

**ZENRIN**

Securities Code: 9474

**Results for First Quarter of  
Fiscal 2020** (Year Ending March 31, 2020)

July 29, 2019

**ZENRIN CO.,LTD.**

1. Results for First Quarter of Fiscal 2020
2. Appendix

Note: This document contains forward-looking statements based on assumptions, forecasts and plans in light of information available to ZENRIN Co., Ltd. as of the preparation date of this document. Actual performance may vary significantly from the forecast figures due to various risks and uncertainties owing to global economic trends, market demand, status of competition, exchange fluctuations and other factors.

The information that appears in this document rounds down fractions to the nearest specified unit and rounds off decimals in the percentage of change to the first decimal place.

In addition, cases where the percentage of change exceeds 1000% and cases where one or both are negative are shown as “-.”

## 1. Results for First Quarter of Fiscal 2020

- 1) Overview of Results for First Quarter
- 2) Changes in Net Sales, Income and Profit
- 3) Causes for Change in Operating Income
- 4) Segment Information
- 5) Net Sales by Business  
under Medium- to Long-Term Business Plan ZGP25

# 1-1) Overview of Results for First Quarter

## Key Points of Results for First Quarter of Fiscal 2020

- Although sales of data for Japanese in-car navigation systems were strong, both net sales and profits decreased for the first time after three consecutive periods mainly due to a reactionary decline in sales of data under entrustment, which occurred in the previous period.
- Business proceeded almost as planned in the outlook.

(Amounts in million yen)

	1Q of FY2019 Actual	1Q of FY2020 Actual	Compared to 1Q of FY2019	% of Change
Net Sales	13,610	12,588	-1,022	-7.5
Operating Expenses	13,248	13,222	-26	-0.2
Operating Income	362	-634	-996	—
Operating Margin	2.7%	-5.0%	-7.7pt	
Ordinary Income	560	-390	-950	—
Profit Attributable to Owners of Parent	336	-640	-977	—

# 1-2) Changes in Net Sales, Income and Profit

### Net Sales

### Operating Income

### Ordinary Income

### Profit Attributable to Owners of Parent

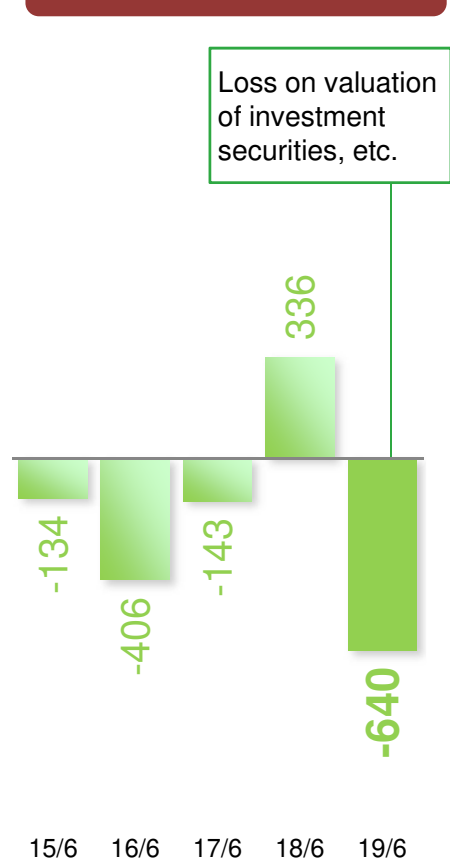
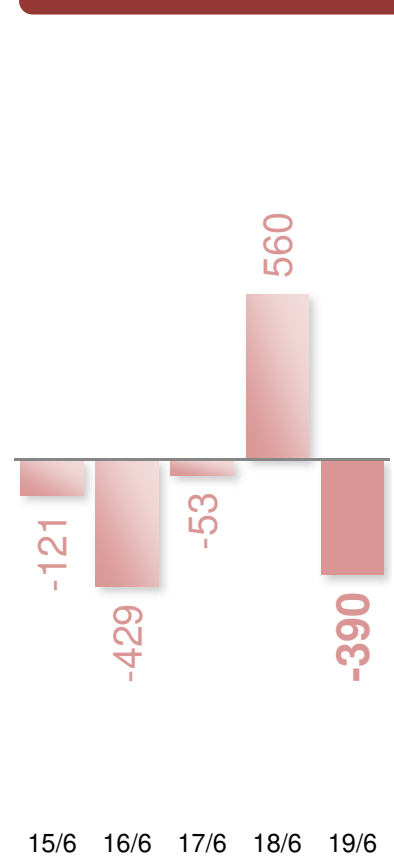
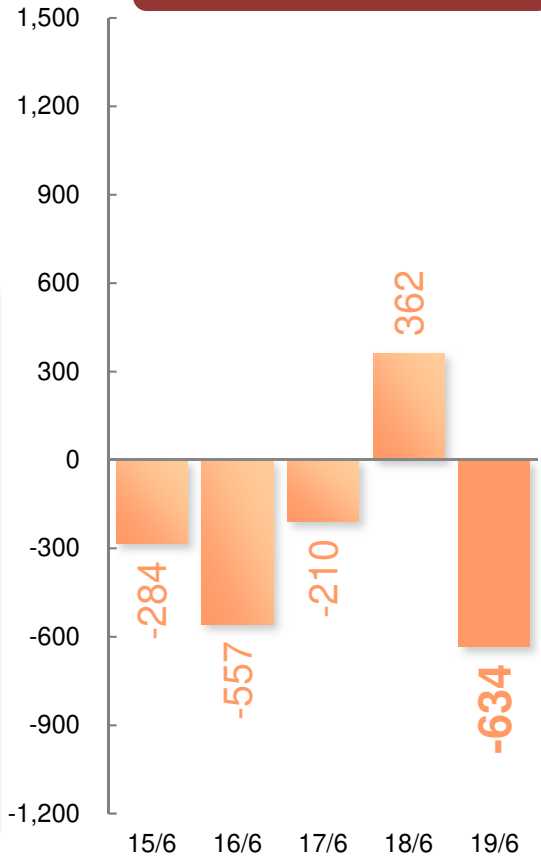
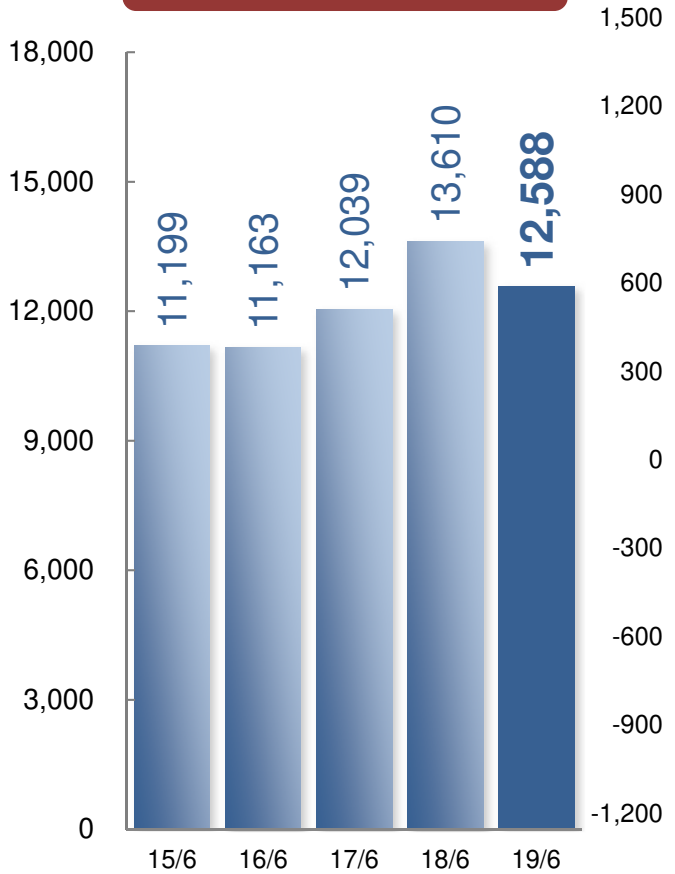
Compared to 1Q of FY2019

**Down 1,022 (-7.5%)**

**Downturn 996 (—)**

**Downturn 950 (—)**

**Downturn 977 (—)**

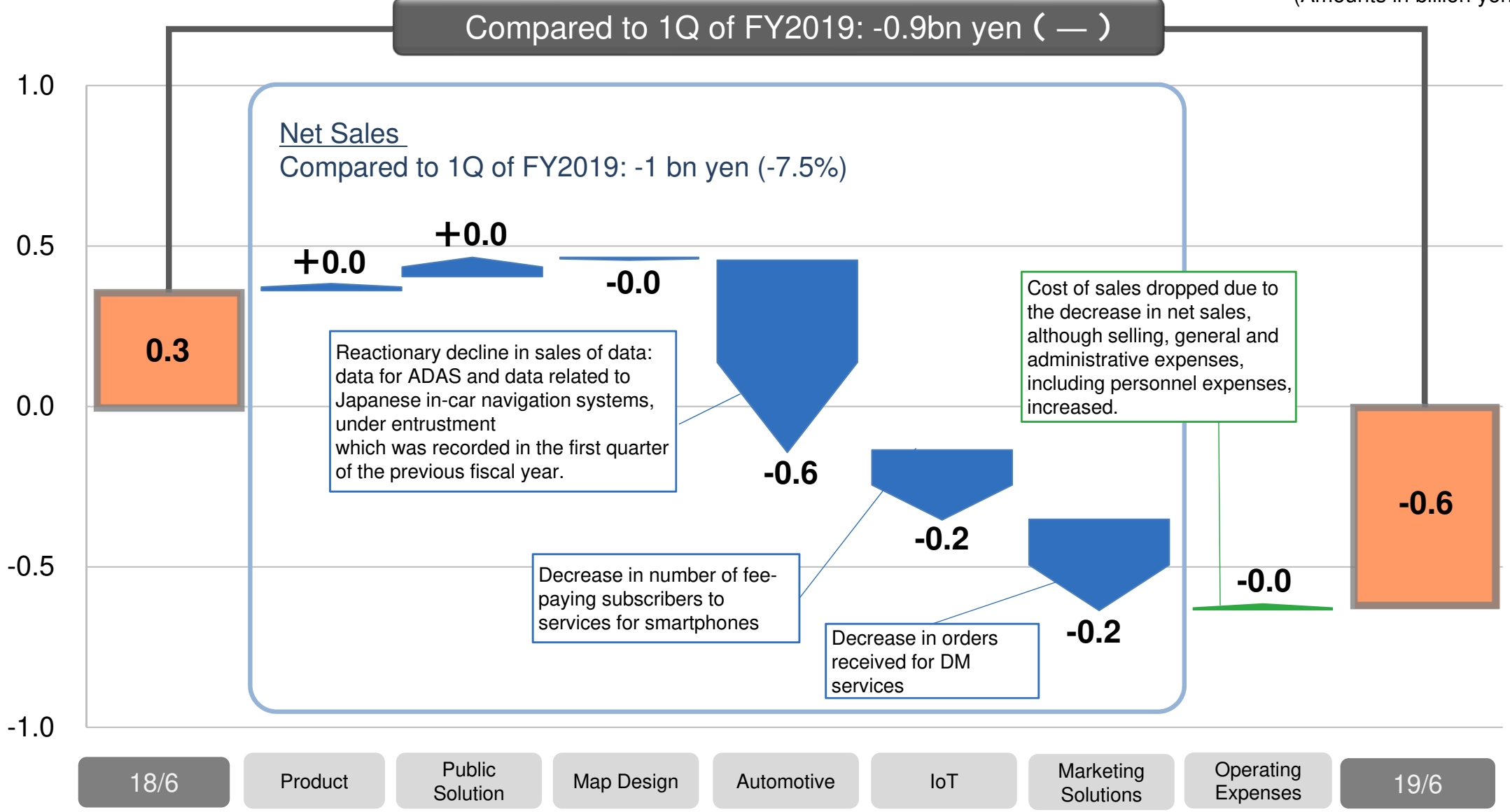


Decrease in sales for the first time in 3 periods

Decrease in income for the first time in 3 periods

# 1-3) Causes for Change in Operating Income

(Amounts in billion yen)



Sales  
Composition



## 1. Map Database Segment

**Main Items:** Manufacture and sales of printed residential maps and special-purpose maps  
Manufacture and sales of residential map databases and data for in-car navigation systems  
Manufacture and sales of map data for internet services  
Provision of services for smartphones



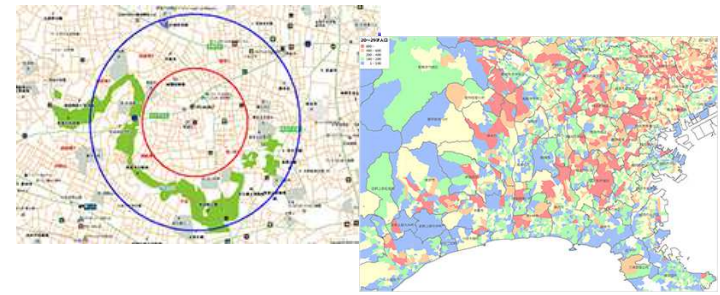
## 2. General Printing Segment

**Main Items:** Manufacture and sales of general printing goods



## 3. Other

**Main Items:** Provision of marketing solution  
Sales of purchased products



\*From the consolidated first quarter, changes, etc., of reportable segments were made.

# 1-4) Map Database Segment

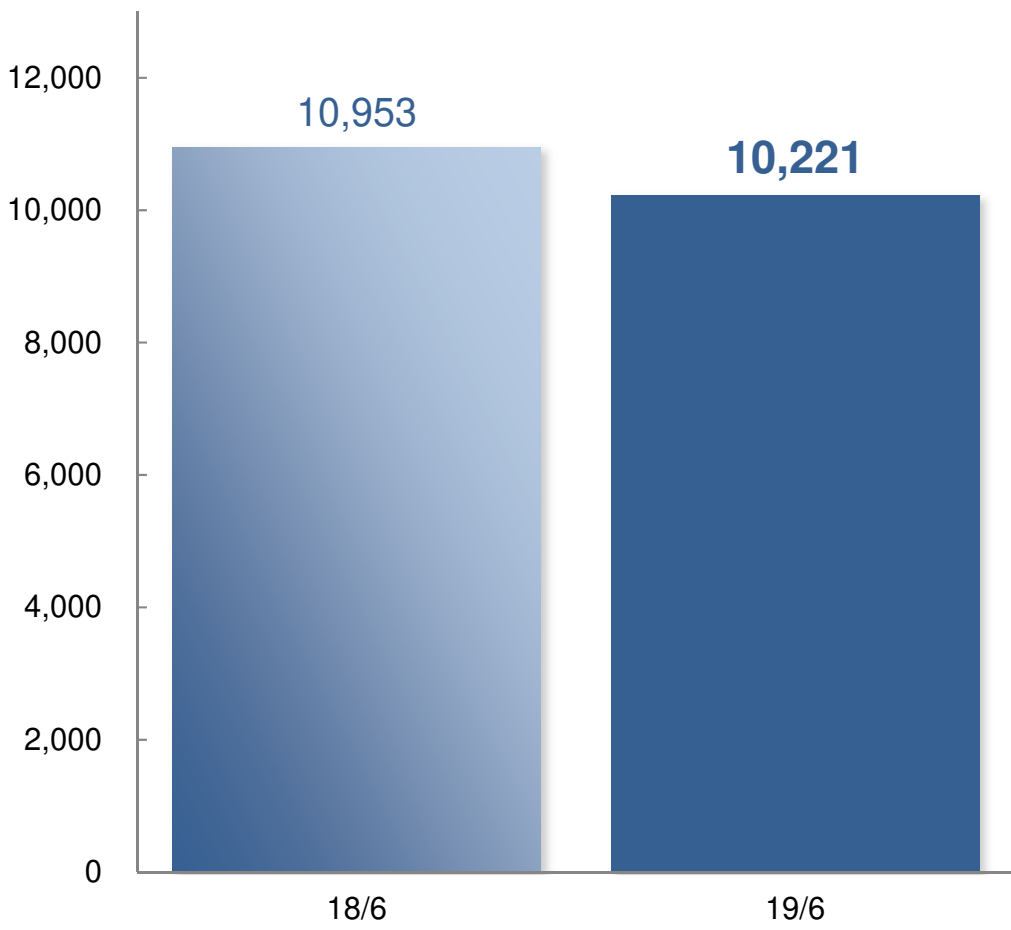
Results for First Quarter of Fiscal 2020

(Amounts in million yen)

## Net Sales

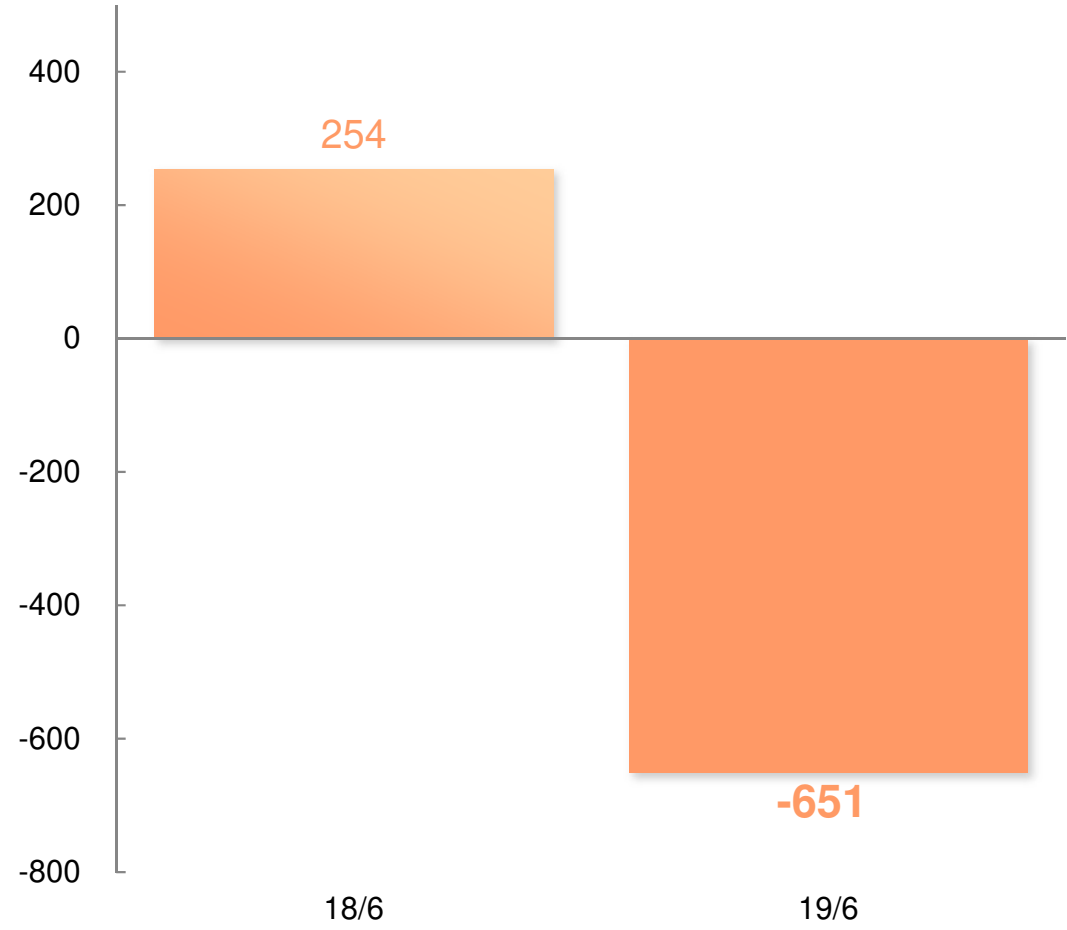
Compared to  
1Q of FY2019

**Down 732 (-6.7%)**



## Operating Income

**Downturn 905 ( — )**



\*From the consolidated first quarter, changes, etc., of reportable segments were made. With regard to the year-to-year comparison, the previous year's figures for the business related to map databases and other businesses were reclassified to conform to segments after these changes.



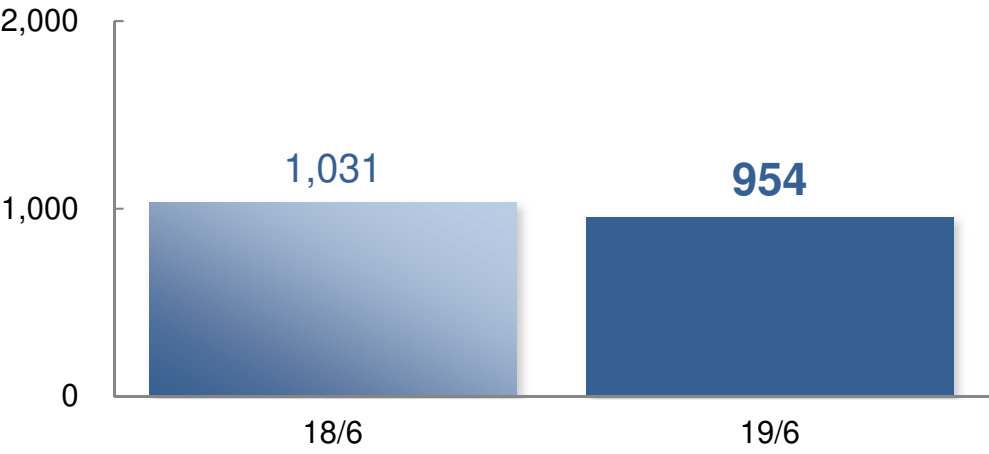
(Amounts in million yen)

# 1-4) General Printing Segment, and Other

General Printing Segment

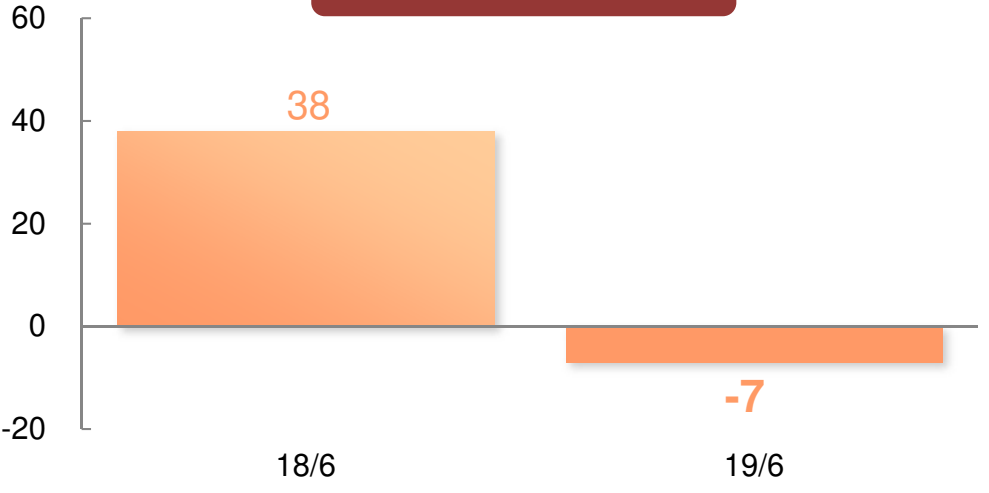
## Net Sales

Compared to 1Q of FY2019 **Down 76 (-7.4%)**



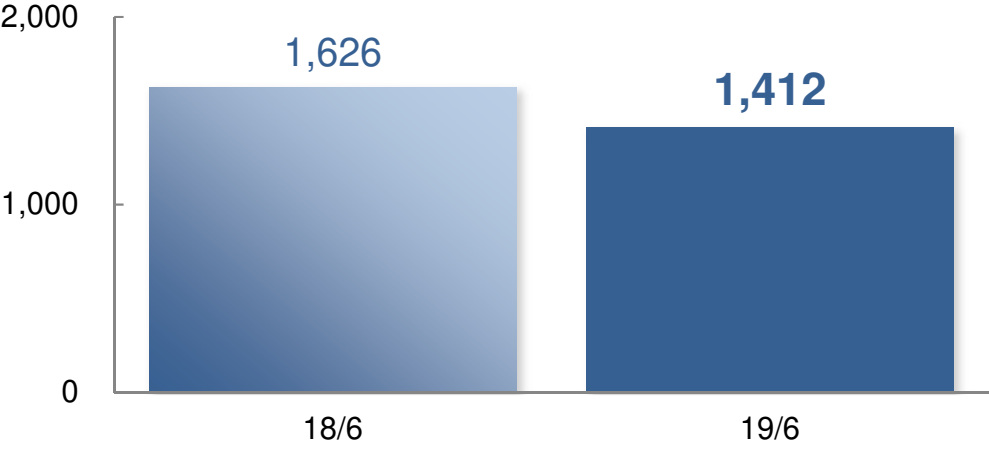
## Operating Income

**Downturn 46 ( — )**

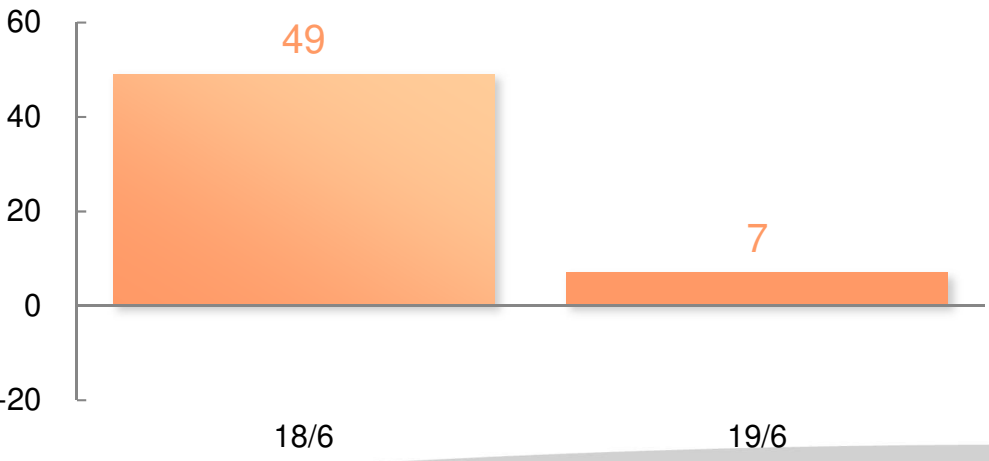


Other

Compared to 1Q of FY2019 **Down 214 (-13.2%)**



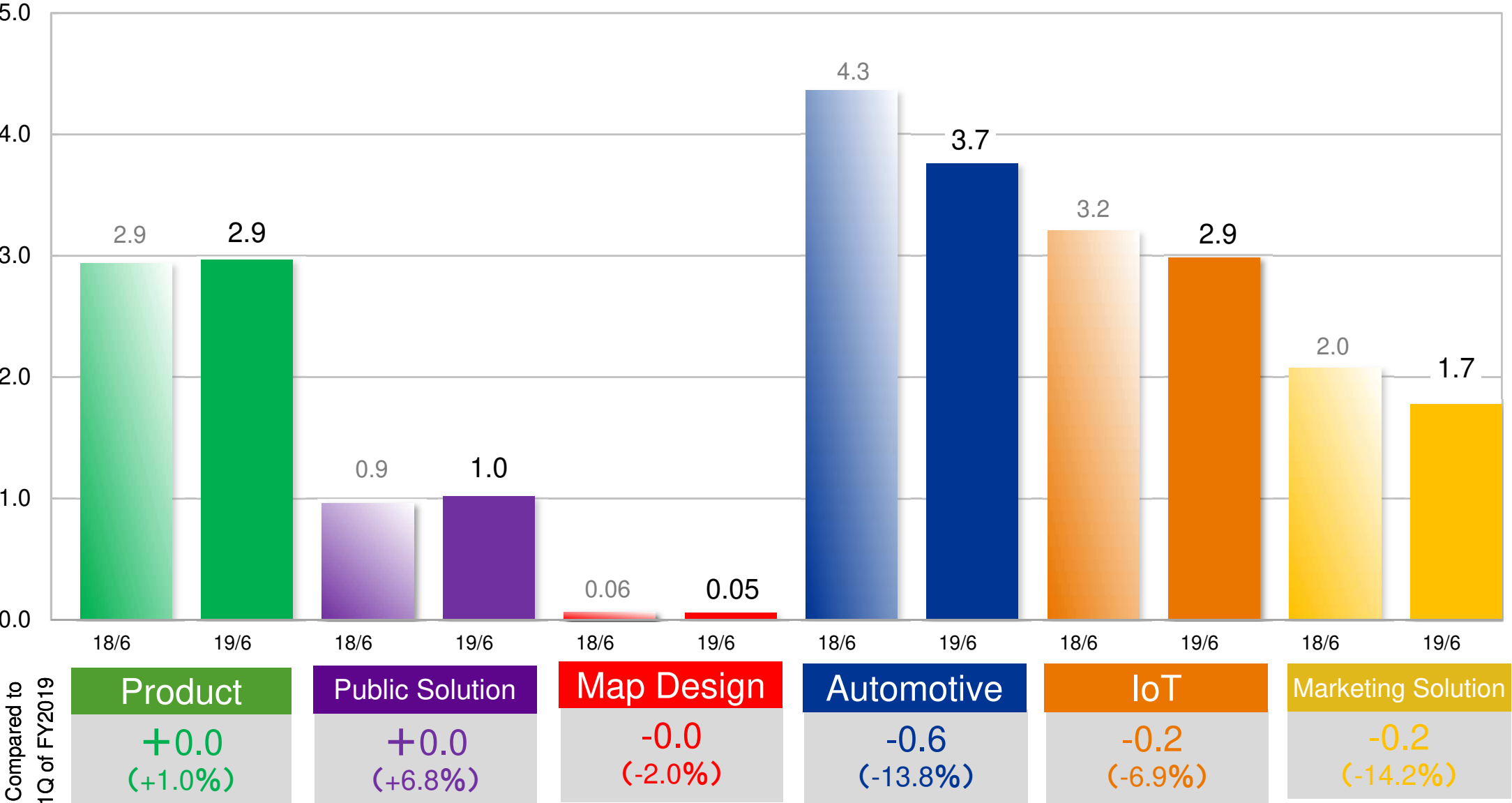
**Down 42 (-85.3%)**



\*From the consolidated first quarter, changes, etc., of reportable segments were made. With regard to the year-to-year comparison, the previous year's figures for the business related to map databases and other businesses were reclassified to conform to segments after these changes.

# 1-5) Net Sales by Business under the ZGP25

(Amounts in billion yen)

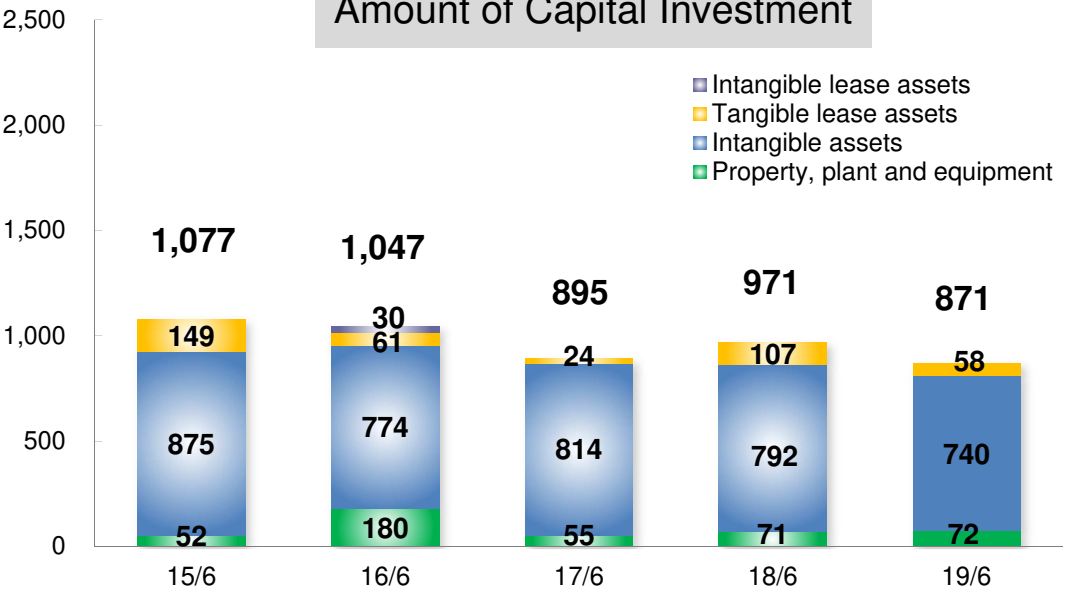


## 2. Appendix

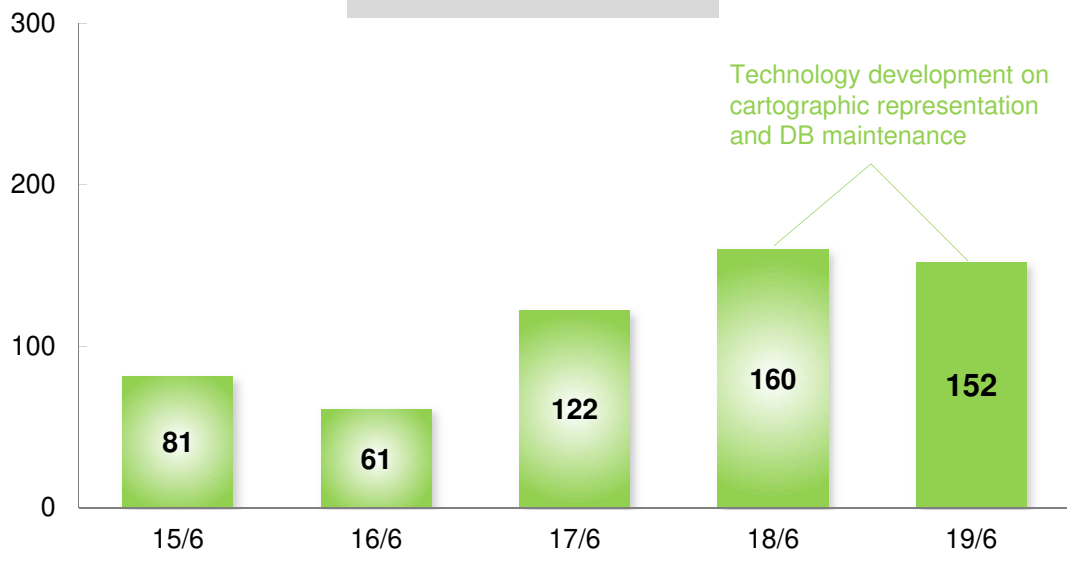
- 1) Overview of results for First Quarter of Fiscal 2020  
Amount of Capital Investment, Depreciation  
and R&D Costs
- 2) Earnings Forecast for Fiscal 2020  
(The forecast remains unchanged from that announced on April 26, 2019)
- 3) ZGP25 1st Stage Numerical Target
- 4) Changes in Composition of Net Sales by Quarter
- 5) Business Topics

(Amounts in million yen)

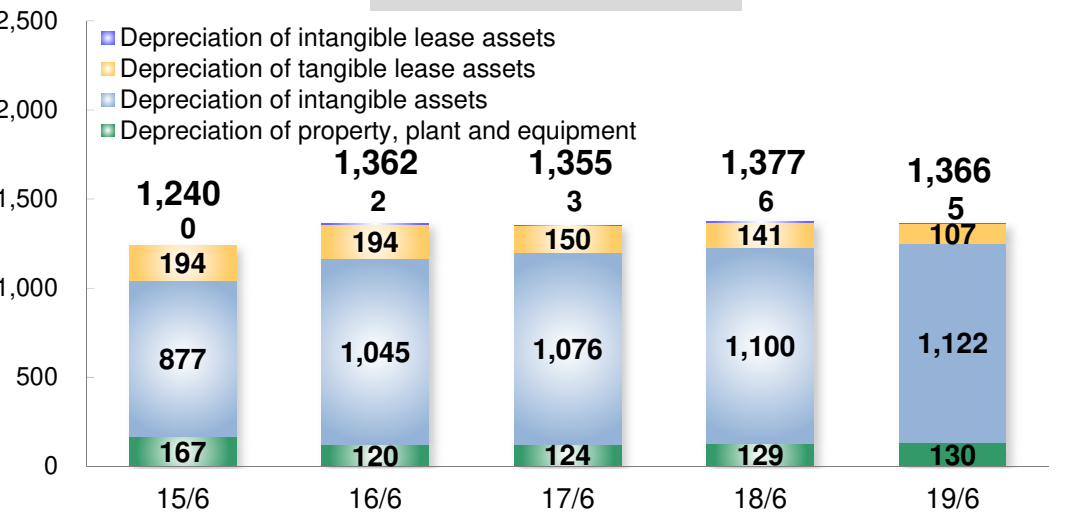
Amount of Capital Investment



R&D Costs



Depreciation



## 2-2) Earnings Forecast for Fiscal 2020

In general, the ZENRIN Group's sales and profits are subject to extreme seasonal fluctuations and tend to be concentrated in the fourth quarter.

(Amounts in million yen)

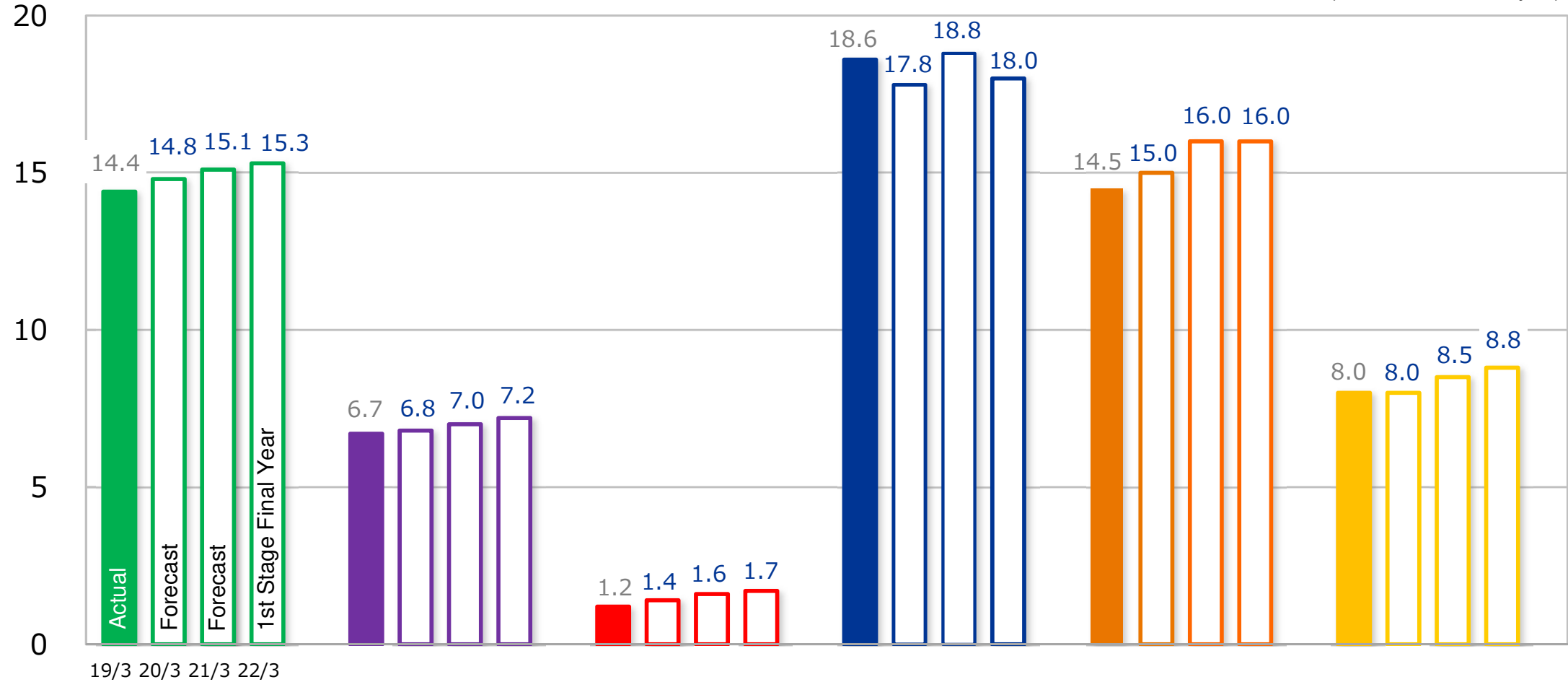
### Earnings Forecast for First 2 Quarters of Fiscal 2020

	First 2Qs of FY2019 Actual	First 2Qs of FY2020 Forecast	Compared to First 2Qs of FY2019	% of Change
Net Sales	28,168	27,800	-368	-1.3
Operating Expenses	27,429	27,800	370	1.4
Operating Income	738	0	-738	-100.0
Operating Margin	2.6%	—	-2.6pt	
Ordinary Income	977	0	-977	-100.0
Profit Attributable to Owners of Parent	587	0	-587	-100.0

### Earnings Forecast for Fiscal 2020

	FY2019 Actual	FY2020 Forecast	Compared to FY2019	% of Change
Net Sales	63,747	63,800	52	0.1
Operating Expenses	57,923	57,900	-23	-0.0
Operating Income	5,824	5,900	75	1.3
Operating Margin	9.1%	9.2%	0.1pt	
Ordinary Income	6,200	6,300	99	1.6
Profit Attributable to Owners of Parent	3,206	4,000	793	24.7

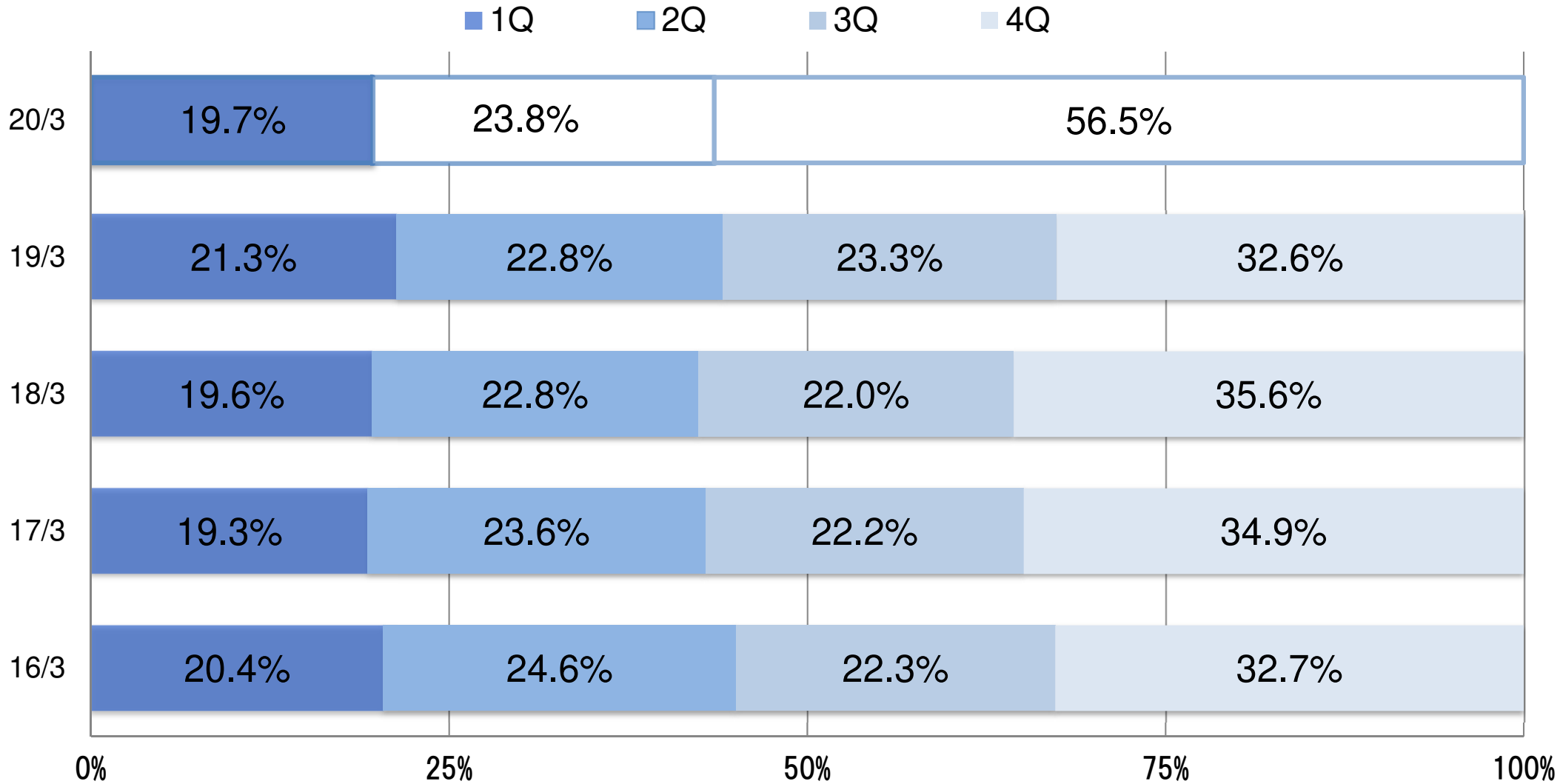
(Amounts in billion yen)



19/3	Product	Public Solution	Map Design	Automotive	IoT	Marketing Solution
↓	+0.3	+0.0	+0.1	-0.8	+0.4	-0.0
20/3	(+2.2%)	(+0.0%)	(+16.5%)	(-4.5%)	(+2.7%)	(-0.3%)

# 2-4) Changes in Composition of Net Sales by Quarter

Results for First Quarter of Fiscal 2020



(Announced on May 17, 2019)

## **ZENRIN's 3D High-precision Map Data has been adopted for Nissan Motor's "ProPILOT 2.0," which is the world's first intelligent highway driving system (equipped with 3D high-precision map data)**

"3D High-precision Map Data," which is established and offered by Zenrin has been adopted for "ProPILOT 2.0" of Nissan Motor Co., Ltd., which is the world's first intelligent highway driving system (equipped with 3D high-precision map data). With an eye toward the arrival of a high-mobility society, ZENRIN will continue to pursue research & development and application development, and improve and provide accurate, highly-valuable map and positioning information, with the aim of contributing to the realization of a safe and secure transportation society and the development of automated driving technology.

### ■ Overview of "3D High-precision Map Data"

ZENRIN's "3D High-precision Map Data" is map data created based on the common 3D map platform data of Dynamic Map Platform Co., Ltd. (\*1) with the incorporation of information uniquely collected and established by ZENRIN. Using this technology in combination with other sensors mounted on a vehicle enables users to obtain information on a full 360-degree view around the vehicle and find the accurate position on the road.

\*1. The firm was founded through joint investment with companies in fields such as power, mapping and measurement to improve, demonstrate and operate "cooperation areas" in 3D high-precision maps, which are necessary to realize automated driving and a safe drive support system. ZENRIN participated in investment in Dynamic Map Platform Co., Ltd. and the construction of the "cooperation areas."

### ■ Image of "3D High-precision Map Data"

Using ZENRIN's "3D High-precision Map Data" enables drivers to understand detailed road features of highways in advance, thereby helping them control speed and plan a driving route for each lane.



Image of the establishment of highway JCT

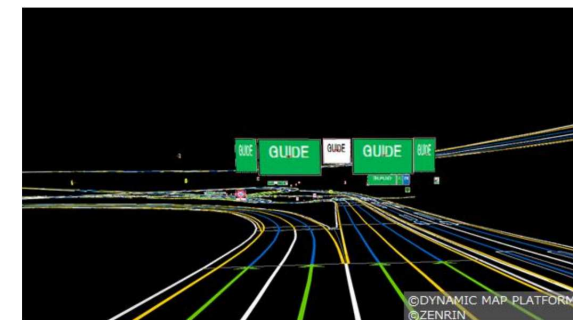


Image of the establishment of highway JCT

\*The names of companies and products stated above are registered trademarks or trademarks of each company.



# ZENRIN

Maps to the Future

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