

Summary of Financial Results: First Half of FY2025

2025.11.6

NIFCO Inc.

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2Q Overview

- Quarterly operating profit and OPM remained a record historical high.
- Quarterly operating profit margin remained at a high level of 13.9%.
- Operating profit margin in the first half of FY2025 exceeded 14%.

FY2025 Full-year Forecast

- Steady progress, and no revision in our guidance for FY2025.
- Semiconductor industry in the second half of FY2025 is uncertain, business in Chinese region is sluggish.
- No revision in exchange rate assumptions (\$/¥145).

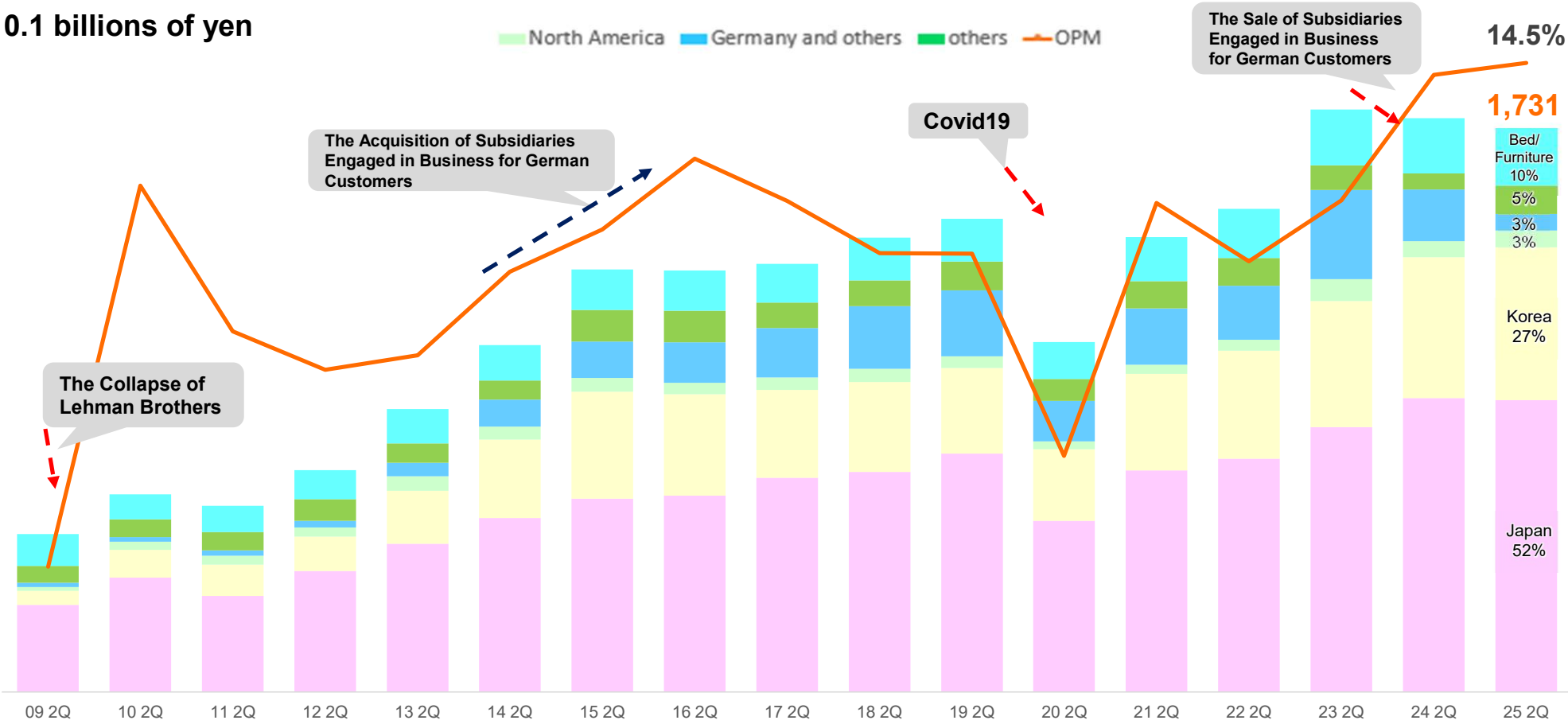
1. Financial Highlights



Historical Net sales and Operating Profit for 2Q Cumulative

- Although Net sales declined YoY, OPM remained at a record-high level of 14.5%.

Unit: 0.1 billions of yen

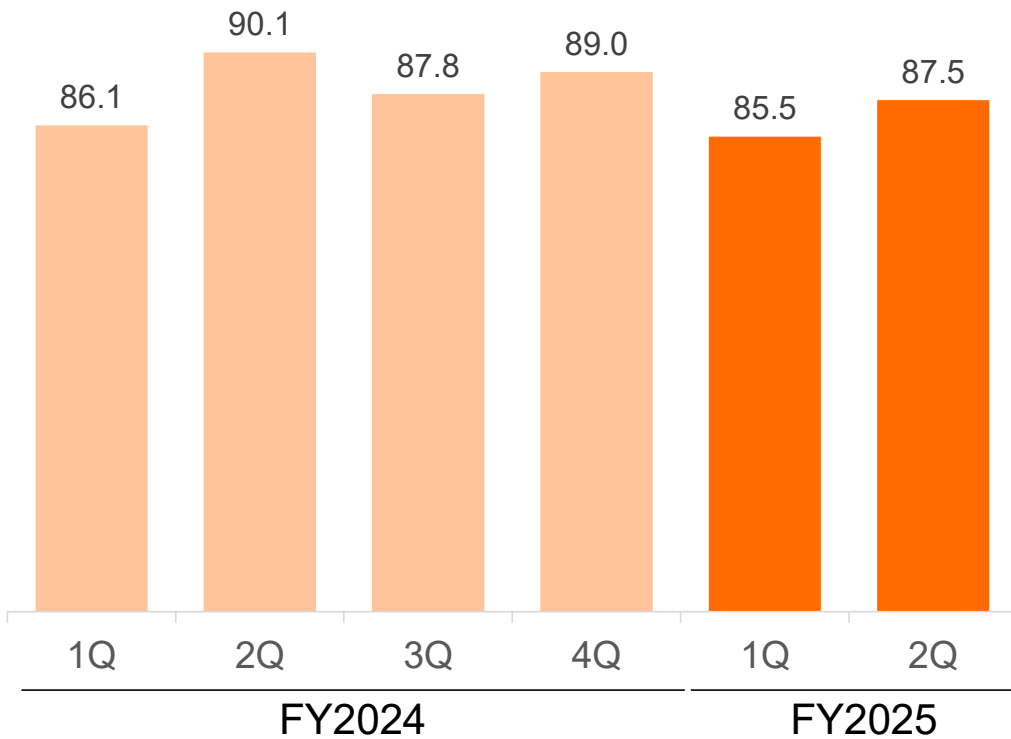


2. Overview of FY2025 2Q Consolidated

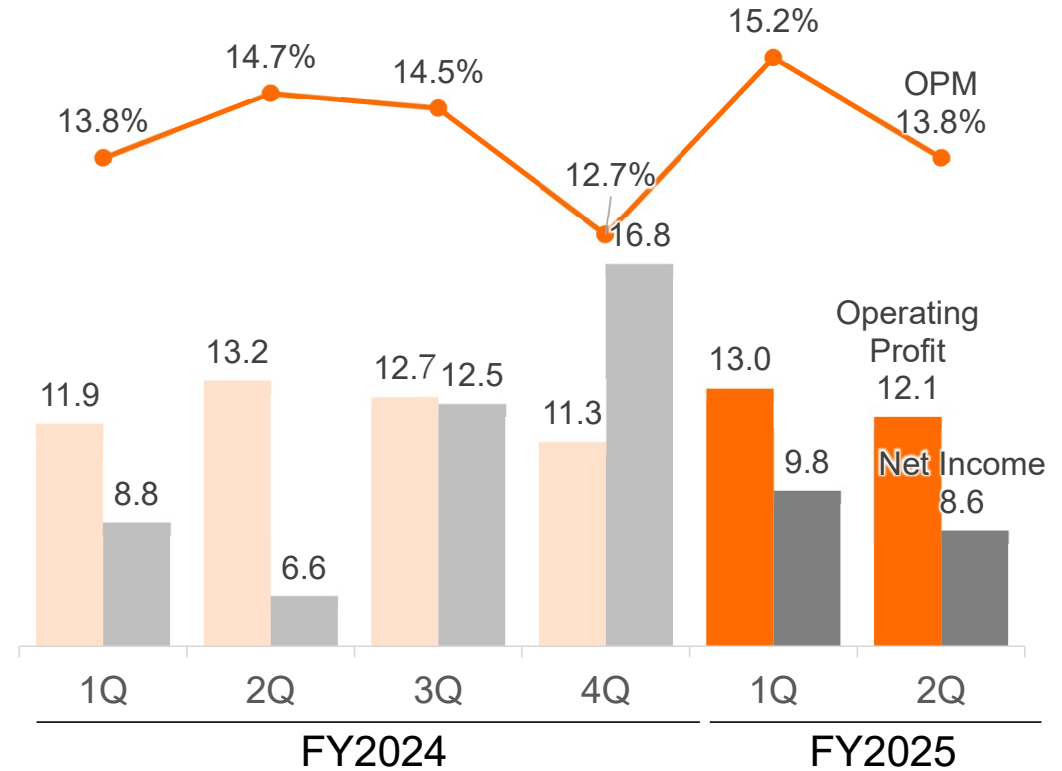
Net sales and Operating Profit declined YoY.

- Due in part to exchange rate effects, net sales declined YoY.
- Net income increased YoY, partly due to the sale of fixed assets.

Net Sales(bn yen)



Operating Profit, Net Income, OPM (bn yen, %)

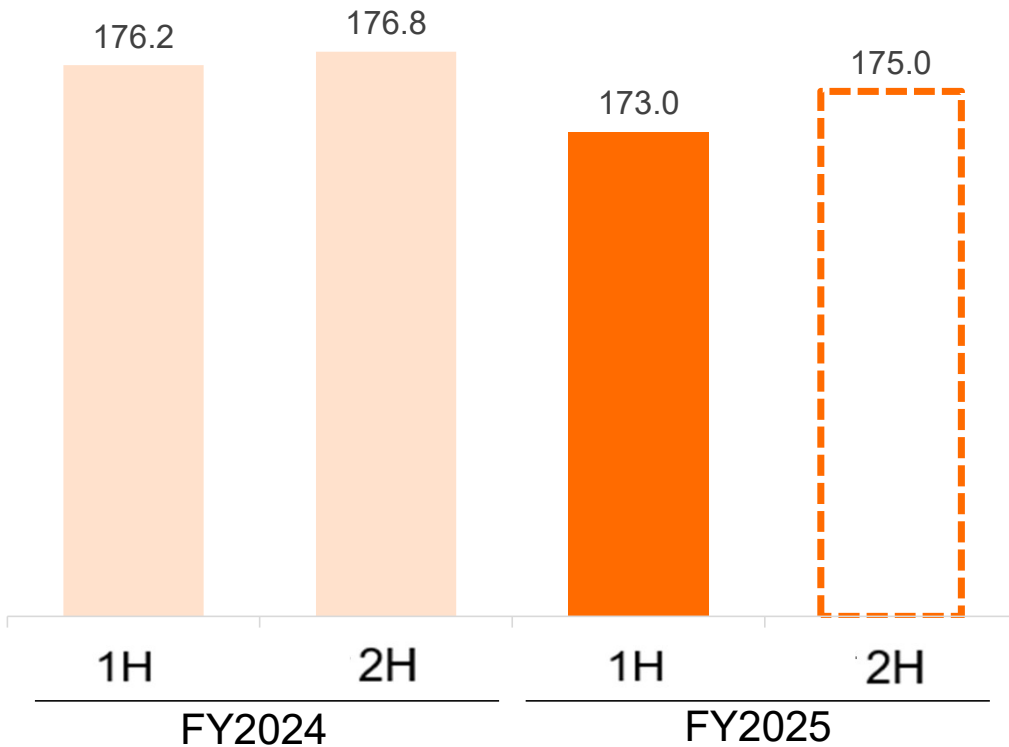


3. Overview of FY2025 1H Consolidated

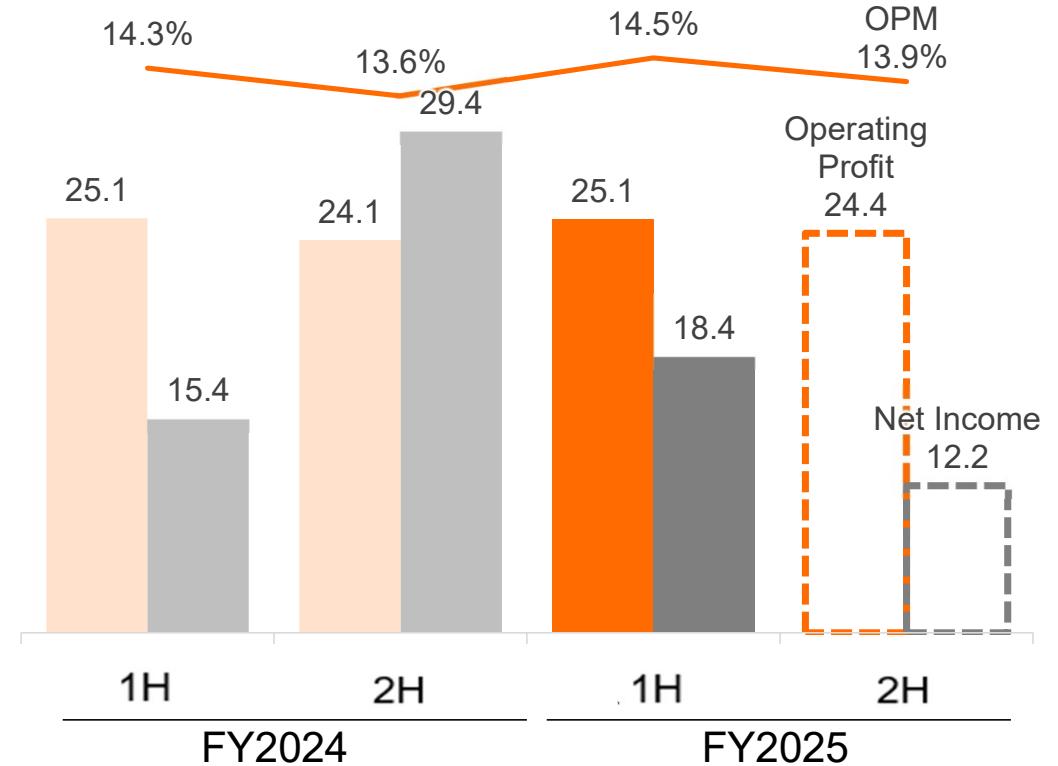
OPM for the cumulative remained at a high level of 14.5%.

- Despite a decline in net sales due to foreign exchange effects, high level of OPM was secured.
- Progress against the budget for FY2025: Sales 50%, OP 51%
- No revision in our guidance for FY2025 with the same exchange rate assumptions because of the uncertain situation in Semiconductor industry (Net Sales 348.0bn Operating Profit 49.5bn)

Net Sales(bn yen)



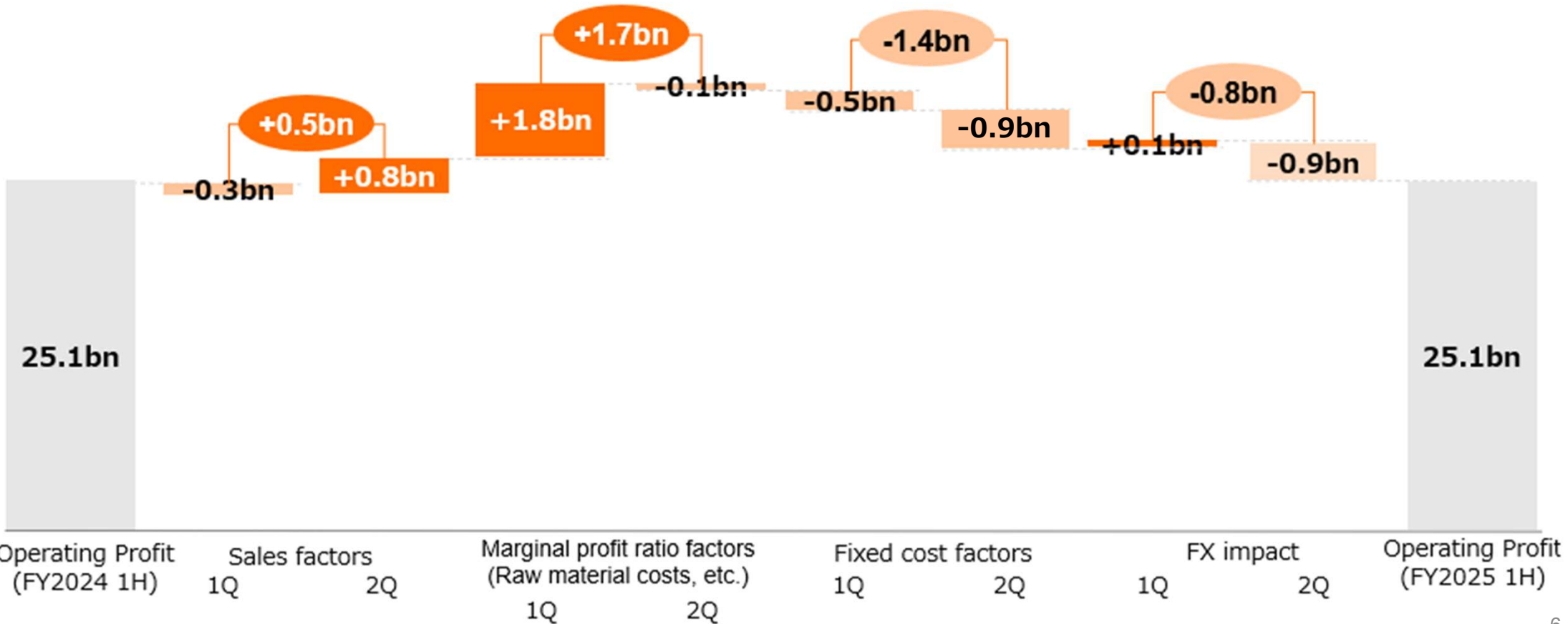
Operating Profit, Net Income, OPM (bn yen, %)



4. FY2025 1H Consolidated OP (YoY)

Operating Profit Analysis (YoY) * The 2Q figures are derived by deducting the 1Q results from the year-to-date total as a practical measure.

- Marginal profit slightly decreased due to lower mold sales, while material costs tend to increase.
- The increase in fixed costs was mainly due to higher expenses for personnel.



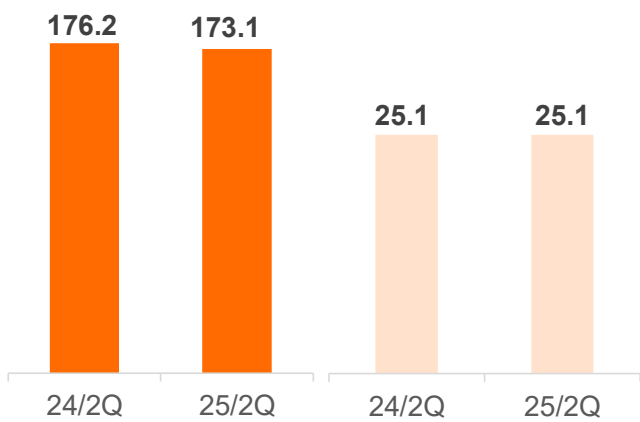
5. FY2025 1H by Segment ¹

FY2025 1H Sales and OPM

(Billions of yen) ■ Sales ■ OP ■ OPM

Consolidated

YoY : Sales -1.8% OP +0.0%

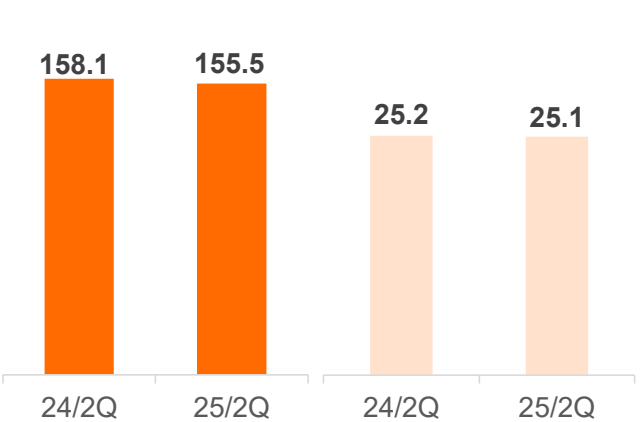


OPM +0.2pts

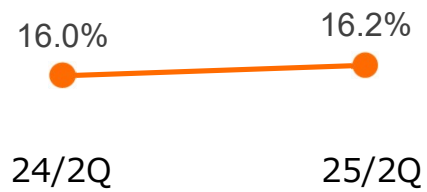


Plastics

YoY : Sales -1.6% OP -0.3%

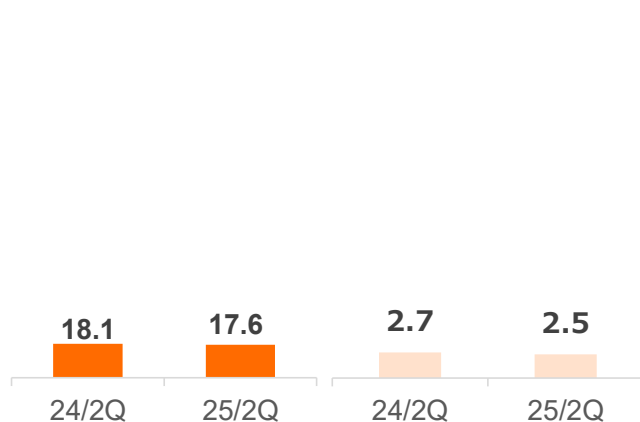


OPM +0.2pts

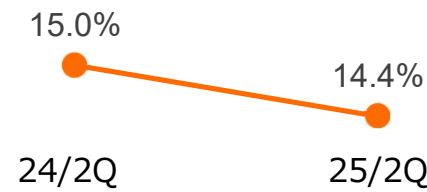


Bed

YoY : Sales -3.1% OP -6.9%



OPM -0.6pts



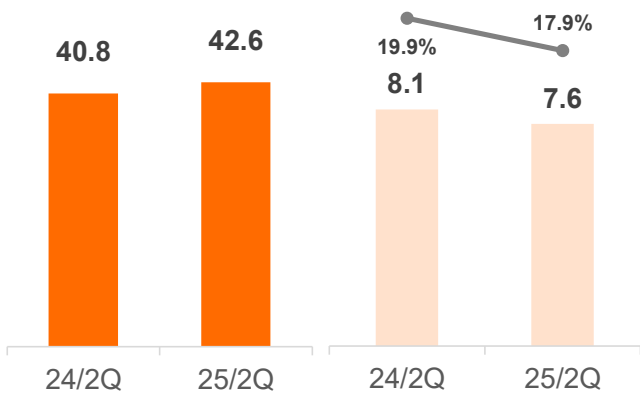
1) Overseas: January – June, Japan: April - September

6. FY2025 1H by Segment (Plastics) ¹ FY2025 1H Sales and OPM

(Billions of yen) ■ Sales ■ OP ■ OPM

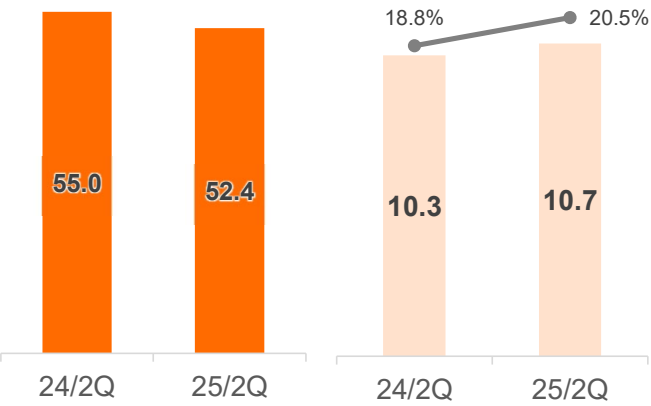
Japan

Sales volume slightly increased



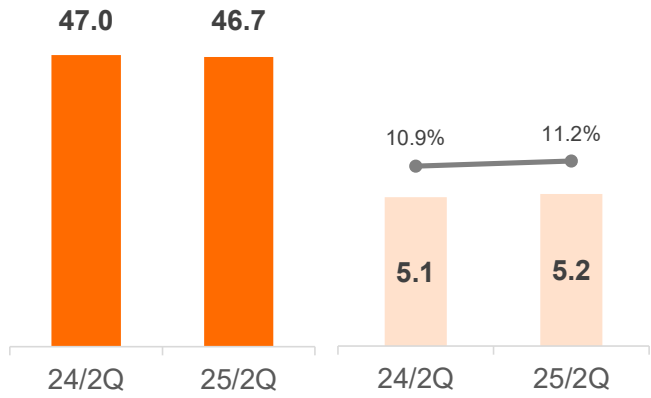
Asia (including China and India)

Despite the decrease in sales, OP increased by improving actions



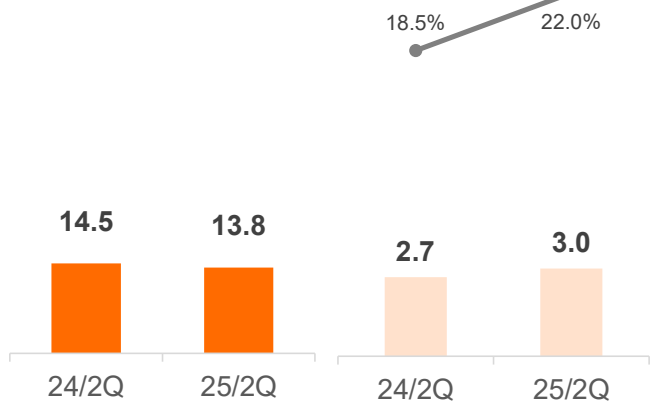
North America

Strong performance of Korean OEMs



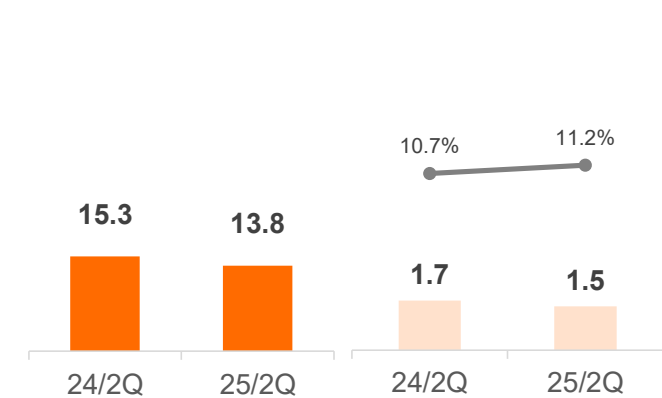
China

Despite the decrease in sales, OP increased by improving actions



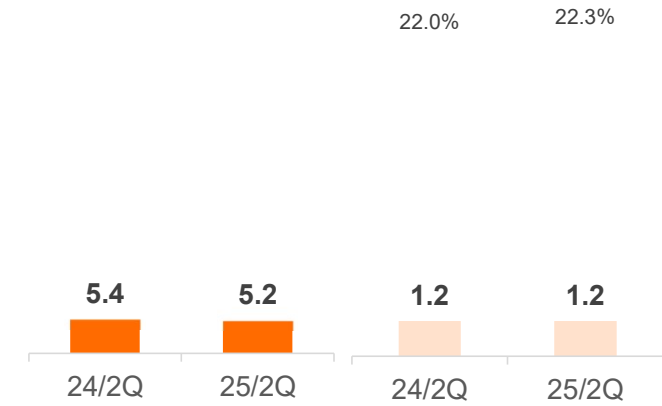
Europe

Sales decreased but maintained profits



India

Sales decreased because of sales volume decrease



1) Overseas: January – June, Japan: April - September

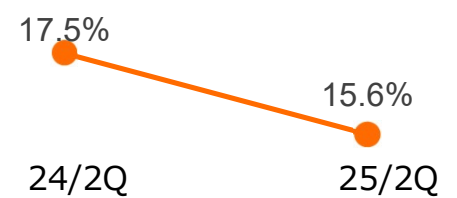
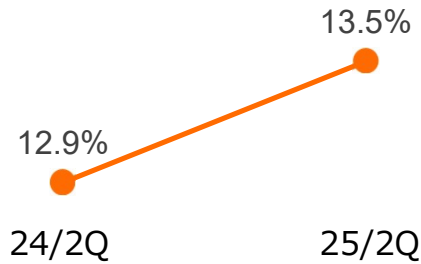
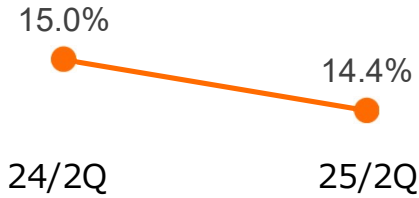
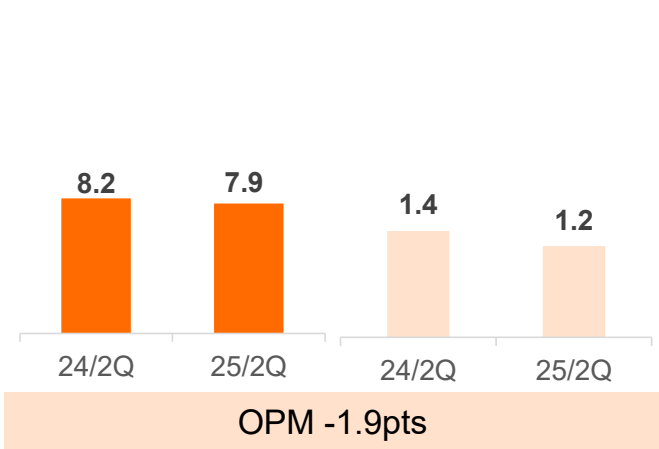
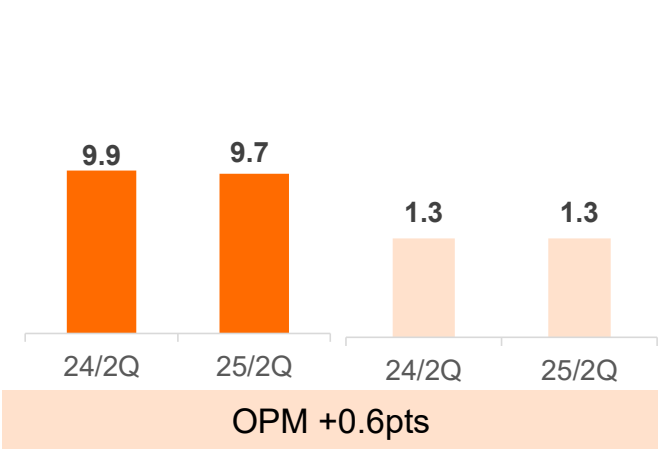
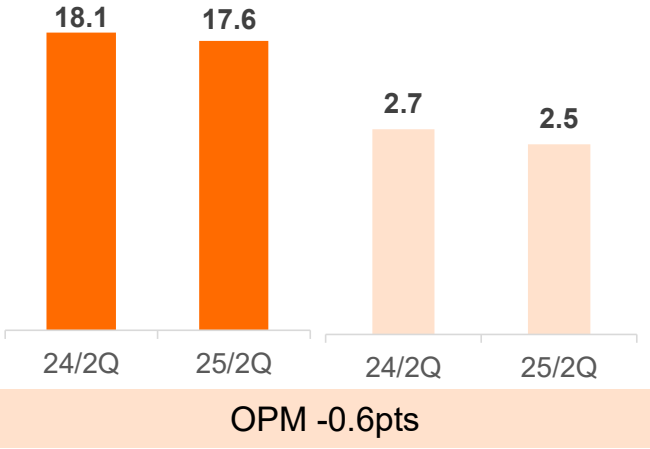
7. FY2025 1H by Segment (Bed) ¹ FY2025 1H Sales and OPM

(Billions of yen) ■ Sales ■ OP ■ OPM

Bed
YoY : Sales -3.1% OP -6.9%

Bed : Japan
Hotels are on favorable trend.

Bed : Asia
Business in Hong Kong and Singapore showed weak performance.

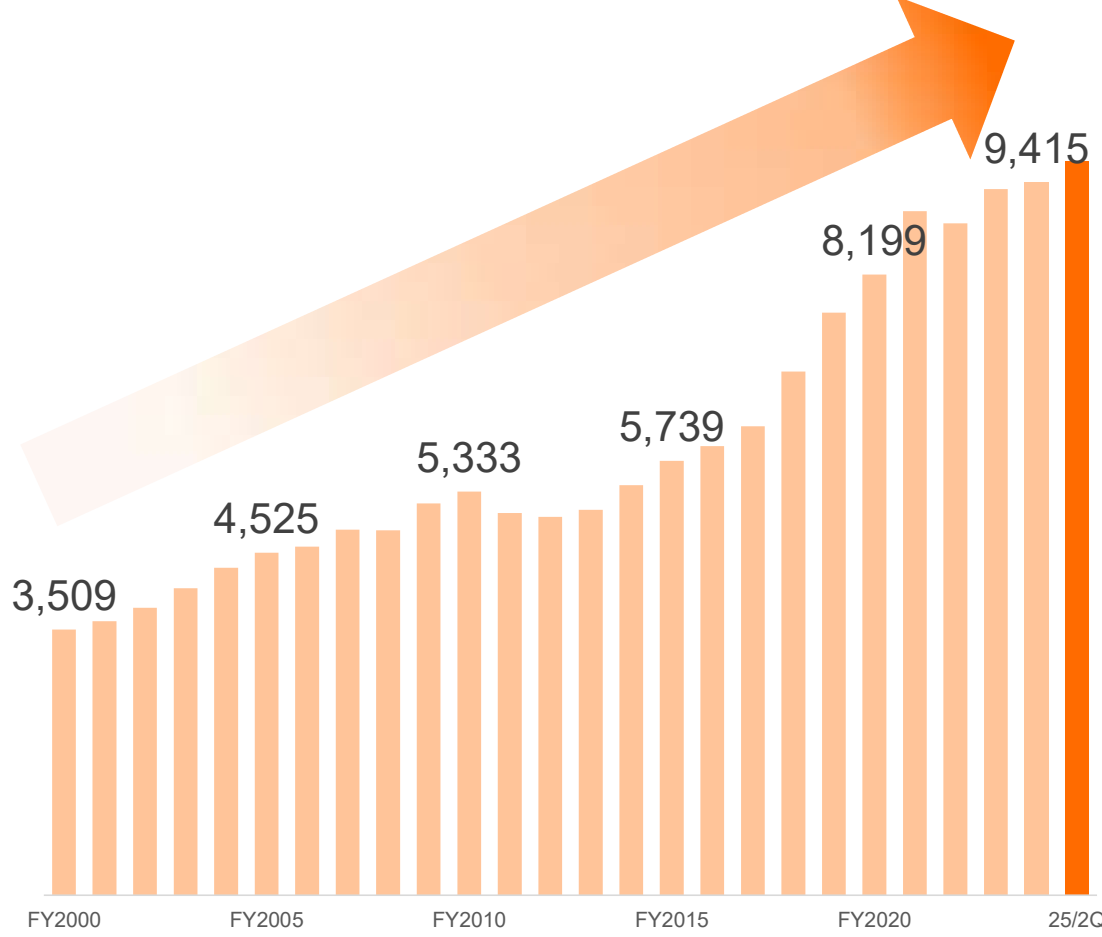


1) Overseas: January – June, Japan: April - September

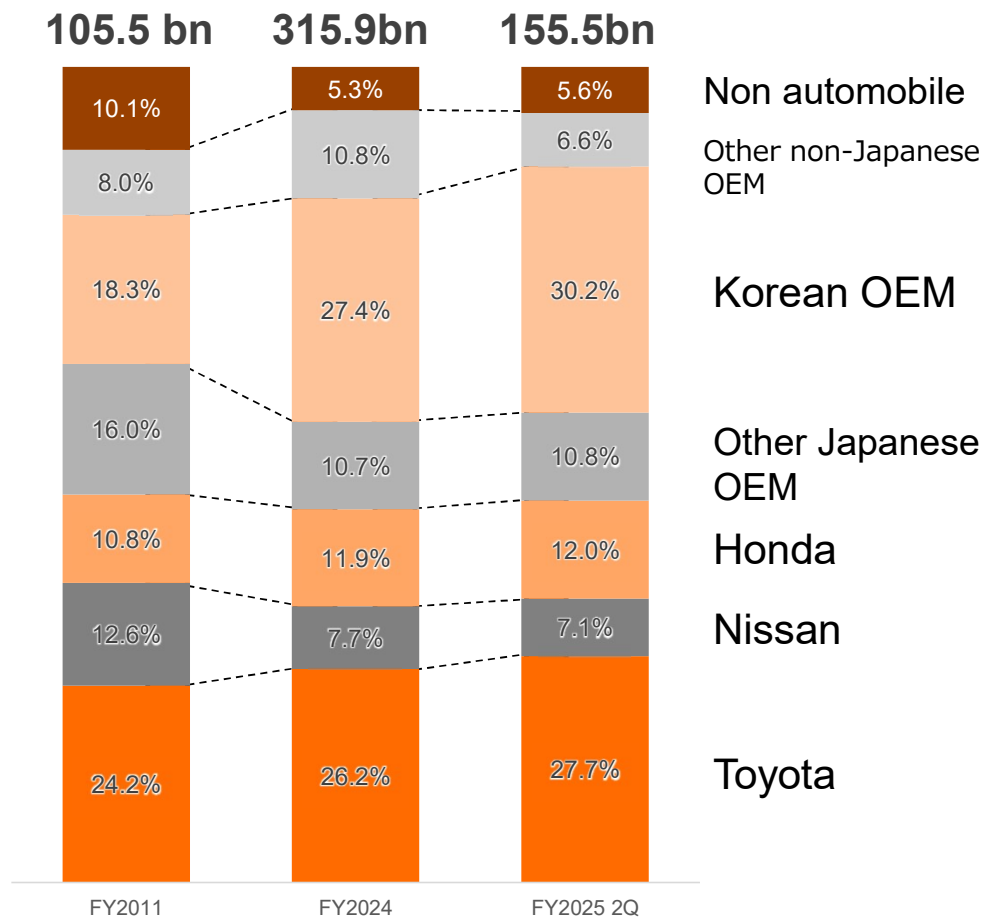
8. Installed Value Per Vehicle for FY2025

Domestic Average Installed Value Per Vehicle is increasing steadily

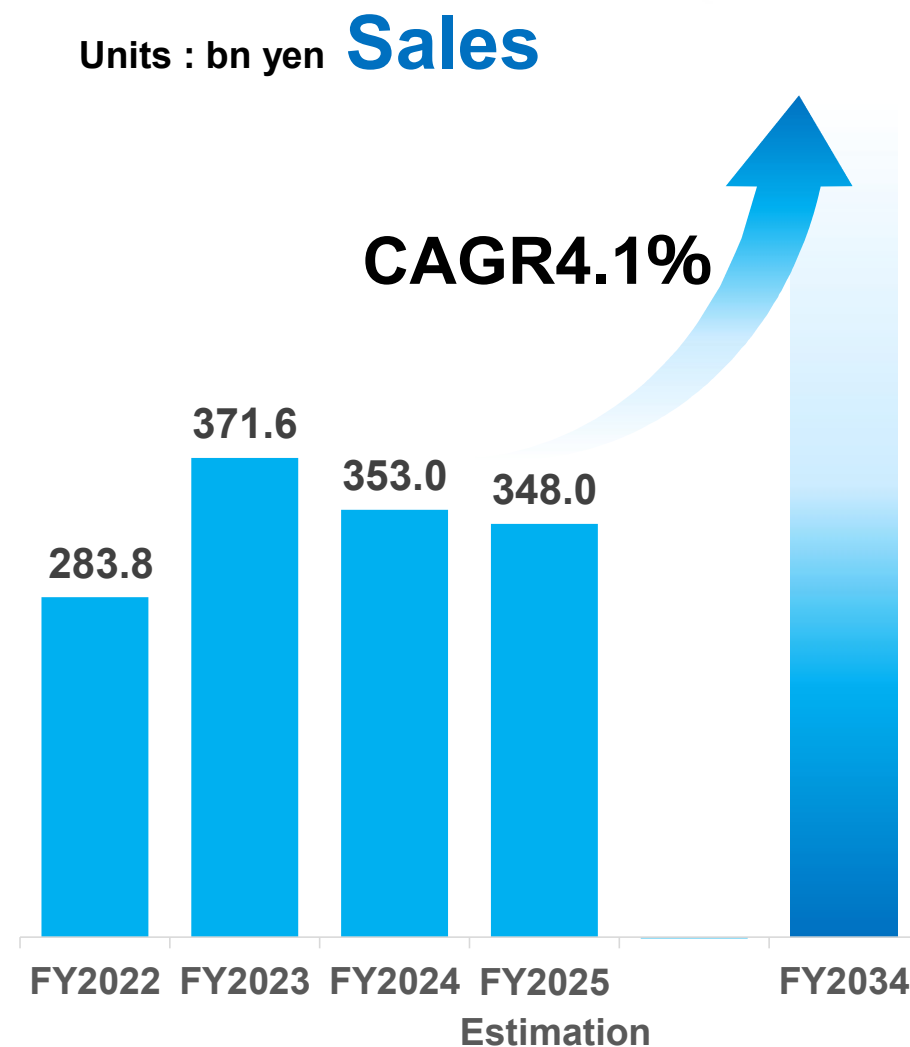
Average installed value per vehicle(Japan) (yen/units)



Customer mix global (plastics)



- Expand China and Chinese OEM business
- Expand India market business
- Maximalize Korean group sales
- Create a business portfolio



9. Management policy for growth

Expand China and Chinese OEM Business

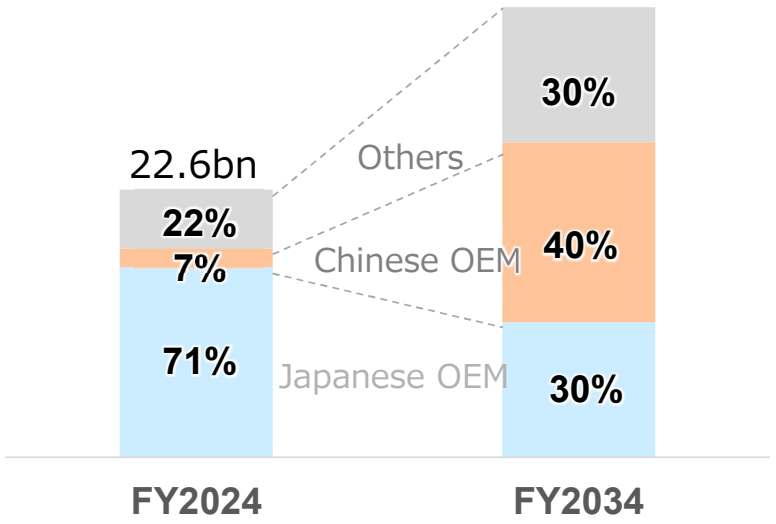
Nifco considers Chinese OEM business as a pillar of growth, and strengthens its system for steady earnings in Chinese market.

Current situation of Chinese market

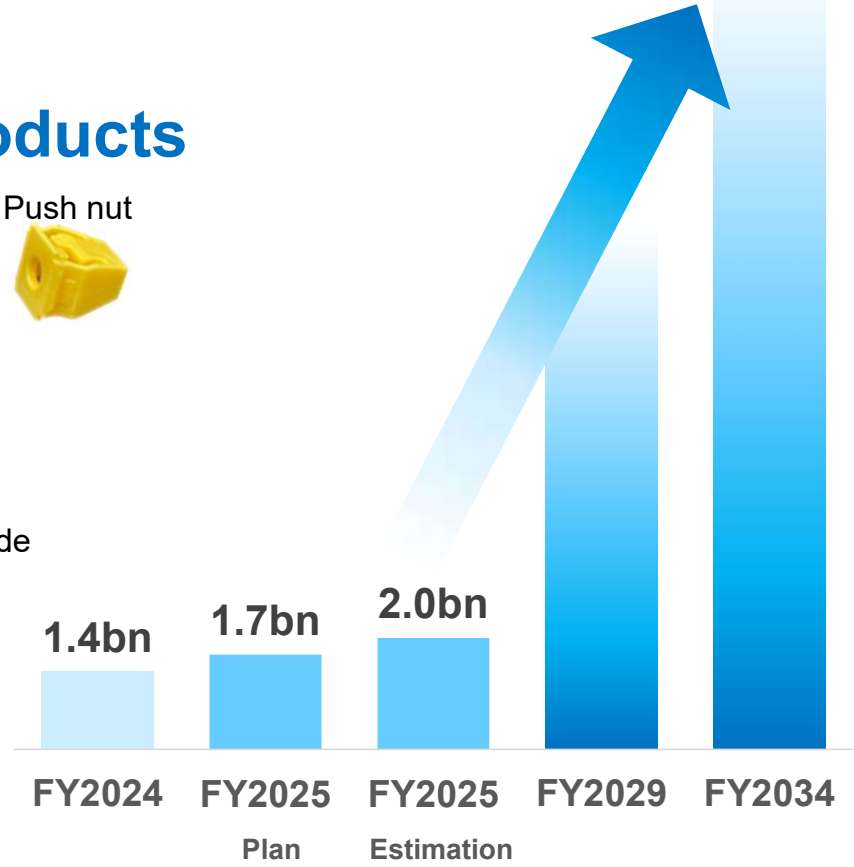
- Production volume of Japanese OEMs is decreasing
- Chinese OEMs are expanding its share

Sales

China Region Sales Ratio Forecast



Ordered products



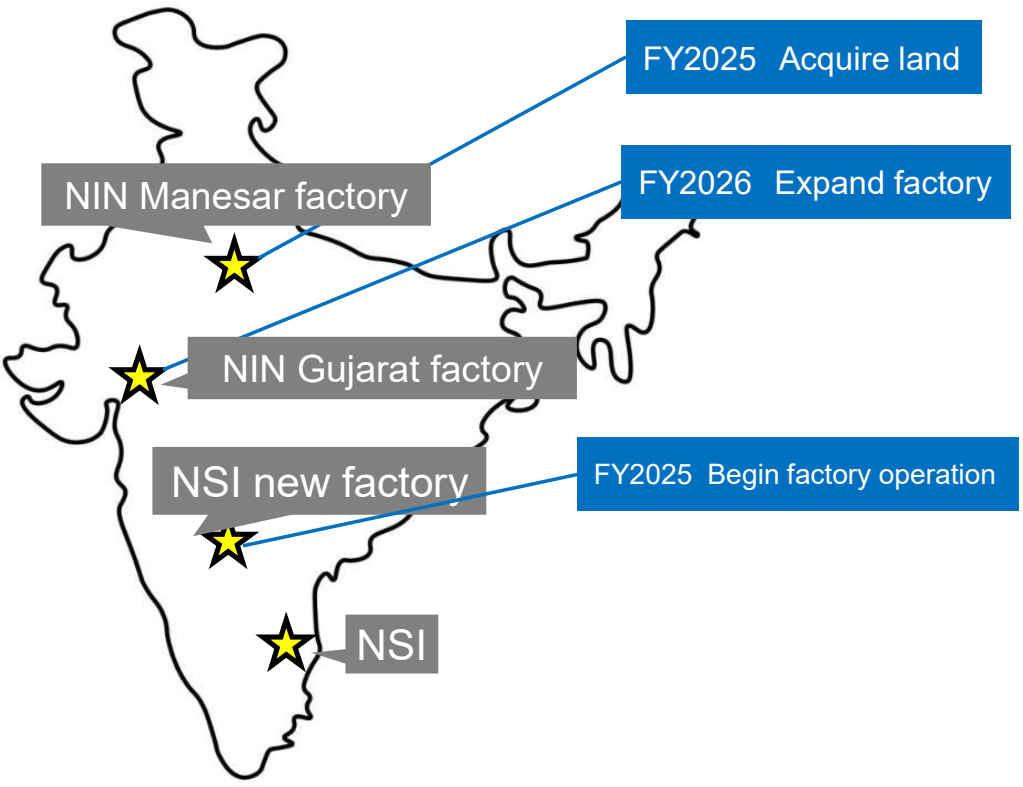
10. Management policy for growth
Expand India Market Business



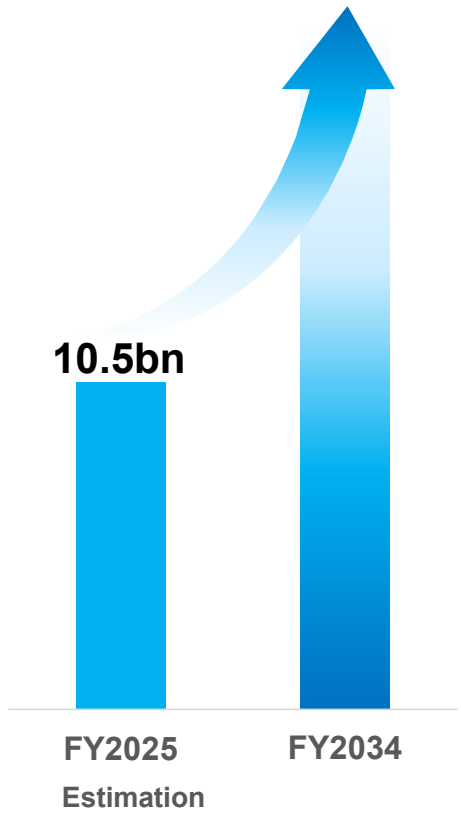
Maximizing installed value per vehicle for Japanese and Korean OEMs

Current situation of India market

- 7 million passenger car production is expected by 2030



Sales



SUV
COCKPIT, AVENT etc.

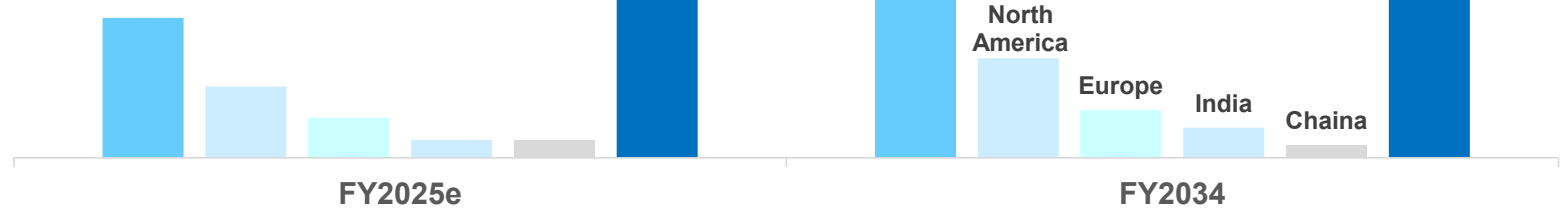


BEV
COCKPIT, CONSOL etc.



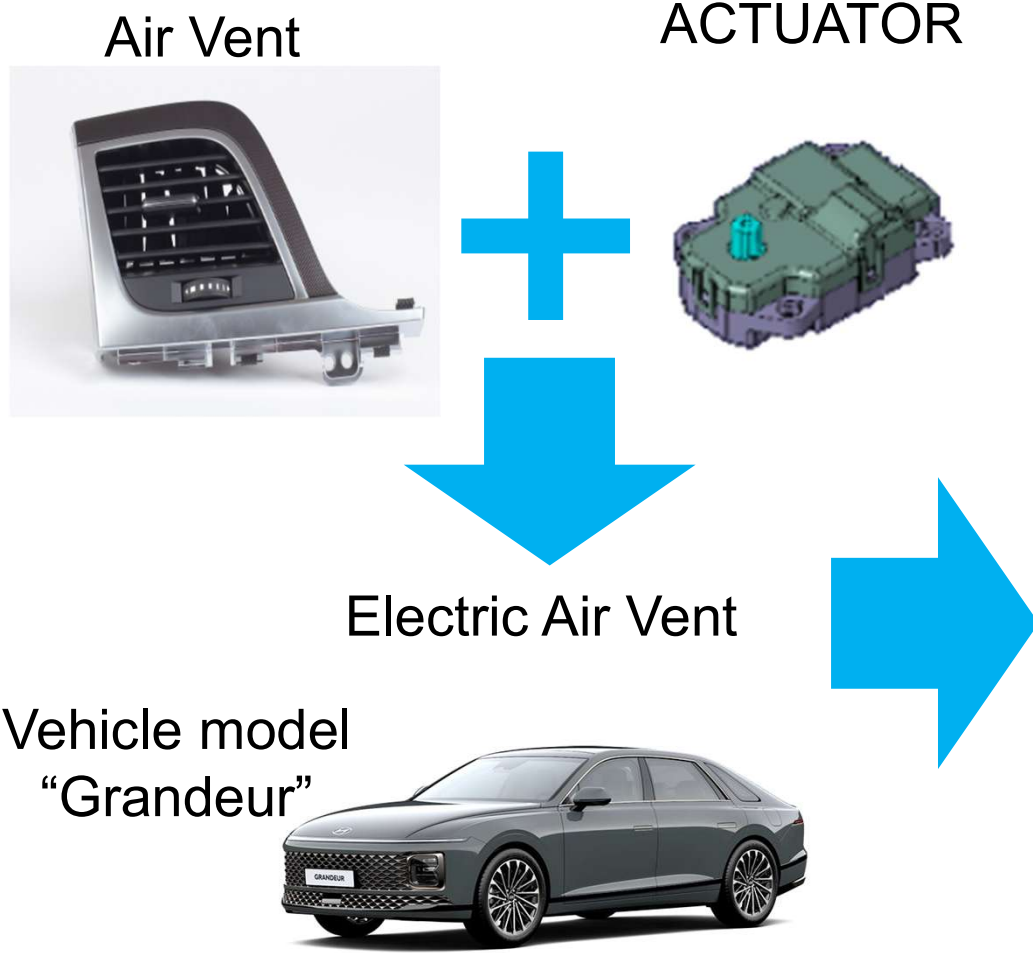
Further focus on Korean OEM business on a global scale

Factories are built in Mexico and India in order to strengthen Korean OEM businesses, primarily with Hyundai and Kia.



Aiming for 25% sales growth of NKO Gr. in FY2034

12. Management policy for growth
Create a Business Portfolio, Repurpose Mobility Technology



Window air conditioner



Bathroom combined ventilation fan



13. Management policy for growth

Create a Business Portfolio, Automobile Aftermarket



Concept

"Aging population and labor shortages" and "increasingly complex and sophisticated maintenance"
 We are developing a business that combines "analog and digital" for automotive maintenance which faces those two challenges.

Efficiency Enhancement

【 Accurate Positioning 】

3D Marker
 ×

Image Recognition



Fully Automated System

【System Collaboration】

Motion Capture
 ×
 Robotics

Connecting a "sustainable and safety" value chain with utilizing external capabilities.

Activity

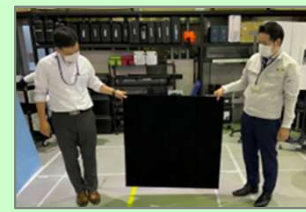
Making a partnership

Enhancing each other by encountering



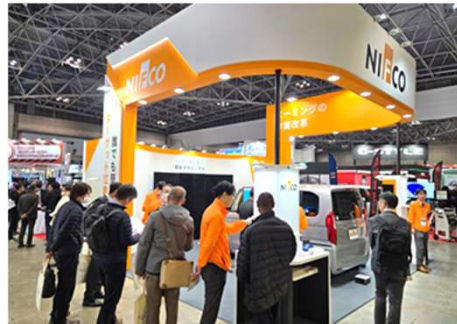
• Identifying On-Site Issues

Sympathy for partners

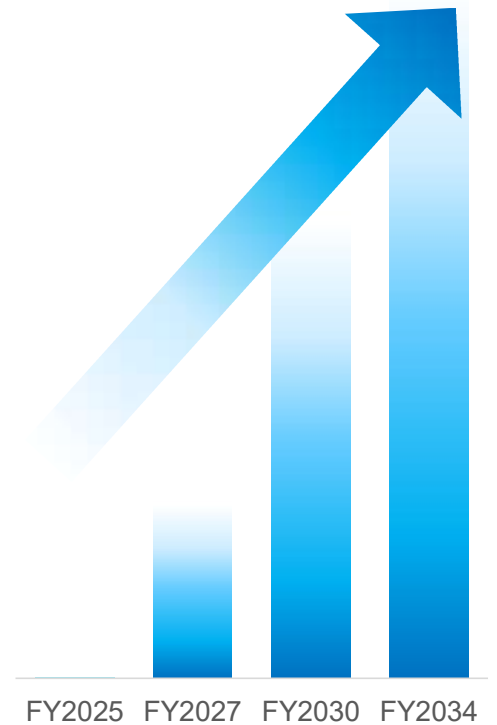


-Creating solutions with collaborating

◆ **Joined IAAE2025** (February 26–28, 2025)



Sales



14. Management policy for growth Create a Business Portfolio, Automobile Aftermarket

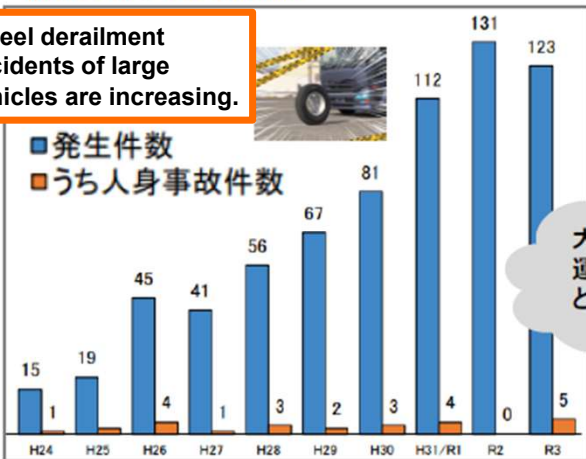
着目した社会課題



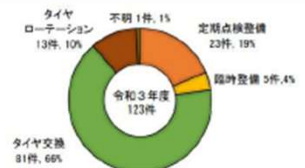
Labor shortages
are becoming
more serious

物流業界が抱える課題

Wheel derailment
accidents of large
vehicles are increasing.



大型車の脱輪は
運転手、歩行者にとつて
とても危険。防ぎたい。



Many wheel derailment accidents
caused by insufficient daily
inspections could have been
prevented by checking tightening
torque.

日常点検の新常識
ニフコのホイールナットインジケータ

WaOSaFe

Safety & Smart with **WAOSAFE**.

ホイールナットインジケータ **WAOSAFE** のおすすめポイント!

- ナットの緩みがひと目でわかる!
- チェック時間を大幅短縮!
- 簡単に取り付け・取り外し可能!
- 誰でも同じように確認できる!
- ナットを保護する形状!
- デザインもスタイリッシュ!

ナットの緩み視認性

- ナットの緩みにより製品矢印部が移動
- 判定エリアを外れることでナットの緩みを判断
- 早く、正確な点検が可能に

デザイン

- 同心円形状
- ホイール意匠に馴染むデザイン

組付け性能

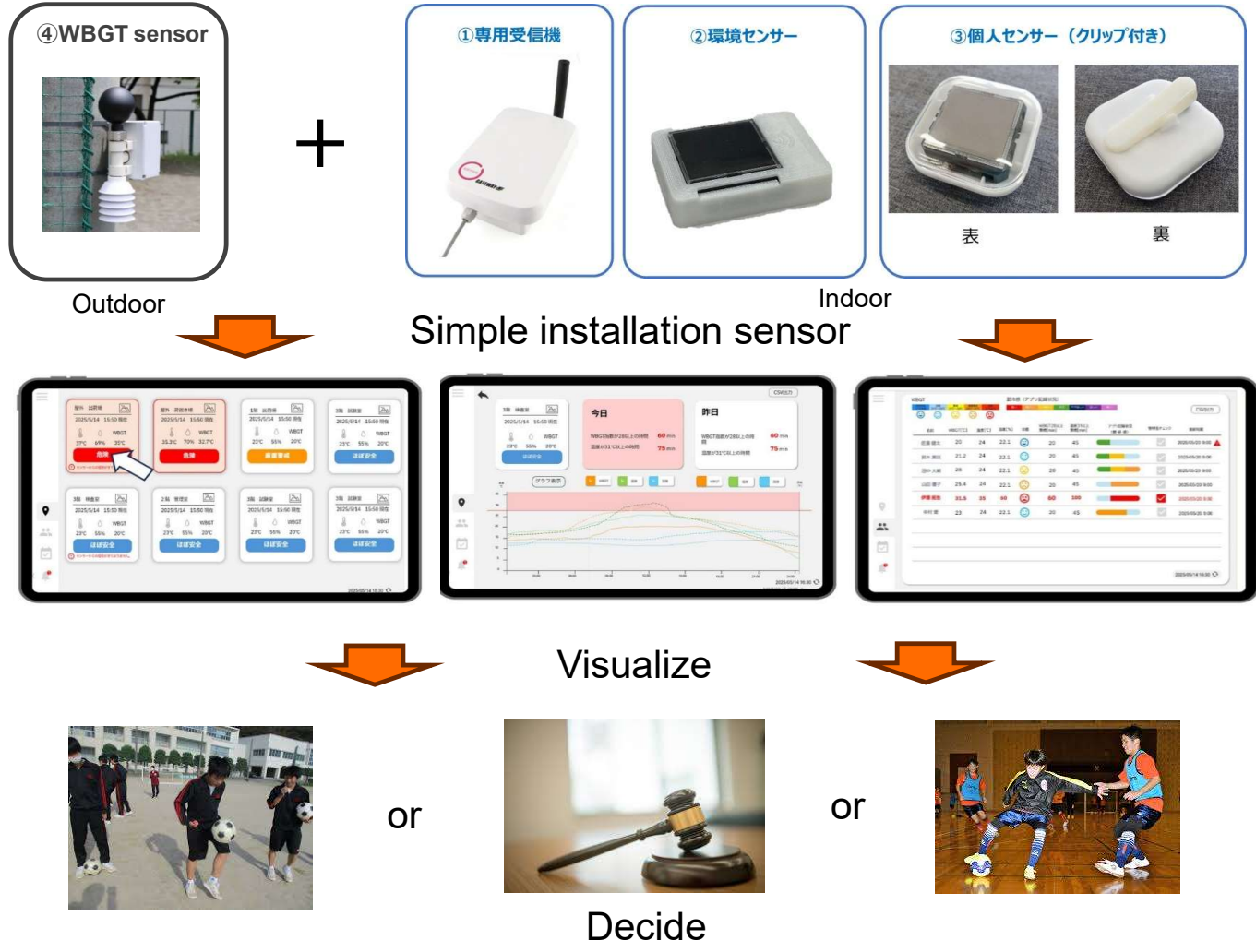
- 組付け時にナットにセットしやすい
- 少ない力で簡単装着
- 裏表を間違えない形状

ナットを覆う形状

- カラーの隙間に水・泥が入りにくい
- 開口形状の為、ボルト突出量の確認が可能

15. Management policy for growth Create a Business Portfolio, Heatstroke Prevention Measures

The mandatory implementation of heatstroke prevention measures in June has triggered an increase in inquiries from schools, companies, local governments, etc.



Municipal government



School



Logistics industry



Manufacturing industry



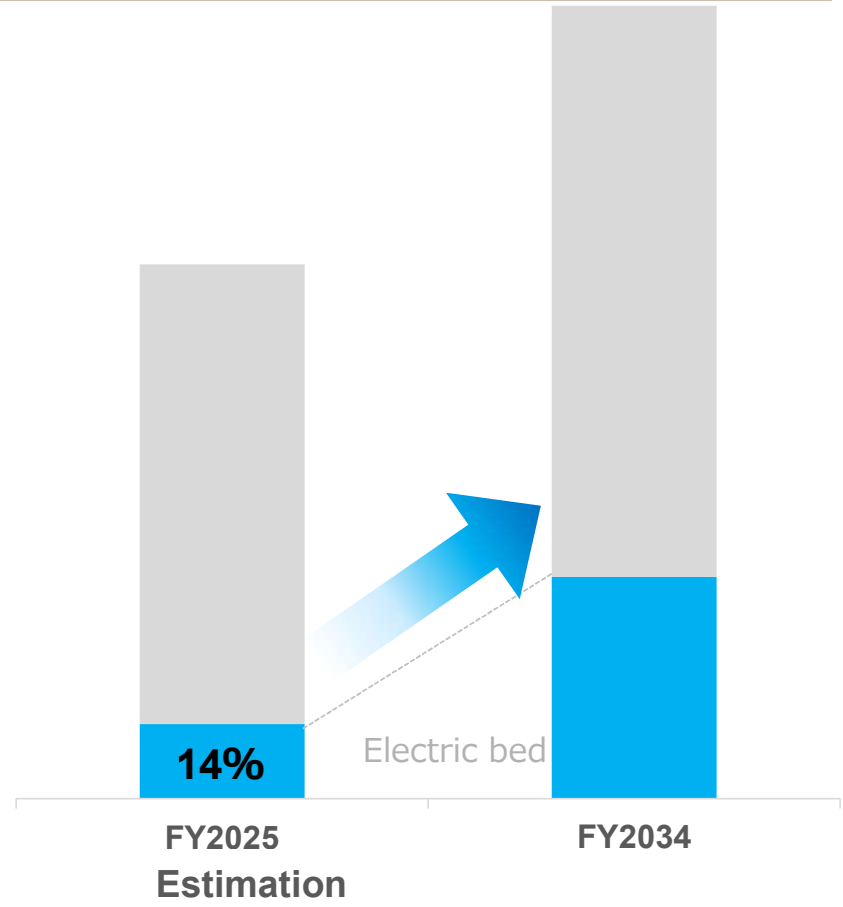
Transportation industry

Products

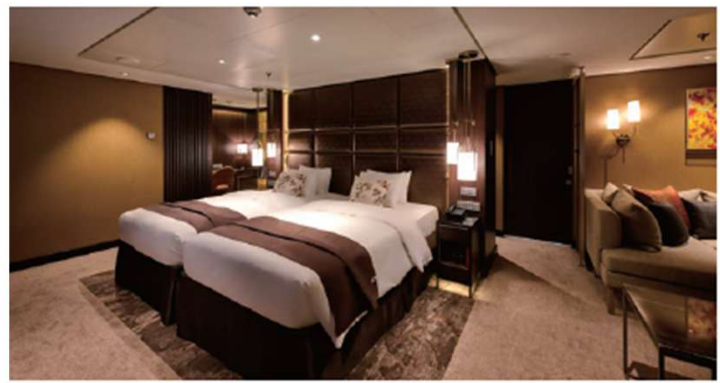
-New line “iD motion” is on the sale(2025/10)



Electric bed sales ratio



17. FY2025 Segment information
Bed and Furniture



Over 1,000 mattress sets have been adopted

18.CAPEX plan
CAPEX (Units : 0.1 billion yen)



West area
 Technology and
 production base

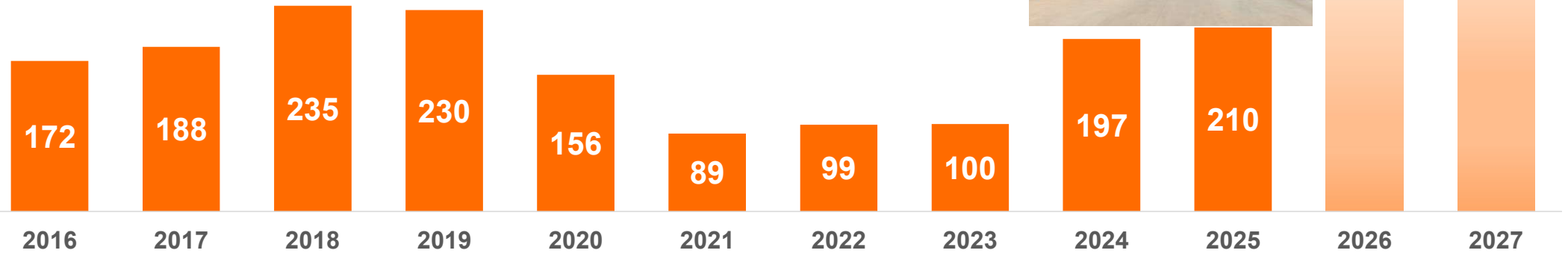
Kyushu
 main production base



Factory for
 PF only

Hyundai·Kia

Hyundai·Kia
 +Indian
 locals



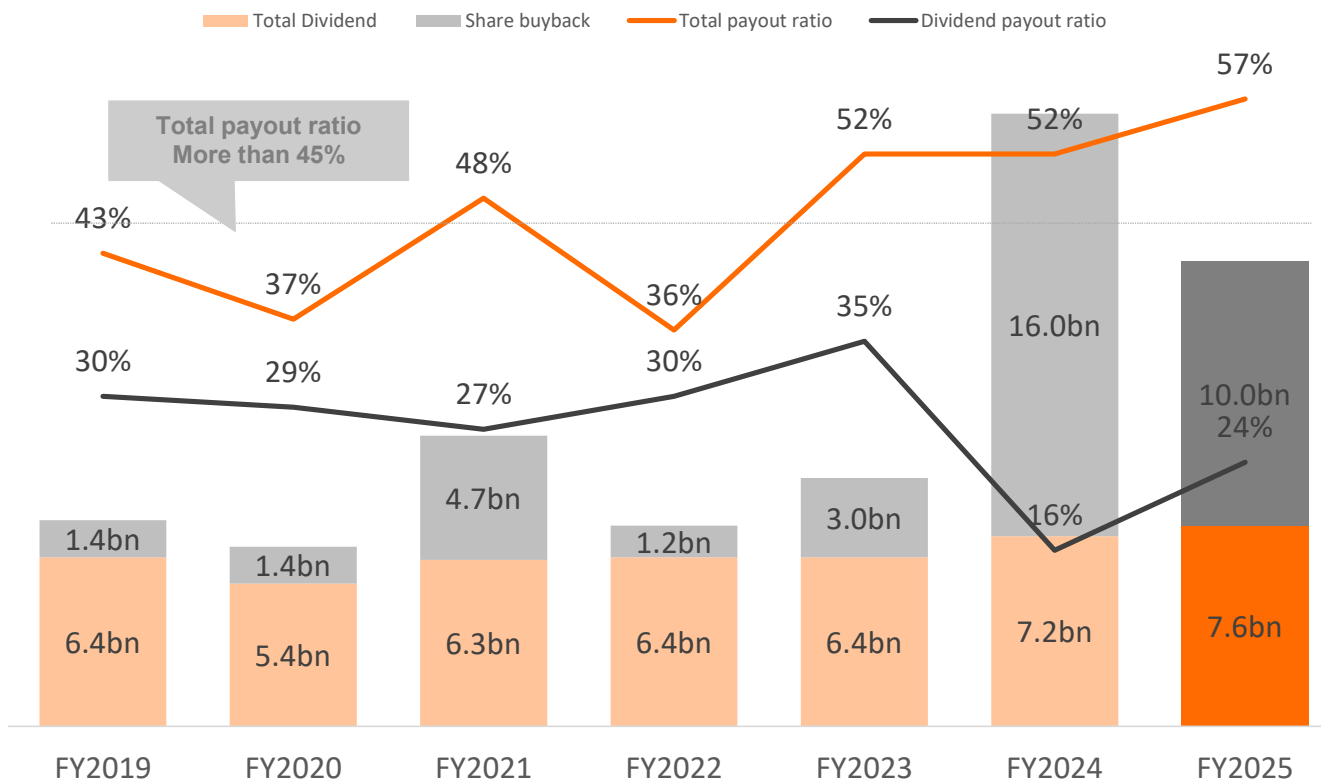
19. Shareholder returns

DPS is 80 yen, and Implement 10 billion Share Buyback

- DPS is 80 yen, increased by 5 yen.
- Implement 5 billion-yen buybacks, 10 billion yen in total with 1Q. .

Total Dividend, Share buyback, Total payout ratio (bn yen,%)

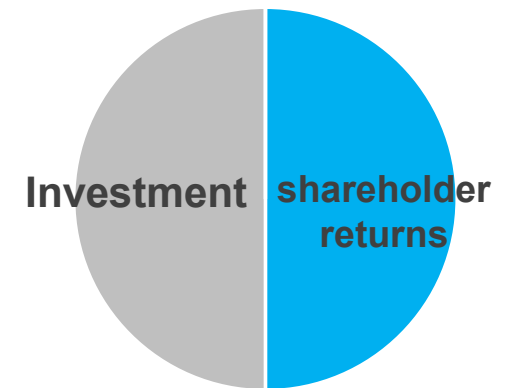
Target



Total payout ratio
More than 50%

Dividend payout ratio
More than 30%

Image





小さな気づきが、勝負を動かす。

Pacific League
Official Sponsor

NIFCO

Forward-looking statements or projections included in this document, including earnings projections, are based on currently available information and certain premises that are judged to be rational at the time of this writing. Actual results may differ greatly from the forecast figures depending on various factors.

Appendix 1
 FY2025 1H Sales and Operating Profit



(JPN)	Sales			Operating Profit		
	FY2024	FY2025	YoY	FY2024	FY2025	YoY
	1H	1H		1H	1H	
Consolidated	176.2bn	173.1bn	-1.8%	25.1bn	25.1bn	+0.0%
Plastics	158.1bn	155.5bn	-1.6%	25.2bn	25.1bn	-0.3%
Japan	40.8bn	42.6bn	+4.5%	8.1bn	7.6bn	-5.8%
North America	47.0bn	46.7bn	-0.7%	5.1bn	5.2bn	+1.5%
Europe	15.3bn	13.8bn	-9.7%	1.7bn	1.5bn	-5.6%
Asia	55.0bn	52.4bn	-4.7%	10.3bn	10.7bn	+4.0%
China	14.5bn	13.8bn	-4.8%	2.7bn	3.0bn	+12.9%
India	5.4bn	5.2bn	-2.5%	1.2bn	1.2bn	-1.2%
Bed	18.1bn	17.6bn	-3.1%	2.7bn	2.5bn	-6.9%
Japan	9.9bn	9.7bn	-2.0%	1.3bn	1.3bn	+2.0%
Asia	8.2bn	7.9bn	-4.5%	1.4bn	1.2bn	-14.8%

1) Overseas: January – June, Japan: April - September

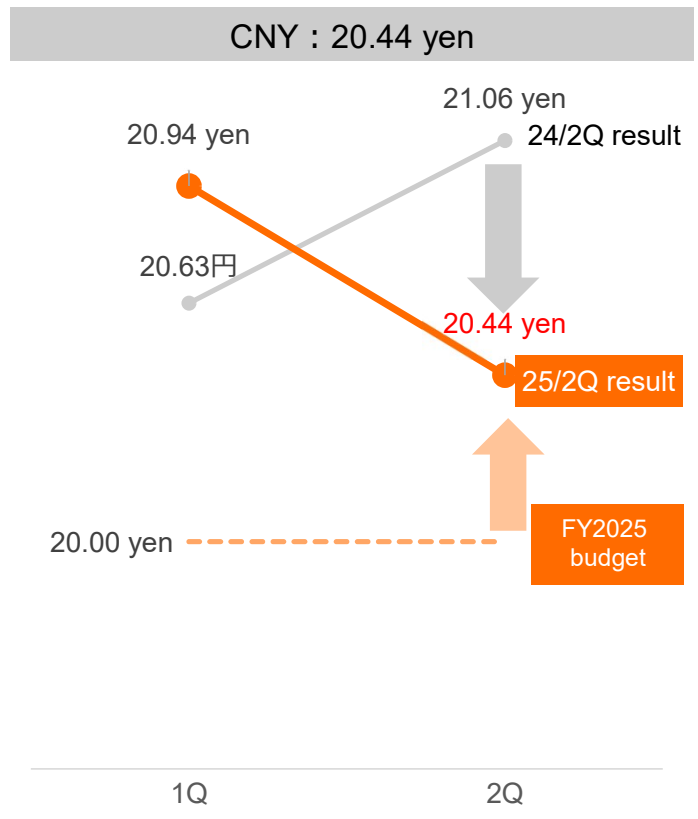
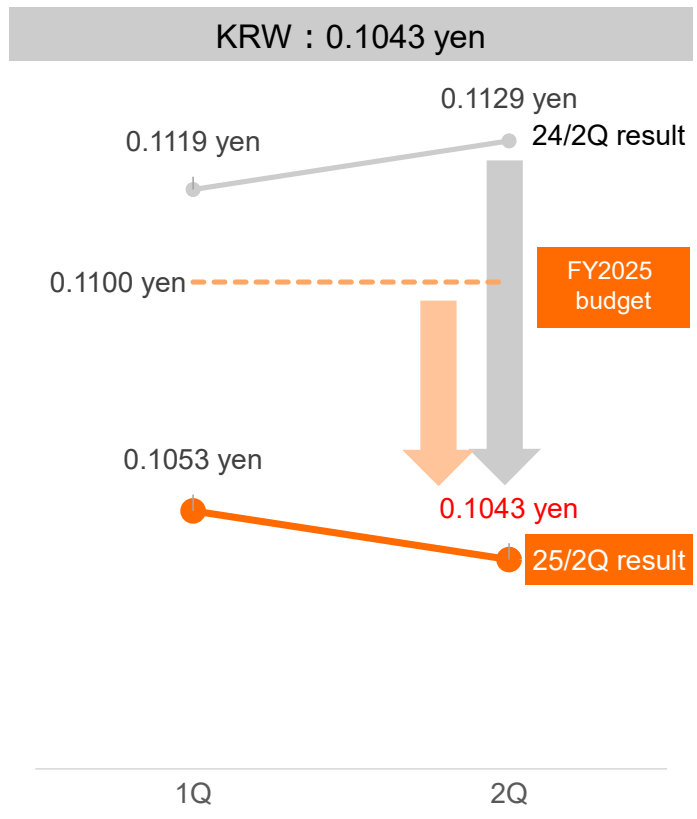
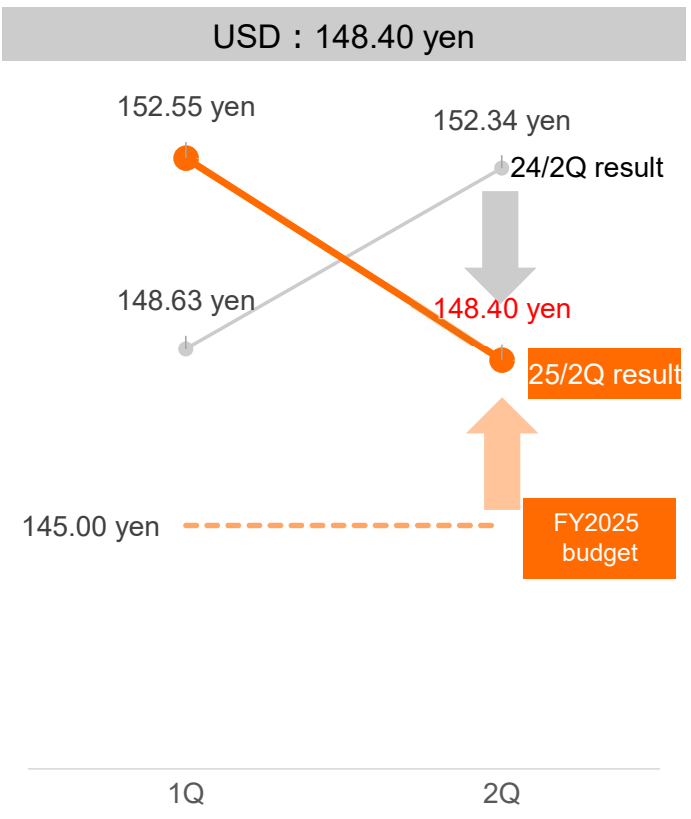
Appendix CAPEX and Depreciation

(JPN)	FY2024 1H	FY2025 1H	Change	Plan(FY2025)
CAPEX	8.4bn	9.6bn	+1.2bn	21.0bn
Depreciation	6.5bn	6.2bn	-0.3bn	13.5bn
R&D	2.1bn	1.9bn	-0.1bn	4.8bn
Operating CF	25.5bn	17.4bn	-8.0bn	46.0bn
Investment CF	-15.0bn	-4.9bn	+10.0bn	-23.0bn
Free CF	10.5bn	12.4bn	+2.0bn	23.0bn
Financial CF	-15.6bn	-19.4bn	-3.7bn	-27.0bn
Cash equivalent balance	140.9bn	130.5bn	-10.4bn	137.0bn

Appendix
Major Currency Exchange Rates



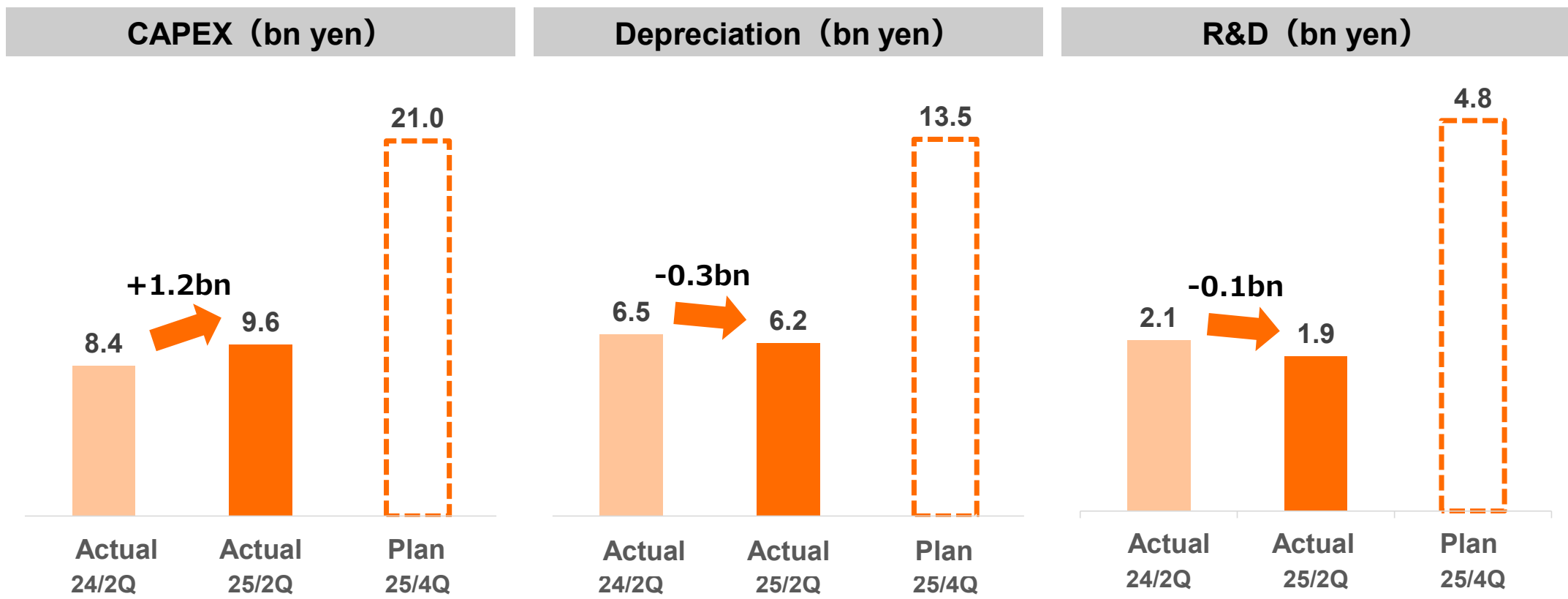
- The yen appreciated against all three currencies YoY.
- Comparing to the budget, yen appreciation against KRW, while the other two currencies (USD and CNY) show yen depreciation.



CAPEX and Depreciation

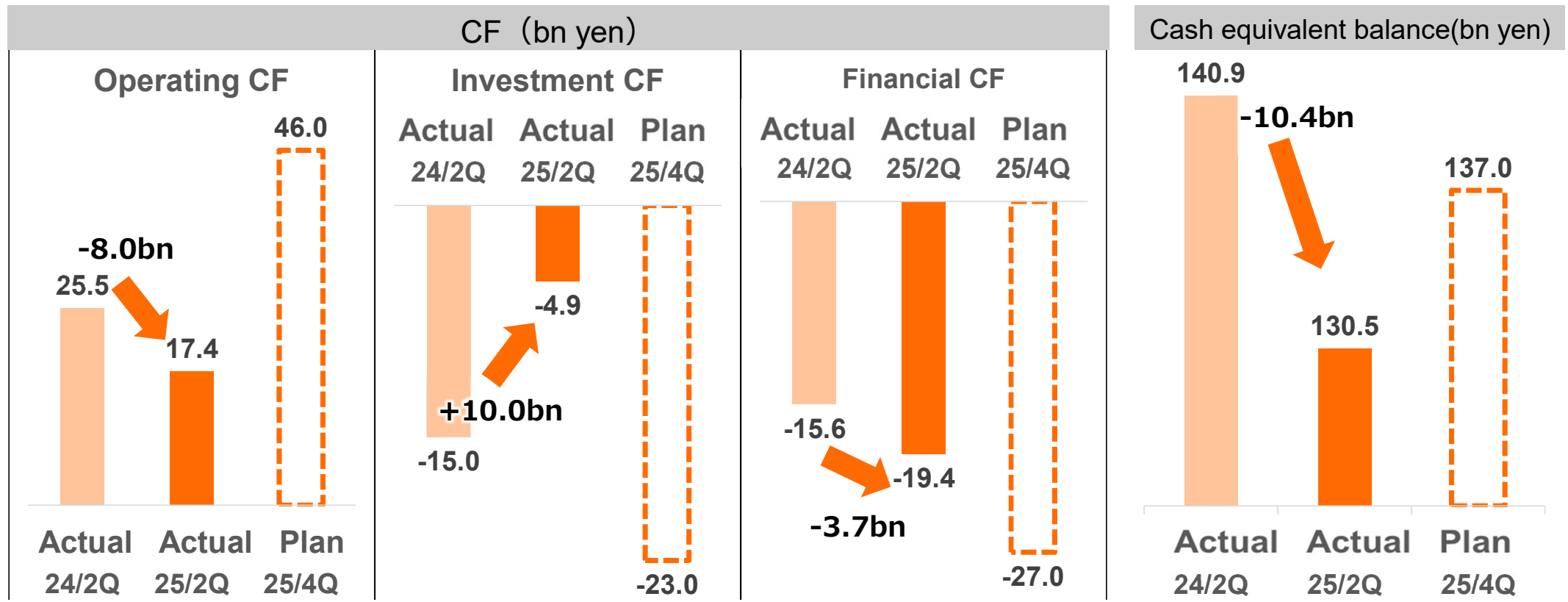


- CAPEX increased due to investment in Indian factories (Korean and Japanese OEMs).
- Depreciation and R&D are at the same level as last year.



CF and Ending Cash Equivalent Balance

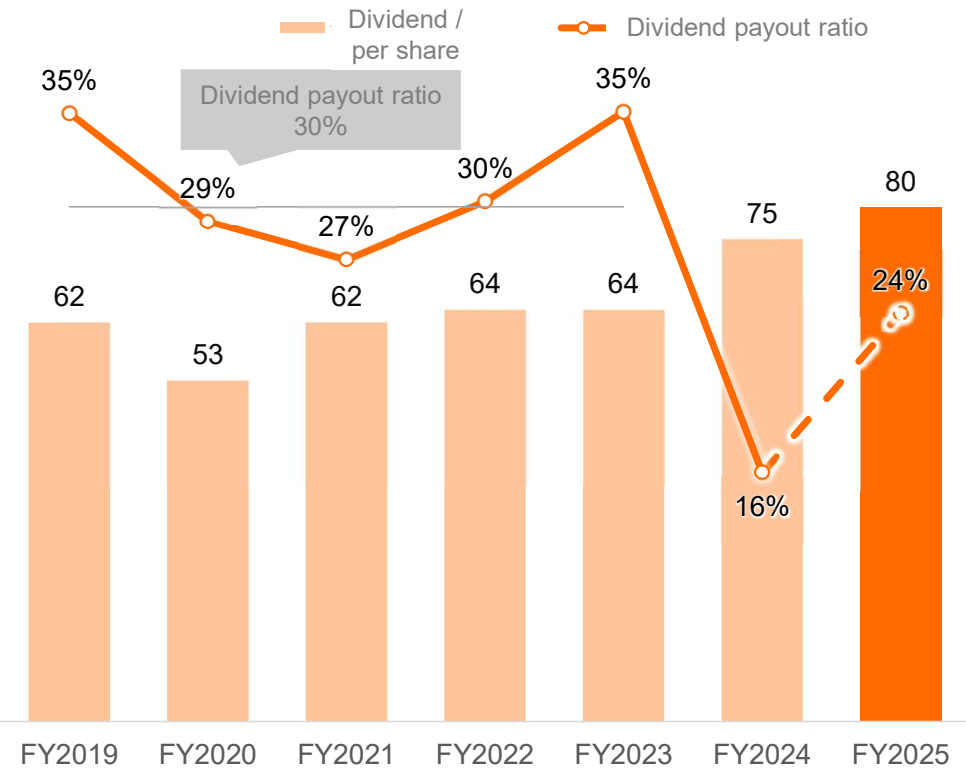
- Operating CF decreased YoY due to modification in way of payment to domestic suppliers.
- Ending cash equivalent decreased 10.4 bn due to bonds redemption.



DPS is 80 yen, and Implement 10 billion Share Buyback

- DPS is 80 yen, increased by 5 yen.
- Implement 5 billion-yen buybacks, 10 billion yen in total with 1Q.

Dividend/per share, Dividend payout ratio(yen,%)



Total Dividend, Share buyback, Total payout ratio(bn yen,%)

