

A collection of various electronic components is scattered on a white surface. In the upper right, there is a white rectangular CO2 sensor module with a circular sensor lens and ventilation slots. The module is labeled with 'ifLink Open Community', 'CO2 sensor', 'NiCERA', and 'Bluetooth'. To its left are several black plastic components, some with metal terminals. In the center, there are various small components like a blue cylindrical capacitor, a red cylindrical component, a green PCB with a sensor, and several small black components with pins. The background is a plain white surface.

Consolidated Financial Results

for the fiscal year ended December 31, 2024

Nippon Ceramic Co., Ltd. (6929)

February, 2025



Estimates for Nippon Ceramic's future operating results contained in these materials are based on information currently available to Nippon Ceramic and its group members and include risks and uncertainties. Consequently, readers are cautioned not to make investment decisions based solely on these estimates. Actual results may differ significantly from these estimates due to a number of factors.

Nippon Ceramic operates in the electronics industry, an industry subject to rapid changes. Furthermore, the global nature of Nippon Ceramic's operations may cause sudden changes in the company's operations due to shifts in technology, demand patterns, prices, competition, national economies, exchange rates and other factors.

This material is translated from the original Japanese. Please note that we cannot guarantee the accuracy of the English translation.

In this earnings announcement, fractional sums of less than one million yen are rounded down and percentages are calculated from raw data.

Record-high sales and operating income for the full year

Focus on improving capital efficiency through inventory reduction and continuous share buybacks.

Sales of in-vehicle safety products for ADAS remained steady.

Due to customer inventory adjustments and the impact of the housing market downturn , Sales of home appliances and lighting products decreased

Sales of products for eco-friendly vehicles decreased due to prioritizing profitability in the Chinese market

Sales and profits are expected to increase for the fiscal year ending December 2025 as well. Aiming for ROE of 9% or more

Summary of results

(¥mn)		FY2023		FY2024		Y/Y	
		Amount	%Sales	Amount	%Sales	Amount	%
Sales		24,449	-	25,037	-	587	2.4 %
Gross income		6,839	28.0%	7,189	28.7 %	349	5.1 %
Operating income		4,574	18.7%	4,961	19.8 %	387	8.5 %
Ordinary income		5,313	21.7%	5,844	23.3 %	531	10.0 %
Net income attributable to owners of parent		3,693	15.1 %	4,162	16.6 %	468	12.7 %
Exchange rate (USD)	Average	139.80 yen		150.77 yen		10.97 yen Depreciation	
	End of the period	141.83 yen		158.18 yen		16.35 Yen Depreciation	

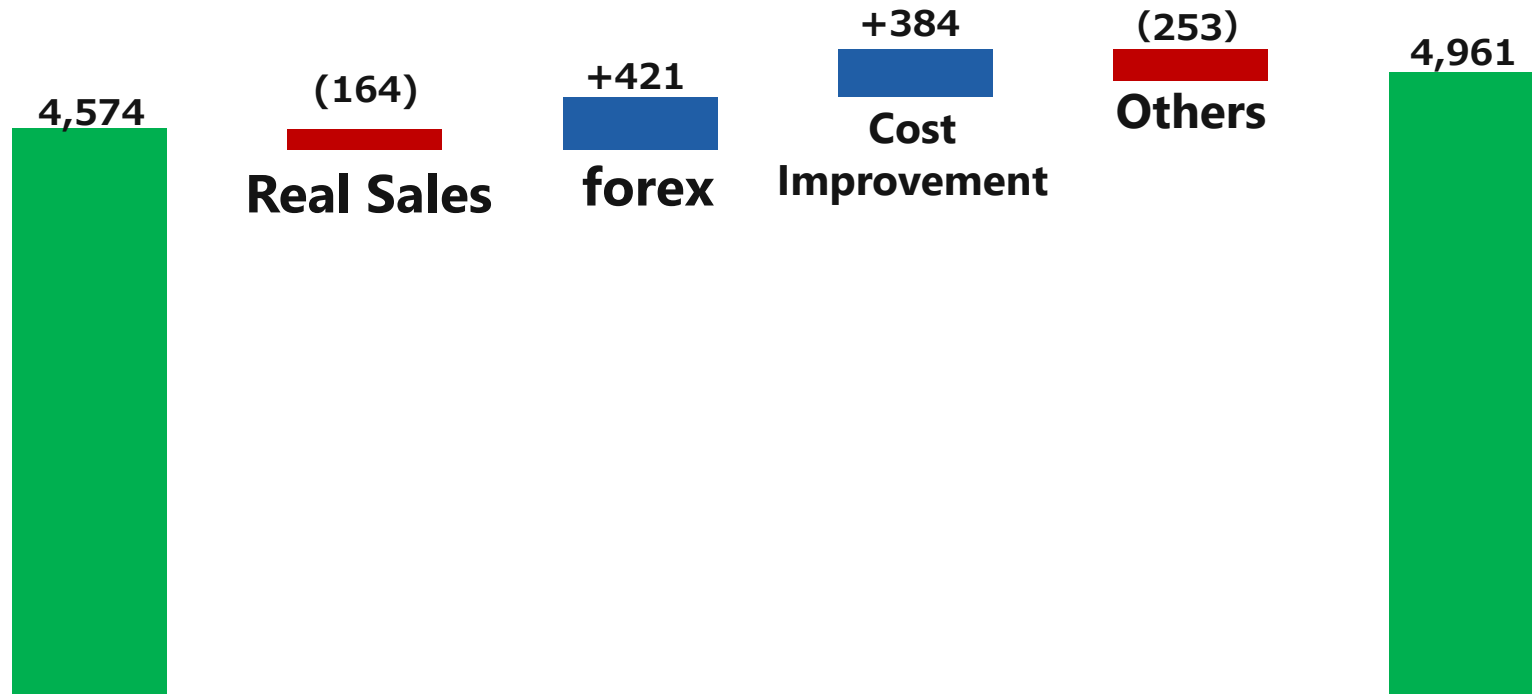
Quarterly sales and income

(¥mn)	22/4Q	23/1Q	23/2Q	23/3Q	23/4Q	24/1Q	24/2Q	24/3Q	24/4Q
Sales	6,168	5,801	6,087	6,571	5,988	5,678	6,452	6,351	6,554
Operating Income	1,113	1,047	1,178	1,302	1,046	978	1,271	1,376	1,334
Ordinary Income	970	1,172	1,580	1,502	1,058	1,237	1,638	1,149	1,819
Net Income	47	981	979	1,046	685	867	1,157	818	1,319
Exchange rate (USD)	132.70	133.53	144.99	149.58	141.83	151.41	161.07	142.73	158.18

*Exchange rate is as the end of the quarter

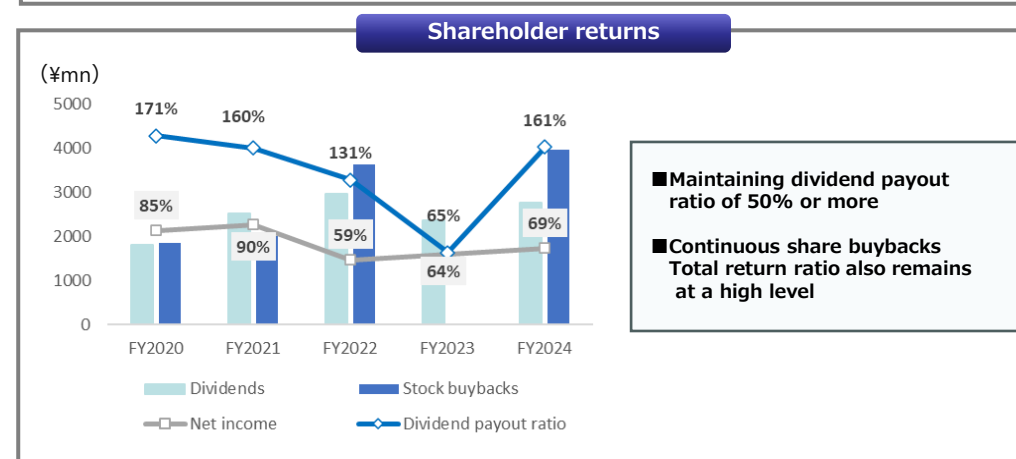
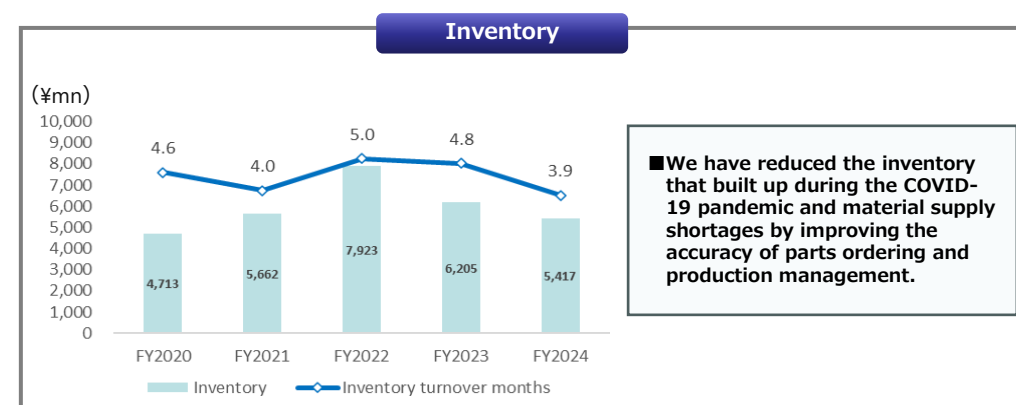
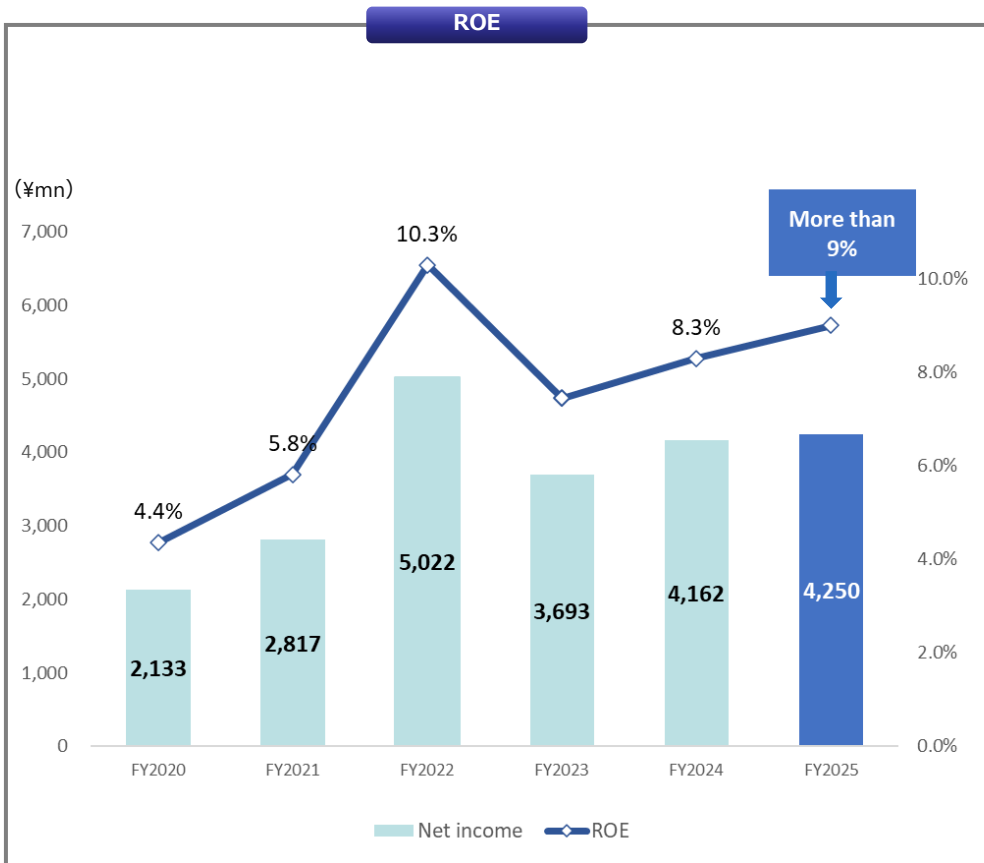
Change in Operating Income

FY2023 Operating Income ——— **387 Million yen earning growth** ——— FY2024 Operating Income



(¥mn)

- In addition to improved profitability, ROE is improving due to inventory reduction, optimization of turnover period, and continuous shareholder returns.
- Aiming for **ROE of 9%** or more in the fiscal year ending December 2025



Sales by Region

- Domestically, sales for in-vehicle safety increased, but sales for home appliances and lighting decreased. In Far East Asia, in addition to in-vehicle safety products, sales of infrared sensors for automatic lighting increased.

(¥mn)	FY2023	FY2024	Y/Y	Sales Ratio
Japan	13,931	13,913	(0.1) %	55.6%
Far East Asia	8,643	9,186	6.3%	36.7%
Europe	1,696	1,724	1.7%	6.9%
North and South America	177	212	19.5%	0.8%
Total	24,449	25,037	2.4%	100.0 %

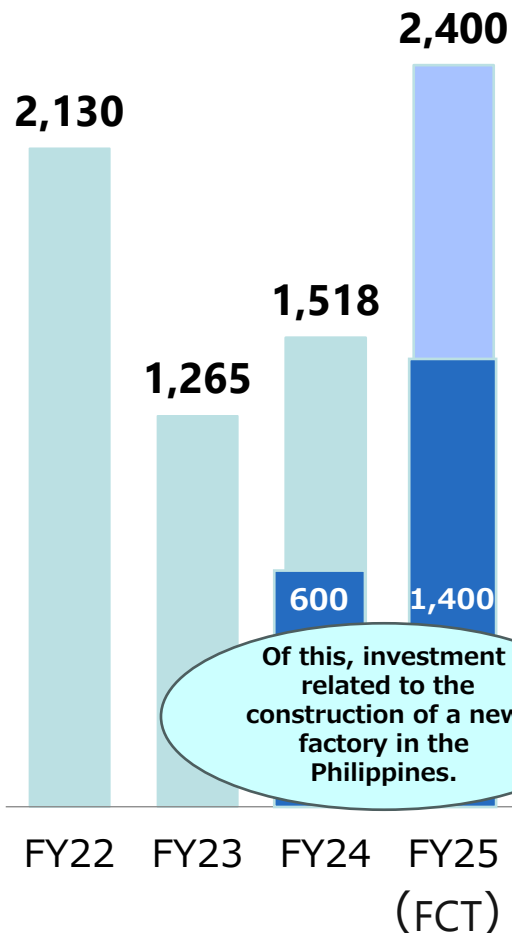
Consolidated cash flow

(¥mn)	FY2023	FY2024	Y/Y
Cash flows from operating activities	5,192	6,545	1,353
Cash flows from investment activities	(154)	8,649	8,804
Free cash flow	3,779	4,983	1,203
Cash flows from financial activities	(3,082)	(6,425)	(3,343)
Cash and cash equivalents at beginning of period	13,655	15,737	2,081
Cash and cash equivalents at end of period	15,737	24,806	9,069

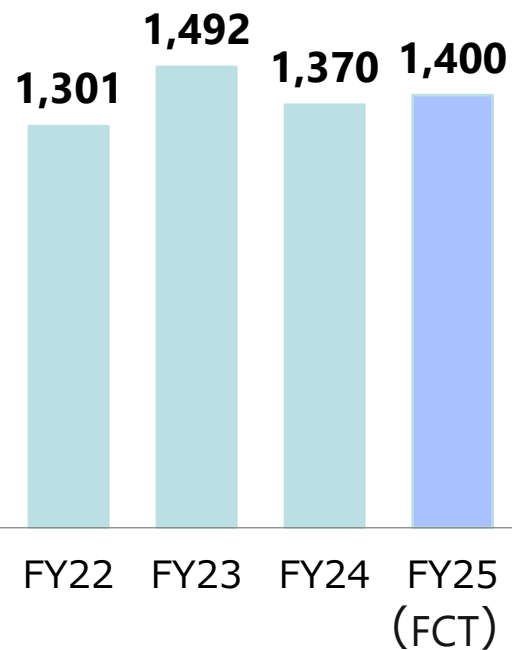
Consolidated balance sheet

(¥mn)	FY2023	FY2024	Change
Current assets	45,926	45,772	(153)
(Inventory)	6,205	5,417	(788)
Tangible fixed assets	10,115	10,354	238
Intangible fixed assets	347	325	(21)
Investments and other assets	1,531	1,893	362
Total Assets	57,920	58,347	426
Current liabilities	4,313	4,931	617
Long-term liabilities	975	1,167	192
Total Liabilities	5,289	6,099	810
Shareholders' equity	45,993	43,842	(2,150)
Others	6,638	8,404	1,766
Total Net Assets	52,631	52,247	(384)
Total Liabilities and Shareholders' Equity	57,920	58,347	426

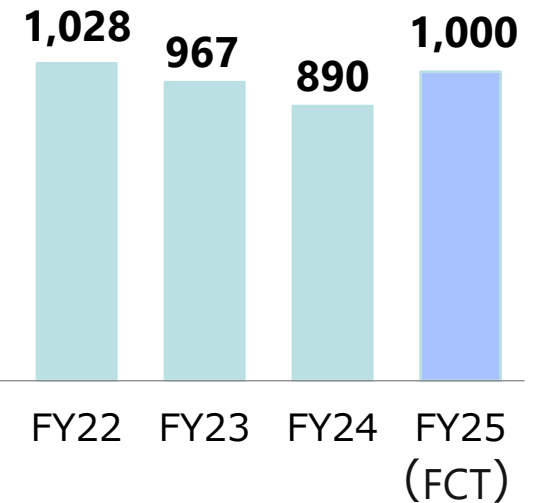
Capex



Depreciation



R&D expenses



September 2024

- Acquired land (red frame) next to existing Philippine production base (yellow frame)
- Construction of new production building begin in September 2024



As of mid-February 2025

- Foundation work completed as of the end of January 2025
- In the future, we will proceed with roof/exterior wall, interior, electrical/mechanical equipment, exterior paving work, etc.



November 2025

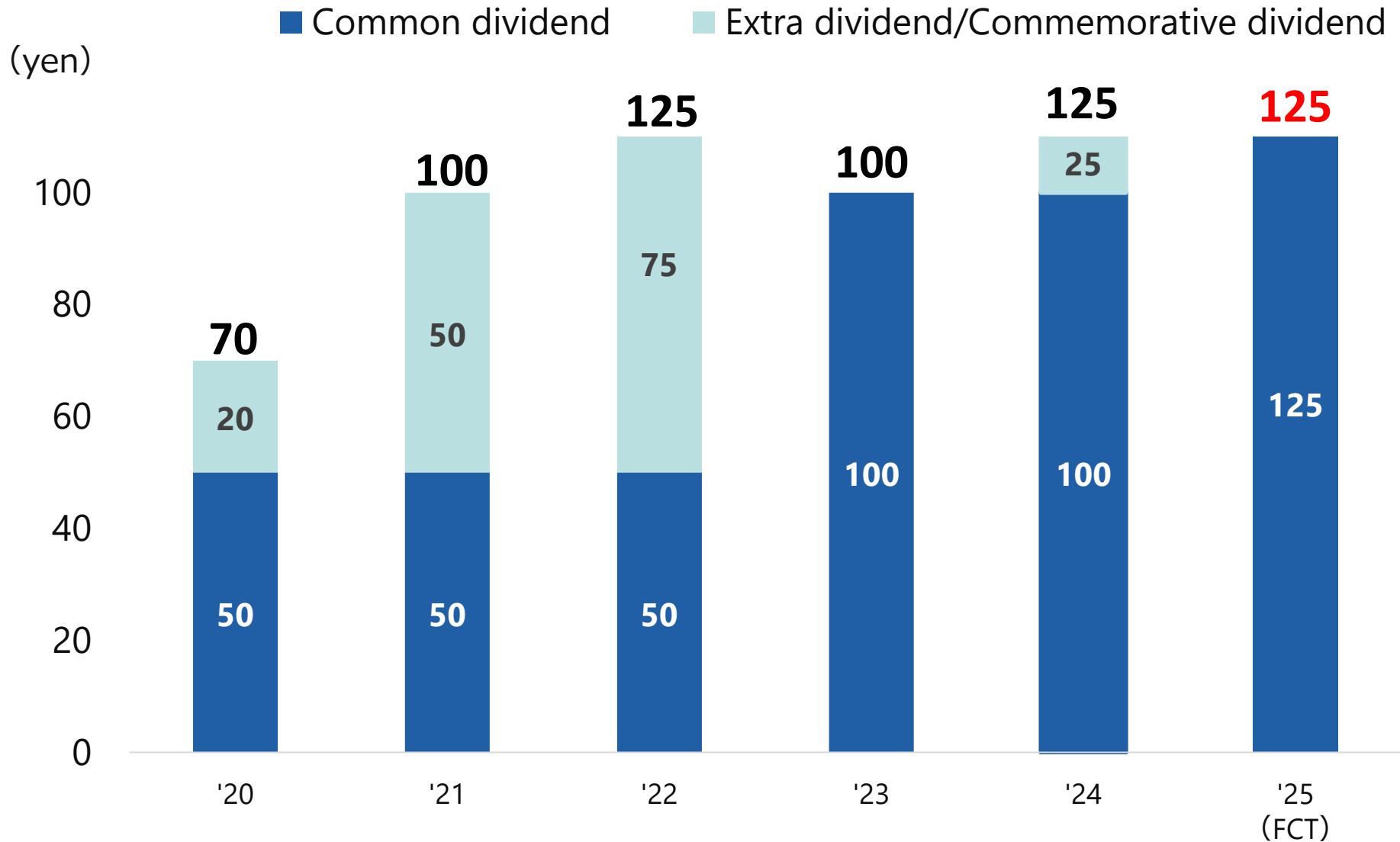
- Scheduled to be completed by November 2025
- After that, we will move forward with building production lines for automotive products and other products for which demand is expected to increase.



Building Overview

- Site area : 7,742m²
- Total floor area : 10,900m²
- structure : 4-story reinforced concrete building
- Total construction cost : 2 billion yen (approximately 600 million yen in 2024, approximately 1.4 billion yen in 2025)

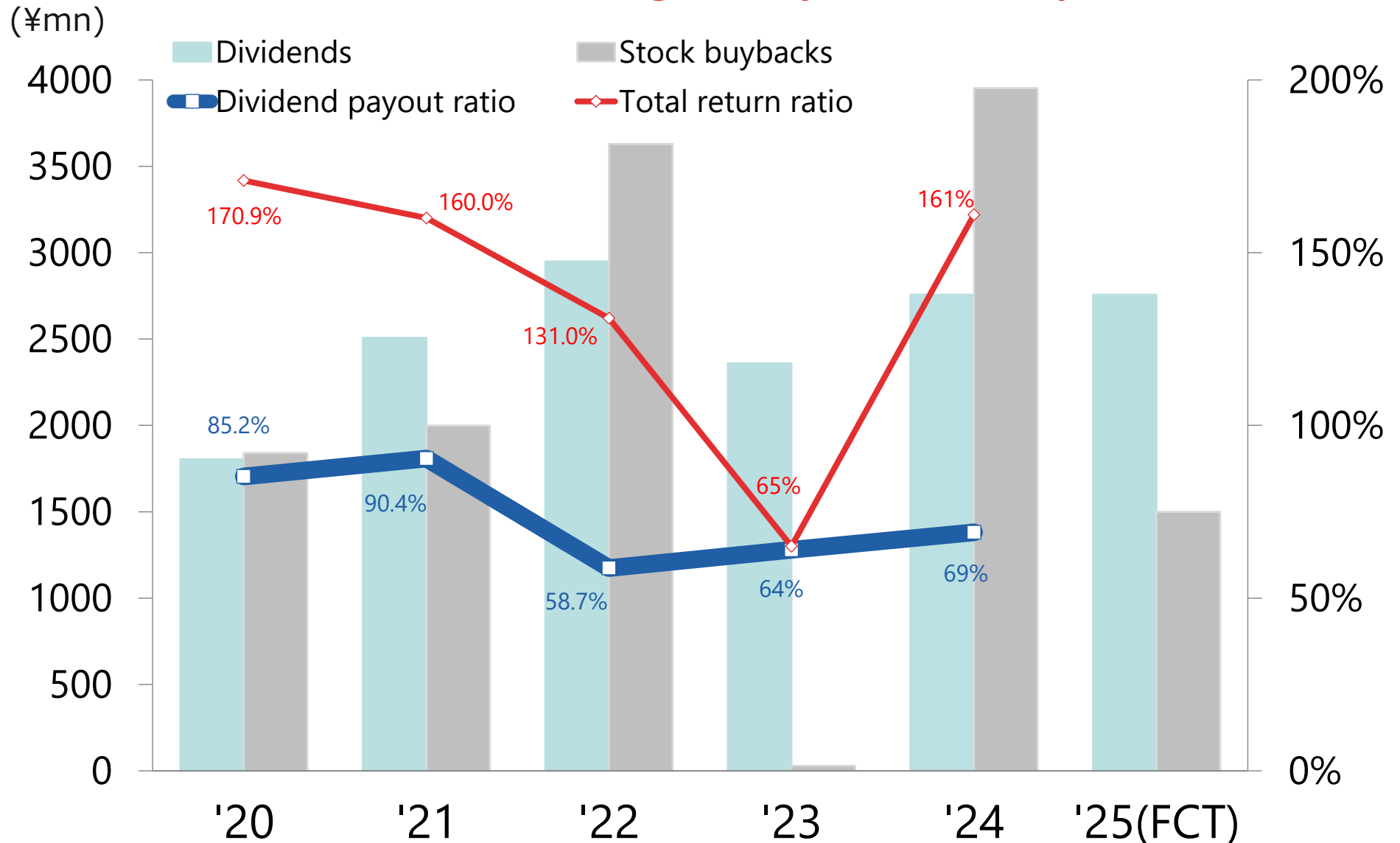
Dividend



※We have a basic policy to pay dividend once a year as a year-end dividend.

Shareholder return dividend payout ratio

**Maintaining a dividend payout ratio of 50% or more
Continuing to carry out share buybacks**



FY2024 consolidated forecast

(¥mn)	FY2024	FY2025 (FCT)	Y/Y	
			Change Amount	Change %
Net Sales	25,037	26,000	963	3.8 %
Operating Income	4,961	5,500	539	10.8 %
Ordinary Income	5,844	6,000	156	2.7 %
Net income attributable to owners of parent	4,162	4,250	88	2.1 %
Forex(USD)	150.77 yen (2024 average)	150.00 yen		