

# 3Q-FY2024 Financial Results (Apr. 2024- Dec. 2024)



**(Stock Code: 6863)  
February 6, 2025**

#### Cautionary Statement

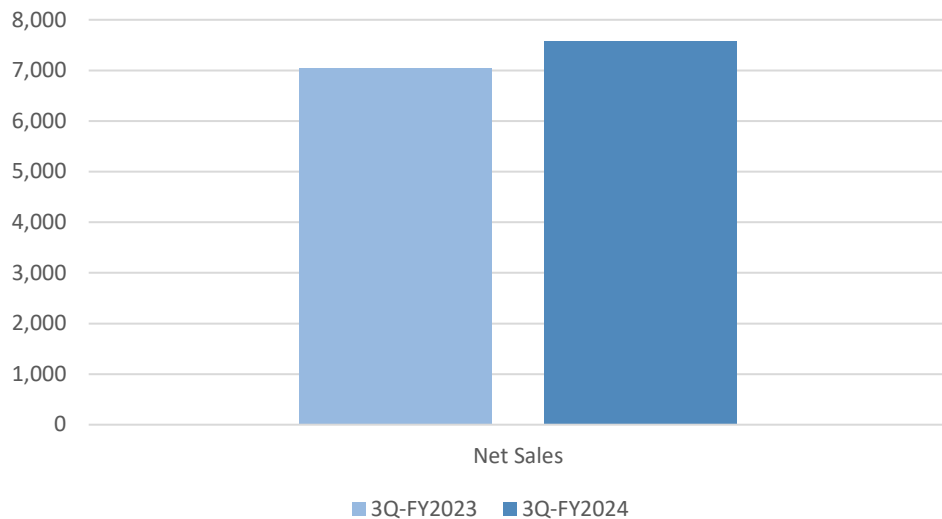
This document includes forward-looking statements that reflect management's current assumptions and expectations of future events, and accordingly, they are inherently susceptible to uncertainties and changes in circumstances and are not guarantees of future performance. Actual results may differ materially, for a wide range of possible reasons, including general industry and market conditions and general international economic conditions.

## 3Q-FY2024 Consolidated P&L

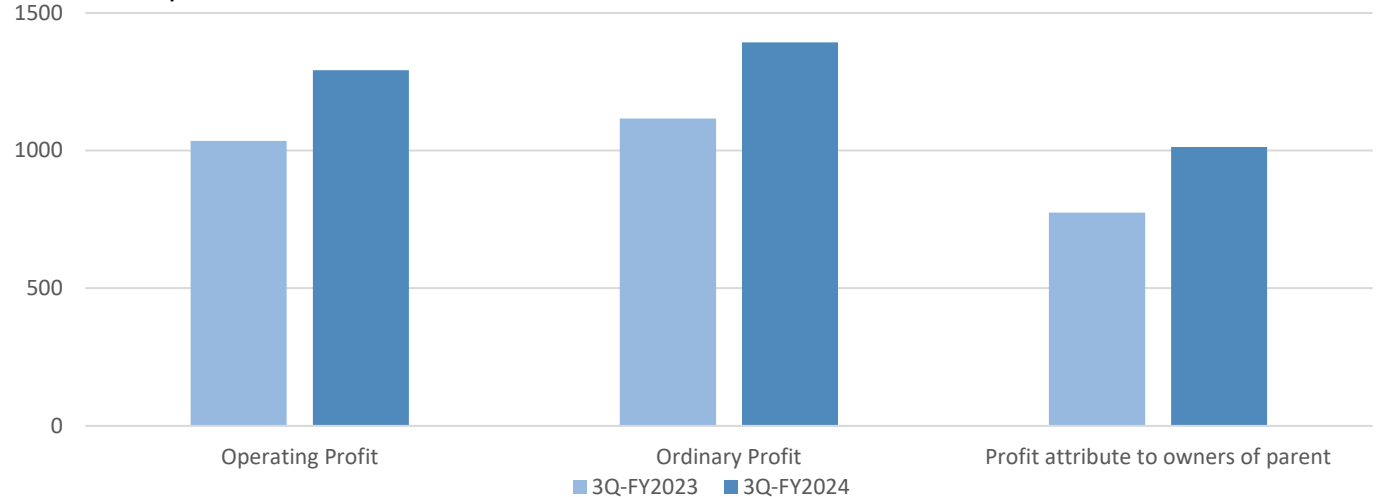
(Million JPY )

	3Q-FY2023 (Apr.2023-Dec.2023)	3Q-FY2024 (Apr.2024-Dec.2024)	YoY
Net Sales	7,041	7,570	7.5%
Operating Profit	1,035	1,292	24.8%
Ordinary Profit	1,117	1,393	24.7%
Profit attribute to owners of parent	775	1,013	30.6%

(Million JPY )



(Million JPY )



# Earnings forecast revision for FY2024

(Apr. 1, 2024-Mar.31, 2025)

	Sales	Operating Profit	Ordinary Profit	Profit attribute to owners of parent	Earnings per Share(JPY)
	Million JPY	Million JPY	Million JPY	Million JPY	JPY
Previous Forecast( A )	10,000	1,400	1,470	1,050	141.86
Revised Forecast( B )	10,600	1,680	1,800	1,290	174.28
Increase/Decrease( B – A )	600	280	330	240	-
Increase/Decrease(%)	6.0	20.0	22.4	22.9	-
(For Reference) FY2023 Actual	9,861	1,386	1,470	1,011	137.36

## Overview: Earnings forecast revision for FY2024

- In the Control Equipment Business, sales of highly profitable products in the steel and non-ferrous metals industries were strong. In the film and printing domain, sales to low-margin sectors have settled down, and efforts to improve profits have been successful.
- In the Optics Business, both sales and profits increased significantly, mainly in the optical components field, due to rising demand in the semiconductor production equipment market.
- Because of order backlog is at the same level as the end of the FY23, the company assumes that business performance will continue to be strong in the 4th quarter (Jan. 2025 - Mar. 2025).

## Dividend forecast revision for FY2024

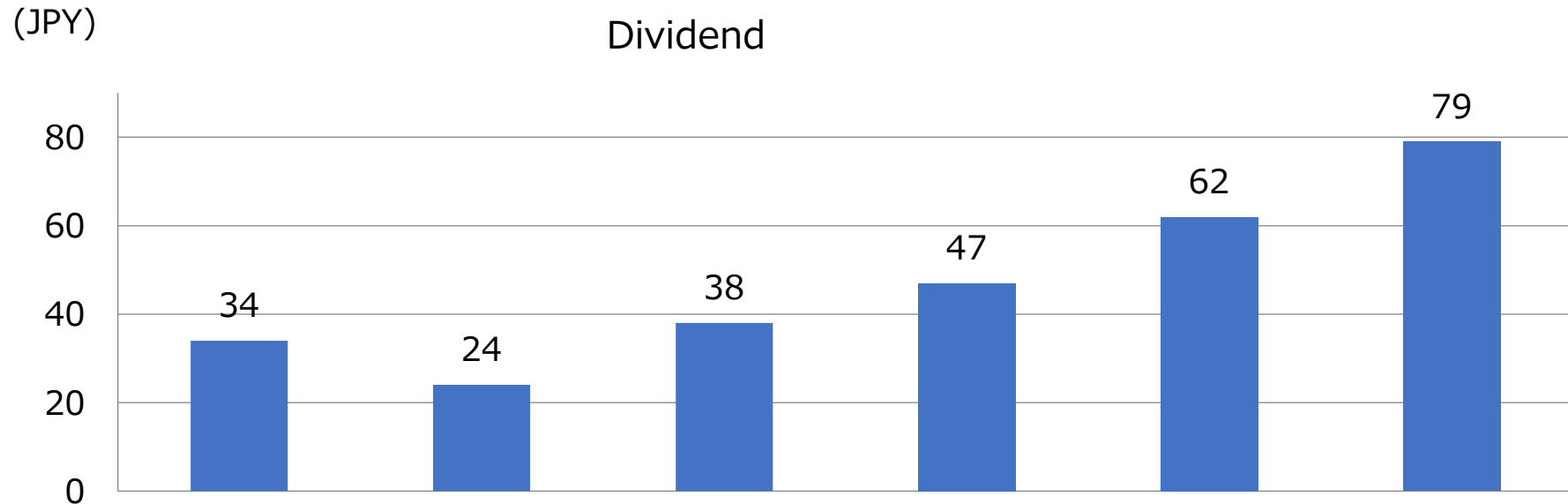
Based on consolidated cumulative 3rd quarter results (Apr.2024-Dec.2024), the company revised earnings forecast and dividend forecast for FY2024

Dividend per share			
	Sep.30, 2024	Mar.31, 2025	Total
Previous forecast (Announced Nov.13, 2024)	-	JPY 40.00	JPY 64.00
<b>Revised dividend forecast (Announced Feb.6, 2025)</b>	-	<b>JPY 55.00</b>	<b>JPY 79.00</b>
FY2024 Actual	JPY 24.00	-	-
(For Reference) FY2023 Actual	JPY 20.00	JPY 42.00	JPY 62.00

## Shareholders' Return

**Basic Policy : Consolidated dividend payout ratio of 45% or more and consolidated Dividend On Equity (DOE) capital ratio of 2.5% or more.**

Plans to pay the largest dividend since IPO



	FY19	FY20	FY21	FY22	FY23	FY24(Plan)
Net profit per share (JPY)	106.58	59.06	55.41	117.40	137.36	174.28
Interim dividend (JPY)	14	10	14	18	20	24
Dividends (JPY)	34	24	38	47	62	79
Dividend Payout Ratio (%)	31.9	40.6	68.6	40.0	45.1	45.3
DOE	2.0%	1.3%	2.0%	2.4%	3.0%	3.8%

# Balance Sheet

(Million JPY )

	End of FY23 (Mar. 31, 2024)		End of 3Q-FY24 (Dec. 31, 2024)		Change
Cash and deposits	4,354	23.4%	3,748	20.3%	- 606
Trade receivables	4,176	22.5%	4,161	22.5%	- 15
Inventories	3,544	19.1%	4,128	22.4%	+ 584
Other current assets	272	1.5%	204	1.1%	- 68
<b>Current assets</b>	<b>12,347</b>	<b>66.5%</b>	<b>12,243</b>	<b>66.3%</b>	<b>- 104</b>
Property, plant and equipment	3,627	19.5%	4,008	21.7%	+ 381
Intangible assets	176	0.9%	118	0.6%	- 58
Investments and other assets	2,422	13.0%	2,086	11.3%	- 336
<b>Non-current assets</b>	<b>6,226</b>	<b>33.5%</b>	<b>6,213</b>	<b>33.7%</b>	<b>- 13</b>
<b>Total assets</b>	<b>18,573</b>	<b>100.0%</b>	<b>18,456</b>	<b>100.0%</b>	<b>- 117</b>
Accounts payable - trade	576	3.1%	433	2.3%	- 143
Other current liabilities	1,422	7.7%	1,191	6.5%	- 231
<b>Current liabilities</b>	<b>1,998</b>	<b>10.8%</b>	<b>1,625</b>	<b>8.8%</b>	<b>- 373</b>
<b>Non-current liabilities</b>	<b>749</b>	<b>4.0%</b>	<b>721</b>	<b>3.9%</b>	<b>- 28</b>
<b>Total liabilities</b>	<b>2,748</b>	<b>14.8%</b>	<b>2,347</b>	<b>12.7%</b>	<b>- 401</b>
<b>Total net assets</b>	<b>15,825</b>	<b>85.2%</b>	<b>16,109</b>	<b>87.3%</b>	<b>+ 284</b>
<b>Total liabilities and net assets</b>	<b>18,573</b>	<b>100.0%</b>	<b>18,456</b>	<b>100.0%</b>	<b>- 117</b>

## 3Q-FY2024 Order received/ Order backlog

Order received in the film and printing domain decreased compared to the FY23, in the steel and non-ferrous metals domain and in the Optics Business remained strong.

(Million JPY )

	3Q-FY2023 (Apr.2023- Dec.2023)	3Q-FY2024 (Apr.2024- Dec.2024)	YoY	(For Reference) FY2023 Actual
Order received	7,953	7,589	-4.6%	9,970
Order backlog	6,256	5,474	-12.5%	5,454





## 3Q-FY2024 Segment Results

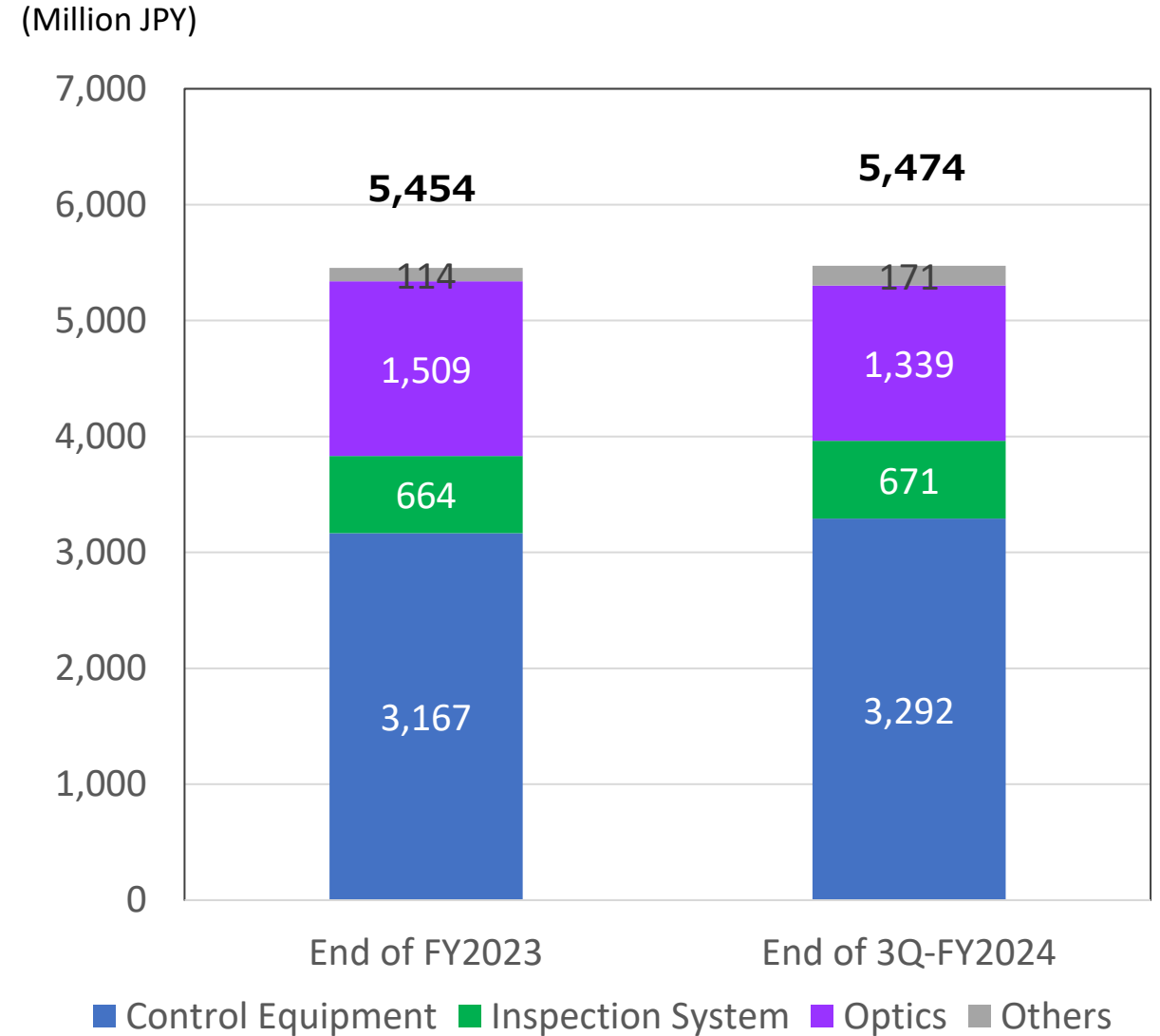
(Million JPY )

	Sales 3Q-FY2023 (Apr.2023-Dec.2023)	Segment profit 3Q-FY2023 (Apr.2023-Dec.2023)	Sales 3Q-FY2024 (Apr.2024-Dec.2024)	Segment profit 3Q-FY2024 (Apr.2024-Dec.2024)
Control Equipment Business	4,025	783	4,012	1,009
Inspection System Business	1,205	58	1,121	▲42
Optics Business	1,395	577	2,136	822
Others	414	43	300	▲40
Adjustment	-	▲427	-	▲456
Total	7,041	1,035	7,570	1,292

## 3Q-FY2024 Order backlog by segments

(Million JPY)

	End of FY2023 (Mar. 31, 2024)	End of 3Q-FY2024 (Dec. 31, 2024)
Control Equipment Business	3,167	3,292
Inspection System Business	664	671
Optics Business	1,509	1,339
Others	114	171
<b>Total</b>	<b>5,454</b>	<b>5,474</b>



## FY2024 Earnings forecast by segments

(Million JPY)

	Previous sales forecast (At Nov, 2024)	Previous segment profit forecast (At Nov, 2024)	Revised sales forecast (At Feb. 2025)	Revised segment profit forecast (At Feb. 2025)
Control Equipment Business	5,600	1,020	6,000	1,450
Inspection System Business	1,350	30	1,400	▲ 160
Optics Business	2,500	920	2,750	1,000
Others	550	30	450	0
Adjustment	-	▲ 600	-	▲ 610
Total	10,000	1,400	10,600	1,680

**NIRECO**

# Reference Data

## Company Profile

Company name	NIRECO Corporation
President & CEO	Shinichi Nakasugi
Head office	2951-4 Ishikawa-machi, Hachioji, Tokyo, Japan
Established	November 1950
Stock exchange listing	TSE Standard
Paid-in capital	3,084 million Japanese yen*
Number of employees	450*
Net sales (Consolidated)	9,861 million Japanese yen (FY2023)

\*As of March 31, 2024

## History

- 1950 Nihon Regulator Co., Ltd. established in Chuo-ku, Tokyo
- 1979 Head office relocated to Hachioji, Tokyo
- 1984 Company name changed to NIRECO Corporation
- 1989 Registered on the OTC share market with the Japan Securities Dealers Association
- 1990 Acquired Miyota Seimitsu Co., Ltd.
- 1998 Acquired Nireco Taiwan Corporation
- 2003 Nireco Automatic Controller (Shanghai) Co., Ltd. established in Shanghai, China
- 2004 Listed stocks on the JASDAQ Securities Exchange
- 2013 Transfer listed market to the Tokyo Stock Exchange JASDAQ (standard)
- 2014 Nireco Process Korea Co., Ltd. (NPK) established in Korea
- 2018 NPK acquired the land and buildings to establish a production system
- 2019 Acquired Kogakugiken Corp.
- 2021 Acquired SEIBU Electric Corp.
- 2022 Transfer to TSE Standard market due to restructuring of market tiers in the Tokyo Stock Exchange
- 2023 Nireco Process Korea Co., Ltd. changed the corporate name to Nireco Korea Corporation
- 2024 Merged Miyota Seimitsu Co.  
Acquired KEIHIN KOMAKU Co., Ltd.

## Management philosophy

### **‘TECHNOLOGY & TRUST’**

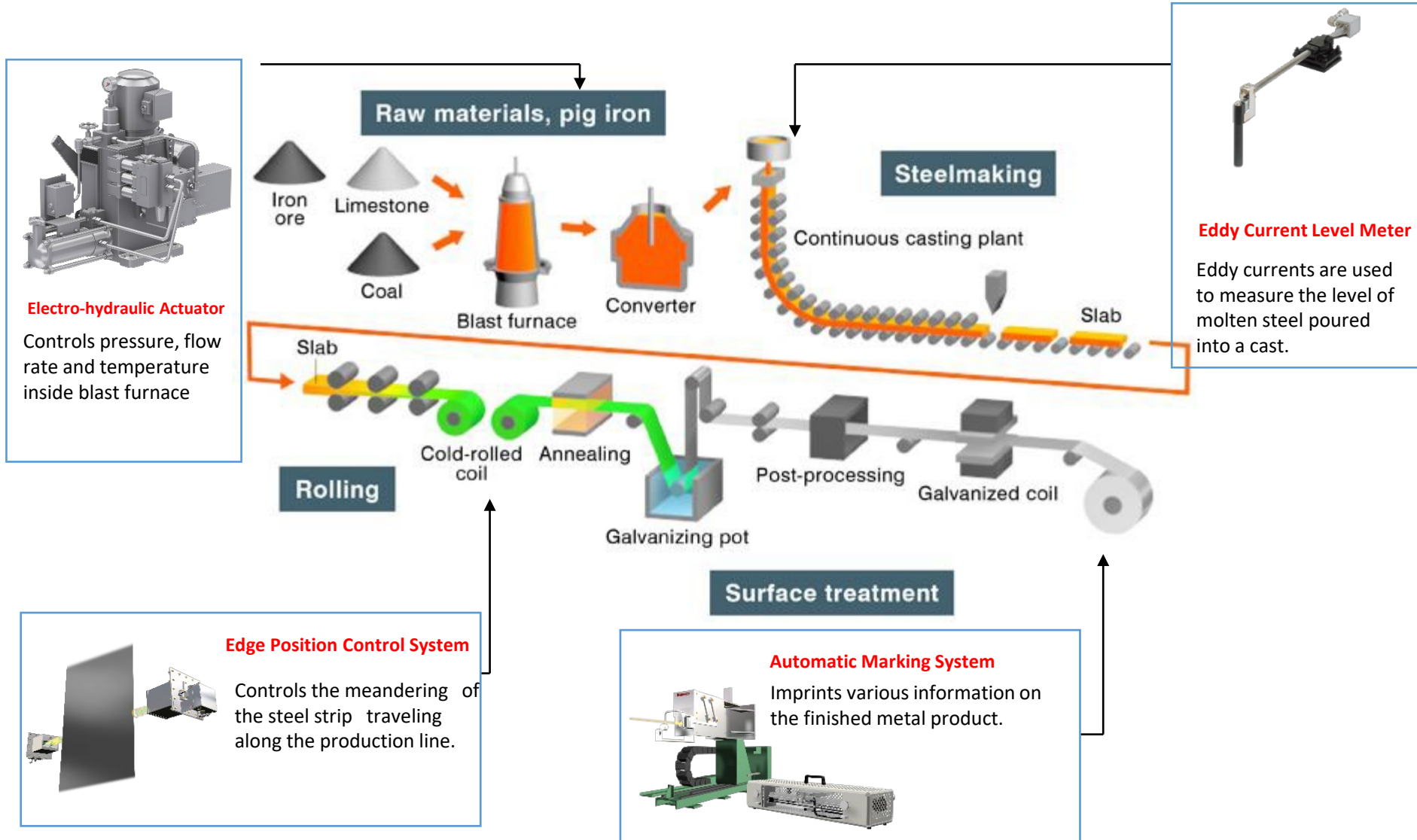
We provide products that utilize our advanced control, measurement and inspection technology and services that precisely match the needs of our customers. NIRECO grows together with its customers as a reliable partner and as a company that wins trust.

Furthermore, we will contribute to the realization of an affluent and sustainable society by widely applying the value created through our partnerships with society.



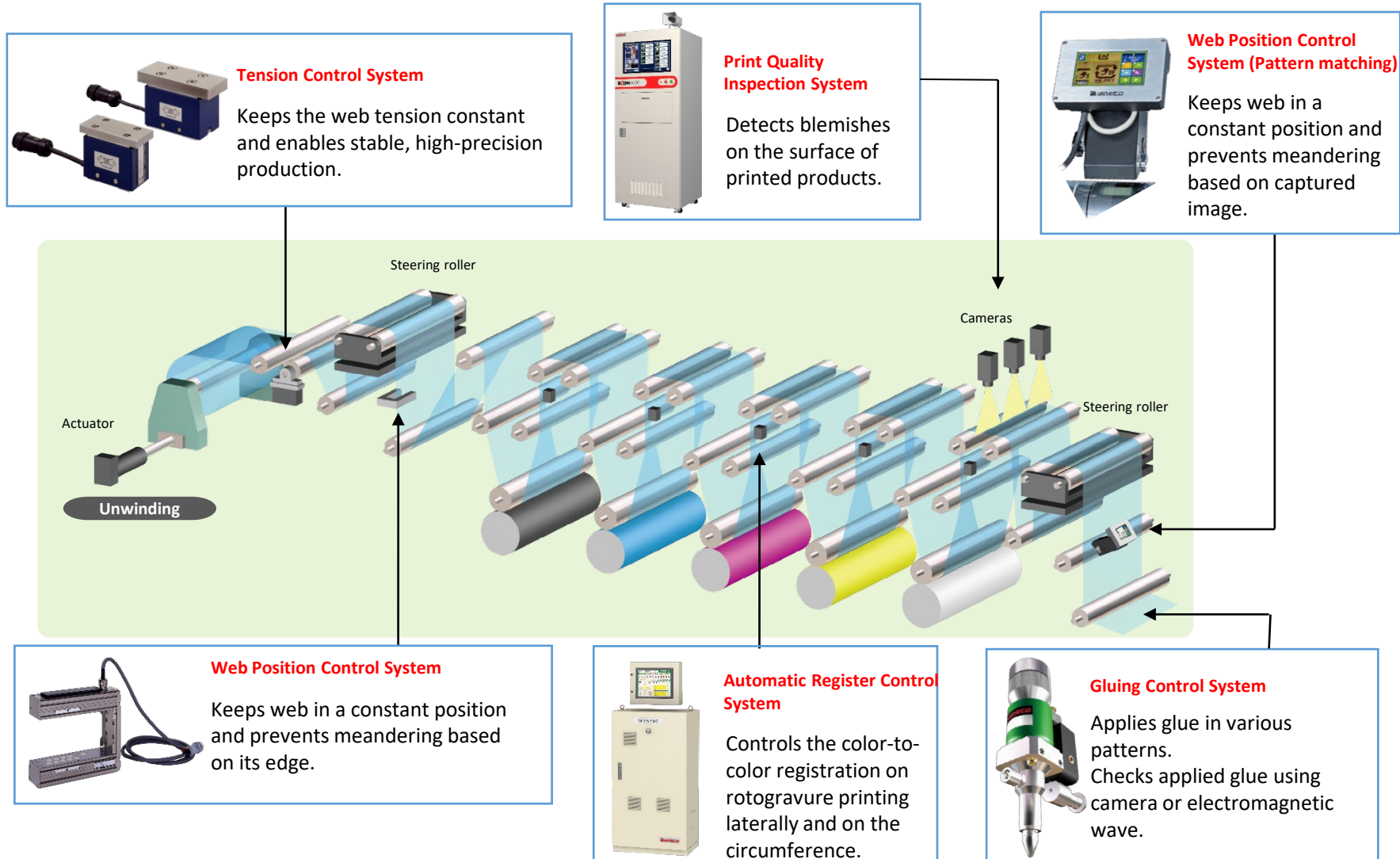
## Control Equipment Business: For steel and non-ferrous metals industries

Markets automatic control equipment in several industries such as steel, metal, gas, chemical etc.



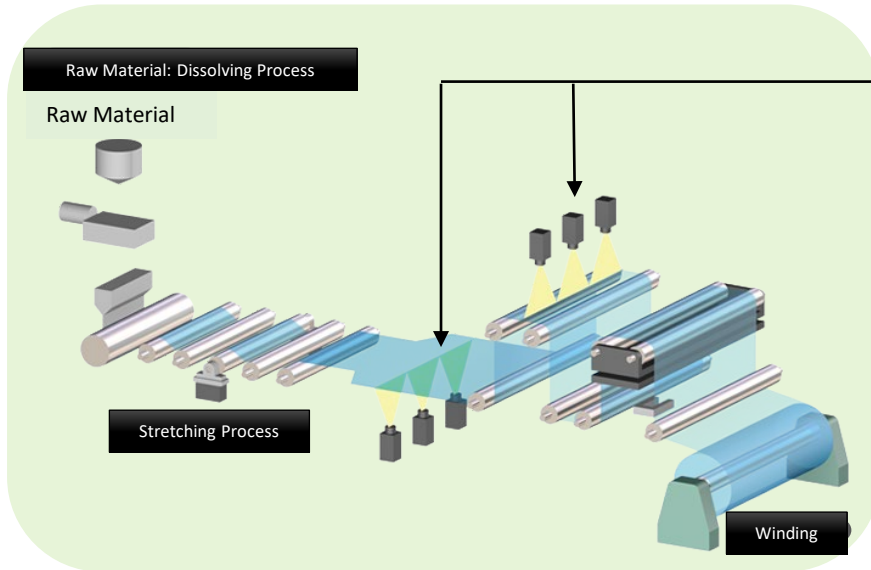
## Control Equipment Business: For Web Control Domain

Markets position control equipment etc. for thin-sheet materials so-called 'Web', such as paper, film and foil



## Inspection System Business

Sales of quality inspection systems for a wide range of products from agriproducts to electronic components and custom developed using image processing technology refined over many years.



**Defect Inspection System for Plain Surfaces**

Able to detect multiple kinds of defects even on high-speed production lines.

**Fruit/Vegetable Sorting System**

Performs instantaneous non-destructive quality tests for agricultural products externally (scratches, decay, and sizes) and internally (sugar content and acidity).



## Optics Business

The Optics business engages in the R&D, manufacture and sale of advanced laser devices meticulously developed over many years and highly specialized optical components.

- Main applications:
  - Semiconductor Inspection Equipment
  - Optical Equipment
  - Medical Equipment

### Optical Components

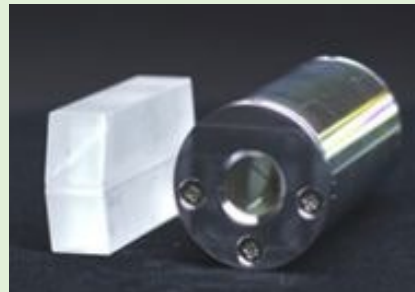


#### Nonlinear optical crystal

CLBO elements suitable for wavelength conversion to deep-ultraviolet light are provided and used in advanced semiconductor inspection equipment, etc. Our unique processing technology has been highly evaluated by several semiconductor inspection equipment manufacturers around the world.

#### Polarizers

Offer polarizers to extract specific lights. Our polarizers have high transmittance and high extinction ratio for DUV.



### Lasers



#### Deep UV fiber laser

Generate 199nm deep ultraviolet fiber laser that suitable for mask inspection. With regular maintenance once a year, the performance of the system is stable.

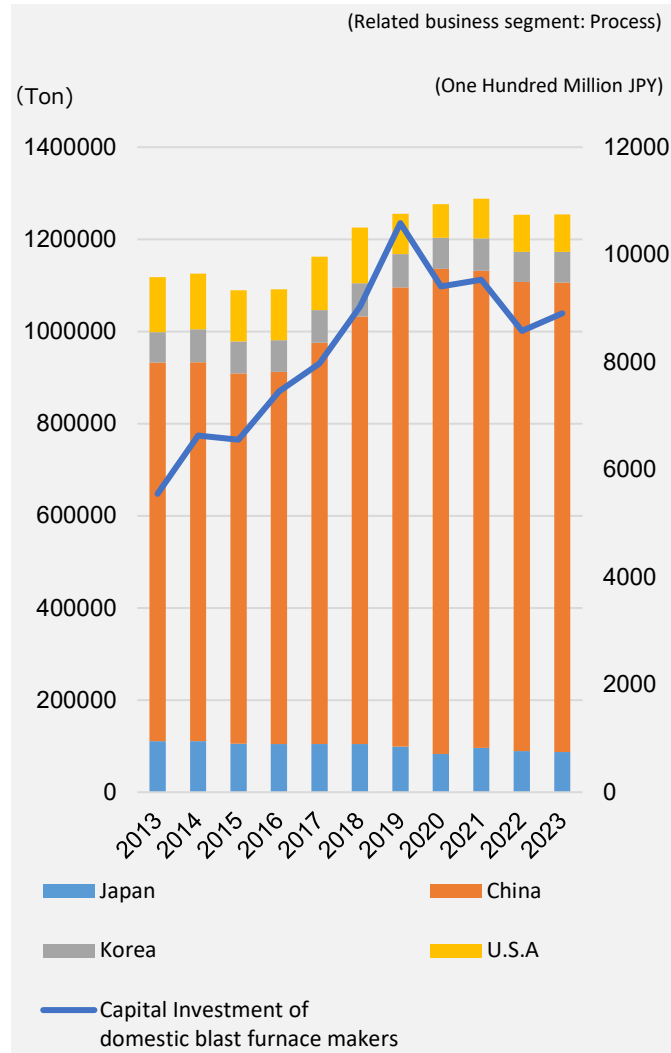


#### Green Laser device

Generate high output green laser for various purposes such as processing of silicon wafer, metal marking and so on.

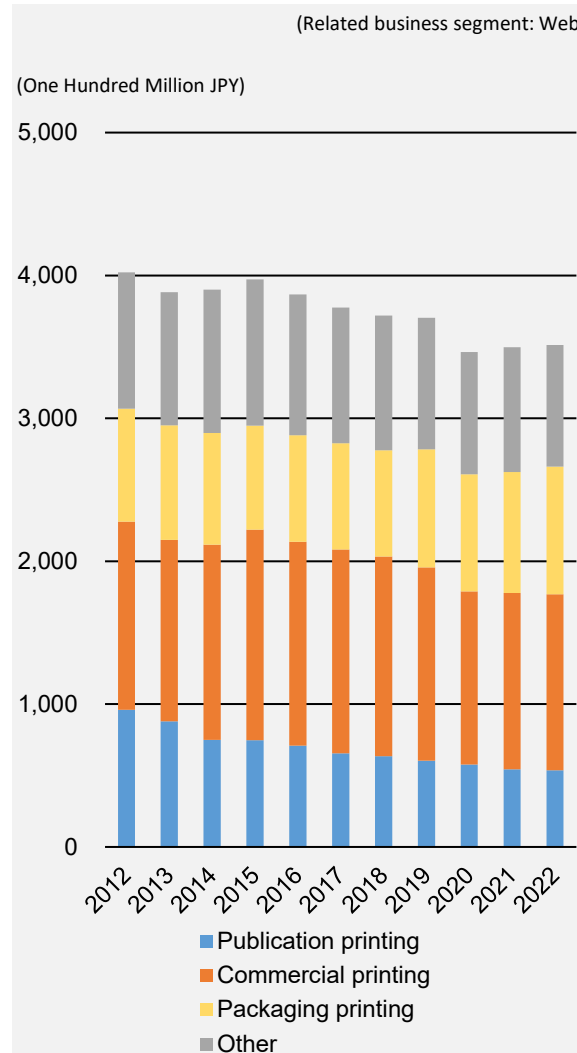
## Market environment

Regional Crude Steel Production & Capital Investment by Major Domestic Blast Furnace Makers



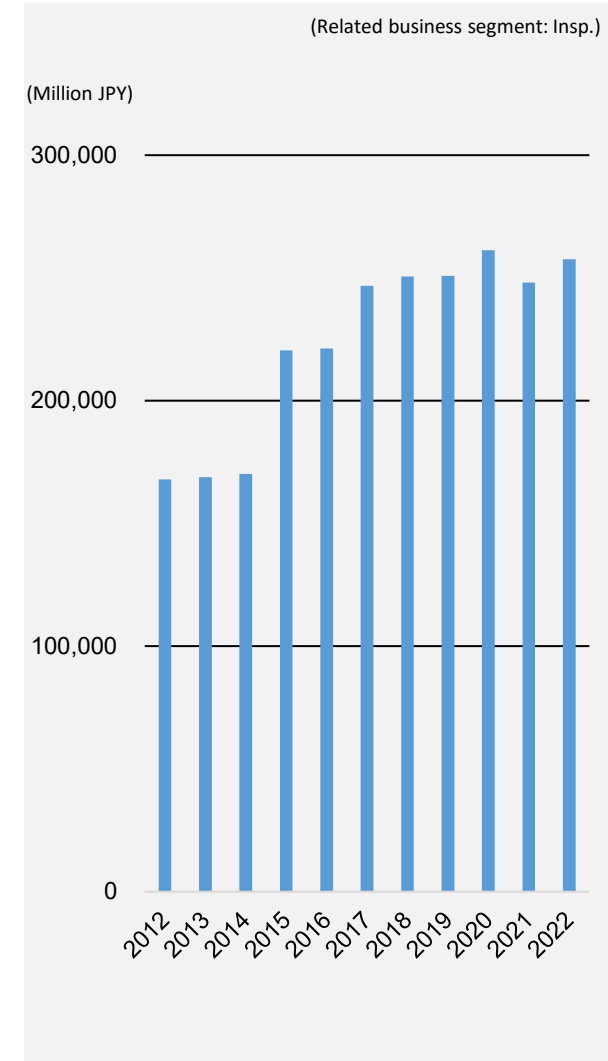
Source: world steel, Financial information of major Japanese manufacturers

Scale of Japan's Printing Market



Source: Based on industrial & production dynamics statistics

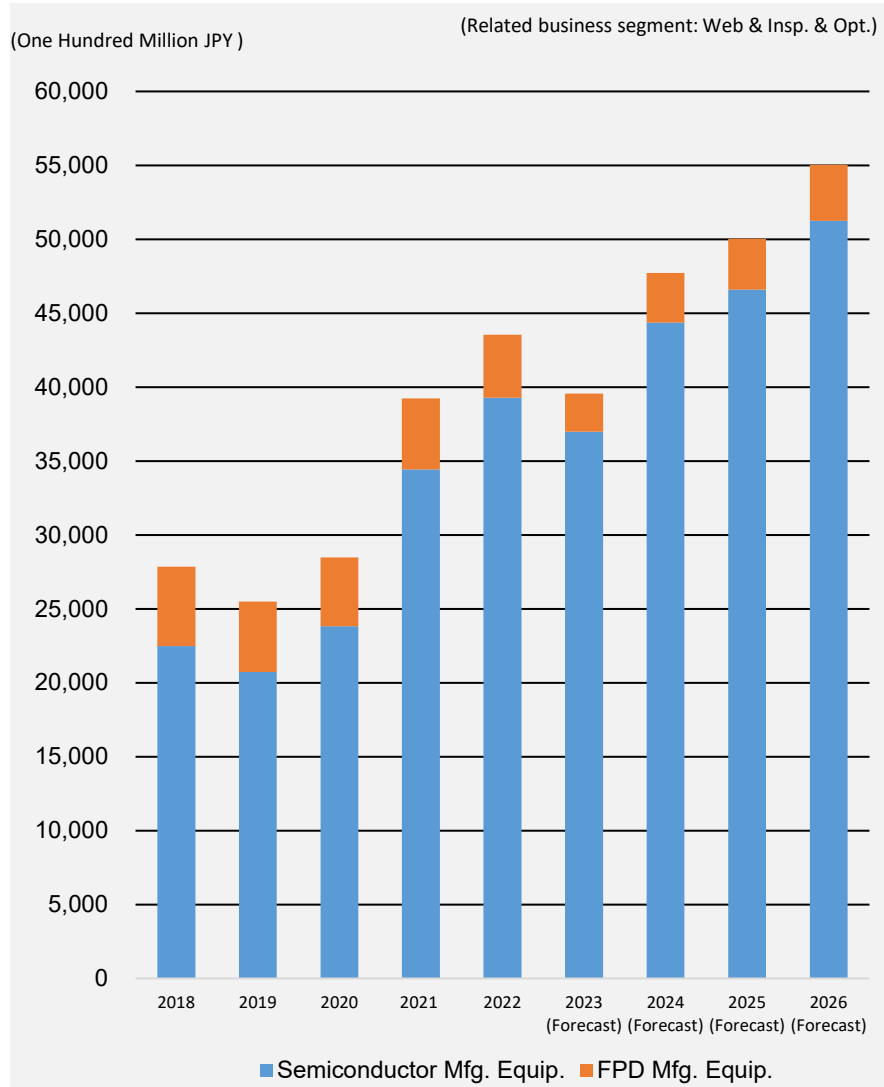
Japan Food Machinery Sales  
(excluding processing machinery)



Source: The Japan Food Machinery Manufacturers' Association

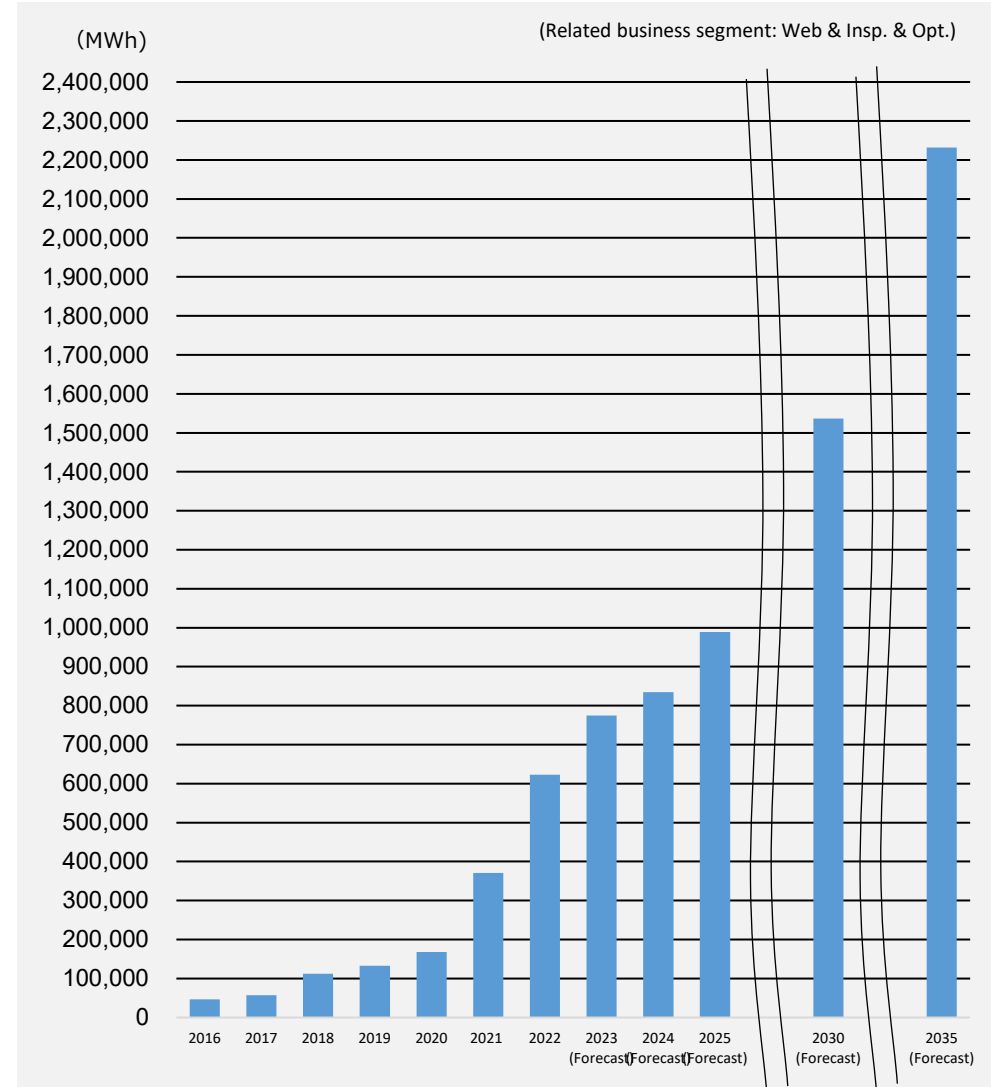
## Market environment

### Forecast of Demand for Semiconductor & FPD Mfg. Equip.



Source: Semiconductor Equipment Association of Japan

### Automotive LiB World Market Forecast



Source: Yano Research Institute Ltd.

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