



Investor Relations Meeting FY2024 Financial Results & Outlook

**March 13th, 2025
Ichikoh Industries, Ltd.**

VISION IN MOTION



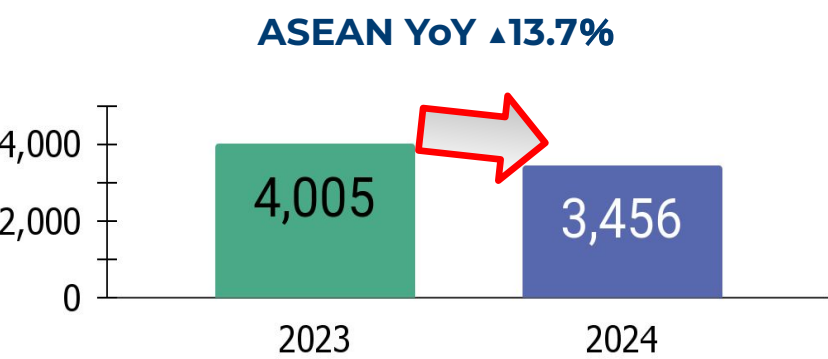
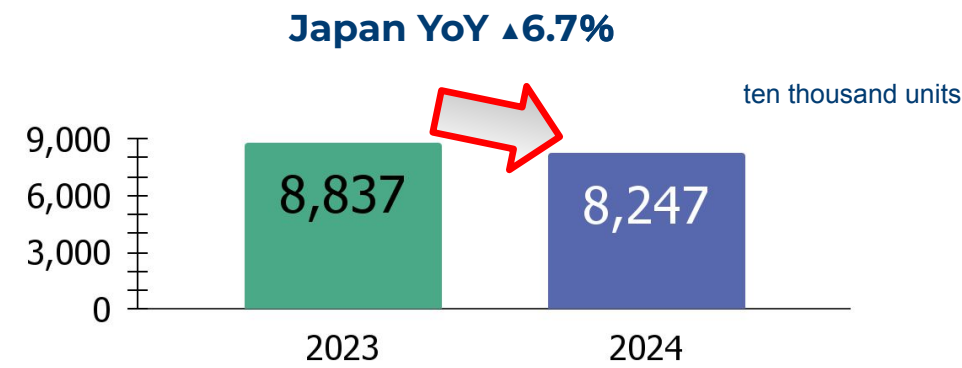
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01 FY2024 Financial Results (January~December 2024)

SALES OUTPERFORMANCE VS. MARKET

FY2024 Production Volumes per Market
(Source from Marklines)



2024 Sales(excl.Mirror) outperformance vs Market

2024 vs 2023	Sales excl. forex impact and tooling variance	Market Production volume variance	Sales out performance vs Market production volume
Total	▲10.2%	▲8.9%	▲1.3 pt
Japan	▲10.5%	▲6.7%	▲3.8 pt
ASEAN*	▲9.1%	▲13.7%	4.6 pt

*ASEAN: Indonesia, Malaysia, Thailand

Sales excl tooling -1.3pt vs market production volume:

- Japan sales -3.8pts vs Japan production volume due to higher exposure to Toyota & Daihatsu affected by the certification issues
- ASEAN market overperformance driven by favorable customer positioning in Thailand

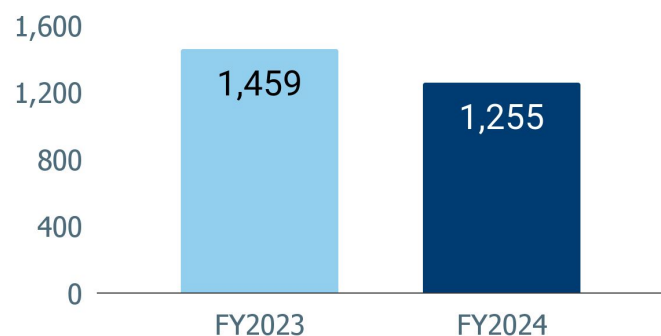
FY2024 FINANCIAL RESULT (YEAR-ON-YEAR)

- ◆ Sales reflecting perimeter changes, **recentering on Lighting Core business** after Mirror spin off in 2023 & PIAA divestiture in 2024
- ◆ Operating Income impacted by **lower activity following certification issue** in Japan

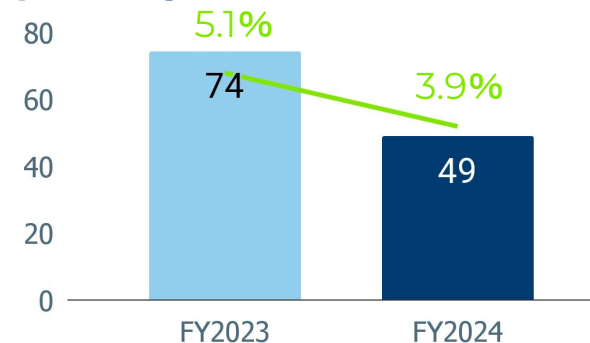
Hundreds million yen

	FY2023 (Jan.~Dec. 2023)	FY2024 (Jan.~Dec. 2024)	Increase/Decrease		Increase /Decrease
Sales	1,459	1,255	①	▲204	▲14.0%
Operating Income	74	49	②	▲25	▲34.2%
Operating Margin (%)	5.1%	3.9%	②/①	12.5%	▲1.2 pt.
Ordinary Income	81	65		▲16	▲19.8%
Net Income	78	45		▲34	▲43.0%

Sales



Operating Income



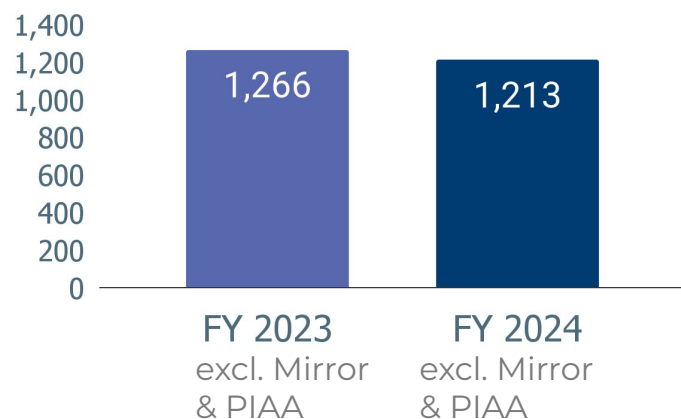
FY2024 FINANCIAL RESULT (YEAR-ON-YEAR)-excl. MIRROR & PIAA

- ◆ Lower Sales impacted by production stop in Japan following Toyota and Daihatsu certification issues
- ◆ Operating Income impact from lower activity and less tooling sales limited by productivities and inflation balance improvement

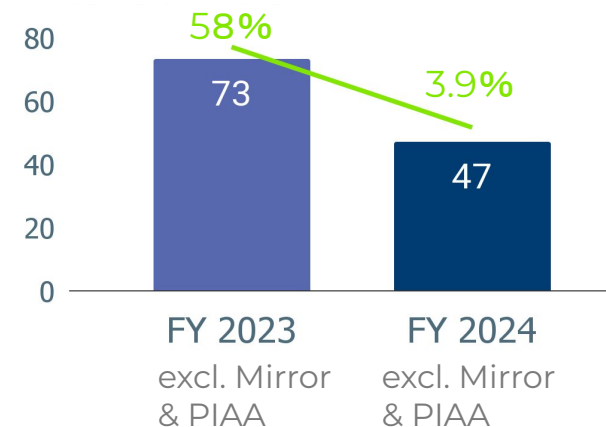
Hundreds million yen

	FY 2023 (Excluding Mirror & PIAA)	FY 2024 (Excluding Mirror & PIAA)	Increase /Decrease		Increase /Decrease %
Sales	1,266	1,213	①	▲53	▲4.2%
Operating Income	73	47	②	▲26	▲35.8%
Operating Margin (%)	5.8%	3.9%	②/①	49.6%	▲1.9 pt.

Sales



Operating Income



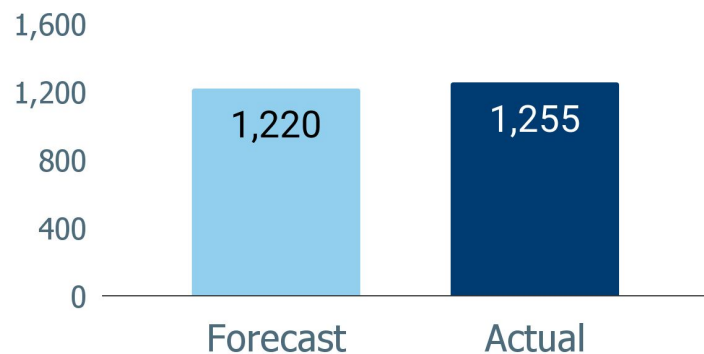
FY2024 FINANCIAL RESULT (VS. FORECAST)

- ◆ Sales slightly exceeded our Forecast and **Operating Income significantly overachieved** thanks to better **Operational Performance** in our Japan Operations and overall **positive inflation balance management**
- ◆ Net Income was positively impacted from the **gains on the sale of PIAA**

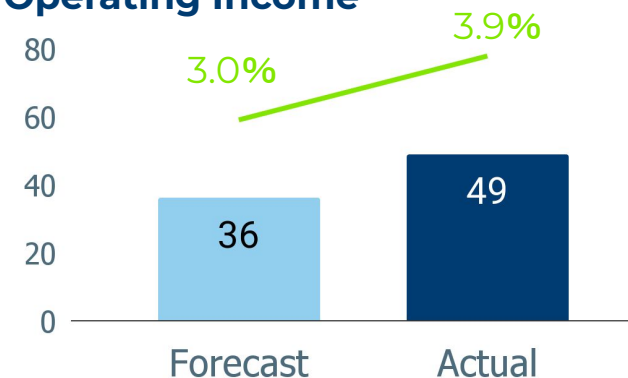
Hundreds million yen

	FY2024 Forecast (Jan.~Dec. 2024) <small>Forecast announced in TSE on Nov. 13th, 2024</small>	FY2024 Actual (Jan.~Dec. 2024)		Increase /Decrease (vs. forecast)	Increase /Decrease
Sales	1,220	1,255	①	35	2.9%
Operating Income	36	49	②	13	35.6%
Operating Margin (%)	3.0%	3.9%	②/①	36.2%	0.9 pt
Ordinary Income	51	65		14	27.8%
Net Income	38	45		7	17.6%

Sales

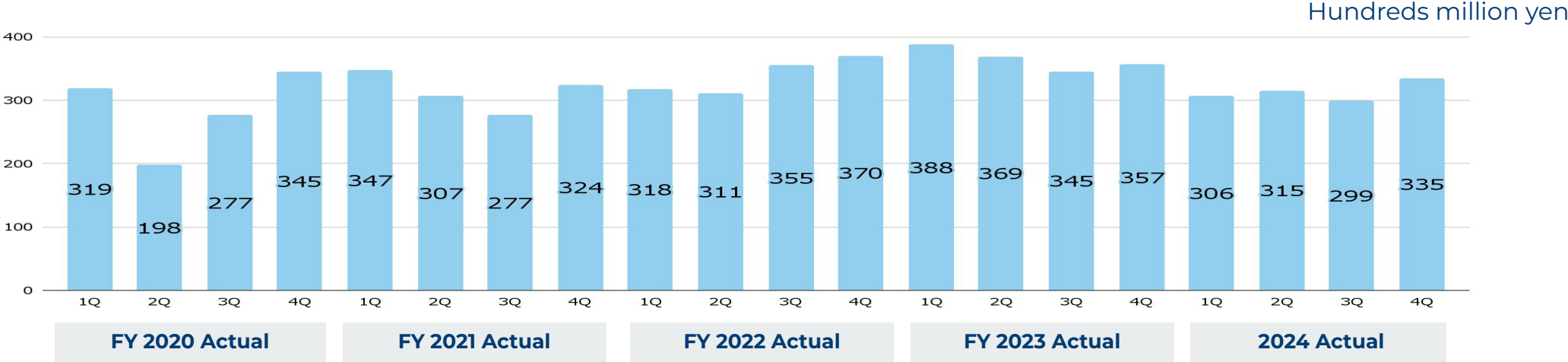


Operating Income



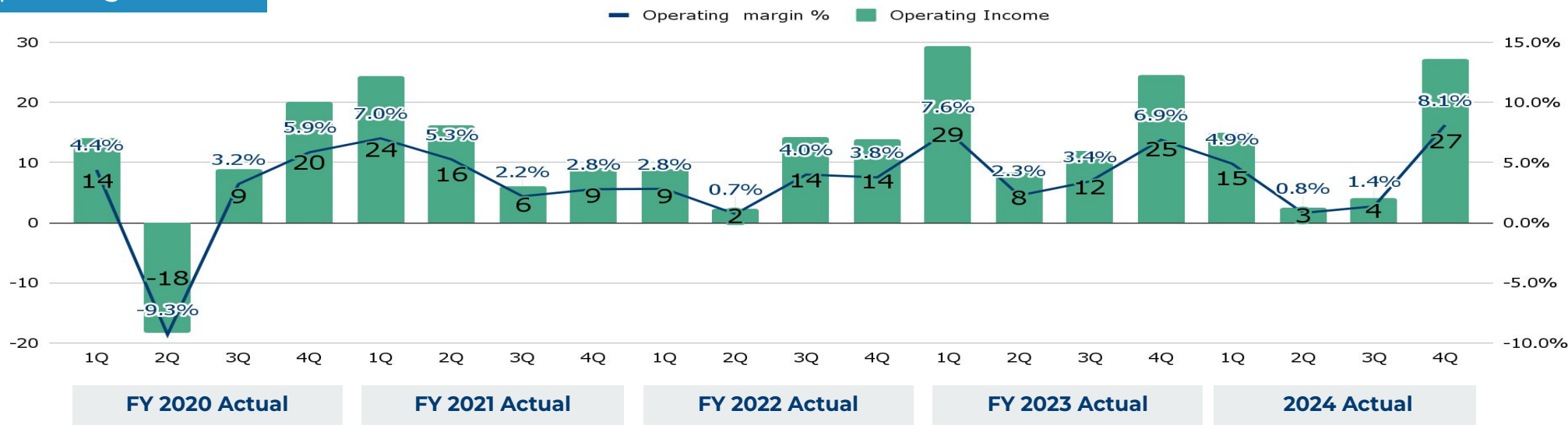
TREND IN QUARTERLY FINANCIAL RESULTS

Sales



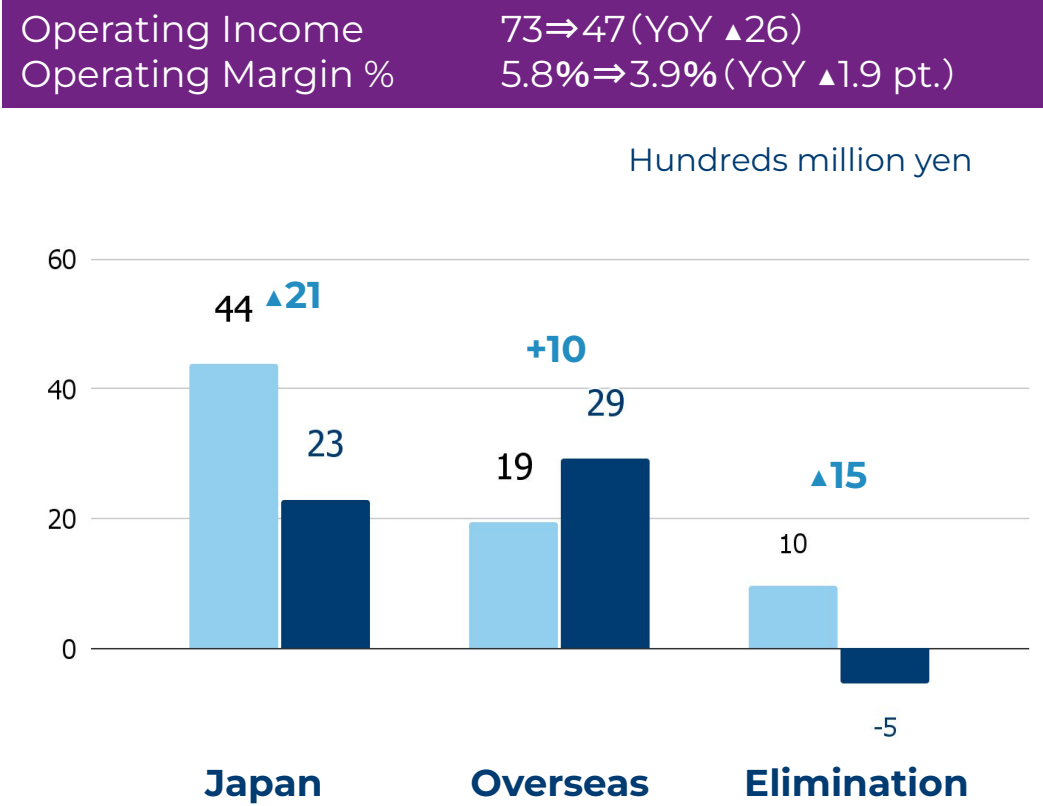
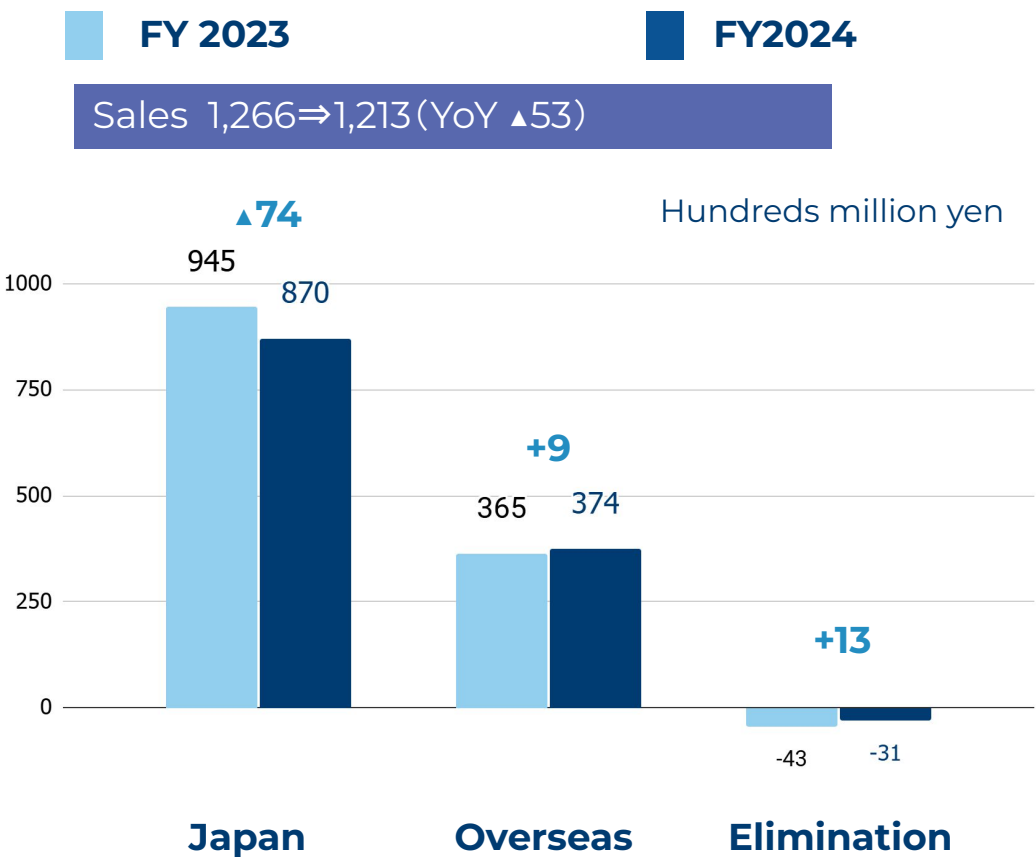
Operating Income

◆ Generally stronger 1Q and 4Q while weaker 2Q and 3Q



FY2024 RESULTS BY REGION vs FY2023-excl. MIRROR & PIAA

- ◆ Japan: profit impacted by lower activity and less income from tooling partially offset by **positive inflation balance management** and **operational efficiency**
- ◆ Overseas: profit increased thanks to **operational improvement** and **positive inflation balance management**

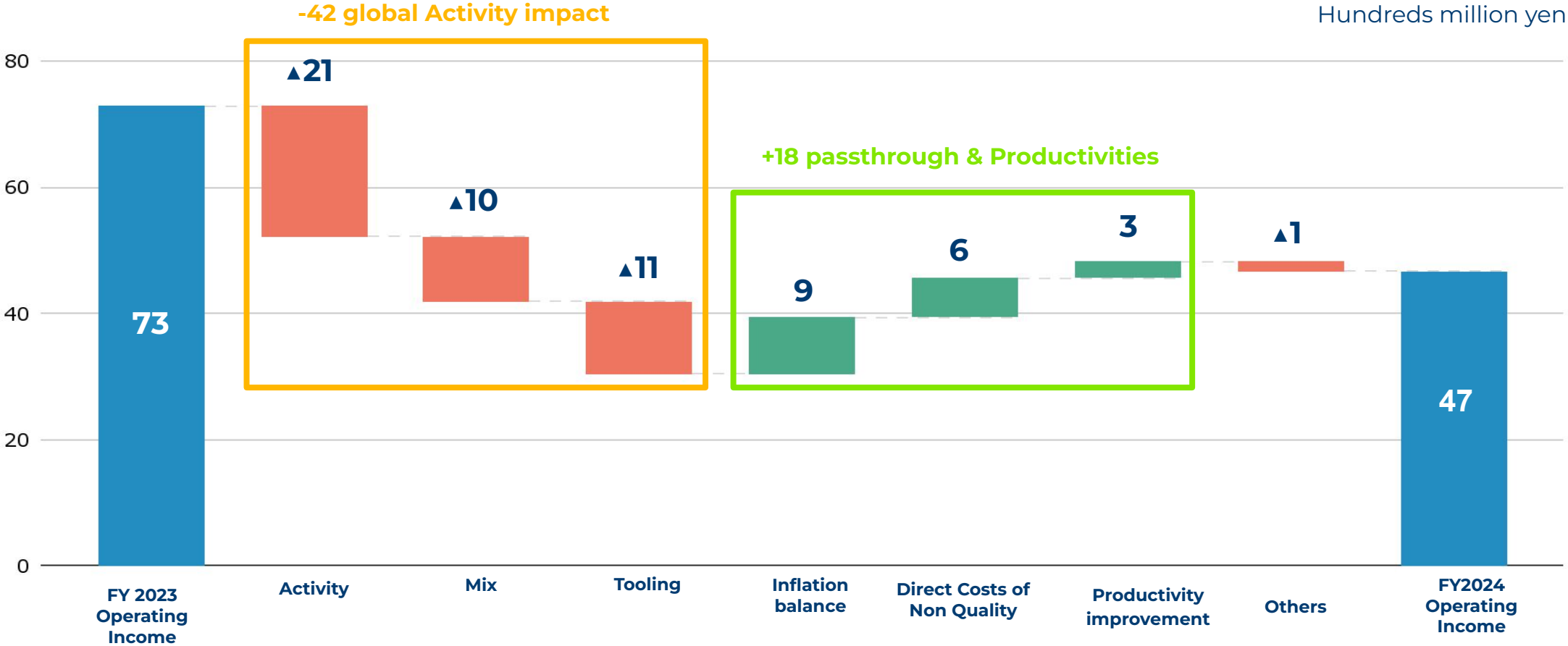


Japan: Ichikoh non-consolidated (Isehara•Fujioka•HQ) and Kyushu Ichikoh (Only Operating Income)
Overseas : Indonesia•Malaysia•Thailand

OPERATING INCOME BRIDGE - FY2024 vs FY2023-excl. MIRROR & PIAA

【OPERATING INCOME】

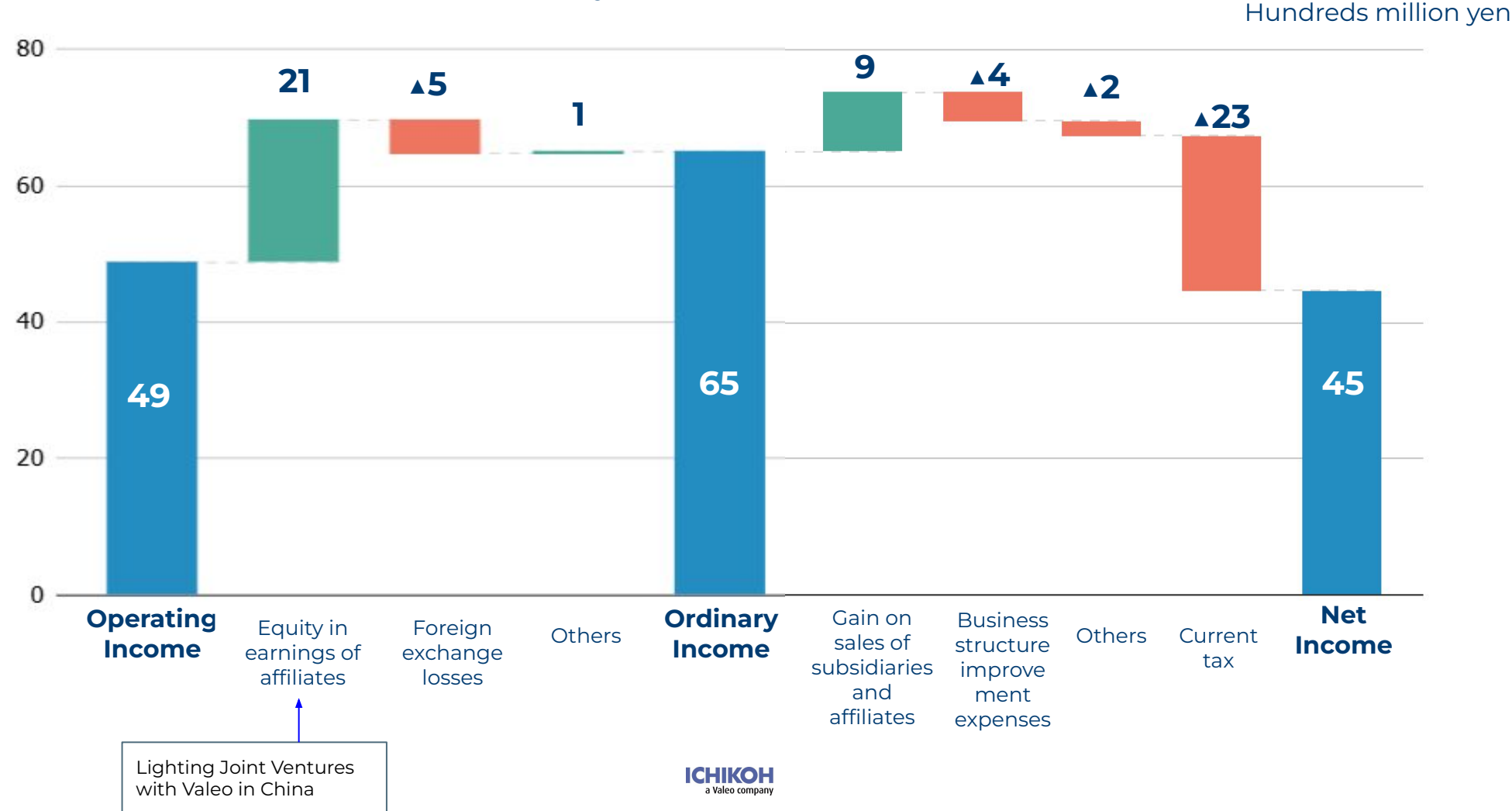
- ◆ **Adverse Impact from Activity and Mix** partially offset by improvement of **Productivities in Japan and Asean**, and **Inflation Pass-Through** recovery



FY2024 FINANCIAL RESULTS POINTS

[OPERATING INCOME~ORDINARY INCOME~NET INCOME]

- ◆ Ordinary Income: Equity in earnings from the Lighting Joint Venture in China with Valeo accounted for 2.1 Billion Yen (up 1.1 Billion Yen from last year)
- ◆ Net income: Gain on sales of subsidiary offsets current tax.



CONSOLIDATED BALANCE SHEET (COMPARISON WITH PREVIOUS PERIOD)

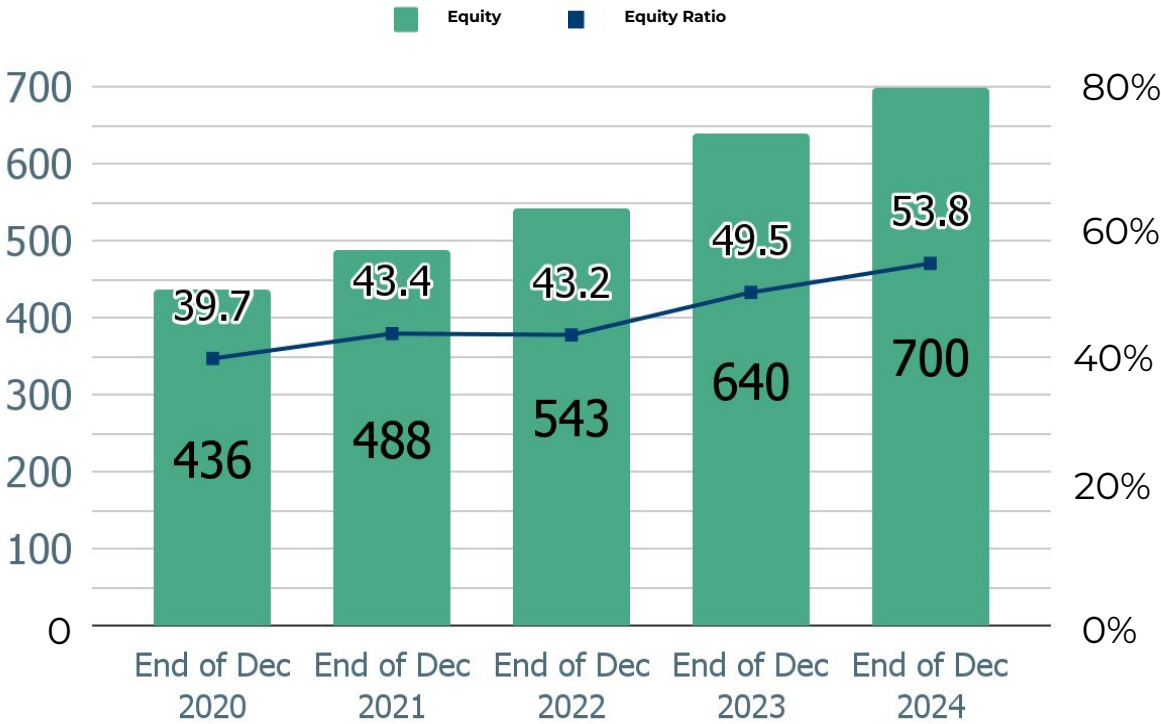
Hundreds million yen

	End of Dec 2023	End of Dec 2024	Increase/ Decrease
Cash and equivalents	89	126	37
Accounts receivable	248	166	▲82
Inventory	94	88	▲6
Tangible and Intangible Fixed Assets	398	385	▲13
Others	465	536	71
Total Assets	1,294	1,301	7
Interest Bearing Debt	60	44	▲16
Accounts payable	327	306	▲20
Other Liabilities	260	241	▲19
Total Liabilities	647	591	▲55
Shareholders' Equity	630	663	33
Accumulated other comprehensive income	10	37	27
Minority Interest	7	9	2
Net Assets	647	709	62

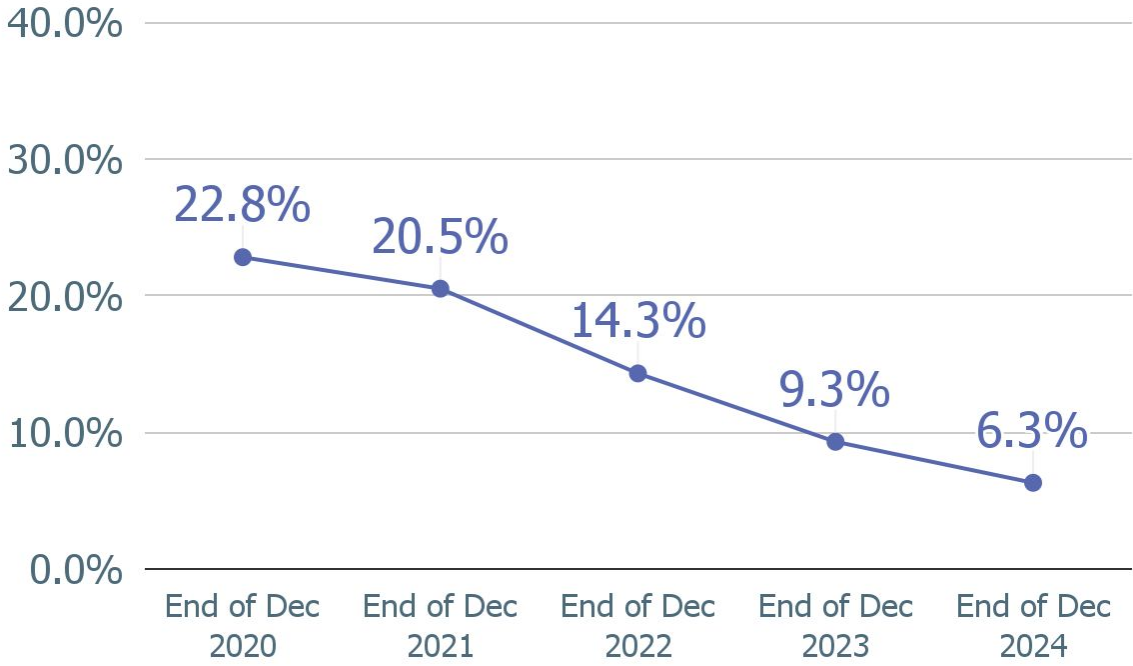
EQUITY RATIO AND D/E RATIO

Equity ratio is over 50%

Hundreds million yen

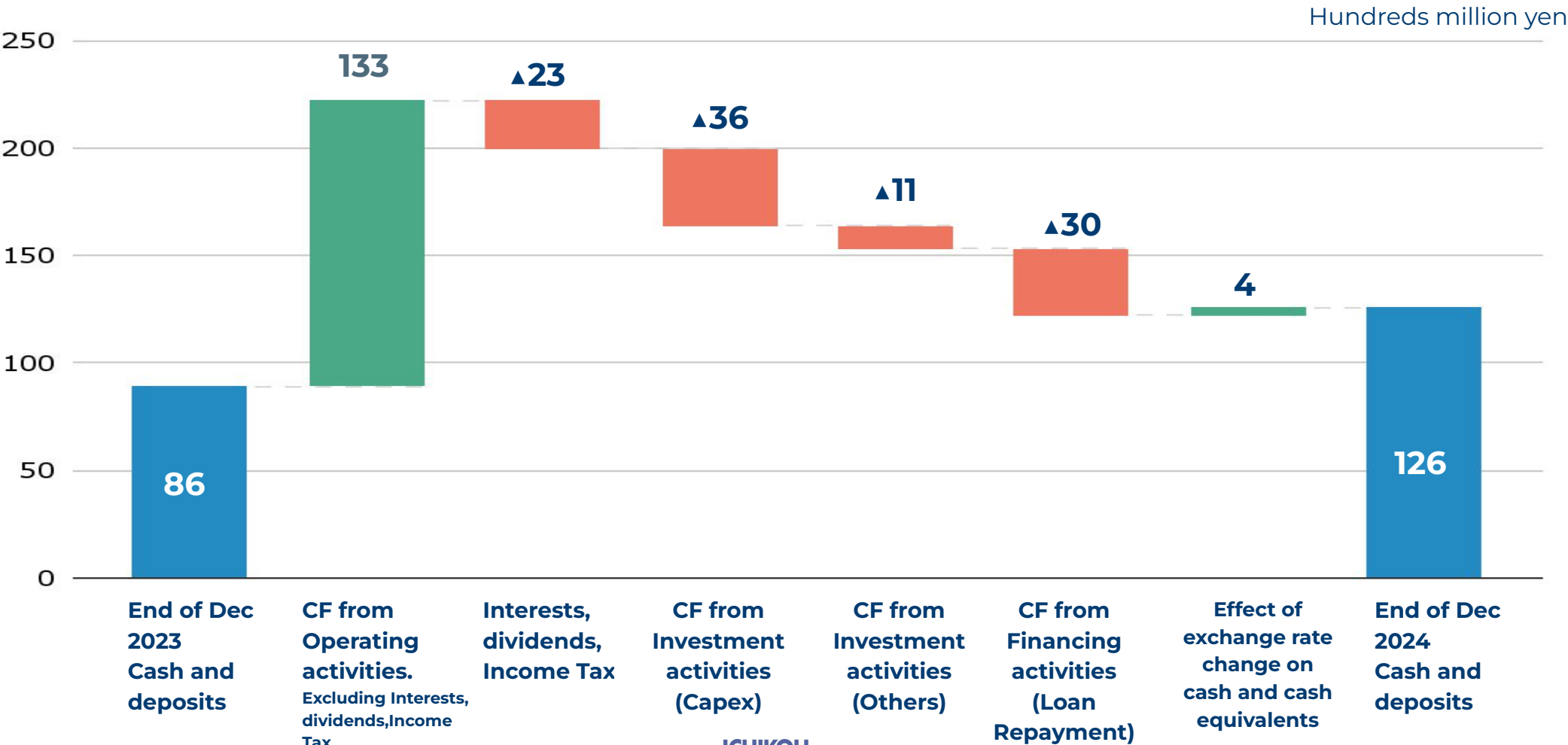


D/E ratio steadily improved



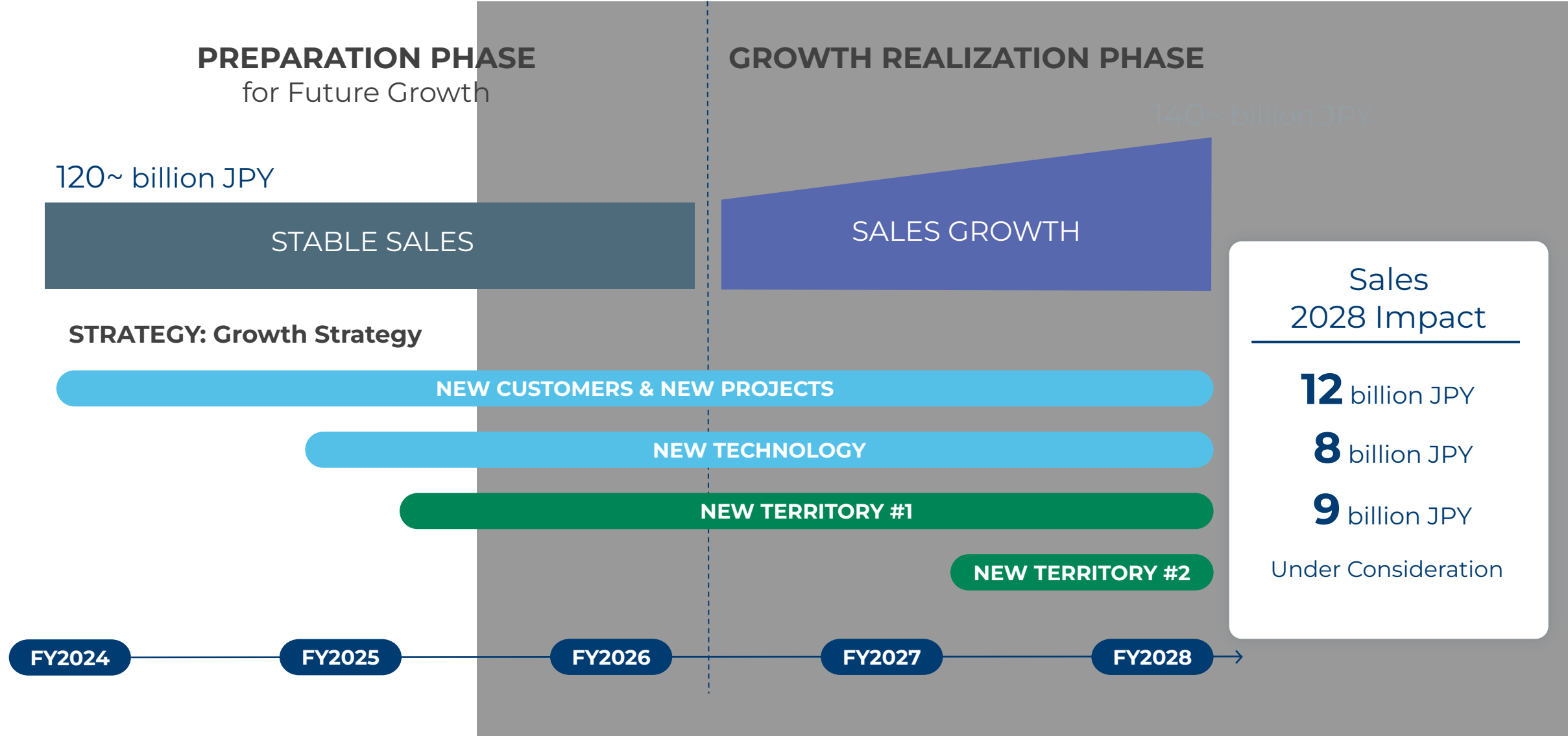
FY 2024 CONSOLIDATED STATEMENT OF CASH FLOW (YEAR-ON-YEAR COMPARISON OF “CHANGES IN CASH”)

- ◆ Operating CF of 13.3 billion yen (excluding interest, dividends, and income taxes) was used for Investment activities of 4.7 billion yen, Financing activities of 3 billion yen and cash reserves to ensure financial soundness of Cash allocation strategy



02 FY2025 Financial Forecast (January~December 2025)

ICHIKOH GROWTH STRATEGY



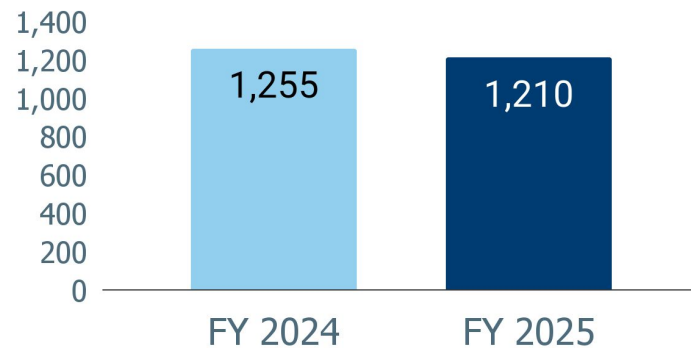
FY2025 CONSOLIDATED FORECAST

- ◆ Despite lower sales following PIAA divestiture, Operating income is improving driven by **positive inflation balance management**, further **productivities** and focus on **fixed costs reduction**
- ◆ Operating Margin in % is expected to increase by **+0.6 percentage point**

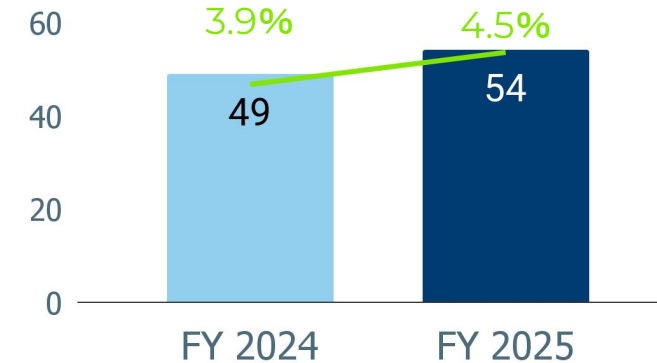
Hundreds million yen

	FY 2024 (Jan.~Dec. 2024)	FY 2025 (Jan.~Dec. 2025)	Increase /Decrease		Increase /Decrease %
Sales	1,255	1,210	①	▲45	▲3.6%
Operating Income	49	54	②	5	10.6%
Operating Margin (%)	3.9%	4.5%	②/①	-11.4%	0.6 pt
Ordinary Income	63	62		▲1	▲1.1%
Net Income	42	39		▲3	▲7.6%

Sales

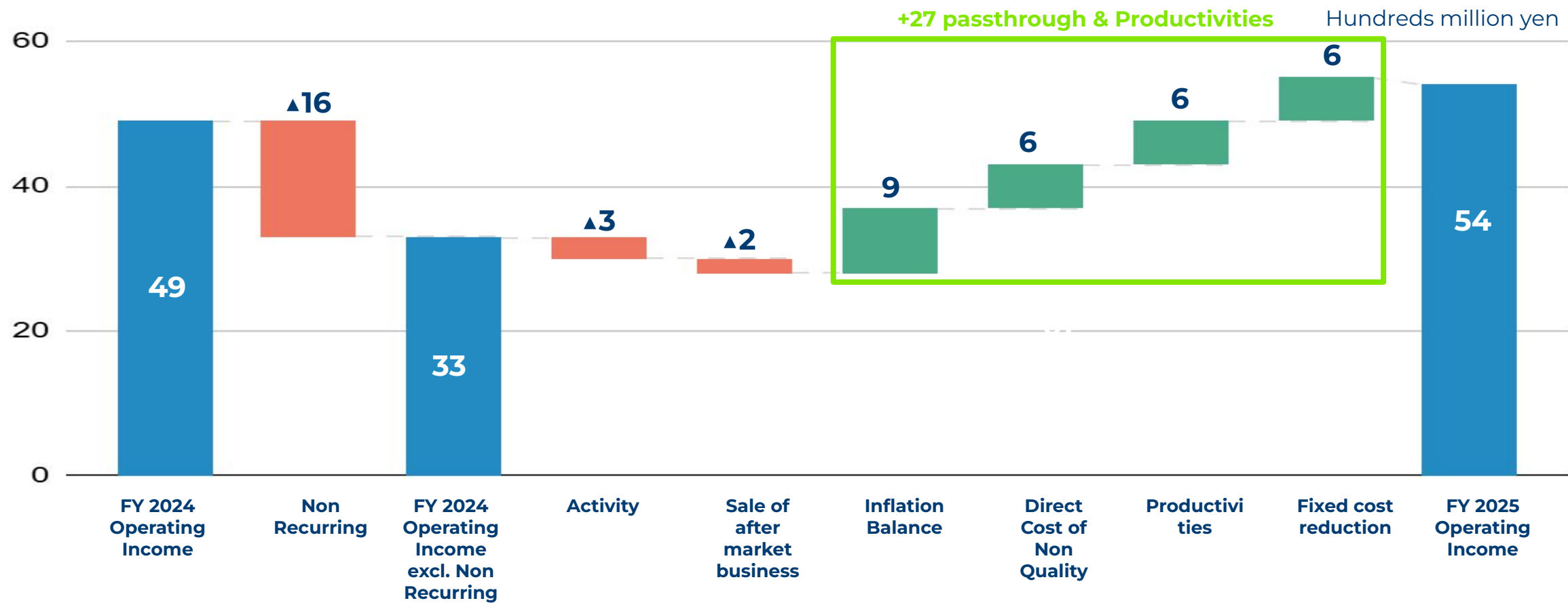


Operating Income



FY2025 FORECAST BRIDGE FOR OPERATING INCOME

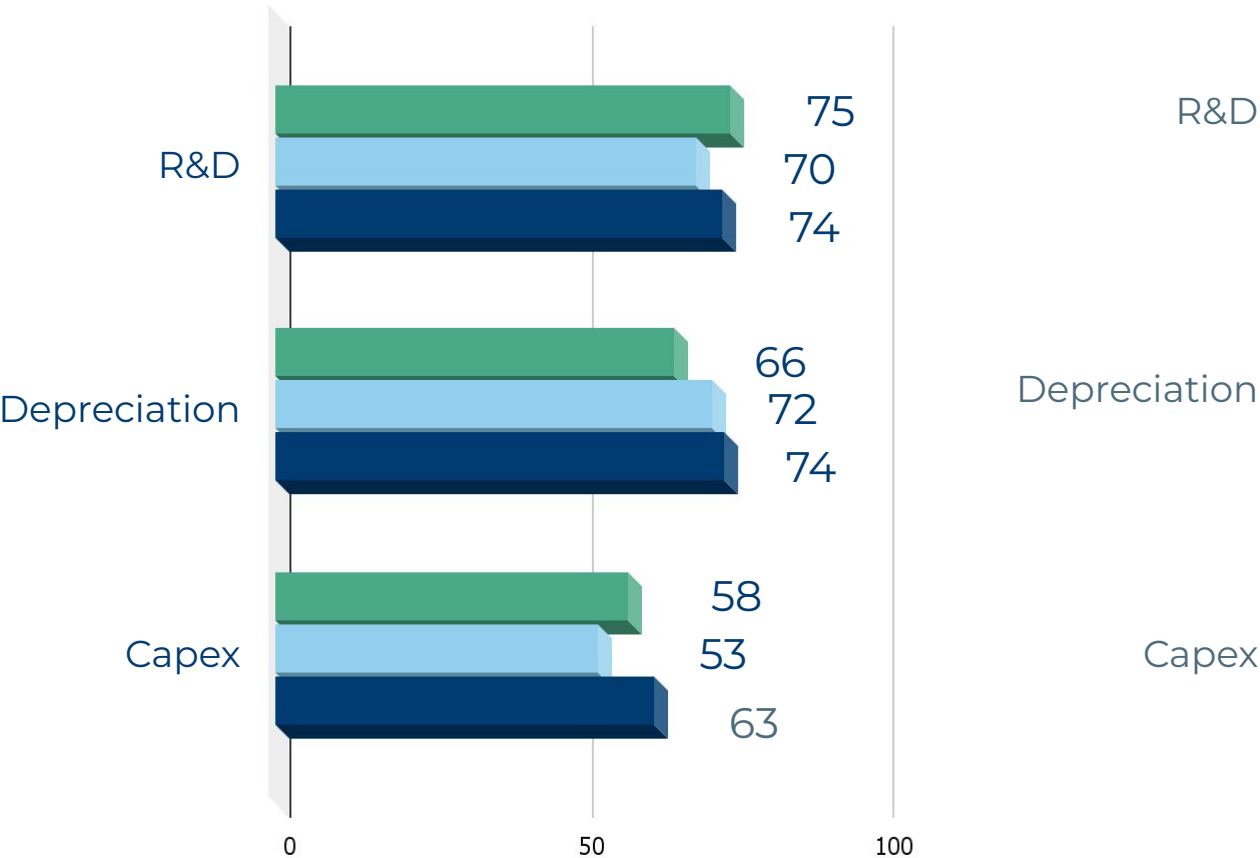
◆ Profit increase driven by Operational Efficiency, Repricing and Fixed costs reduction



FY2025 R&D·DEPRECIATION·CAPEX (PLAN)

Hundreds million yen

2025 Plan 2024 Actual 2023 Actual



✓ **Will increase in FY2025 to enhance development of high-end products, to prepare the product evolution for the next BEV generation and to accommodate new electronic system architectures introduced by major customers**

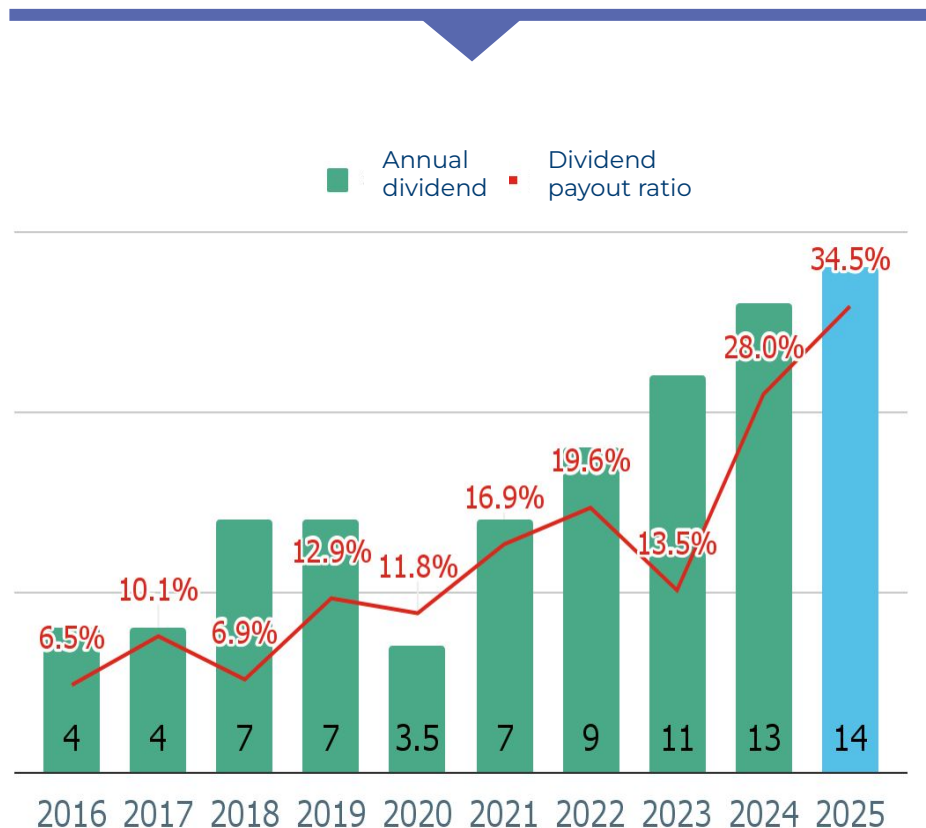
✓ **Will decrease in FY2025 due recentering on Lighting Core Business and the strict control of investments over the past few years**

✓ **Will increase in FY2025 because of Japan investment to prepare for FY2026 SOPs and because of postponed investments from FY2024 in both Japan & ASEAN**

※R & D includes prototype costs and PJ development costs
※Depreciation incl. Fixed Assets and Leased assets depreciation
※Capex includes investment resulting from leases

DIVIDEND POLICY AND PAYOUT RATIO

Dividends (Unit: Yen/share)



Basic Policy

Cash allocation strategy (4 years after 2025)

- (1) 17 billion yen in liquidity on hand to ensure financial soundness
- (2) Invest 15 billion yen to strengthen management foundation and 29 billion yen for growth strategy
- (3) **Achieve either a dividend payout ratio of 30% or more or DOE of 2.5**

FY 2024 Dividend

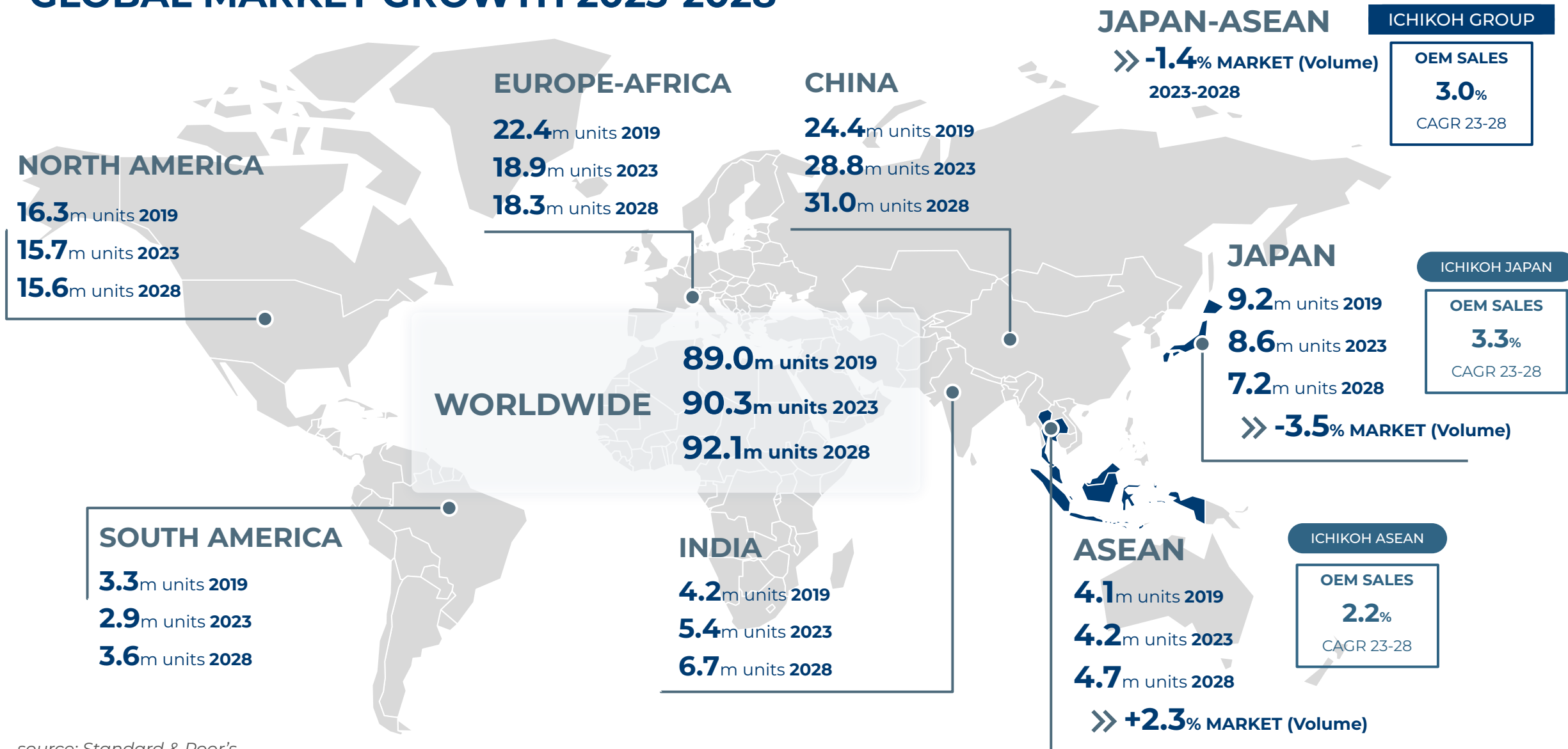
- ✓ **Planned annual dividend of 13 yen => 2 yen increase from last fiscal year**
- ✓ **Dividend payout ratio of 28%, far exceeding the target of 25%**

FY2025 Dividend - Forecast

- ✓ **Dividend payout ratio considered to be more than 30% of target**
- ✓ **Planned annual dividend of 14 yen => 1 yen increase from last fiscal year**

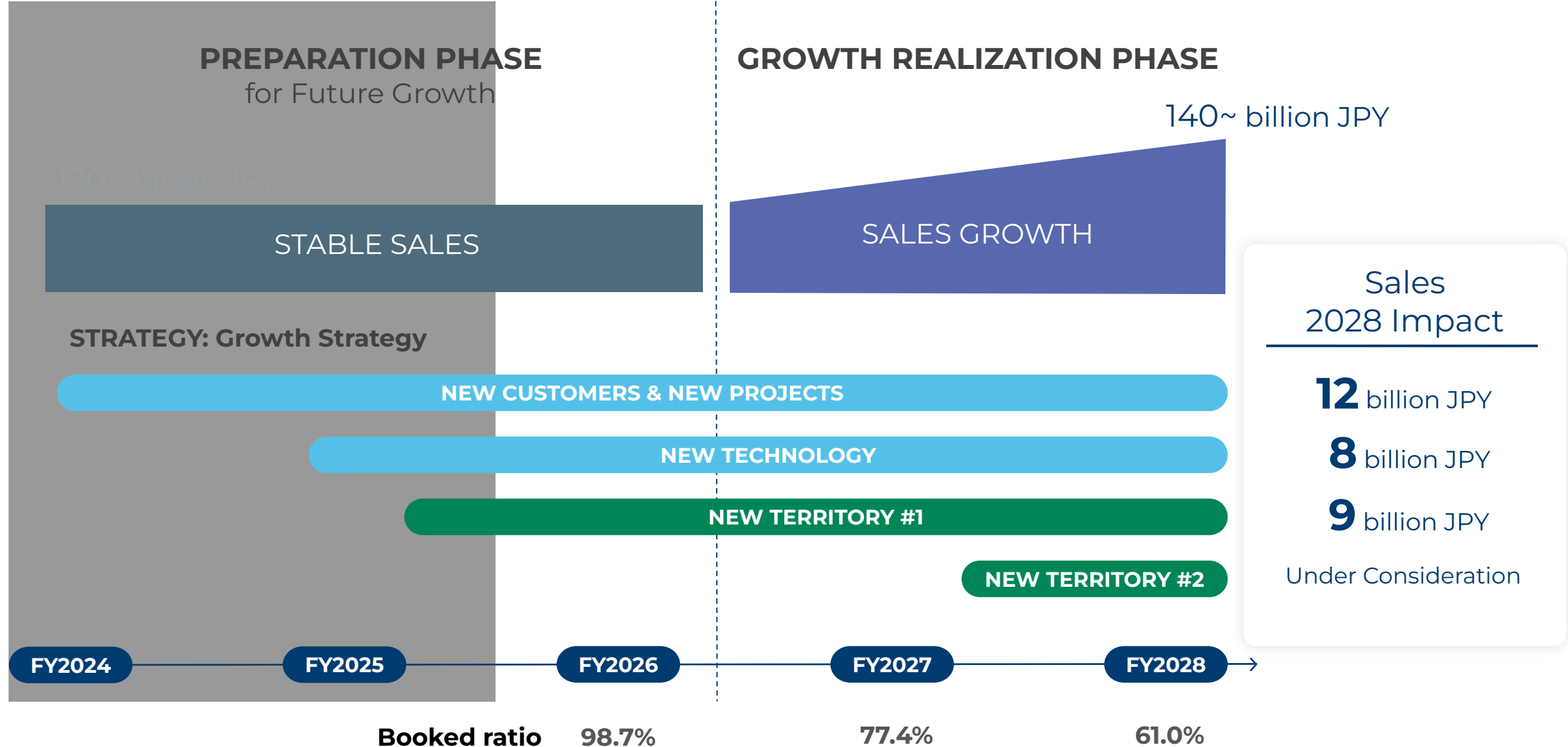
03 Towards Sustainable Enhancement of Corporate Value

GLOBAL MARKET GROWTH 2023-2028



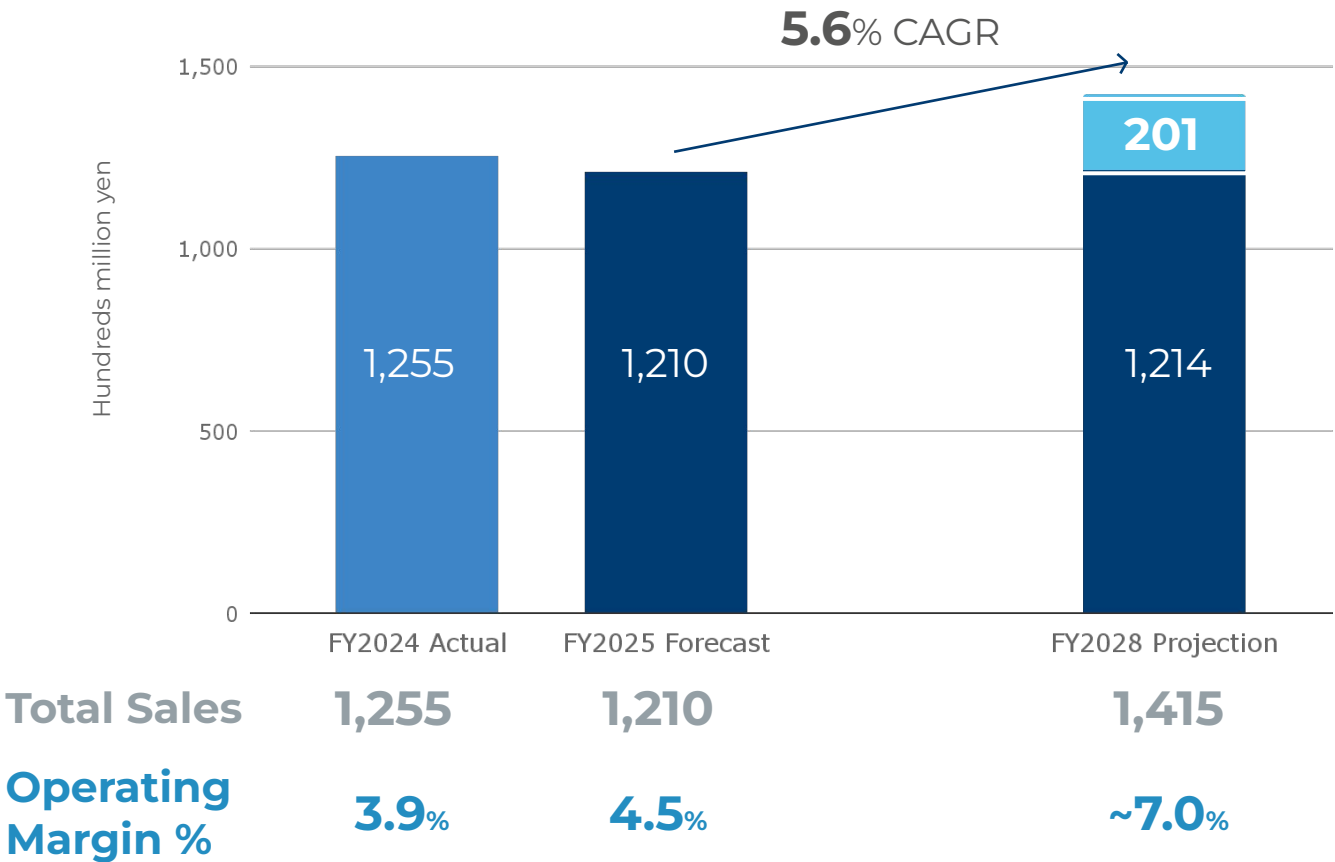
source: Standard & Poor's

ICHIKOH GROWTH STRATEGY

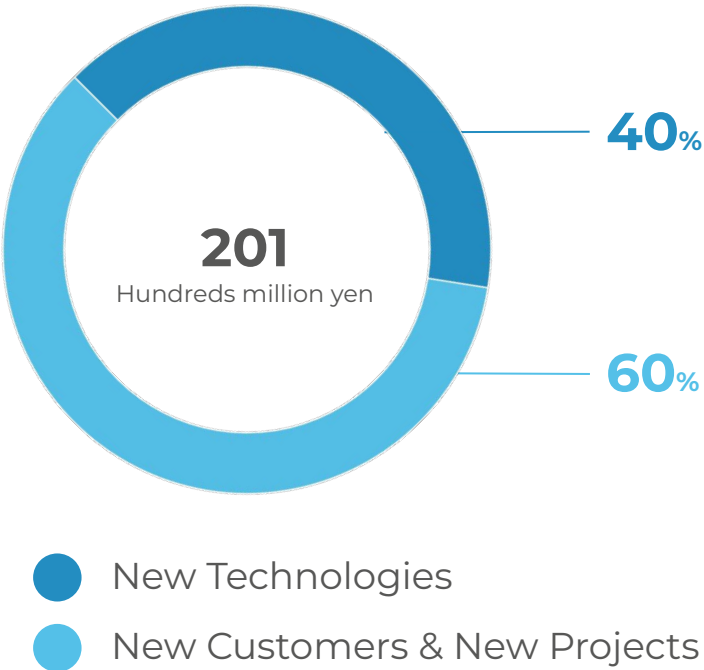


OUTLINE OF MEDIUM-TERM PLAN

Although the current external environment continues to be extremely challenging, we are drawing growth by acquiring new business fields.



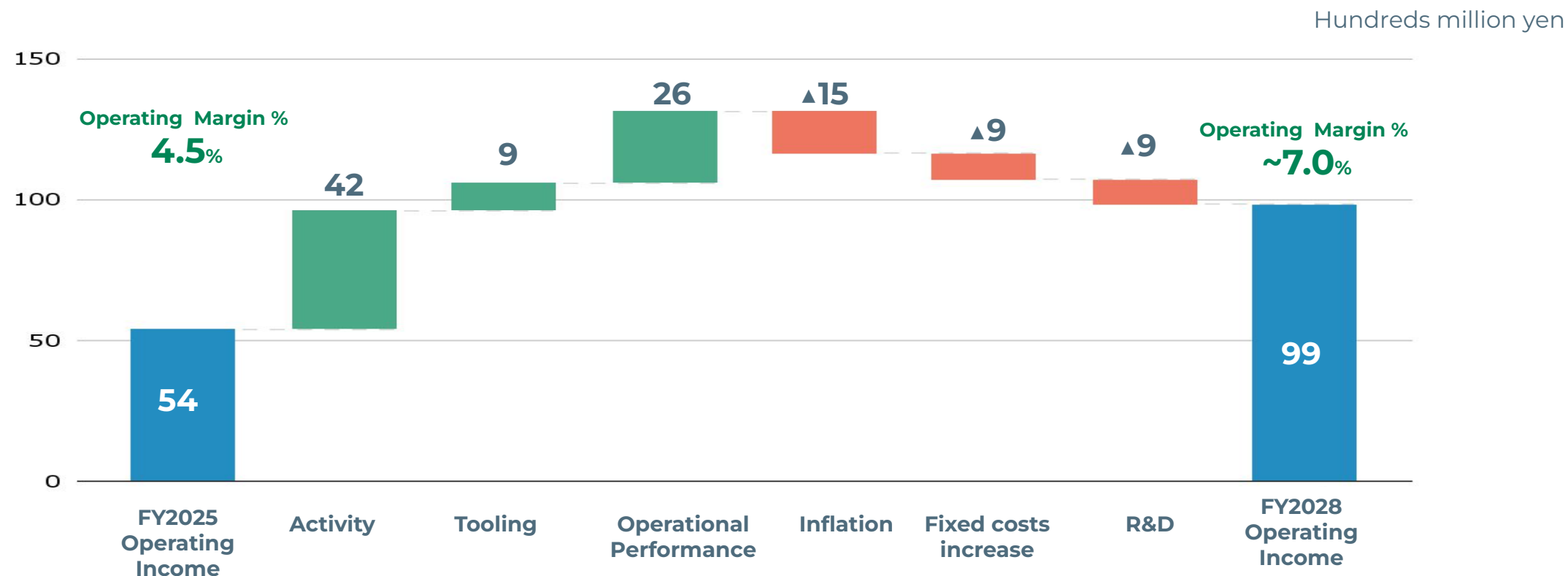
New Business Field



MID-TERM PROFITABILITY ROADMAP (2025 -> 2028)

【Operating Income】

- ◆ Profitability increase driven by profitable growth and operational performance doing more than absorbing inflation & Price decrease to customer, Fixed costs increase and R&D effort



CASH ALLOCATION STRATEGY

Financial Strategies till 2028

Cash Flows from Operating Activities (before Investment)

FY2025~FY2028
(cumulative total for 4 years)
41 billion yen

Cash and Cash Equivalents

End of 2024 (Forecast)
28 billion yen

Ensure financial soundness
17 billion yen
(12% of 2028 sales)

Cash flows investing activities
FY2025~FY2028
(cumulative total for 4 years)
44 billion yen

- ▶ **Foundation Reinforcement**
15 billion yen
- ▶ **Growth Strategy**
29 billion yen

Shareholder return
FY2025~FY2028
(cumulative total for 4 years)
8 billion yen



Planned in 2025

Ensure financial soundness
FY2025 Cash
15.2 billion yen

Foundation Reinforcement:
3.6 billion yen

Growth Strategy:
New Territory
Substantial progress made to be announced soon
New Techno 1.8BY (out of 7BY)
New Projects 1.7BY (out of 4BY)

Shareholder return
FY2025
1.3 billion yen
Dividend payout ratio 34.5%

Opening up the Future of Ichikoh's Manufacturing

ICHIKOH Tooling Center begins operation!

January 2025 Establishment of ICHIKOH Tooling Center as a core center for die and mold technology

Strengthen competitiveness to maximize customer satisfaction by addressing issues such as product enlargement and QDC (quality, delivery, cost) improvement through three pillars to meet increasingly sophisticated and diverse customer needs.

[3 pillars]

1. **Innovation: Promoting development of new construction methods to meet increasingly sophisticated quality requirements**
2. **Productivity: Target is to solve the issues of the old plant and more than double the current number of molds produced**
3. **Human capital: To foster the next generation of engineers, we cultivate human resources who will inherit the skills of “Takumi(Craftsman’s skill)” from the Ichikoh Industrial Training School**



Features of the ICHIKOH Tooling Center:

- **Leading the industry in cutting-edge areas of mold technology: microfabrication, laser texturing, metal modeling, etc.**
- **Microfabrication: “Precision Machining Room” established as a vibration countermeasure**
- **Improved production efficiency: Adoption of an efficient layout with “process flow-ization” in mind**
- **Skills Improvement: Promote data, mechanization, digitalization, and automation of operations**

Disclaimer regarding forecasted figures

- Material contained in this presentation such as financial projections that are predictive in nature are based on information available at the current date and assumptions judged to be reasonable; and therefore, actual performance may differ due to numerous factors.
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