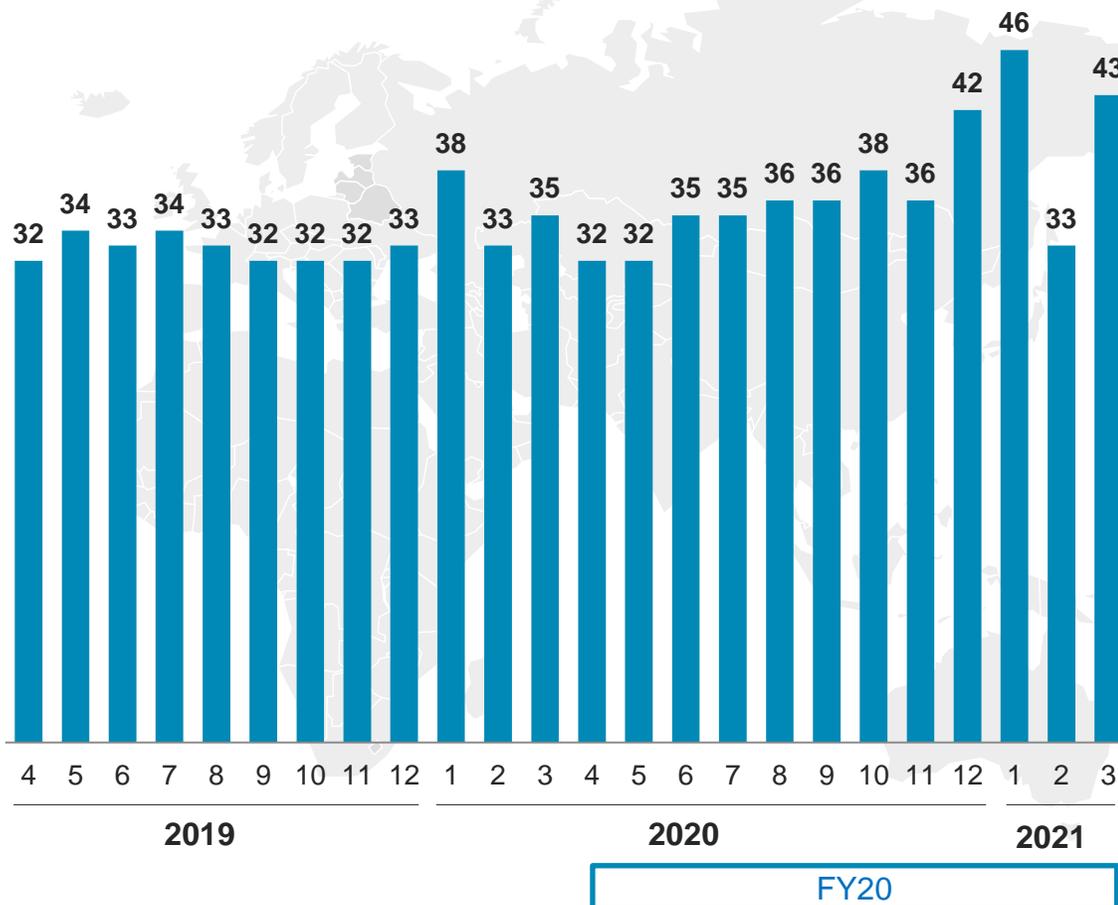
- Demand for can stock : The impact of the slump in sales caused by COVID-19 bottomed out in the third quarter and has been recovering since the fourth quarter. Since January 2021, strong global demand for can stock has provided a tailwind, leading to a significant increase in sales.
- Production volume : Approx. 212,000 tons/year (Jan. 2020 – Dec.2020)
Approx. 28,000 tons/month (Q1 FY2021)
- Sales volume : Approx. 203,000 tons/year (Jan. 2020 – Dec.2020)
- Profit :

| | (Billions of yen) | | |
|--|-------------------|--------------|--------------|
| | FY2019 | FY2020 | YoY |
| Sales | 69.1 | 64.1 | (5.0) |
| Operating income (loss) | (3.3) | (3.0) | 0.3 |
| Ordinary income (loss) | (4.5) | (4.8) | (0.3) |
| Ordinary income (loss) before inventory valuation impact | (4.8) | (4.0) | 0.8 |

Situation in the United States (TAA) – Overview of FY2020

Sales and income rose, buoyed by robust North American demand for can stock despite the impact of COVID-19

Monthly sales volume at TAA
(thousands of tons)



FY2020 overview

- Demand for can stock : Demand environment remained robust
- Production volume : Approx. 444,000 tons/year (Apr.2020 – Mar.2021)
- Sales volume : Operational start of network for producing Apr.2021 Approx. 450,000 tons/year

| | (Billions of yen) | | |
|--|-------------------|-------------|------------|
| | FY2019 | FY2020 | YoY |
| Sales | 130.4 | 142.0 | 11.6 |
| Operating income (loss) | 5.4 | 13.0 | 7.6 |
| Ordinary income (loss) | 2.9 | 10.8 | 7.9 |
| Ordinary income (loss) before inventory valuation impact | 5.7 | 8.9 | 3.2 |

2. Full-Year Forecast for FY2021



Full-Year Forecast for FY2021

| (Billions of yen) | FY2020 Full-Year (A) | FY2021 Full-Year Forecast (B) | Change (B) – (A) |
|---|-------------------------|----------------------------------|---------------------|
| Net sales | 569.8 | 660.0 | 90.2 |
| Operating income | 11.1 | 22.0 | 10.9 |
| Ordinary income before inventory valuation impact | 6.2 | 9.9 | 3.7 |
| Inventory valuation impact | (0.2) | 6.1 | 6.3 |
| Ordinary income | 6.0 | 16.0 | 10.0 |
| Net income* | (3.3) | 8.0 | 11.3 |
| Adjusted EBITDA** | 447 | 50.8 | 6.1 |
| Annual dividends | - | 40yen/share | |

* Net income: Net income attributable to owners of the parent

** Adjusted EBITDA: EBITDA excluding the impact of inventory valuation

Sales and Operating Income by Segment

| | FY2020 Full-Year (A) | | FY2021 Full-Year Forecast (B) | | Change (B) – (A) | |
|--|-------------------------|---------------------|----------------------------------|---------------------|---------------------|---------------------|
| | Sales | Operating income | Sales | Operating income | Sales | Operating income |
| Flat-rolled products | 477.8 | 17.2 | 592.0 | 26.6 | 114.2 | 9.4 |
| Precision- machined components and related business | 165.1 | (0.6) | 148.0 | 0.9 | (17.1) | 1.5 |
| (Adjustment) | (73.1) | (5.4) | (80.0) | (5.5) | (6.9) | (0.1) |
| Total | 569.8 | 11.1 | 660.0 | 22.0 | 90.2 | 10.9 |

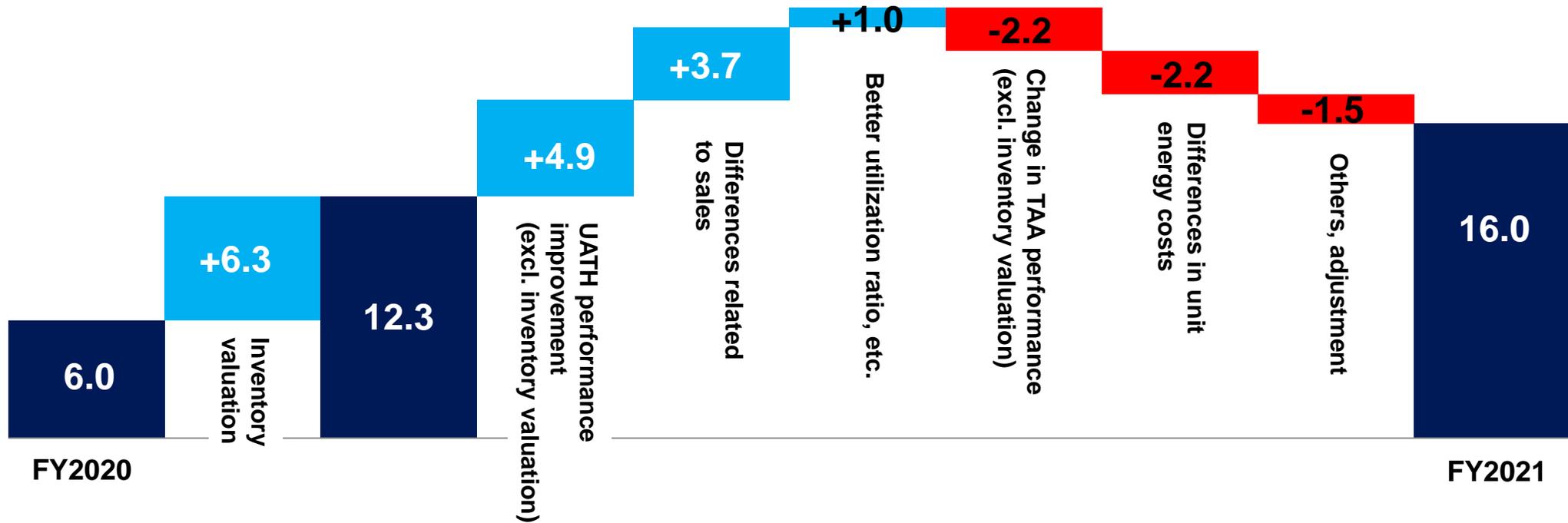
Sales Volume, Flat Rolled Products

| | FY2020 Full-Year (A) | FY2021 Forecast (B) | Change (B) – (A) |
|---------------------------------|--|--|---|
| Can stock | 693 | 845 | 152 |
| Foil | 52 | 59 | 7 |
| IT | 25 | 19 | (6) |
| Automotive materials | 123 | 155 | 32 |
| Thick plates | 42 | 49 | 7 |
| Other general-purpose materials | 180 | 201 | 21 |
| Total | 1,113 (For Japanese market: 441 For overseas market: 673) | 1,328 (For Japanese market: 505 For overseas market: 824) | 215 (For Japanese market: 64 For overseas market: 151) |

Analysis of Consolidated Ordinary Income (FY2020 Full-Year → FY2021 Full-Year Forecast)

¥6.0 billion (FY2020 Full-Year) → ¥16.0 billion (FY2021 Full-Year Forecast)

(Billions of yen)



Capital Investment and Depreciation and Amortization

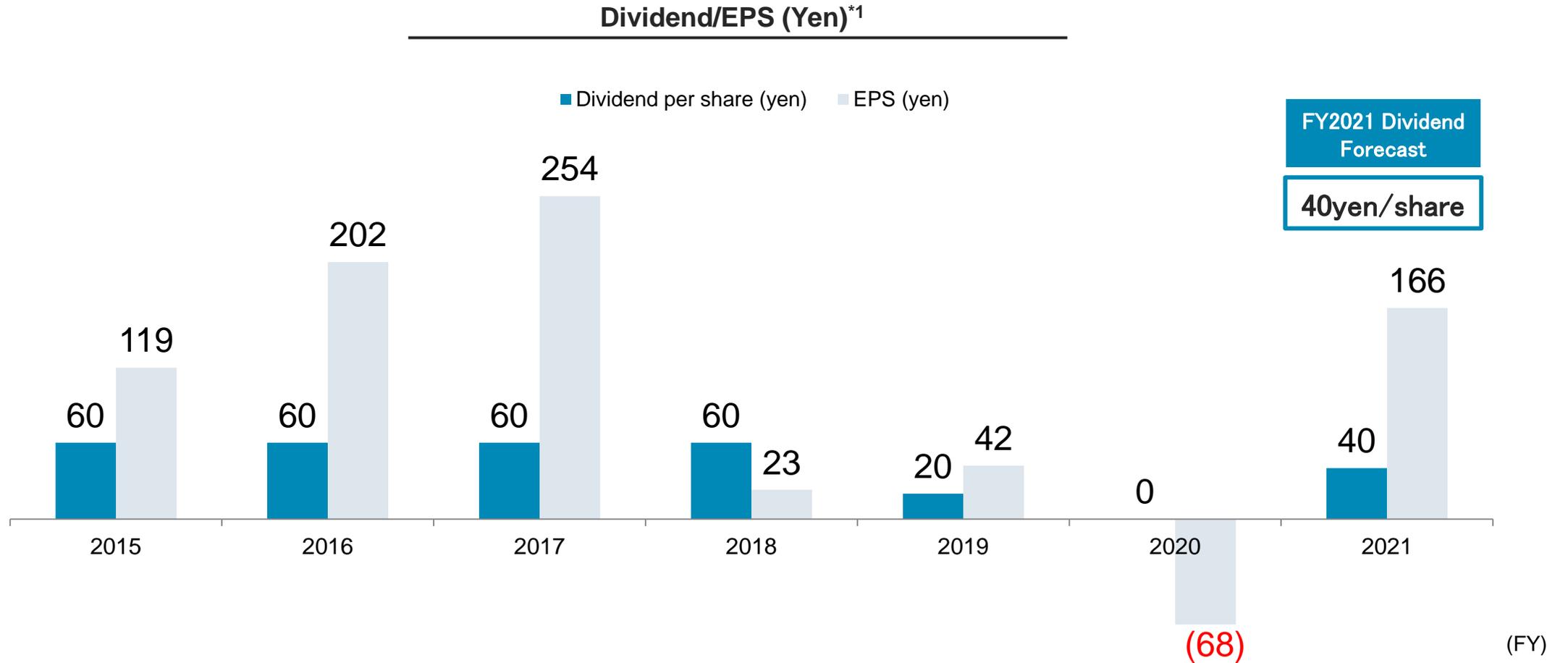
Strategic investments will be completed in FY2019, and capital investments will be made within the scope of depreciation and amortization.

(Billions of yen)

| | | FY2020 Full-Year | FY2021 Forecast |
|-------------------------------|----------------------|------------------|-----------------|
| Capital investment | General investment | 10.9 | 21.0 |
| | Strategic investment | 7.2 | 8.8 |
| | Total | 18.1 | 29.8 |
| Depreciation and amortization | | 33.4 | 34.9 |

Shareholder Return

Total Shareholder Return : Focusing on paying a stable and continuous dividend and enhancing shareholder value.

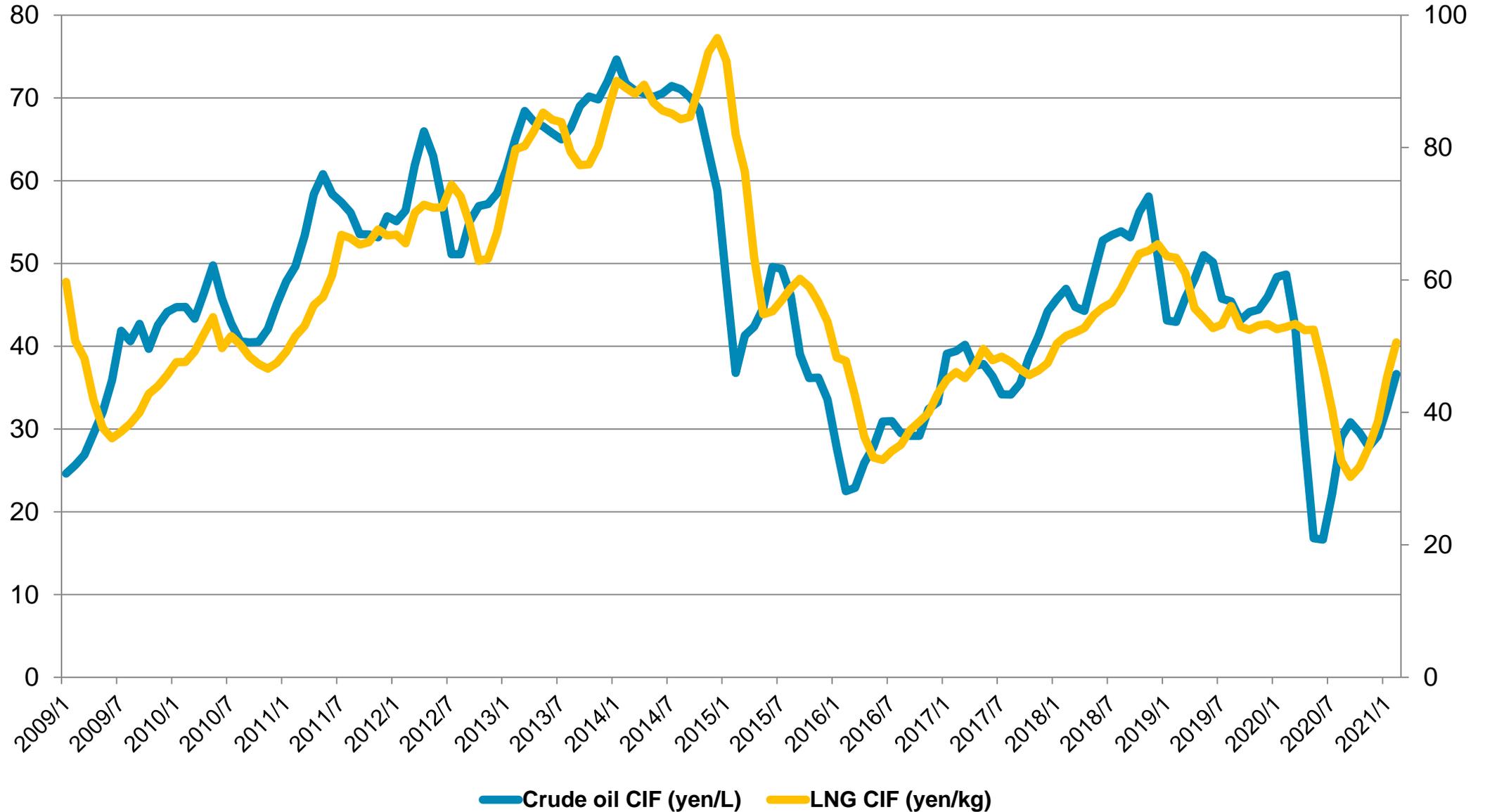


*1 After the reverse stock split on October 1, 2017

3. Reference Data

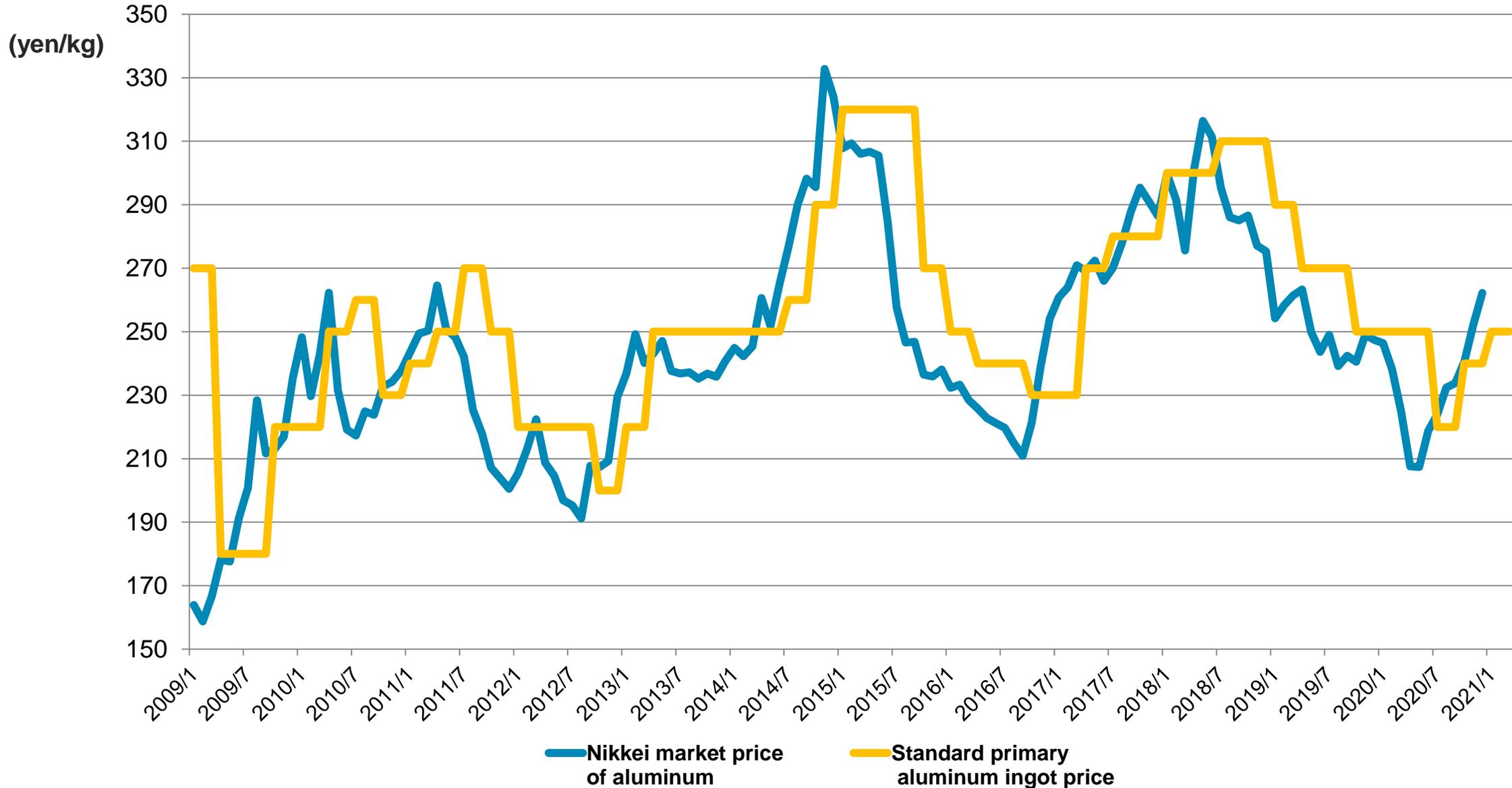


Unit Fuel Costs



3. Reference Data

Nikkei Average Primary Ingot Price/Standard Primary Aluminum Ingot Price



Assumptions and Sensitivities

| | FY2019 (actual) | FY2020 (Mar. 31) | FY2021 Forecast | Sensitivity on ordinary income |
|--|--------------------|---------------------|--------------------|--|
| Nikkei average price of aluminum (¥/kg) | 245 | 243 | 288 | ¥10/kg rise → +¥2.0-¥3.0 billion/year |
| LME (\$) | 1,749 | 1,802 | 2,100 | \$100/t rise → +¥2.2-¥3.5 billion/year |
| Foreign exchange (¥/\$) | 109 | 106 | 108 | Almost no impact |
| (¥/Thai baht) | 3.5 | 3.4 | 3.5 | <ul style="list-style-type: none"> Fuel and additional metal cost: become positive by stronger yen Rolling margin, forex conversion: become positive by weaker yen |
| Crude oil (Dubai: \$) | 60 | 45 | 63 | \$10 increase → Approx. ¥(1.0)-¥(1.5) billion/year |

Cautionary note concerning forward-looking statements

This presentation contains various forward-looking statements that are based on current expectations and assumptions of future events. All figures and statements with respect to the future performance, projections and business plans of UACJ and its Group companies constitute forward-looking statements. Although UACJ's management believes that its expectations and assumptions are reasonable, actual results and trends in UACJ's performance could differ from those expressed or implied by figures or statements herein due to exchange rate movements fluctuations, and uncertainties in future business circumstances, and other factors.

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IR Department, Finance Headquarters
TEL: +81-3-6202-3603 FAX: +81-3-6202-2023
URL: <http://www.uacj.co.jp/english>
(Tokyo Stock Exchange, First Section, Code: 5741)