A museum-like display of car parts. In the foreground, a red Mazda car body is shown with its engine and front end. Behind it, a dashboard and steering wheel are displayed on a stand. To the right, a red car body is shown with its roof and front end. Further back, an orange car body is shown with its rear end. The background features a wall with numbered panels (07, 08, 09, 10, 11) and various car parts on display.

Presentation Material for Financial Results for the Second Quarter of the Fiscal Year Ended March 31, 2025

DaikyoNishikawa Corporation

November 2024

1. Financial Results for the Second Quarter Fiscal 2024 (Y on Y change) P.2
2. Financial Forecasts for Fiscal 2024 P.8
3. Initiatives to Enhance Corporate Value P.16

* "Net profit" in this presentation indicates "Profit attributable to owners of the parent".

Overseas consolidated subsidiaries for the second six months of the fiscal year under review is from January 1 to June 30.

1. Financial Results for the Second Quarter Fiscal 2024 (Y on Y change)

Summary of Consolidated Financial Results for the Second Quarter Fiscal 2024 (Year on Year)



For the second quarter FY2024, net sales and operating profit increased year on year.

(Millions yen)

	FY2023Q2	FY2024Q2	Changes (YoY)
Net sales	77,470	83,499	6,028 (7.8%)
Operating profit	4,285	5,692	1,406 (32.8%)
Operating profit margin	5.5%	6.8%	1.3pts
Ordinary profit	4,617	5,333	716 (15.5%)
Net profit	2,950	3,254	304 (10.3%)

Main reasons for increase/decrease

■ Net sales

Increased due to an increase in customer production volume in North America and the impact of Japanese currency conversion, etc.

■ Operating profit

Increased due to the impact of higher sales, cost improvement and compensation for the past sudden production fluctuations, etc.

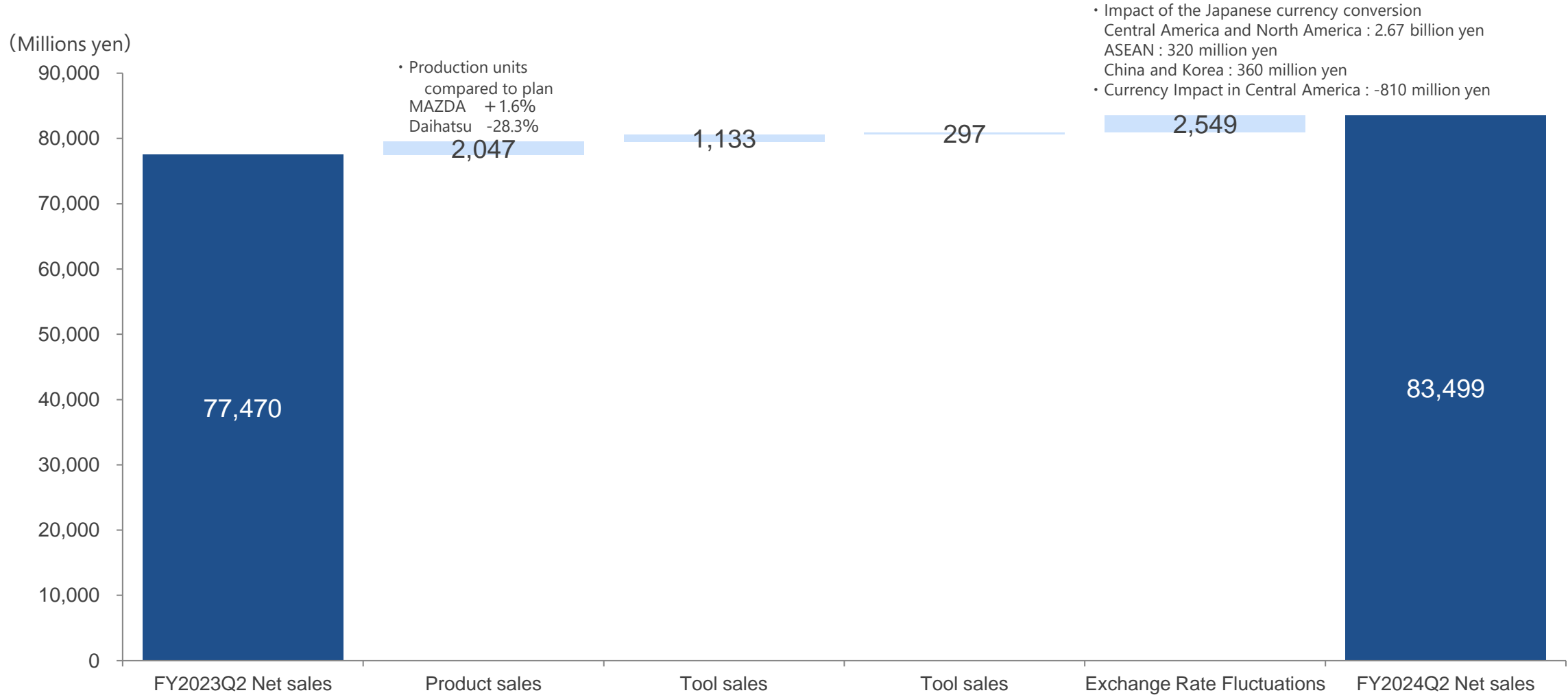
■ Ordinary profit

Increased due to revenue of development discontinuation recorded in the first quarter.

Net Sales Increase/Decrease Factors (Year on Year)



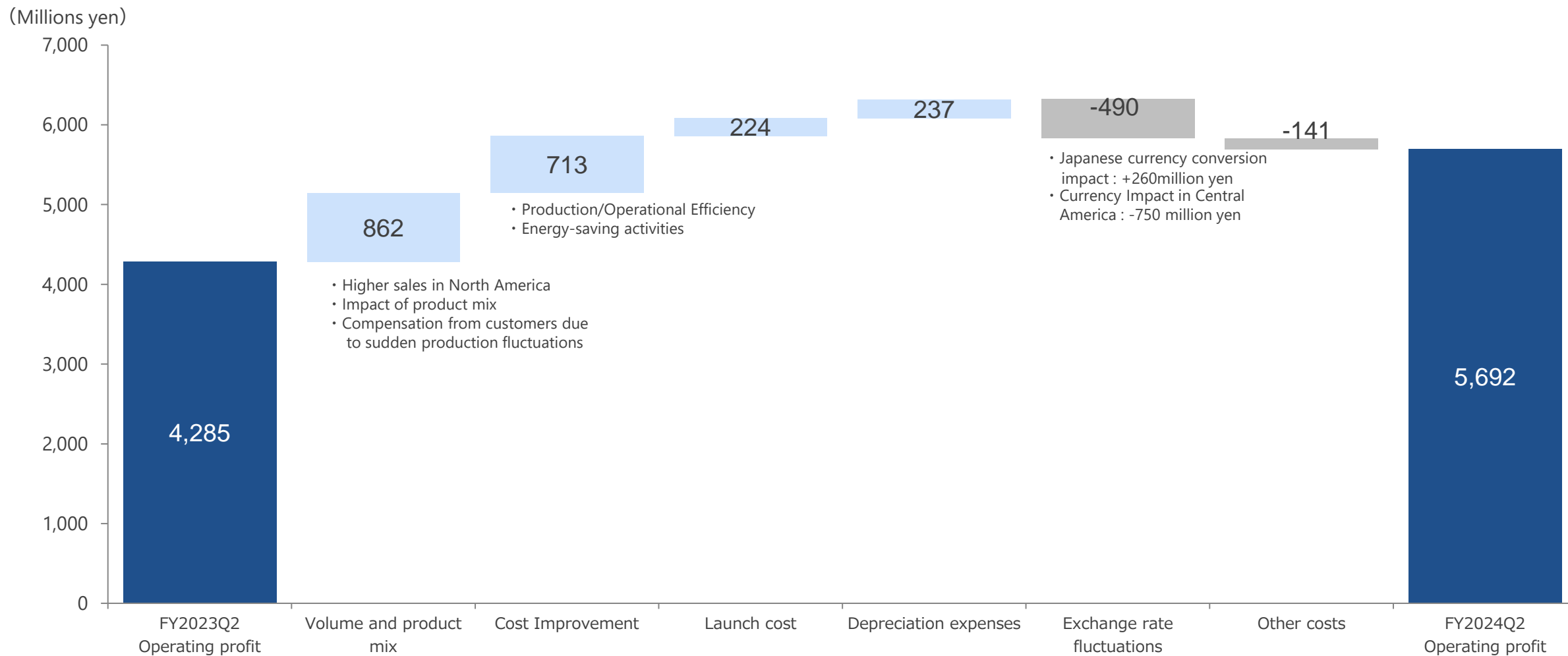
Net sales increased due to an increase in customer production in north America and the impact of exchange rate fluctuations.



Operating Profit Increase/Decrease Factors (Year on Year)



Operating profit increased due to the higher sales impact, cost improvement and compensation for sudden production fluctuations.



External sales by segments for the second quarter increased in Central and North America and China and Korea, while decreased in Japan and ASEAN year on year.

(Millions yen)

		FY2023Q2	FY2024Q2	Changes (YoY)
Domestic	Japan (Component ratio)	52,080 [67.2%]	51,124 [61.2%]	-956 (-1.8%)
Overseas	Central and North America	17,461	23,264	5,803 (33.2%)
	ASEAN	6,047	5,139	-907 (-15.0%)
	China and Korea	1,881	3,970	2,089 (111.1%)
	Overseas total (Component ratio)	25,390 [32.8%]	32,374 [38.8%]	6,984 (27.5%)
Total		77,470	83,499	6,028 (7.8%)

Main reasons for increase/decrease

- Japan
Decreased due to lower production volume at main customers, etc.
- Central and North America
Increased due to higher production volume at customers in U.S. and the impact of exchange rate fluctuations, etc.
- ASEAN
Decreased due to lower production volume at customers, etc.
- China and Korea
Increased due to higher production volume at customers and tool sales, etc.

Operating Profit by Segment (Year on Year)



Operating profit for the second quarter FY2024 increased in Japan and turned to a surplus in China and Korea , while decreased in Central and North America and ASEAN year on year.

(Millions yen)

		FY2023Q2	FY2024Q2	Changes (YoY)
Domestic	Japan (Component ratio)	2,553 [51.3%]	3,579 [59.4%]	1,026 (40.2%)
	Central and North America	1,996	1,904	-91 (-4.6%)
Overseas	ASEAN	692	319	-372 (-53.8%)
	China and Korea	-267	225	493 (-)
	Overseas total (Component ratio)	2,420 [48.7%]	2,450 [40.6%]	29 (1.2%)
Consolidation adjustment		-687	-337	
Operating profit		4,285	5,692	1,406 (32.8%)

Main reasons for increase/decrease

- Japan

Increased due to cost improvement and compensation for past production fluctuations, etc.
- Central and North America

Decreased due to a decrease in other sales (recovery of costs such as delay in dual-shift operation), and exchange rate fluctuations in Central America, etc.
- ASEAN

Decreased due to the impact of lower sales, etc.
(Of this amount, eliminated 72million yen by consolidation adjustment.)
- China and Korea

Turned to a surplus due to the impact of sales growth.

2. Financial Forecasts for Fiscal 2024

Summary of the Second Quarter Results Compared to Previous Forecast



The results for the second quarter FY2024 showed a decrease in net sales and an increase in operating profit compared to the previous forecast.

■ Net sales decreased due to lower production volume at a main customer in the second quarter, etc.

On the other hand, operating profit exceeded the forecast.

(Millions yen)

	FY2024Q2 Forecast (As of August 8)	FY2024Q2 Results	Changes (YoY)
Net sales	84,000	83,499	-500 (-0.6%)
Operating profit	5,400	5,692	292 (5.4%)
Operating profit margin	6.4%	6.8%	0.4pts
Ordinary profit	5,500	5,333	-166 (-3.0%)
Net profit	3,400	3,254	-145 (-4.3%)

Main reasons for increase/decrease

■ Net sales

Decreased due to lower than planned production volume in Japan.

■ Operating profit

Increased due to compensation for sudden production fluctuations and expenses being pushed back despite the impact of lower sales.

■ Ordinary profit

Decreased due to exchange loss on foreign-currency credit.

Considering our performance trends, we have revised the full year forecast for FY2024.

(Millions yen)

	FY2023	FY2024 (As of August 8)	FY2024 (As of November 7)	Difference from forecast (%)	【Reference】 FY2024 (As of May 14)
	Full Year Results	Full Year Forecast	Full Year Forecast	Full Year Forecast	Full Year Forecast
Net sales	159,019	169,000	166,900	-2,100 (-1.2%)	169,000
Operating profit	8,690	10,700	9,700	-1,000 (-9.3%)	9,500
Operating profit margin	5.5%	6.3%	5.8%	-0.5pts	5.6%
Ordinary profit	8,775	10,200	8,600	-1,600 (-15.7%)	8,500
Net profit	5,782	7,000	5,700	-1,300 (-18.6%)	6,000
Exchange rate (1U.S.\$)	140.55yen	Second Half : 144yen	Q4 : 144yen		

Reason for revision of forecasts

- Net sales

Lower than previous forecast due to review of production volume forecast in second half FY2024.

- Operating profit

Lower than the previous forecast due to the impact of lower sales forecast despite cost improvement and price pass-through.

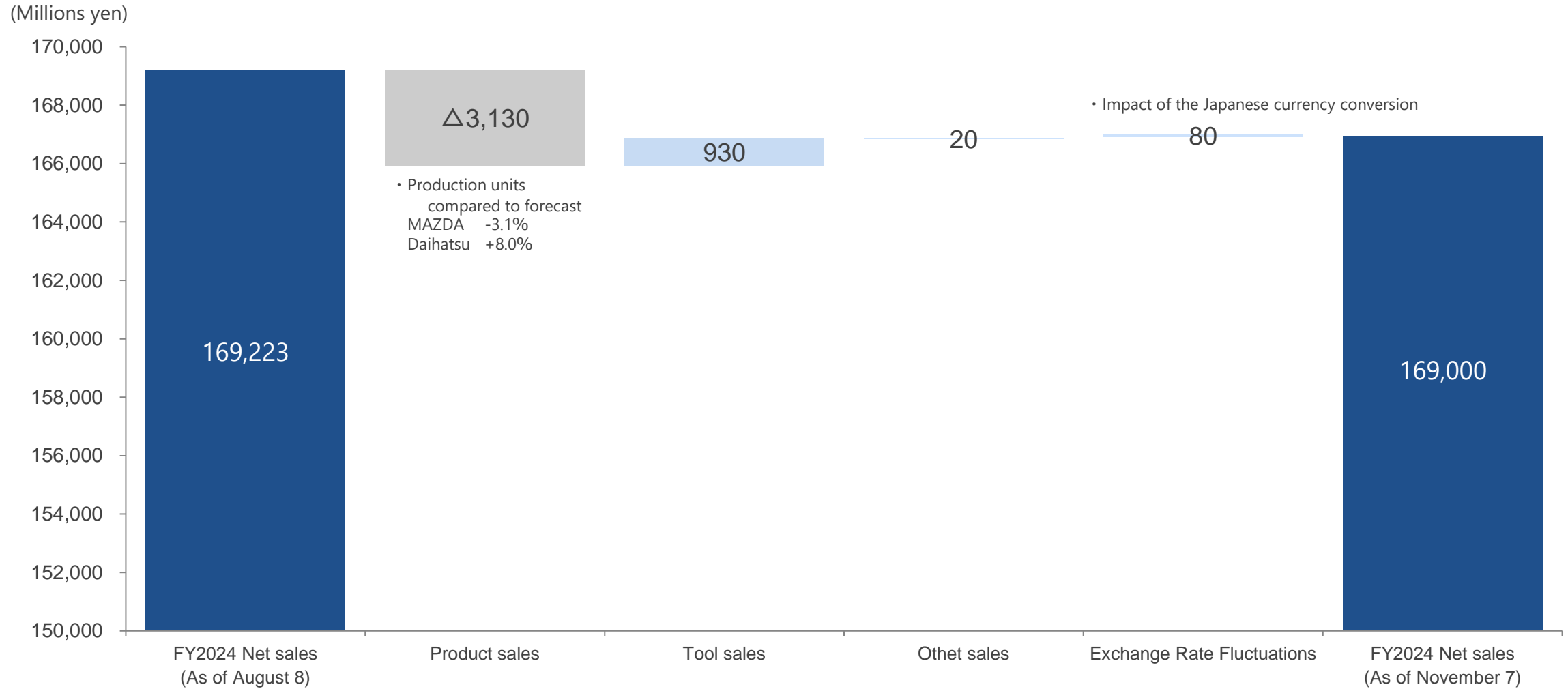
- Ordinary profit

Lower than the previous forecast due to the impact of exchange loss.

FY2024 Consolidated Net Sales Increase/Decrease Factors (Compared to previous forecast)



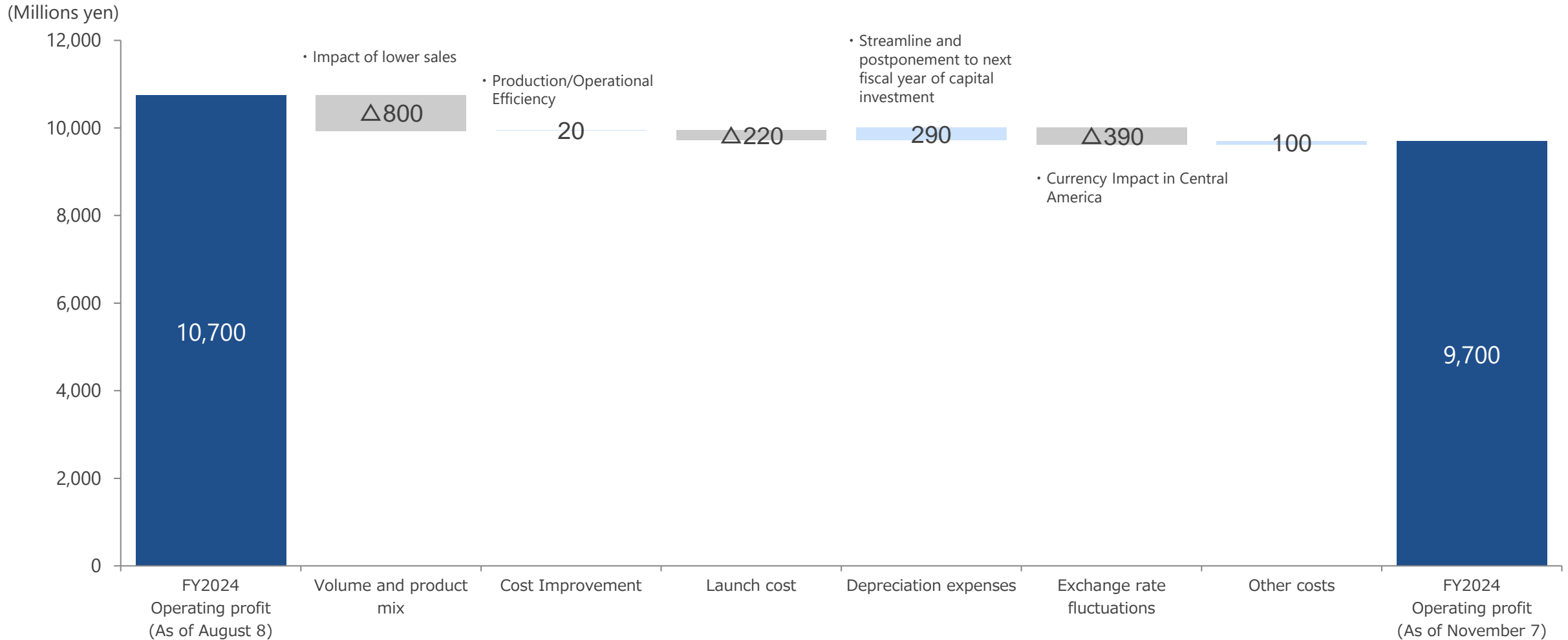
Net sales forecast for FY2024 (announced on November 7) decreased than the forecast as of August 8 due to lower customer production volume.



FY2024 Consolidated Operating Profit Increase/Decrease Factors (Compared to previous forecast)



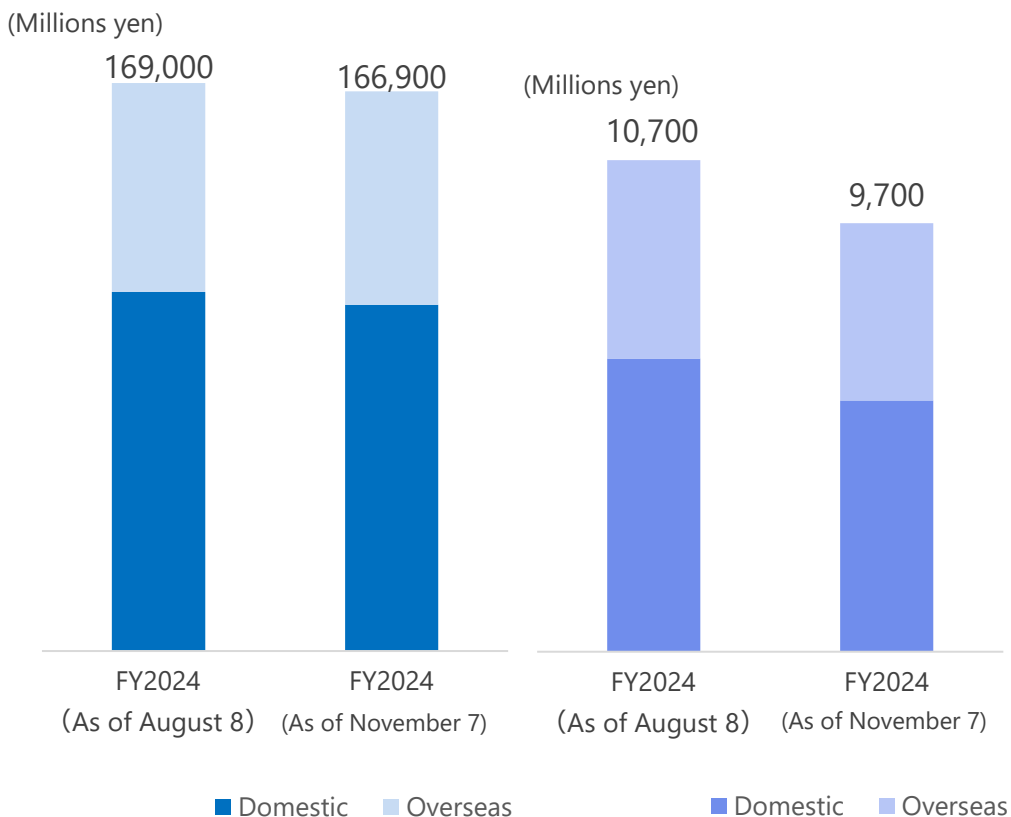
Operating profit forecast for FY2024 (announced on November 7) decreased than the forecast as of August 8 due to the impact of lower sales and exchange rate fluctuations, etc.



Forecasts for FY2024 (announced on November 7) decreased than the forecasts as of August 8 due to the impact of lower sales by review of production volume and exchange rate fluctuations, etc.

Net sales

Operating profit



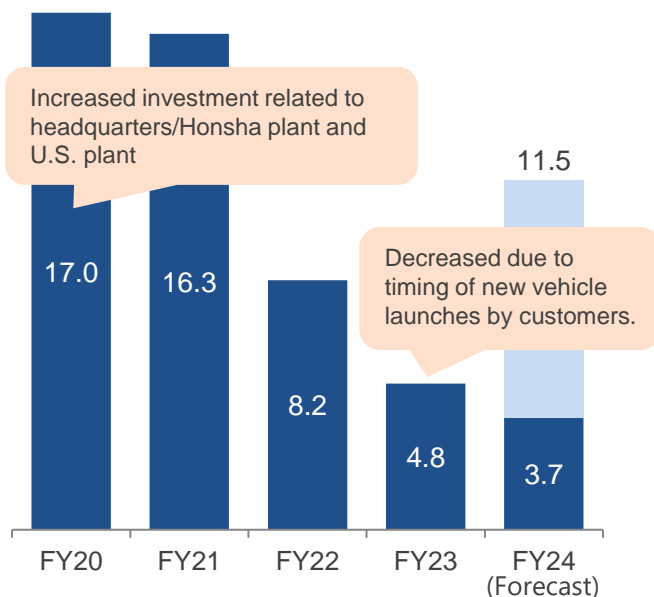
Segments	Compared to previous forecasts	Change in Financial Forecasts
Japan	Decreases in sales and operating profit	<ul style="list-style-type: none"> • Sales : Decrease due to review of production volume in the second half FY 2024. • Operating profit : Decrease due to the impact of lower sales and the launch costs despite lower depreciation expenses.
Central and North America	An increase in sales and a decrease in operating profit	<ul style="list-style-type: none"> • Sales : Increase due to tool sales. • Operating profit : Decrease due to an increase in material costs, the impact of product mix in Central America, and exchange rate fluctuations.
ASEAN	Decreases in sales and operating profit	<ul style="list-style-type: none"> • Sales : Decrease due to a decrease in customer production volume. • Operating profit : Decrease due to the Impact of lower sales.
China and Korea	Increases in sales and operating profit	<ul style="list-style-type: none"> • Sales : Increase due to an increase in customer production volume. • Operating profit : Increase due to the impact of higher sales despite the impact of product mix in the second half year, etc.

« Capital investment »

FY2024 Plan

Decrease from the initial plan (16.8 billion yen) due to the Impact of streamline and postponement to next fiscal year.

(Billions yen)



FY2024 detail

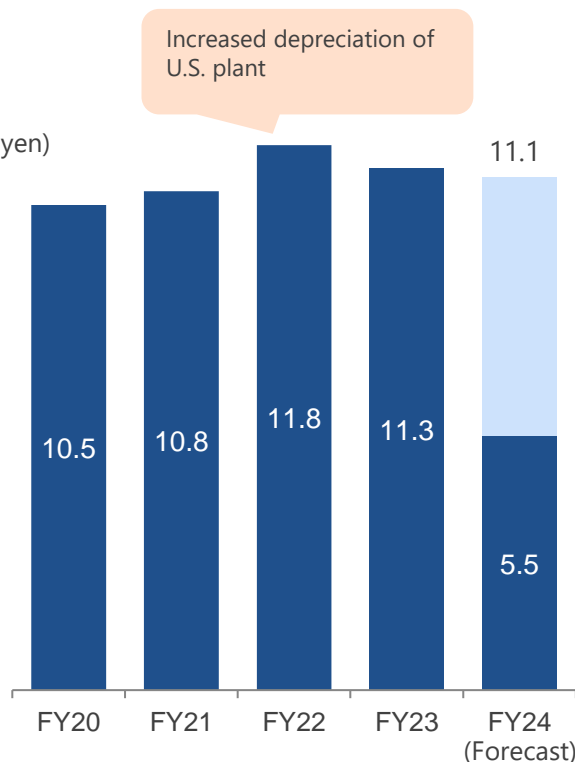
Facility renewal, production expansion	9.4 billion yen
ESG	1.8 billion yen
Others	3.0 billion yen

« Depreciation expenses »

FY2024 Plan

Decrease from the initial plan (11.3 billion yen) accompanying decrease in capital investment.

(Billions yen)

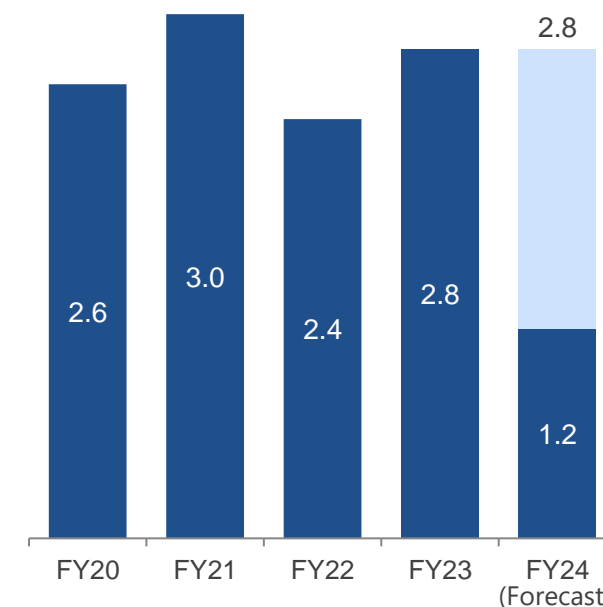


« R&D expenses »

FY2024 Plan

No change from the initial plan as continue research and development to create products that exceed the expectations of society and customers.

(Billions yen)



Dividend Policy

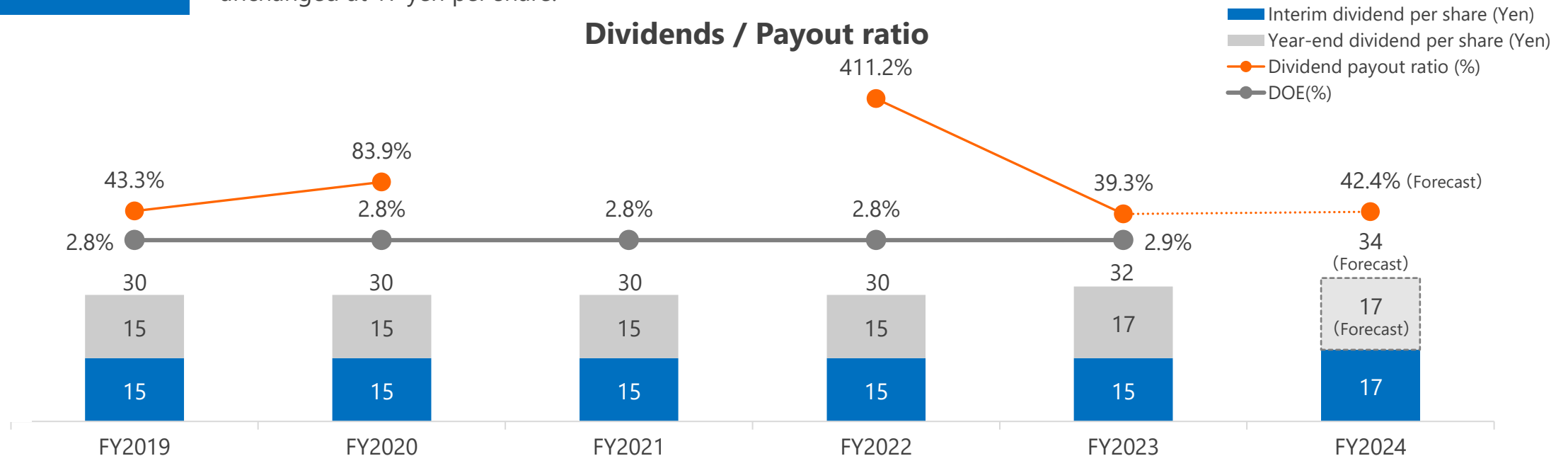
- Secure internal reserves necessary for business strategies that enhance future corporate value.
- Stable and continuous dividend payout ratio of approximately 30% on a consolidated basis and DOE of at least 2.5%.

FY2024 Interim

Dividend of 17 yen per share for the interim period as initially planned.

FY2024 Year-end

Despite consolidated financial forecast for FY2024 is lower than the previous one, the year-end dividend remains unchanged at 17 yen per share.



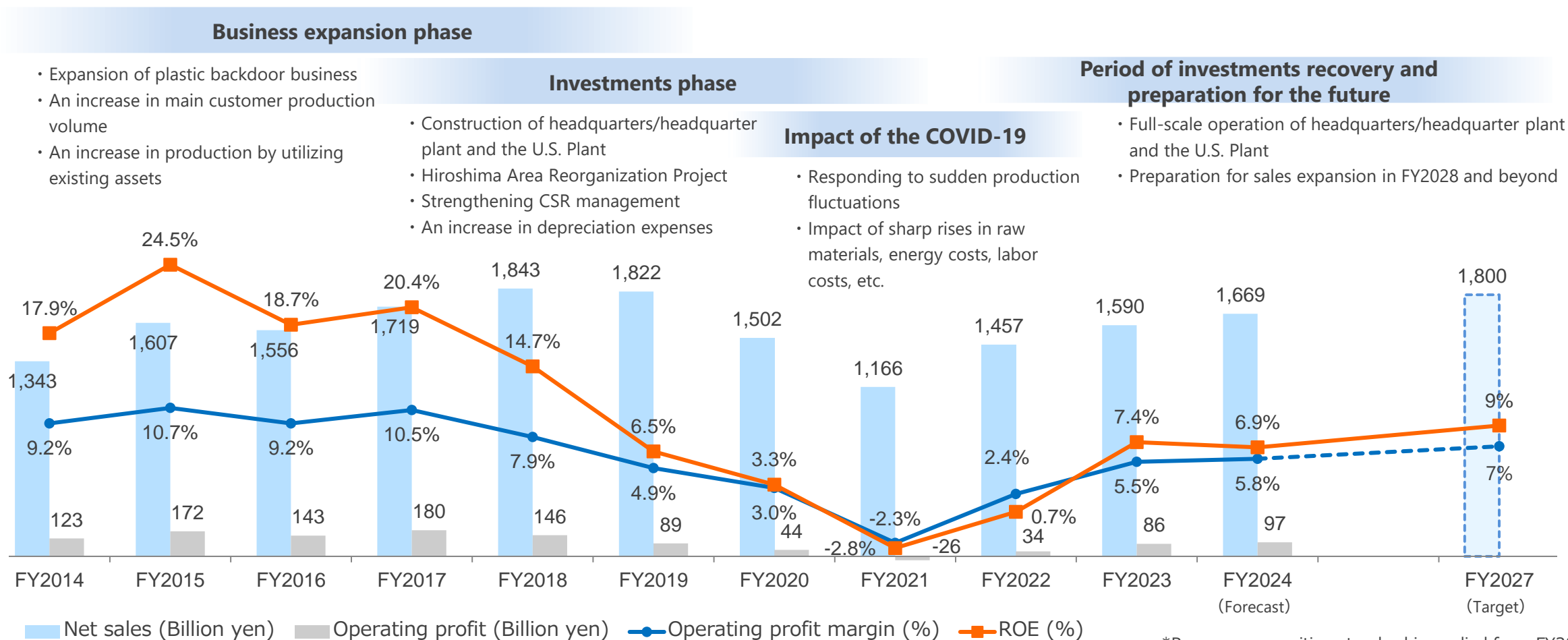
* The year-end dividend for FY2023 includes a commemorative dividend of 2 yen.

3. Initiatives to Enhance Corporate Value

Current Situation Analysis (1) Business Performance



- FY2014-2019: Expanded business by net increase of resin tailgates.
- FY2017 - FY2021: Investment phase for construction of headquarters/headquarters plant and the U.S. plant, reorganization of Hiroshima area, etc.
- FY2023 and beyond: Preparatory phase for sales expansion in FY2028 and beyond, in addition to the payback on past investment.



*Revenue recognition standard is applied from FY2021.

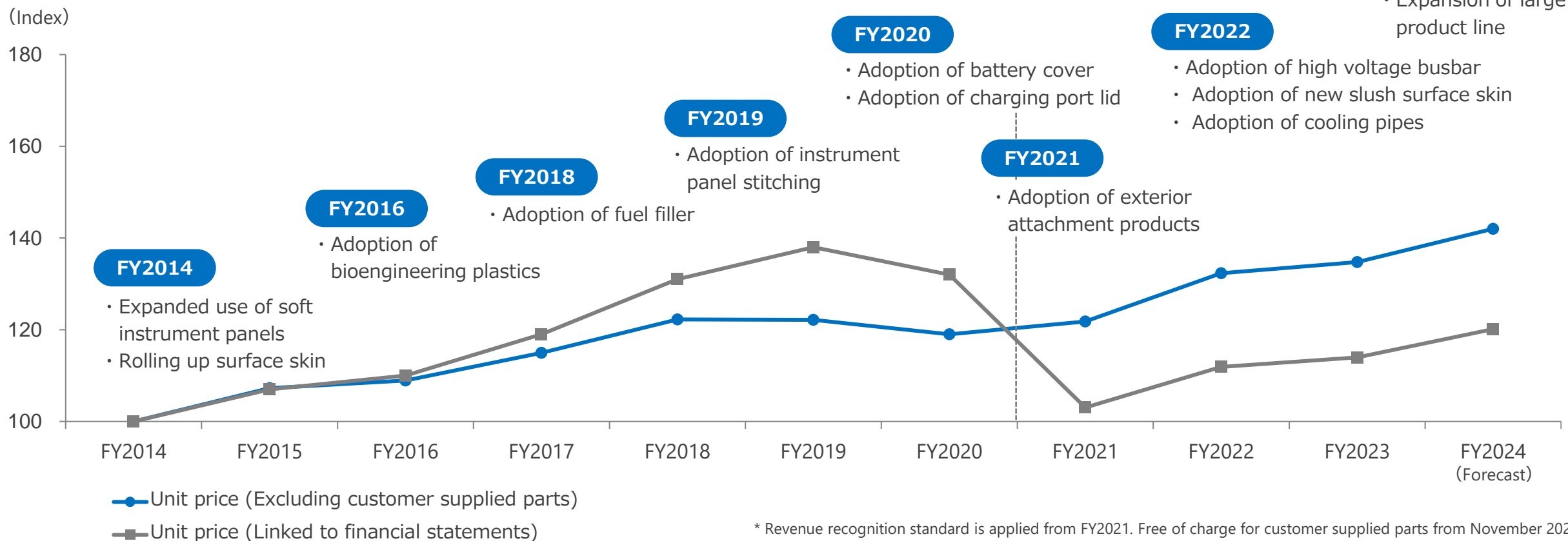
DaikyoNishikawa Corporation

Current Situation Analysis (2) Unit price for Mazda Japan



- Aiming to expand product lineups for interior, exterior, powertrain, etc., and to increase added value by proposing new technologies and methods of construction.
- Strive to improve unit price to minimize the impact of production volume

Index of unit price in FY 2014 as 100

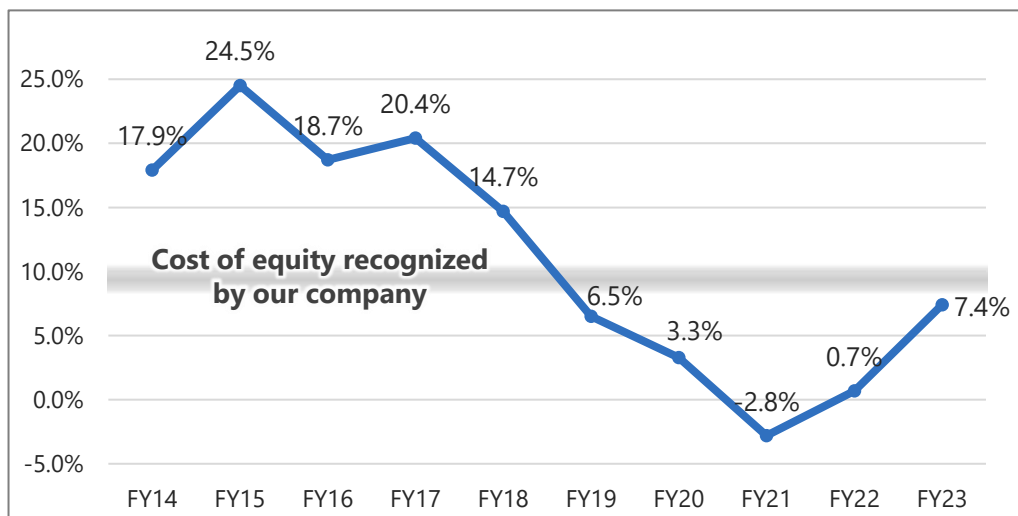


* Revenue recognition standard is applied from FY2021. Free of charge for customer supplied parts from November 2022.

For unit prices (excluding customer supplied parts), approximate unit prices are used after deducting the impact of customer supplied parts due to the application of the revenue recognition standard.

ROE by year

DaikyoNishikawa's ROE had been weak due to an increase in depreciation expenses resulting from the construction of the headquarter/headquarter plant and the U.S. plant, as well as the impact of sharp production fluctuations due to the COVID-19 and the impact of rising raw material and other costs. However, it is picking up to the 7% level by FY2023.



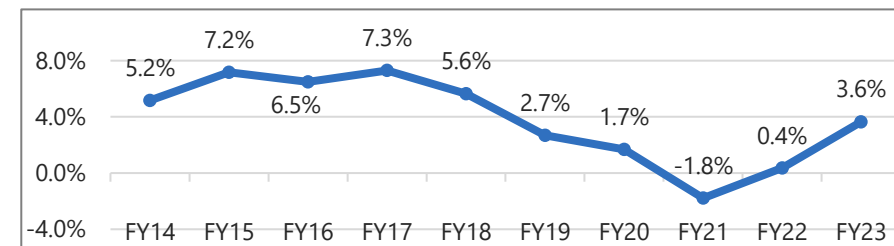
➤ CoE; Cost of Equity

- ✓ ROE for the last five years has been considered lower than the cost of equity as recognized by the company.
- ✓ In this medium-term management plan, in addition to improving ROE, we need to strengthen measures to reduce the cost of equity.

Net profit margin (%)

Net profit

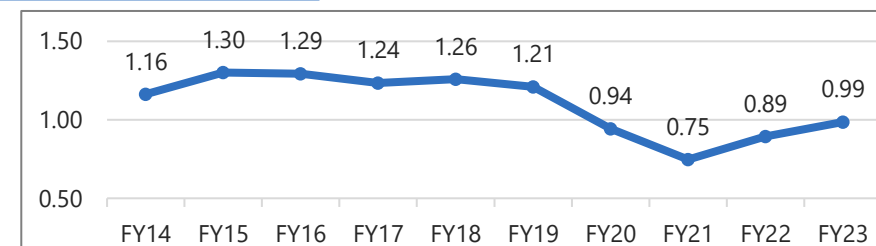
Net sales



Total asset turnover (Times)

Net sales

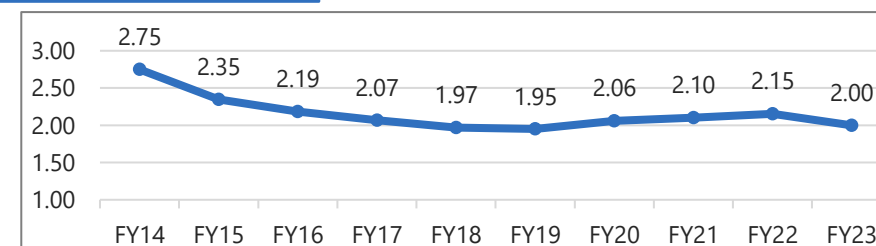
Total asset



Financial leverage (Times)

Total asset

Net asset

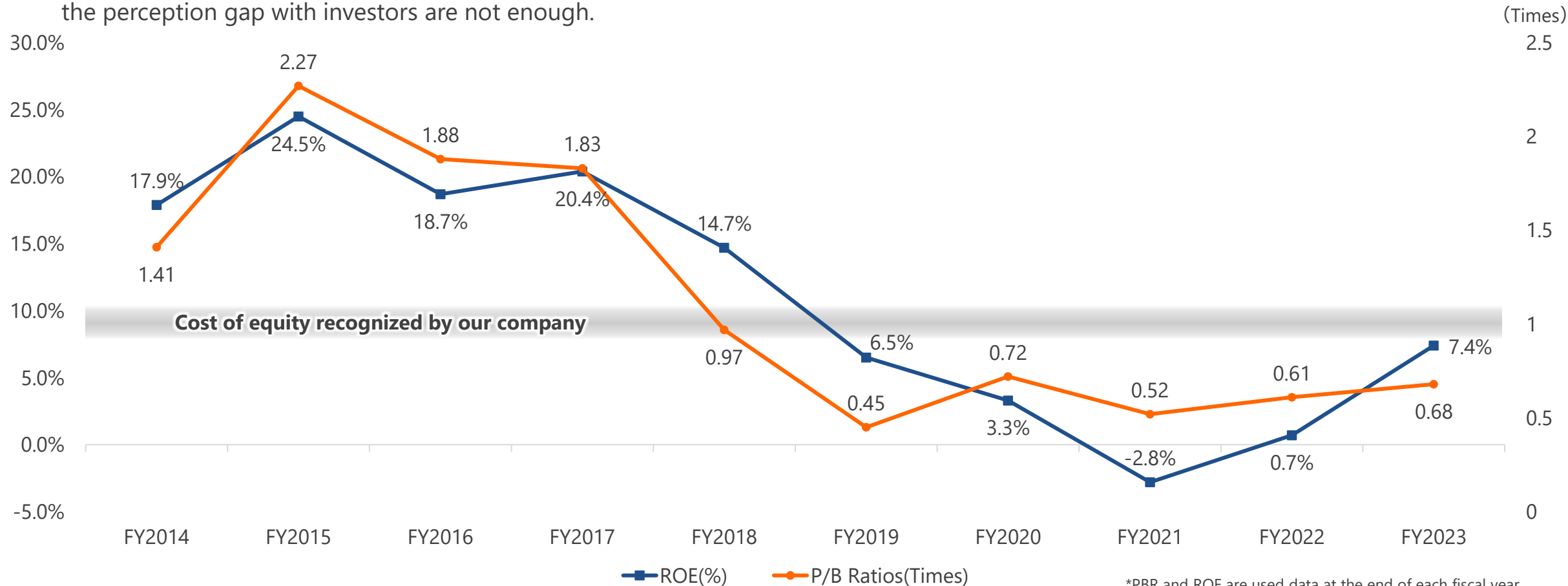


*Revenue recognition standard is applied from FY2021.

Current Situation Analysis (4) Market Evaluation Trends



- P/B Ratios had remained above 1x since DNC were listed in 2014 until FY2017, but P/B Ratios has remained below 1x for the last six years.
- In addition to weak ROE, the stock price is also sluggish.
- DNC recognize that some of the reasons are because of our inadequate explanation during the investments phase and our effort to bridge the perception gap with investors are not enough.

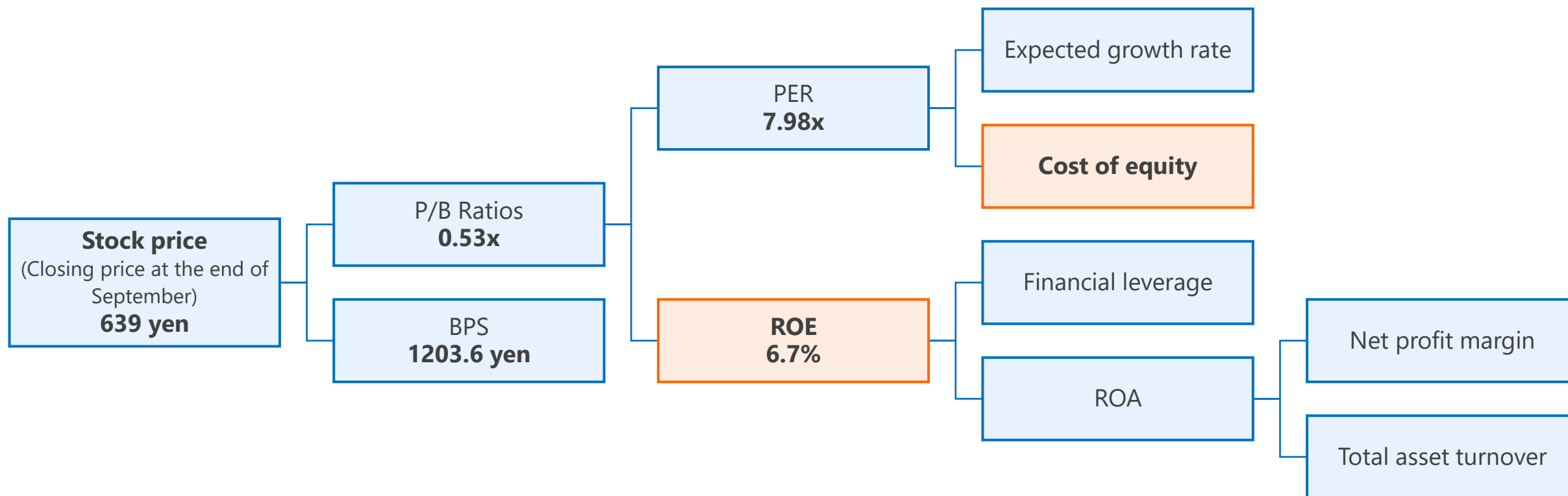


*PBR and ROE are used data at the end of each fiscal year.
The stock price are used to calculate PBR is the closing price at the end of each fiscal year.

Current Situation Analysis (5) Issues to improve corporate value



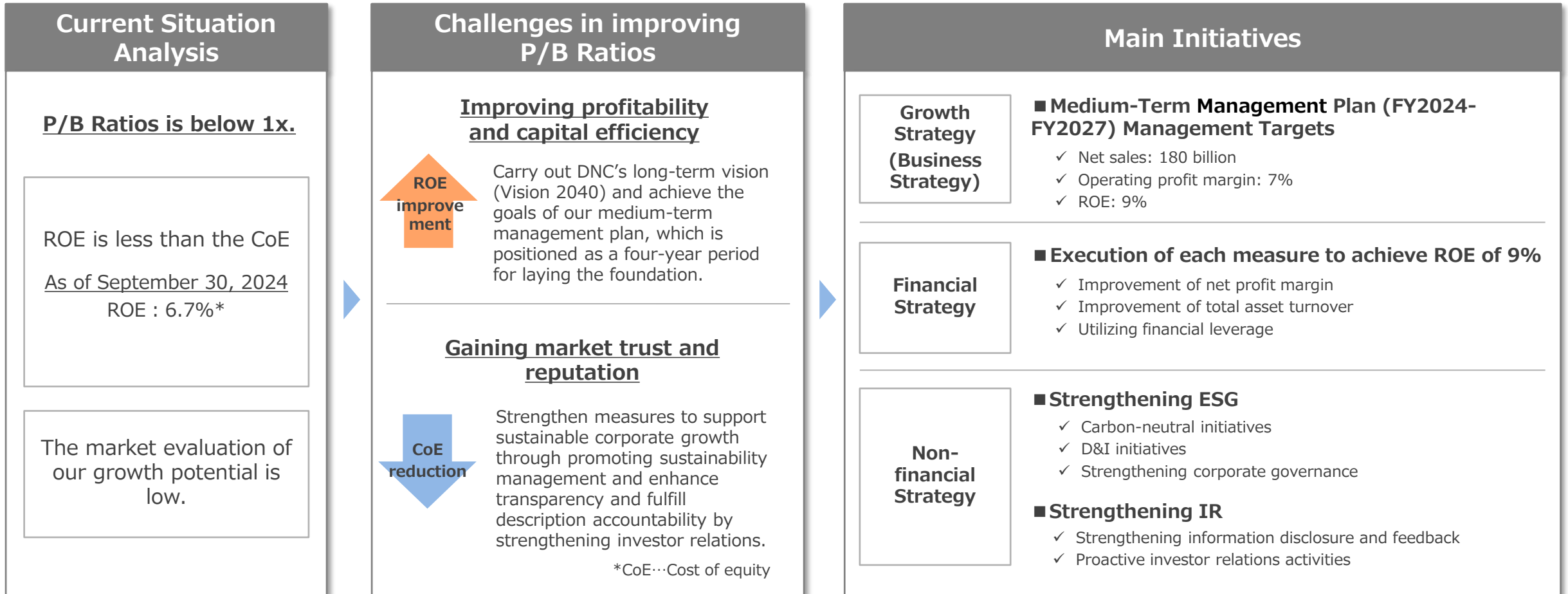
- Considering the current stock price and P/B ratios, DNC recognizes there is an explanation shortage about our growth potential in the medium-term management plan, and the perception gap with investors are still there.
- DNC needs to improve capital efficiency and strengthen disclosure of our growth story based on the medium-term management plan.



*Stock price is the closing price on September 30, 2024, and the number of shares excludes treasury stock.

Various indices are based on the balance as of the end of September. Net profit is based on the full-year forecast at the end of September.

- Strengthening measures to both improve ROE and reduce the cost of equity to improve P/B Ratios.



* The profit of ROE, the full-year forecast as of the end of September was used.

Growth Strategy: Outline of Long-Term Vision & Medium-Term Management Plan



Growth Strategy: FY2027 Medium-term Management Plan Indicators

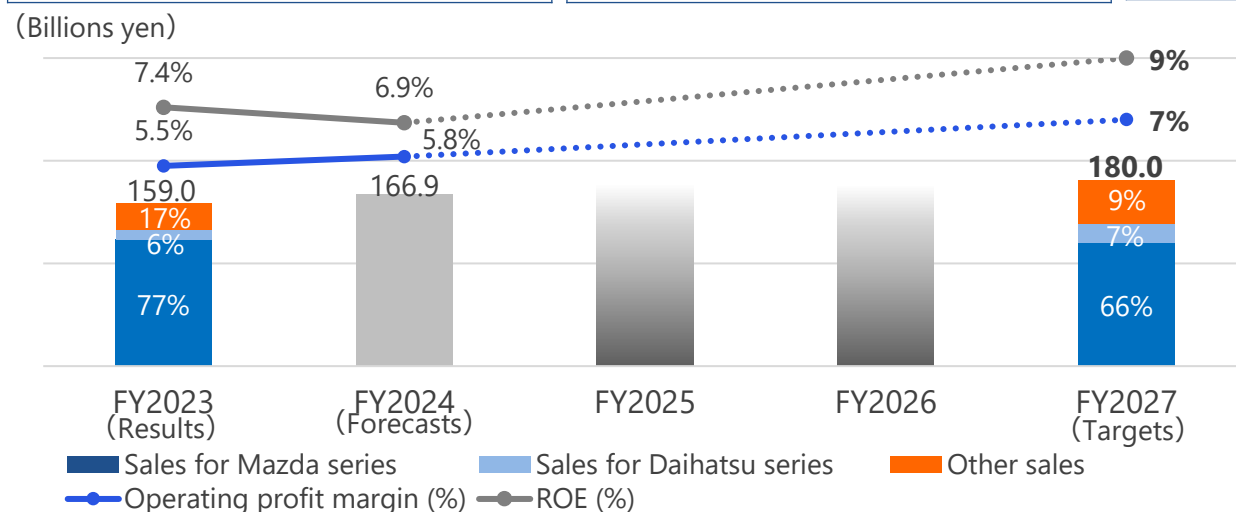


Solidify management foundation for sustainable growth in addition to securing stable earnings

- **Consolidated sales :** Maintain and expand business with existing OEMs while developing new OEMs/Tier 1s/new areas for sustained growth.
- **Operation profit margin :** Continue to strengthen CSR management to contribute to solving social issues and improve profitability
- **ROE :** Sustainably increase ROE by improving profitability, strengthening shareholder returns and optimization of cash reserves

FY2027 Financial Target

Consolidated sales	Operating profit margin	ROE
180.0 Billions yen	7%	9%



New order items for other companies

- FY2024-
✓ First exterior product in Central America
- FY2025-
✓ DNC's first interior strategic product

FY2027 Non-financial Target

CO₂ Emission (Scope 1, 2)

45% less from FY2013

D&I

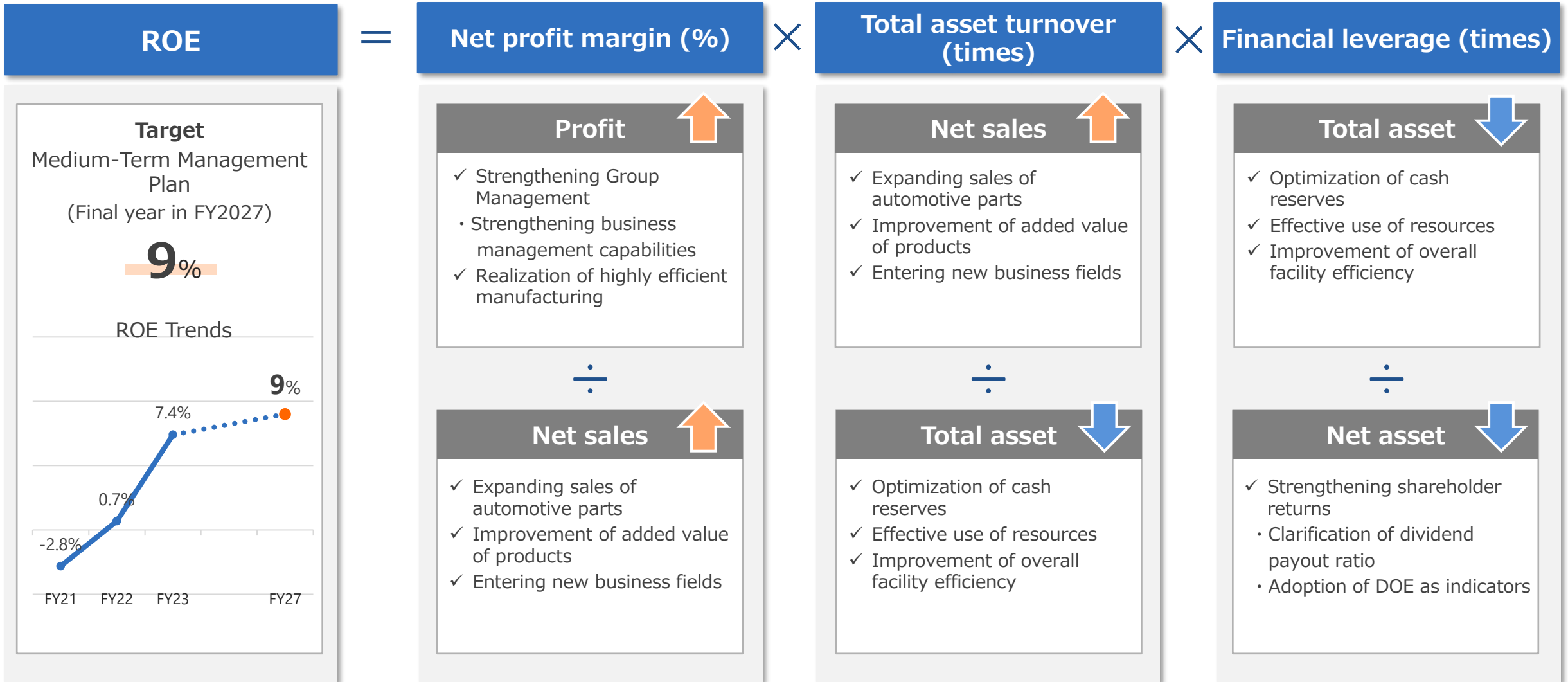
Woman in managerial positions : **13**

Woman in supervisory positions : **42**

Man taking childcare leave ratio : **90%**



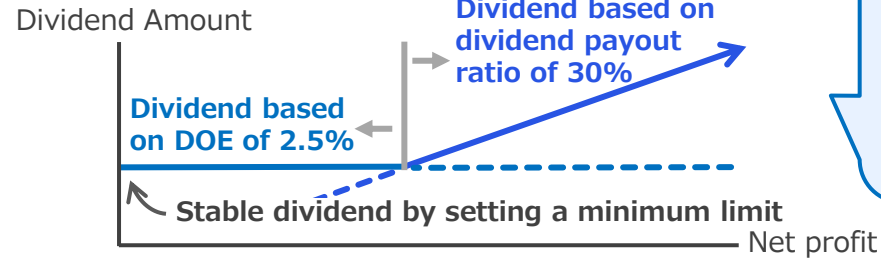
■ Improvement Challenges of ROE



Dividend Policy

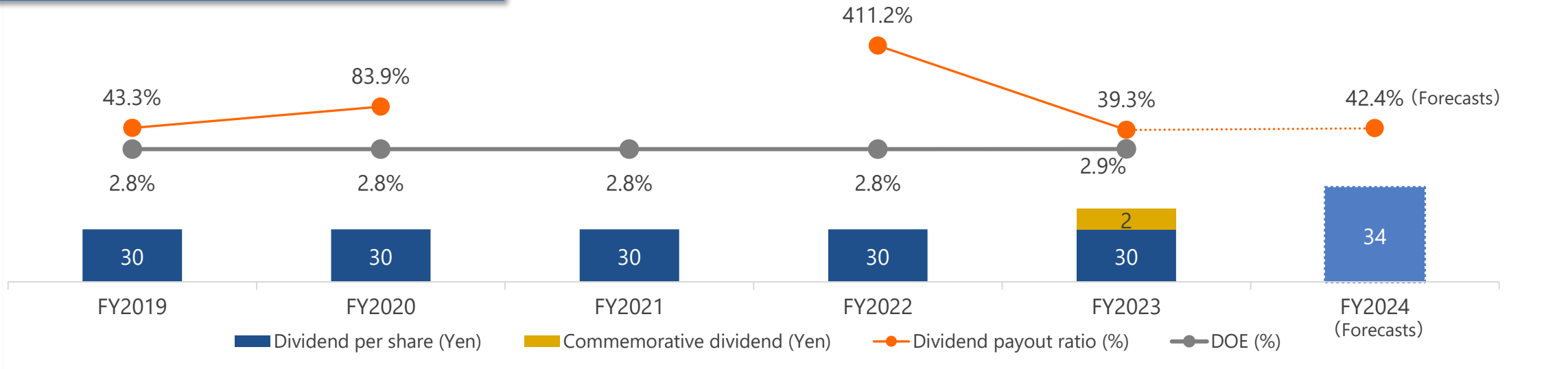
- Secure internal reserves necessary for business strategies that enhance future corporate value.
- Stable and continuous dividend payout ratio of approximately 30% on a consolidated basis and DOE of at least 2.5%.

Image of Dividend Policy



In order to implement stable and continuous dividends, we set **DOE as a minimum limit** and determines dividend amount based on **dividend payout ratio of 30%**.

Dividend / Dividend payout ratio



Strengthening IR (1) Strengthening information disclosure and feedback

Financial Results Briefing

Expand information on our IR web pages, such as scripts and Q&A summaries, and provide explanations to promote investors' understanding.

- Earlier publication of documents
- Enrichment of responses and posting of Q&A summaries

Presentation materials for financial results

Disclose quantitative information in a concrete and easy-to-understand manner leading to the elimination information asymmetry.

- Fulfillment of quantitative information (Segment information, premises for forecasts, etc.)

Disclosure

Integrate financial and non-financial information and make it story-driven explanation.

- Enrichment of qualitative information (strengths, growth potential, ESG initiative, etc.)
- Integration of financial and non-financial information

Feedback to internal

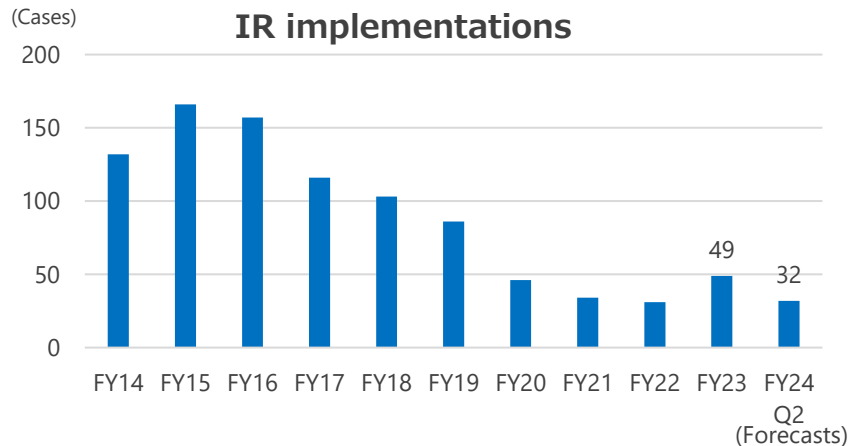
Appropriately pass on investors' opinions and requests to internal and respond to issues identified in IR.

- Reporting regularly to management and the Board of Directors
- Reflecting issues identified in IR into management measure and IR

Strengthening IR (2) Proactive investor relations activities

Trends in the number of IR implementations

- After listing in 2014, the number of IRs peaked for several years and then declined.
- Investor visits in Tokyo were suspended after FY2020 due to the COVID-19 but visits gradually resumed after FY2022.
- Actively approaching investors mainly through visits to Tokyo.



* Small meetings are calculated based on the number of companies.

Enhancing of approach

Future issues for more proactive IR activities

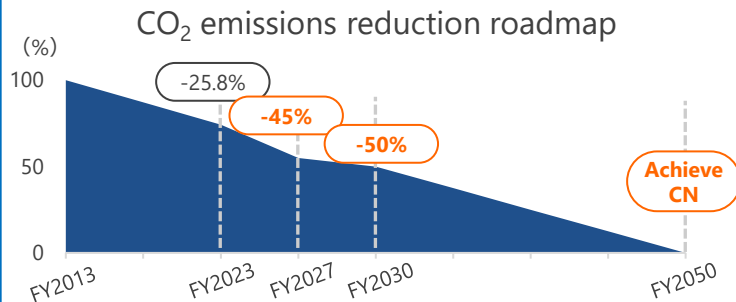
- Proactive approach to key investors and analysts.
- Dialogue on cost of capital, ESG initiatives, etc.
- Dialogue between top management and key investors and analysts.
- Increase opportunities for dialogue with investors by utilizing the Tokyo Stock Exchange's "Columns for companies that wish to be contacted by institutional investors" system.

Create opportunities to meet and discuss with investors to strengthen constructive dialogue in IR and enhance our corporate value.

E Environment

Carbon-neutral Initiatives

- Target for FY2027
CO₂ emissions (Scope 1, 2)
45% less from FY2013
- Progress in the first half FY2024 :
31.8% less



- Main efforts to achieve targets
 - ✓ Energy saving step activities
 - ✓ Energy saving (production technology innovation)
 - ✓ Introduction of renewable energy

S Social

D&I Initiatives

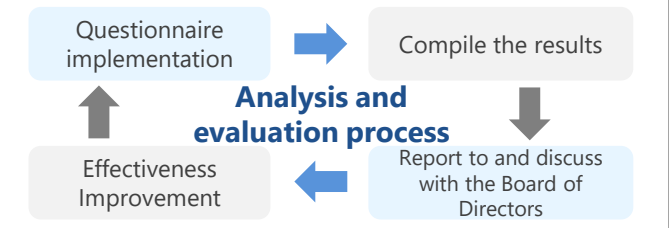
- Target for FY2027
 - **Woman in managerial positions : 13 persons**
 - **Woman in supervisory positions : 42 persons**
 - **Man taking childcare leave ratio : 90%**
- Progress as of September 30, 2024
 - **Woman in managerial positions : 10 persons**
 - **Woman in supervisory positions : 29 persons**
 - **Man taking childcare leave ratio : 46.5%** *Result for FY2023

- Main efforts to achieve targets
 - ✓ Promote D&I promotion projects
 - ✓ Education by grade and activities to promote understanding of D&I
 - ✓ Introduction and evaluation of engagement surveys

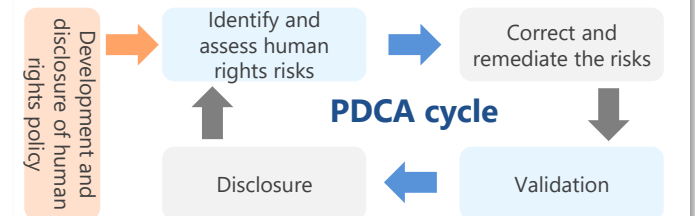
G Governance

Strengthening Corporate Governance

- **Improvement of the Effectiveness of the Board of Directors**
 - ✓ Improvement of attendance rate
 - ✓ Consideration to ensure diversity of members



- **Constructing human rights due diligence**
 - ✓ Development and disclosure of human rights policy and carry out the PDCA cycle



[Important Information]

This presentation material contains certain statements describing the future plans, strategies, and performance of DaikyoNishikawa Corporation and its consolidated subsidiaries. These statements are not based on historical or present fact, but rather assumptions and estimates based on information currently available. These future plans, strategies, and performances are subject to known and unknown risks, uncertainties, and other factors. DaikyoNishikawa Corporation's actual performance, business activities, and financial position may differ materially from the assumptions and estimates provided on account of the risks, uncertainties, and other factors. The information contained on this presentation should not be considered as an offer, or solicitation, to deal in any of the investments or funds.

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Appendix

Key performance and financial indicators (consolidated)



(Millions of yen)

	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3
Net sales	171,967	184,314	182,219	150,234	116,669	145,744	159,019
Cost of sales	145,691	160,738	163,780	136,690	108,934	131,955	138,550
Gross profit	26,276	23,575	18,438	13,544	7,735	13,789	20,469
Selling general and administrative expenses	8,224	8,954	9,443	9,087	10,368	10,335	11,778
Operating income(loss)	18,052	14,621	8,995	4,456	△2,632	3,453	8,690
Operating profit ratio	10.5%	7.9%	4.9%	3.0%	△2.3%	2.4%	5.5%
Non-operating income	1,075	764	1,121	1,273	2,191	807	1,634
Non-operating expenses	385	550	616	342	544	1,396	1,548
Ordinary income(loss)	18,742	14,836	9,500	5,386	△985	2,864	8,775
Extraordinary income	14	332	318	2,264	1,277	19	1,851
Extraordinary losses	238	279	2,140	4,097	1,201	368	2,371
Income before income taxes	18,518	14,889	7,678	3,553	△909	2,515	8,255
Income taxes	5,346	3,838	2,455	1,595	1,274	1,975	2,872
Net income(loss) attributable to non-controlling interests	706	648	315	△578	△98	21	△399
Net income(loss) attributable to owners of the parent	12,464	10,402	4,907	2,536	△2,085	518	5,782
Capital investment	13,149	16,489	25,012	17,011	16,313	8,278	4,811
Depreciation expense	9,078	9,561	10,716	10,510	10,798	11,895	11,383
R&D expense	3,052	3,003	2,968	2,603	3,049	2,473	2,842
Sales growth rate	10.5%	7.2%	△1.1%	△17.6%	△22.3%	24.9%	9.1%
Return on equity(ROE)	20.4%	14.7%	6.5%	3.3%	△2.8%	0.7%	7.4%
Return on assets(ROA)	14.4%	10.4%	6.4%	3.5%	△0.6%	1.8%	5.4%
Earnings per share(EPS) (yen)	175.94	146.82	69.27	35.75	△29.37	7.30	81.34
Book value Per Share(BPS)	950.76	1,048.45	1,088.74	1,089.41	1,045.26	1,063.76	1,135.11
Dividend per share(yen)	34.00	34.00	30.00	30.00	30.00	30.00	32.00
Dividend payout ratio (%)	19.3%	23.2%	43.3%	83.9%	-	411.2%	39.3%
Dividend on equity ratio(DOE) ^(c)	3.9%	3.4%	2.8%	2.8%	2.8%	2.8%	2.9%
Dividend yield(%)	1.9%	3.3%	6.1%	3.9%	5.6%	4.7%	4.2%
Price book-value ratio(PBR)	1.83	0.97	0.45	0.72	0.52	0.61	0.68
Price earnings ratio(PER)	9.91	6.92	7.13	21.65	-	88.36	9.48
Number of employees	5,072	5,265	5,432	5,414	5,482	5,461	5,601

	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3
Current assets	84,495	85,554	77,137	80,257	69,316	73,672	80,327
Cash and deposits	42,684	37,571	32,529	39,842	28,455	28,070	39,079
Trade notes and accounts receivable	33,258	35,995	33,056	31,760	29,138	33,916	29,647
Inventories	7,102	10,119	9,564	7,399	7,592	8,136	8,349
Other	1,450	1,867	1,987	1,255	4,130	3,548	3,250
Non-current assets	54,740	60,801	73,347	79,037	86,845	89,226	80,898
Property, plant and equipment	48,903	55,189	68,346	73,167	80,432	81,036	75,670
Intangible assets	1,163	976	767	741	799	887	1,105
Investments and other assets	4,673	4,634	4,233	5,128	5,613	7,302	4,121
Total assets	139,235	146,356	150,484	159,295	156,162	162,899	161,225
Current liabilities	60,621	47,057	47,007	45,557	39,067	45,456	44,793
Trade notes and accounts payable	35,621	26,448	25,579	24,823	22,904	24,999	22,278
Short-term loans payable	2,911	2,509	1,757	1,694	1,442	1,470	1,498
Long-term loans payable due within one year	2,803	2,941	2,912	2,272	4,882	5,562	5,779
Lease obligations	3,693	3,298	3,344	2,807	2,755	2,729	2,846
Other	15,591	11,859	13,412	13,958	7,083	10,693	12,390
Non-current liabilities	8,894	22,097	23,089	33,848	40,176	39,020	33,178
Bonds	2,069	15,549	17,658	29,241	34,128	32,191	28,068
Lease obligations	2,905	2,790	2,089	1,431	2,899	2,930	2,102
Other	3,919	3,757	3,341	3,175	3,147	3,898	3,007
Total liabilities	69,515	69,155	70,096	79,405	79,243	84,477	77,971
Total net assets	69,719	77,200	80,387	79,889	76,918	78,422	83,254
Interest-bearing debt	14,383	27,089	27,762	37,447	46,108	44,885	40,294
Net interest-bearing debt	△28,300	△10,482	△4,766	△2,394	17,652	16,814	1,214
Capital adequacy ratio	48.4%	50.8%	51.3%	48.5%	47.5%	46.4%	50.1%
Operating cash flow	24,742	3,219	19,584	16,788	3,705	14,048	20,372
Investment cash flow	△13,547	△19,539	△24,370	△17,567	△20,107	△8,991	1,593
Financial cash flow	△6,443	10,286	△2,012	8,565	3,579	△7,618	△8,801
FCF	11,195	△16,320	△4,786	△779	△16,402	5,056	21,966

* With the adoption of the "Accounting Standard for Revenue Recognition" from the fiscal year ending March 31, 2022, the Company previously recognized revenue at the gross amount of consideration including the purchase price of parts supplied, but now recognizes revenue at the net amount of consideration excluding the purchase price of parts.

Currently focusing on expanding sales of plastic back doors in addition to interior and exterior plastic products, including instrument panels and bumpers
 Pioneer in the industry in replacing metal oil strainers with plastic oil strainers
 Promoting sales expansion of battery covers as a new strategic product in anticipation of EVs in the future

Main products

Instrumental panels



Mazda, Daihatsu, and Honda

Bumpers



Mazda, Toyota, Daihatsu, and Mitsubishi

Priority products

Tailgates/Backdoors



Daihatsu, Honda

Strategic products for new customers

Oil strainers



Water pipes



Mazda, Daihatsu, Toyota, Honda, Nissan, SUBARU etc.

Strategic products for EVs

Battery covers



BUS bars



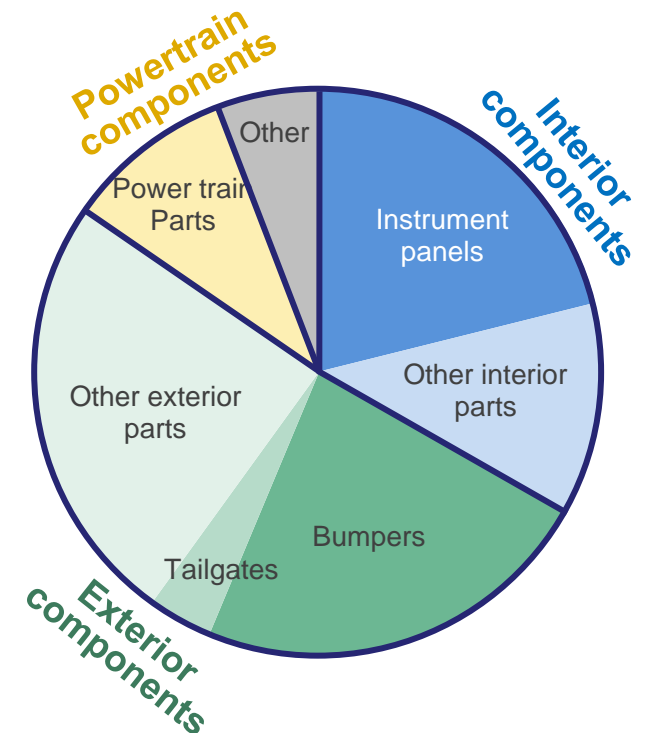
Charging ports



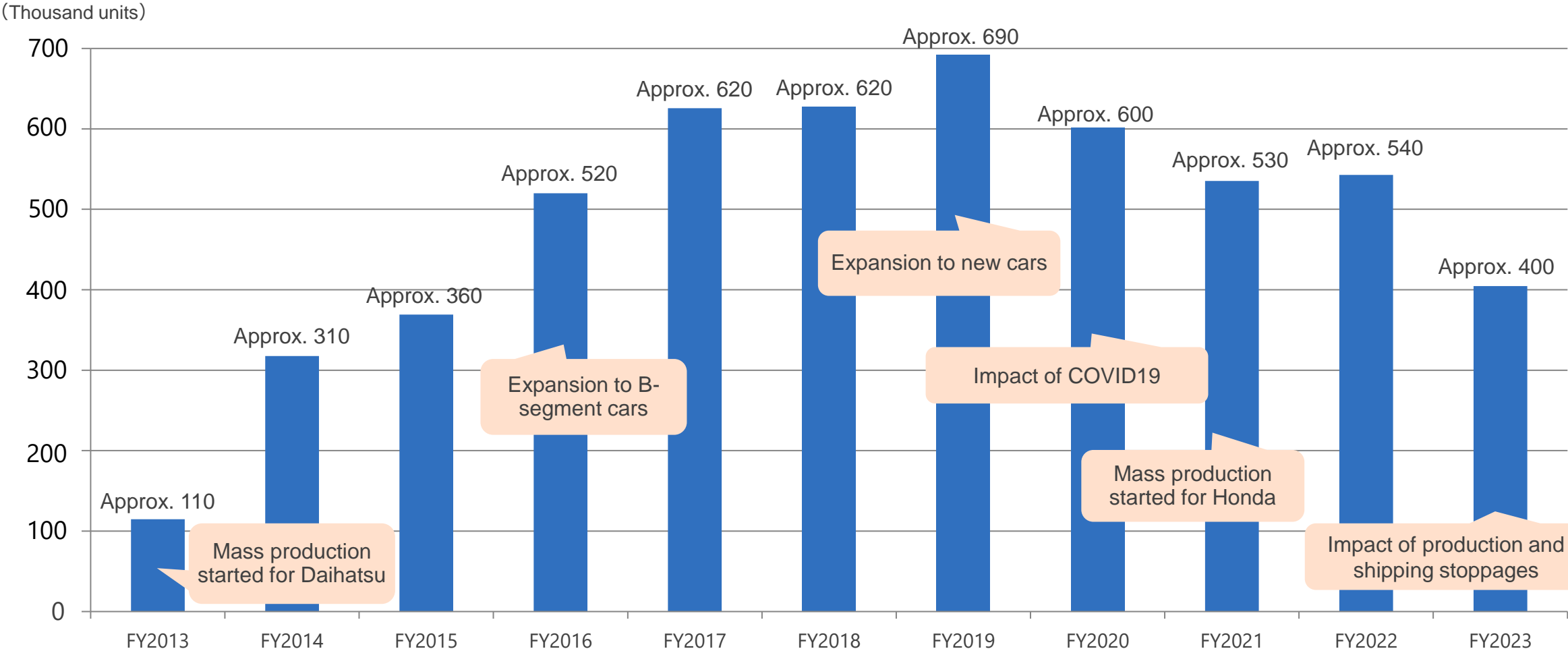
Mazda, Toyota, SUBARU etc.

Sales by Product

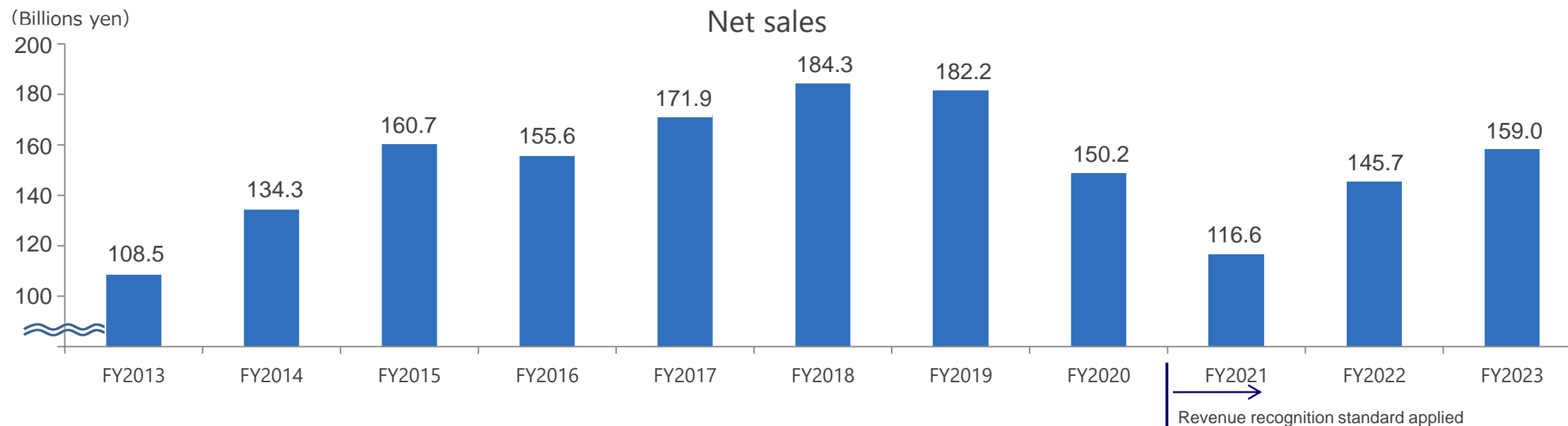
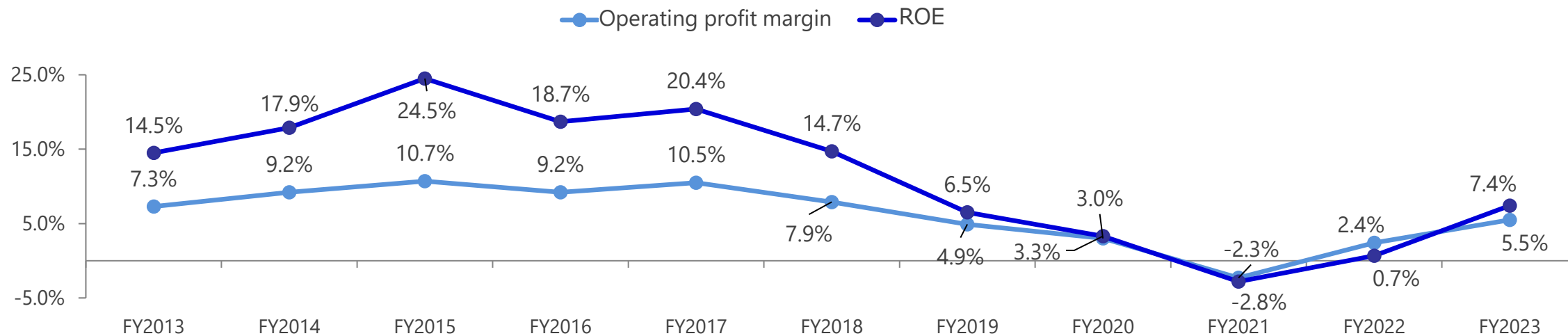
Sales: 159.0 billions yen (FY2023)



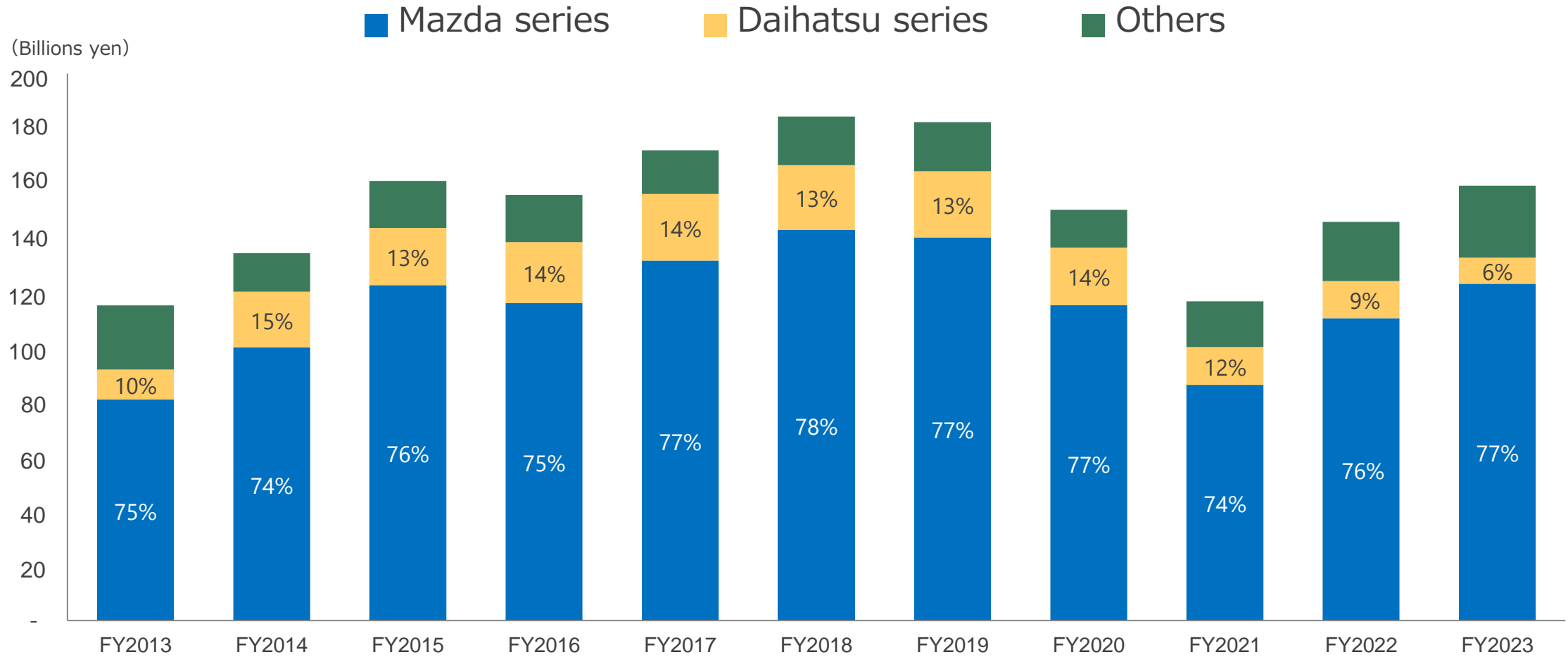
Focusing on expanding sales to other automobile manufacturers for further growth



Trends in Management Indicators



Change in composition ratio due to diversification of customers



Second quarter FY2024 Financial Results (Compared to the previous quarter)



The second quarter FY2024 increased in net sales and operating profit compared to the first quarter.

(Millions yen)

	FY2023				FY2024		Changes (QoQ) FY24Q2/FY24Q1
	Q1	Q2	Q3	Q4	Q1	Q2	
Net Sales	37,217	40,253	42,897	38,651	40,568	42,930	2,361 (5.8%)
Operating profit	1,339	2,945	2,890	1,514	2,675	3,016	340 (12.7%)
Operating profit margin	3.6%	7.3%	6.7%	3.9%	6.6%	7.0%	0.4pts
Ordinary profit	1,749	2,868	2,513	1,644	3,357	1,975	-1,381 (-41.2%)
Profit	1,150	1,799	2,324	507	2,331	922	-1,409 (-60.4%)

Main reasons for increase/decrease

- Net Sales
Increased due to recoveries in main customer's production volume, etc.
- Operating profit
(Q1) Compensation for sudden production fluctuations.
(Q2) Increased due to the impact of higher sales and price pass-through.
- Ordinary profit
(Q1) Compensation for development discontinuation.
(Q2) Decreased due to exchange loss.

Sales by segments (Compared to the previous quarter)



External sales by segments for the second quarter FY2024 increased in all segments except ASEAN.

(Millions yen)

		FY2023				FY2024		Changes (QoQ) FY24Q2/FY24Q1
		Q1	Q2	Q3	Q4	Q1	Q2	
Domestic	Japan (Component ratio)	23,973	28,107	28,487	22,723	24,826	26,297	1,470 (5.9%)
	Central and North America	9,186	8,275	10,295	10,424	11,615	11,648	32 (0.3%)
Overseas	ASEAN	3,465	2,581	2,825	3,092	2,633	2,506	-127 (-4.8%)
	China and Korea	592	1,288	1,288	2,411	1,492	2,478	985 (66.0%)
	Overseas total (Component ratio)	13,244	12,145	14,409	15,928	15,741	16,632	890 (5.7%)
Total		37,217	40,253	42,897	38,651	40,568	42,930	2,361 (5.8%)

Main reasons for increase/decrease

■ Japan

Increased due to recover in customer production volume and an increase in tool sales, etc.

■ Central and North America

Despite tool sales decreased in Central America, sales increased due to higher sales in North America and the impact of Japanese currency conversion, etc.

■ ASEAN

Decreased due to a decrease in tool sales and customer production volume, etc.

■ China and Korea

Increased due to an increase in tool sales, etc.

Operating profit by segment (Compared to the previous quarter)



Operating profit for the second quarter FY2024 increased in Japan and China and Korea and decreased in Central and North America and ASEAN.

(Millions yen)

		FY2023				FY2024		Changes (QoQ) FY24Q2/FY24Q1
		Q1	Q2	Q3	Q4	Q1	Q2	
Domestic	Japan (Component ratio)	165	2,387	1,649	511	1,611	1,968	356 (22.1%)
Overseas	Central and North America	1,322	674	1,074	625	1,117	787	-329 (-29.5%)
	ASEAN	521	170	-40	91	237	81	-155 (-65.6%)
	China and Korea	-260	-7	-157	72	-122	347	470 (-)
	Overseas total (Component ratio)	1,583	837	876	790	1,232	1,217	-15 (-1.2%)
Consolidation adjustment		-409	-278	364	213	-168	-169	
Operating profit		1,339	2,945	2,890	1,514	2,675	3,016	340 (12.7%)

Main reasons for increase/decrease

■ Japan

- (Q1) Compensation for sudden production fluctuations.
- (Q2) Increased due to the impact of higher sales and price pass-through.

■ Central and North America

Decreased due to the impact of lower sales in Central America despite the impact of higher sales in North America.

■ ASEAN

Decreased due to a decrease in lower sales, etc. (Of this amount, eliminated 72million yen by consolidation adjustment.)

■ China and Korea

Turned a surplus due to the impact of sales growth.