



TSE code : 9913

# **NIPPO LTD.**

**(TSE Code : 9913)**

**March 2025 Period 1<sup>st</sup> Quarter  
Financial Results**

**~Supplementary materials~**

Aug 05, 2024

President

Yasuchika Iwasa

# Consolidated Financial Results (1)

March 2025 Period 1Q

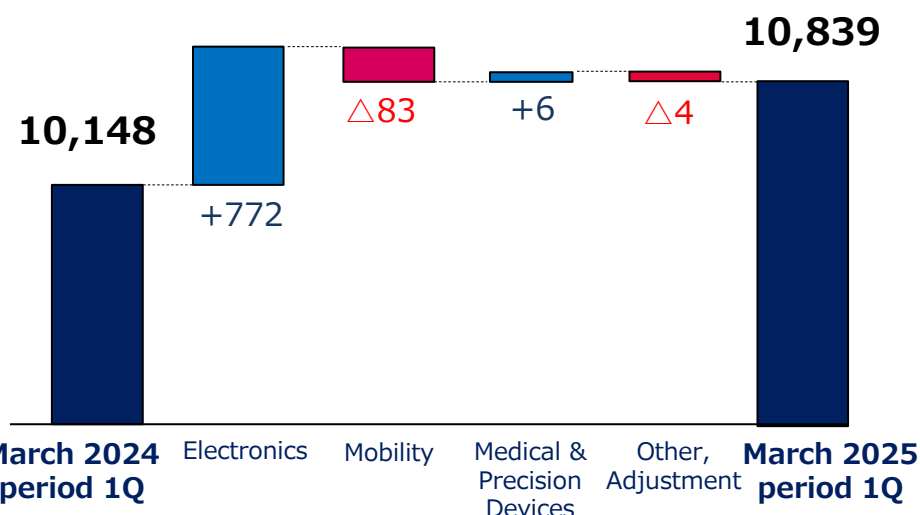


1Q resulted in increased sales and decreased profits  
; Electronics performed well,  
but the decline in mobility's profit had a significant impact

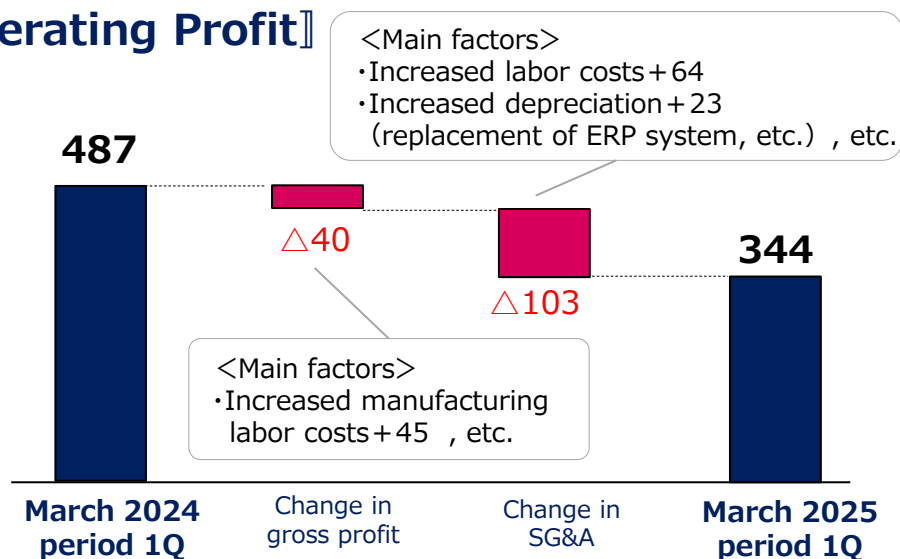
(Unit: Millions of JPY)

	March 2024 Period 1Q	March 2025 Period 1Q	YoY	Change
Net Sales	10,148	10,839	107%	+691
Operating Profit	487	344	71%	▲ 143
Ordinary Profit	528	446	84%	▲ 82
Profit	335	284	85%	▲ 51

## [[Net Sales]]



## [[Operating Profit]]



<Main factors>  
 •Increased labor costs+64  
 •Increased depreciation+23  
 (replacement of ERP system, etc.) , etc.

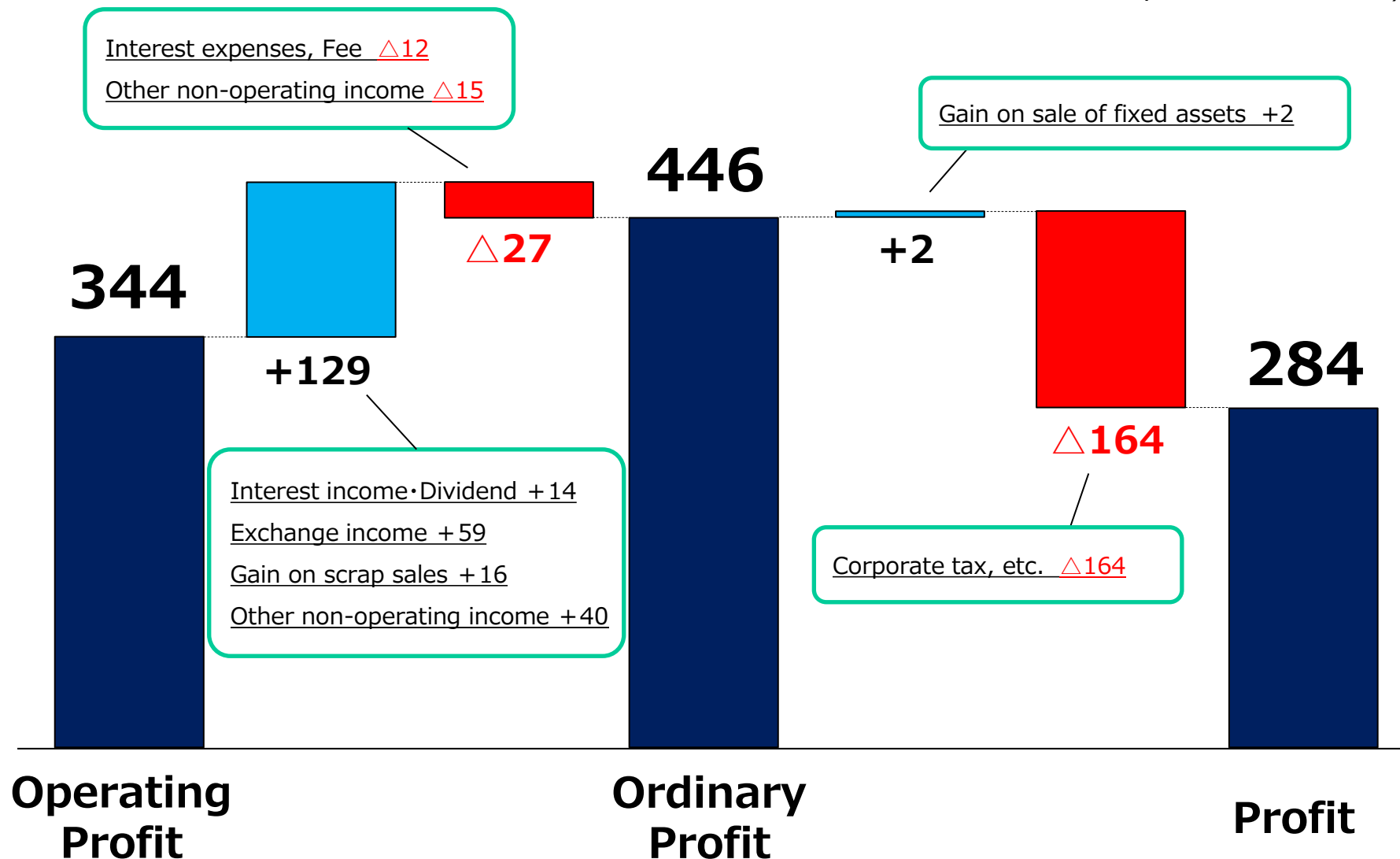
<Main factors>  
 •Increased manufacturing labor costs+45 , etc.

# Consolidated Financial Results (2)

March 2025 Period 1Q



(Unit: Millions of JPY)



# Full-year Forecast

March 2025 Period



## Full-year financial results forecast remained unchanged

; Electronics continue to do well! Although the mobility showed a decline in sales and profits in 1Q, we expect the order environment to improve from 3Q onward.

	March 2025 period 1Q (results)	March 2025 period (forecast)	Progress	Remarks (Unit: Millions of JPY)
Net sales	10,839	42,000	25.8%	<b>1. Full-Year Financial Results Forecasts</b> In 1Q, although electronics performed well, the impact of the profits decline in mobility had a significant impact, which resulted in increased sales and a decrease in profit. The full-year financial results forecasts are unchanged from the one announced on May 15, 2024 as following reasons;  ①In mobility segment, the negative impact of changes in the external environment (suspension of operations due to fraud problems by automakers and the decline in the automotive markets in ASEAN and China) is expected to improve from 3Q onwards.  ②In electronics segment, orders for smartphone-related parts and generative AI-related parts are expected to continue to be strong.
Operating profit	344	1,950	17.6%	
Ordinary profit	446	1,950	22.9%	
Profit	284	1,380	20.6%	
Annual dividend	(March 2023 period) 74JPY Per share	76JPY Per share		<b>2. Annual Dividend Forecasts</b> Along with the full-year financial results forecast, the annual dividend of ¥76 per share is also unchanged.

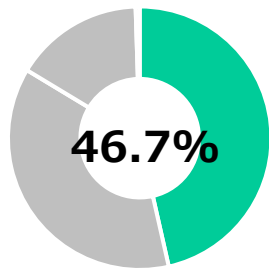
※These consolidated forecasts are based on available data as of the date of this press release and performance may differ materially from these forecasts owing to a variety of factors. In the event that it is deemed necessary to revise the outlook for full-year earnings forecasts, we will make another announcement.

# Results by Segments\_ Electronics



(Unit: Millions of JPY)

## Net Sales Ratio by Segments

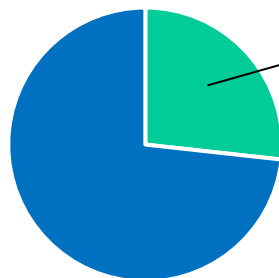


Sales ↑  
Profit ↑

	Mar 2024 period 1Q	Mar 2025 period 1Q	YoY	Change
Net sales	4,309	<b>5,081</b>	118%	+ 772
Operating Profit	282	<b>404</b>	143%	+122

1Q Summary	
	<ul style="list-style-type: none"> <li>Although the upfront costs associated with the launch of the dry film business at the Thailand (Korat) plant continued, orders for smartphone-related materials, which had been affected by inventory adjustments, improved.</li> <li>In addition, sales and profits increased due to strong orders for wiring board materials for generative AI servers in Japan, dry film at the Vietnam plant, and wafer polishing carriers at the Okinawa plant.</li> </ul>

## Quarterly Progress



	Mar 2024 period	Mar 2025 period (forecast)	YoY	Change
Net sales	18,904	<b>19,100</b>	101%	+ 196
Operating Profit	1,272	<b>1,400</b>	110%	+128

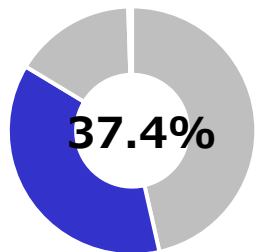
Full-year Forecast	
	<ul style="list-style-type: none"> <li>In addition to the continued impact of upfront costs in the dry film business in 2Q and beyond, the demand recovery for smartphones is also lacking strength.</li> <li>However, orders for wiring board materials for generative AI servers, dry film at the Vietnam plant, and wafer polishing carriers at the Okinawa plant are expected to remain steady, and full-year sales and profits are expected to increase.</li> </ul>

# Results by Segments\_ Mobility



(Unit: Millions of JPY)

## Net Sales Ratio by Segments

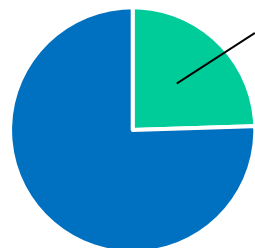


	Mar 2024 period 1Q	Mar 2025 period 1Q	YoY	Change
<b>Sales ↓</b> Net sales	4,150	<b>4,067</b>	98%	△83
<b>Profit ↓</b> Operating Profit	418	<b>179</b>	43%	△239

### 1Q Summary

- Due to the suspension of operations triggered by the fraudulent problems by automakers and the rise of Chinese-made electric vehicles in China and ASEAN, sales and profits decreased at almost all sites.
- In particular, the decrease in profit was due to a decrease in sales at the Bangkok Plant, which has a high level of productivity, and the impact of start-up costs (upfront costs) for newly ordered products (brake control-related parts) at the Vietnam Plant.

## Quarterly Progress



1Q  
24.6%

	Mar 2024 period	Mar 2025 period (forecast)	YoY	Change
Net sales	16,578	<b>16,500</b>	100%	△78
Operating Profit	1,543	<b>1,500</b>	97%	△43

### Full-year Forecast

- Based on the customer's forecasts, the current tough business performance is expected to improve from 3Q onward, and the full-year results is expected to decrease slightly from the previous year.
- We will continue to strive to reduce costs, including the horizontal deployment of fully automated and semi-automatic production lines to group companies.

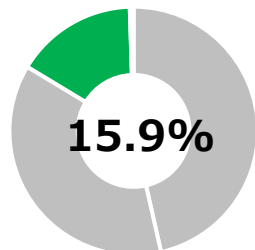
# Results by Segment

## \_ Medical & Precision Devices



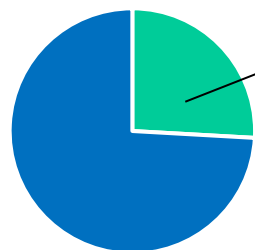
(Unit: Millions of JPY)

### Net Sales Ratio by Segments



	Mar 2024 period 1Q	Mar 2025 period 1Q	YoY	Change
Sales ↑ Net sales	1,728	<b>1,734</b>	100%	+6
Profit ↑ Operating Profit	36	<b>79</b>	219%	+43
<b>1Q Summary</b>	<ul style="list-style-type: none"> <li>Orders for medical device parts at the Thailand (Korat) plant were strong.</li> <li>Although orders for printer-related parts decreased, sales and profits increased in the Medical &amp; Precision Equipment segment owing to the effects of cost reduction activities.</li> </ul>			

### Quarterly Progress



	Mar 2024 period	Mar 2025 period (forecast)	YoY	Change
Net sales	6,617	<b>6,700</b>	101%	+83
Operating Profit	166	<b>200</b>	120%	+34
<b>Full-year Forecast</b>	<ul style="list-style-type: none"> <li>Orders for medical device parts at the Thailand (Korat) plant are expected to remain strong.</li> <li>Orders for printer-related parts are expected to keep declining, but sales and profits are expected to increase in the Medical &amp; Precision Equipment segment due to ongoing cost reduction activities.</li> </ul>			

# 【Reference】

# Consolidated Balance Sheet



## March 2025 Period 1Q

(Unit: Millions of JPY)

		March 2024 Period	March 2025 Period 1Q	Change			March 2024 Period	March 2025 Period 1Q	Change
Assets	Current assets	17,753	17,920	+167	Liabilities	Current liabilities	12,557	12,944	+387
	Cash and deposits	5,679	5,777	+98		Notes and accounts payable- trade, etc.	8,212	7,956	△256
	Notes and accounts receivable-trade etc.	7,917	7,862	△55		Short-term borrowing, etc.	1,886	1,881	△5
	Inventories	3,274	3,420	+146		Lease obligations, installment payables	299	281	△18
	Other	882	860	△22		Other	2,160	2,826	+666
	Non-current assets	13,002	13,343	+341		Non-current liabilities	3,405	3,523	+118
	Property, plant and equipment	8,376	8,639	+263		Long-term borrowing	593	546	△47
	Intangible assets	512	514	+2		Lease obligations, long-term installment payables	434	438	+4
	Investments and other assets	4,113	4,189	+76		Other	2,378	2,539	+161
	Total	15,963	16,468	+505		Net assets	Share capital	3,137	3,137
Total	30,755	31,263	+508	Capital surplus, Retained earnings, Treasury shares	8,662	8,278	△384		
				Accumulated other comprehensive income	2,991	3,377	+386		
				Non-controlling interests	1	1	△0		
				Total	14,792	14,795	+3		
				Total	30,755	31,263	+508		



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To note; the exchange rate used in this forecasts are 1USD = 150JPY, 1TB = 4.0JPY

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