



The Financial Statement Briefing For the Year Ended March 31, 2024

May 09, 2024

JPX Company Code: 6467

株式会社 ニチダイ
NICHIDAI CORPORATION

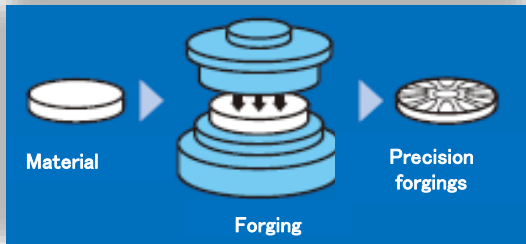
<https://www.nichidai.jp/>

- 1) Introduction of Business**
- 2) FY24/3 Financial Results Overview
- 3) FY25/3 Full Year Outlook
- 4) Progress of Medium-term Management Strategy
- 5) Dividends

1) Introduction of Business

Precision Die Business

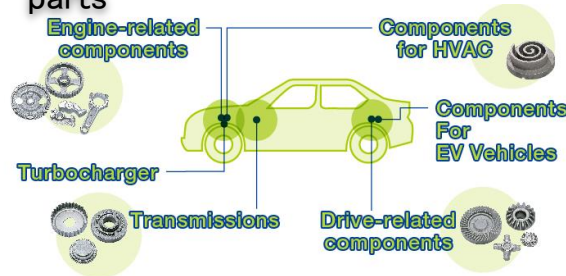
Total support dies for the Production of high-precision automotive parts



High-precision • Resource-saving • High strength

Precision Parts Business

Utilizing die know-how, mass production of precision forged parts and assembly turbocharger parts



High quality • Automation • Bipolar production

Filter Business

Providing metal filters that can be used under severe conditions to various industries



High strength • Heat resistance • Oxidation resistance

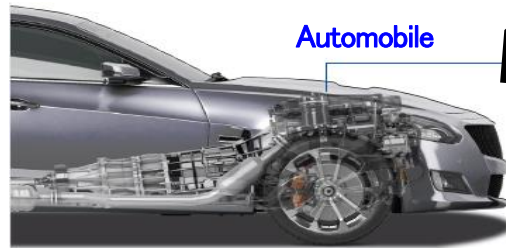
Automotive Precision Die Production



Precision forged parts and assembly turbocharger parts



Multi-layer sintered filters



Automobile

Beverage



Health care

Aerospace

1) Introduction of Business

Precision Die Business

Precision Parts Business

Filter Business

Domestic

Nichidai (ND)

Ujitawara Factory



Precision Forging Dies

- The production base for Precision Forging Dies.
- Approximately 30 development personnel

Ujitawara Factory



Forged Scroll

- Production of various forged products
- Main product is forged scroll

Kyotanabe Factory



VG Turbocharger Parts

- The domestic production base of Turbocharger parts.

Nichidai Filter (NFC)

Ujitawara Factory



Multi-layer sintered filters

- Domestic development and Production bases
- Owns 5 sintering furnaces

Over Seas

Nichidai(Thailand) (NDT)

Nichidai Asia (NDA)

- ◆ Precision Die sales base in Thailand

Nichidai USA (NUC)

- ◆ Precision Die sales base in Ohio,USA

- ◆ An overseas subsidiary located near Bangkok, Thailand. Production base for both Precision Die business and Precision Parts Business

Precision Die Business

- Product Precision Forging Dies

Precision Parts Business

- Production and sales of forged scrolls
- Production and sales of Turbocharger Parts

Thai Sintered Mesh (TSM)



- ◆ A production base for the Filter Business located near Chiang Mai in northern Thailand. The main product is filters for oil drilling. There are 5 sintering furnaces.

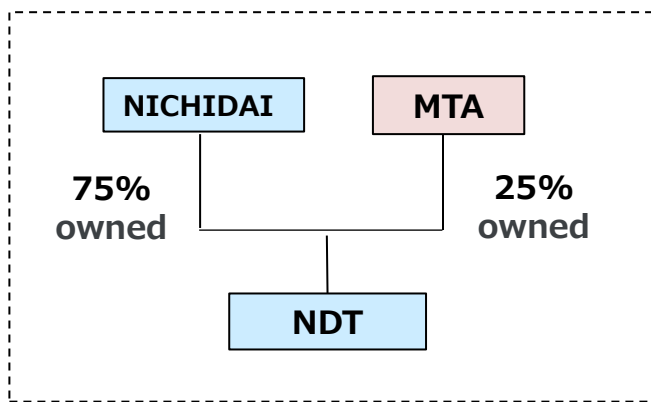
1) Introduction of Business (NDT becomes a wholly owned subsidiary)

✓ On March 25, 2024, NICHIDAI purchased all shares of NDT held by MTA, making NDT a wholly owned subsidiary.

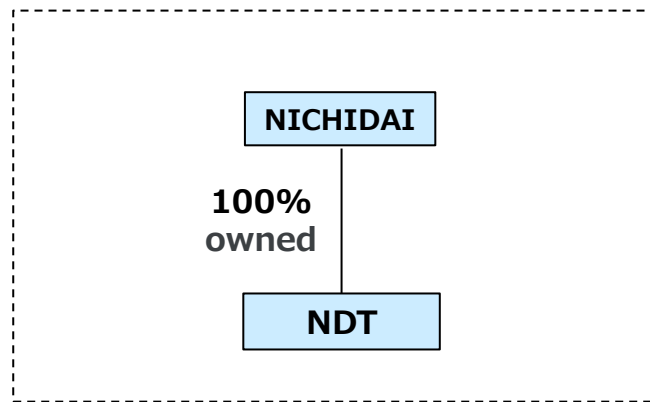
※ NDT: Nichidai(Thailand)LTD. MTA: Mitsubishi Turbocharger Asia Co.,Ltd.

Change in ownership of NDT shares

Before March 24, 2024



After March 25, 2024



NICHIDAI (THAILAND) LTD. (NDT)

✓ We will build a system that allows us to expand sales channels and develop new businesses flexibly in both Precision Die Business and Precision Parts Business.

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2) FY24/3 Financial Results Overview (Plan modification)

- ✓ The forecast was revised downward in October 2023 due to sluggish sales in the Precision Parts Business and a decline in overseas sales in the Filter Business.
- ✓ In the second half of the year, the effects of cost control measures became apparent, and ordinary income became profitable.
- ✓ The results for the fiscal year ending March 2024 will be the same as the earnings forecast announced on April 23, 2024.

※Rounded down to the nearest million yen Unit: million yen

		FY24/3 Plan (May,2023)	FY24/3 Revised plan (Oct,2023)	FY24/3 Result
Net Sales		11,900	11,200	11,323
Gross income from sales		2,465	1,930	2,180
S.G.&A expense		2,295	2,260	2,222
Operating income		170	▲330	▲42
Non-operating income		▲5	▲75	▲107
Ordinary income		175	▲255	64
Net income Attributable to Owners of the Parent		115	▲300	44
Exchange Rate (Yen)	USD	130.0	140.0	147.88
	THB	3.8	3.96	4.16

2) FY24/3 Financial Results Overview (Comparison with previous year)

✓ As the parts supply shortage was resolved, automobile production recovered and our sales increased.

Unit: million yen ※Rounded down to the nearest million yen

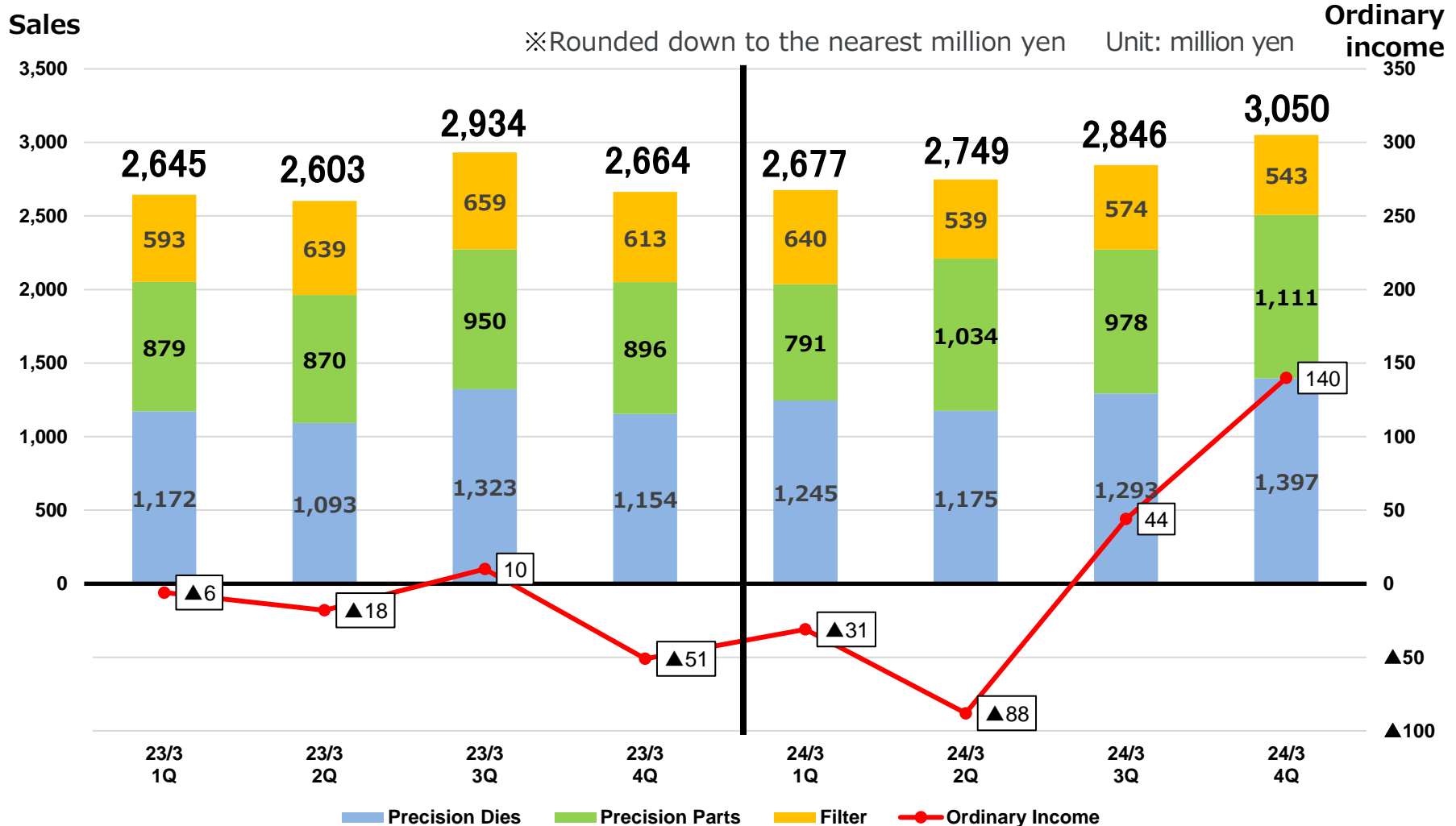
	FY23/3 Result	FY24/3 Result	Growth rate
Net Sales	10,847	11,323	4.4%
Gross income from sales	1,986	2,180	9.7%
S.G.&A expense	2,188	2,222	1.6%
Operating income	▲202	▲42	—
Non-operating income	▲136	▲107	—
Ordinary income	▲65	64	—
Net income Attributable to Owners of the Parent	▲484	44	—

Exchange Rate (Yen)	USD	130.78	147.88
	THB	3.73	4.16

2) FY24/3 Financial Results Overview (Quarterly performance trends)

Sales : Although Precision Die Business and Precision Parts Business recovered steadily, Filter Business remained sluggish.

Ordinary income: Ordinary income increased due to the increase in sales and the effects of cost control measures.



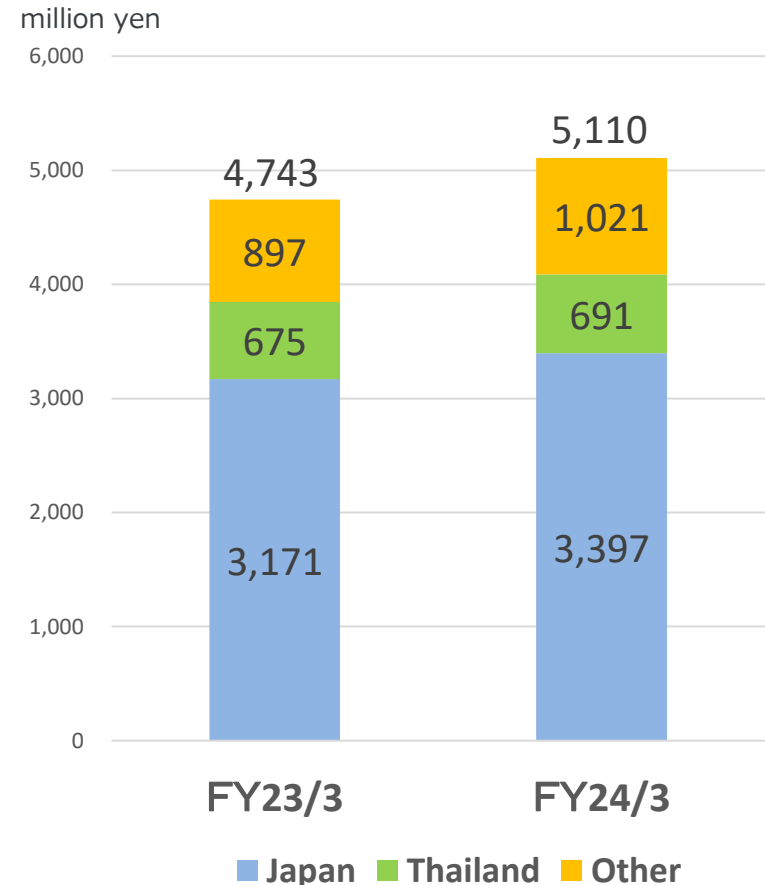
2) FY24/3 Financial Results Overview (Precision Dies Business)

Sales : (Domestic) As automobile production increases, demand for major users increases.
 (Overseas) Sales increased mainly due to large projects.
Ordinary income : Profits were achieved due to the effects of various cost control measures.

«Domestic and Overseas Sales Revenue and Ordinary Income» Unit: million yen

	FY23/3 Results	FY24/3 Results	Growth Rate
Domestic	3,171	3,397	7.1%
Overseas	1,572	1,712	8.9%
Total sales	4,743	5,110	7.7%
Ordinary income	▲94	162	—
Ordinary Income Rate	▲2.0%	3.2%	—

Regional breakdown of net sales in the Precision Die Business



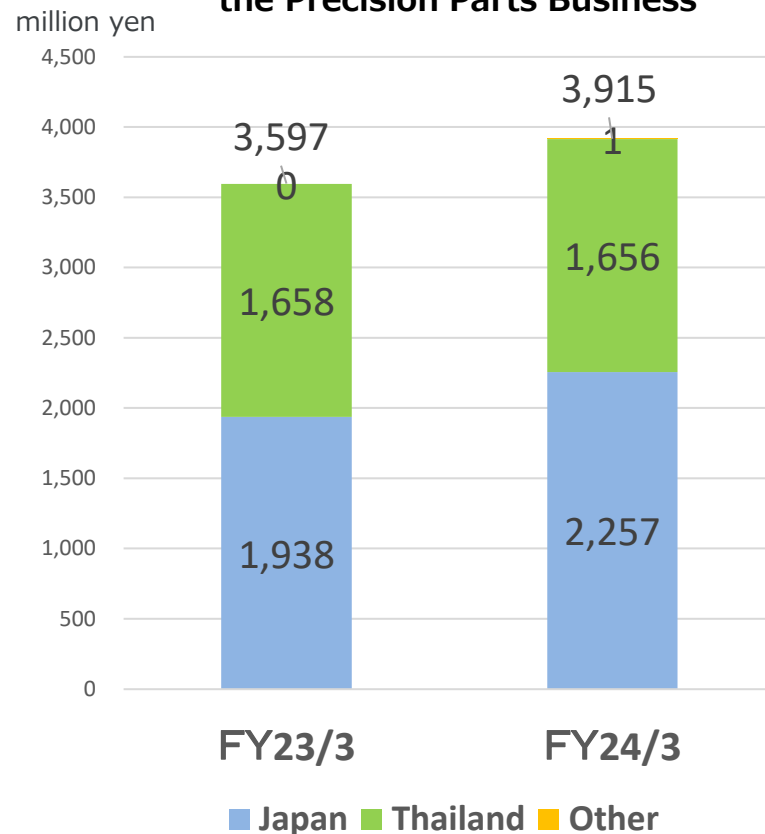
2) FY24/3 Financial Results Overview (Precision Parts Business)

Sales : (Domestic) Due to an increase in the number of main models of turbocharger parts.
(Overseas) The situation remains sluggish.
Ordinary income : Overseas sales were sluggish, resulting in a loss as in the previous year.

«Domestic and Overseas Sales Revenue and Ordinary Income» Unit: million yen

	FY23/3 Results	FY24/3 Results	Growth Rate
Domestic	1,938	2,257	16.5%
Overseas	1,658	1,658	▲0.0%
Total sales	3,597	3,915	8.8%
Ordinary income	▲222	▲163	—
Ordinary Income Rate	▲6.2%	▲4.2%	—

Regional breakdown of net sales in the Precision Parts Business



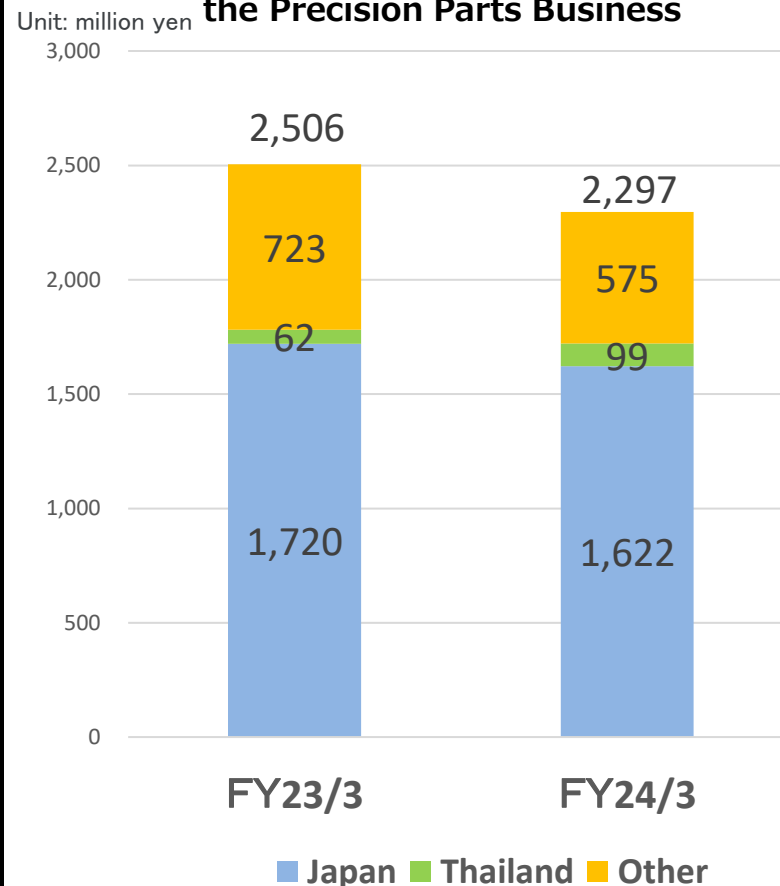
2) FY24/3 Financial Results Overview (Filter Business)

Sales : (Domestic) Overall sales remained sluggish due to demand waning.
(Overseas) Demand has calmed down, and sales are sluggish overall..
Ordinary income : Profits decreased due to decrease in sales.

«Domestic and Overseas Sales Revenue and Ordinary Income» Unit: million yen

	FY23/3 Results	FY24/3 Results	Growth Rate
Domestic	1,720	1,622	▲6.3%
Overseas	785	675	▲14.1%
Total sales	2,506	2,297	▲8.3%
Ordinary income	251	67	▲73.3%
Ordinary Income Rate	10.0%	2.9%	—

Regional breakdown of net sales in the Precision Parts Business



2) FY24/3 Financial Results Overview (B/S Asset)

Unit: million yen

		FY23/3 Result	FY24/3 Result	Increase/Decrease Amounts
	Cash and Cash Equivalents	4,111	3,274	▲ 836
	Sales Receivables	3,054	3,445	390
	Inventory	2,074	1,821	▲ 253
	Other Current Assets	192	228	36
Total Current Assets		9,432	8,770	▲ 662
	Tangible Fixed Assets	4,867	5,286	418
	Intangible Assets	498	452	▲ 45
	Investments and Other Assets	575	678	102
Total Fixed Assets		5,941	6,417	475
Total Assets		15,374	15,187	▲ 187

※Rounded down to the nearest million yen

2) FY24/3 Financial Results Overview (B/S Liabilities and Equality)

※Rounded down to the nearest million yen

Unit: million yen

		FY23/3 Result	FY24/3 Result	Increase/Decrease Amounts
	Accounts Payable	965	1,181	216
	Short-Term Borrowings	1,555	1,538	▲16
	Accrued Corporate Taxes	57	33	▲24
	Bonus Accruals	176	176	0
	Other Current Liabilities	604	763	159
	Total Current Liabilities	3,359	3,693	334
	Long-Term Borrowings	616	416	▲200
	Other Long-Term Liabilities	97	180	83
	Total Long-Term Liabilities	714	597	▲116
	Total Liabilities	4,073	4,291	217
	Shareholders' Equity	9,435	9,368	▲66
	Accumulated Other Comprehensive Income	712	1,068	355
	Non-controlling Interests	1,152	459	▲693
	Total Equity	11,301	10,895	▲405
	Total Assets	15,374	15,187	▲187

2) FY24/3 Financial Results Overview (Cash Flows)

■ The decrease in cash flow from operating activities.

Net income before income taxes 23/3 ▲333 million yen → 24/3 67 million yen +401 million yen

■ Main items of Cash flows from financing activities :24/3 Expenditures due to acquisition of subsidiary shares without change in scope of consolidation ▲815 million yen

Unit: million yen

	FY23/3 Results	FY24/3 Results	Increase/decrease amount
Cash flows from operating activities	208	740	532
Cash flows from investing activities	▲467	▲491	▲24
Cash flows from financing activities	89	▲1,133	▲1,223
Amount of increase in cash and cash equivalents	32	▲754	▲787
Cash and cash equivalents balance at beginning of term	3,767	3,800	32
Cash and cash equivalents balance at end of term	3,800	3,046	▲754
FCF	▲258	248	507

※Rounded down to the nearest million yen

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3) FY25/3 Full Year Outlook (Sales and Profit)

The international situation remains unstable in the fiscal year ending March 2025. And the business environment surrounding us is uncertain. However, our business performance has been stable. Therefore, we expect it to be the same as the fiscal year ending March 2024.

Unit: million yen

	FY24/3 Results	FY25/3 Plan
Net Sales	11,323	11,900
Gross income from sales	2,180	2,270
S.G.&A expense	2,222	2,190
Operating income	▲42	80
Non-operating income	▲107	▲20
Ordinary income	64	100
Net income Attributable to Owners of the Parent	44	50

※Rounded down to the nearest million yen

Unit: yen

Exchange Rate (Yen)	USD	147.88	150.00
	THB	4.16	4.20

3) FY25/3 Full Year Outlook (Status of sales by Business segment)

- Precision Dies Business : Automobile production is expected to be at the same level as this term.
- Precision Parts Business : Sales are expected to increase from this term, but it will be a low level.
- Filter Business : Sales for major users are expected to increase.

Unit: million yen

Business segment	FY24/3 Results	FY25/3 Plan	Growth Rate
Precision Dies Business	5,110	5,300	3.7%
Precision Parts Business	3,915	4,200	7.3%
Filter Business	2,297	2,400	4.5%
Consolidated Total	11,323	11,900	5.1%

※Rounded down to the nearest million yen

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Starting from the fiscal year ending March 2023, we will promote our medium-term management strategy under the slogan "CHANGE~Nichinovation 2026~."



※NICHINOVATION : A coined word combining NICHIDAI and innovation.

CHANGE① Create Value for Customers with VSOP^{※1} Spirit

- **Grow the Business and Build Earning Capacity**
- **Create New Businesses and Evolve into a Global Corporation**

CHANGE② Build a Company that Allows Employees to Shine

- **Establish an Appreciation of the Mutuality of Employee Growth and Company Growth**
- **Grow into a Company that Employees can Take Pride In**

CHANGE③ Contribute to Building a Sustainable Society

- **Be a Company that Society Needs and Prefers**
- **Help Evolve into a Next-Generation Society**

※ 1 : VSOP : Vitality, Specialty, Originality, Passion. The spirit that has been passed down since the founding of the NICHIDAI group. It is included in our management vision.

CHANGE① Create Value for Customers with VSOP Spirit

- Grow the Business and Build Earning Capacity
- Create New Businesses and Evolve into a Global Corporation

Accelerate measures to create new markets and new businesses

✓ Building a global strategy

- Realize the benefits of making NDT a wholly owned subsidiary
- Strengthen measures to attract new business and new customers



NICHIDAI (THAILAND) LTD. (NDT)

- Promotion of Overseas Strategies
- Expand sales in the Indian market in each business

✓ Creation of new pillar businesses from current development projects

- Promotion of Forged DX



Forged DX
Introduction WEB page



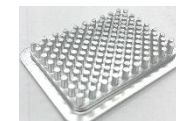
Exhibiting at trade shows

https://nichidai.jp/product/intelligent_die_set.html

- Support for EV



Hybrid Tab



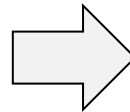
Heat sink

CHANGE② Build a Company that Allows Employees to Shine

- Establish an Appreciation of the Mutuality of Employee Growth and Company Growth
- Grow into a Company that Employees can Take Pride In

Items to be implemented by FY2024/3

- ✓ In FY2024/3, we laid the foundation for “human capital management”.
- New personnel system started.
 - We have revised our personnel evaluation system to allow employees to feel their growth and encourage them to take on challenges.
- Preparation for obtaining health management certification
 - We aim to be a company where people can work in good physical and mental health, with peace of mind, and with a sense of fulfillment and purpose.
- Town meeting held
 - We aimed to strengthen two-way communication between top management and employees.



Important points for FY2025/3 Creating an attractive work environment

- ✓ In FY2025/3, we will work to “create an attractive work environment” based on the foundation of “human capital management” created last year.
- Promotion of human capital management
 - We will introduce a variety of education and training programs to realize career autonomy and expand opportunities for growth.
- Promotion of health management
 - Obtain certification in 2024
 - Strengthening support for diverse work styles
 - Holding various events
- Penetration of medium-term management strategy
 - Expanding mutual communication



CHANGE③ Contribute to Building a Sustainable Society

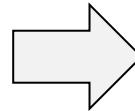
- Be a Company that Society Needs and Prefers^
- Help Evolve into a Next-Generation Society

Items to be implemented by FY2024/3

✓ Based on internal and external circumstances, we have decided on 12 materialities related to sustainability.

Environment	Social	Governance
Reducing GHG (greenhouse gas) emissions	Human Rights & Community Relations	Business Ethics
Waste & Hazardous Materials Management	Product Quality & Safety	Critical Incident Risk Management
Product Design & Lifecycle Management	Employee Health & Safety	Data Security
Materials Sourcing & Efficiency	Employee Engagement, Diversity & Inclusion	
	Supply Chain Management	

✓ Considering our contribution to the next generation of society, we installed solar panels at our Ujitawara factory.



Important points for FY2025/3 Start of initiatives towards a sustainable society

Start environmental initiatives.
→We plan to introduce it on our website.



Our WEB SITE

<https://nichidai.jp/company/sustainability.html>



Ujitawara factory aerial photo

In order to more strongly implement the medium-term management strategy, the following actions will be taken.

【 Establishment of portfolio policy 】

The following portfolio policy was established with a view to making the company's overall strategy agile and flexible.

The Nichidai Group is developing its Precision Die Business, Precision Parts Business and Filters Businesses under the management philosophy of “creating new value and contributing to society by maximizing and permanently improving the 3S (customer Satisfaction, shareholder Satisfaction, and employee Satisfaction).

In order to respond to changes in the business environment, the Board of Directors will periodically review the business portfolio and comprehensively assess its profitability, growth potential, consistency with the management vision, and impact on existing businesses, and revise it as necessary to ensure the Company's sustainable growth and enhance corporate value.

【 Actions to achieve cost of capital and stock price conscious management (under consideration) 】

- For the time being, we will work on various measures, placing the highest priority on improving profitability.
- We are in the process of considering measures to achieve cost of capital and stock price conscious management.
- Specific details will be disclosed when earnings stabilize.

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5) Dividends

NICHIDAI considers returning its profit to its shareholders as its important business issue and is working toward constantly paying them stock dividends while securing internal reserves required for its future business development and stronger management culture.

	2 nd Half		YEAR-END		Full-Year	
	Yen	Sen	Yen	Sen	Yen	Sen
FY21/3		—	4.00		4.00	
FY22/3		5.00	3.00		8.00	
FY23/3		4.00	2.00		6.00	
FY24/3		4.00	2.00		6.00	
FY25/3 (Plan)		2.00	4.00		6.00	

Thank you very much

株式会社 ニチダイ
NICHIDAI CORPORATION

This document has been prepared based on the judgments and assumptions made through information available for our company at this time. Therefore, actual operating results may differ from forecasts due to intrinsic uncertainties.

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Unit: million yen

	FY20/3 Result	FY21/3 Result	FY22/3 Result	FY23/3 Result	FY24/3 Result
Capital Investment	512	466	1,233	591	478
Depreciation	831	759	784	635	559

※Rounded down to the nearest million yen