

NORITAKE CO., LIMITED

First Half Results

for Fiscal Year Ending March 2025

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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 1st Half (Ended September 30, 2024)**
- 2. Forecasts for FY2024 (Ending March 31, 2025)
and Priority Measures**
- 3. Progress of the 12th Three-year Business
Plan (FY2022-FY2024)**

- 1. Summary of Financial Results for
FY2024 1st Half (Ended September 30, 2024)**
2. Forecasts for FY2024 (Ending March 31, 2025)
and Priority Measures
3. Progress of the 12th Three-year Business
Plan (FY2022-FY2024)

1. Summary of Financial Results for FY2024 – H1

Noritake

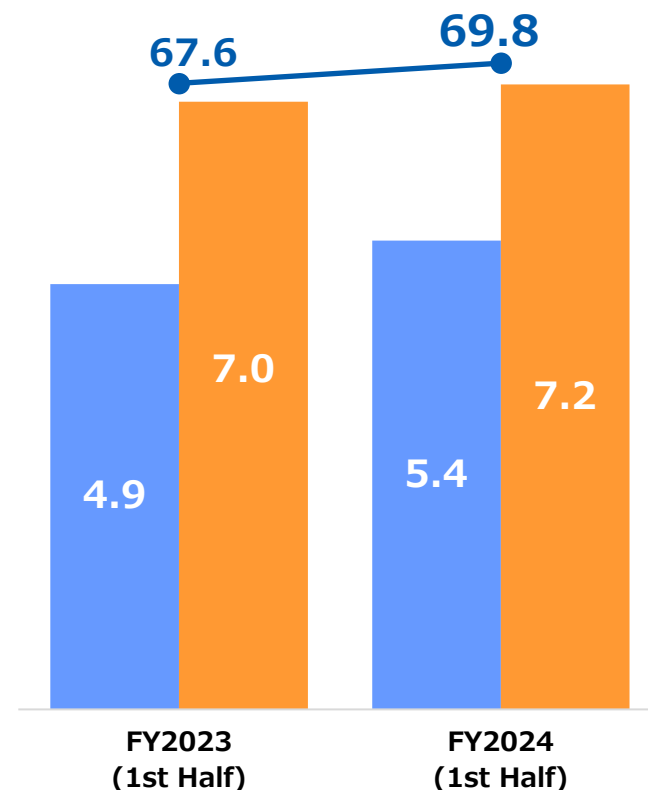
Consolidated Statements of Income

Net Sales, Operating Profit, Ordinary Profit, and Profit Attributable to Owners of Parent all increased year-on-year and reached record highs.

(Unit : billion yen)

	FY2023 (1st Half)	FY2024 (1st Half)	YoY change
Net Sales	67.6	69.8	+3.3%
Operating Profit	4.9	5.4	+11.3%
Ordinary Profit	7.0	7.2	+3.7%
Profit Attributable to Owners of Parent	5.8	6.0	+4.4%

Operating Profit Ordinary Profit
Net Sales (Unit : billion yen)



Interim dividend : 65 yen per share

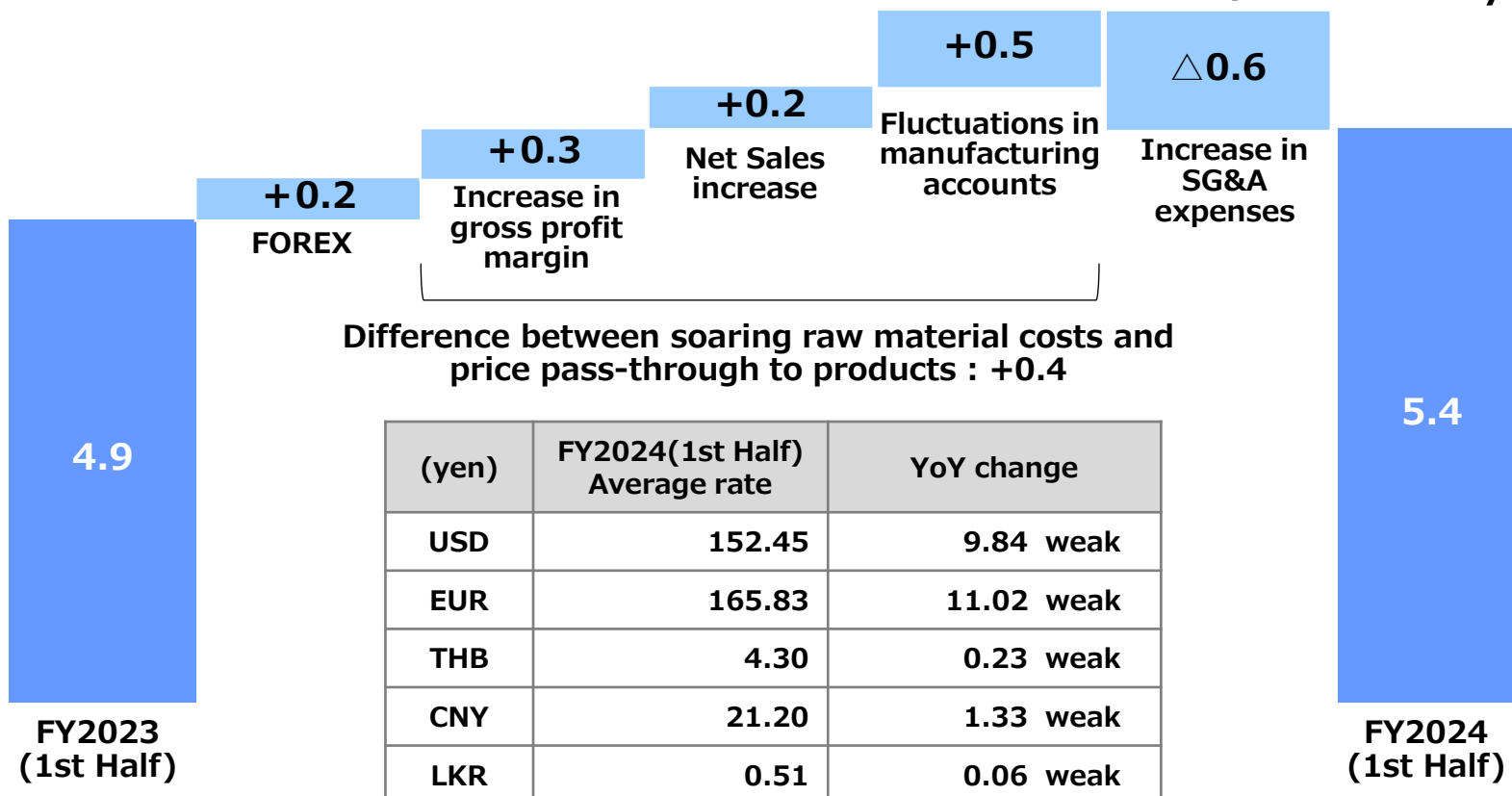
(Forecast for Year-end dividend : 65 yen per share)

1. Summary of Financial Results for FY2024 – H1

Cause of increase/decrease of Operating Profit

Operating Profit increased by 0.6 billion yen compared to the same period of the previous year, mainly due to increase in gross profit margin and fluctuations in manufacturing accounts.

(Unit : billion yen)



1. Summary of Financial Results for FY2024 – H1

Cause of increase/decrease of Ordinary Profit

Ordinary Profit increased by 0.3 billion yen with an increase of 0.6 billion yen of Operating Profit, 0.2 billion yen of Share of profit of entities accounted for using equity method, and 0.6 billion yen of Foreign exchange losses.

(Unit : billion yen)

	FY2023 (1st Half)	FY2024 (1st Half)	YoY change
Operating Profit	4.9	5.4	+0.6
Dividend income	0.5	0.6	+0.0
Rental income	0.3	0.3	+0.0
Foreign exchange gains/losses	0.3	△ 0.3	△ 0.6
Share of profit of entities accounted for using equity method	0.8	1.0	+0.2
Others	0.1	0.2	+0.1
Non-operating income/expenses	2.1	1.8	△ 0.3
Ordinary Profit	7.0	7.2	+0.3

1. Summary of Financial Results for FY2024 – H1

Extraordinary income / Extraordinary losses

Gain on sales of investment securities : 0.76 billion yen,
Gain on step acquisitions : 0.32 billion yen.
Loss on disposal of non-current assets : 0.17 billion yen,
Disposal costs of contaminated soil : 0.28 billion yen.

(Unit : billion yen)

Extraordinary income	
Gain on sales of investment securities※	0.76
Gain on step acquisitions	0.32
Others	0.04
Total	1.12

(Unit : billion yen)

Extraordinary losses	
Loss on disposal of non-current assets	0.17
Disposal costs of contaminated soil	0.28
Others	0.00
Total	0.45

※ Reduction of cross-Shareholdings

1. Summary of Financial Results for FY2024 – H1

Sales and Profit by business segment

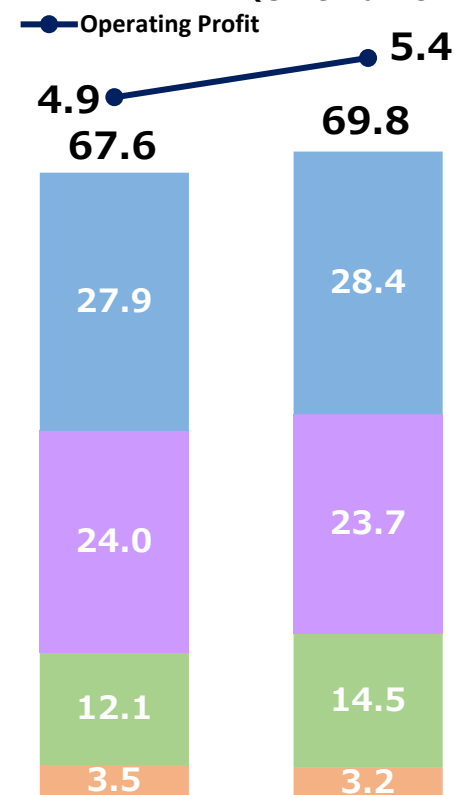
Ceramics & Materials and Engineering contributed to the increase in profits.

(Unit : billion yen)

			FY2023 (1st Half)	FY2024 (1st Half)	YoY change
Net Sales	Industrial Products		27.9	28.4	+1.8%
	Ceramics & Materials		24.0	23.7	△1.6%
	Engineering		12.1	14.5	+19.4%
	Tabletop		3.5	3.2	△7.4%
	Total		67.6	69.8	+3.3%
Operating Profit	Industrial Products		1.0	1.0	△0.3%
	Ceramics & Materials		3.2	3.7	+14.5%
	Engineering		0.7	1.0	+33.6%
	Tabletop		△0.0	△0.2	—
	Total		4.9	5.4	+11.3%

Sales / Operating Profit

(Unit : billion yen)



FY2023(1st Half) FY2024(1st Half)

1. Summary of Financial Results for FY2024 – H1

Sales by business segment

Industrial Products Group

Sales per products

(Unit : billion yen)

		FY2023 (1st Half)	FY2024 (1st Half)	YoY change
	Grinding Wheels	8.8	9.0	+0.2
	Diamond Wheels/Tools CBN Wheels	5.6	5.7	+0.2
	Cutting/Offset Wheels	8.8	8.5	△0.3
	Coated Abrasives	2.7	3.1	+0.4
	Related Products	2.0	2.0	+0.1
	Total	27.9	28.4	+0.5

Custom-made products

Japan

Sales decreased due to reduced production in the automotive, steel, and bearing industries.



Overseas

Automotive production recovered in North America, steel-related sales increased in China, and electronic component-related sales were solid in Southeast Asia.

General-purpose products

Offset Wheels and other products for domestic and Asian markets decreased.



Coated Abrasives increased mainly due to consolidation of an affiliated company in Thailand.



1. Summary of Financial Results for FY2024 – H1

Sales by business segment

Ceramics & Materials Group

Sales per products

(Unit : billion yen)

		FY2023 (1st Half)	FY2024 (1st Half)	YoY change
	Electronic paste	4.9	5.4	+0.5
	Electronic component raw materials	8.1	9.3	+1.2
	Ceramic raw materials	5.9	3.8	△2.2
	Other Ceramics	5.1	5.2	+0.1
	Total	24.0	23.7	△0.4

Electronic paste/Electronic component raw materials

In business for multi-layer ceramic capacitors, automotive and server industries were solid, and telecommunications sector also recovered.



Ceramic raw materials

Sales for heat-resistant glass decreased significantly.

1. Summary of Financial Results for FY2024 – H1

Sales by business segment

Engineering Group

Sales per products

(Unit : billion yen)

		FY2023 (1st Half)	FY2024 (1st Half)	YoY change
	Heating/Drying Furnaces	9.0	11.2	+2.2
	Stirring machines	0.8	0.8	+0.0
	Filtration systems	0.5	0.8	+0.3
	Carbide-tipped circular sawing machines	0.5	0.6	+0.1
	Circular sawing cutting machines and others	1.4	1.2	△0.2
	Total	12.1	14.5	+2.4



Heating/Drying Furnaces

Sales for lithium-ion batteries sector were strong.

Filtration systems

Sales to the automotive and electronics industries recovered.



Circular sawing cutting machines

Sales for public construction were weak.

1. Summary of Financial Results for FY2024 – H1

Sales by business segment

Tabletop Group

Sales per area

(Unit : billion yen)

		FY2023 (1st Half)	FY2024 (1st Half)	YoY change
	Japan	1.4	1.4	△0.1
	Americas	0.8	0.7	△0.1
	Europe Asia	1.3	1.1	△0.1
	Total	3.5	3.2	△0.3



Japan

Sales to airlines and sales by directly managed retail stores increased, while sales to hotels decreased.

Americas

Sales to department stores recovered, but overall sales in Americas decreased.



Europe, Asia

Sales to airlines were sluggish.



1. Summary of Financial Results for FY2024 – H1

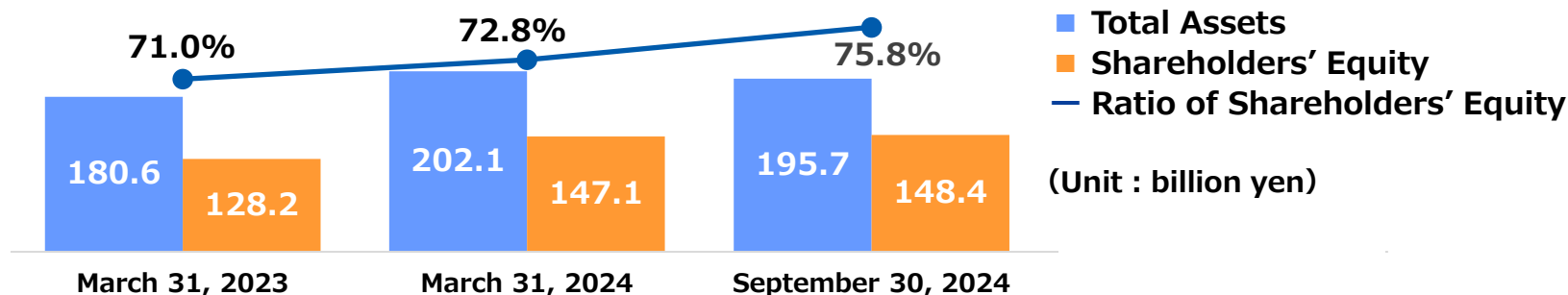
Consolidated Balance Sheet

Total Assets decreased, while Shareholders' Equity and Ratio of Shareholders' Equity increased.

(Unit : billion yen)

	March 31, 2023	March 31, 2024	September 30, 2024	change
Total Assets	180.6	202.1	195.7	△6.4
Shareholders' Equity	128.2	147.1	148.4	+1.3
Shareholders' Equity per Share	4,441yen	5,074yen	5,147yen	+72yen
Ratio of Shareholders' Equity	71.0%	72.8%	75.8%	+3.0%

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 fiscal year ended March 31, 2023.



1. Summary of Financial Results for FY2024 – H1

Consolidated Cash Flow Statement

Free Cash Flow : △4.4 billion yen

Cash and cash equivalents : 12.3 billion yen, decrease by 0.3 billion yen year-on-year

(Unit : billion yen)

	FY2023 (1st Half)	FY2024 (1st Half)	YoY change
Cash flows from operating activities	10.2	0.0	△10.1
Cash flows from investing activities	△2.3	△4.4	△2.1
Free cash flow	7.9	△4.4	△12.3
Cash flows from financing activities	△7.8	△1.3	+6.5
Cash and cash equivalents at end of period	12.6	12.3	△0.3

1. Summary of Financial Results for FY2024 – H1

Noritake

Interest-bearing Debt

(Unit : billion yen)

	March 31, 2024	September 30, 2024	Change
Interest-bearing Debt※	2.6	4.1	+1.5
Cash and deposits	21.3	16.5	△4.9
Net Interest-bearing Debt	△18.7	△12.4	+6.3

※Interest-bearing Debt excludes lease liabilities.

Capital investment, Depreciation expenses

(Unit : billion yen)

	FY2023 (1st Half)	FY2024 (1st Half)	YoY change
Capital investment	2.7	3.8	+1.1
Depreciation expenses	2.4	2.5	+0.1

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2. Forecasts for FY2024 and Priority Measures

Forecasts for FY2024

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)

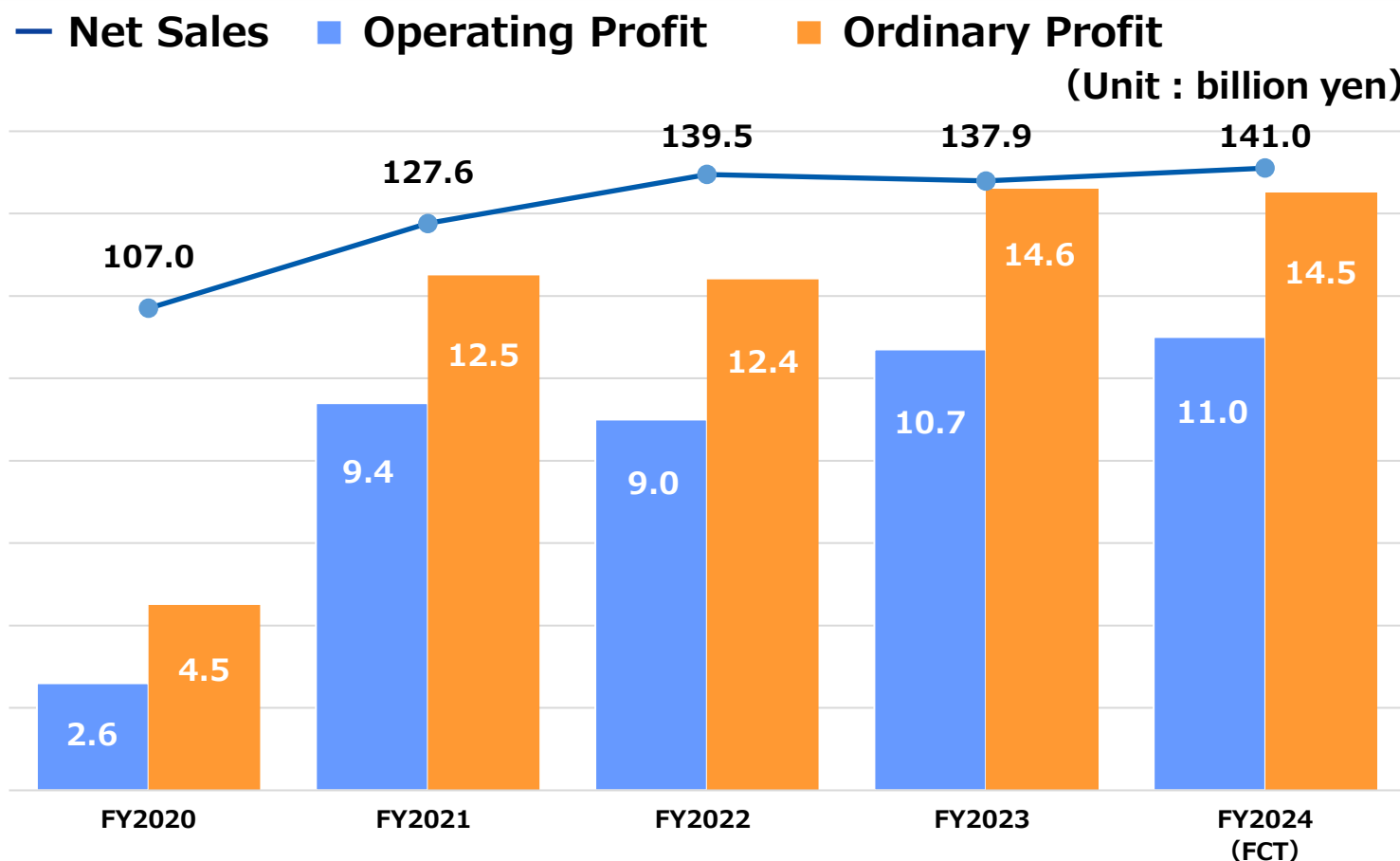
	FY2023			FY2024 (FCT)			
	1st Half	2nd Half	Total	1st Half	2nd Half	Total	Change
Net sales	67.6	70.4	137.9	69.8	71.2	141.0	+3.1
Operating Profit	4.9	5.8	10.7	5.4	5.6	11.0	+0.3
Ordinary Profit	7.0	7.7	14.6	7.2	7.3	14.5	△0.1
Profit Attributable to Owners of Parent	5.8	5.7	11.5	6.0	6.0	12.0	+0.5

USD	145.3 yen	152 yen	140 yen
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2. Forecasts for FY2024 and Priority Measures

Forecasts for FY2024

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.



2. Forecasts for FY2024 and Priority Measures

Forecasts by business segment

(Unit : billion yen)

		FY2023			FY2024 (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	28.4	28.6	57.0	+0.5	+0.8	+1.3
	Ceramics & Materials	24.0	22.6	46.6	23.7	23.3	47.0	△0.4	+0.8	+0.4
	Engineering	12.1	16.4	28.6	14.5	15.5	30.0	+2.4	△1.0	+1.4
	Tabletop	3.5	3.5	7.0	3.2	3.8	7.0	△0.3	+0.3	+0.0
	Total	67.6	70.4	137.9	69.8	71.2	141.0	+2.2	+0.9	+3.1
Operating Profit	Industrial Products	1.0	1.5	2.5	1.0	1.0	2.0	△0.0	△0.5	△0.5
	Ceramics & Materials	3.2	3.0	6.2	3.7	3.3	7.0	+0.5	+0.3	+0.8
	Engineering	0.7	1.4	2.2	1.0	1.0	2.0	+0.3	△0.5	△0.2
	Tabletop	△0.0	△0.1	△0.1	△0.2	0.2	0.0	△0.2	+0.4	+0.2
	Total	4.9	5.8	10.7	5.4	5.6	11.0	+0.6	△0.3	+0.3

2. Forecasts for FY2024 and Priority Measures

Industrial Products Group

Domestic sales to automotive, steel, and bearing industries are sluggish, while overseas sales hold steady.

Net Sales 57.0 billion yen

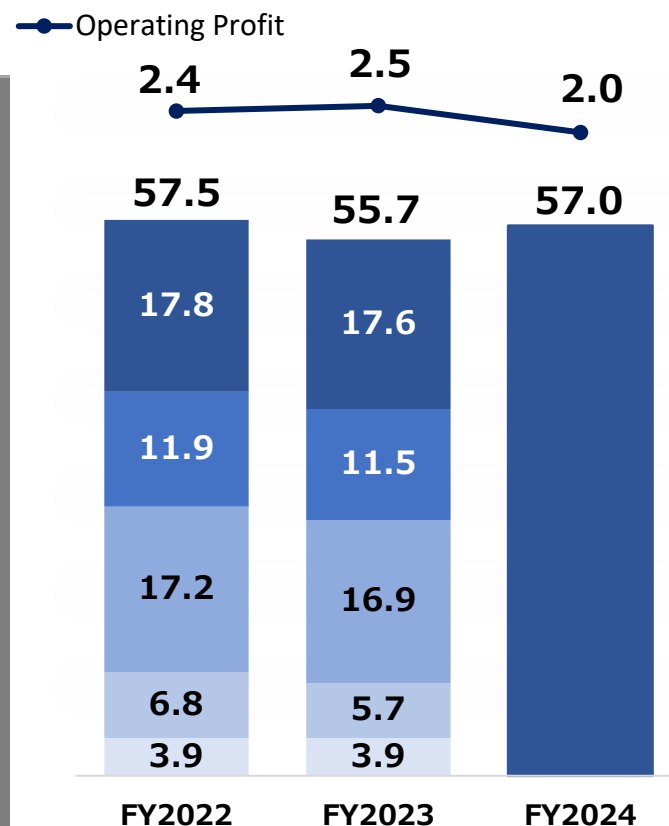
(1.3 billion yen increase)

Operating Profit 2.0 billion yen

(0.5 billion yen decrease)

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

Sales and Profit (Unit : billion yen)



2. Forecasts for FY2024 and Priority Measures

Industrial Products Group

Aiming for 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 after having made an affiliated company in Thailand a wholly owned subsidiary in Coated Abrasives.
- Establishment of manufacturing, development and sales system to expand into growth areas, and optimization of management resources.

2. Forecasts for FY2024 and Priority Measures

Ceramics & Materials Group




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

Net Sales 47.0 billion yen

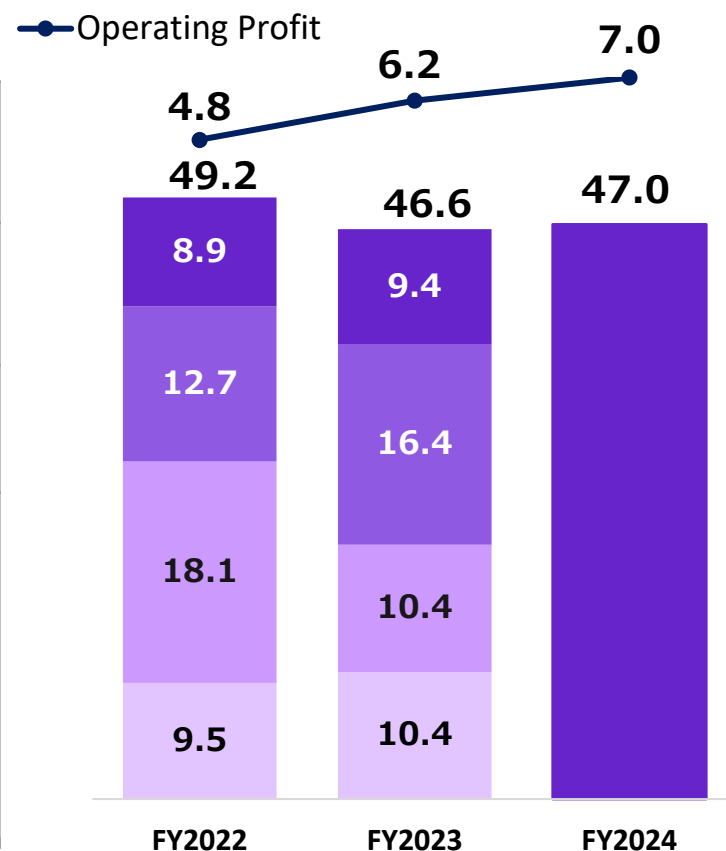
(0.4 billion yen increase)

Operating Profit 7.0 billion yen

(0.8 billion yen increase)

	Electronic paste	
	Electronic component raw materials	
	Ceramic raw materials	
	Other ceramics	

Sales and Profit (Unit : billion yen)



2. Forecasts for FY2024 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 and develop new products in growth areas.

Other Ceramics

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



2. Forecasts for FY2024 and Priority Measures

Engineering Group




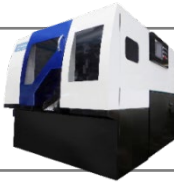

Sales of the mainstay, heating/drying furnaces for lithium-ion batteries sector, are remaining steady.

Net Sales 30.0 billion yen

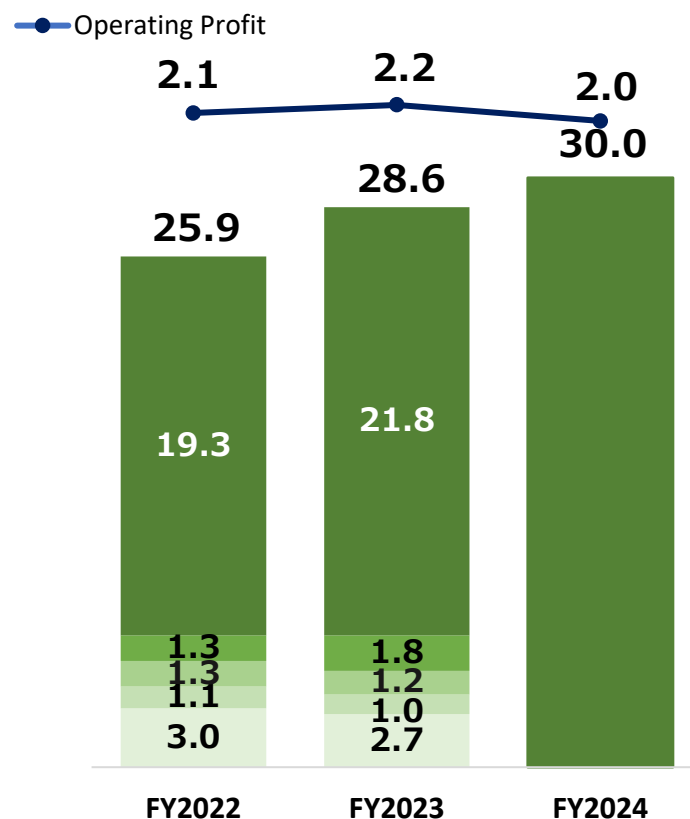
(1.4 billion yen increase)

Operating Profit 2.0 billion yen

(0.2 billion yen decrease)

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

Sales and Profit (Unit : billion yen)



2. Forecasts for FY2024 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

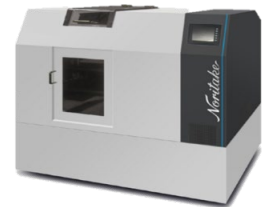
Development of new applications and new products associated with electrification of automobiles.

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 FY2024 and Priority Measures

Tabletop Group

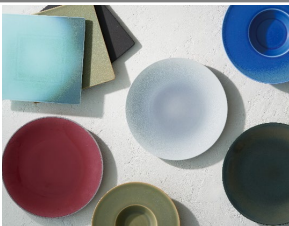


Sales are expected to remain almost flat and profit to be even.

Net Sales 7.0 billion yen

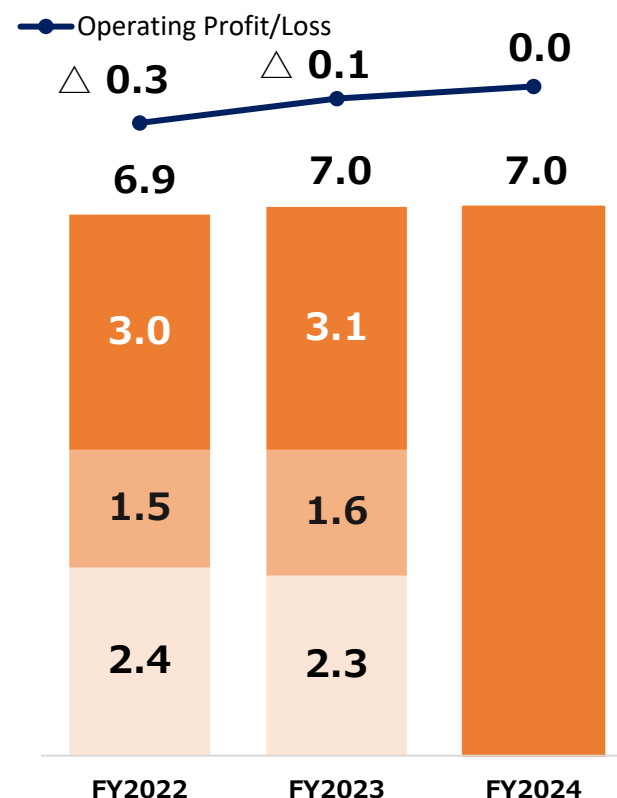
(0.0 billion yen increase)

Operating Profit 0.0 billion yen

(0.2 billion yen increase)

	Japan	
	Americas	
	Europe Asia	

Sales and Profit (Unit : billion yen)



2. Forecasts for FY2024 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 strengthen 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.

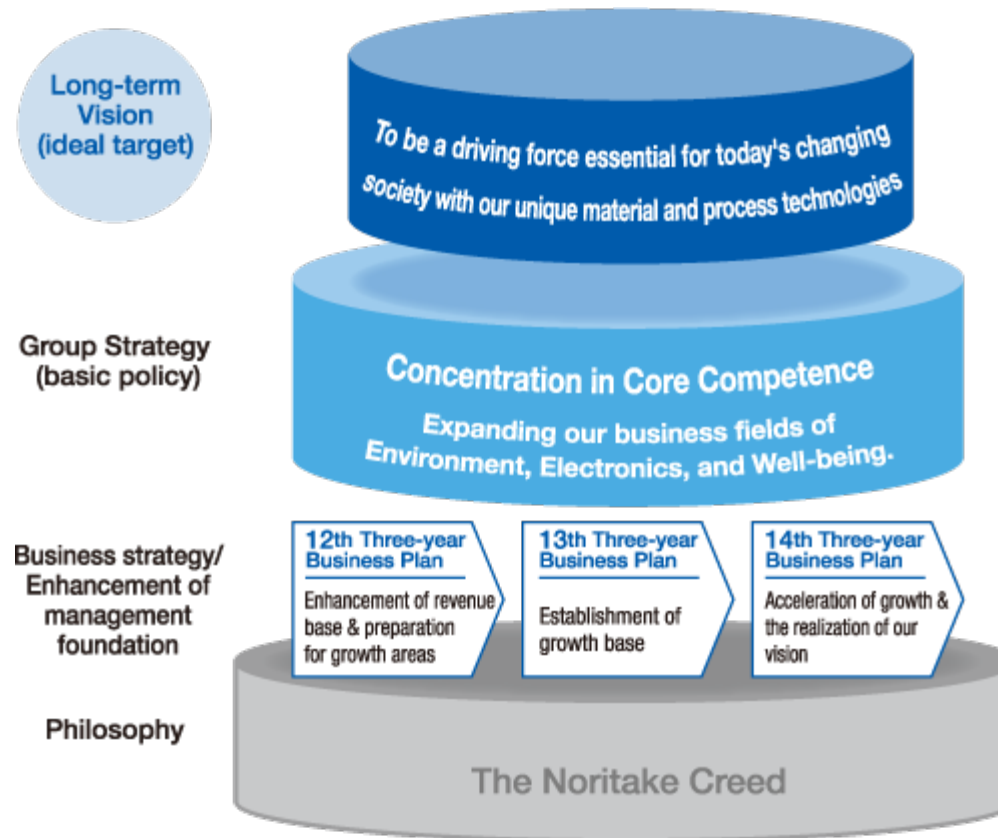


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- 3. Progress of the 12th Three-year Business
Plan (FY2022-FY2024)**

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 Three-year 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	FY2024
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)

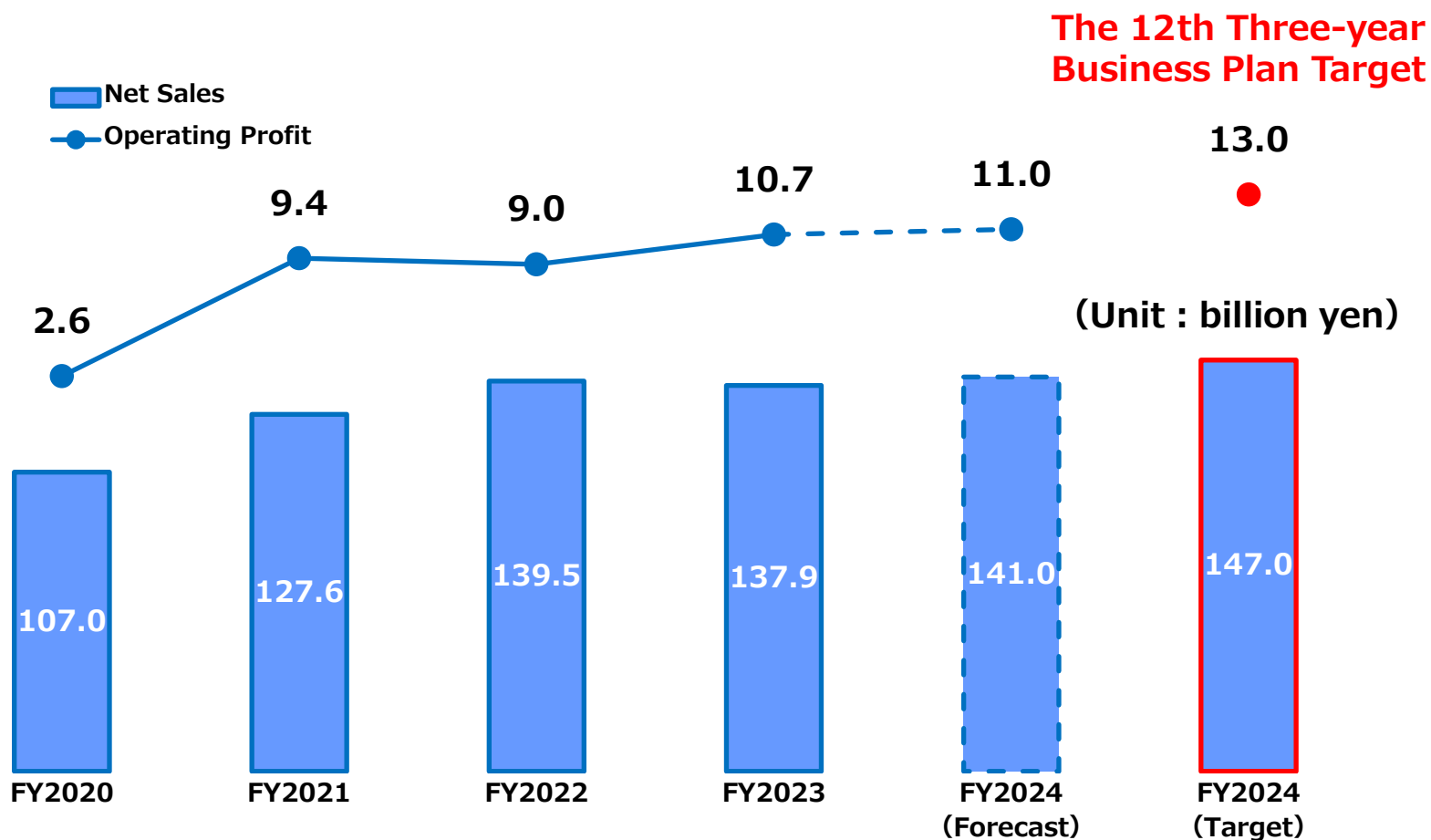
3. Progress of the 12th Three-year Business Plan

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

【Forecasts for FY2024】

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>

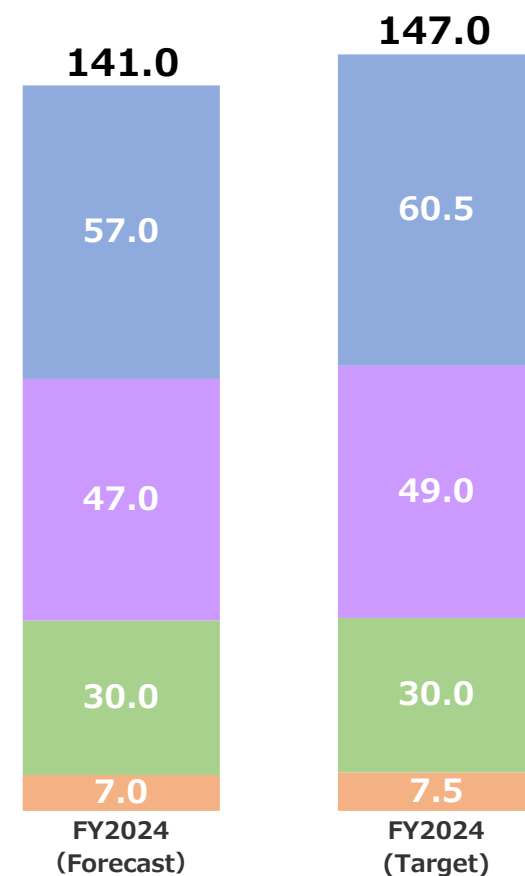
Forecast/Target of Sales and Profit by business segment

(Unit : billion yen)

			FY2024 (Forecast)	FY2024 (Target)	Diff.
Net Sales		Industrial Products	57.0	60.5	△3.5
		Ceramics & Materials	47.0	49.0	△2.0
		Engineering	30.0	30.0	—
		Tabletop	7.0	7.5	△0.5
	Total		141.0	147.0	△6.0
Operating Profit		Industrial Products	2.0	3.0	△1.0
		Ceramics & Materials	7.0	7.3	△0.3
		Engineering	2.0	2.7	△0.7
		Tabletop	0.0	0.0	—
	Total		11.0	13.0	△2.0

Sales by business segment

(Unit : billion yen)



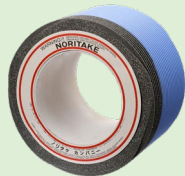
3. Progress of the 12th Three-year Business Plan

Noritake

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

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"



Concentration in core competence to three growth areas

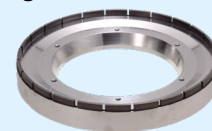
Electronics

Electronics/Semiconductors

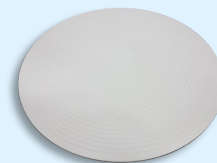
Materials for multi-layer ceramic capacitor



Surface grinding wheel for wafer



Polishing tool "LHA Pad"



Well-being

Grinding wheel for hypodermic needles



Life Science

"CLÉMENCE"



Fine bubble generator "Cerapor"



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

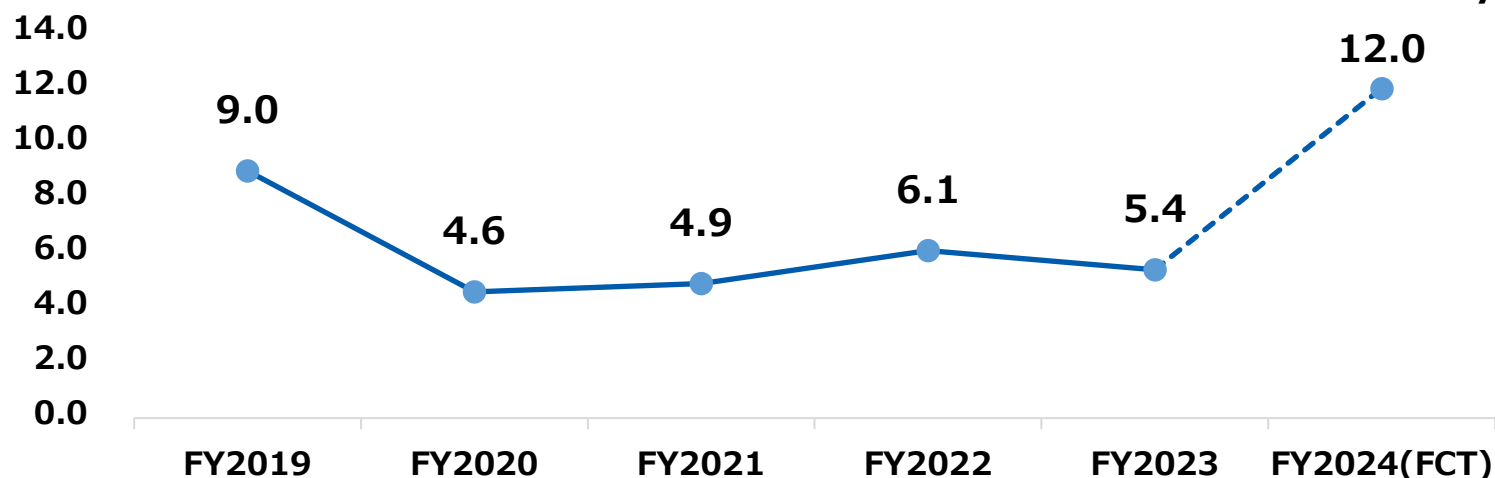
Capital investment

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

(Unit : billion yen)

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024 (Forecast)
Capital investment	9.0	4.6	4.9	6.1	5.4	12.0

(Unit : billion yen)



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

<Capital investment planning>

We are accelerating capital investment in growth areas, towards the next 13th Three-year Business Plan.

(Unit : billion yen)

Overview	Place	Initial Plan		Update	
		Amount (approx.)	Planned for completion	Amount (approx.)	Planned for completion
<Ceramics & Materials> Increase production of electronic materials for Multi-Layer Ceramic Capacitors, etc.	Minato Plant (Nagoya, Aichi)	7.0	FY2025 2 nd Half	9.5	Dec.2025
	Miyoshi Plant (Miyoshi, Aichi)	6.0	FY2025 1 st Half	3.5	Aug.2025
				6.5	~FY2030
<Engineering> Increase production capacity of heating furnaces for lithium-ion batteries, etc.	Komaki Plant (Komaki, Aichi)	2.5	FY2024 2 nd Half	2.0	Mar.2025
				1.0	~FY2030
<Industrial Products, Ceramics & Materials> Restructuring of manufacturing bases and establishment of increased production system, etc.	Miyoshi 2nd Plant (Miyoshi, Aichi)	4.5	~FY2030	to be determined	
Total		20.0		22.5	

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

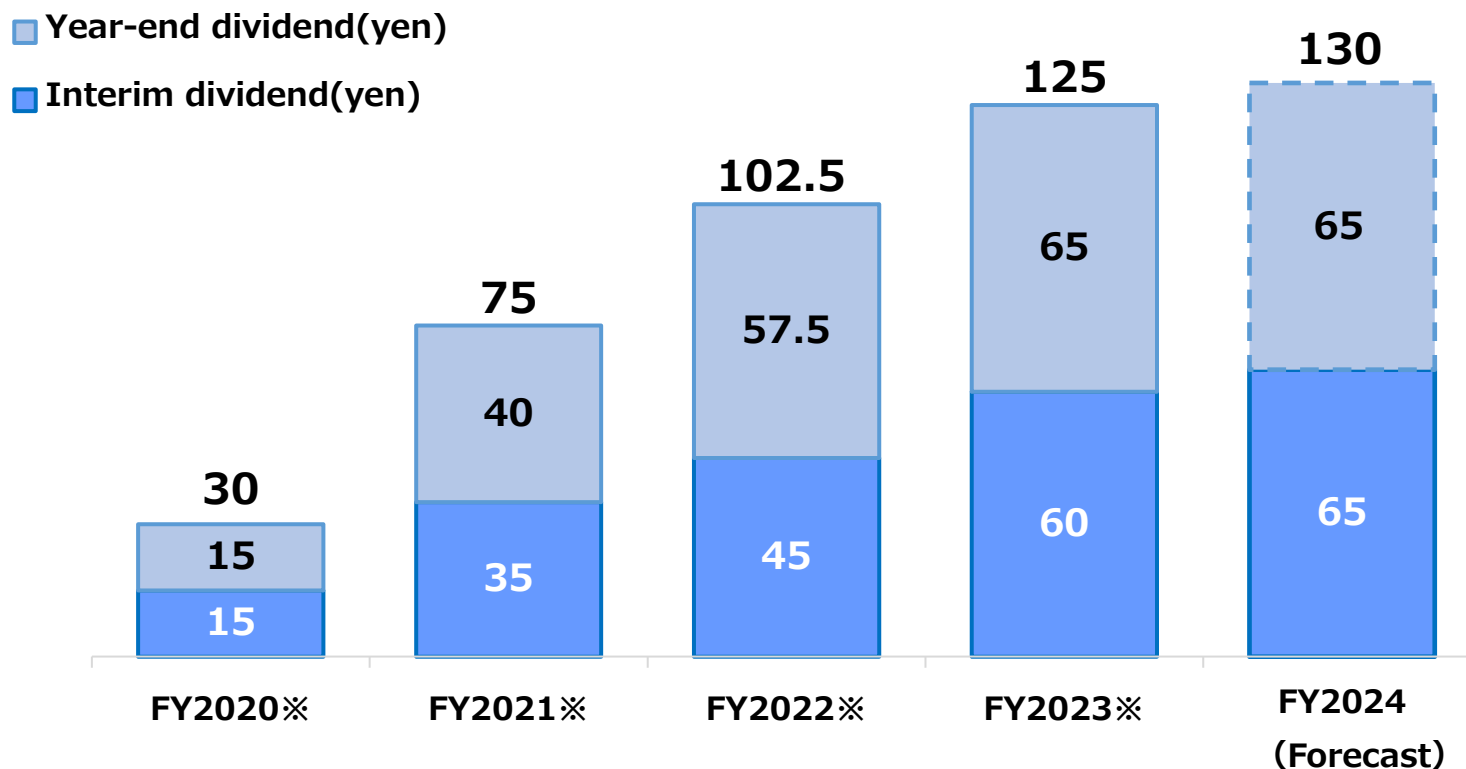
<Dividend>

The annual dividend forecast for FY2024 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 FY2020 through FY2023 are also based on the post-split for the purpose of comparison.



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

The acquisition of own shares and cancellation of treasury shares

The Company has decided to acquire its own shares in order to further increase its corporate value by enhancing shareholder returns and improving capital efficiency. All the acquired shares are to be cancelled.

Details of matters related to acquisition

(1) Class of shares to be acquired	Common Shares
(2) Total number of shares to be acquired	Up to 750,000 shares (2.6% of the total number of issued shares [excluding treasury shares])
(3) Total amount of share acquisition costs	Up to 2,500,000,000 yen
(4) Acquisition period	From August 7, 2024 to February 14, 2025
(5) Method of acquisition	Market purchases through the Tokyo Stock Exchange

Details of matters related to cancellation

(1) Class of shares to be cancelled	Common Shares
(2) Total number of shares to be cancelled	All of the shares acquired as stated above
(3) Scheduled date of cancellation	March 10, 2025

(Reference)

Total number of own shares acquired (as of October 31, 2024)

(1) Total number of shares acquired	317,600 shares
(2) Total amount of share acquisition costs	1,226,344,981 yen