



NORITAKE CO., LIMITED

# Results for the Year Ended March 31, 2024

**This document has been translated from a part of 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. This document contains forward-looking statements. Actual future results may differ materially from these forward-looking statements due to changes in the business environment and other factors.**

- 1. Summary of Financial Results for FY2024  
(Ended March 31, 2024)**
- 2. Forecasts for FY2025 (Ending March 31,  
2025) and Priority Measures**
- 3. Progress of the 12th Three-year Business  
Plan (FY2023-FY2025)**

- 1. Summary of Financial Results for FY2024  
(Ended March 31, 2024)**
2. Forecasts for FY2025 (Ending March 31, 2025) and Priority Measures
3. Progress of the 12th Three-year Business Plan (FY2023-FY2025)

# 1. Summary of Financial Results for FY2024

## Consolidated Statements of Income

Decrease in sales and increase in profit compared to the previous year. Ordinary Profit increased and reached a record high.

(Unit : billion yen)

	FY2023			FY2024			Change
	1st Half	2nd Half	Total	1st Half	2nd Half	Total	
Net Sales	67.8	71.7	139.5	67.6	70.4	137.9	△1.1%
Operating Profit	4.5	4.4	9.0	4.9	5.8	10.7	+19.4%
Ordinary Profit	6.6	5.8	12.4	7.0	7.7	14.6	+18.0%
Profit Attributable to Owners of Parent	5.2	4.8	10.0	5.8	5.7	11.5	+14.5%

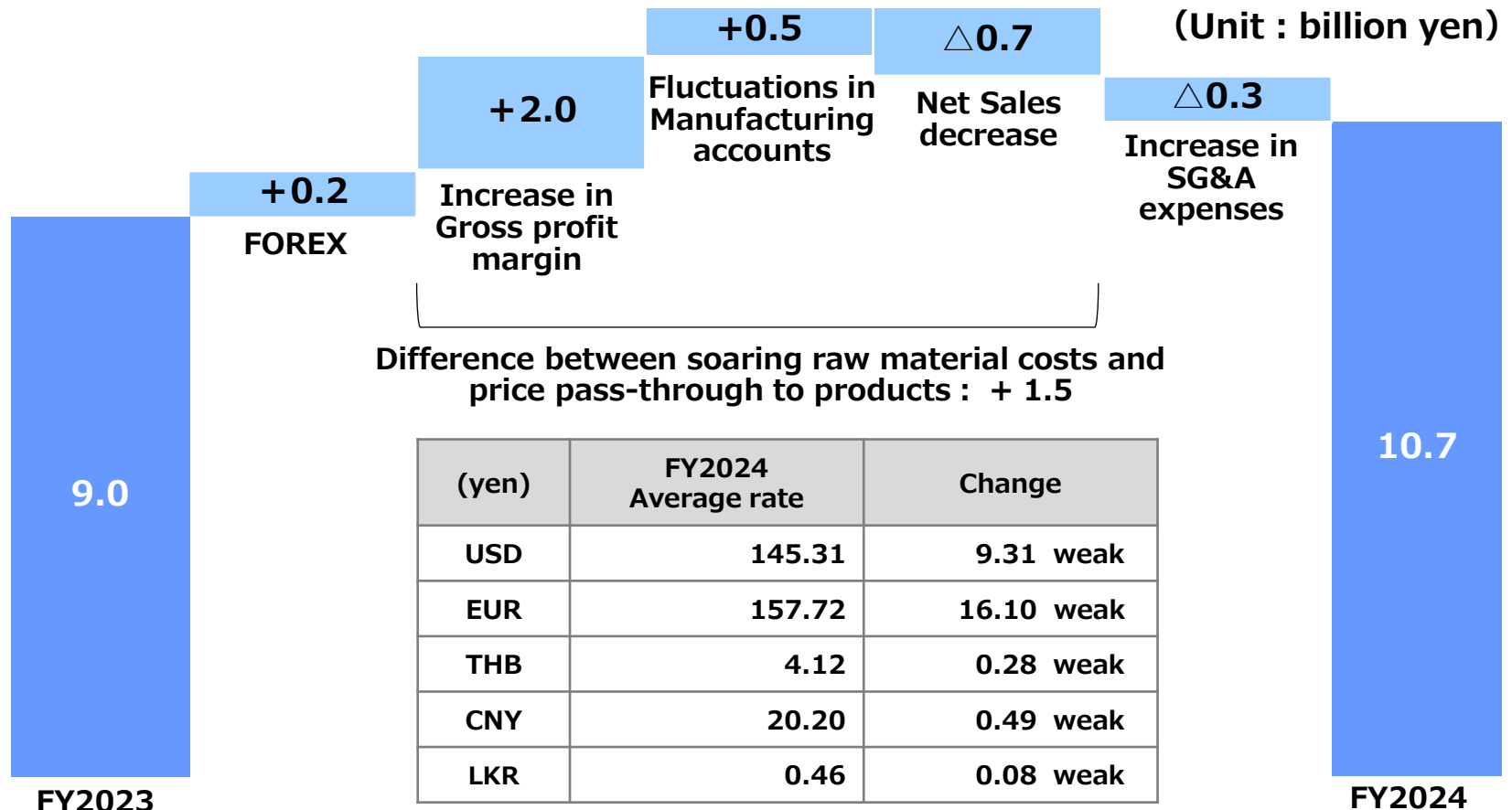
Year-end dividend : 130 yen per share (Annual dividend : 250 yen per share)

4 Amounts are based on before stock split.

# 1. Summary of Financial Results for FY2024

## Cause of increase/decrease of Operating Profit

Operating Profit increased by 1.7 billion yen compared to the previous year, mainly due to increase in gross profit margin and fluctuations in manufacturing accounts.



# 1. Summary of Financial Results for FY2024

## Cause of increase/decrease of Ordinary Profit

Ordinary Profit increased by 2.2 billion yen with an increase of 1.7 billion yen of Operating Profit and 0.5 billion yen of Non-operating income.

(Unit : billion yen)

	FY2023	FY2024	Change
Operating Profit	9.0	10.7	+1.7
Dividend income	1.1	1.0	△0.0
Rental income	0.5	0.5	+0.0
Foreign exchange gains	0.1	0.3	+0.2
Share of profit of entities accounted for using equity method	1.6	1.8	+0.2
Others	0.2	0.3	+0.1
Non-operating income/expenses	3.4	3.9	+0.5
Ordinary Profit	12.4	14.6	+2.2

# 1. Summary of Financial Results for FY2024

## Extraordinary income / Extraordinary losses

Gain on sales of investment securities : 1.97 billion yen.  
 Loss on disposal of non-current assets : 0.57 billion yen,  
 Retirement benefit expenses : 0.51 billion yen.

(Unit : billion yen)

Extraordinary income	
Gain on sales of investment securities※	1.97
Gain on sales of non-current assets	0.08
<b>Total</b>	<b>2.05</b>

Extraordinary losses	
Loss on disposal of non-current assets	0.57
Impairment losses	0.13
Loss on valuation of investment securities	0.09
Retirement benefit expenses	0.51
Others	0.01
<b>Total</b>	<b>1.31</b>

7 ※ Reduction of cross-shareholdings

# 1. Summary of Financial Results for FY2024

## Sales and Profit by business segment

Sales decreased in Industrial Products and Ceramics & Materials. Operating Profit improved in all segments.

(Unit : billion yen)

		FY2023	FY2024	Difference	Change
Net Sales	Industrial Products	57.5	55.7	△1.7	△3.0%
	Ceramics & Materials	49.2	46.6	△2.6	△5.2%
	Engineering	25.9	28.6	+2.7	+10.2%
	Tabletop	6.9	7.0	+0.1	+0.9%
	<b>Total</b>	<b>139.5</b>	<b>137.9</b>	<b>△1.6</b>	<b>△1.1%</b>
Operating Profit	Industrial Products	2.4	2.5	+0.1	+5.5%
	Ceramics & Materials	4.8	6.2	+1.3	+27.6%
	Engineering	2.1	2.2	+0.1	+7.0%
	Tabletop	△0.3	△0.1	+0.1	—
	<b>Total</b>	<b>9.0</b>	<b>10.7</b>	<b>+1.7</b>	<b>+19.4%</b>



# 1. Summary of Financial Results for FY2024

## Sales by business segment

### Industrial Products Group

#### Sales per products

(Unit : billion yen)

	FY2023	FY2024	Change
Grinding Wheels	17.8	17.6	△0.1
Diamond Wheels/Tools CBN Wheels	11.9	11.5	△0.3
Cutting/Offset Wheels	17.2	16.9	△0.2
Coated Abrasives	6.8	5.7	△1.0
Related Products	3.9	3.9	△0.0
<b>Total</b>	<b>57.5</b>	<b>55.7</b>	<b>△1.7</b>

#### Custom-made products

##### Japan

Sales remained flat year on year due to lower production in the steel, bearing, and electronic parts industries, although production has recovered in the automotive industry.

##### Overseas

Automotive-related sales recovered in North America, but industrial machinery-related sales decreased in China, and the decline in automotive production affected in Southeast Asia. Overall sales decreased.



#### Coated Abrasives

Sales were weak both domestically and overseas.

# 1. Summary of Financial Results for FY2024

## Sales by business segment

### Ceramics & Materials Group

#### Sales per products

(Unit : billion yen)

		FY2023	FY2024	Change
	Electronic paste	8.9	9.4	+0.5
	Electronic component raw materials	12.7	16.4	+3.7
	Ceramic raw materials	18.1	10.4	△7.7
	Other ceramics	9.5	10.4	+0.9
	<b>Total</b>	<b>49.2</b>	<b>46.6</b>	<b>△2.6</b>

#### Electronic paste/Electronic component raw materials

In business for multi-layer ceramic capacitors, sales to automotive industry were solid. In addition, demand for communications equipment partially recovered due to progress in inventory adjustments.



#### Ceramic raw materials

Sales for heat-resistant glass decreased significantly.

# 1. Summary of Financial Results for FY2024

## Sales by business segment

### Engineering Group

### Sales per products

(Unit : billion yen)

		FY2023	FY2024	Change
	Heating/Drying Furnaces	19.3	21.8	+2.5
	Stirring machines	1.3	1.8	+0.5
	Filtration systems	1.3	1.2	△0.0
	Carbide-tipped circular sawing machines	1.1	1.0	△0.1
	Circular sawing cutting machine and others	3.0	2.7	△0.3
	<b>T o t a l</b>	<b>25.9</b>	<b>28.6</b>	<b>+2.7</b>



#### Heating/Drying Furnaces

Sales for lithium-ion batteries sector were strong.

**Stirring machines**  
Sales to the chemical industry increased.



#### Circular sawing cutting machines

Sales for public construction were weak.

# 1. Summary of Financial Results for FY2024

## Sales by business segment

### Tabletop Group

### Sales per products

(Unit : billion yen)

		FY2023	FY2024	Change
	Japan	3.0	3.1	+0.0
	Americas	1.5	1.6	+0.1
	Europe Asia	2.4	2.3	△0.1
	<b>T o t a l</b>	<b>6.9</b>	<b>7.0</b>	<b>+0.1</b>



#### Japan

Online sales decreased, whilst sales by directly managed retail stores, and sales to hotels increased.



#### Americas

Sales to department stores recovered and online sales were also steady.



#### Europe, Asia

Sales to China struggled, but sales to other Asian countries were solid.

# 1. Summary of Financial Results for FY2024

## Consolidated Balance Sheet

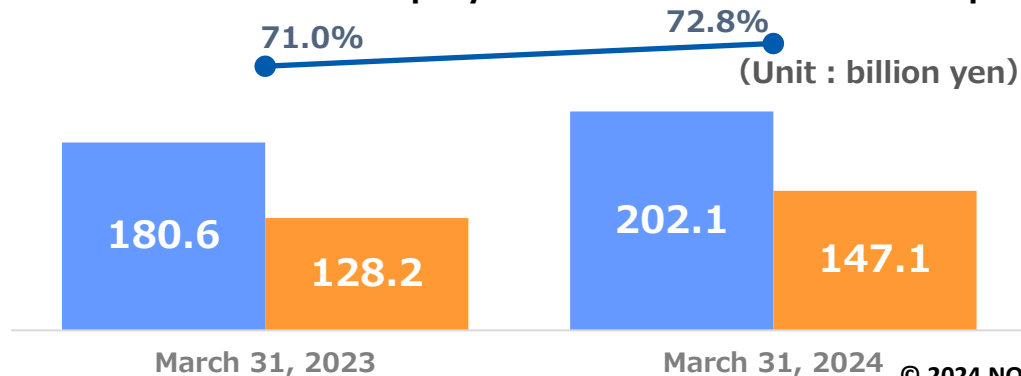
**Total Assets, Shareholders' Equity and Ratio of Shareholders' Equity increased.**

(Unit : billion yen)

	March 31, 2023	March 31, 2024	Change
Total Assets	180.6	202.1	+21.5
Shareholders' Equity	128.2	147.1	+18.9
Shareholders' Equity per Share	4,441yen	5,074yen	+634yen
Ratio of Shareholders' Equity	71.0%	72.8%	+1.8%

A two-for-one common stock split was issued on April 1, 2024. Shareholders' Equity per Share is calculated on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

■ Total Assets ■ Shareholders' Equity — Ratio of Shareholders' Equity



# 1. Summary of Financial Results for FY2024

## Consolidated Cash Flow Statement

**Free Cash Flow : 18.8 billion yen**

**Cash and cash equivalents : 18.0 billion yen, increased by 6.0 billion yen year-on-year**

(Unit : billion yen)

	FY2023	FY2024	Change
Cash flows from operating activities	△0.2	22.0	+22.3
Cash flows from investing activities	△3.5	△3.2	+0.3
Free cash flow	△3.7	18.8	+22.5
Cash flows from financing activities	3.3	△13.5	△16.8
Cash and cash equivalents at end of period	12.0	18.0	+6.0

# 1. Summary of Financial Results for FY2024

## Interest-bearing Debt

(Unit : billion yen)

	March 31, 2023	March 31, 2024	Change
Interest-bearing Debt※	12.5	2.6	△9.8
Cash and deposits	14.6	21.3	+6.7
Net Interest-bearing Debt	△2.2	△18.7	△16.6

※Interest-bearing Debt excludes lease liabilities

## Capital investment, Depreciation expenses

(Unit : billion yen)

	FY2023	FY2024	Change
Capital investment	6.1	5.4	△0.7
Depreciation expenses	4.8	4.8	+0.0

1. Summary of Financial Results for FY2024  
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## 2. Forecasts for FY2025 and Priority Measures

### Forecasts for FY2025

**Net Sales : 141.0 billion yen, Operating Profit : 11.0 billion yen, Ordinary Profit : 14.5 billion yen, Profit Attributable to Owners of Parent : 12.0 billion yen.**

(Unit : billion yen)

	FY2024			FY2025 (FCT)			
	1st Half	2nd Half	Total	1st Half	2nd Half	Total	Change
Net sales	67.6	70.4	137.9	69.5	71.5	141.0	+3.1
Operating Profit	4.9	5.8	10.7	5.0	6.0	11.0	+0.3
Ordinary Profit	7.0	7.7	14.6	6.7	7.8	14.5	△0.1
Profit Attributable to Owners of Parent	5.8	5.7	11.5	5.8	6.2	12.0	+0.5

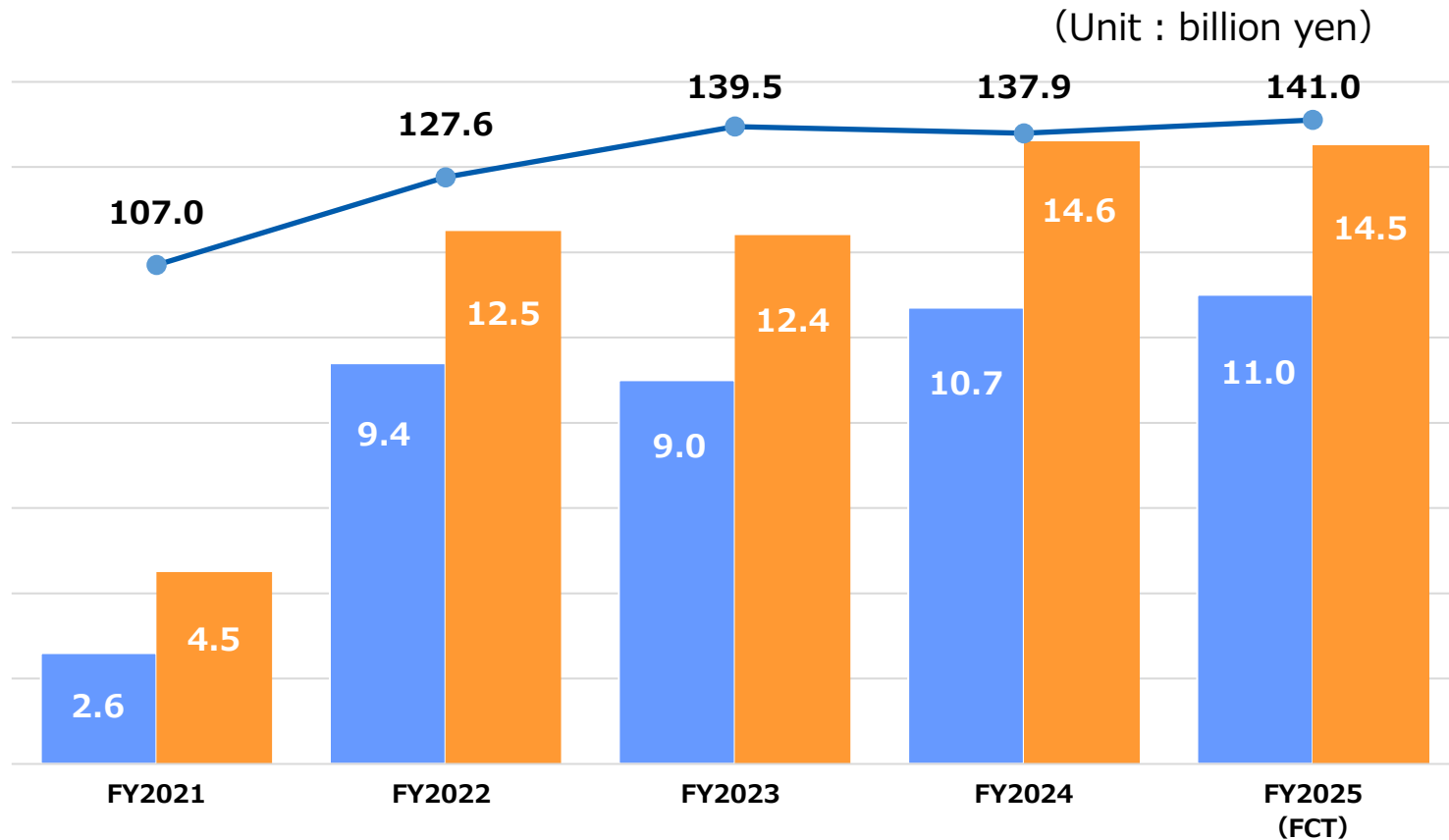
USD	145.3 yen	145.0 yen	△0.3yen
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## 2. Forecasts for FY2025 and Priority Measures

### Forecasts for FY2025

Net sales are expected to reach a record high. Operating Profit and Ordinary Profit are expected to remain almost flat compared to the previous fiscal year.

— Net Sales    ■ Operating Profit    ■ Ordinary Profit



## 2. Forecasts for FY2025 and Priority Measures

### Forecasts by business segment

(Unit : billion yen)

		FY2024			FY2025 (FCT)			Change		
		1st Half	2nd Half	Total	1st Half	2nd Half	Total	1st Half	2nd Half	Total
Net sales	Industrial Products	27.9	27.9	55.7	29.0	29.5	58.5	+1.1	+1.6	+2.8
	Ceramics & Materials	24.0	22.6	46.6	22.5	23.0	45.5	△1.5	+0.4	△1.1
	Engineering	12.1	16.4	28.6	14.5	15.5	30.0	+2.4	△0.9	+1.4
	Tabletop	3.5	3.5	7.0	3.5	3.5	7.0	+0.0	+0.0	+0.0
	計	67.6	70.4	137.9	69.5	71.5	141.0	+1.9	+1.1	+3.1
Operating Profit	Industrial Products	1.0	1.5	2.5	1.0	1.3	2.3	+0.0	△0.2	△0.2
	Ceramics & Materials	3.2	3.0	6.2	3.1	3.4	6.5	△0.1	+0.4	+0.3
	Engineering	0.7	1.4	2.2	1.0	1.2	2.2	+0.3	△0.2	+0.0
	Tabletop	△0.0	△0.1	△0.1	△0.1	0.1	0.0	△0.1	+0.2	+0.2
	計	4.9	5.8	10.7	5.0	6.0	11.0	+0.1	+0.2	+0.3

## 2. Forecasts for FY2025 and Priority Measures

### Industrial Products Group

Although automotive industry holds steady, recovery in China has been slow.

**Net Sales 58.5 billion yen**

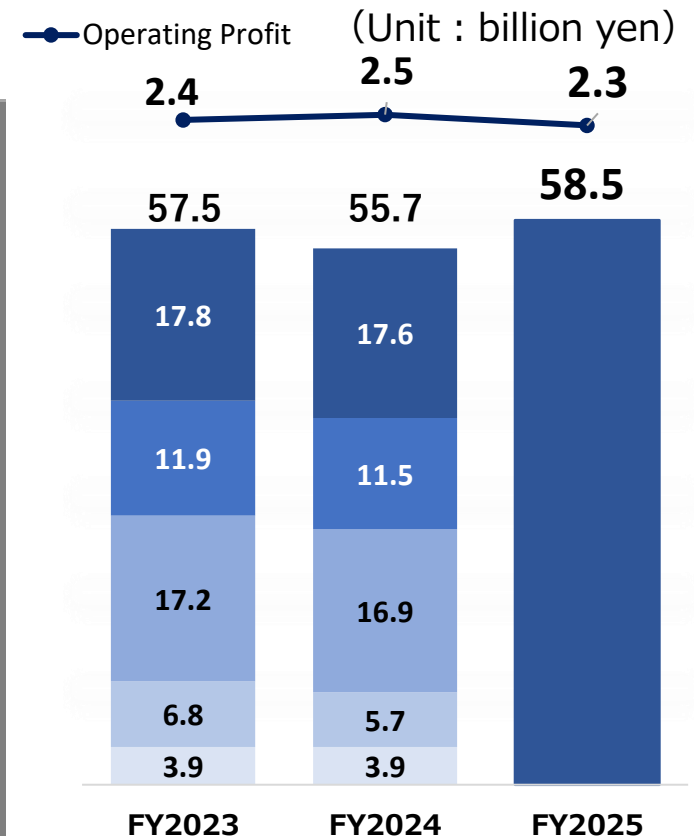
(2.8 billion yen increase)

**Operating Profit 2.3 billion yen**

(0.2 billion yen decrease)

Grinding Wheels	
Diamond Wheels/Tools CBN Wheels	
Cutting/Offset Wheels	
Coated Abrasives	
Related Products	

### Sales and Profit



## 2. Forecasts for FY2025 and Priority Measures

### Industrial Products Group

**Profit improvement in existing businesses and establishment of the structure for expansion into growth areas.**

The business was restructured into two types, custom-made products and general-purpose products, to build an efficient business structure.



### Custom-made products business

- Strengthen our earnings by establishing a system to increase production of growth area products, thoroughly improving profitability and establishing sales bases.
- Focus on development of new technologies and products that support the semiconductor business and the electrification of automobiles.

### General-purpose products business

- Reorganization of manufacturing and sales structure, improvement and strengthening of profitability by making an affiliated company in Thailand a wholly owned subsidiary in Coated Abrasives.
- Build a manufacturing, development and sales system to expand into growth areas, and optimization of management resources.

## 2. Forecasts for FY2025 and Priority Measures

### Ceramics & Materials Group





Although ceramic raw materials are decreasing, business for multi-layer ceramic capacitors is increasing.

**Net Sales 45.5 billion yen**

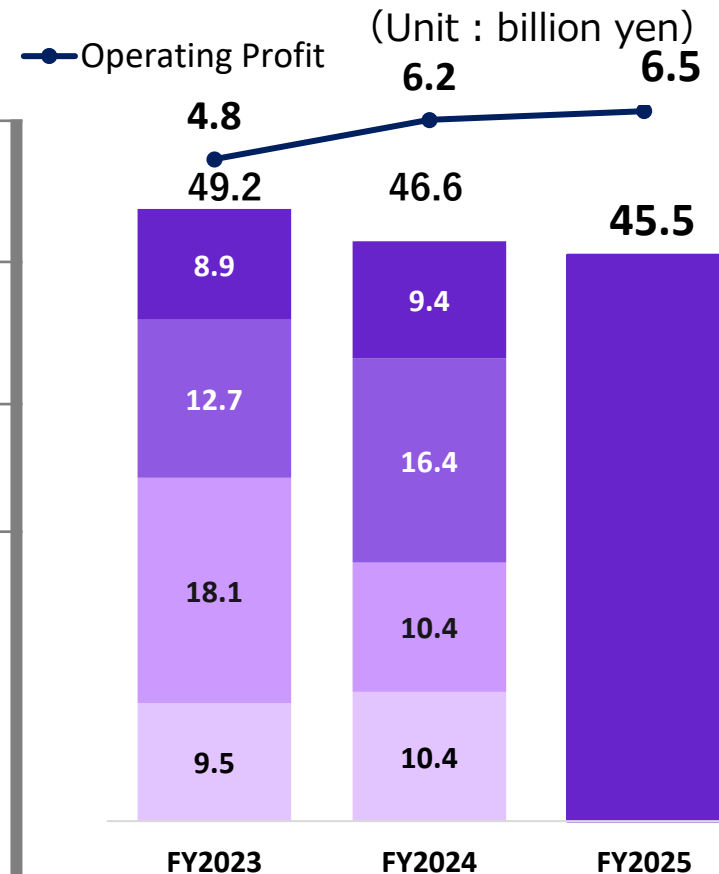
(1.1 billion yen decrease)

**Operating Profit 6.5 billion yen**

(0.3 billion yen increase)

Electronic paste	
Electronic component raw materials	
Ceramic raw materials	
Other ceramics	

### Sales and Profit



## 2. Forecasts for FY2025 and Priority Measures

### Ceramics & Materials Group

Increasing production capacity of materials for multi-layer ceramic capacitors. Restructuring business portfolio.

#### Electronic paste

Expand our product lineup in the electronics field, and develop new products.



#### Electronic component raw materials

Increase production capacity of materials for multi-layer ceramic capacitors, develop new products in growth areas and improve profitability through appropriate price revisions in response to rising raw material and distribution costs.



#### Other Ceramics

Restructure our business portfolio through "Concentration in Core Competence" and the creation of new products and businesses.



## 2. Forecasts for FY2025 and Priority Measures

### Engineering Group




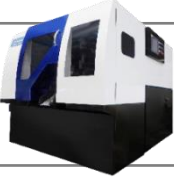

Sales of the mainstay, heating/drying furnaces for lithium-ion batteries sector, are remaining steady.

**Net Sales 30.0 billion yen**

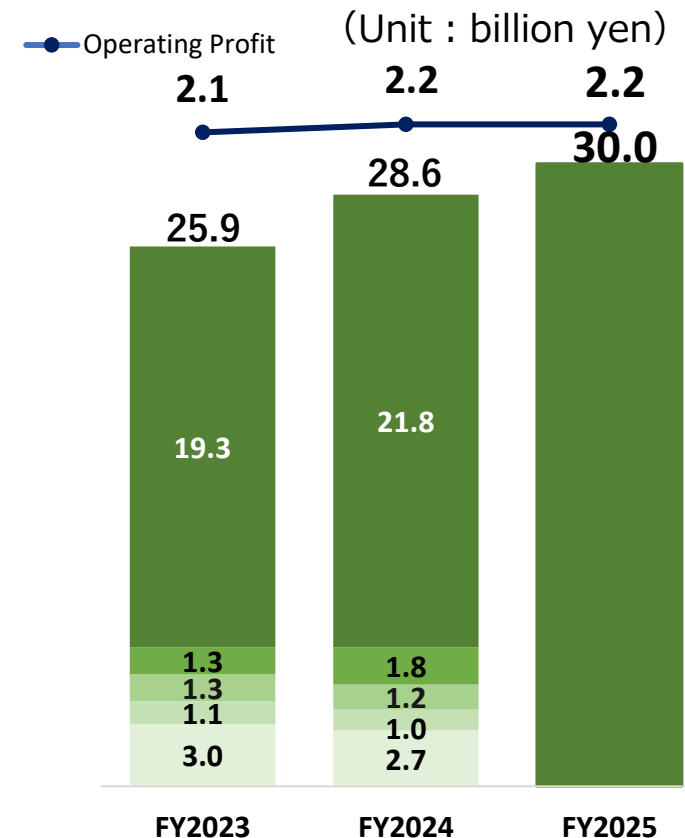
(1.4 billion yen increase)

**Operating Profit 2.2 billion yen**

(0.0 billion yen increase)

	Heating/Drying Furnaces	
	Stirring machines	
	Filtration systems	
	Carbide-tipped circular sawing machines	
	Circular sawing cutting machine and others	

### Sales and Profit





## 2. Forecasts for FY2025 and Priority Measures

### Engineering Group

Focus on growth areas and develop new products, Entry into new fields.

#### Energy and electronics field

Expand market share by increasing sales, strengthening after-sales service system, and introducing new products.

#### Automotive field

Development of new applications and new products associated with electrification of automobiles.

#### New field

Entry into new fields (medical/pharmaceutical, semiconductor, new materials) and market development.

#### Environmental field

Strengthen development of new applications and new products.



## 2. Forecasts for FY2025 and Priority Measures

### Tabletop Group



Sales are expected to remain almost flat and profit to be even.

**Net Sales 7.0 billion yen**

(0.0 billion yen increase)

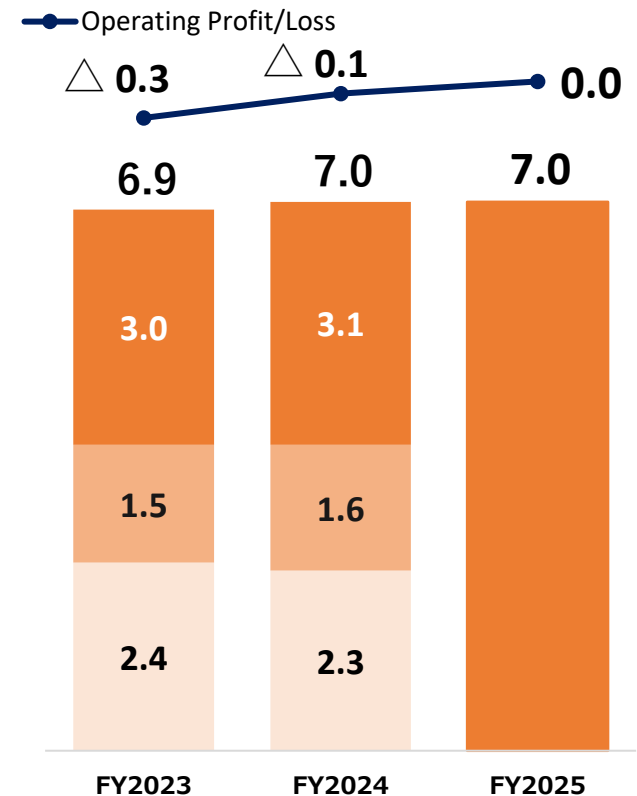
**Operating Profit 0.0 billion yen**

(0.2 billion yen increase)

	Japan	
	Americas	
	Europe Asia	

### Sales and Profit

(Unit : billion yen)



## 2. Forecasts for FY2025 and Priority Measures

### Tabletop Group

Continuing to improve profitability to get into the black.

#### Japan

Reduce costs by redeveloping distribution channels and logistics.

Reorganization of sales structure and strengthening of marketing.

Focus on sales to hotels and restaurants, sales by online and directly managed retail stores.



#### Americas/Europe/Asia

Expand sales in growth markets of India, China, and other major countries in Southeast Asia.

Improving profitability in the US market.

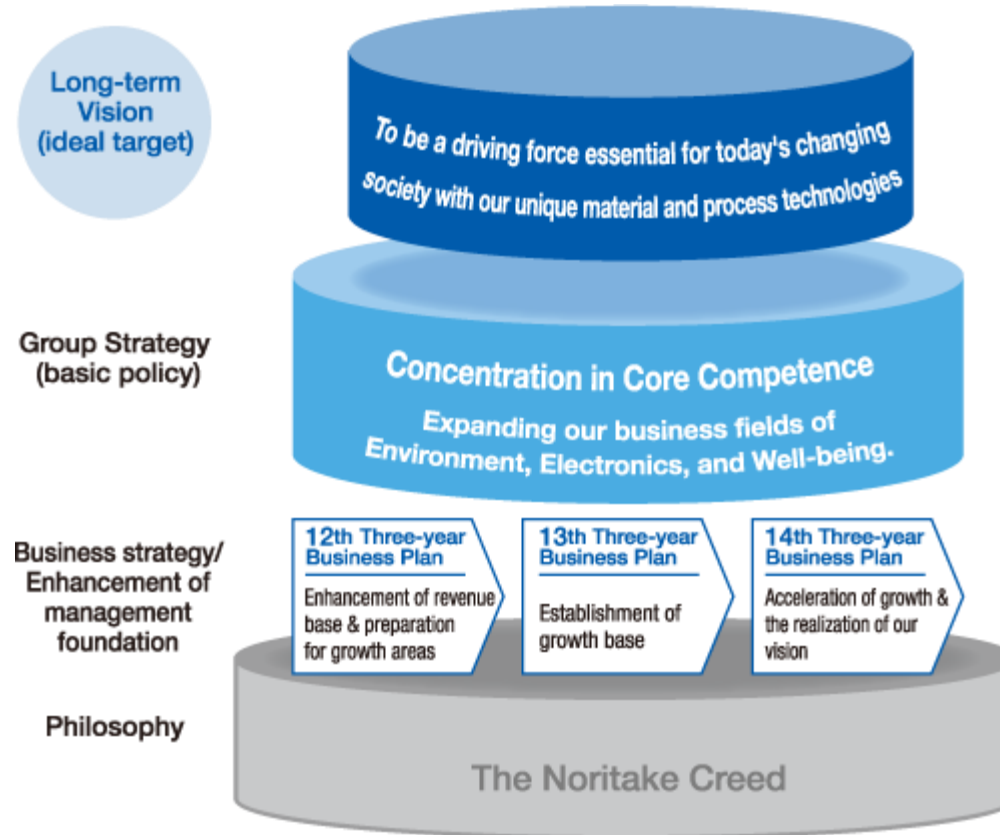


1. **Summary of Financial Results for FY2024  
(Ended March 31, 2024)**
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3. **Progress of the 12th Three-year Business  
Plan (FY2023-FY2025)**

### 3. Progress of the 12th Three-year Business Plan

#### <Overview of the 12th Three-year Business Plan>

#### Long-term Vision for 2030 (ideal target)



We aim to become a Group that contributes to “the global environment,” “a convenient society,” and “the people’s well-being.”

### 3. Progress of the 12th Three-year Business Plan

#### <Overview of the 12th Three-year Business Plan>

Looking ahead to fiscal 2030, the 12th Business Plan is positioned as a period for "enhancing the revenue base and preparing for growth areas."

#### [5 items to focus on]

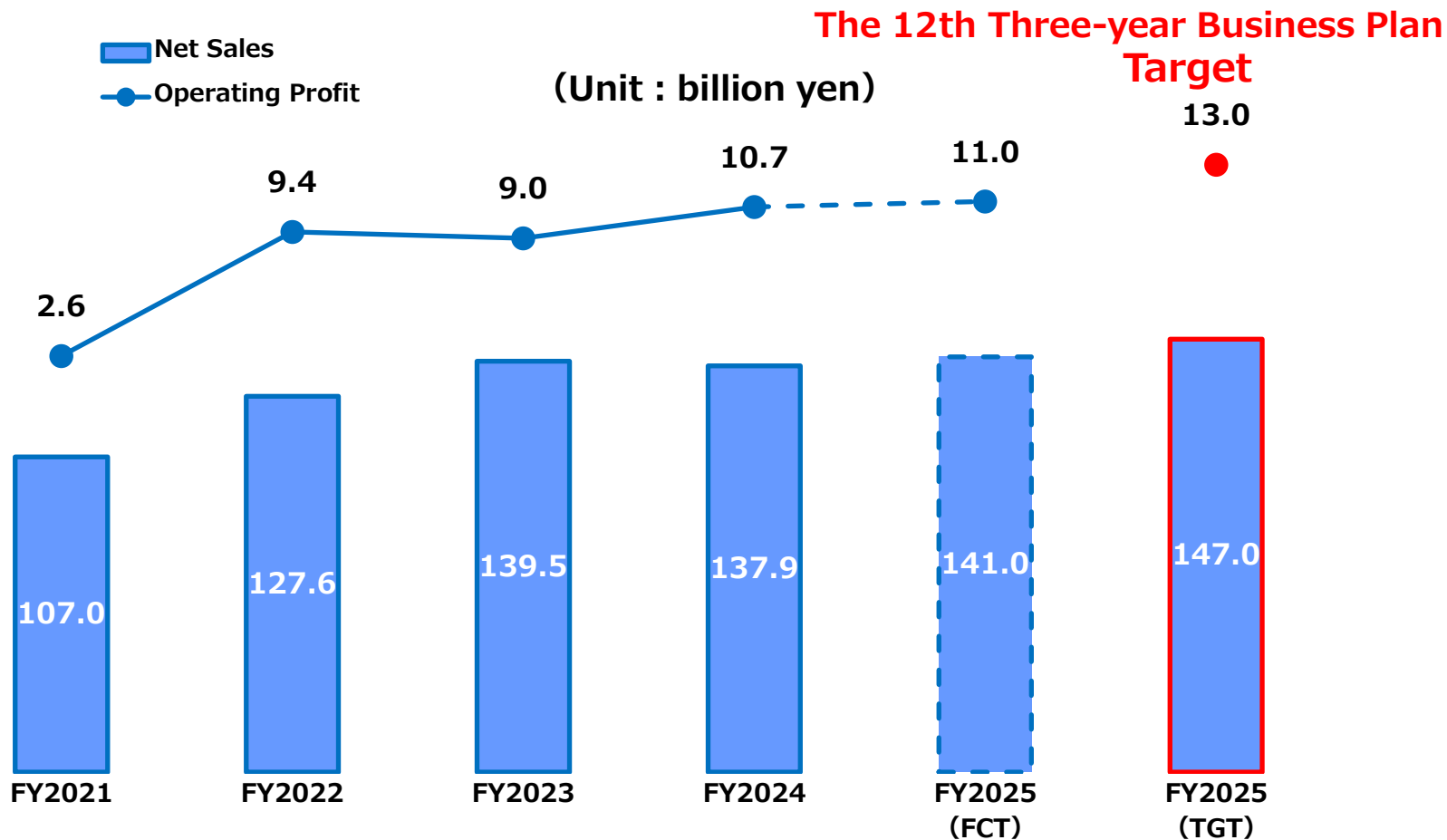
- Reorganization of unprofitable products and businesses
- Improvement and rationalization of profitability
- Preparation to increase production and expand sales
- Creation of new businesses
- Enhancement of our management foundation

Management Target	FY2025
Net sales	147.0 billion yen
Operating Profit	13.0 billion yen
Operating Profit Margin	9 %
Return On Equity (ROE)	9 %
Free Cash Flow (FCF)	20.0 billion yen (3-year cumulative total)

### 3. Progress of the 12th Three-year Business Plan

#### <Progress of the 12th Three-year Business Plan>

**[Forecasts for FY2025]**  
**Net Sales : 141.0 billion yen, Operating Profit : 11.0 billion yen**



### 3. Progress of the 12th Three-year Business Plan

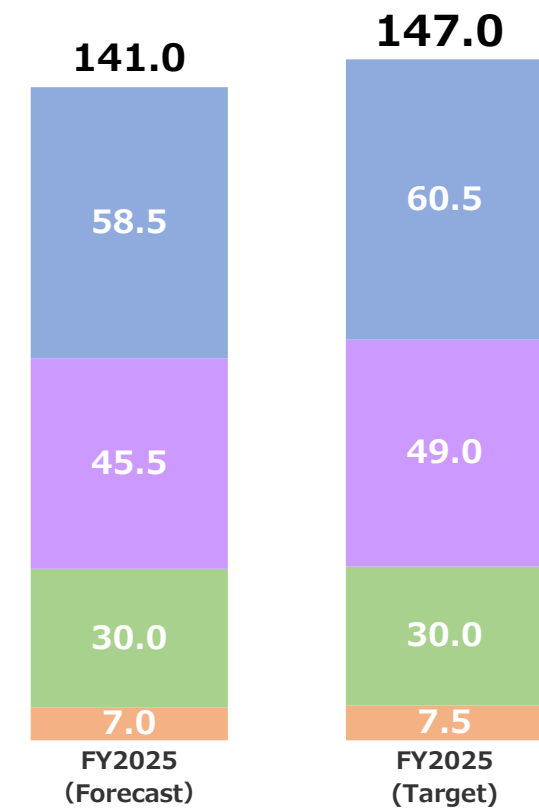
#### <Progress of the 12th Three-year Business Plan>

#### Forecast/Target of Sales and Profit by business segment

(Unit : billion yen)

		FY2025 (Forecast)	FY2025 (Target)	Diff.
Net Sales	Industrial Products	58.5	60.5	△2.0
	Ceramics & Materials	45.5	49.0	△3.5
	Engineering	30.0	30.0	—
	Tabletop	7.0	7.5	△0.5
	<b>Total</b>	<b>141.0</b>	<b>147.0</b>	<b>△6.0</b>
Operating Profit	Industrial Products	2.3	3.0	△0.7
	Ceramics & Materials	6.5	7.3	△0.8
	Engineering	2.2	2.7	△0.5
	Tabletop	0.0	0.0	—
	<b>Total</b>	<b>11.0</b>	<b>13.0</b>	<b>△2.0</b>

#### Sales / Operating Profit





# 3. Progress of the 12th Three-year Business Plan



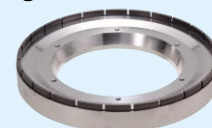
Aiming for virtuous cycle of investment in growth areas  
(Environment, Electronics, Well-being)  
and making a profit

Electronics/Semiconductors

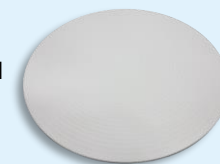
Materials for multi-layer ceramic capacitor



Surface grinding wheel for wafer



Polishing tool "LHA Pad"

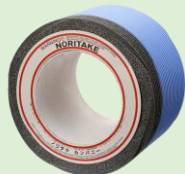


Electronics

Concentration in core competence to three growth areas

Environmentally friendly products

Multi-layer gear grinding wheel



Heating furnace for lithium-ion batteries



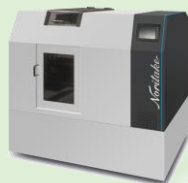
Environment

Resource recycling and food loss reduction

Heat sterilization System



Sludge solidification machine "Smart Briquetter"



Well-being

Grinding wheel for hypodermic needles



Life Science

"CLÉMENCE"



Fine bubble generator "Cerapor"



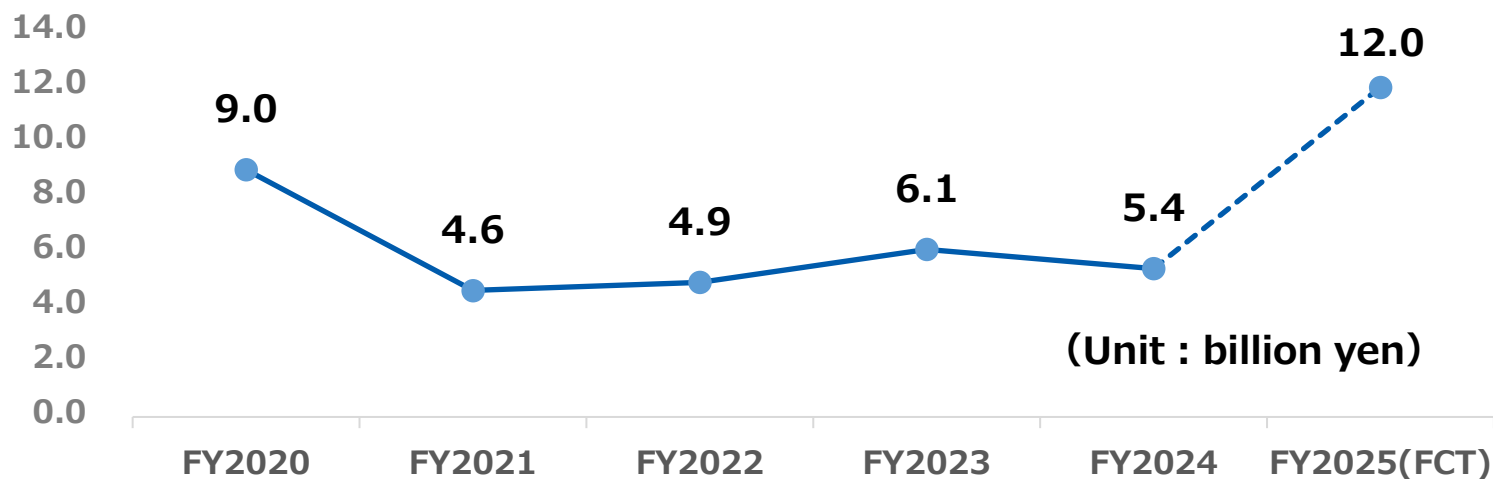
### 3. Progress of the 12th Three-year Business Plan

#### Capital investment

Proactive investment in three growth areas, “Environment, Electronics, and Well-being”.

(Unit : billion yen)

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025 (Forecast)
Capital investment	9.0	4.6	4.9	6.1	5.4	12.0



### 3. Progress of the 12th Three-year Business Plan

#### < Change in dividend policy >

Before	After
<p>The Company regards the return of profits to shareholders as an important management policy and its basic dividend policy is to maintain stable dividends over the long term, and to distribute profits based on a comprehensive assessment of business performance, financial strength, future business development, and other factors.</p>	<p>The Company regards the return of profits to shareholders as an important management policy. The Company's basic dividend policy is to maintain stable dividends over the long term and <b><u>a consolidated dividend payout ratio of 30% or more</u></b> for the full year, and the Company aims to return profits linked to business performance while comprehensively taking into consideration our financial position, future business development, and other factors.</p>

### 3. Progress of the 12th Three-year Business Plan

#### Stock split and related partial amendment to the articles of incorporation

Each share of common stock owned by shareholders listed or recorded in the closing register of shareholders on the record date of Sunday, March 31, 2024, was split into two shares.

##### Number of shares to be increased by the stock split

Total number of issued shares prior to the stock split	14,842,849
Number of shares to be increased by the stock split	14,842,849
Total number of issued shares after the stock split	29,685,698
Total number of authorized shares after the stock split	79,500,000

##### Schedule for the stock split

Public notice of record date	Thursday, March 14, 2024
Record date	Sunday, March 31, 2024
Effective date	Monday, April 1, 2024

##### Total number of authorized shares

Current Articles of Incorporation	39,750,000
Articles of Incorporation after Amendment	79,500,000

### 3. Progress of the 12th Three-year Business Plan

#### < Dividend >

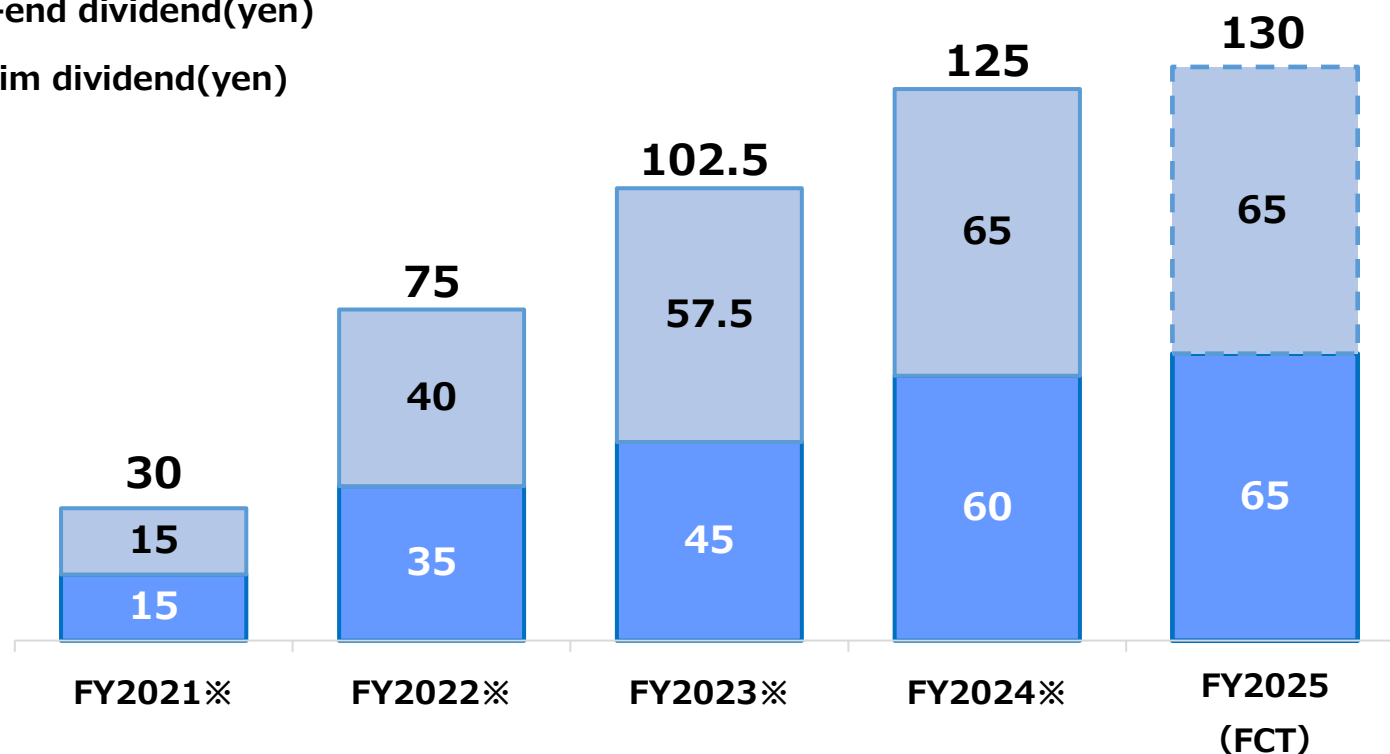
The annual dividend forecast for FY2025 is 130 yen per share.

Interim dividend : 65 yen per share, Year-end dividend : 65 yen per share

※A two-for-one common stock split was issued on April 1, 2024.

Dividends for FY2021 through FY2024 are also based on the post-split for the purpose of comparison.

- Year-end dividend(yen)
- Interim dividend(yen)



### 3. Progress of the 12th Three-year Business Plan

## Action to Implement Management that is Conscious of Cost of Capital and Stock Price

Recognition of current status

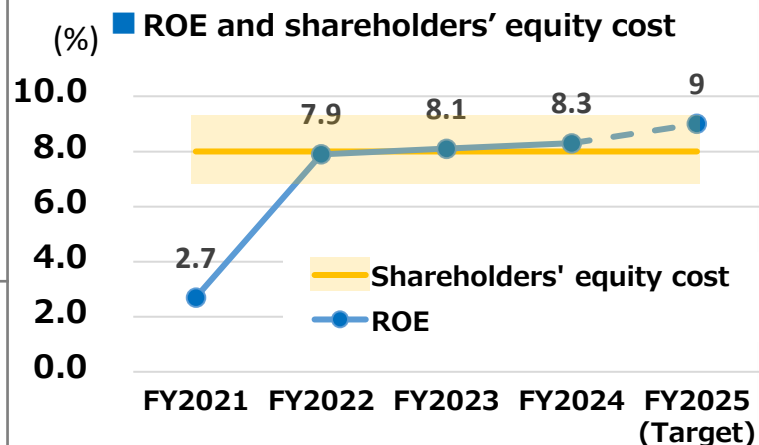
- Shareholders' equity cost is about 7% - 9%.
- ROE is on an improving trend, however, it is below or at the same level as shareholders' equity cost.
- PBR improved significantly in FY2024, however, it remains below 1.0x and needs to be improved ASAP.

Policy

- The target ROE is set at 9% for FY2025, aiming to generate profits that exceeds the shareholders' equity cost.

Initiatives

- Adopt ROIC by business segment and promote measures to increase capital profitability.
- Promote "Concentration in Core Competence" and focus on growth areas.
- Appropriate allocation of management resources by reviewing business portfolio.
- Improve capital efficiency by reducing cross-shareholdings.
- Strengthen IR activities and expand information disclosure, including disclosure in English.
- Change in dividend policy (Maintain stable dividends, consolidated dividend payout ratio of 30% or more)



■ Trends in PBR

