

We are the doctor of
your invisible air.



きれいにしよう日本の空を

日本空調サービス株式会社

Nippon Air Conditioning Services Co., Ltd.

2nd Quarter of Fiscal year ended March 2020
Financial Results Reference Materials

November 2019

TSE 1st section, NSE 1st section: 4658

I. Overview and Strength of Nippon Air Conditioning Group

II. Results Highlights

III. 2019 Five-Year Mid-Term Management Plan

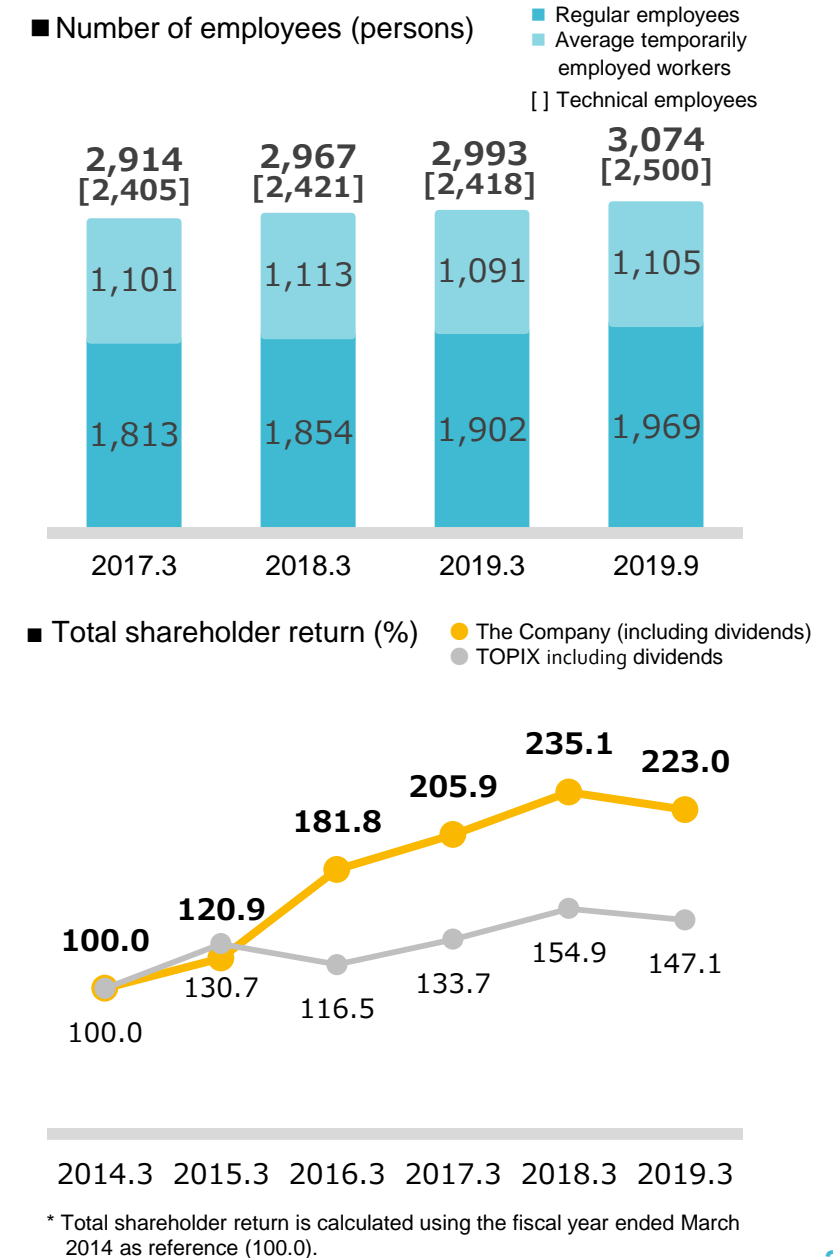
IV. Stock-Related Information

Company overview		
Establishment	April 28, 1964	
Head office	239-2 Terugaoka, Meito-ku Nagoya-shi, Aichi Japan	
Capital stock	¥1,139 million	
Business description	General building facility maintenance service	
Number of employees	Consolidated 3,074	Non-consolidated 2,128
Net sales	Consolidated ¥46.3 billion	Non-consolidated ¥33.1 billion
Number of bases	Domestic 81 bases	Overseas 11 bases

* Number of employees is as of end of September 2019.
 * For net sales, the number in the fiscal year ended March 2019 is used.
 * For number of bases, the number as of end of April 2019 (consolidated, based on address) is used.

Stock-related information	
Stock price	¥712
Total market capitalization	¥24.9 billion
Dividends	¥25 per share
Dividend payout ratio	50.1%
Dividend yield	3.51%
Number of shareholders	5,621
PER	14.28x (EPS: ¥49.87)
PBR	1.46x (BPS: ¥486.83)
ROE	10.8%

* For stock price and total market capitalization, closing price as of November 8, 2019 is used.
 * For dividends, dividend payout ratio and dividend yield, predicted dividend-related numbers for the fiscal year ending March 2020 are used.
 * Number of shareholders is as of end of September 2019.
 * For PER, predicted number as of fiscal year ending March 2020, and for PBR and ROE actual number in the fiscal year ended March 2019 are used.



To make all our stakeholders happier



Creation of social value

Management philosophy

**Bringing together the technological capabilities and human resources
to maintain optimal environments and give our clients peace of mind
through top quality service.**



Creation of economic value

■ Creation of social value

Management philosophy
Bringing together the technological capabilities and human resources to maintain optimal environments and give our clients peace of mind through top quality service.

Our Group offers comprehensive building facility support. While the main focus of our company is maintenance, management, environmental facility diagnosis, and solution proposals for building facilities, we also have a division that specializes in facility renovation. Making use of the technological capabilities cultivated through our core business of maintenance services, we will provide finely-tuned, customer-friendly services.

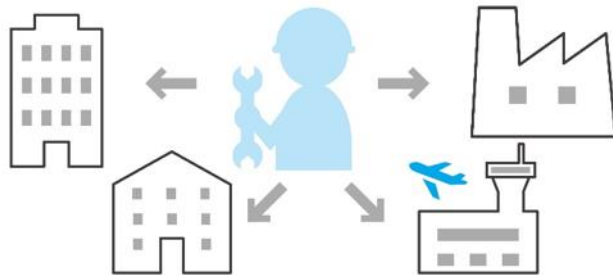
■ Business model



■ Business description (movie: 196sec)

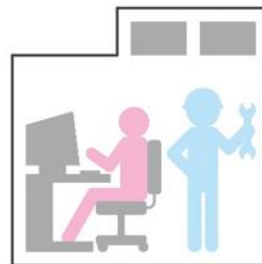
https://www.youtube.com/watch?v=NTCuT_037EE

PM Maintenance Preventive Maintenance



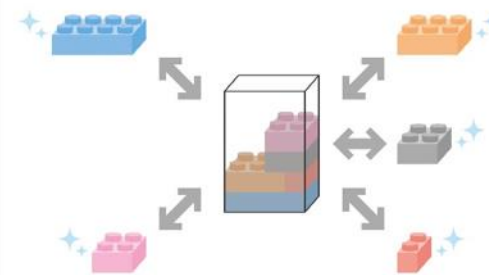
High quality maintenance utilising the most reliable technology to prevent mishaps.

FM Maintenance and management Facility Management



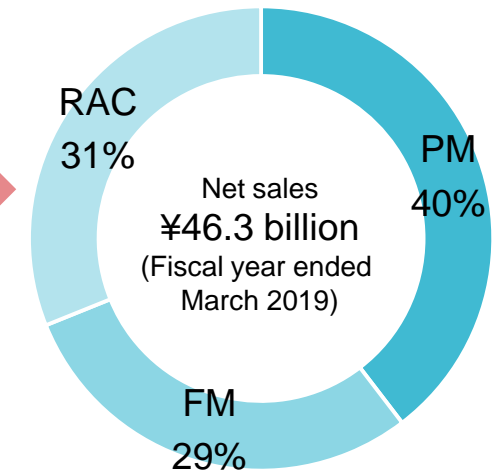
Maintaining the environment by always keeping a close eye on the facilities is another of our specialties.

RAC Design and construction Reform and Construction



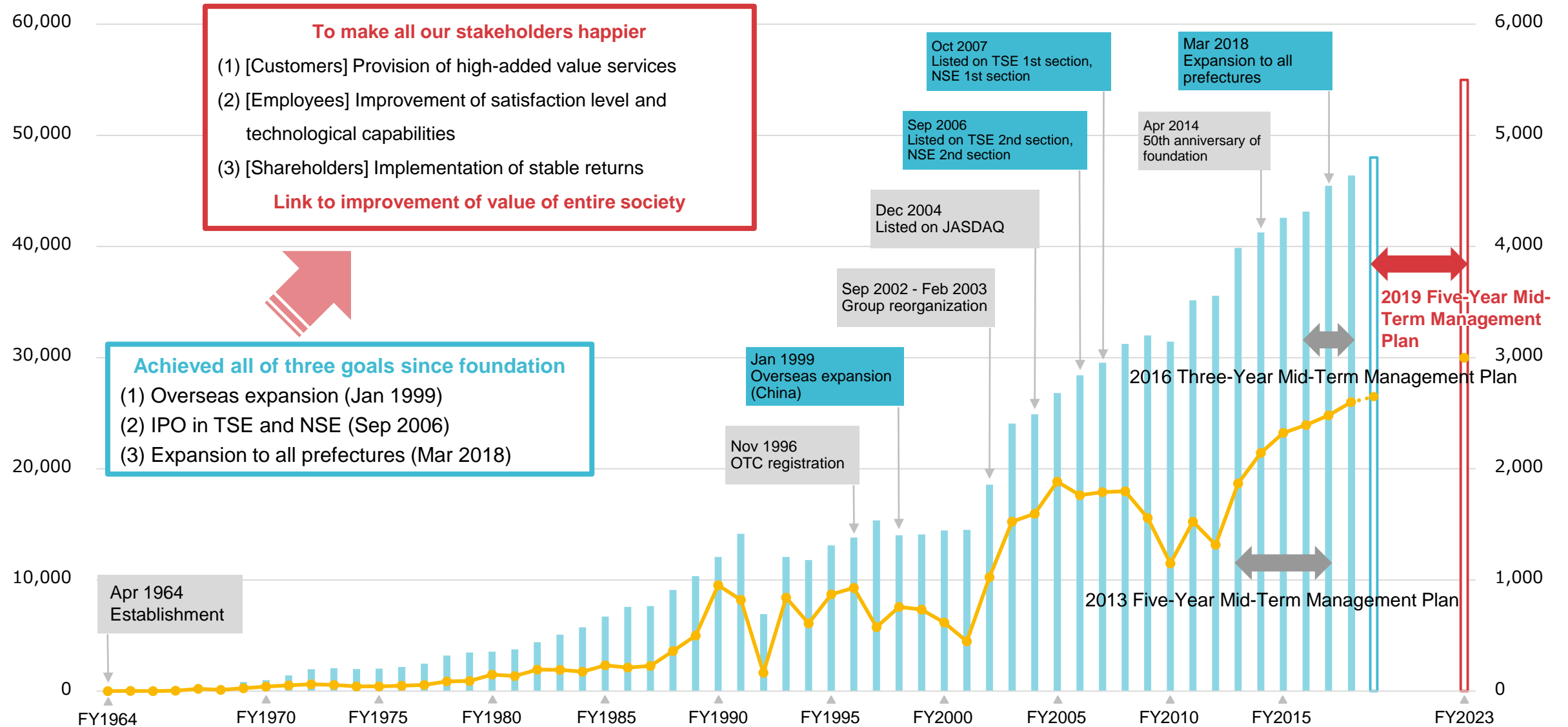
We propose optimal solutions for comfortable building environments.

■ Net sales composition by business division



■ Net sales and operating income changes since foundation (Millions of yen)

■ Net sales (left axis)
● Operating income (right axis)



* Accounts settlement period was irregular for FY1969 (6th fiscal year) and FY1992 (30th fiscal year), six months. * After OTC registration of stock in November 1996, we have been undergoing external audit.

I. Overview and Strength of Nippon Air Conditioning Group 5/9

■ Base information

- ★ Achieved expansion to all prefectures in March 2018 as for domestic aspects, and pushed spread of transactions with companies that have nationwide reach.
- ★ Overseas, **promoted aggressive new customer exploration to make into a new market**, with Japanese-related manufacturing plants as main customers.
- ★ Targeting **5% overseas operating income ratio** for the fiscal year ending March 2024 (the ratio in fiscal year ending March 2019: -1%)

Japan

- **Nippon Air Conditioning Services Co., Ltd.**
- Nippon Air Conditioning Systems Co., Ltd.
- Nippon Air Conditioning Hokuriku Co., Ltd.
- Nippon Air Conditioning Tohoku Co., Ltd.
- Nippon Air Conditioning Tokai Co., Ltd.
- Nikku Business Services Co., Ltd.
- E-TEC Japan Co., Ltd.

Net sales
691 million(①+②)

China (Suzhou)

- ① Jan 1999 (establishment)
Suzhou Nikku Suntec Electromechanical Technology Co., Ltd.
(Branch: Shanghai, Hangzhou, Wuxi, Nantong)

China (Shanghai)

- ② Oct 2011 (establishment)
Shanghai Nikku Suntec International Trading Co., Ltd.

Bangladesh

- ③ Aug 2015 (establishment)
NACS BD Co., Ltd.

Vietnam

- ⑧ Nov 2017 (bought stake)
NACS ENGINEERING VIETNAM CO., LTD.

Myanmar

- ⑨ Nov 2017 (bought stake)
NACS Engineering Myanmar Co., Ltd.

Thailand

- ⑥ Jun 2016 (establishment)
NACS TPS ENGINEERING CO., LTD.

Net sales **26 million**(⑥)

Other overseas net sales **16 million**
(③+⑦+⑧+⑨)

Malaysia

- ⑦ Mar 2017 (bought stake)
NIPPON KUCHO SERVICES (M) SDN. BHD.

Singapore

- ④ Nov 2015 (made into subsidiary)
Evar Air-conditioning & Engineering Pte Ltd
- ⑤ Mar 2016 (establishment)
NACS Singapore Pte. Ltd.

Net sales **255 million**(④+⑤)

Net sales
45,399 million
(Domestic)

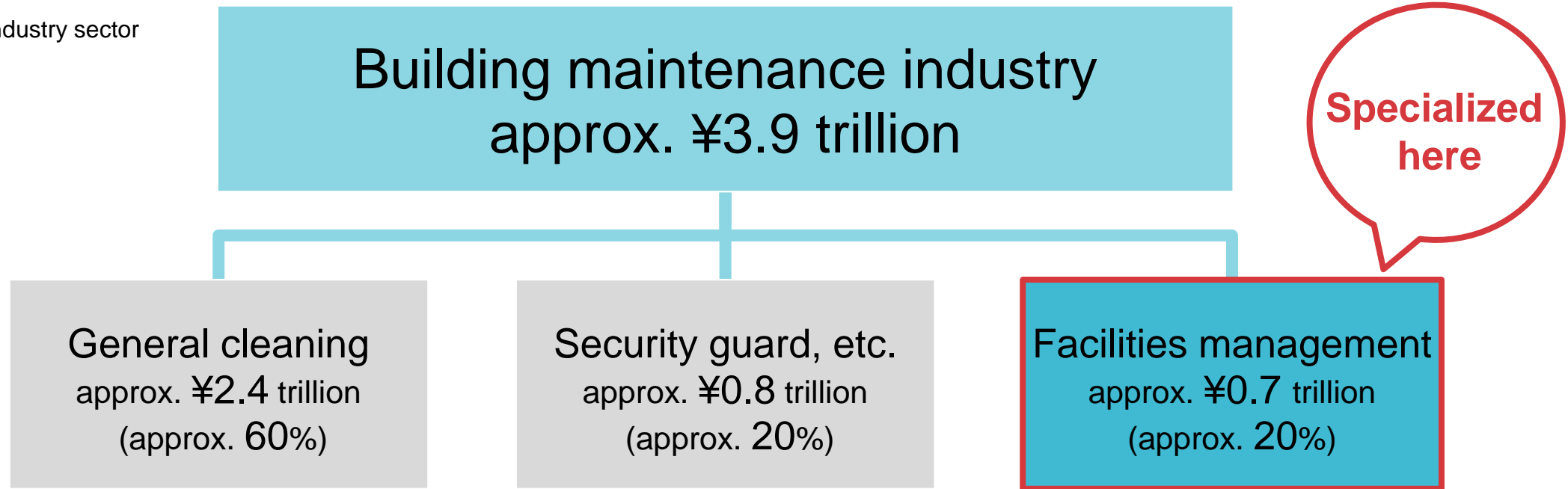
Overseas
9 companies,
11 bases

Domestic
7 companies,
81 bases

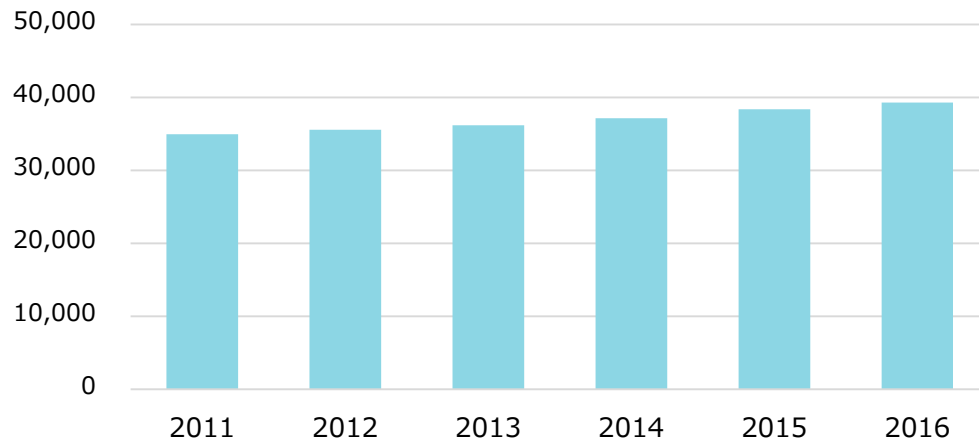
* Base information is presented as of end of April 2019.

* Numbers presented for domestic and overseas net sales are from the fiscal year ended March 2019.

■ Position in industry sector



■ Total sales for building maintenance industry (100 millions of yen)



* Calculated using estimated value of "total sales of industry for calendar year" "Overview of actual conditions survey for calendar year" of Japan Building Maintenance Association.

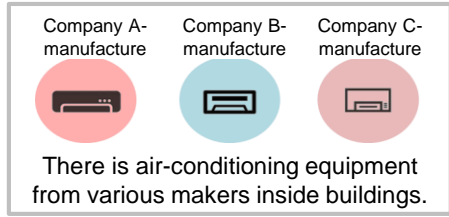
■ Comparison with other companies in the same business in building maintenance industry

	Total market capitalization	PER	PBR	ROE	Net sales	Operating income	Operating income to sales
Company A	¥190.9 billion	17.68x	2.61x	8.1%	¥302.9 billion	¥13.0 billion	4.3%
Company B	¥71.0 billion	14.49x	1.47x	9.5%	¥97.9 billion	¥6.3 billion	6.5%
The Company	¥24.9 billion	14.28x	1.46x	10.8%	¥46.3 billion	¥2.6 billion	5.6%
Company C	¥7.0 billion	6.57x	0.45x	8.6%	¥36.4 billion	¥1.9 billion	5.5%

* For total market capitalization of individual companies, closing price as of November 8, 2019 is used.

* For PER, predicted number as of fiscal year ending March 2020, and for PBR and ROE actual number in the fiscal year ended March 2019 are used.

1 As the Group is an **independent company group**, it is possible to handle any event, regardless of the maker.



No restrictions by makers

Quick response

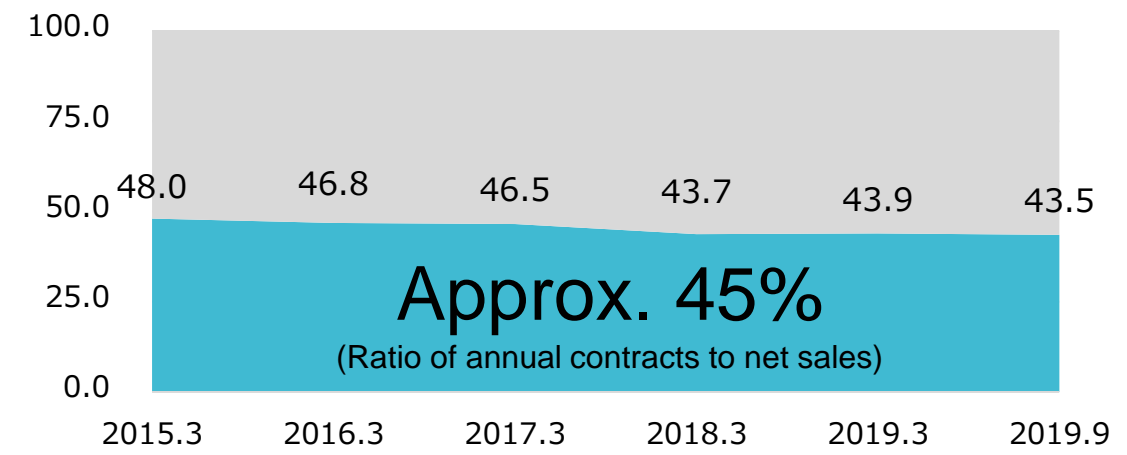


For equipment for any maker, **only NACS Group is the contact address.**

For inspection, maintenance and repairs, it is necessary to contact **each maker**.

2 **Almost half** of net sales **come from stable annual contracts.**

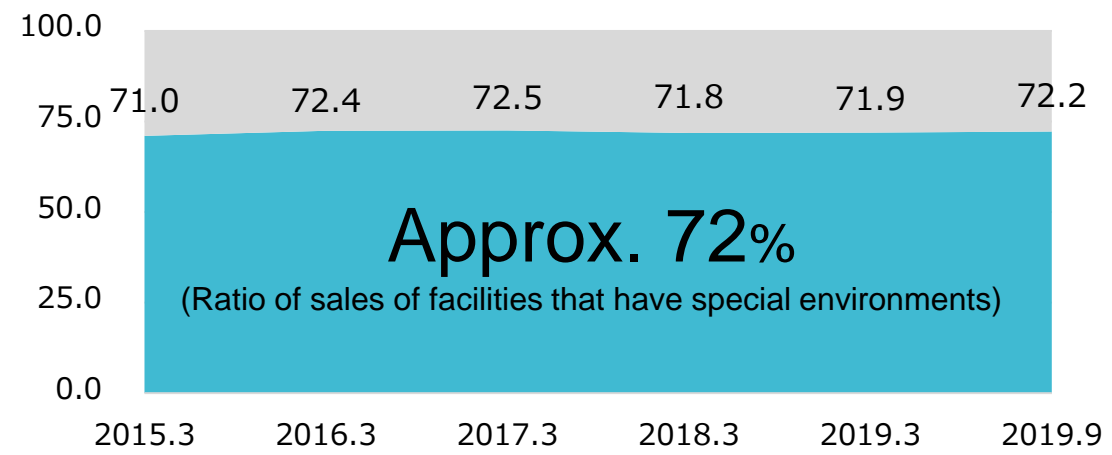
■ Ratio of annual contracts to net sales (%)



Slight impact from economy

3 There is a high ratio of facilities that **require a high level of technological capabilities for maintenance and management.**

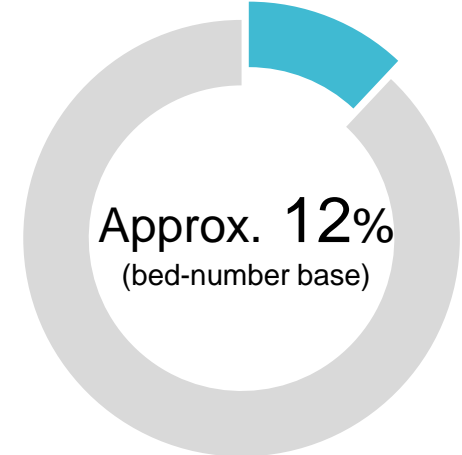
■ Ratio of sales of facilities that have special environment (%)



High barrier to entry

4 Share in domestic hospitals that have 600 beds or more is **approx. 12%.**

■ Percentage of acceptance of outsourcing for domestic hospitals that have 600 beds or more (%)



Specialization in large-scale hospitals

There are many spaces where maintenance and management require high level of technological capabilities, such as operating rooms or sterile rooms.



Can display strengths

* Facilities that have special environments indicate "hospital and research facilities," "manufacturing plants, etc.," and "other special facilities." * Percentage of acceptance of services by the Group in hospitals that have 600 beds or more. (in-house survey)

- Reasons for inclination to facilities with special environments

Office building



Air conditioning equipment in conference room breaks down



Use the same room patiently
Use other room

Replaceable, low level of emergency



Hospitals



Air conditioning equipment in operating room breaks down



Operating room cannot be used
Surgery cannot be performed



Irreplaceable, high level of emergency



Manufacturing plants



Air conditioning equipment in manufacturing plant breaks down



Products quality defects
Manufacturing line halt



High level of technological capabilities are required for maintenance and management

■ Maintenance services examples and features

Central surveillance service



Daily measurement service



Regular maintenance service



Solution proposals



Environmental diagnosis service



Disinfection and decontamination service



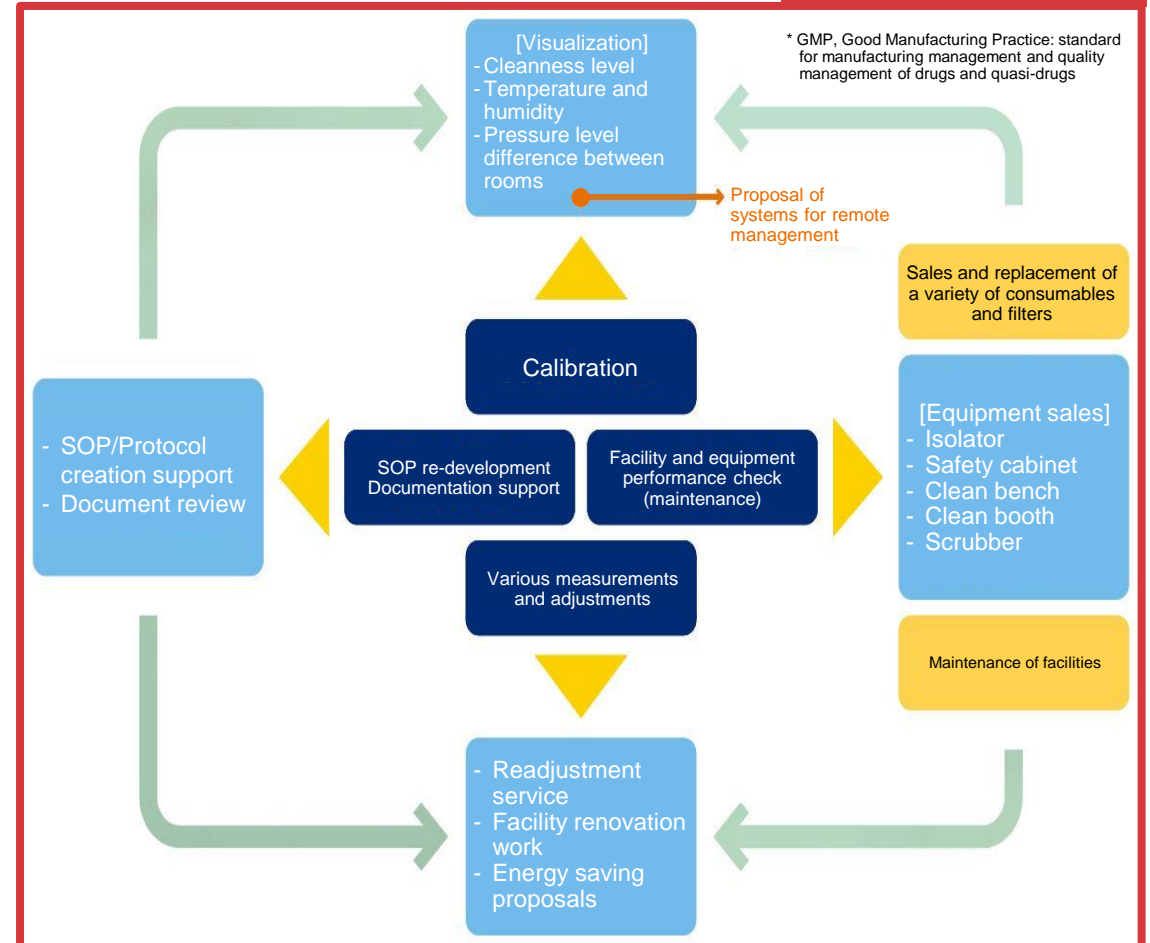
■ Validation total support

Tool to make pharmaceutical manufacturing facilities as **future core products**

Support for eligibility verification of manufacturing environments for drugs, etc., and documentation

Expanded demand for validation due to compliance with international GMP standards

* GMP, Good Manufacturing Practice: standard for manufacturing management and quality management of drugs and quasi-drugs



I. Overview and Strength of Nippon Air Conditioning Group

II. Results Highlights

III. 2019 Five-Year Mid-Term Management Plan

IV. Stock-Related Information

■ Management results

(Millions of yen, %)

Consolidated (Cumulative period)	2Q FY03/2018			2Q FY03/2019			2Q FY03/2020		
	Amount	Ratio to sales	Year-on-year growth ratio	Amount	Ratio to sales	Year-on-year growth ratio	Amount	Ratio to sales	Year-on-year growth ratio
Net sales	21,230	100.0	+12.1	20,346	100.0	(4.2)	23,521	100.0	+15.6
Maintenance service sales	14,365	67.7	+1.2	14,975	73.6	+4.2	15,527	66.0	+3.7
Renovation work construction work volume	6,865	32.3	+44.6	5,371	26.4	(21.8)	7,993	34.0	+48.8
Gross profit on sales	3,957	18.6	+11.8	3,934	19.3	(0.6)	4,510	19.2	+14.6
Selling, general and administrative expenses	2,704	12.7	+4.0	2,773	13.6	+2.6	2,886	12.3	+4.1
Operating income	1,252	5.9	+33.2	1,161	5.7	(7.3)	1,624	6.9	+39.9
Ordinary income	1,309	6.2	+31.5	1,234	6.1	(5.7)	1,705	7.3	+38.2
Profit attributable to owners of parent	784	3.7	+33.4	804	4.0	+2.5	1,077	4.6	+34.0

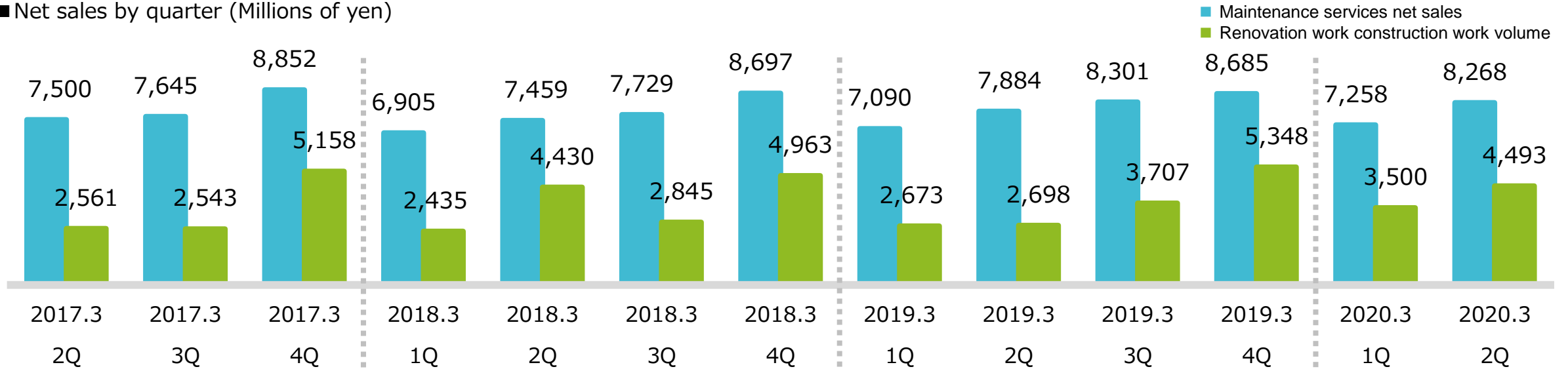
■ On financial results for the 2nd Quarter of fiscal year ending March 2020 [all-time high for both of net sales and operating income]

- (1) Net sales: Increased thanks to contribution from increase of renovation work at mainly manufacturing plants and hospitals, increase of solar panel installation work, and increase of air conditioner installation work in elementary and junior high schools, etc.
- (2) Gross profit margin: Gross profit margin remained flat due to increase of ratio of renovation work to net sales, which has lower profit margin compared to maintenance service.
(Gross profit-maintenance service sales: 21.6%, gross profit-completed construction: 14.5%)
- (3) Selling, general and administrative expenses: Increased mainly due to increase of personnel expenses, etc.
- (4) Operating income/ordinary income: Increased due to increase of gross profit on sales, etc.
- (5) Profit attributable to owners of parent: Increased due to increase of operating income, etc.

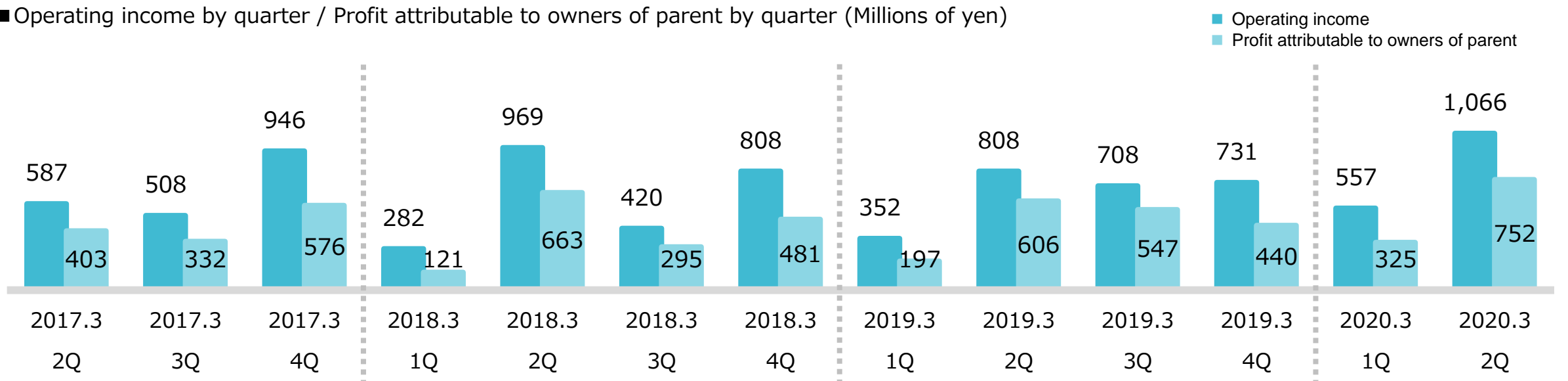
* Although we made the segment into a single one from the fiscal year ended March 2011, here it is indicated for each type.

II. Results Highlights 2/7

■ Net sales by quarter (Millions of yen)

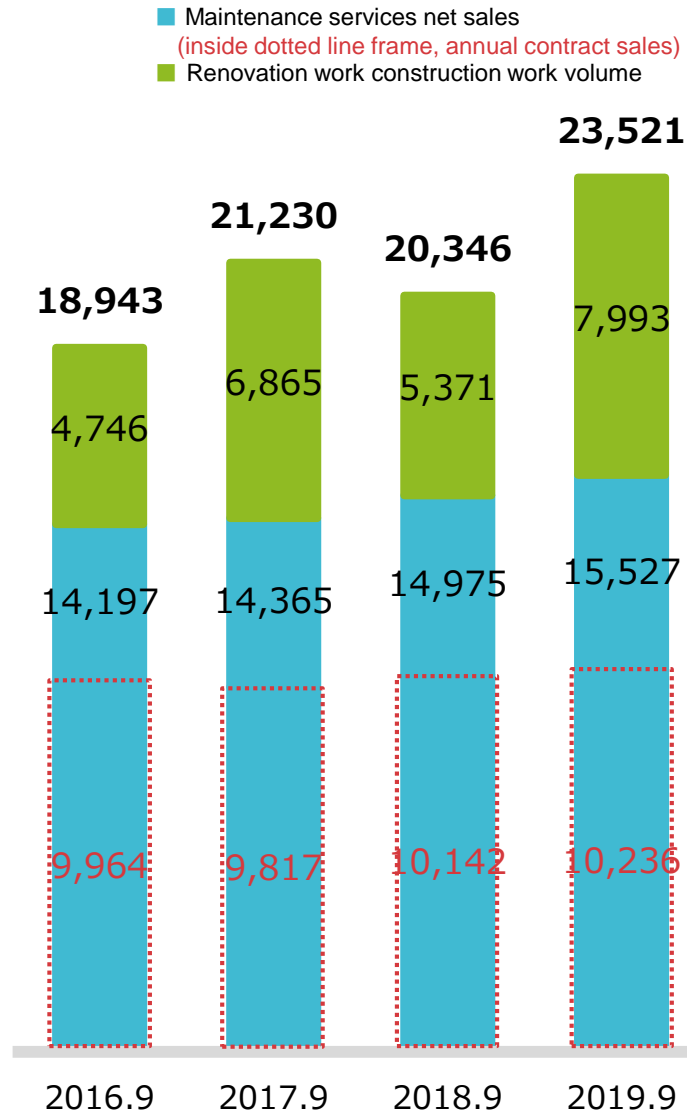


■ Operating income by quarter / Profit attributable to owners of parent by quarter (Millions of yen)



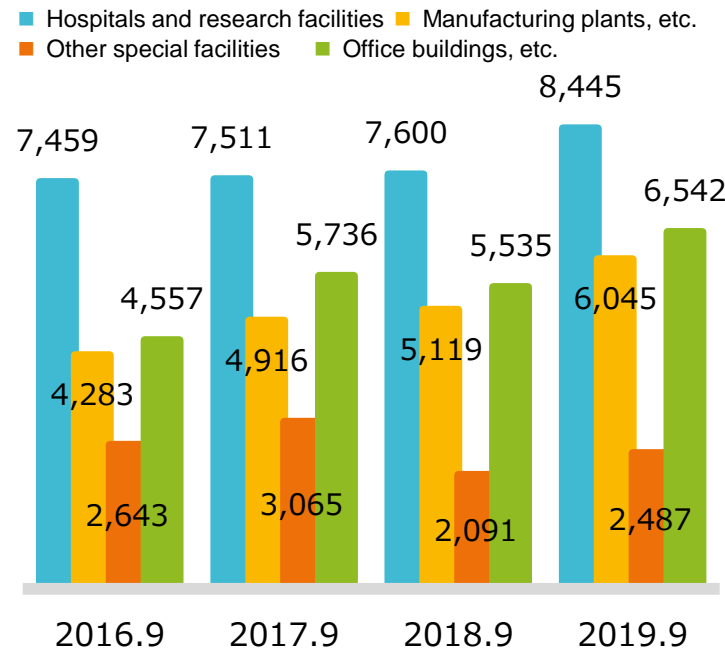
* Although we made the segment into a single one from the fiscal year ended March 2011, here it is indicated for each type.

■ Net sales (Millions of yen)

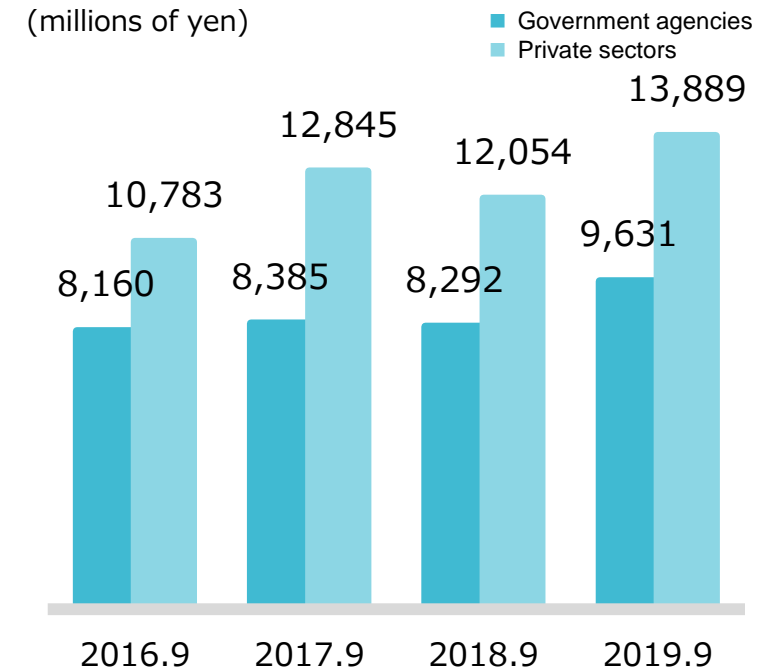


- (1) For hospitals and research facilities, and manufacturing plants, etc., increased mainly due to favorable status of renovation work and spot maintenance
- (2) For other special facilities, increased mainly due to favorable status of solar panel installation work
- (3) For office buildings, etc., increased mainly due to increase of air conditioner installation work in elementary and junior high schools
- (4) For government agencies, increased mainly due to increase of hospitals and research facilities, and office buildings, etc.
- (5) For private sector, increased mainly due to increase of manufacturing plants, etc. and other special facilities

■ Net sales by facilities of which services are entrusted (Millions of yen)



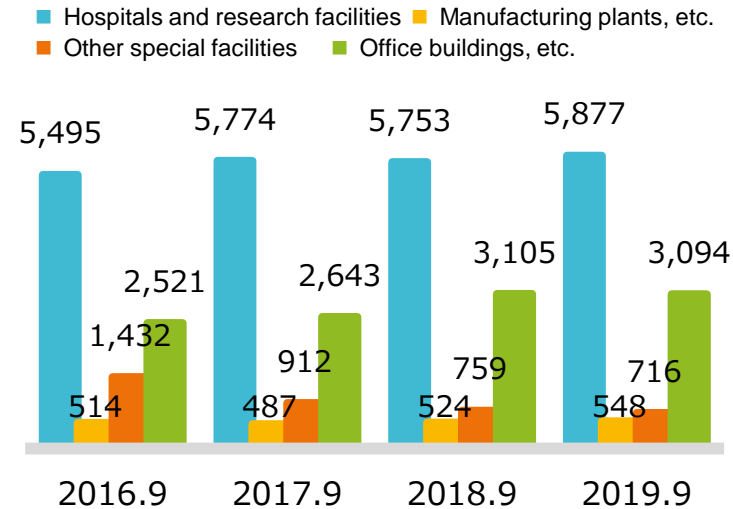
■ Net sales by public and private sectors (millions of yen)



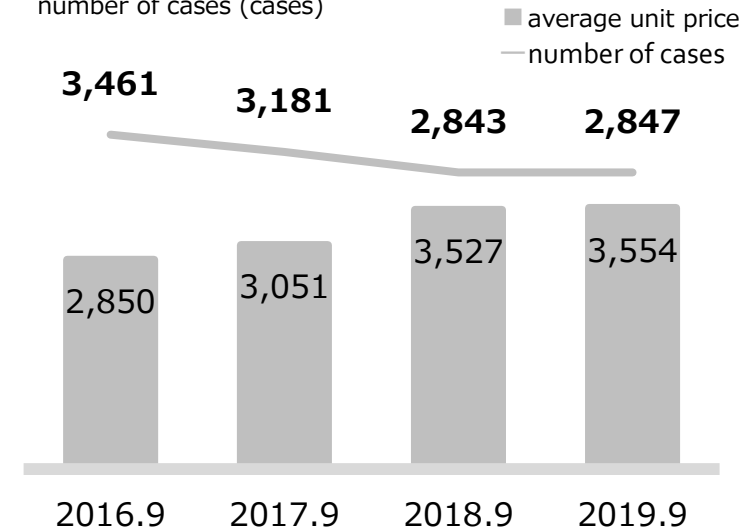
* Although we made the segment into a single one from the fiscal year ended March 2011, here it is indicated for each type.

II. Results Highlights 4/7

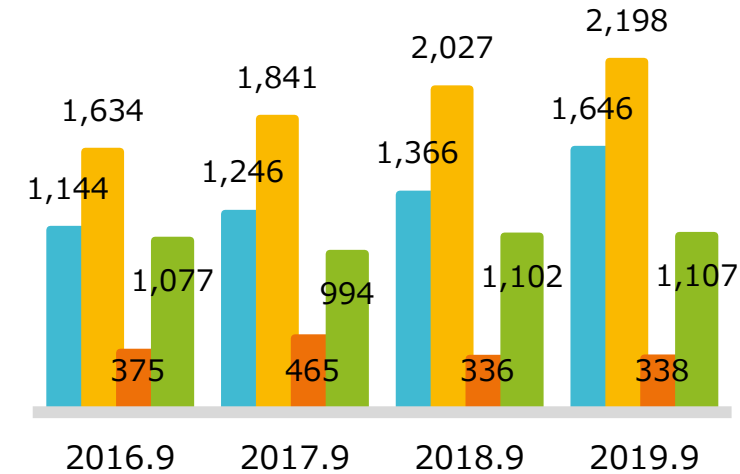
■ Net sales by facilities of which services are entrusted
(Millions of yen)



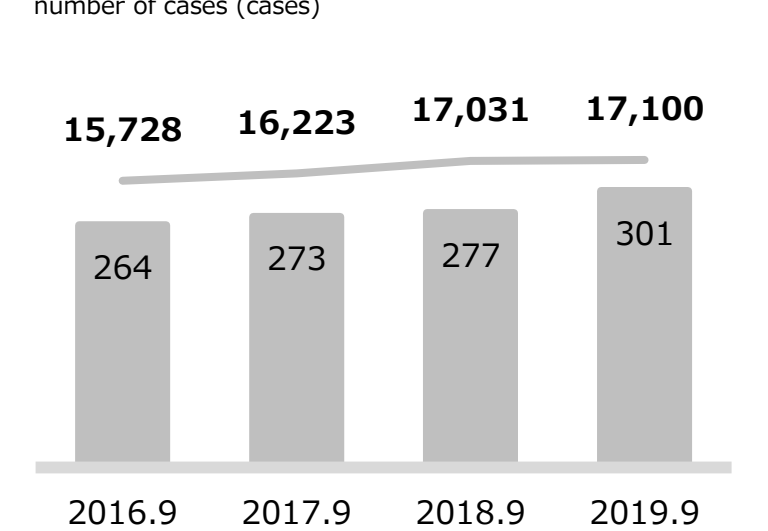
■ Annual contract average unit price (thousands of yen)/
number of cases (cases)



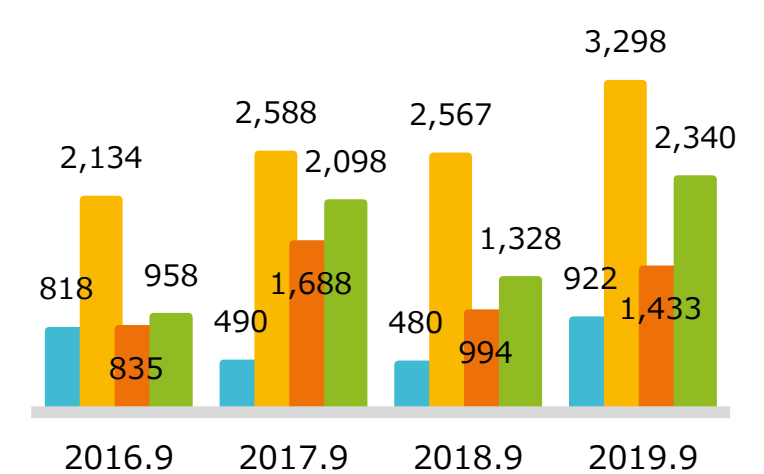
■ Maintenance services net sales by facilities of which services
are entrusted
(Millions of yen)



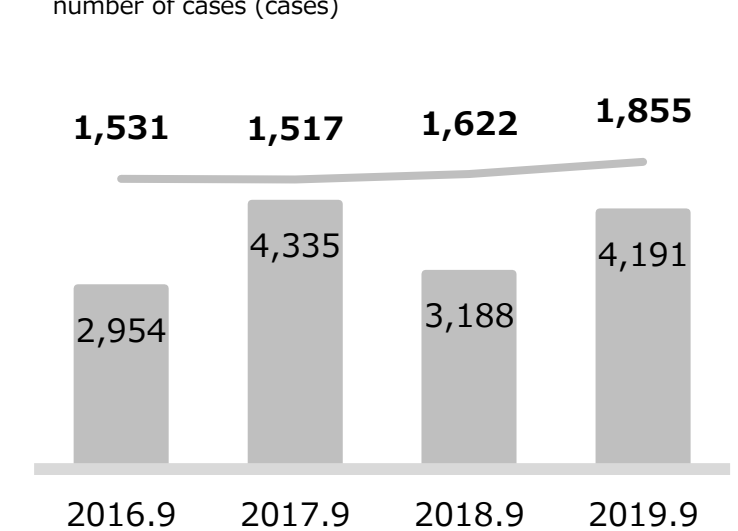
■ Spot maintenance, etc. average unit price (thousands of yen)/
number of cases (cases)



■ Renovation work construction work volume by facilities of which
services are entrusted
(Millions of yen)



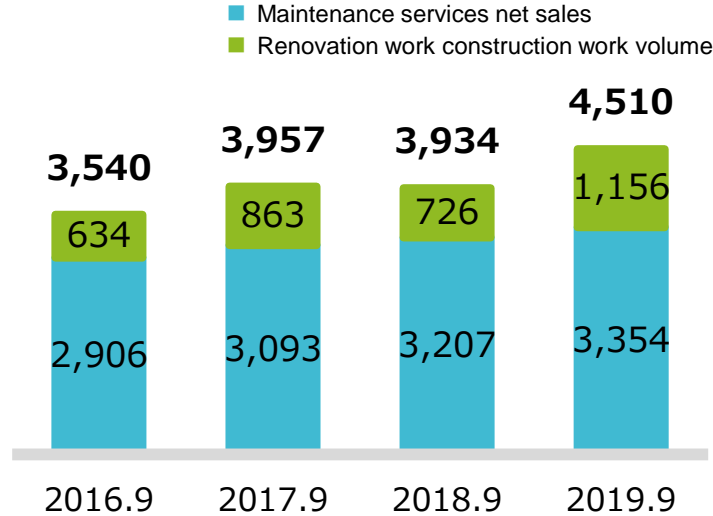
■ Renovation work average unit price (thousands of yen)/
number of cases (cases)



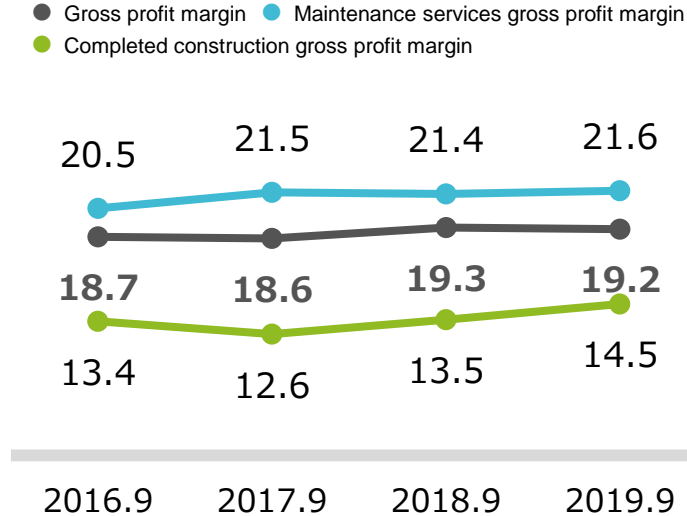
* Although we made the segment into a single one from the fiscal year ended March 2011, here it is indicated for each type.

* Average unit price and number of cases (construction number base) only count domestic ones.

■ Gross profit on sales (Millions of yen)



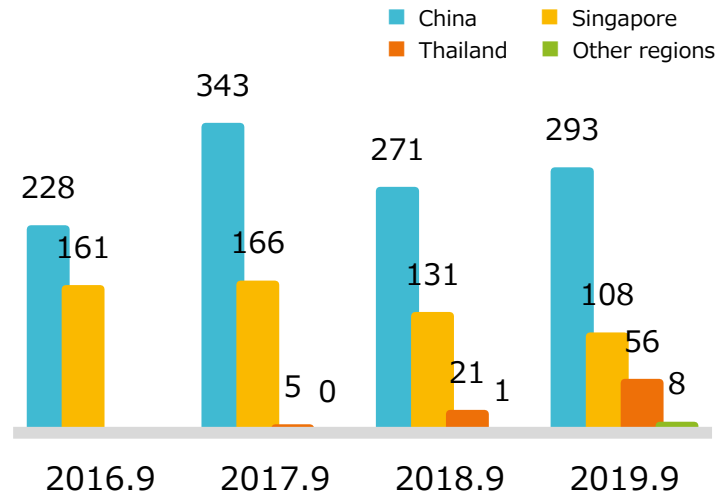
■ Gross profit margin (%)



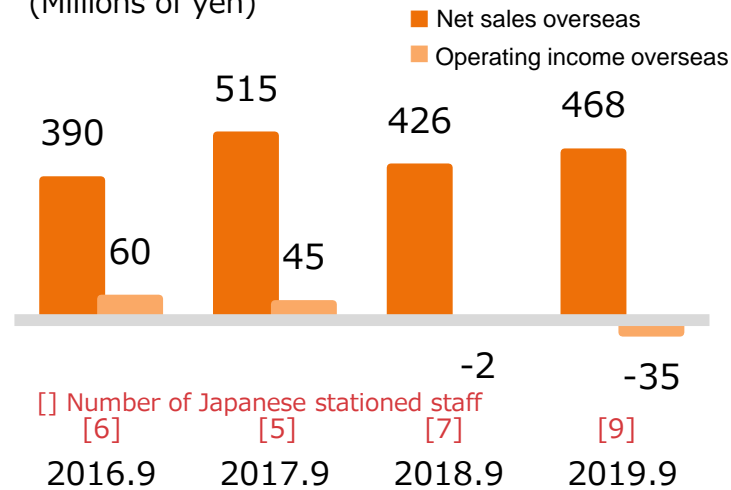
On gross profit on sales

- (1) Gross profit-maintenance service sales has trended stably.
- (2) Although renovation work, which has lower profit margin compared to maintenance service, increased, total gross profit margin was maintained due to improvement of gross profit-completed construction.

■ Net sales overseas by region (Millions of yen)



■ Net sales overseas/ operating income overseas (Millions of yen)



On overseas results

- (1) For China, the results remain favorable.
- (2) For Singapore, there have been difficulties due to various environmental changes.
- (3) For Thailand, the numbers increased steadily due to increased needs for proposals with high-added value, such as energy saving.
- (4) For other regions at present it is just seed-planting stage.
- (5) Although operating income deficit expands due to personnel expenses, etc. of Japanese stationed staff, achievement of profitability is aimed by further expansion of customers in the future.

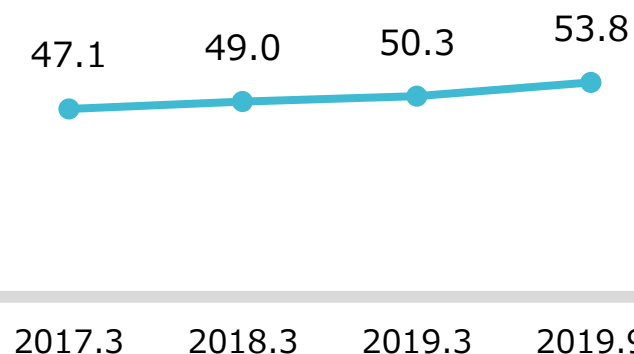
* "Other regions" of net sales overseas by region are Bangladesh, Malaysia, Vietnam and Myanmar.

■ Financial position

(Millions of yen, %)

Consolidated (as of the end of period)	FY03/2019		2Q FY03/2020	
	Amount	Year-on-year growth ratio	Amount	Year-on-year growth ratio
Current assets	20,225	+6.5	19,282	(4.7)
Fixed assets	13,719	(0.5)	13,703	(0.1)
Total assets	33,944	+3.6	32,986	(2.8)
Interest-bearing debts	1,790	(22.4)	1,942	+8.5
Other liabilities	14,746	+4.4	12,957	(12.1)
Total liabilities	16,537	+0.6	14,900	(9.9)
Total net assets	17,407	+6.5	18,085	+3.9

■ Capital adequacy ratio (%)

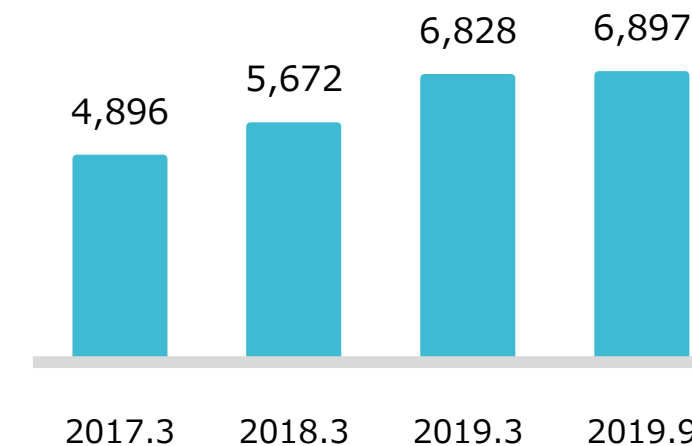


■ Status of cash flows

(Millions of yen, %)

Consolidated (Cumulative period)	2Q FY03/2019		2Q FY03/2020	
	Amount	Year-on-year growth ratio	Amount	Year-on-year growth ratio
Cash flows from operating activities	1,314	(31.6)	682	(48.1)
Cash flows from investing activities	(166)	+68.7	(254)	(52.1)
Cash flows from financing activities	(724)	+11.8	(356)	+50.8
Cash and cash equivalent growth	403	(29.7)	69	(82.9)
Balance of cash and cash equivalent at beginning of the period	5,672	+15.9	6,828	+20.4
Balance of cash and cash equivalent at end of the period	6,076	+10.1	6,897	+13.5

■ Balance of cash and cash equivalent at end of the period (Millions of yen)



■ Management results

(Millions of yen, %)

Consolidated (Cumulative period)	FY03/2018			FY03/2019			FY03/2020		
	2Q Amount	4Q Amount	2Q progress rate	2Q Amount	4Q Amount	2Q progress rate	2Q Amount	4Q Amount (forecast)	2Q progress rate
Net sales	21,230	45,467	46.7	20,346	46,389	43.9	23,521	48,000	49.0
Maintenance service sales	14,365	30,792	46.7	14,975	31,962	46.9	15,527	33,000	47.1
Renovation work construction work volume	6,865	14,675	46.8	5,371	14,427	37.2	7,993	15,000	53.3
Gross profit on sales	3,957	8,224	48.1	3,934	8,547	46.0	4,510	8,650	52.1
Selling, general and administrative expenses	2,704	5,743	47.1	2,773	5,946	46.6	2,886	6,000	48.1
Operating income	1,252	2,481	50.5	1,161	2,600	44.6	1,624	2,650	61.3
Ordinary income	1,309	2,579	50.8	1,234	2,725	45.3	1,705	2,750	62.0
Profit attributable to owners of parent	784	1,561	50.3	804	1,792	44.9	1,077	1,750	61.6

■ On progress of the 2nd Quarter of fiscal year ending March 2020 [progress rate is higher for both of net sales and operating income, exceeding the year-on-year ratio]

- (1) Net sales: Progress rate higher year-on-year, due to increase of renovation work and of spot maintenance
- (2) Gross profit on sales: Progress rate higher year-on-year, due to increase of net sales, etc.
- (3) Selling, general and administrative expenses: Progress rate higher year-on-year mainly due to increase of personnel expenses, etc.
- (4) Operating income/ordinary income: Progress rate higher year-on-year due to increase of gross profit on sales, etc.
- (5) Profit attributable to owners of parent: Progress rate higher year-on-year due to increase of operating income, etc.

■ On forecast of the fiscal year ending March 2020 [not changed from forecasts at the beginning of the period]

- (1) Although a counter reaction is expected due to last-minute demand before the consumption tax rate increase in the first half of the year, by continuously striving to dig up the potential needs for proposal activities, etc. that place the highest priority on contact with customers on site, achieving of full-year forecasts is aimed.
- (2) Continuously endeavor to focus on growing pharmaceutical manufacturing facilities as “new products” and overseas as “new markets.”

* Although we made the segment into a single one from the fiscal year ended March 2011, here it is indicated for each type.

I. Overview and Strength of Nippon Air Conditioning Group

II. Results Highlights

III. 2019 Five-Year Mid-Term Management Plan

IV. Stock-Related Information

Results of 2016 Three-Year Mid-Term Management Plan [review of previous mid-term management plan] (Millions of yen, %)

Consolidated (Cumulative period)	Fiscal year ended March 2016 (results)		Fiscal year ended March 2019 (plan)		Fiscal year ended March 2019 (results)		
	Amount	Ratio to sales	Amount	Ratio to sales	Amount	Ratio to sales	Achievement rate
Net sales	42,579	100.0	48,000	100.0	46,389	100.0	96.6
Maintenance service sales	30,396	71.4	33,000	68.8	31,962	68.9	96.9
Renovation work construction work volume	12,183	28.6	15,000	31.2	14,427	31.1	96.2
Operating income	2,323	5.5	2,500	5.2	2,600	5.6	104.0
Ordinary income	2,378	5.6	2,600	5.4	2,725	5.9	104.8
Profit attributable to owners of parent	918	2.2	1,600	3.3	1,792	3.9	112.1
Net income per share	26.53	—	45.62	—	51.11	—	112.0

Affected by selective order acceptance due to emphasis on profits

Achieved!!

Achieved!!

Dividend payout ratio
 50% ▶ **50.9%**
 (Target) (Results)

Affected by favorable status of renovation work on office buildings, etc.

Ratio of sales of facilities that have special environment
 75% ▶ **71.9%**
 (Target) (Results)

Achieved!!

Expansion of bases to all prefectures

Difficulty in acquisition of customers due to existence of local maintenance companies

Ratio of overseas ordinary income
 10% ▶ **-0.7%**
 (Target) (Results)

* Although we made the segment into a single one from the fiscal year ended March 2011, here it is indicated for each type.
 * Facilities that have special environments indicates "hospital and research facilities," "manufacturing plants, etc.," and "other special facilities."

Long-term vision: “To make all our stakeholders happier”

Customers

Provision of high-added value services

Employees

Improvement of satisfaction level and technological capabilities

Shareholders

Implementation of stable returns

■ Toward 10 years from now

<p>1 To provide high-quality services, and build up our one-stop service offering, for facilities that need to maintain a special environment</p>	<p>Ratio of sales of facilities that have special environment 71.9% ▶ 80% or higher</p>	<p>4 Providing more intensive training for skilled technicians</p> <p>Technological capabilities index 19.9P ▶ 22P or higher</p>
<p>2 Making overseas advance bases profitable at early point Promotion of new customer exploration by reinforcement of technological capability and proposal capabilities.</p>	<p>Ratio of operating income overseas -1.0% ▶ 10% or higher</p>	<p>5 Broadening the scope of our business in Japan and overseas Proactively recruiting foreign-national employees by running our business on a more global scale.</p> <p>Number of employees of foreign nationality 143 ▶ 200 or more employees</p>
<p>3 Improving the job satisfaction of our employees Promotion of various projects with keywords of “recruitment,” “working styles,” and “increasing efficiency”</p>	<p>Employee satisfaction levels 63.5% ▶ 80% or higher</p>	<p>6 Increase of operating income and net income per share</p> <p>EPS 51.11 yen ▶ 60 yen or higher</p>
		<p>7 Maintaining ROE</p> <p>ROE 10.8% ▶ maintained at 10% or higher</p>

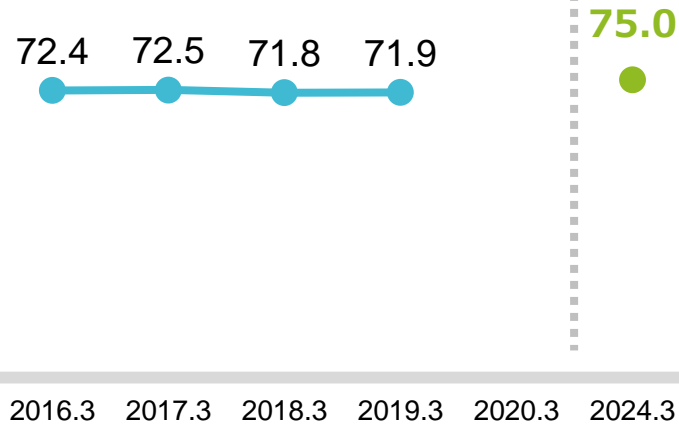
■ Raising our overall social value

<p>E Environment</p>	<p>Reducing the environmental burden of our core business (i.e. maintenance)</p>	<p>S Society</p>	<p>Helping to revitalize society through job creation in Japan and overseas as part of our diversity effort</p>	<p>G Governance</p>	<p>Raising our corporate value through continuous improvement of our corporate governance</p>
---------------------------------	---	-----------------------------	--	--------------------------------	--

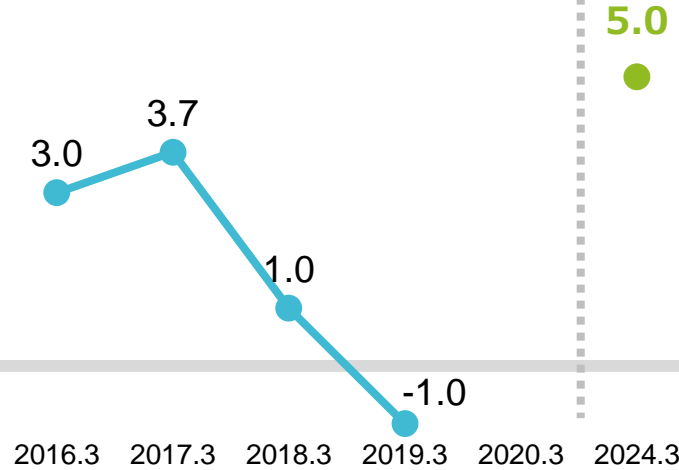
* Facilities that have special environments indicates “hospital and research facilities,” “manufacturing plants, etc.,” and “other special facilities.”
* Technological capability index is calculated by “Technological type official qualification acquisition number x qualification score (the Company’s standard) / number of technology-related employees.”

* Employee satisfaction level is calculated based on results of employee satisfaction level survey implemented by the Company.
* Number of employees with foreign nationality means number of employees of foreign nationality in the Company and overseas Group companies.

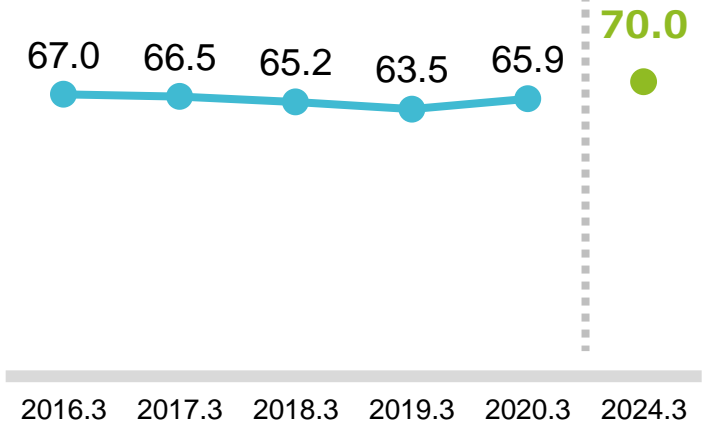
■ Ratio of sales of facilities that have special environment (%)



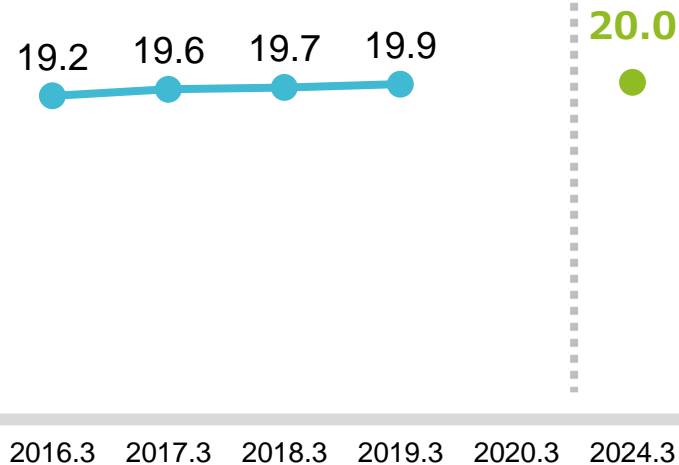
■ Ratio of operating income overseas (%)



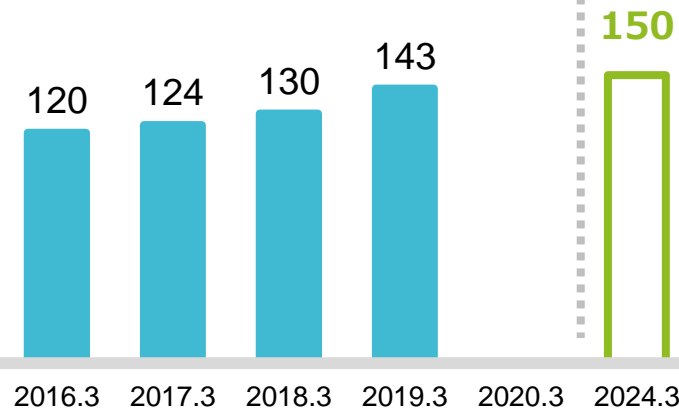
■ Employee satisfaction level (%)



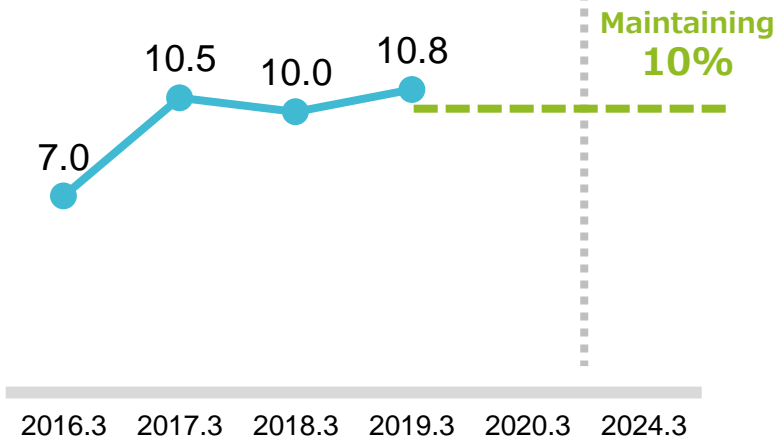
■ Technological capabilities index (%)



■ Number of employees of foreign nationality (persons)



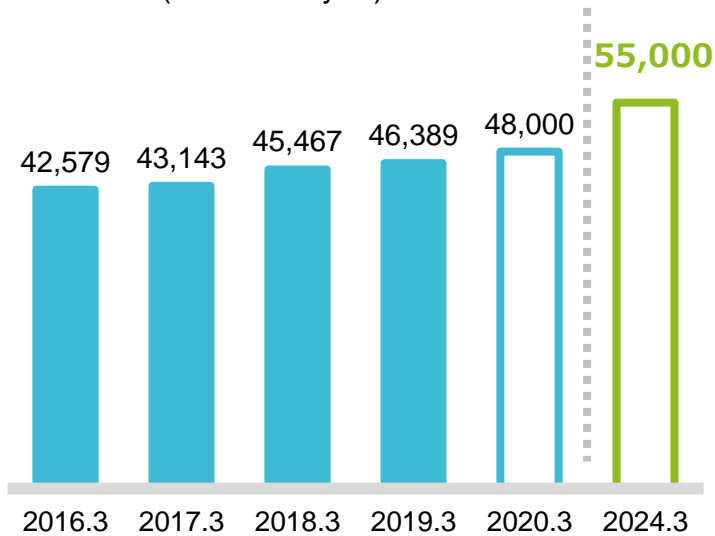
■ ROE (%)



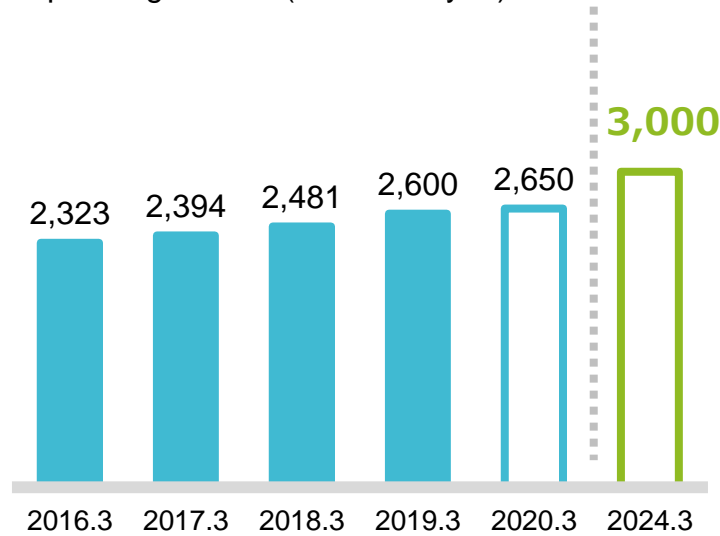
* Facilities that have special environments indicates "hospital and research facilities" "manufacturing plants, etc." and "other special facilities."
 * Technological capability index is calculated by "Technological type official qualification acquisition number x qualification score (the Company's standard) / number of technology-related employees."

* Employee satisfaction level is calculated based on results of employee satisfaction level survey implemented by the Company.
 * Number of employees with foreign nationality means number of employees of foreign nationality in the Company and overseas Group companies.

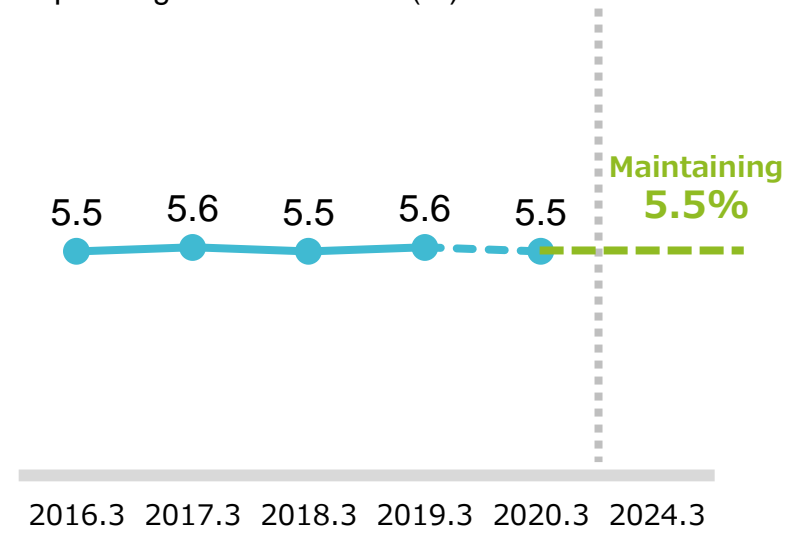
■ Net sales (Millions of yen)



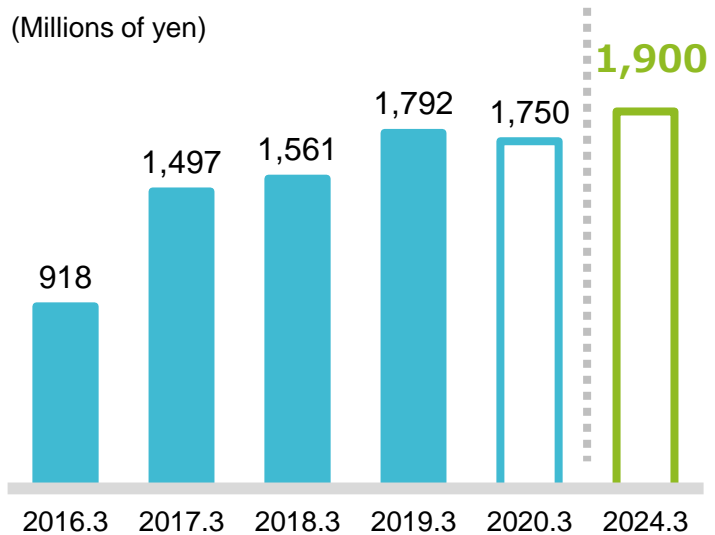
■ Operating income (Millions of yen)



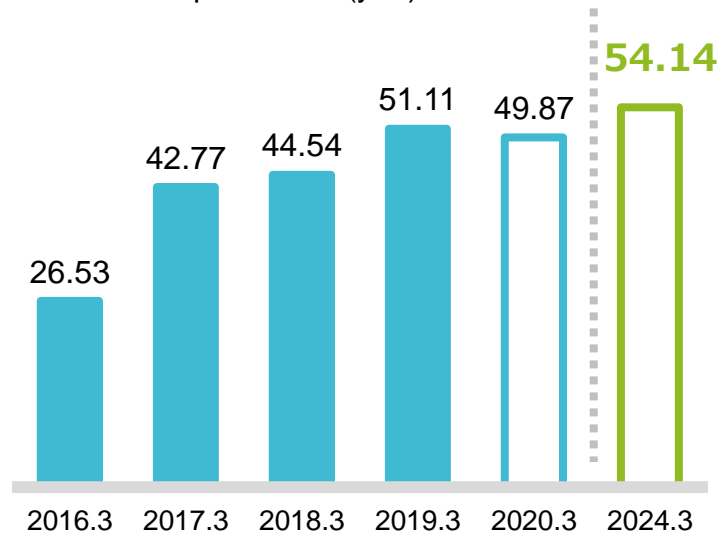
■ Operating income to sales (%)



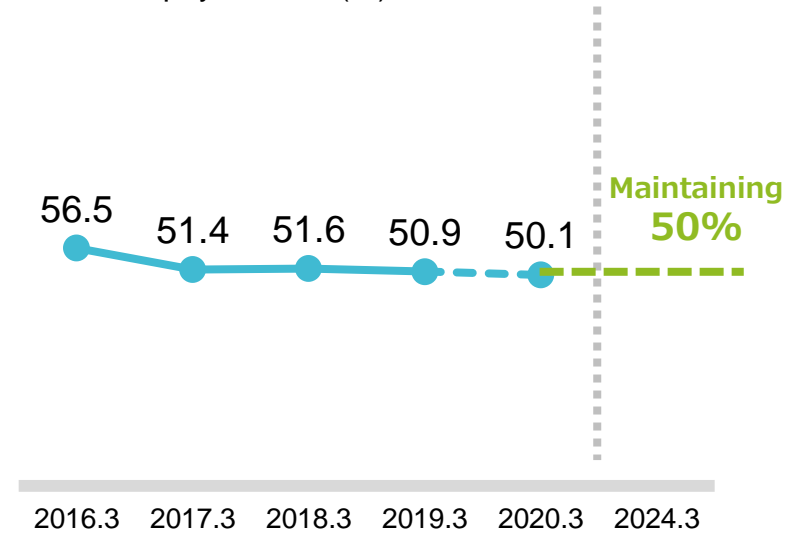
■ Profit attributable to owners of parent (Millions of yen)



■ Net income per share (yen)



■ Dividend payout ratio (%)



* For EPS before March 2016, adjustment is made due to the fact that stock split (1:2) was carried out as of April 1, 2014 and April 1, 2016.

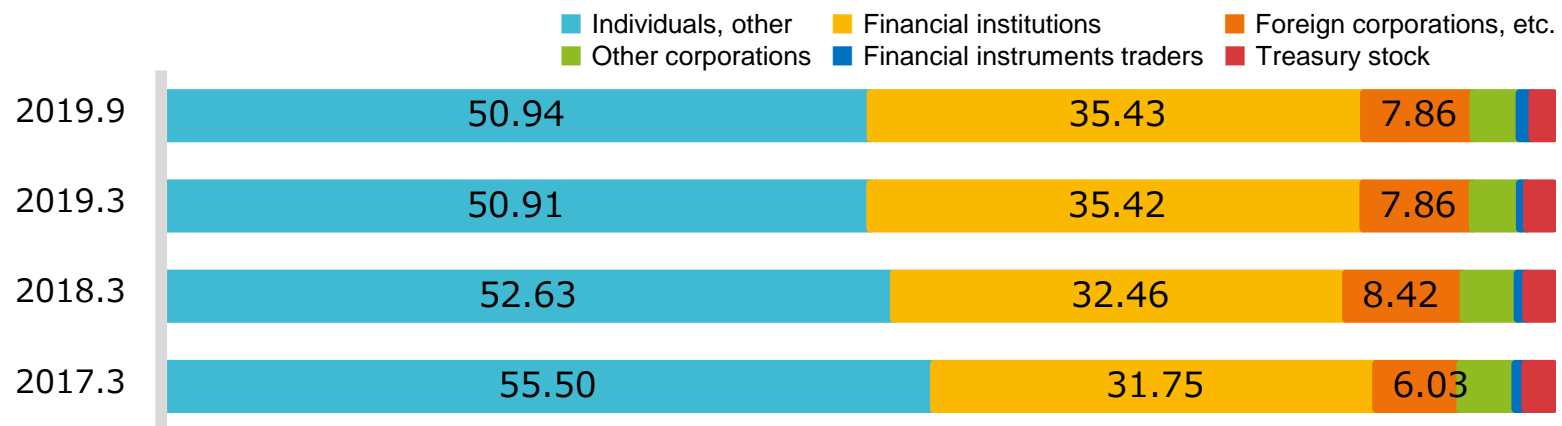
I. Overview and Strength of Nippon Air Conditioning Group

II. Results Highlights

III. 2019 Five-Year Mid-Term Management Plan

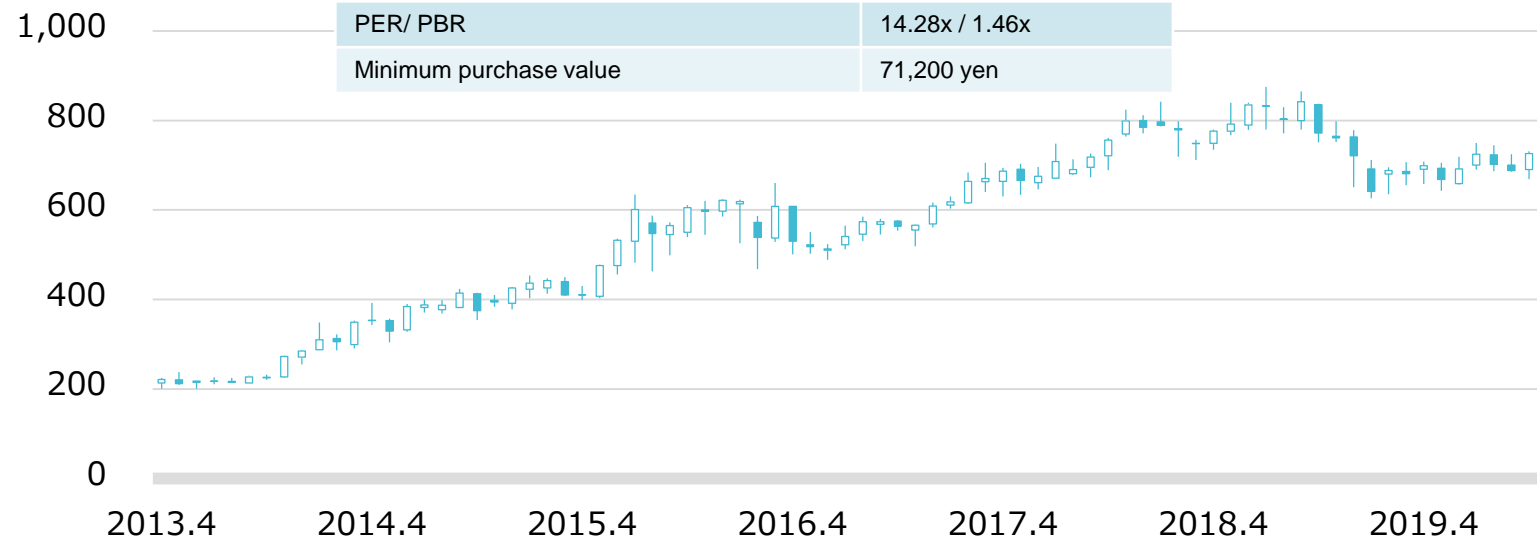
IV. Stock-Related Information

■ Status of distribution of shares by owners (%)



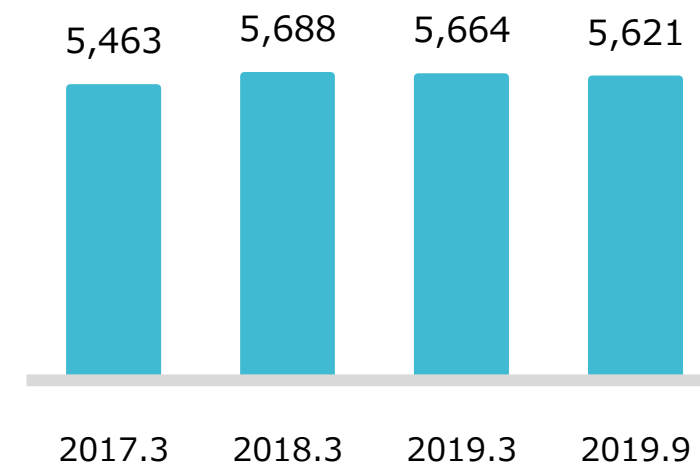
■ Stock price (yen)

Reference index (as of November 8, 2019)	
Stock price (closing value)/ total market value	712 yen / 24.9 billion yen
Dividend payout ratio/ dividend yield	50.1% / 3.51%
PER/ PBR	14.28x / 1.46x
Minimum purchase value	71,200 yen

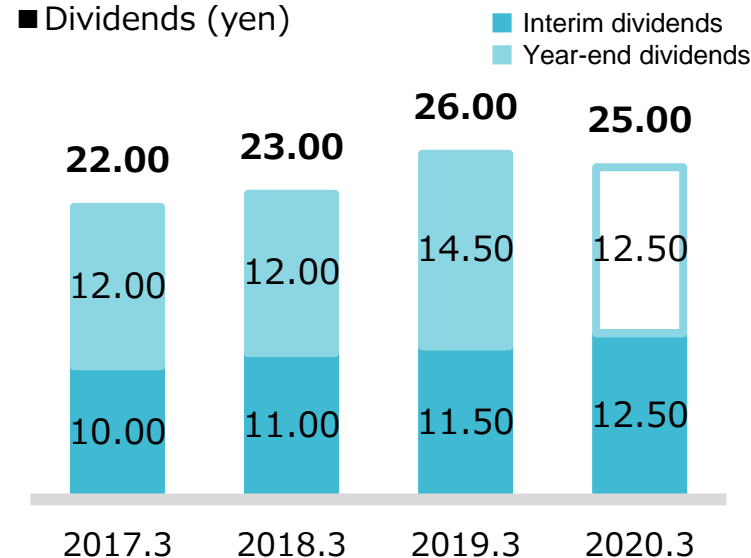


* For Stock price and dividend per share before March 2016, adjustment is made due to the fact that stock split (1:2) was carried out as of April 1, 2014 and April 1, 2016.
 * For PER, predicted number as of fiscal year ending March 2020, and for PBR actual number in the fiscal year ended March 2019 are used.
 * For dividend payout ratio and dividend yield, predicted dividend-related numbers for the fiscal year ending March 2020 are used.

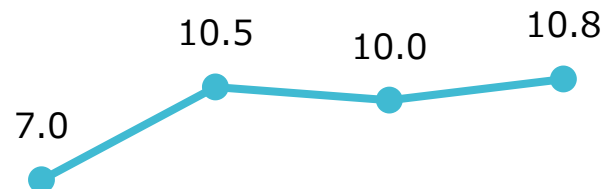
■ Number of shareholders (persons)



■ Dividends (yen)



■ ROE (%)



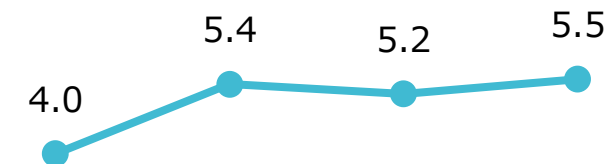
2016.3 2017.3 2018.3 2019.3

■ Dividend payout ratio (%)



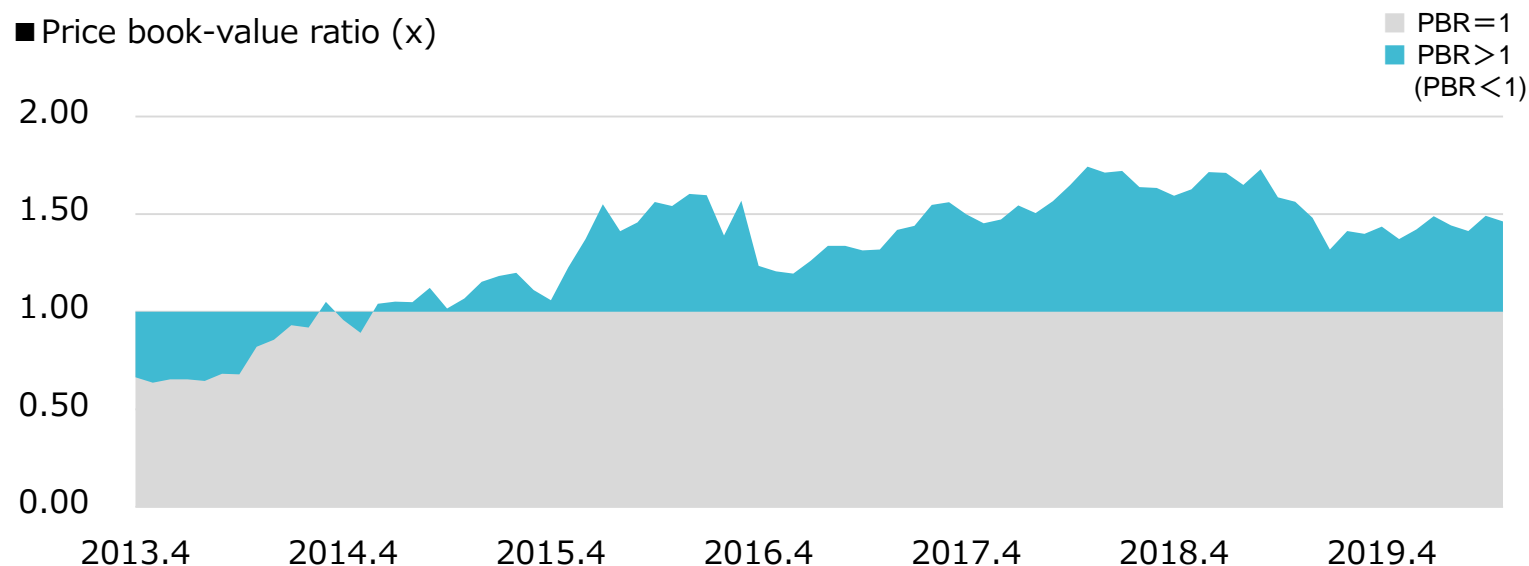
2016.3 2017.3 2018.3 2019.3 2020.3

■ Dividend-on-equity ratio (%)



2016.3 2017.3 2018.3 2019.3

■ Price book-value ratio (x)



2013.4 2014.4 2015.4 2016.4 2017.4 2018.4 2019.4

■ Dividend yield (%)



2016.3 2017.3 2018.3 2019.3 2019.10

* For PBR in and after April 2019, actual number in the fiscal year ended March 2019 is used.

* For dividend yield on October 2019, predicted dividend-related numbers for the fiscal year ending March 2020 are used.

www.nikku.co.jp/en

In charge of IR: Corporate Planning Division

E-mail: ir4658@nikku.co.jp

These materials were prepared by Nippon Air Conditioning Services Co., Ltd. (the “Company”) for the purpose of understanding the current status of the Company, and do not aim at solicitation for investment in securities issued by the Company.

The information in these materials is based on generally-recognized economic, societal, and other situations and certain assumptions judged reasonable by the Company, and may be changed without announcement due to changes in the management environment or any other reason. The Company is not obligated to update or modify the information included in these materials even if there is new information or future events, etc. The Company shall assume absolutely no liability for any damage incurred as a result of use of these materials.

All numbers in these materials are consolidated-basis. (except for numbers with separate notes)

These materials are expected to be used only by persons to whom they are provided. Any and all rights to any parts of these materials belong to the Company, and whether electronically, or mechanically, or regardless of the means, these materials must not be cited, reproduced or transferred and used, etc., whole or in part, without permission.