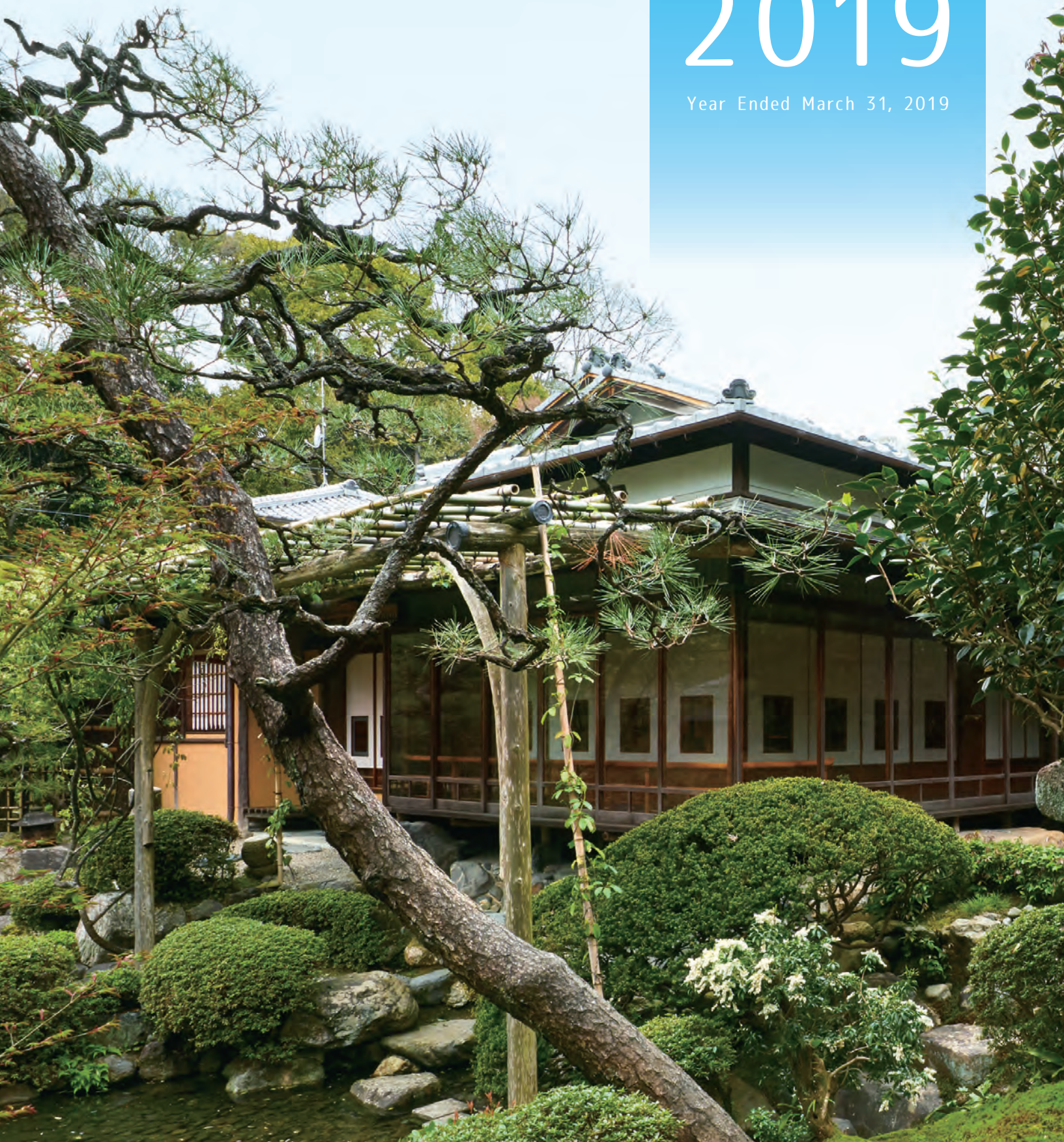


ANNUAL REPORT

2019

Year Ended March 31, 2019



Corporate Principles of the Nissin Electric Group

We have established a new Business Mindset to define the Nissin Electric Group DNA passed down since our founding in order to create a driving force aimed at future growth and further evolve our corporate philosophy on our 100th anniversary. The following three elements of our Corporate Philosophy, Principles of Activities and Business Mindset form our revamped Group Philosophy.

Group Slogan

Forge a bright future for both people and technology

Corporate Philosophy

Through corporate activities that support the foundations of society and industry, the Nissin Electric Group will harmonize with the environment and contribute toward realizing a vibrant society.

Principles of Activities

Integrity, Trust and Long-term Relationships

We take the following Five Trusts as the principles of our activities. (Customer Trust, Shareholder Trust, Societal Trust, Partner Trust, Employee Mutual Trust)

Business Mindset

“Venture Spirit” fostered since our founding

The spirit to develop a future with high ambitions and a passion for constantly taking up challenges

The spirit of “New Each Day” embedded in our company name

The unwavering spirit to seek something new each day and make constant efforts toward one’s goals

“Open-mindedness and the ability to digest different cultures and technologies”

The spirit to accept different things and eventually internalize them

Five Trusts

(1) Customer Trust

We provide reliable, high-quality products and services that are useful to customers. This will facilitate our efforts to enhance our technologies, which are the source of value delivered to customers. In addition, the Company commits itself to providing constantly dependable services in order to foster long-term relationships with customers.

(2) Shareholder Trust

We exert efforts to provide appropriate dividends and to enhance the net share value for our shareholders, who are the financial supporters of the Nissin Electric Group.

(3) Societal Trust

We comply with law and other social codes, seek to coexist with the natural environment, and strive to maintain a good relationship with the local community in order to fulfill our obligation as a responsible member of society.

(4) Partner Trust

We place a strong emphasis on our relationships with our business partners. In our pursuit of growth, we remain committed to dealing with our partners in an honest and fair manner.

(5) Employee Mutual Trust

It is we, the employees, who are the source of Trust. In our business activities, we highly-motivated employees cooperate with each other in order to achieve a stable life, to find meaning in life, and to encourage personal development of all employees.

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Forward-Looking Statements

Statements regarding earnings projections, market outlooks and similar items are forward-looking statements based on information available to the company at the present time and thus contain many uncertainties. Readers should understand that such forward-looking statements embody risks and that actual results, market conditions and other events may differ significantly from the estimates and projections contained in this publication.

C Consolidated Financial Highlights

Nissin Electric Co., Ltd. and Consolidated Subsidiaries
Years ended March 31

	Millions of yen					Thousands of U.S. dollars
	2019	2018	2017	2016	2015	2019
Net sales	¥ 126,188	¥ 127,003	¥ 126,910	¥ 113,618	¥ 107,090	\$ 1,136,826
Operating income	16,444	16,030	18,743	12,424	8,930	148,145
Profit attributable to owners of parent	12,445	11,840	14,158	8,525	5,055	112,118
Total assets	162,427	153,578	154,097	143,287	124,948	1,463,305
Shareholders' equity	108,010	101,015	90,536	77,632	75,976	973,063
Capital expenditure	8,218	4,005	4,858	3,813	3,162	74,037
Depreciation and amortization	3,405	3,198	2,871	2,999	2,964	30,675
Research and development expenses	7,922	6,506	6,442	5,331	4,937	71,373

Per share of common stock:	Yen					U.S. dollars
	2019	2018	2017	2016	2015	2019
Profit attributable to owners of parent	¥ 116.45	¥ 110.79	¥ 132.47	¥ 79.77	¥ 47.30	\$ 1.05
Diluted profit attributable to owners of parent	—	—	—	—	—	—
Cash dividends	32.00	30.00	30.00	18.00	13.00	0.29
Shareholders' equity	1,010.62	945.17	847.13	726.38	710.88	9.10

Note: 1. For convenience only, Japanese yen amounts have been translated into U.S. dollar amounts at the rate of ¥111 to US\$1.00, the approximate exchange rate prevailing on March 31, 2019.

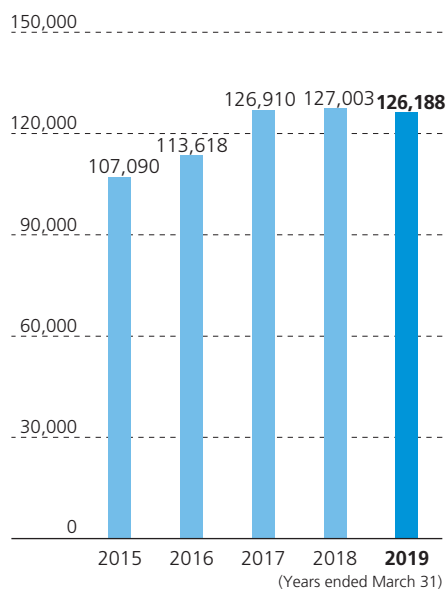
2. For the fiscal years ended March 31, 2019, 2018, 2017, 2016 and 2015 there were no potentially dilutive common stocks.

3. Shareholders' equity = net assets excluding share subscription rights and noncontrolling interests.

4. The Partial Amendments to Accounting Standard for Tax Effect Accounting, (ASBJ Statement No. 28 issued on February 16, 2018) has been applied from the start of the fiscal years ended March 31, 2018. The primary business indicators, etc. pertaining to the fiscal year ended March 31, 2018 are those after the retroactive application of the relevant accounting standards.

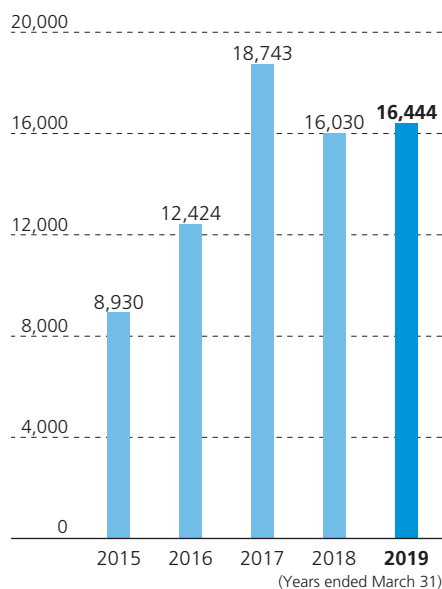
Net Sales

(Millions of yen)



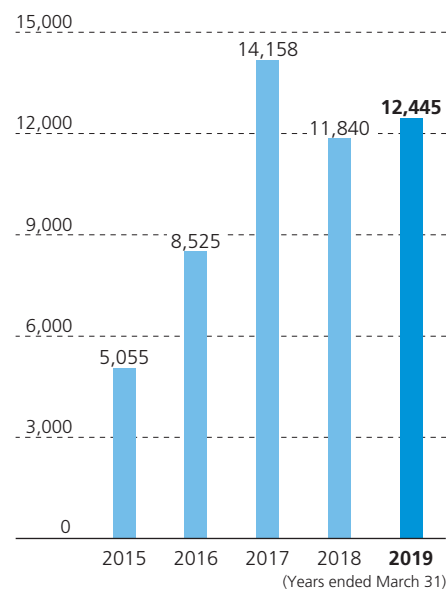
Operating Income

(Millions of yen)



Profit Attributable to Owners of Parent

(Millions of yen)





Shigeo Saito
President

Performance for the Last Reporting Year

In the fiscal year under review (April 1, 2018 to March 31, 2019), the Japanese economy continued on a course of gradual growth and expansion, supported by robust capital investment and improvements in the employment environment. Overseas, although the economy slowed down from the middle of the year in China, the Nissin Electric Group's primary market, from the impact of the trade friction between the United States and China as well as other factors, economic stimulus measures put in place by the government are expected to take effect going forward. While there are concerns that the impact of the trade friction could also spread to the ASEAN economies, these economies registered strong growth in the fiscal year under review, backed by the growth of domestic demand and robust external demand.

Next, I will report on trends seen in the Nissin Electric Group's primary markets. The market for electric power companies in Japan remained robust, with the replacement of substation facilities as well as machinery for compatibility with the separation of electric power generation and transmission. In the private sector market, there was a downturn in demand for power conditioner for photovoltaic systems. However, there was continued high demand for investment to replace ageing power equipment, as well as for grid connection equipment for new energy power systems. In China's power system equipment market, investment in the ultrahigh voltage transmission sector, which had stagnated, has recovered.

In the industrial equipment and parts contract manufacturing market of Thailand and Vietnam, demand for commissioned manufacturing continued to expand steadily despite the impact of adjustments in investments in semiconductor manufacturing facilities. In the charged beam equipment and processing market, as customer investment had entered a lull period, there was a significant drop in demand for ion implanters for manufacturing small/medium high-definition flat panel displays (FPDs). Demand for ion implanters for semiconductors, electron-beam processing systems, and thin-film coating was strong.

Under this environment, the Nissin Electric Group has developed products and services corresponding to market trends and customer needs and brought them to market. We also

proactively promoted measures to enhance our cost competitiveness. However, the Group's total order receipts fell by 10.8% year on year to ¥118,694 million.

The breakdown of order receipts by business segment were as follows:

Order receipts for the Power System Equipment Business totaled ¥62,596 million, an increase of 10.8% year on year due to more orders from electric power companies and the private sector in Japan, as well as the increase in orders received by the subsidiaries in China and ASEAN countries.

Order receipts for the Charged Beam Equipment and Processing Business came to ¥16,949 million, down 53.6% year on year. This was due to a decline in orders for ion implanters for manufacturing small/medium high-definition flat panel displays (FPDs).

Order receipts for the Renewable Energy and Environment Business totaled ¥11,586 million, down 18.1% year on year, due to a decrease in orders for power conditioner for photovoltaic systems.

Order receipts for the Life Cycle Engineering Business increased 6.5% year on year to ¥27,561 million, attributed to an increase in after-sales services in Japan.

Net sales of the Group fell by 0.6% year on year to ¥126,188 million.

The breakdown of net sales by business segment were as follows:

Net sales for the Power System Equipment Business totaled ¥57,320 million, an increase of 13.8% year on year, on the back of an increase in sales to meet private sector demand and sales to electric power companies in Japan, as well as increase in sales at subsidiaries in Taiwan and ASEAN countries, despite the fall in sales to electric power companies in China.

Net sales for the Charged Beam Equipment and Processing Business came to ¥30,411 million, a decrease of 17.2% year on year, due to reduced sales of ion implanters for manufacturing small/medium high-definition FPDs.

Net sales for the Renewable Energy and Environment Business totaled ¥12,625 million, a 20.9% fall by year on year, reflecting the decline in sales for power conditioners for photovoltaic systems.

Net sales for the Life Cycle Engineering Business rose 7.9%

year on year to ¥25,832 million due to an increase in after-sales services in Japan.

Operating income of the Group came to ¥16,444 million, an increase of ¥414 million (2.6%) year on year. Group-wide efforts were made to enhance earnings power by improving productivity and increasing product profitability beginning with lowering cost price, as well as improving the organizational culture. As a result, although operating income fell for the Charged Beam Equipment and Processing Business, the Renewable Energy and Environment Business, and the Life Cycle Engineering Business, the Power System Equipment Business reported an increase in operating income.

As for extraordinary income, we booked a gain on sale of investment securities of ¥680 million through the sale of some of the stocks held for policy purposes. On the other hand, extraordinary loss of ¥178 million was recorded on losses incurred in disasters.

Based on the above, profit attributable to owners of parent increased 5.1% over the previous fiscal year to ¥12,445 million after income tax and adjustments for non-controlling interests.

Medium-to-Long-Term Business Plan “VISION2020” (2016-2020)

In April 2016, we launched our Medium-to-Long-Term Business Plan “VISION2020,” under which we have set the numerical targets for the fiscal year ending March 31, 2021, of net sales of ¥180,000 million, an operating income of ¥18,000 million, and return on assets (ROA) and return on equity (ROE) of over 10%.

In the fiscal year under review, which was the half-way mark of “VISION2020,” we sought to capture various dynamic developments in the reform of power systems, such as electricity liberalization and the separation of electric power generation and transmission, as an opportunity to expand our business. To that end, we increased production for instrument transformers mainly for use in power trading, and developed new products including UPS, a system that can implement blackout measures and peak cuts to reduce contract power demand. In addition, we partnered with our parent company, Sumitomo Electric Industries, Ltd., we proposed solutions for large-scale wind power generation businesses, which are projected to expand going forward.

Led by the Department of Designing and Developing New Business, which is headed directly by the President, we also promoted initiatives to develop new markets and develop new products, set up the new “SPSS Promotion Department” to expand the sale of Smart Power Supply Systems (SPSS), and accelerated the proposal of solutions to customers.

The fiscal year ending March 31, 2020 is the year for the culmination of prior investments as we approach the final year of “VISION2020.” We will continue with our activities while injecting more effort than ever before into capital investment, research and development investment, and human resource investment.

Business Development in Each Business Segment

Power System Equipment Business

In the domestic market, investment in electric power companies is expected to be robust, in areas such as the building of next-generation power networks including the development and reinforcement of power systems to realize improvements in renewable energy ratio. In addition, in tandem with the progress in electric power system reforms, investment associated with the expanding cross-regional accommodation of electric power can be expected to increase, together with an anticipated rise in demand for new equipment related to the separation of electric power generation and transmission. In terms of private sector demand too, replacement investment at industrial plants and similar facilities is projected to remain robust, with further demand anticipated ahead of Expo 2025 Osaka, Kansai, Japan. In order to steadily link this demand to a steady expansion of sales, we will work to increase sales with a focus on special-high voltage substation equipment, in which the Nissin Electric Group has maintained the top domestic share for many years.

There is also a growing number of new business opportunities, including local production for local consumption and the Smart Grid, arising from the need to build stable power supply systems with enhanced power infrastructural resilience. We will participate in demonstration experiments of virtual power

plants (VPP) and gain the relevant knowhow. At the same time, in order to fulfill these new needs and with a view to further expanding business, we will actively propose to our customers our Smart Power Supply Systems (SPSS), which provides various solutions by combining hard technologies mainly for power system equipment products and soft technologies for controlling equipment and energy.

Looking at the overseas market, in China we will work to expand sales of equipment related to ultrahigh voltage transmission, which is an area in which we can leverage the Group's strengths, while also putting effort into expanding our participation in the private sector demand market. We will also accelerate business operations and introduce products that are responsive to market needs in ASEAN countries, India, and other regions where economic growth and expansion of electric power infrastructure can be expected. In addition, we will significantly expand the commissioned manufacturing and design of industrial-use equipment and parts industrial equipment and parts contract manufacturing that we have advanced in Thailand and Vietnam by leveraging our parts processing and equipment assembly technologies, which are core technologies for power system equipment manufacturing, with the aim of nurturing this into a new business segment.

Charged Beam Equipment and Processing Business

[Ion Implanter for Manufacturing Small/Medium High-Definition Flat Panel Display (FPD)]

Although customer investment has entered a lull period, increased production and investment in China, Korea, and other countries are expected to resume, especially for organic electro-luminescence (EL) displays. To ensure that we acquire orders from this demand, we will put effort into enhancing device performance to meet the needs of our customers, with the aim of continuing to maintain an overwhelming global market share in this area.

[Ion Implanter for Semiconductor]

In addition to our existing range of medium current implanters, we will expand sales of the newly introduced high current

implanters, and the devices for use in manufacturing the silicon carbide (SiC) power devices and sensors, for which demand is expected to increase going forward.

[Electron-Beam Processing System]

We will work steadily to expand sales in automobile-related sectors, which are expected to grow over the medium- to long-term.

[Thin-Film Coating Service]

We will actively develop the market for diamond-like carbon (DLC) film with excellent surface smoothness and wear resistance, which is our strength, and strive to develop new applications for DLC and expand sales mainly to the automobile industry. We also plan to enhance our coating capabilities in China, ASEAN countries and India in response to increasing local demand.

Renewable Energy and Environment Business

[Renewable Energy Business]

In response to the trends of growing environmental awareness and reducing CO₂ emissions, we will redouble our efforts to increase sales of power conditioners for the self-consumption market and power conditioners for battery energy storage, where demand is forecast to increase, instead of power conditioners targeted at the feed-in tariff (FIT) market (fixed price purchasing system for renewable energy).

With regard to grid connection equipment that leverages on our strengths of simulation technology for grid connections and ultrahigh voltage transmission technology, we will strive to increase sales not only for photovoltaic generation, but also for wind and biomass power generation, both of which are projected to increase in the future.

[Environment Business]

We will strive to expand the scope of business by proactively proposing the new Smart Power Supply Systems (SPSS) that responds to the introduction of renewable energy and the need to promote energy-saving at water treatment facilities, in addition to electrical equipment and supervisory control systems at such

facilities we have been selling thus far.

Life Cycle Engineering Business

The Life Cycle Engineering Business meets the needs of ensuring safe operations and extending the life of equipment, undertaking operations from equipment installation work and on-site testing to maintenance. In Japan, in particular, since there are growing needs to extend the service life of aging power system equipment, we will expand the repair and diagnostics business to meet these needs. In addition, given the needs for remote monitoring of photovoltaic power generation facilities to which a large number of power conditioners has been delivered in recent years, as well as the increasingly severe labor shortages among our customers for people who can stably operate substation equipment, there are also growing needs to enhance the efficiency of maintenance work utilizing sensors, IoT and AI technologies. Accordingly, we aim to acquire more orders by fulfilling these needs.

Accompanying the increased volume of equipment shipped overseas for the Charged Beam Equipment and Processing Business, business opportunities for the maintenance of such equipment are also expected to grow. Accordingly, we aim to achieve further business growth by actively introducing new technologies, and at the same time, to develop our global businesses by expanding our service bases overseas and other initiatives.

Corporate Philosophy and Initiatives for SDGs and ESG

The Nissin Electric Group seeks to engage in business activities with a multifaceted value axis, based on our Business Mindset and with the development of firm relations of trust with our stakeholders as the Principles of Activities. With that in mind, we aim to realize our Corporate Philosophy, which states that “Through corporate activities that support the foundations of society and industry, the Nissin Electric Group will harmonize with the environment and contribute toward realizing a vibrant society.” Through that, we will actively work to resolve social

issues towards the realization of a sustainable society that sets its sights on the Sustainable Development Goals (SDGs) and Environment/Society/Government (ESG).

We will continue to work collectively as a group going forward to promote our business activities, in order to enhance our business performance and realize our Corporate Philosophy.



Shigeo Saito, President

C Consolidated Balance Sheets

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

ASSETS	Millions of yen		Thousands of U.S. dollars (Note 1)
	2019	2018	2019
Current assets:			
Cash and cash equivalents	¥ 12,938	¥ 10,447	\$ 116,558
Time deposits	422	481	3,797
Receivables:			
Trade notes and accounts	53,961	53,566	486,132
Other	459	386	4,140
	54,420	53,952	490,272
Allowance for doubtful receivables	(222)	(304)	(2,001)
	54,198	53,648	488,271
Inventories (Note 4)	25,979	22,675	234,045
Short-term loans receivable (Note 20)	22,243	22,004	200,389
Other current assets	1,885	2,753	16,984
Total current assets	117,665	112,008	1,060,044
Property, plant and equipment:			
Land	5,928	4,145	53,406
Buildings and structures	35,278	33,459	317,819
Machinery and equipment	43,430	41,859	391,265
Construction in progress	931	773	8,382
Total property, plant and equipment	85,567	80,236	770,872
Accumulated depreciation	(54,487)	(53,572)	(490,876)
Net property, plant and equipment	31,080	26,664	279,996
Investments and other assets:			
Investment securities (Note 3)	5,102	7,274	45,960
Net defined benefit asset (Note 13)	1,478	1,062	13,319
Deferred tax assets (Note 12)	4,646	4,229	41,855
Other assets	1,245	1,230	11,212
Allowance for doubtful receivables	(221)	(220)	(1,987)
Total investments and other assets	12,250	13,575	110,359
Intangible assets	1,432	1,331	12,906
Total assets	¥ 162,427	¥ 153,578	\$ 1,463,305

See accompanying notes.

LIABILITIES AND NET ASSETS	Millions of yen		Thousands of U.S. dollars (Note 1)
	2019	2018	2019
LIABILITIES			
Current liabilities:			
Short-term bank loans (Note 5)	¥ 3,005	¥ 2,018	\$ 27,068
Payables:			
Trade notes and accounts	17,930	17,082	161,532
Other	3,863	3,173	34,806
	21,793	20,255	196,338
Accrued expenses	7,887	7,705	71,050
Accrued income taxes	2,580	1,121	23,243
Advances from customers	8,730	9,862	78,648
Other provision	1,670	2,413	15,052
Other current liabilities	237	304	2,132
Total current liabilities	45,902	43,678	413,531
Long-term liabilities:			
Net defined benefit liability (Note 13)	5,284	5,015	47,606
Other long-term liabilities (Note 12)	598	1,072	5,381
Total long-term liabilities	5,882	6,087	52,987
Total liabilities	51,784	49,765	466,518
Contingent liabilities (Note 6)			
NET ASSETS (Note 7 and 8)			
Shareholders' equity:			
Common stock:			
Authorized - 431,329,000 shares			
Issued and outstanding - 107,832,445 shares	10,253	10,253	92,368
Capital surplus	6,638	6,679	59,803
Retained earnings	90,100	81,288	811,712
Treasury stock, at cost:			
957,770 shares in 2019 and 957,718 shares in 2018	(301)	(301)	(2,716)
Total shareholders' equity	106,690	97,919	961,167
Other comprehensive income:			
Valuation difference on available-for-sale securities	2,142	3,354	19,301
Deferred gains and losses on hedges	(2)	(64)	(18)
Foreign currency translation adjustments	2,241	2,524	20,187
Remeasurements of defined benefit plans (Note 13)	(3,061)	(2,718)	(27,574)
Total other comprehensive income	1,320	3,096	11,896
Noncontrolling interests	2,633	2,798	23,724
Total net assets	110,643	103,813	996,787
Total liabilities and net assets	¥ 162,427	¥ 153,578	\$ 1,463,305

See accompanying notes.

C Consolidated Statements of Income

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

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2019	2018	2019
Net sales	¥ 126,188	¥ 127,003	\$ 1,136,826
Cost and expenses:			
Cost of sales (Note 9)	84,190	86,682	758,468
Selling, general and administrative expenses (Note 9 and 10)	25,554	24,291	230,213
Operating income	16,444	16,030	148,145
Other income (expenses):			
Interest and dividend income	231	228	2,081
Reversal of provision for loss on liquidation of subsidiaries and associates (Note 14)	–	110	–
Gain on sales of investment securities	681	–	6,134
Interest expense	(74)	(85)	(665)
Loss on retirement of noncurrent assets	(61)	(58)	(551)
Removal costs	(45)	(38)	(412)
Environmental expenses (Note 15)	–	(406)	–
Loss on reversal of foreign currency translation adjustments (Note 16)	–	(155)	–
Loss on disaster (losses due to Typhoon No. 21 “Jebi”) (Note 17)	(178)	–	(1,599)
Other, net	273	85	2,463
Income before income taxes	17,271	15,711	155,596
Income taxes (Note 12):			
Current	4,389	3,652	39,545
Deferred	141	(107)	1,267
Total income taxes	4,530	3,545	40,812
Profit	12,741	12,166	114,784
Profit attributable to noncontrolling interests	296	326	2,666
Profit attributable to owners of parent	¥ 12,445	¥ 11,840	\$ 112,118
Amounts per share:	Yen		U.S. dollars (Note 1)
Profit attributable to owners of parent	¥ 116.45	¥ 110.79	\$ 1.05
Diluted profit attributable to owners of parent	–	–	–
Cash dividends applicable to the period	32.00	30.00	0.29

See accompanying notes.

C Consolidated Statements of Comprehensive Income

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

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2019	2018	2019
Profit	¥ 12,741	¥ 12,166	\$ 114,784
Other comprehensive income (Note 18):			
Valuation difference on available-for-sale securities	(1,212)	421	(10,917)
Deferred gains and losses on hedges	62	(73)	564
Foreign currency translation adjustments	(323)	610	(2,917)
Remeasurements of defined benefit plans	(345)	853	(3,108)
Total other comprehensive income	(1,818)	1,811	(16,378)
Comprehensive income	¥ 10,923	¥ 13,977	\$98,406
Comprehensive income attributable to			
Owners of parent	¥ 10,670	¥ 13,627	\$96,130
Noncontrolling interests	253	350	2,276

See accompanying notes.

C Consolidated Statements of Changes in Net Assets

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

	Millions of yen				
	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at April 1, 2017	¥ 10,253	¥ 6,679	¥ 72,597	¥ (301)	¥ 89,228
Cash dividends	—	—	(3,207)	—	(3,207)
Profit attributable to owners of parent	—	—	11,840	—	11,840
Purchase of treasury stock	—	—	—	—	—
Change in scope of consolidation	—	—	58	—	58
Purchase of investments in capital of consolidated subsidiaries	—	—	—	—	—
Net changes for the year	—	—	—	—	—
Balance at March 31, 2018	¥ 10,253	¥ 6,679	¥ 81,288	¥ (301)	¥ 97,919

	Millions of yen						
	Other comprehensive income						
	Valuation difference on available-for-sale securities	Deferred gains and losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total other comprehensive income	Noncontrolling interests	Total net assets
Balance at April 1, 2017	¥ 2,933	¥ 9	¥ 1,937	¥ (3,571)	¥ 1,308	¥ 2,591	¥ 93,127
Cash dividends	—	—	—	—	—	—	(3,207)
Profit attributable to owners of parent	—	—	—	—	—	—	11,840
Purchase of treasury stock	—	—	—	—	—	—	—
Change in scope of consolidation	—	—	—	—	—	—	58
Purchase of investments in capital of consolidated subsidiaries	—	—	—	—	—	—	—
Net changes for the year	421	(73)	587	853	1,788	207	1,995
Balance at March 31, 2018	¥ 3,354	¥ (64)	¥ 2,524	¥ (2,718)	¥ 3,096	¥ 2,798	¥ 103,813

	Millions of yen				
	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at April 1, 2018	¥ 10,253	¥ 6,679	¥ 81,288	¥ (301)	¥ 97,919
Cash dividends	—	—	(3,633)	—	(3,633)
Profit attributable to owners of parent	—	—	12,445	—	12,445
Purchase of treasury stock	—	—	—	(0)	(0)
Change in scope of consolidation	—	—	—	—	—
Purchase of investments in capital of consolidated subsidiaries	—	(41)	—	—	(41)
Net changes for the year	—	—	—	—	—
Balance at March 31, 2019	¥ 10,253	¥ 6,638	¥ 90,100	¥ (301)	¥ 106,690

Millions of yen

	Other comprehensive income						Total net assets
	Valuation difference on available-for-sale securities	Deferred gains and losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total other comprehensive income	Noncontrolling interests	
Balance at April 1, 2018	¥ 3,354	¥ (64)	¥ 2,524	¥ (2,718)	¥ 3,096	¥ 2,798	¥ 103,813
Cash dividends	–	–	–	–	–	–	(3,633)
Profit attributable to owners of parent	–	–	–	–	–	–	12,445
Purchase of treasury stock	–	–	–	–	–	–	(0)
Change in scope of consolidation	–	–	–	–	–	–	–
Purchase of investments in capital of consolidated subsidiaries	–	–	–	–	–	–	(41)
Net changes for the year	(1,212)	62	(283)	(343)	(1,776)	(165)	(1,941)
Balance at March 31, 2019	¥ 2,142	¥ (2)	¥ 2,241	¥ (3,061)	¥ 1,320	¥ 2,633	¥ 110,643

Thousands of U.S. dollars (Note 1)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at April 1, 2018	\$ 92,368	\$ 60,173	\$ 732,330	\$ (2,715)	\$ 882,156
Cash dividends	–	–	(32,736)	–	(32,736)
Profit attributable to owners of parent	–	–	112,118	–	112,118
Purchase of treasury stock	–	–	–	(1)	(1)
Change in scope of consolidation	–	–	–	–	–
Purchase of investments in capital of consolidated subsidiaries	–	(370)	–	–	(370)
Net changes for the year	–	–	–	–	–
Balance at March 31, 2019	\$ 92,368	\$ 59,803	\$ 811,712	\$ (2,716)	\$ 961,167

Thousands of U.S. dollars (Note 1)

	Other comprehensive income						Total net assets
	Valuation difference on available-for-sale securities	Deferred gains and losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total other comprehensive income	Noncontrolling interests	
Balance at April 1, 2018	\$ 30,218	\$ (582)	\$ 22,735	\$ (24,487)	\$ 27,884	\$ 25,210	\$ 935,250
Cash dividends	–	–	–	–	–	–	(32,736)
Profit attributable to owners of parent	–	–	–	–	–	–	112,118
Purchase of treasury stock	–	–	–	–	–	–	(1)
Change in scope of consolidation	–	–	–	–	–	–	–
Purchase of investments in capital of consolidated subsidiaries	–	–	–	–	–	–	(370)
Net changes for the year	(10,917)	564	(2,548)	(3,087)	(15,988)	(1,486)	(17,474)
Balance at March 31, 2019	\$ 19,301	\$ (18)	\$ 20,187	\$ (27,574)	\$ 11,896	\$ 23,724	\$ 996,787

See accompanying notes.

C Consolidated Statements of Cash Flows

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

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2019	2018	2019
Cash flows from operating activities:			
Income before income taxes	¥ 17,271	¥ 15,711	\$ 155,596
Adjustments for:			
Depreciation and amortization	3,405	3,198	30,675
Environmental expenses	–	406	–
Interest and dividend income	(231)	(228)	(2,081)
Interest expense	74	85	665
Loss on reversal of foreign currency translation adjustments	–	155	–
Loss (gain) on sales of investment securities	(681)	–	(6,134)
Increase (decrease) in allowance for doubtful receivables	(78)	(115)	(706)
Increase (decrease) in net defined benefit liability	(651)	338	(5,868)
Increase (decrease) in other provision	(937)	(199)	(8,442)
Decrease (increase) in trade receivables	(668)	(4,270)	(6,014)
Decrease (increase) in inventories	(3,342)	5,064	(30,108)
Increase (decrease) in trade payables	588	(3,806)	5,300
Increase (decrease) in accrued expenses	196	339	1,769
Increase (decrease) in advances from customers	(1,111)	(6,667)	(10,010)
Other, net	693	1,451	6,240
Subtotal	14,528	11,462	130,882
Interest and dividends received	229	229	2,064
Interest paid	(74)	(89)	(663)
Income taxes paid	(2,906)	(4,338)	(26,183)
Net cash provided by (used in) operating activities	11,777	7,264	106,100
Cash flows from investing activities:			
Payments for purchase of property, plant and equipment and intangible assets	(7,045)	(4,198)	(63,465)
Net decrease (increase) in short-term loans receivable	(240)	(2,004)	(2,161)
Proceeds from sales of investment securities	1,191	11	10,733
Other, net	23	(109)	203
Net cash provided by (used in) investing activities	(6,071)	(6,300)	(54,690)
Cash flows from financing activities:			
Net increase (decrease) in short-term loans	1,000	(1,801)	9,005
Cash dividends paid	(3,634)	(3,207)	(32,736)
Cash dividends paid to minority shareholders	(343)	(201)	(3,092)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(115)	–	(1,040)
Other, net	(86)	(92)	(770)
Net cash provided by (used in) financing activities	(3,178)	(5,301)	(28,633)
Effect of exchange rate changes on cash and cash equivalents	(37)	(24)	(332)
Net increase (decrease) in cash and cash equivalents	2,491	(4,361)	22,445
Cash and cash equivalents at beginning of year	10,447	14,656	94,113
Increase in cash and cash equivalents resulting from change of scope of consolidation	–	152	–
Cash and cash equivalents at end of year	¥ 12,938	¥ 10,447	\$ 116,558

See accompanying notes.

Notes to Consolidated Financial Statements

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

1. BASIS OF PRESENTING CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements have been prepared in accordance with the provisions set forth in the Financial Instruments and Exchange Law and its related accounting regulations and in conformity with accounting principles generally accepted in Japan (“Japanese GAAP”), which are different in certain respects as to application and disclosure requirements from International Financial Reporting Standards.

The accounts of overseas consolidated subsidiaries are prepared in accordance with either International Financial Reporting Standards or U.S. generally accepted accounting principles, with adjustments for the specified four items as applicable.

The accompanying consolidated financial statements have been restructured and translated into English with some expanded disclosures from the consolidated financial statements of Nissin Electric Co., Ltd. (the “Company”) prepared in accordance with

Japanese GAAP and filed with the appropriate Local Finance Bureau of the Ministry of Finance as required by the Financial Instruments and Exchange Law. Certain supplementary information included in the statutory Japanese language consolidated financial statements, but not required for fair presentation, is not presented in the accompanying consolidated financial statements. Certain reclassifications of prior year amounts have been made to conform to the current year presentation.

The translations of the Japanese yen amounts into U.S. dollar amounts have been included solely for the convenience of readers outside Japan, using the prevailing exchange rate at March 31, 2019, which was ¥111 to U.S. \$1.00. These translations should not be construed as representations that the Japanese yen amounts have been, could have been or could in the future be converted into U.S. dollars at this or any other rate of exchange.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation

The consolidated financial statements include the accounts of the Company, 9 domestic subsidiaries (9 in 2018) and 16 overseas subsidiaries (16 in 2018).

The fiscal year-end for Nissin Allis Electric Co., Ltd., Nissin Electric (Wuxi) Co., Ltd., Nissin Electric Wuxi Co., Ltd., Beijing Hongda Nissin Electric Co., Ltd. and 7 other overseas subsidiaries (7 in 2018) is December 31. These 11 overseas subsidiaries (11 in 2018) performed additional financial closings for the consolidation at the end of March to provide more accurate reporting.

Translation of foreign currencies

Foreign currency monetary assets and liabilities are translated into Japanese yen at fiscal year-end rates, and the resulting translation gains and losses are included in profit attributable to the owners of the parent. The balance sheets of the consolidated overseas subsidiaries are translated into Japanese yen at fiscal year-end rates, except for shareholders' equity accounts, which are translated at historical rates. Income statements of the consolidated overseas subsidiaries are translated at average rates. The resulting foreign currency translation adjustments are shown as a separate component of net assets, net of noncontrolling interests.

Securities and investment securities

Investment securities are classified and accounted for based on management's intent as follows:

Equity securities issued by subsidiaries and associates which are not consolidated or accounted for using the equity method are stated at moving average cost. Available-for-sale securities with available fair market values are stated at fair market value at the fiscal year-end, and unrealized gains and losses are reported net of applicable income taxes and noncontrolling interests as a separate component of net assets. Realized gains and losses on the sale of such securities are computed using moving average cost. Other available-for-sale securities with no available fair market value are stated at moving average cost. Held-to-maturity debt securities are stated at amortized cost.

Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined mainly by the specific identification method for finished goods and work-in-process and by the average cost method for raw materials and supplies.

Property, plant and equipment (excluding lease assets)

The Company and its consolidated subsidiaries (the “Companies”) use the straight-line method to depreciate property, plant and equipment, excluding lease assets.

Intangible assets (excluding lease assets)

The Companies use the straight-line method to amortize intangible assets, excluding lease assets.

Allowance for doubtful receivables

The allowance for doubtful receivables is provided to cover possible losses on collection. With respect to normal trade accounts receivable, it is stated at an amount based on the actual rate of historical bad debts. For certain doubtful receivables, the uncollectible amount is individually estimated.

Allowance for losses on contracts

To provide for losses on contracts, the Company and some consolidated subsidiaries accrue the amounts which are reasonably estimated at the end of the year.

Allowance for environmental protection measures

To provide for expenses related to the disposal of PCB waste, the Company accrues the amounts which are reasonably estimated at the end of the year.

Accounting method for retirement benefits

In the calculation of retirement benefit obligations, the benefit formula method was adopted to attribute retirement benefit obligations to the period of service up to the end of the consolidated fiscal year ended March 31, 2019. Actuarial

differences are recognized in expenses in equal amounts over a certain number of years (mainly 13 years), a period which is within the average of the estimated remaining service years of employees, commencing with the following year.

Accounting standard for construction contracts

The Company and its consolidated domestic subsidiaries apply the percentage-of-completion method with the cost comparison method to estimate the progress under construction contracts for the portions of the contract completed by the end of the fiscal year that can be estimated reliably. The completed contract method is applied to other construction contracts.

Income taxes

The Companies recognize the tax effects of loss carryforwards and the temporary differences between the carrying amounts of assets and liabilities for tax and financial reporting purposes. The asset-liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

The Company files a tax return under the consolidated taxation system, which allows companies to base tax payments on the combined profits and losses of the parent company and its wholly owned domestic subsidiaries.

Derivatives and hedge accounting

The Companies state derivative financial instruments at fair value and recognize a change in the fair value as gain or loss unless the derivative financial instruments are used for hedging purposes. If derivative financial instruments are used as hedges and meet certain hedging criteria, the Companies defer recognition of gain or loss resulting from a change in the fair value of the derivative financial instrument until the related loss or gain on the hedged item is recognized.

When forward foreign exchange contracts meet certain conditions, the hedged items are stated at the forward exchange contract rate. If interest rate and currency swap contracts are used as hedges and meet certain hedging criteria, the hedged items are stated at the forward exchange contract rate and the net amounts to be paid or received under the interest rate and currency swap contracts is added to or deducted from the interest on the assets or liabilities for which the swap contracts were executed.

The Companies use forward foreign currency contracts and interest rate and currency swap contracts as derivative financial instruments only for the purpose of mitigating future risks of fluctuations in foreign currency exchange rates and interest rates.

The following summarizes the hedging derivative financial instruments used by the Companies and the hedged items:

Hedging instruments:

Forward foreign exchange contracts
Nondeliverable forward contracts
Interest rate and currency swap contracts

Hedged items:

Foreign currency receivables and payables
Foreign currency receivables and payables
Principal and interest on foreign currency loans receivables and debts

Cash equivalents

In preparing the consolidated statements of cash flows, cash on hand, readily available deposits and short-term highly liquid investments with maturities not exceeding three months at the time of purchase are considered to be cash and cash equivalents.

Amounts per share

The computations of profit attributable to the owners of the parent per share of common stock are based on the weighted average number of shares outstanding during each period. Diluted profit attributable to the owners of the parent per share of common stock assumes that all stock options were exercised at the beginning of the fiscal year. For the fiscal years ended March 31, 2019 and 2018, there were no potentially dilutive common stocks.

In accordance with the Japanese Corporate Law, the declaration of dividends and the appropriations of retained earnings are approved at the general meeting of shareholders held after the end of the fiscal year. However, cash dividends per share shown in the consolidated statements of income reflect the final dividends approved after the end of the relevant fiscal year.

Changes in accounting estimates

In the accounting of retirement benefits, the actuarial difference period has mainly been 14 years, but since the average remaining service period of employees is less than this, the amortization period has been changed to mainly 13 years from the consolidated fiscal year ended March 31, 2019. As a result of this change, operating income, ordinary income and income before income taxes for the consolidated fiscal year ended March 31, 2019 each increased by 121 million yen (\$1,091 thousand) from the amounts that would have been reported without the change.

Standards and guidance not yet adopted

The following standard and guidance were issued but not yet adopted.

- Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 30, 2018)
- Implementation Guidance on Accounting Standard for Revenue Recognition (ASBJ Guidance No. 30, March 30, 2018)

(1) Overview

The above standard and guidance provide comprehensive principles for revenue recognition. Under the standard and guidance, revenue is recognized by applying following 5 steps:
Step1 Identify contract(s) with customers.
Step2 Identify the performance obligations in the contract.
Step3 Determine the transaction price.
Step4 Allocate the transaction price to the performance obligation in the contract.
Step5 Recognize revenue when (or as) the entity satisfies a performance obligation.

(2) Effective date

The standard and guidance will be from the beginning of the fiscal year ending March 31, 2021

(3) Effects of the application of the standards

The Company and its consolidated domestic subsidiaries are currently in the process of determining the effects of these new standards on the consolidated financial statements.

3. INVESTMENT SECURITIES

The carrying amounts of investment securities at March 31, 2019 and 2018 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Available-for-sale securities with available fair values	¥ 4,887	¥ 7,046	\$ 44,026
Available-for-sale securities with no available fair values	215	228	1,934
Total	¥ 5,102	¥ 7,274	\$ 45,960

The following is a summary of available-for-sale securities included in investment securities that had a fair value at March 31, 2019 and 2018. Unlisted stocks are not included in "Other securities" in the table below as they had no market prices, and it is deemed to be extremely difficult to determine their market value.

2019	Millions of yen			
	Acquisition cost	Gross unrealized gains	Gross unrealized losses	Book (fair) value
Equity securities	¥ 1,861	¥ 3,026	¥ –	¥ 4,887

2018	Millions of yen			
	Acquisition cost	Gross unrealized gains	Gross unrealized losses	Book (fair) value
Equity securities	¥ 2,372	¥ 4,674	¥ –	¥ 7,046

2019	Thousands of U.S. dollars			
	Acquisition cost	Gross unrealized gains	Gross unrealized losses	Book (fair) value
Equity securities	\$ 16,770	\$ 27,256	\$ –	\$ 44,026

Proceeds from sales of available-for-sale securities were ¥1,191 million (\$10,732 thousand) for the year ended March 31, 2019. Gross realized gains on those sales were ¥681 million (\$6,134 thousand) for the year ended March 31, 2019. Gross realized gains and losses on the sale of available-for-sale securities for the fiscal year ended March 31, 2018 were not material.

The "acquisition cost" in the table represents the book value after recognition of impairment loss. The Company recognized no impairment loss for the fiscal years ended March 31, 2019 and 2018.

4. INVENTORIES

Inventories at March 31, 2019 and 2018 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Finished goods	¥ 1,389	¥ 2,072	\$ 12,511
Work-in-process	18,368	15,160	165,480
Raw materials and supplies	6,222	5,443	56,054
	¥ 25,979	¥ 22,675	\$ 234,045

Inventories related to construction contracts for which losses were expected after being offset by the allowance for losses on contracts for the fiscal years ended March 31, 2019 and 2018 were ¥359 million (\$3,235 thousand) and ¥179 million, respectively.

5. SHORT-TERM BANK LOANS AND LONG-TERM DEBT

Short-term loans at March 31, 2019 and 2018 were represented by short-term notes that consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Short-term loans bearing average interest rates of 2.74% (2019) and 1.94% (2018)	¥ 2,980	¥ 1,941	\$ 26,846

A summary of long-term debt at March 31, 2019 and 2018 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Long-term debt	¥ 51	¥ 129	\$ 459
Current portion of long-term debt	(25)	(77)	(222)
Loans maturing serially through 2022 bearing average interest rates of 7.50% (2019) and 7.76% (2018)	¥ 26	¥ 52	\$ 237

The annual maturities of long-term debt outstanding at March 31, 2019 were as follows:

Year ending March 31,	Millions of yen	Thousands of U.S. dollars
2020	¥ 25	\$ 222
2021	24	221
2022	2	16
2023 and thereafter	—	—
Total	¥ 51	\$ 459

6. CONTINGENT LIABILITIES

At March 31, 2019 and 2018, the Companies' contingent liabilities were as follows:

	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Endorsed trade notes	¥ 201	¥ 90	\$ 1,808

7. NET ASSETS

"Net assets" comprises three subsections: shareholders' equity, other comprehensive income and noncontrolling interests.

Under Japanese laws and regulations, the entire amount paid for new shares is required to be designated as common stock. However, a company may, by a resolution of the Board of Directors, designate an amount not exceeding one half of the price of the new shares as additional paid-in capital, which is included in capital surplus.

Under the Japanese Corporate Law ("the Law") in cases in which a dividend distribution of surplus is made, the smaller of an amount equal to 10% of the dividend or the excess, if any, of 25% of common stock over the total of additional paid-in capital and legal earnings reserve must be set aside as additional paid-in capital or legal earnings reserve. Legal earnings reserve is included in retained earnings in the accompanying consolidated balance sheets.

Additional paid-in capital and legal earnings reserve may not be distributed as dividends. Under the Law, all additional paid-in capital and all legal earnings reserve may, by resolution of the shareholders, be transferred to other capital surplus and retained earnings, respectively, which are potentially available for dividends.

The maximum amount that the Company can distribute as dividends is based on the nonconsolidated financial statements of the Company in accordance with Japanese laws and regulations.

8. CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

Dividend information

Dividends paid in the fiscal year ended March 31, 2019 and after March 31, 2019 were as follows:

Dividends paid in the fiscal year ended March 31, 2019

Approved by	Record date	Effective date	Total amount	
			Millions of yen	Thousands of U.S. dollars
Shareholders' meeting on June 26, 2018	March 31, 2018	June 27, 2018	¥ 2,031	\$ 18,294
Board of Directors on October 30, 2018	September 30, 2018	December 5, 2018	¥ 1,602	\$ 14,442

Dividends paid after March 31, 2019 and for which the record date was in the fiscal year ended March 31, 2019.

Approved by	Record date	Effective date	Total amount	
			Millions of yen	Thousands of U.S. dollars
Shareholders' meeting on June 19, 2019	March 31, 2019	June 20, 2019	¥ 1,817	\$ 16,368

Dividends paid in the fiscal year ended March 31, 2018 and after March 31, 2018 were as follows:

Dividends paid in the fiscal year ended March 31, 2018

Approved by	Record date	Effective date	Total amount	
			Millions of yen	
Shareholders' meeting on June 27, 2017	March 31, 2017	June 28, 2017	¥ 2,031	
Board of Directors on October 27, 2017	September 30, 2017	December 5, 2017	¥ 1,176	

Dividends paid after March 31, 2018 and for which the record date was in the fiscal year ended March 31, 2018.

Approved by	Record date	Effective date	Total amount	
			Millions of yen	
Shareholders' meeting on June 26, 2018	March 31, 2018	June 27, 2018	¥ 2,031	

9. RESEARCH AND DEVELOPMENT EXPENSES

Research and development expenses included in cost of sales and selling, general and administrative expenses for the fiscal years ended March 31, 2019 and 2018 were ¥7,922 million (\$71,373 thousand) and ¥6,506 million, respectively.

10. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Major components of selling, general and administrative expenses were as follows:

	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Salaries and bonuses for employees	¥ 8,335	¥ 8,270	\$ 75,093
Research and development expenses	6,174	5,145	55,619
Cost of transportation of goods	1,712	1,833	15,419
Sales commissions	558	612	5,025
Retirement benefit costs	510	528	4,595
Provision of allowance for doubtful receivables	(83)	(110)	(744)

11. DERIVATIVE TRANSACTIONS

A. Derivative transactions to which hedge accounting is not applicable

	Millions of yen				Millions of yen			
	2019				2018			
	Contracted amount	Amount of principal due over one year	Fair value	Recognized gain (loss)	Contracted amount	Amount of principal due over one year	Fair value	Recognized gain (loss)
Transactions other than market transactions								
Forward foreign exchange contracts:								
Trade receivables								
Chinese yuan	¥ 666	¥ –	¥ (4)	¥ (4)	¥ 837	¥ –	¥ (18)	¥ (18)
U.S. dollars	222	–	(11)	(11)	103	24	(0)	(0)
Trade payables								
Chinese yuan	183	–	1	1	78	–	(2)	(2)
Thai baht	–	–	–	–	59	–	0	0
U.S. dollars	25	–	(0)	(0)	7	–	(0)	(0)
Currency interest rate swaps:								
Trade receivables								
Chinese yuan	199	199	(4)	(4)	–	–	–	–
Total	¥ 1,295	¥ 199	¥ (18)	¥ (18)	¥ 1,084	¥ 24	¥ (20)	¥ (20)

Thousands of U.S. dollars

	2019			
	Contracted amount	Amount of principal due over one year	Fair value	Recognized gain (loss)
Transactions other than market transactions				
Forward foreign exchange contracts:				
Trade receivables				
Chinese yuan	\$ 5,997	\$ –	\$ (38)	\$ (38)
U.S. dollars	1,999	–	(99)	(99)
Trade payables				
Chinese yuan	1,645	–	6	6
Thai baht	–	–	–	–
U.S. dollars	226	–	(1)	(1)
Currency interest rate swaps:				
Trade receivables				
Chinese yuan	1,797	1,797	(34)	(34)
Total	\$ 11,664	\$ 1,797	\$ (166)	\$ (166)

Fair values are based on quotes obtained from financial institutions.

B. Derivative transactions to which hedge accounting is applicable

	Millions of yen			Millions of yen			Thousands of U.S. dollars		
	2019			2018			2019		
	Contracted amount	Amount of principal due over one year	Fair value	Contracted amount	Amount of principal due over one year	Fair value	Contracted amount	Amount of principal due over one year	Fair value
Allocation method									
Forward foreign exchange contracts:									
Trade receivables									
U.S. dollars	¥ 123	¥ –	¥ (0)	¥ 235	¥ –	¥ 9	\$ 1,107	\$ –	\$ (2)
Australian dollars	31	–	1	–	–	–	276	–	7
Trade payables									
Euros	8	–	(0)	2	–	(0)	69	–	(0)
Canadian dollars	4	–	(0)	–	–	–	38	–	(1)
U.S. dollars	1	–	0	47	–	0	6	–	0
Deferred hedge method									
Forward foreign exchange contracts:									
Trade receivables									
U.S. dollars	128	–	(2)	177	143	(0)	1,152	–	(15)
Chinese yuan	9	–	(0)	150	–	(2)	85	–	(2)
Trade payables									
U.S. dollars	142	–	(0)	749	–	(35)	1,279	–	(2)
Chinese yuan	130	–	(1)	496	–	(3)	1,175	–	(2)
Swiss francs	79	–	(1)	44	–	(1)	709	–	(10)
N.Z. dollars	41	–	1	837	–	(54)	372	–	5
Thai baht	34	–	0	–	–	–	303	–	1
Euros	11	–	(0)	2	–	(0)	102	–	(1)
Canadian dollars	3	–	0	–	–	–	29	–	0
Total	¥ 744	¥ –	¥ (2)	¥ 2,739	¥ 143	¥ (86)	\$ 6,702	\$ –	\$ (22)

Fair values are based on quotes obtained from financial institutions.

12. INCOME TAXES

The Partial Amendments to Accounting Standard for Tax Effect Accounting, etc. (ASBJ Statement No. 28, issued on February 16, 2018) has been applied from the start of the fiscal years ended March 31, 2019 and 2018.

The Companies are subject to several taxes based on income, which, in the aggregate, indicate a statutory rate in Japan of 30.5% and 30.8% for the fiscal years ended March 31, 2019 and 2018, respectively.

Significant components of the Companies' deferred tax assets and liabilities as of March 31, 2019 and 2018 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Deferred tax assets:			
Net defined benefit liability	¥ 1,610	¥ 1,533	\$ 14,502
Accrued employees' bonuses	1,143	1,056	10,300
Devaluation of inventories	986	870	8,879
Research and development expenses	759	515	6,842
Cost of sales	686	714	6,182
Depreciation	592	649	5,331
Retirement benefits trust	346	241	3,118
Tax loss carryforwards	278	276	2,502
Unrealized intercompany profits	256	220	2,306
Other temporary differences	1,597	2,107	14,394
Total deferred tax assets	8,253	8,181	74,356
Valuation allowance	(1,161)	(1,157)	(10,466)
Net deferred tax assets	7,092	7,024	63,890
Deferred tax liabilities:			
Valuation difference on available-for-sale securities	(916)	(1,319)	(8,256)
Undistributed earnings of overseas subsidiaries	(883)	(929)	(7,954)
Net defined benefit asset	(391)	(288)	(3,520)
Reserve for deferred gains related to fixed assets for tax purposes	(246)	(247)	(2,217)
Other temporary differences	(10)	(12)	(88)
Total deferred tax liabilities	(2,446)	(2,795)	(22,035)
Net deferred tax assets	¥ 4,646	¥ 4,229	\$ 41,855

Significant differences between the statutory income tax rate and the effective income tax rate in the consolidated financial statements for the fiscal years ended March 31, 2019 and 2018 were as follows:

	2019	2018
Statutory income tax rate	30.5 %	30.8 %
Changes in valuation allowance	0.0	(1.5)
Tax credit for research and development expenses	(4.5)	(3.7)
Effect of lower tax rates on overseas subsidiaries	(1.0)	(1.6)
Temporary differences for investments in subsidiaries	(0.1)	(3.3)
Others	1.3	1.9
Effective income tax rate	26.2 %	22.6 %

13. EMPLOYEES' SEVERANCE AND RETIREMENT BENEFITS

A. Overview of retirement benefit plans

The Company and some consolidated subsidiaries have unfunded retirement benefit plans, defined contribution pension plans and defined benefit pension plans. There are also cases in which an employee is given premium severance pay on leaving the company. In addition, the Company has an employee pension trust.

B. Defined benefit plans

(1) Movements in retirement benefit obligations

	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Balance at beginning of year	¥ 26,118	¥ 25,732	\$ 235,300
Service cost - benefits earned during the year	1,415	1,366	12,749
Interest cost on retirement benefit obligations	144	139	1,298
Actuarial differences	381	(222)	3,435
Payment of retirement benefits	(1,068)	(902)	(9,626)
Other	(6)	5	(53)
Balance at end of year	¥ 26,984	¥ 26,118	\$ 243,103

(2) Movements in pension assets

	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Balance at beginning of year	¥ 22,165	¥ 20,926	\$ 199,683
Expected return on pension assets	479	442	4,321
Actuarial differences	(514)	549	(4,628)
Contributions from the employer	1,780	968	16,037
Payment of retirement benefits	(723)	(716)	(6,511)
Other	(9)	(4)	(87)
Balance at end of year	¥ 23,178	¥ 22,165	\$ 208,815

(3) Reconciliation from retirement benefit obligations and pension assets to net defined benefit liability (asset) in the consolidated balance sheet

	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Retirement benefit obligation of funded plans	¥ 26,859	¥ 25,963	\$ 241,976
Pension assets	(23,178)	(22,165)	(208,815)
	¥ 3,681	¥ 3,798	\$33,161
Retirement benefit obligation of unfunded plans	125	155	1,126
Net defined benefit liability (asset) recorded in the consolidated balance sheet	¥ 3,806	¥ 3,953	\$ 34,287

	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Net defined benefit liability	¥ 5,284	¥ 5,015	\$ 47,606
Net defined benefit asset	(1,478)	(1,062)	(13,319)
Net defined benefit liability (asset) recorded in the consolidated balance sheet	¥ 3,806	¥ 3,953	\$ 34,287

(4) Retirement benefit costs

	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Service cost - benefits earned during the year	¥ 1,415	¥ 1,366	\$ 12,749
Interest cost on retirement benefit obligation	144	139	1,298
Expected return on pension assets	(479)	(442)	(4,321)
Amortization of unrecognized actuarial differences	394	432	3,549
	¥ 1,474	¥ 1,495	\$ 13,275

(5) Remeasurements of defined benefit plans (before tax)

	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Actuarial differences	¥ (501)	¥ 1,205	\$ (4,514)

(6) Accumulated remeasurements of defined benefit plans (before tax)

	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Unrecognized actuarial differences	¥ 4,547	¥ 4,046	\$ 40,962

(7) Pension assets

Pension assets consist of the followings:

	2019	2018
Bonds	33 %	25 %
Stock	26	27
Cash	7	6
Alternative	31	39
Other	3	3
	100 %	100 %

Alternative consists of investments in hedge funds which invest mainly in global REITs, long and short strategies, multi-assets, etc.

(8) Actuarial assumptions

	2019	2018
Discount rate(mainly)	0.52 %	0.52 %
Long-term expected rate of return(mainly)	2.5 %	2.5 %

The Nissin Electric Group provides mainly a point based plan. The group does not use the salary increase rate in order to calculate retirement benefit obligations.

C. Defined contribution plans

The required contributions to the defined contribution plans of the Company and certain consolidated subsidiaries were ¥168 million (\$1,513 thousand) and ¥166 million for the fiscal years ended March 31, 2019 and 2018, respectively.

14. REVERSAL OF PROVISION FOR LOSS ON LIQUIDATION OF SUBSIDIARIES AND ASSOCIATES

Fiscal year ended March 31, 2018

The Company accrued gain from the reversal of the provision for loss on liquidation of Nissin Advanced Technology Electric (Dongguan) Co., Ltd. in the amount of ¥110 million.

15. Environmental expenses

Fiscal year ended March 31, 2018

The Company booked expenses for environmental protection measures that are necessary for the disposal of polychlorinated biphenyl (PCB) waste. These expenses for environmental protection measures included ¥292 million in provision of allowance for environmental protection measures.

16. LOSS ON REVERSAL OF FOREIGN CURRENCY TRANSLATION ADJUSTMENTS

The loss on reversal of foreign currency translation adjustments resulted from the liquidation of the following subsidiary.

	Millions of yen
	2018
Nissin Advanced Technology Electric (Dongguan) Co., Ltd.	¥ 155

17. Loss on disaster (Losses due to Typhoon No. 21, "Jebi")

Losses due to Typhoon No. 21, (Jebi), which occurred on September 4, 2018, were recorded as 85 million yen for repair costs, etc., for noncurrent assets and 93 million yen for fixed costs during the period of suspension of operation and business.

18. OTHER COMPREHENSIVE INCOME

	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Valuation difference on available-for-sale securities:			
Current period	¥ (967)	¥ 610	\$ (8,711)
Adjustments	(681)	–	(6,135)
Before income tax effect	(1,648)	610	(14,846)
Tax effects	436	(189)	3,929
Total	¥ (1,212)	¥ 421	\$ (10,917)
Deferred gains and losses on hedges:			
Current period	¥ 90	¥ (105)	\$ 811
Adjustments	–	–	–
Before income tax effect	90	(105)	\$ 811
Tax effects	(28)	32	(247)
Total	¥ 62	¥ (73)	\$ 564
Foreign currency translation adjustments:			
Current period	¥ (323)	¥ 456	\$ (2,917)
Adjustments	–	154	–
Total	¥ (323)	¥ 610	\$ (2,917)
Remeasurements of defined benefit plans:			
Current period	¥ (895)	¥ 773	\$ (8,063)
Adjustments	394	433	3,549
Before income tax effect	(501)	1,206	(4,514)
Tax effects	156	(353)	1,406
Total	¥ (345)	¥ 853	\$ (3,108)
Total other comprehensive income:	¥ (1,818)	¥ 1,811	\$ (16,378)

19. SEGMENT INFORMATION

A. Overview of Reporting Segments

(1) Method of Determining Reporting Segments

The reporting segments are the components of the Company for which separate financial information is available and evaluated regularly by the Board of Directors in deciding how to allocate management resources and in assessing business performance.

The Company has four reporting segments classified by the type and nature of its products and services: Power System Equipment, Charged Beam Equipment and Processing, Renewable Energy and Environment and Life Cycle Engineering.

(2) Types of products and services related to each reporting segment

Segment Name	Main Products and Services
Power System Equipment	Switchgear, transformer, instrument transformer, relay, circuit breaker, gas insulated switchgear, capacitor, harmonic filter equipment, reactor, smart power supply systems (SPSS®), industrial equipment and components, etc.
Charged Beam Equipment and Processing	Ion implanter for semiconductor, ion implanter for flat panel display (FPD), electron-beam processing system, electron-beam processing service, thin-film coating equipment, thin-film coating service, etc.
Renewable Energy and Environment	Photovoltaic system, power conditioner for photovoltaic system, smart power supply systems(SPSS®), voltage dip compensator, static var compensator, monitoring and control system, etc.
Life Cycle Engineering	Comprehensive support services: installation, adjustment, inspection, maintenance, etc.

The method of calculation for sales, profit or loss, assets and other items by reportable segment is pursuant to the accounting policies stated in Note 2. Intersegment sales and transfers are determined on the same terms and conditions as ordinary transactions.

B. Information about net sales, profit (loss), assets and other items by reporting segment

Year ended March 31, 2019	Millions of yen						
	Power System Equipment	Charged Beam Equipment and Processing	Renewable Energy and Environment	Life Cycle Engineering	Total	Adjustment	Consolidated
Sales:							
Sales to outside customers	¥ 57,320	¥ 30,411	¥ 12,625	¥ 25,832	¥ 126,188	¥ –	¥ 126,188
Intersegment sales and transfers	320	417	+ 0	1,541	2,278	(2,278)	–
Total	57,640	30,828	12,625	27,373	128,466	(2,278)	126,188
Segment profit (loss)	¥6,898	¥ 5,682	¥ 1,398	¥ 3,910	¥ 17,888	¥ (1,444)	¥ 16,444
Segment assets	¥ 70,676	¥ 26,826	¥ 10,026	¥ 22,484	¥ 130,012	¥ 32,415	¥ 162,427
Other:							
Depreciation and amortization	¥ 1,872	¥ 1,051	¥ 194	¥ 215	¥ 3,332	¥ 73	¥ 3,405
Increase in property, plant and equipment and intangible assets	4,907	2,315	366	604	8,192	26	8,218

Year ended March 31, 2018	Thousands of U. S. dollars						
	Power System Equipment	Charged Beam Equipment and Processing	Renewable Energy and Environment	Life Cycle Engineering	Total	Adjustment	Consolidated
Sales:							
Sales to outside customers	\$ 516,399	\$ 273,970	\$ 113,733	\$ 232,724	\$ 1,136,826	\$ –	\$ 1,136,826
Intersegment sales and transfers	2,880	3,763	2	13,881	20,526	(20,526)	–
Total	519,279	277,733	113,735	246,605	1,157,352	(20,526)	1,136,826
Segment profit (loss)	\$ 62,147	\$ 51,192	\$ 12,597	\$ 35,226	\$ 161,162	\$ (13,017)	\$ 148,145
Segment assets	\$ 636,715	\$ 241,677	\$ 90,326	\$ 202,561	\$ 1,171,279	\$ 292,026	\$ 1,463,305
Other:							
Depreciation and amortization	\$16,861	\$9,473	\$ 1,745	\$ 1,936	\$ 30,015	\$ 660	\$ 30,675
Increase in property, plant and equipment and intangible assets	44,208	20,859	3,296	5,437	73,800	237	74,037

An adjustment of negative ¥1,444 million (*\$13,017 thousand*) in segment profit (loss) includes an elimination of transactions between the segments of negative ¥24 million (*\$217 thousand*) and corporate expenses of negative ¥1,468 million (*\$13,234 thousand*). Corporate expenses are mainly general and administrative expenses not attributable to the reporting segments.

An adjustment of ¥32,415 million (*\$292,026 thousand*) in segment assets includes an elimination of transactions between the segments of negative ¥2,074 million (*\$18,694 thousand*) and corporate assets of ¥34,489 million (*\$310,719 thousand*). Corporate assets are mainly assets not attributable to the reporting segments.

An adjustment of ¥73 million (*\$660 thousand*) in depreciation and amortization includes an elimination of transactions between the segments of negative ¥21 million (*\$186 thousand*) and corporate expenses of ¥94 million (*\$846 thousand*). Corporate expenses are mainly general and administrative expenses not attributable to the reporting segments.

An adjustment of negative ¥26 million (*\$237 thousand*) in increase in property, plant and equipment and intangible assets includes an elimination of transactions between the segments of negative ¥51 million (*\$463 thousand*) and corporate assets of ¥77 million (*\$700 thousand*). Corporate assets are mainly assets not attributable to the reporting segments.

Segment profit (loss) has been adjusted with operating income in the consolidated statements of income.

“Depreciation and amortization” and “Increase in property, plant and equipment and intangible assets” include long-term prepaid expenses and their amortization.

Year ended March 31, 2018	Millions of yen						
	Power System Equipment	Charged Beam Equipment and Processing	Renewable Energy and Environment	Life Cycle Engineering	Total	Adjustment	Consolidated
Sales:							
Sales to outside customers	¥ 50,365	¥ 36,723	¥ 15,970	¥ 23,945	¥ 127,003	¥ –	¥ 127,003
Intersegment sales and transfers	247	42	1	1,986	2,276	(2,276)	–
Total	50,612	36,765	15,971	25,931	129,279	(2,276)	127,003
Segment profit (loss)	¥ 5,918	¥ 6,824	¥ 1,879	¥ 4,018	¥ 18,639	¥ (2,609)	¥ 16,030
Segment assets	¥ 63,306	¥ 26,237	¥ 11,142	¥ 19,681	¥ 120,366	¥ 33,212	¥ 153,578
Other:							
Depreciation and amortization	¥ 1,729	¥ 1,005	¥ 188	¥ 198	¥ 3,120	¥ 78	¥ 3,198
Increase in property, plant and equipment and intangible assets	2,342	1,041	223	323	3,929	76	4,005

An adjustment of negative ¥2,609 million in segment profit (loss) includes an elimination of transactions between the segments of ¥50 million and corporate expenses of negative ¥2,659 million. Corporate expenses are mainly general and administrative expenses not attributable to the reporting segments.

An adjustment of ¥33,212 million in segment assets includes an elimination of transactions between the segments of negative ¥2,558 million and corporate assets of ¥35,770 million. Corporate assets are mainly assets not attributable to the reporting segments.

An adjustment of ¥78 million in depreciation and amortization includes an elimination of transactions between the segments of negative ¥16 million and corporate expenses of ¥94 million. Corporate expenses are mainly general and administrative expenses not attributable to the reporting segments.

An adjustment of negative ¥76 million in increase in property, plant and equipment and intangible assets includes an elimination of transactions between the segments of negative ¥23 million and corporate assets of ¥99 million. Corporate assets are mainly assets not attributable to the reporting segments.

Segment profit (loss) has been adjusted with operating income in the consolidated statements of income.

“Depreciation and amortization” and “Increase in property, plant and equipment and intangible assets” include long-term prepaid expenses and their amortization.

C. Information about geographical segments

		Millions of yen				
Year ended March 31, 2019		Japan	Asia		Other	Total
			China	Other		
Sales		¥ 85,109	¥ 24,485	¥ 13,232	¥ 3,362	¥ 126,188

		Millions of yen					
Year ended March 31, 2019		Japan	Asia		Other	Total	
			ASEAN	China			
Property, plant and equipment		¥ 23,374	¥ 4,061	¥ 2,804	¥ 812	¥ 29	¥ 31,080

		Thousands of U.S. dollars				
Year ended March 31, 2019		Japan	Asia		Other	Total
			China	Other		
Sales		\$ 766,746	\$ 220,584	\$ 119,208	\$ 30,288	\$ 1,136,826

		Thousands of U.S. dollars					
Year ended March 31, 2019		Japan	Asia		Other	Total	
			ASEAN	China			
Property, plant and equipment		\$ 210,573	\$ 36,589	\$ 25,562	\$ 7,316	\$ 201	\$ 240,217

		Millions of yen				
Year ended March 31, 2018		Japan	Asia		Other	Total
			China	Other		
Sales		¥ 76,749	¥ 23,209	¥ 22,888	¥ 4,158	¥ 127,003

		Millions of yen					
Year ended March 31, 2018		Japan	Asia		Other	Total	
			ASEAN	China			
Property, plant and equipment		¥ 19,932	¥ 2,830	¥ 3,244	¥ 636	¥ 22	¥ 26,664

20. Related Party Transactions

Parent Company

Year ended March 31, 2019

Name	Capital Millions of yen	Ratio of voting rights (owned)	Transactions	Amounts Millions of yen	Closing balances	Amounts Millions of yen
Sumitomo Electric Industries, Ltd.	¥ 99,737	Directly (51.5%)	Loan of funds	¥ 23,769	Short-term loans receivable	¥ 22,000

Year ended March 31, 2019

Name	Capital Thousands of U.S. dollars	Ratio of voting rights (owned)	Transactions	Amounts Thousands of U. S. dollars	Closing balances	Amounts Thousands of U. S. dollars
Sumitomo Electric Industries, Ltd.	\$ 898,531	Directly (51.5%)	Loan of funds	\$ 214,137	Short-term loans receivable	\$ 198,198

The head office of Sumitomo Electric Industries, Ltd. is located in Osaka Chuo-ku, Osaka, Japan.

Parent Company supplies products such as cables for power distribution, applications, and other equipment.

The company purchases cables for power distribution and supplies our products at the parent company.

Six of the parent company officers are concurrently serving as officers for the company.

Year ended March 31, 2018

Name	Capital Millions of yen	Ratio of voting rights (owned)	Transactions	Amounts Millions of yen	Closing balances	Amounts Millions of yen
Sumitomo Electric Industries, Ltd.	¥ 99,737	Directly (51.5%)	Loan of funds	¥ 21,077	Short-term loans receivable	¥ 22,000

Independent Auditor's Report

To the Board of Directors of Nissin Electric Co., Ltd.:

We have audited the accompanying consolidated financial statements of Nissin Electric Co., Ltd. and its consolidated subsidiaries, which comprise the consolidated balance sheets as at March 31, 2019 and 2018, and the consolidated statements of income, statements of comprehensive income, statements of changes in net assets and statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, while the objective of the financial statement audit is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Nissin Electric Co., Ltd. and its consolidated subsidiaries as at March 31, 2019 and 2018, and their financial performance and cash flows for the years then ended in accordance with accounting principles generally accepted in Japan.

Convenience Translation

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2019 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1 to the consolidated financial statements.

KPMG AZSA LLC

September 27, 2019

Kyoto, Japan

Company Outline

Company Name

Nissin Electric Co., Ltd.

Founded

November 1910

Incorporated

April 1917

Head Office

47 Umezu-takase-cho, Ukyo-ku, Kyoto
615-8686, Japan
Telephone: +81-75-861-3151
Facsimile: +81-75-864-8312

Stated Capital

¥10,252,845,127

Authorized Shares

431,329,000

Issued Shares

107,832,445

Employees

5,078

Board of Directors and Statutory Auditors (as of June 19, 2019)

Chairman

Hideaki Obata*

President

Shigeo Saito*

Senior Managing Director

Masahide Nobu*

Managing Directors

Koichi Nagata
Yoshiaki Matsumoto
Yukifumi Teramoto

Directors

Masahiro Yurino
Sachiko Hirabayashi

Standing Auditors

Tadashi Ueno
Naoyoshi Akashi

Auditors

Mamoru Morita
Hitoshi Tanaka
Go Saeki

* Representative Director

Major Offices and Works

Head Office and Works

47 Umezu-takase-cho, Ukyo-ku, Kyoto
615-8686, Japan
Telephone: +81-75-861-3151
Facsimile: +81-75-864-8312

Tokyo Office

1 Kandaizumi-cho, Chiyoda-ku, Tokyo
101-0024, Japan
Telephone: +81-3-5821-5908
Facsimile: +81-3-5821-5877

Maebashi Works

2121 Soja, Soja-machi, Maebashi, Gumma
371-8515, Japan
Telephone: +81-27-251-1131
Facsimile: +81-27-254-1578

Kuze Works

575 Kuze-tonoshiro-cho Minami-ku, Kyoto
601-8205, Japan
Telephone: +81-75-922-4611
Facsimile: +81-75-922-4615

Domestic Group Companies

NHV Corporation

Business Line: Manufacturing and customer service for electron processing systems, irradiation service of electron beam

Nissin Denki Shouji Co., Ltd.

Business Line: Sales of electrical equipment

Nissin Systems Co., Ltd.

Business Line: Design and sales of computer software

Nissin Ion Equipment Co., Ltd.

Business Line: Manufacturing and customer service of LSI/LCD manufacturing equipment

Nippon ITF Inc.

Business Line: Thin-film coating of various materials

Nissin Pulse Electronics Co., Ltd.

Business Line: Manufacturing and sales of high voltage equipment and related equipment

Nissin Heartful Friend Co., Ltd.

Business Line: Digitization of documents

AuLand Co., Ltd.

Business Line: Manufacturing and sales of power transformers

Overseas Domestic Group Companies

Nissin Electric (Wuxi) Co., Ltd.

Wuxi, Jiangsu, China
Business Line: Manufacturing and sales of power capacitors and capacitor voltage transformers

Beijing Hongda Nissin Electric Co., Ltd.

Beijing, China
Business Line: Manufacturing and sales of gas insulated switchgears (GIS)

Nissin Electric Wuxi Co., Ltd.

Wuxi, Jiangsu, China
Business Line: Manufacturing and sales of gas insulated voltage transformers for GIS, current transformers. Thin-film coating service

Nissin Allis Ion Equipment (Shanghai) Co., Ltd.

PuDong New Area, Shanghai, China
Business Line: Sales and customer service of LSI/LCD manufacturing equipment

Nissin Advanced Coating (Shenyang) Co., Ltd.

Shenyang, China
Business Line: Thin-film coating service

Nissin Advanced Coating (Tianjin) Co., Ltd.

Tianjin, China
Business Line: Thin-film coating service

Nissin Ion HighTech (Yangzhou) Co., Ltd.

Yangzhou, China
Business Line: Manufacturing and sales of LSI/LCD manufacturing equipment

NHV Accelerator Technologies Shanghai

Shanghai, China
Business Line: Manufacturing and customer service for electron processing systems

Nissin Allis Electric Co., Ltd.

Taoyuan, Taiwan
Business Line: Manufacturing and sales of gas insulated switchgears

Nissin Allis Union Ion Equipment Co., Ltd.

Hsin-Chu City, Taiwan
Business Line: Customer service of LSI/LCD manufacturing equipment

Nissin Electric (Thailand) Co., Ltd.

Pathumthani, Thailand
Business Line: Manufacturing and sales of power capacitors, gas circuit breakers and metal parts. Thin-film coating service

Nissin Electric Vietnam Co., Ltd.

Bac Ninh, Vietnam
Business Line: Manufacturing and sales of metal parts, electrical equipment

NHV America Inc.

Methuen, Massachusetts, U.S.A.
Business Line: Manufacturing and sales of electron processing systems

Nissin Ion Equipment USA, Inc.

Texas Customer Service Center
Austin, Texas, U.S.A
Massachusetts R&D Center
North Billerica, Massachusetts, U.S.A
Business Line: Customer service of LSI/LCD manufacturing equipment

Nissin Ion Korea Co., Ltd.

Hwang Seong-city, Gyeonggi-Do, Korea
Business Line: Customer service of LSI/LCD manufacturing equipment

Nissin Advanced Coating Indo Co., Private Ltd.

Noida, India
Business Line: Thin-film coating service

Forge a bright future for both people and technology



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Tel:+81(75)-861-3151 Fax:+81(75)-864-8312

URL <http://nissin.jp/e/>

Cover Story



Sekison-tei

Sekison-tei was the residence of Junichiro Tanizaki, a great writer known as the author of "The Makioka Sisters". He passed over the residence to Nissin in 1956 when he left Kyoto. At that time, he requested that the residence be maintained in the same condition, since he wanted to see it on his visits to Kyoto. Nissin has kept this promise to Tanizaki, and is using this residence as a guest house while maintaining its traditional elegance. Sekison-tei is an invaluable asset, and proof that Nissin Electric Group puts its Principles of Activities of "Integrity, Trust and Long-term Relationships" into practice.