

# **Financial Results Fiscal Year 2024 (April 2024-March 2025)**

**NITTO KOHKI CO., LTD**

Prime Market : 6151

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

## CONTENTS

<b>01</b>	<b>  Summary of Financial Results for FY2024</b>	<b>P.06</b>
<b>02</b>	<b>  Performance Plans for FY2025</b>	<b>P.20</b>
<b>03</b>	<b>  Review of Medium-Term Management Plan 2026</b>	<b>P.23</b>

## Performance in FY2024

**Sales: 27.2-billion-yen (increased 0.7% YoY)**

**Operating profit: 2.3-billion-yen (decreased 12.6% YoY)**

- Sales increased YoY due to increased demand for products for semiconductor production equipment, a recovery in overseas demand for blowers, and other factors
- Operating profit decreased YoY due to increase in the cost of sales ratio and effects from the product mix. By segment, the Door Closers Business turned profitable due to higher revenue resulting from strong orders for projects

## Plans for FY2025

**Sales: 29.2-billion-yen (increased 7.5% YoY)**

**Operating profit: 0.6-billion-yen (decreased 74.4% YoY)**

- We expect sales to increase due to active deployment of automation, labor-saving, and environment-friendly products, efforts focused on energy-related business, and further reinforcement of overseas strategies
- Profits are expected to decrease YoY due to rising labor costs, higher depreciation expenses in conjunction with the start up of the new plant, and other factors (EBITDA will be 3.0 billion yen, decreased 14.8% YoY)
- Uncertainty in the business environment due to U.S. tariff policies has not been incorporated into the forecast for the year

## Shareholder return

**Forecast annual dividend for FY2025 is 40 yen per share**

Although lower profit is projected in FY2025 due to higher depreciation expenses associated with the start up of the new plant and increased expenses, taking into consideration the shareholder returns set forth in the cash allocation portion of the Medium-Term Management Plan and dividend performance in recent years, forecast annual dividend is 40 yen per share

## New plant to start operations in Fukushima City to meet future demand growth

MEDOTECH (Yamagata City) and SHIRAKAWA NITTO KOHKI (Shirakawa City), which were Group companies, merged on March 1, 2024, and the company's name was changed to TOHOKU NITTO KOHKI Co., Ltd.

Construction of the new plant consolidating the two companies was completed on May 30, 2025

The location is in an industrial park near the TOHOKU-CHUO EXPWY Fukushima Ozaso Interchange

### Site (location)

Fukushima Ozaso Interchange Industrial Park  
1-1 Miyano-shita, Ozaso, Fukushima-shi, Fukushima

### Business Activities

Manufacture of door closers, electric screwdrivers “delvo”,  
and power & machine tools

- Multi-plant capable of manufacturing all products of the NITTO KOHKI Group
- Energy and labor-saving, and efficient of production by introducing the latest equipment



## Expansion of new products to meet energy and labor-saving needs

### Quick Connect Couplings

#### [LARGE ZEROSPILL CUPLA LNZN Type]

- CUPLA for chemical solution providing high flow rate and reduced dripping
- One-touch connection and valve opening/closing using a manual handle in pursuit of safety and operability



### MEDO Blower [LA-150F / LA-200F]

- Achieves high-flow volume, linear motor driven free piston type blower providing reduced power consumption and high durability
- Oil-less structure ensures that there is no oil in discharged air



### "delvo" brushless type electric screwdrivers compatible with CRX plug-in from FANUC

- The CRX Plug-in has more compatibility with the CRX collaborative robots from FANUC
- Linking collaborative robots with our controllers makes it possible to set an electric screwdriver



## CONTENTS

<b>01</b>	<b>  Summary of Financial Results for FY2024</b>	<b>P.06</b>
02	Performance Plans for FY2025	P.20
03	Review of Medium-Term Management Plan 2026	P.23

# Performance in FY2024

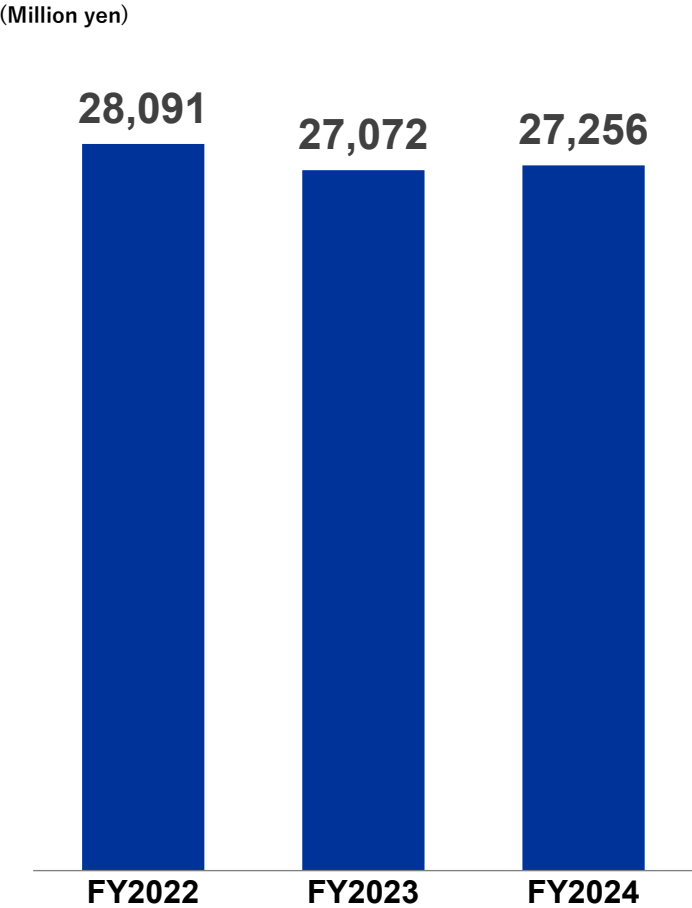
- Sales increased YoY due to higher sales in Japan and in the Americas and Europe.
- Profits decreased YoY due to increased SG&A (personnel expenses)
- Extraordinary losses were recorded due to special investigation expenses of a subsidiary and an impairment loss for the Linear Pumps Business

(Million yen)	FY2023		FY2024		Amount	%
	Amount	%	Amount	%		
<b>Sales</b>	27,072	-	<b>27,256</b>	-	+183	+0.7%
COGS	14,748	54.5%	15,113	55.5%	+365	+2.5%
<b>Gross profit</b>	12,324	45.5%	12,142	44.5%	-181	-1.5%
SG&A	9,643	35.6%	9,799	36.0%	+156	+1.6%
<b>Operating profit</b>	2,680	9.9%	<b>2,342</b>	<b>8.6%</b>	-337	-12.6%
<b>Ordinary profit</b>	2,821	10.4%	<b>2,510</b>	<b>9.2%</b>	-310	-11.0%
Extraordinary income	427	1.6%	0	-	-427	-
Extraordinary losses	604	2.2%	169	0.6%	-434	-
<b>Profit attributable to owners of parent</b>	1,841	6.8%	<b>1,345</b>	<b>4.9%</b>	-495	-26.9%

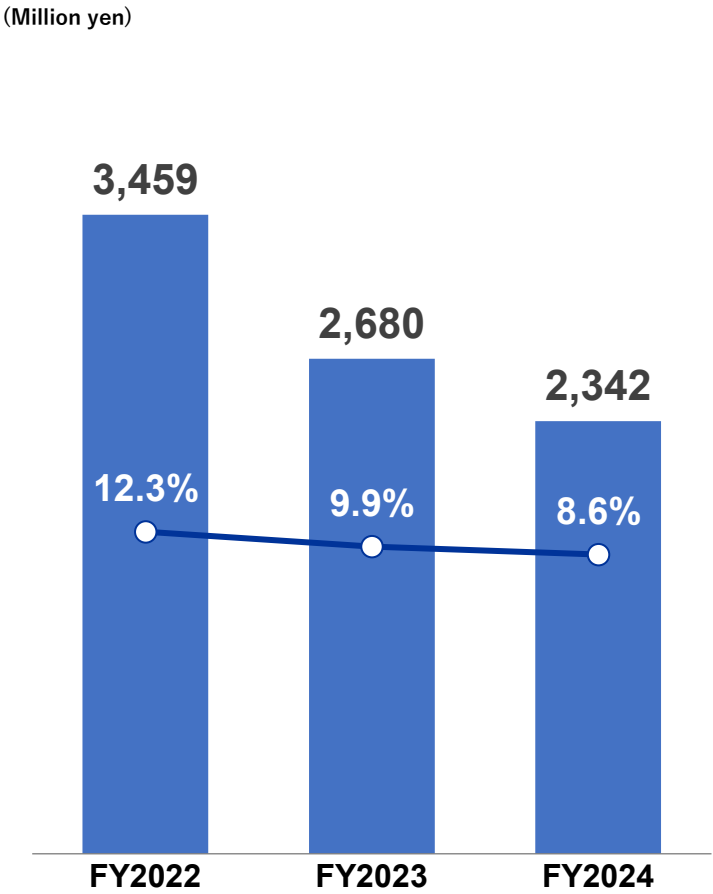
<b>PBR</b>	<b>0.64 times</b>	<b>0.59 times</b>	<b>-0.05</b>
<b>ROE</b>	<b>3.2%</b>	<b>2.3%</b>	<b>-0.9pt</b>

# Consolidated Sales and Operating Profit

■ Sales trends for the full year



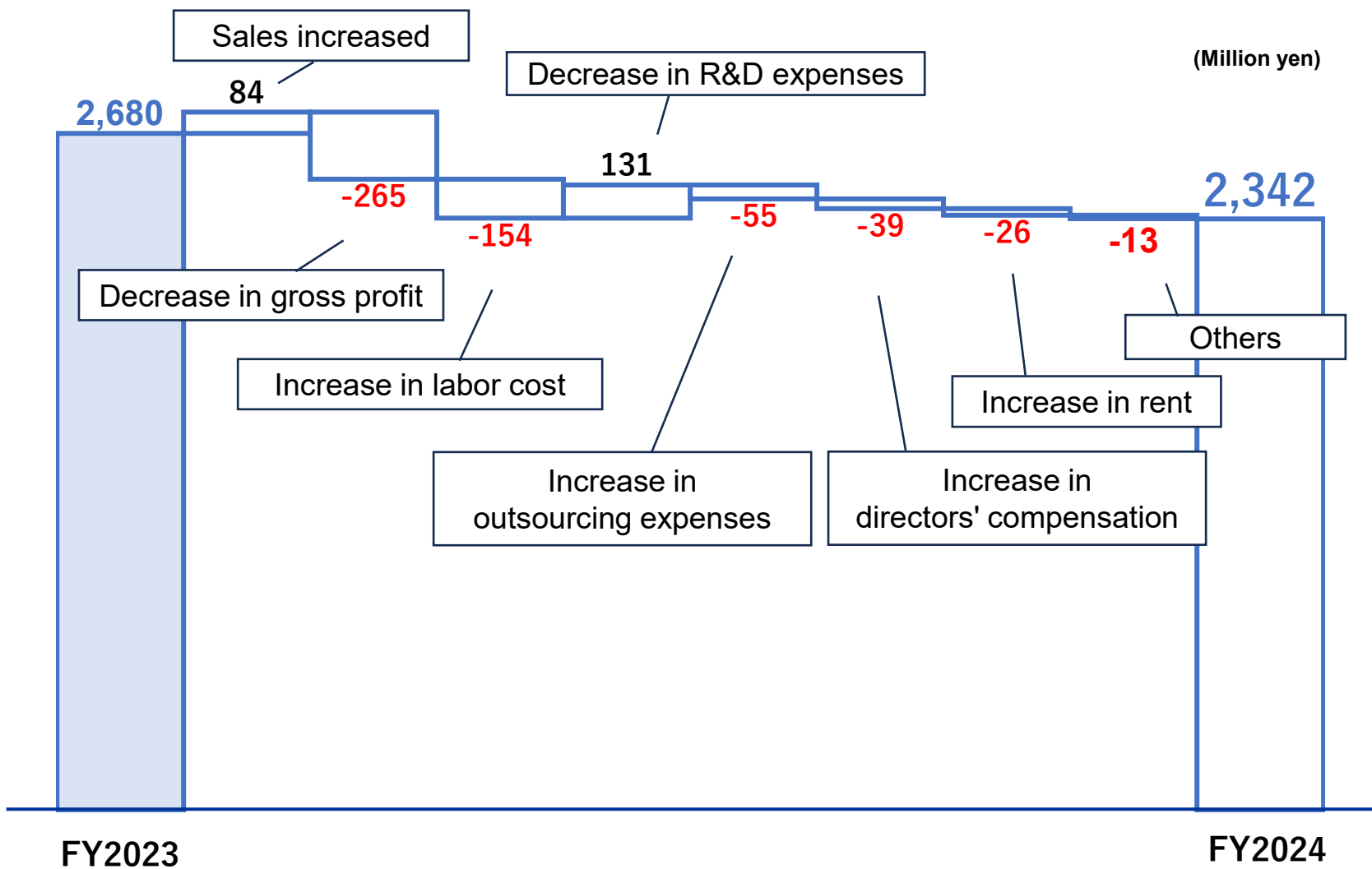
■ Full-year trends in operating profit and operating profit ratio



- Sales increased YoY due to higher sales in Japan and in the Americas and Europe



# Factors Affecting Profit



Operating profit decreased due to decrease in gross profit and the increase in labor cost

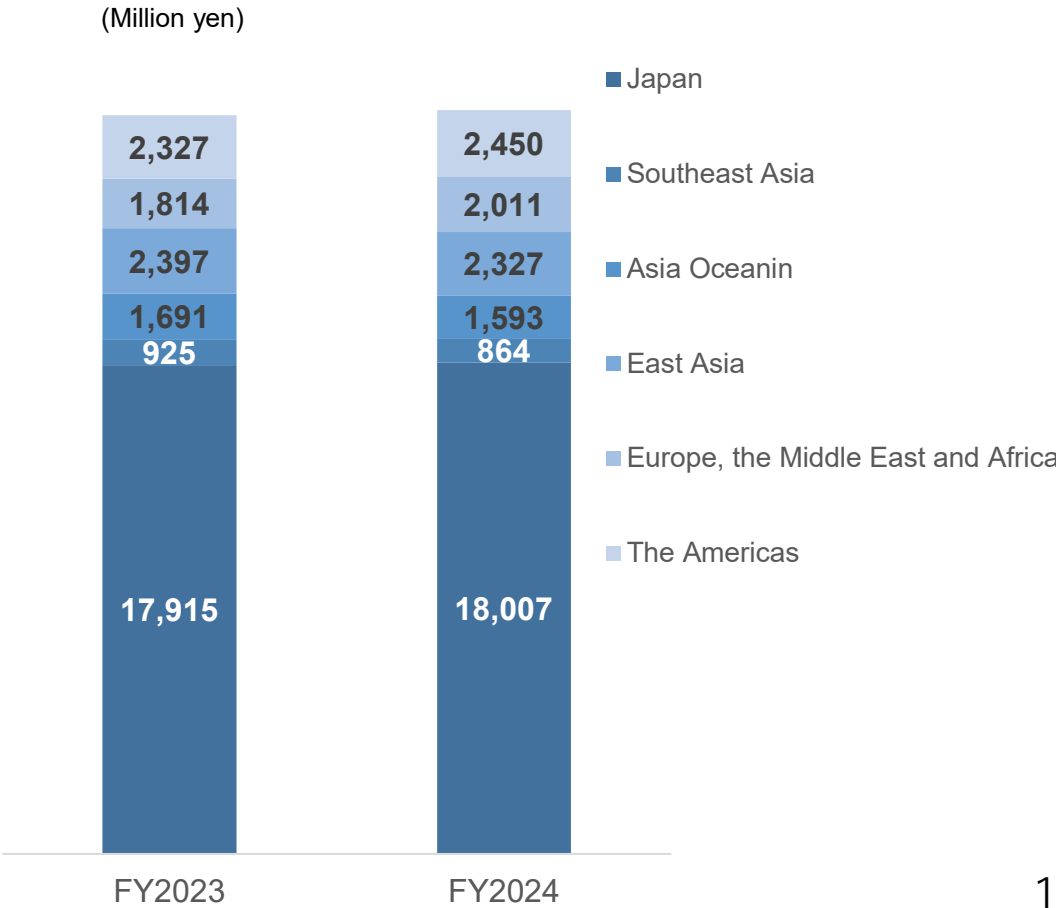
## [Breakdown]

- Gross profit decreased due to an increase in the cost of sales ratio
- Labor cost increased mainly due to base-pay increases

- Both domestic and overseas sales increased
- Overseas sales increased YoY due to a recovery in blower demand in Europe and solid performance in the Door Closers Business in Europe and the Americas

	FY2023	FY2024	%
(Million yen)			
Japan	17,915	18,007	+0.5%
Overseas	9,157	9,248	+1.0%
Overseas ratio	33.8%	33.9%	
The Americas	2,327	2,450	+5.3%
Europe, the Middle East and Africa	1,814	2,011	+10.8%
East Asia	2,397	2,327	-2.9%
Asia Oceania	1,691	1,593	-5.8%
Southeast Asia	925	864	-6.6%

Overseas sales breakdown trends



## Effect of Currency Exchange on Profit

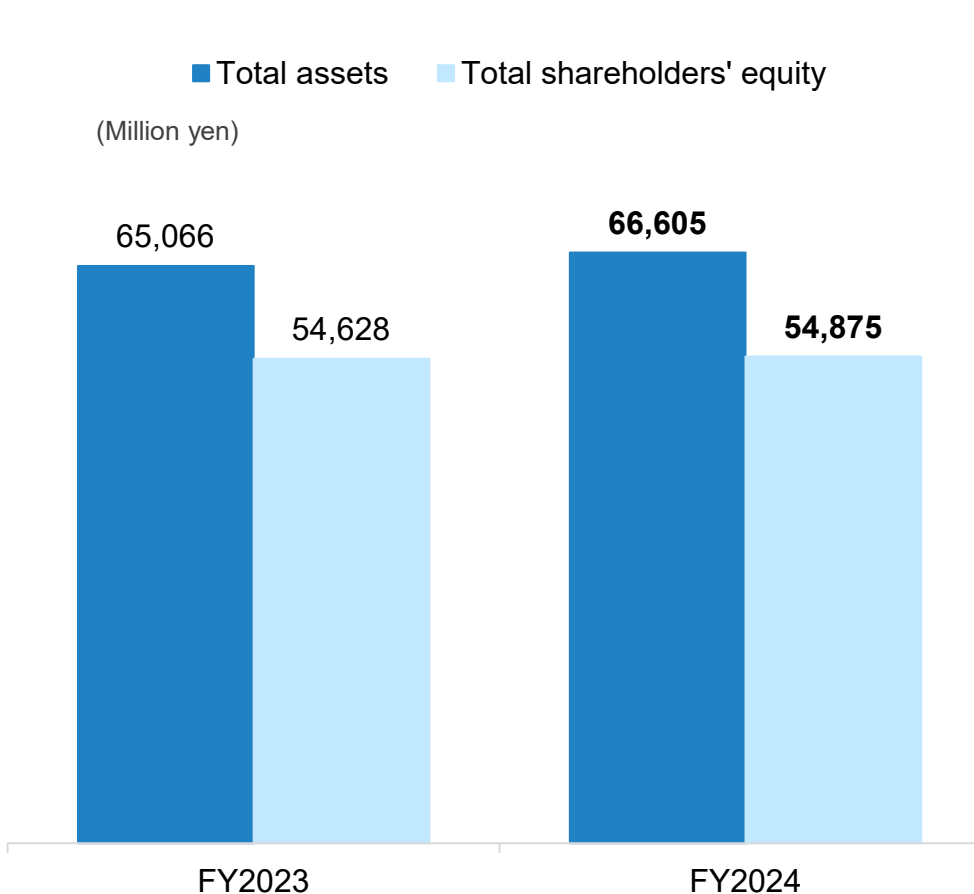
(Yen)	FY2023	FY2024	FY2025(plan)	By Currency Effect on profit (Million yen)	
US Dollar	141.83	<b>158.18</b>	145.00	US Dollar	55
Euro	157.12	<b>164.92</b>	160.00	Euro	33
UK Pound	180.68	<b>199.02</b>	185.00	UK Pound	18
AU Dollar	96.94	<b>98.50</b>	98.00	AU Dollar	21
Thai Baht	4.13	<b>4.64</b>	4.20	Thai Baht	-199
				<b>Total</b>	<b>-72</b>

Mainly due to foreign exchange losses

- Sharp rise in purchase price of Thai baht
- Elimination of unrealized profit increased

## We have carried out active investment while maintaining financial soundness

- Total assets: Increased by 1,500 million yen from the end of the previous fiscal year in conjunction with the construction of the new plant
- Liabilities : Increased by 500 million yen from the end of the previous fiscal year.



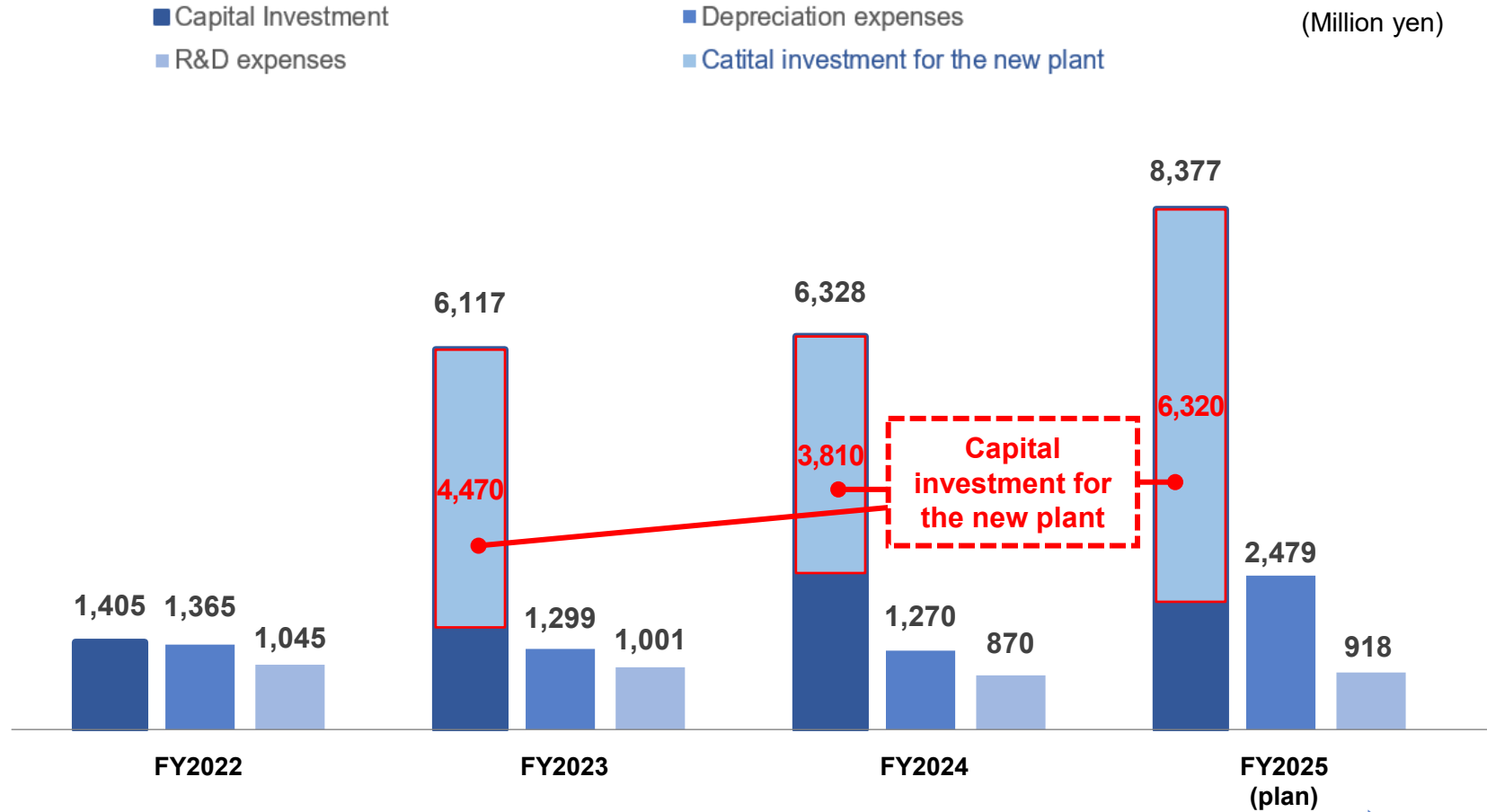
(million yen)	FY2023	FY2024	Amount
<b>Current assets</b>	42,501	<b>38,687</b>	-3,813
Cash and deposits	25,157	<b>20,305</b>	-4,852
Inventories	9,527	<b>10,373</b>	845
Non-current assets	22,565	<b>27,917</b>	5,351
<b>Total assets</b>	65,066	<b>66,605</b>	1,538
<b>Current liabilities</b>	3,570	<b>4,174</b>	604
Non-current liabilities	4,321	<b>4,246</b>	-74
<b>Total liabilities</b>	7,891	<b>8,421</b>	529
<b>Total shareholders' equity</b>	54,628	<b>54,875</b>	246
<b>Net assets</b>	57,175	<b>58,183</b>	1,008
<b>Total liabilities and net assets</b>	65,066	<b>66,605</b>	1,538

# Consolidated Cash Flow Statement

## Continuously invest for future growth

(Million yen)	FY2023	FY2024	Amount
Cash flows from operating activities	2,307	2,709	401
Cash flows from investment activities	-333	-6,852	-6,519
Cash flows from financing activities	-3,740	-1,385	2,355
Cash and cash equivalents at end of period	18,805	13,429	-5,376

# Capital Investment



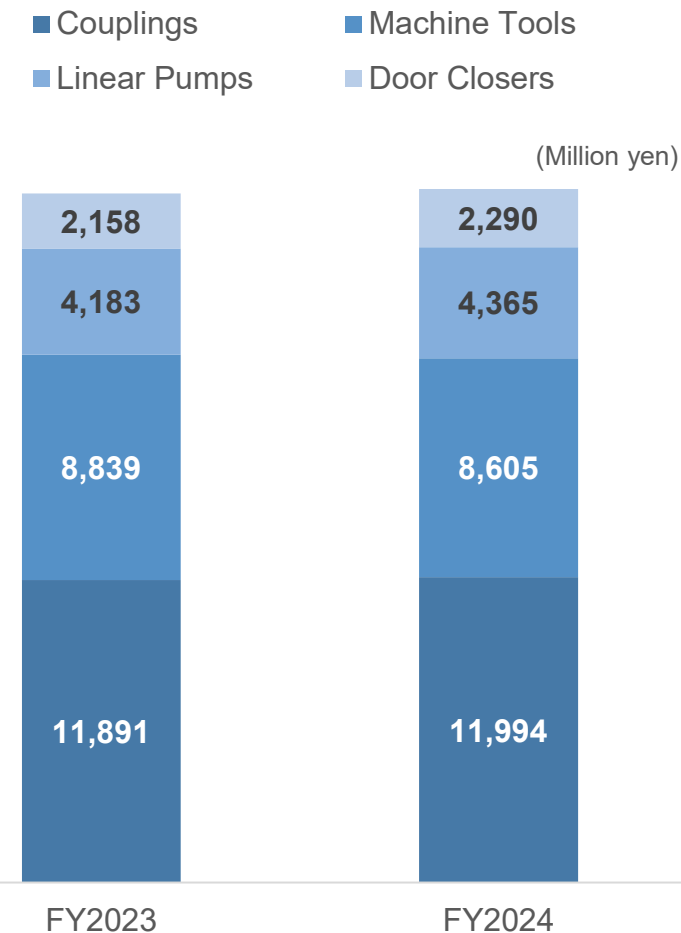
- Starting with FY2023, we have carried out growth investments such as new plant investment and renewing the enterprise system
- Investments in the new plant account for approximately 14.6 billion yen over the three fiscal period from FY2023 to FY2025; depreciation expenses started arising in FY2025

**Continue investments to construct the new plant,  
promote factory automation, improve production efficiency,  
and develop new products**

# Performance by Segment

- Sales increased YoY, in all but Machine Tools
- Regarding operating profit, losses in the Linear Pumps Business decreased and Door Closers turned profitable

(Million yen)	FY2023	FY2024	%
<b>Sales</b>	27,072	<b>27,256</b>	+0.7%
Couplings	11,891	<b>11,994</b>	+0.9%
Machine Tools	8,839	<b>8,605</b>	-2.6%
Linear Pumps	4,183	<b>4,365</b>	+4.3%
Door Closers	2,158	<b>2,290</b>	+6.1%
<b>Operating profit</b>	2,680	<b>2,342</b>	-12.6%
Couplings	2,393	<b>2,067</b>	-13.6%
Machine Tools	575	<b>415</b>	-27.8%
Linear Pumps	-232	<b>-143</b>	—
Door Closers	-56	<b>2</b>	—

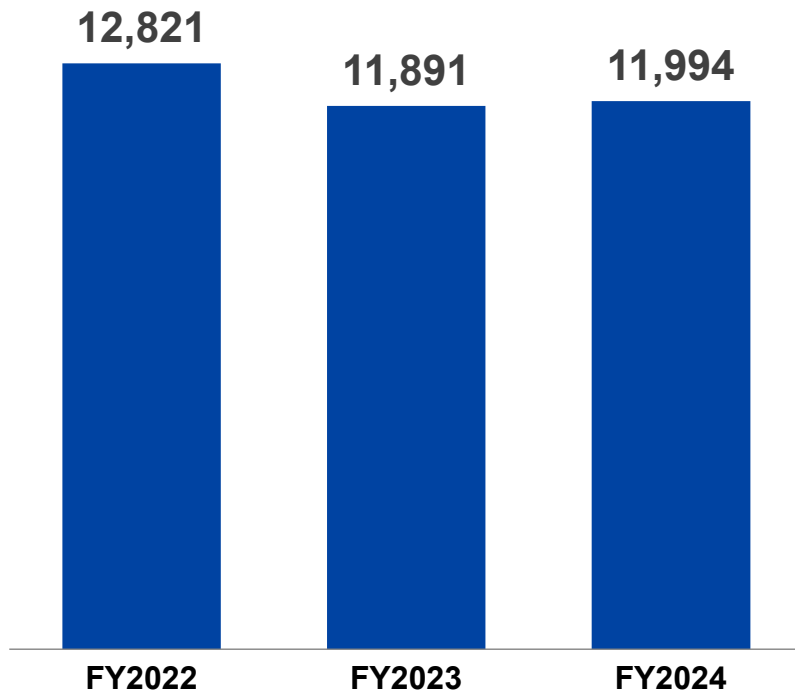


# Couplings Business Performance

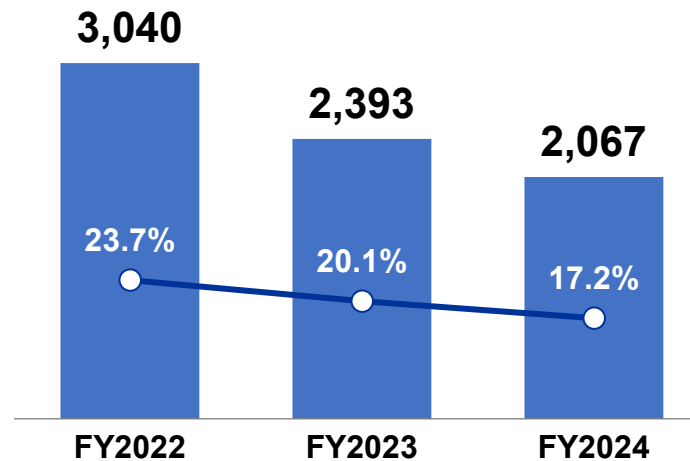
(Million yen)	FY2023	FY2024	%
<b>Sales</b>	<b>11,891</b>	<b>11,994</b>	<b>+0.9%</b>
<b>Operating profit</b>	<b>2,393</b>	<b>2,067</b>	<b>-13.6%</b>
<b>Operating profit ratio</b>	<b>20.1%</b>	<b>17.2%</b>	<b>-2.9pt</b>

## ■ Sales

(Million yen)



## ■ Operating profit and operating profit ratio



- Although there were effects from a decrease in demand for products for industrial machinery, demand for products for semiconductor production equipment related to the spread of generative AI increased, and sales increased 0.9% YoY
- Operating profit decreased YoY due to the higher cost of sales ratio and other factors

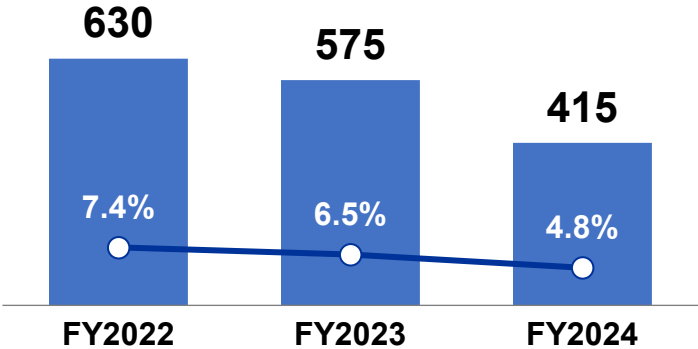
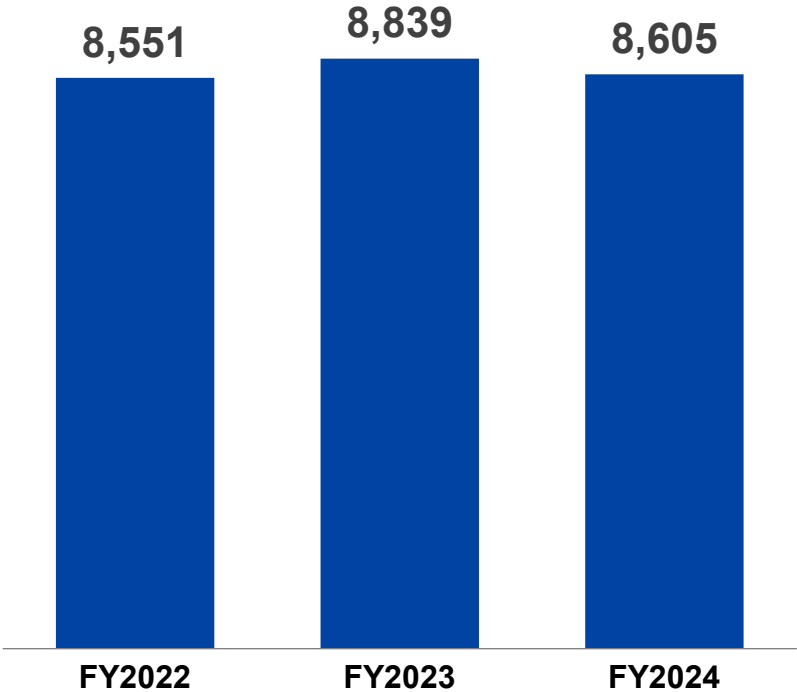


# Machine Tools Business Performance

(Million yen)	FY2023	FY2024	%
Sales	8,839	8,605	-2.6%
Operating profit	575	415	-27.8%
Operating profit ratio	6.5%	4.8%	-1.7pt

■ Sales  
(Million yen)

■ Operating profit and operating profit ratio



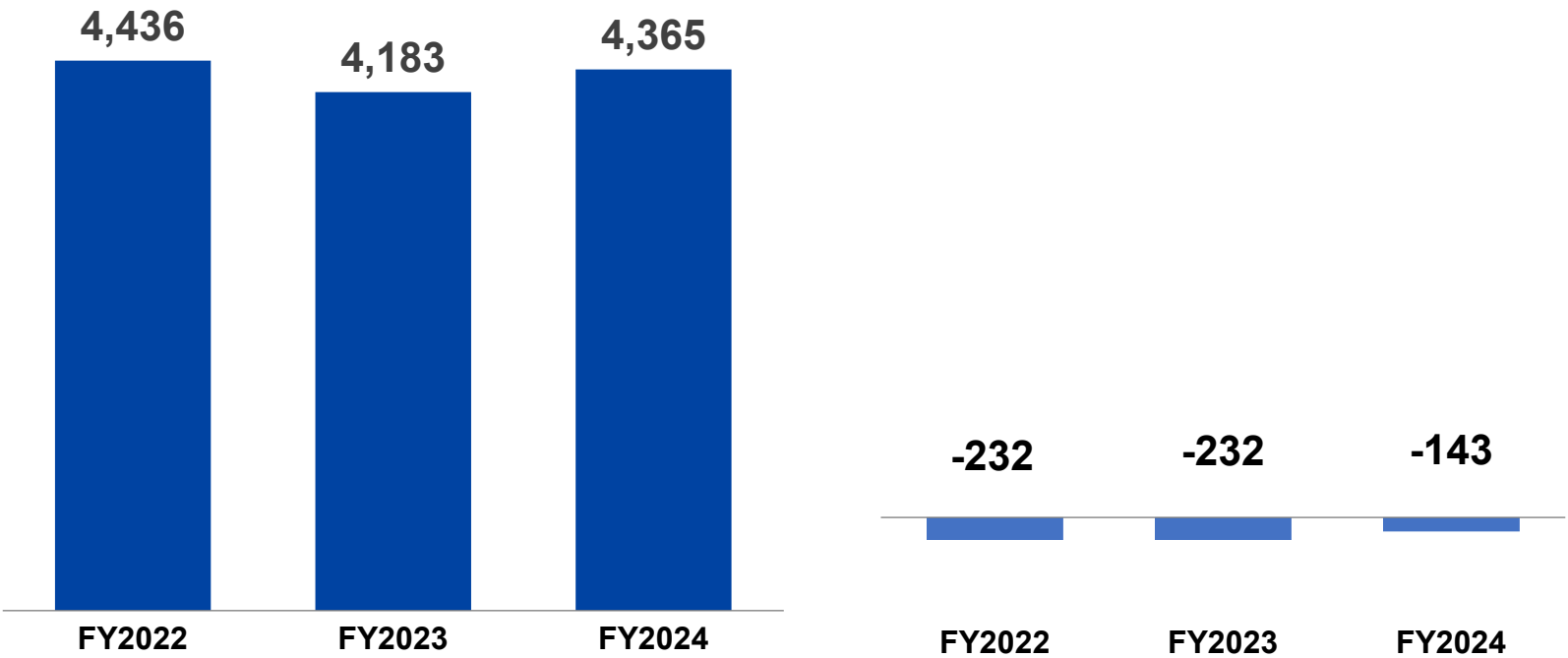
- Decrease in domestic and overseas sales
- Lower profits due to lower sales

# Linear Pumps Business Performance

(Million yen)	FY2023	FY2024	%
Sales	4,183	4,365	+4.3%
Operating profit	-232	-143	—
Operating profit ratio	—	—	—

■ Sales  
(Million yen)

■ Operating profit



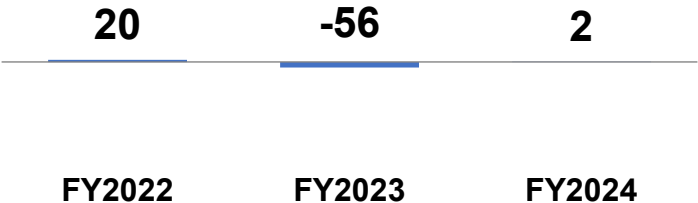
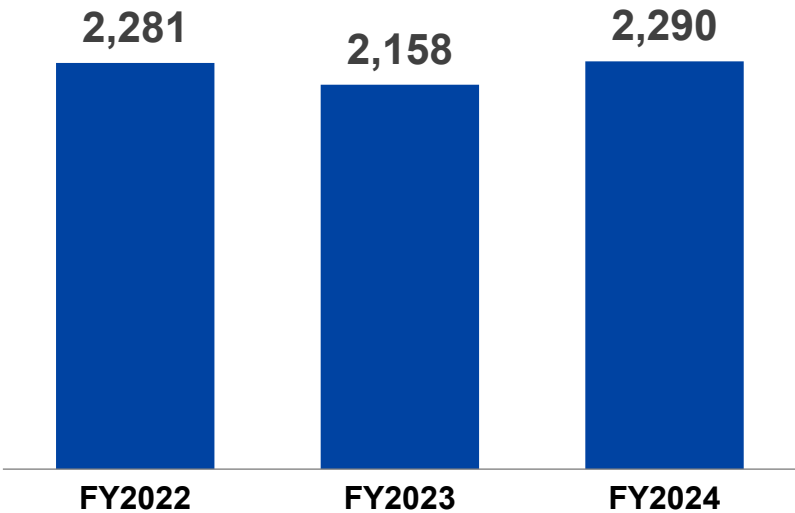
- Sales increased 4.3% YoY due to a recovery in blower demand in Europe
- Due to efforts to reduce expenses, operating losses decreased

# Door Closers Business Performance

(Million yen)	FY2023	FY2024	%
Sales	2,158	2,290	+6.1%
Operating profit	-56	2	—
Operating profit ratio	—	0.1%	—

■ Sales  
(Million yen)

■ Operating profit



- Sales increased 6.1% YoY due to firm project orders in Japan and overseas
- Profit improved due to effects from the increase in sales, and business turned profitable for the year

## CONTENTS

01	Summary of Financial Results for FY2024	P.06
02	<b>Performance Plans for FY2025</b>	<b>P.20</b>
03	Review of Medium-Term Management Plan 2026	P.23

## Performance Plans for FY2025

- Recent business performance has been solid
- Automation, labor-saving, and environment-friendly products will be actively deployed and overseas strategies will be reinforced further

(Million yen)	FY2024	FY2025(plan)	%
<b>Sales</b>	<b>27,256</b>	<b>29,290</b>	<b>+7.5%</b>
Couplings	11,994	13,093	+9.2%
Machine Tools	8,605	9,207	+7.0%
Linear Pumps	4,365	4,648	+6.5%
Door Closers	2,290	2,342	+2.3%
<b>Operating profit</b>	<b>2,342</b>	<b>600</b>	<b>-74.4%</b>
<b>Operating profit ratio</b>	<b>8.6%</b>	<b>2.0%</b>	<b>-6.6pt</b>
<b>EBITDA</b>	<b>3,612</b>	<b>3,078</b>	<b>-14.8%</b>
<b>Ordinary profit</b>	<b>2,510</b>	<b>740</b>	<b>-70.5%</b>
<b>Profit attributable to owners of parent</b>	<b>1,345</b>	<b>650</b>	<b>-51.7%</b>

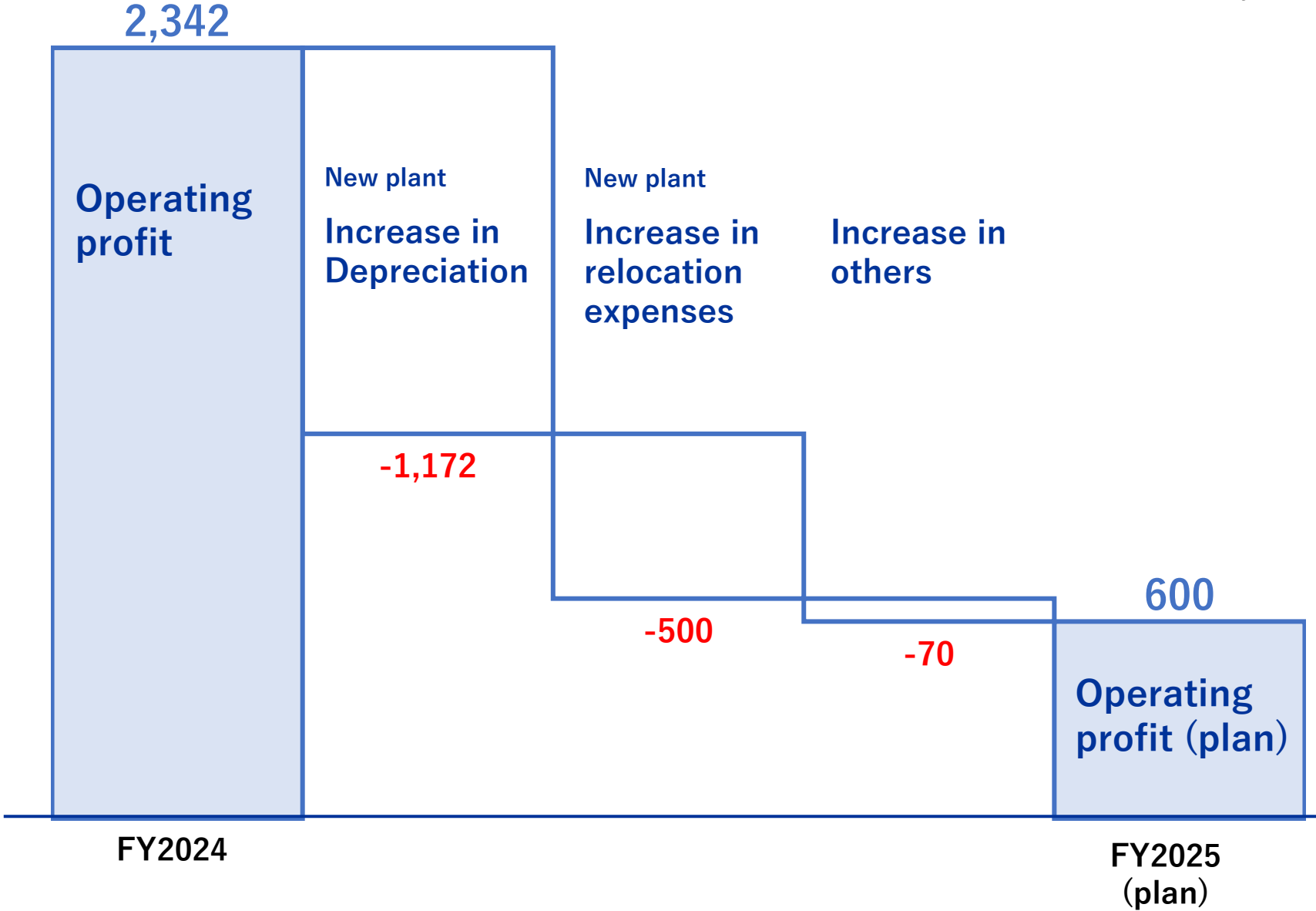
**Sales: +7.5% YoY**

**Operating profit: -74.4% YoY**

- Profit will temporarily decrease due to the cost burdens associated with the start up of the new plant
- Subsidy income associated with construction of the new plant is expected, but the timing and amount received are subject to change, and accordingly, this income is not reflected in the forecast for the current fiscal year

# Regarding the Reduction in Profit in the Plan for FY2025

(Million yen)



Operating profit of 600 million yen is planned for FY2025

[Breakdown]

- Cost burdens associated with start up of the new plant (depreciation expenses, relocation expenses in conjunction with transfer, new showroom, and other)

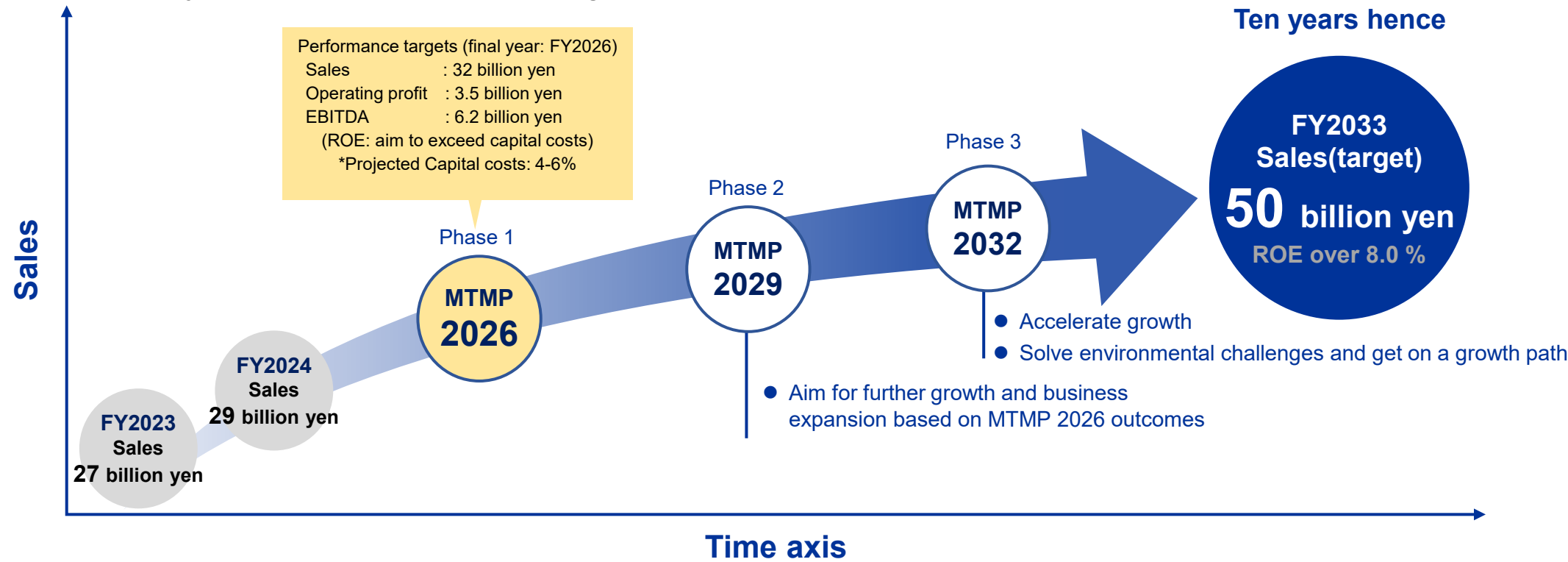
## CONTENTS

01	Summary of Financial Results for FY2024	P.06
02	Performance Plans for FY2025	P.20
03	<b>Review of Medium-Term Management Plan 2026</b>	<b>P.23</b>

Enhancing our earning power to make a great leap in the next decade

Key Points

- 1. Enhance earning power and expand investment into growth areas  
(hydrogen- and new energy-related products / automatic labor-saving and environmentally friendly products / strengthen overseas strategies)
- 2. Optimize production systems and strengthen cost competitiveness  
(start operation of new domestic plant / review global production system / consider alliances and M&A with other companies)
- 3. Establish a management foundation for achieving sustainable growth  
(innovate enterprise system / promote DX / sustainable management)

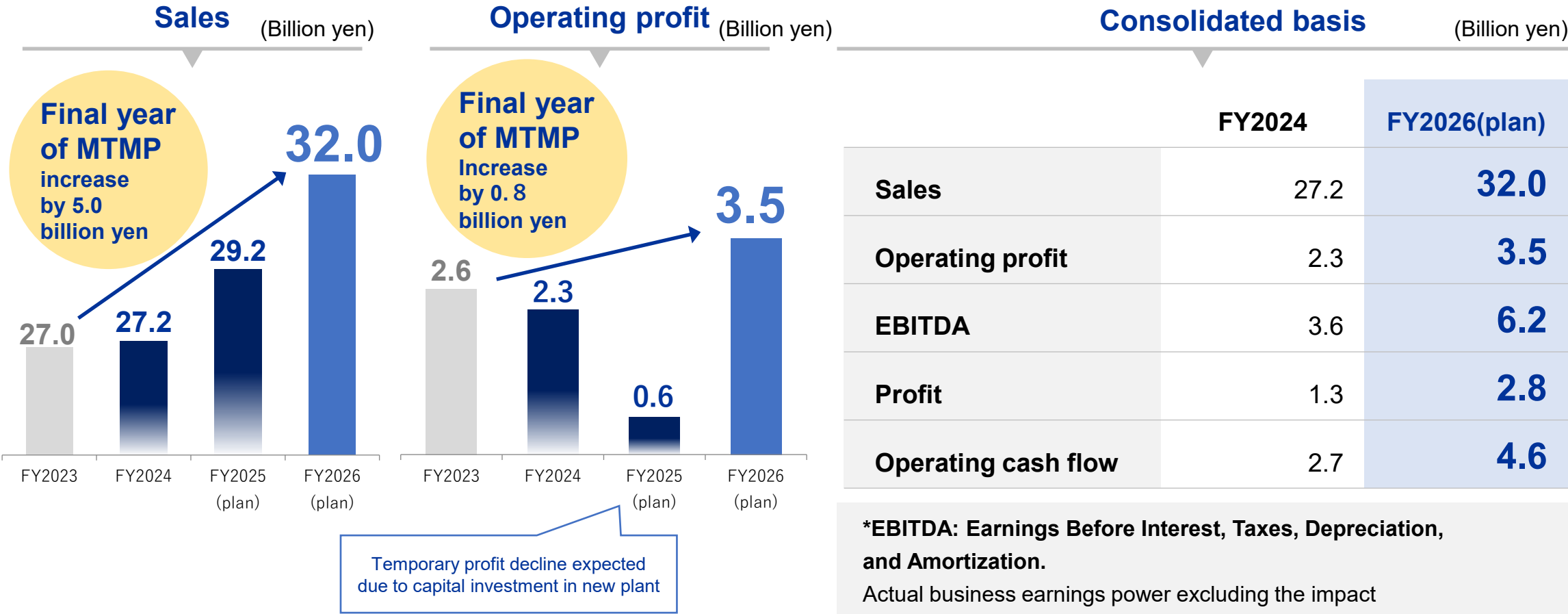




# Medium-Term Management Plan 2026 Performance Targets

Position the current MTMP period as “the phase for establishing solid foundations” for further growth and addressing the recreation corporate value.

## Medium-Term Management Plan 2026 Performance Targets (final year: FY2026)



# Medium-Term Management Plan 2026 Performance by Segment

(Billion yen)					
Sales	FY2023	FY2024	FY2025 (plan)	YoY	FY2026 (plan)
Couplings Business	11.8	11.9	13.0	+9.2%	14.5
Power & Machine Tools Business	8.8	8.6	9.2	+7.0%	10.0
Linear Pumps Business	4.1	4.3	4.6	+7.0%	5.0
Door Closers Business	2.1	2.2	2.3	+4.5%	2.5
Total sales	27.0	27.2	29.2	+7.5%	32.0

- AI-associated semiconductor-related demand for quick connect Couplings is strong, and we will steadily capture capital investment demand in new fields
- Regarding Machine Tools, new products are expected to invigorate sales activities
- The recovery trend for Linear Pumps and Door Closers is expected to continue from the previous fiscal year

# Medium-Term Management Plan Initiatives Themes

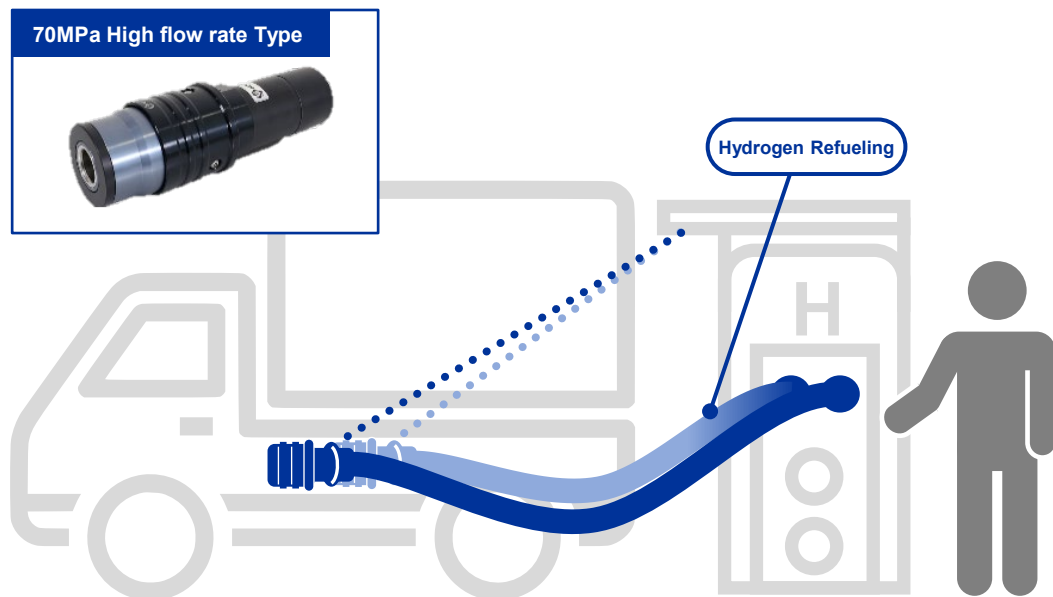
Initiative themes		Primary measures
1	Strengthen energy-related businesses, especially CUPLA for Hydrogen Use	<ul style="list-style-type: none"> <li>✓ Implement sales strategies to explore energy market trends</li> <li>✓ Refine functionality and expand lineup of CUPLA for Hydrogen Use</li> </ul>
2	Proactively develop products suitable automation, labor-saving, and the environment	<ul style="list-style-type: none"> <li>✓ Expand lineup of environmentally-certified products and tools for automated machinery/robots</li> <li>✓ Establish regional partner network</li> <li>✓ Train and actively hire human resources with specialist knowledge</li> </ul>
3	Create new businesses with a view of the next decade	<ul style="list-style-type: none"> <li>✓ Review existing business portfolios from multiple angles</li> <li>✓ Active investment in research and business collaboration, study M&amp;A</li> </ul>
4	Reframe overseas strategies (Promote region-specialized strategies)	<ul style="list-style-type: none"> <li>✓ Explore high-end demand in Western markets</li> <li>✓ Expand and diversify sales channels in emerging markets</li> </ul>
5	Improve profitability through improving delivery dates and reducing costs	<ul style="list-style-type: none"> <li>✓ Review production systems upon the start of the production in new plant</li> </ul>
6	Improve corporate value through integrating talents and DX investment	<ul style="list-style-type: none"> <li>✓ Create a work environment where employee feel secure and supported</li> <li>✓ Improve corporate value through the active participation of diverse employees</li> </ul>
7	Improve capital efficiency	<ul style="list-style-type: none"> <li>✓ Execute a broad range of measures aimed at improving ROE</li> </ul>

## Implementation of Measures to Achieve Growth in Leading CUPLA for Hydrogen Use

### Product Development

#### ● Development of new products

A 70 MPa high-flow rate type was developed to increase the refueling efficiency of fuel cell trucks and other large vehicles



### Sales strategies that delve deeper into market trends

Inter-departmental Hydrogen Working Group launched

Objective	In preparation for the coming growth period, investigate production structures and investment scale
Member	Approximately 30
Activities	Identify and investigate issues in different areas including production, sales and development

### Hiring actual

#### Fuel cell vehicles

Honda [CR-V e:FCEV]  
Toyota [The new Crown]  
Toyota [The new MIRAI]

#### Fuel cell bus

Toyota [SORA]

## Deployment of labor-saving and environment-friendly products will contribute to sales growth

### Automation and labor-saving

We will develop various products with the objective of contributing to energy-saving, labor-saving, and automation in industry

- Reinforce R&D of products compatible with automated machines and robots
- Increase collaboration with Slers

#### Product examples



### Environmentally-friendly products

#### Product examples

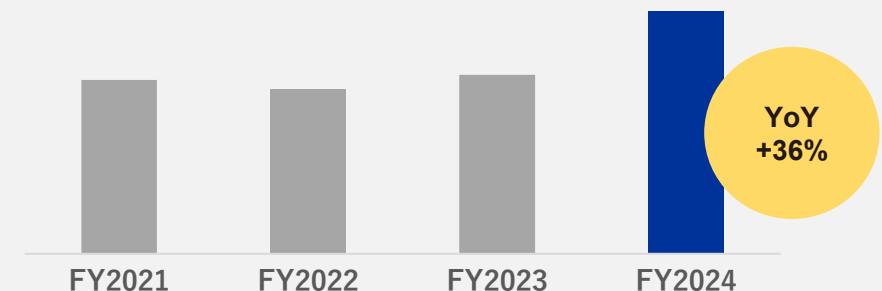
#### ● Cutting oil collecting unit [HK-400A]

We developed it with the concepts of low power consumption, compact, lightweight, and high safety. Compared to earlier manual work or air-driven vacuum pumps, significantly improves work efficiency and reduces power consumption. Also compatible with oil-based cutting fluids.

⇒ Enables recycling of cutting fluids and contributes to improved working environments and energy-savings



[HK400] Series Sales Trends



**Enhance measures in priority markets: Establish a subsidiary in India and reinforce the organizational and engineering capabilities of subsidiaries in Europe and the Americas.**

## Emerging markets

The subsidiary established in India in September 2024 is in the process of being put on track.

➤ Target market	Automobiles, air conditioning, and medical devices
➤ Sales	0.3 billion yen (FY2024)
➤ Sales targets	Approx. 1 billion yen (FY2030)

### ➤ Sales composition of Indian subsidiary (FY2024)

Quick Connect Couplings

Power & Machine Tools

Pumps & Compressors

## Existing markets

- Expand sales channels in China and expand sales territories
- Enhance local engineering capabilities and continue to capture high-end demand
- Review existing sales channels and continue to identify collaboration partners

### Growth Strategies



**Expand sales channels and conduct distributor training**

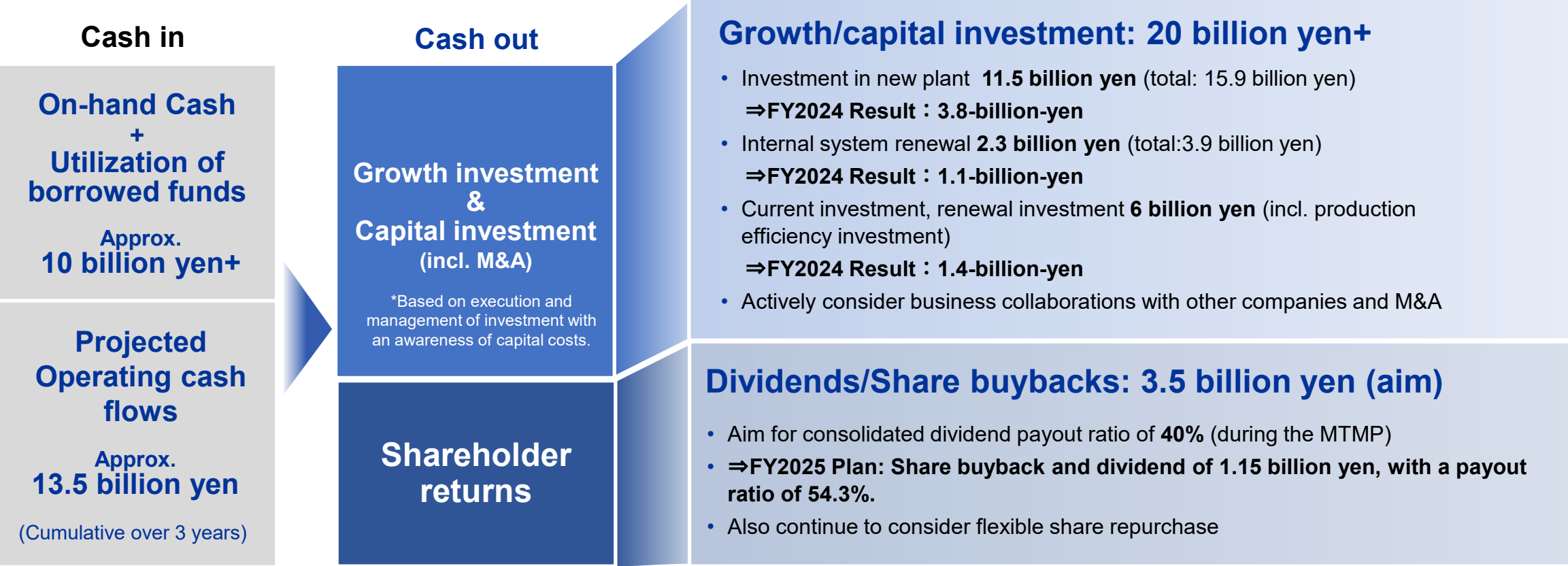


**Clarify targets and introduce new products in line with markets**

Basic policy

We shall secure ample operating capital through combining operating cash flow and effective use of on-hand cash.  
While prioritizing capital allocation to growth investments, we shall continue stable shareholder returns and enhance corporate value.

Medium-Term Management Plan 2026 Target Period  
(Plan for April 2024-March 2027)



# Shareholder Returns

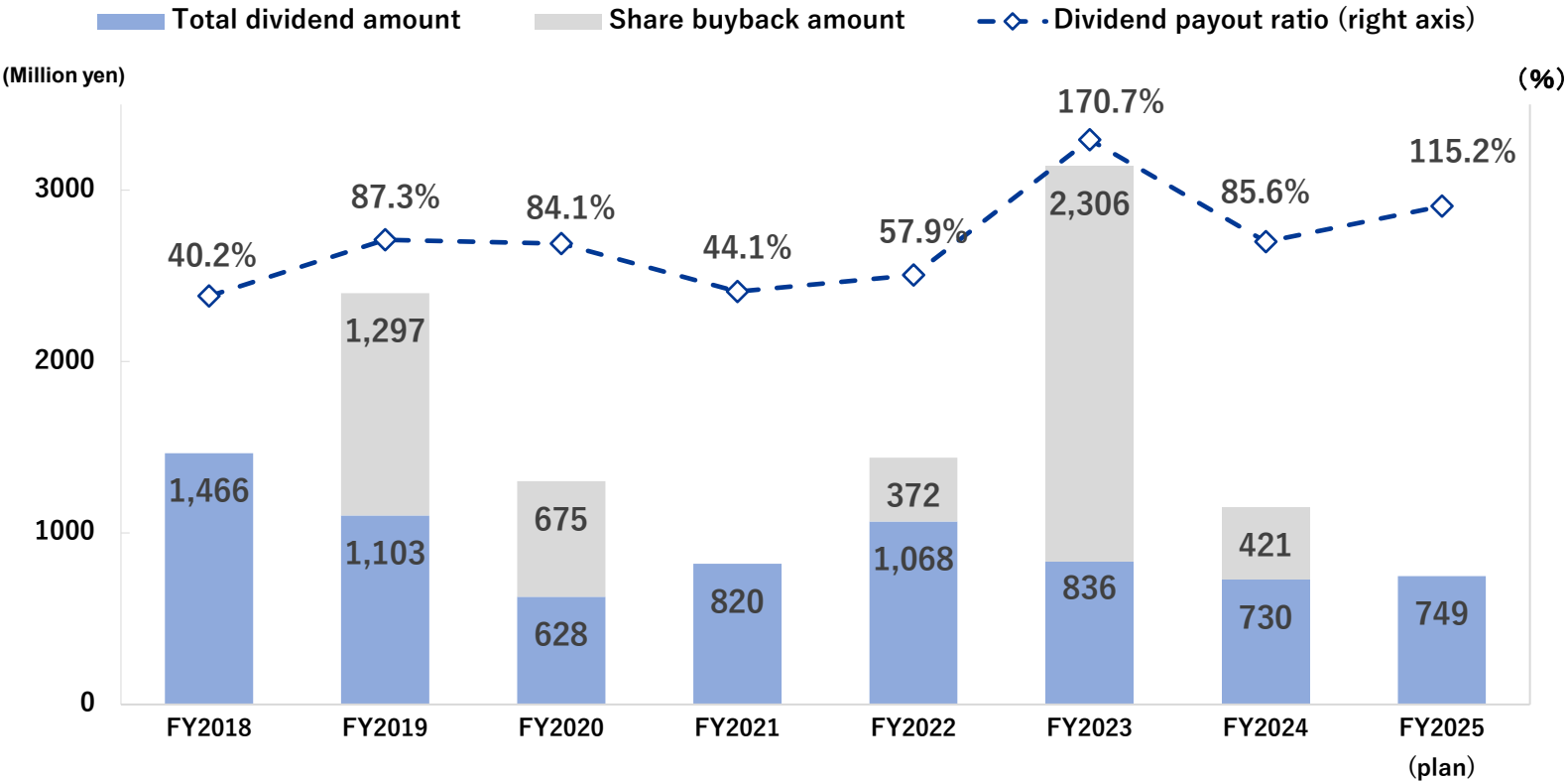


	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025 (plan)
Payout ratio	40.2%	40.1%	40.5%	44.1%	42.9%	45.4%	54.3%	115.2%
Payout ratio from share buybacks	—	47.2%	43.6%	—	14.9%	125.3%	31.3%	—
Total payout ratio	40.2%	87.3%	84.1%	44.1%	57.9%	170.7%	85.6%	115.2%

## [Dividend policy]

Consolidated dividend payout ratio of 40%

- In FY2024, stable returns were prioritized and the dividend payout ratio was increased to 54.3%
- Despite the reduced profits in FY2025, based on cash allocations under the MTMP and our recent dividend performance, we plan an annual dividend of 40 yen per share (an increase of 1 yen from the previous year) and a dividend payout ratio of 115.2%







This document contains forward looking statements based on NITTO KOHKI's own projections and estimates. They are subject to a number of risks and uncertainties. Take note that actual results may differ from our expectations.

Contact : Corporate Planning Sec.

Tel : +81-3-3755-9970

Email : [ir@nitto-kohki.co.jp](mailto:ir@nitto-kohki.co.jp)