

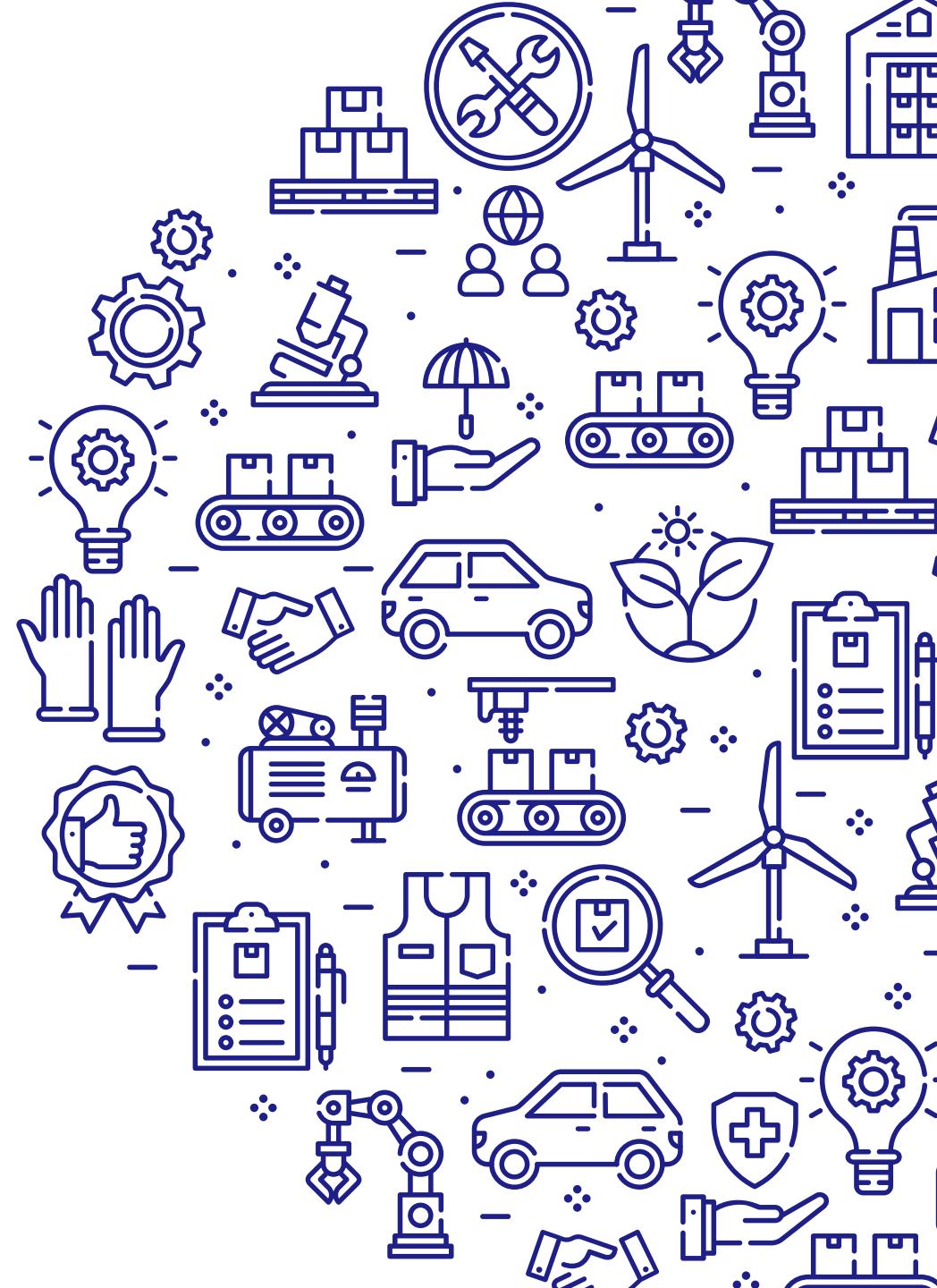
Financial Result for FY2024 ending March 2025



NOK Corporation

May 14, 2025

Overview of FY2024 Results



- Net sales and operating income increased.
 - ✓ Despite declined net sales on an exchange rate adjusted basis, operating income increased both in Seal and Electronic Product business. Electronic Product business turned into profitable (first time since FY2017).
 - ✓ Exceeded the latest forecasts at Q3 earnings both for net sales and operating income.
- Net income decreased because of larger gain from divestiture of investment securities recorded in the last fiscal year.
- Annual dividend forecast per share: Upward revision of the latest forecast by 5 yen to 105 yen (17.5 yen increase year-on-year)

Summary of FY2024 Results



(billion yen)

	FY2023 Actual	FY2024 Actual	Changes	FY2024 Forecast
Net sales	750.5	766.9	+2.2%	755.7
Seal	362.6	362.7	+0.0%	362.8
Electronic product	359.8	371.0	+3.1%	359.7
Operating income	22.9	37.3	+62.6%	35.3
Seal	23.3	26.2	+12.4%	25.4
Electronic product	(1.0)	8.9	-	7.9
Net income	31.6	30.3	(4.1)%	30.2

Announced in Feb. 2025

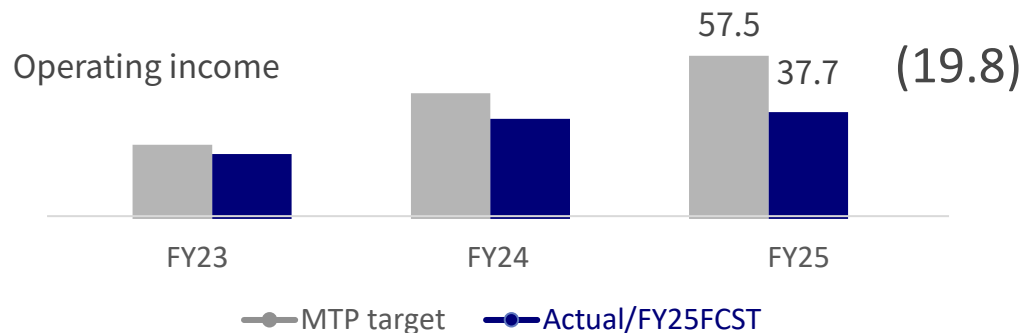
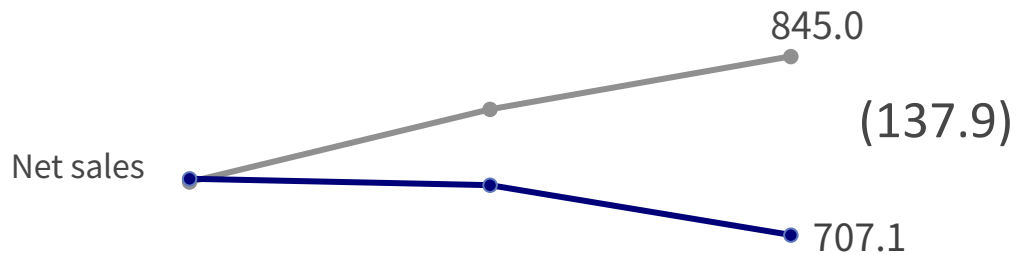
- Despite net sales to decline, operating income is forecasted to slightly increase.
 - ✓ Operating income to increase both for Seal and Electronic Product business.
 - ✓ Exchange rate assumptions: Stronger yen compared to FY2024 (140yen/USD).
 - ✓ Impact of US tariff on demand of customers' products is not factored in.
- Net income is to increase mainly due to gain from divestiture of investment securities as continuous reduction of cross shareholding is anticipated.
- Annual dividend forecast per share: 5 yen increase from FY2024 to 110 yen.

FY2025 Forecasts: Gap from MTP Targets



NOK continuously thrives to improve profitability although the FY25 forecasts are lower than MTP targets.

Comparison of MTP targets vs Actual/Forecast (billion yen)



■ Major upside



- ✓ Proactive price negotiation, cost optimization, etc.
- ✓ Improved profitability in Electronic Product thanks to efforts to minimize seasonality in production, etc.
- ✓ Exchange rate assumptions: MTP JPY130/USD, FY25FCST JPY140/USD

■ Major downside



Seal

- ✓ Production volume of Japanese auto-manufactures
- ✓ Sales for general industrial machinery (for construction machineries, Semiconductor equipment, etc.)

Electronic Product

- ✓ Sales for auto industry mainly for battery applications

FY2025 Forecasts: Impacts of US Tariff Policy



- NOK group's export to US is relatively smaller. Anticipated impact is not significant as we will pass-through increased costs by tariff.
- Impact on demand for customers' products in the US market could be larger and not factored into the forecasts.

Main business with potential impacts of US tariff

Seal

For automobile

Size of business toward US is approximately 10% of net sales of Seal segment. Mainly sales in Japan for products manufactured in Japan.

Electronic Product

For smartphone

Approximately 30% of total sales volume of the smartphone manufacturer in North America is for the US market.

We will keep watching the US government policy and its impact as well as will thrive to absorb impacts on our profit through initiatives such as optimal cost usage and so on.

In mid-/long-term, consider to make changes in supply chain as needed.

Improve Corporate Value through Steady Implementation of MTP Initiatives



Improve profitability

X

Expectation for growth

Improve
profitability

- Seal: Reinforce activities toward non-Japanese customers
- Electronic Product: Profitable in all financial quarters by minimizing impacts of seasonal fluctuations
- Secure orders at fair prices through price negotiations
 - * (1) Growth driver, (4) Optimize resource utilization

Capital
allocation

- Achieve MTP target of shareholders return and reduce cross shareholding
- Set a capital allocation policy
 - * (4) Optimize resource utilization

Generate
growth driver

- Continue development and sales expansion toward shift to EV
- Cultivate new areas such as green energy and semiconductor equipment
- Project to generate new drivers
 - * (1) Growth driver

Transparent
disclosure

- Improve transparency through disclosure and dialogue

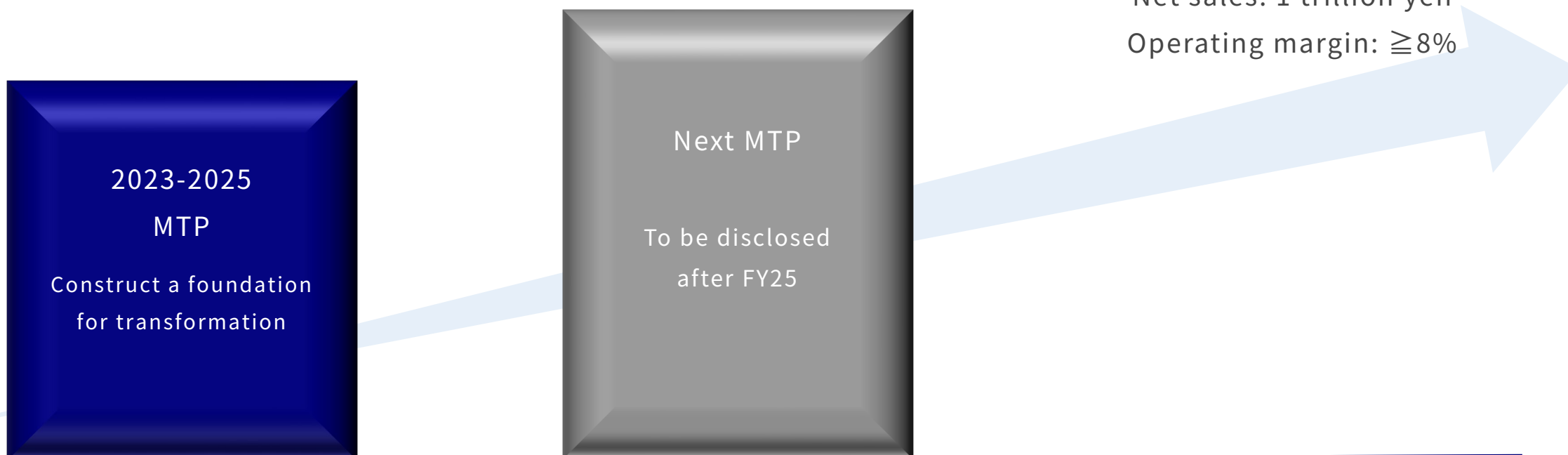
Business operational structure and human capital as a foundation of sustainable growth

: (2) Management structure, (3) Leverage talents

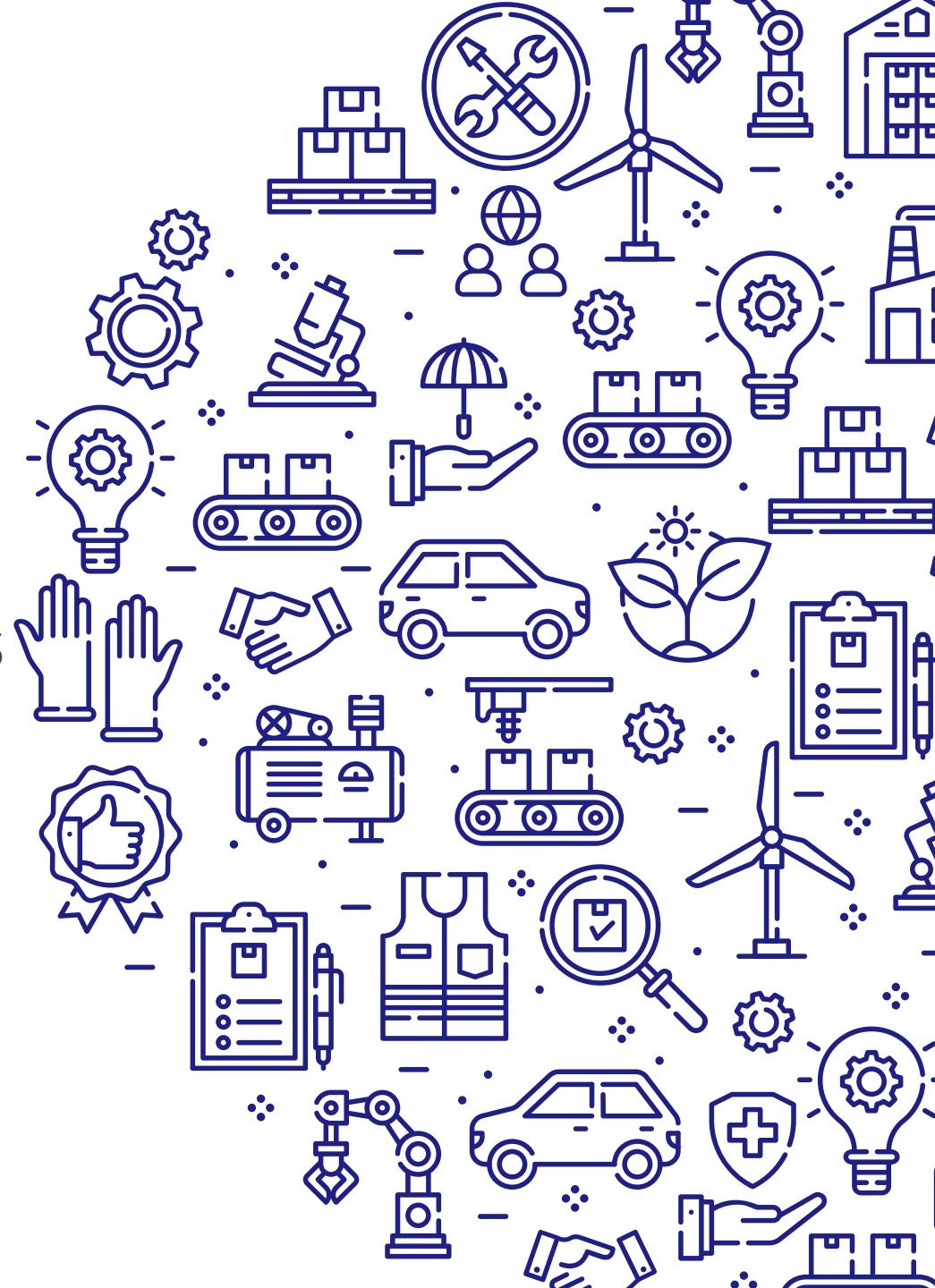
Last Year of MTP – for Sustainable Growth



- Achieve FY2025 forecasts and continued initiatives to improve profitability
- MTP initiative implementation: Seed for future growth and establish a cycle of transformation based on the created foundation
- Develop next medium-term plan for sustainable growth



FY2024 Results and FY2025 Forecasts



FY2024 Consolidated Results



	FY23 Actual	FY24 Actual	Changes	(billion yen) FY24 Forecast
Net sales	750.5	766.9	+2.2%	755.7
Operating income	22.9	37.3	+62.6%	35.3
Operating margin	3.1%	4.9%	+1.8pt	4.7%
Ordinary income	40.3	48.1	+19.3%	45.8
Net income*	31.6	30.3	(4.1)%	30.2

*Profit attributable to owner of parent

Announced in Feb. 2025

Capital expenditure	45.2	52.4
Depreciation	47.8	46.9
Average exchange rate (yen/USD)	143.74	152.74

Year-on-year exchange rate impact
Net sales: +27.4 bil., Operating income: +1.3 bil.

FY2024 Results: Net Sales and Operating Income by Segment



(billion yen)

		FY23 Actual	FY24 Actual	Changes	FY24 Forecast
Seal	Net sales	362.6	362.7	+0.0%	362.8
	Operating income	23.3	26.2	+12.4%	25.4
	Operating margin	6.4%	7.2%	+0.8pt	7.0%
Electronic Product	Net sales	359.8	371.0	+3.1%	359.7
	Operating income	(1.0)	8.9	-	7.9
	Operating margin	(0.3)%	2.4%	+2.7pt	2.2%
Other	Net sales	28.1	33.2	+18.2%	33.2
	Operating income	0.6	2.1	+239.8%	2.0
	Operating margin	2.2%	6.3%	+4.1pt	5.9%

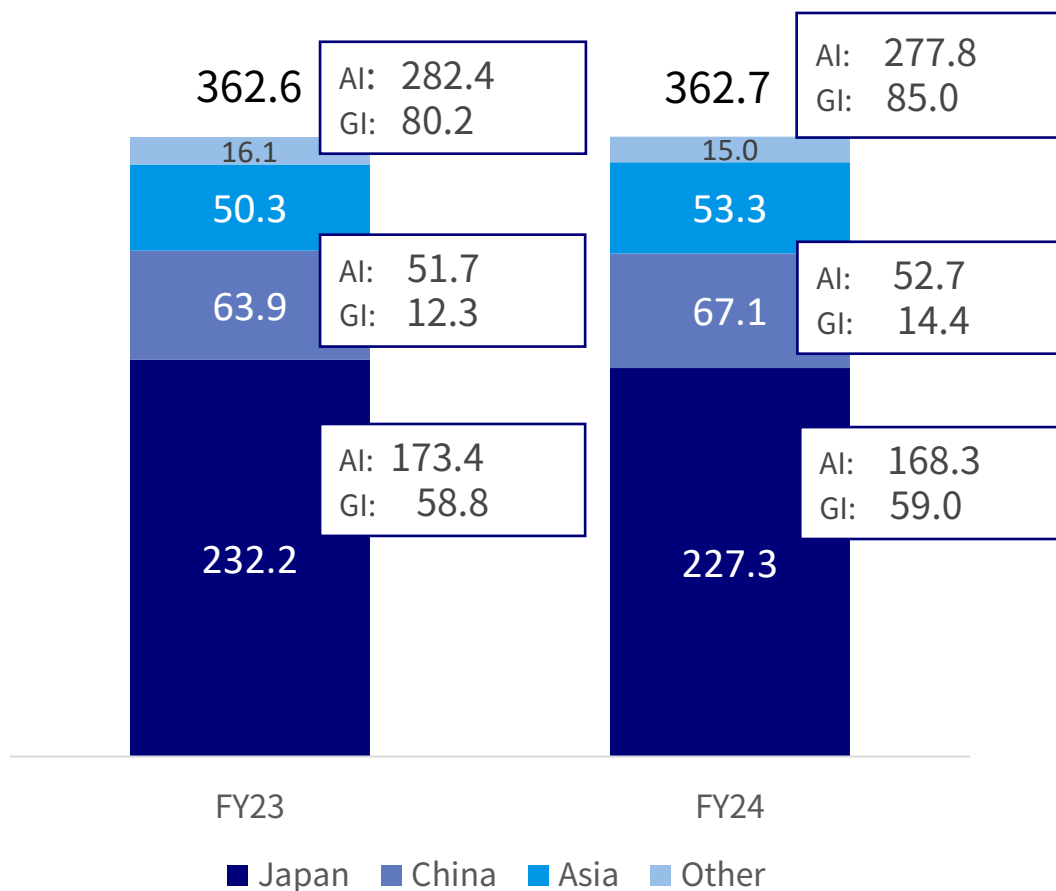
Announced in Feb. 2025

Seal: FY2024 Results (Net sales)



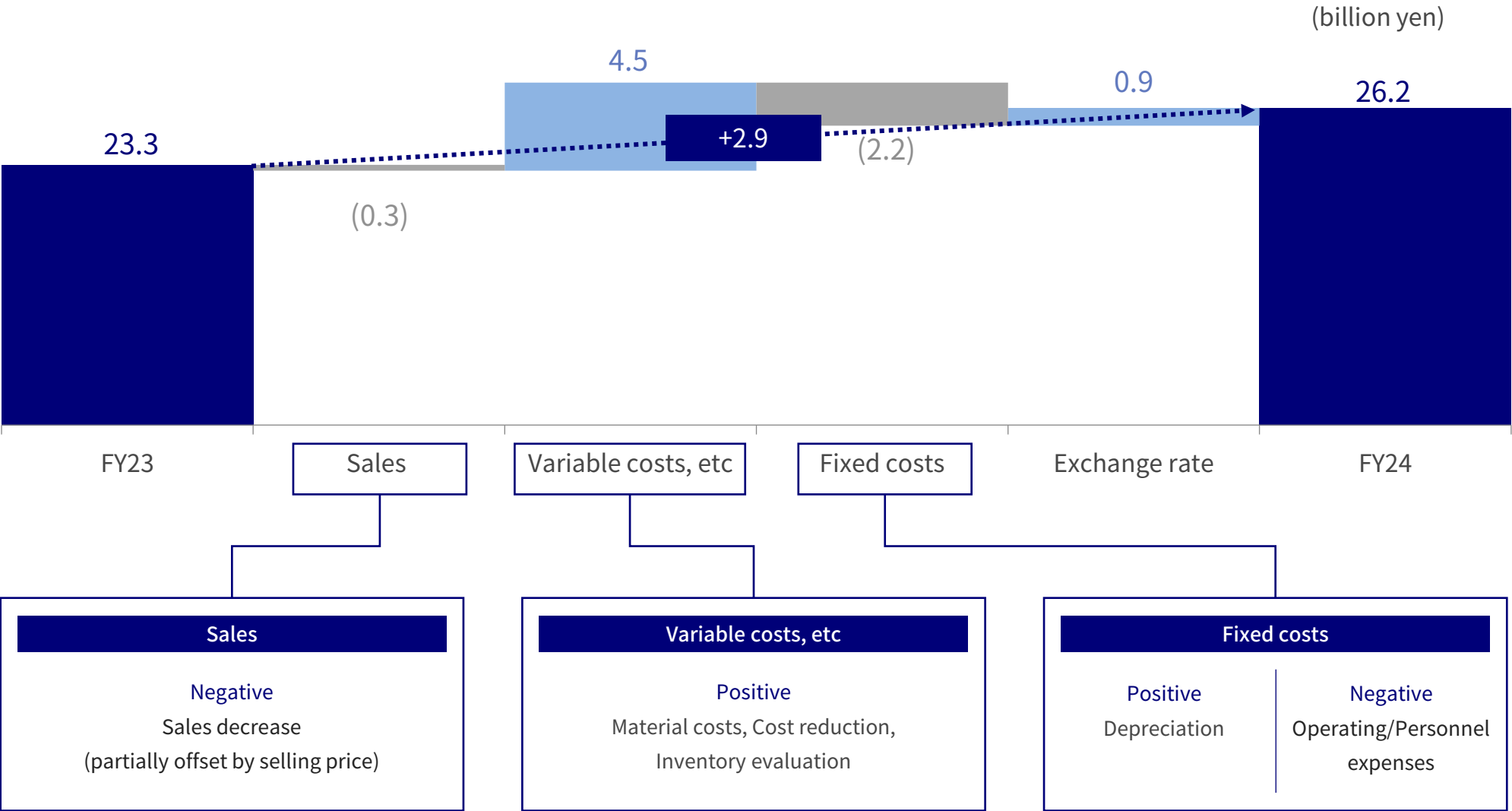
Sales by region and industry (bil.)

*Region based on location by sellers



- Flat year-on-year
Sales declined excluding positive impact of exchange rate.
- Impact of production volume decline in Japanese automakers were partially offset by continuous price revision activities and sales expansion to non-Japanese customers.
- General industry machinery: Construction machinery production volume was still at lower level, but other sales like repair parts, agricultural machinery increased.

Seal: FY2024 Results (Operating Income)

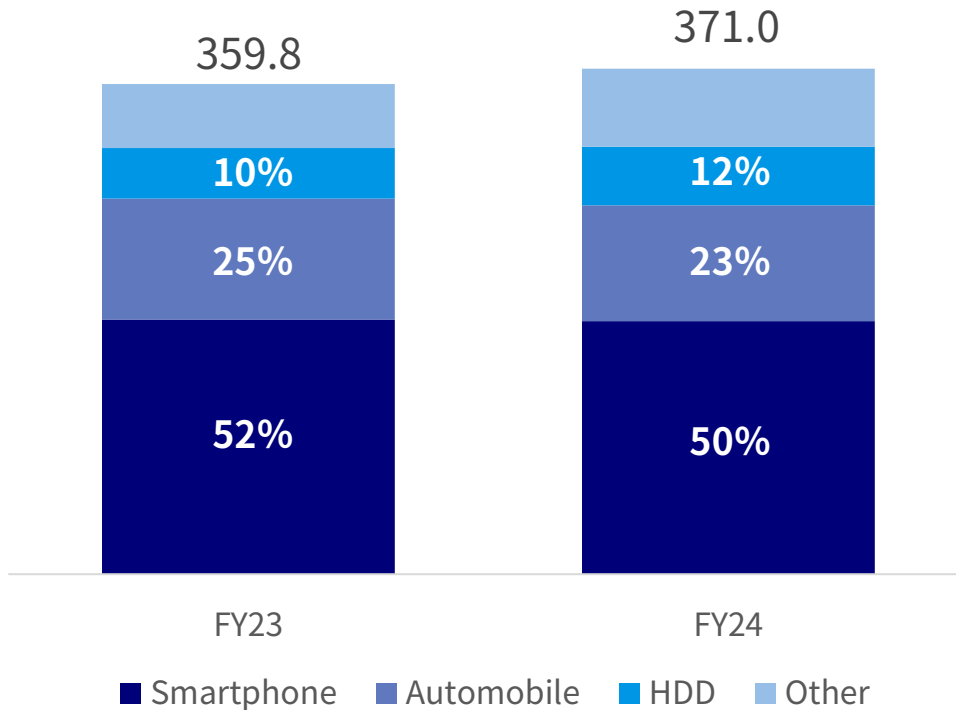


Electronic Product: FY2024 Results (Net Sales)

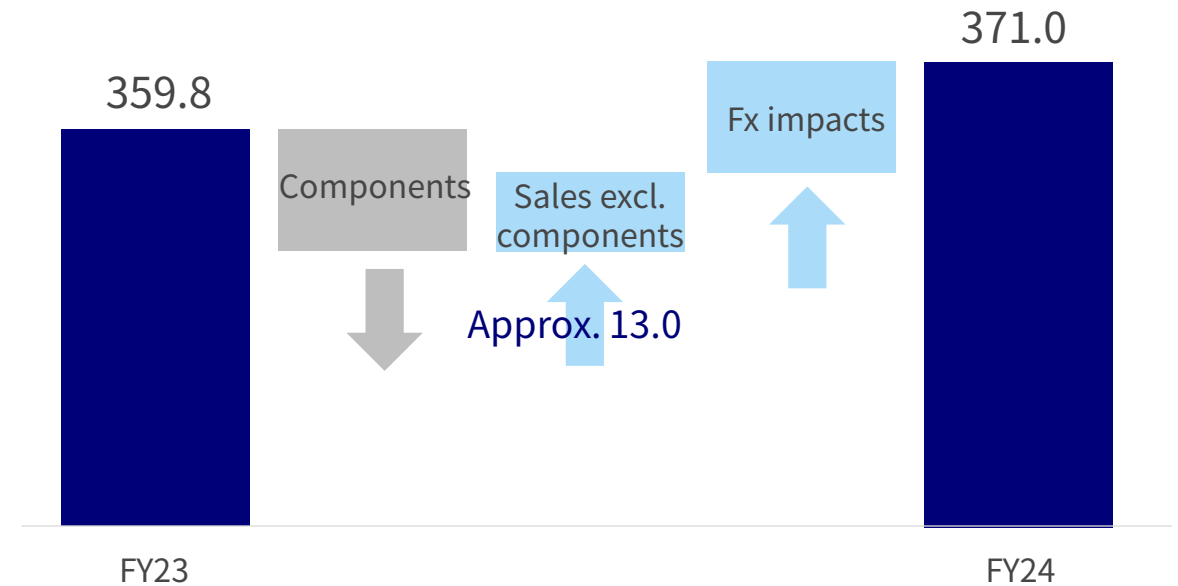


- Although sales decreased excluding positive impact of exchange rate, it was driven by decline of component costs included in sales.
- Sales excluding components made a solid increase mainly for smartphone and HDD applications.

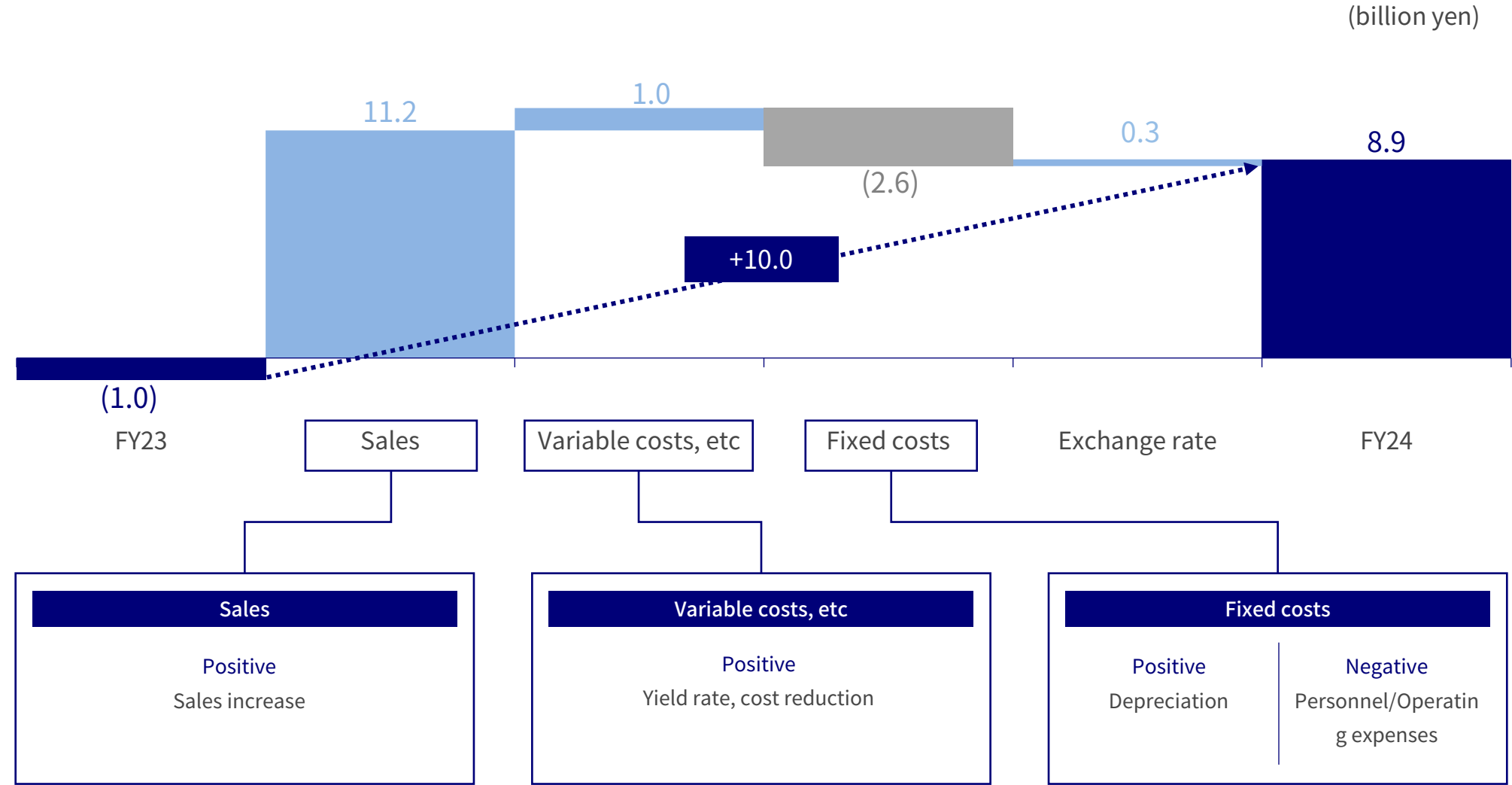
Sales compositions by application (bil.)



Waterfall analysis of sales (bil.)



Electronic Product: FY2024 Results (Operating Income)



FY2025 Forecasts



(billion yen)

	FY24 Actual	FY25 Forecasts	Changes
Net sales	766.9	707.1	(59.8) (7.8)%
Operating income	37.3	37.7	+0.4 +1.2%
Operating margin	4.9%	5.3%	+0.5pt
Ordinary income	48.1	48.5	+0.4 +0.9%
Net income*	30.3	36.5	+6.2 +20.4%

*Profit attributable to owner of parent

Capital expenditure	52.4	54.6
Depreciation	46.9	47.0
Average exchange rate (yen/USD)	152.74	140.00

FY25FCST exchange rate impact
Net sales: (36.0), Operating income: (2.0)

FY2025 Forecasts: Net Sales and Operating Income by Segment



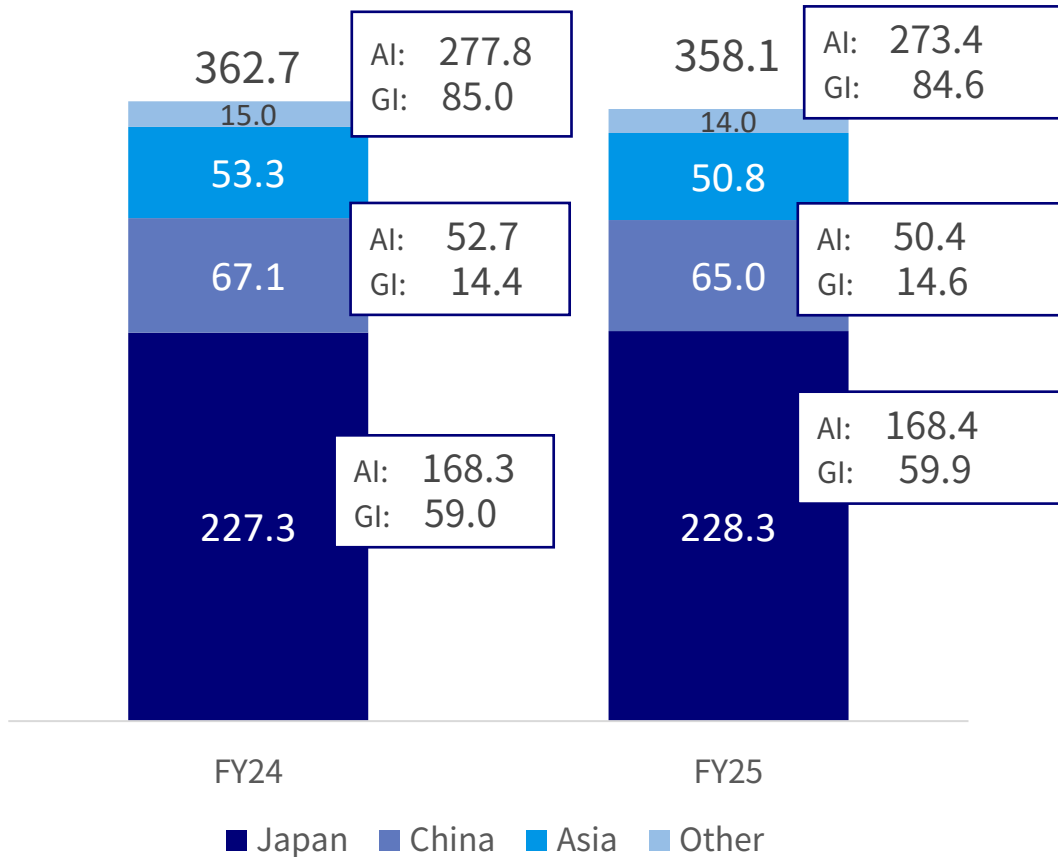
		(billion yen)		
		FY24 Actual	FY25 Forecasts	Changes
Seal	Net sales	362.7	358.1	(4.7) (1.3)%
	Operating income	26.2	26.5	+0.3 +1.1%
	Operating margin	7.2%	7.4%	+0.2pt
Electronic Product	Net sales	371.0	318.0	(53.0) (14.3)%
	Operating income	8.9	10.0	+1.1 +12.0%
	Operating margin	2.4%	3.1%	+0.7pt
Other	Net sales	33.2	31.1	(2.1) (6.3)%
	Operating income	2.1	1.2	(0.9) (43.6)%
	Operating margin	6.3%	3.8%	(2.5)pt

Seal: FY2025 Forecasts (Net sales)



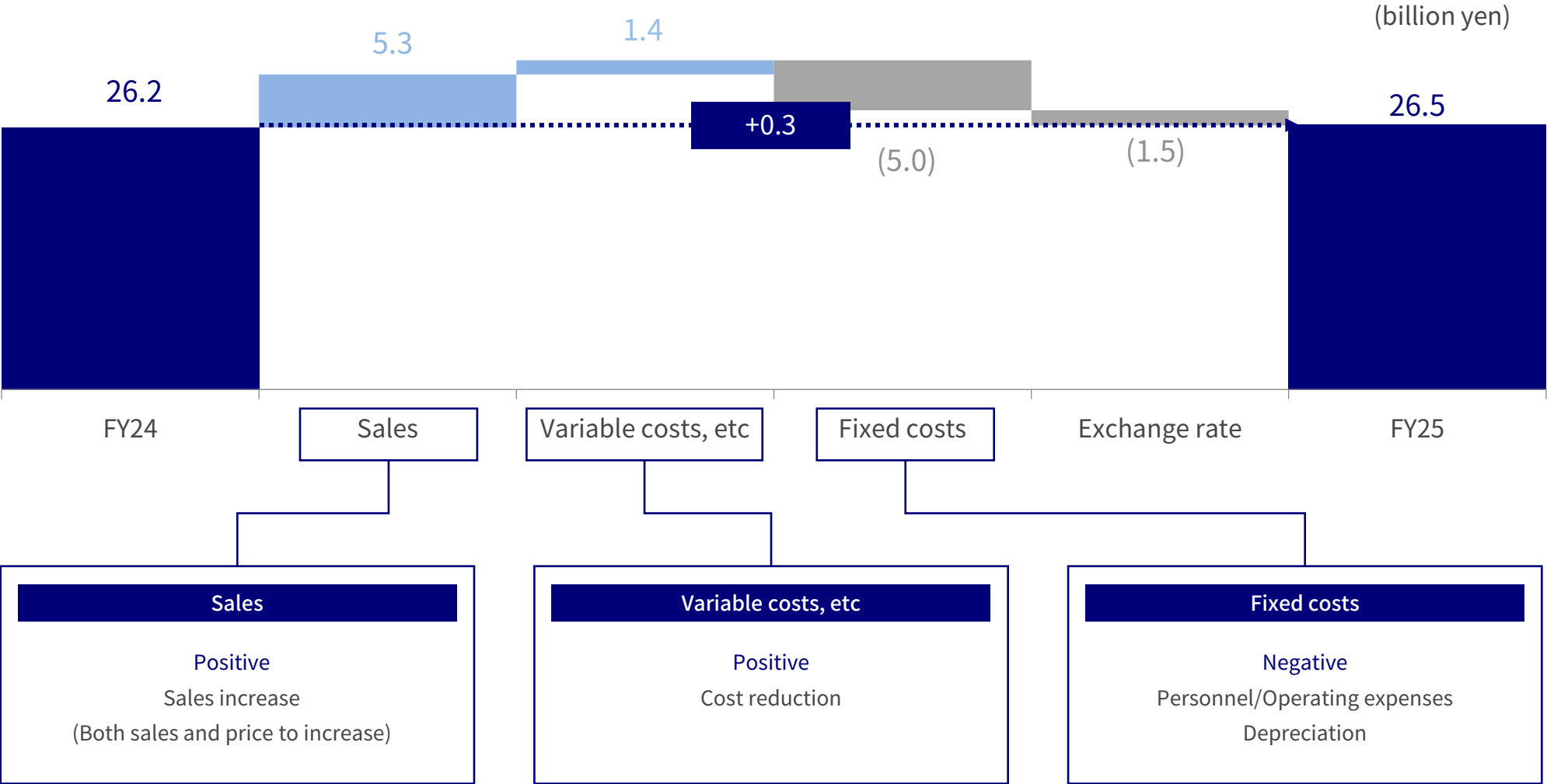
Sales by region and industry (bil.)

*Region based on location by sellers



- Sales to decline by 1.3%
Sales excluding negative exchange rate impact to slightly increase.
- Assumption of Japanese automakers production volume: almost flat compared with FY24.
- Impact of US tariff on demands of customers' products impacts is not factored in the forecast.

Seal: FY2025 Forecasts (Operating Income)

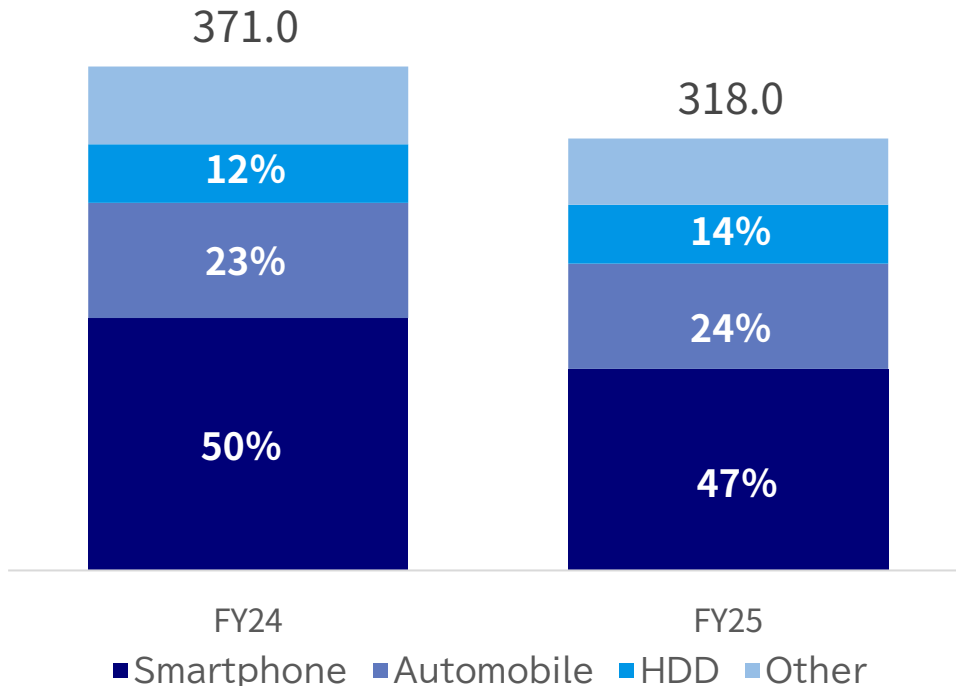


Electronic Product: FY2025 Forecasts (Net Sales)

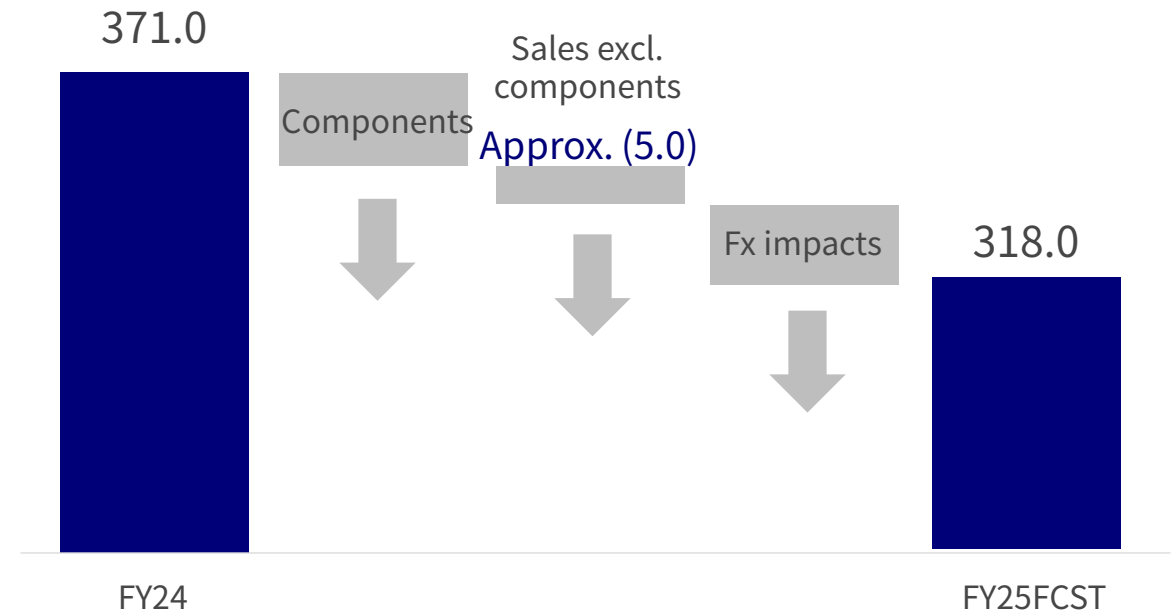


- After adjusting exchange rate and component costs, sales decline to be approx. 5.0 billion yen.
- Impact of US tariff on demands of customers' products impacts is not factored in the forecast.

Sales compositions by application (bil.)



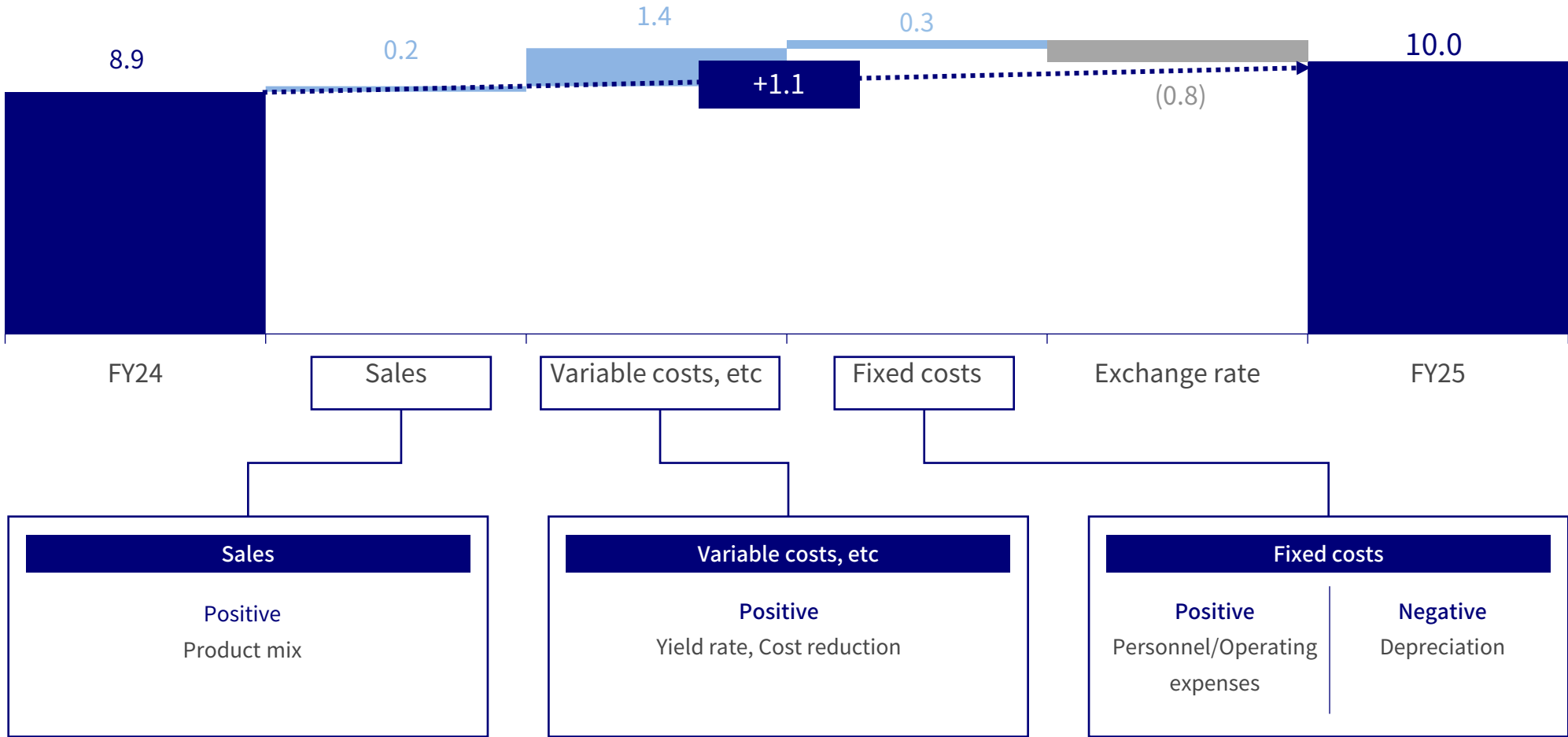
Waterfall analysis of sales (bil.)



Electronic Product: FY2025 Forecasts (Operating Income)



(billion yen)

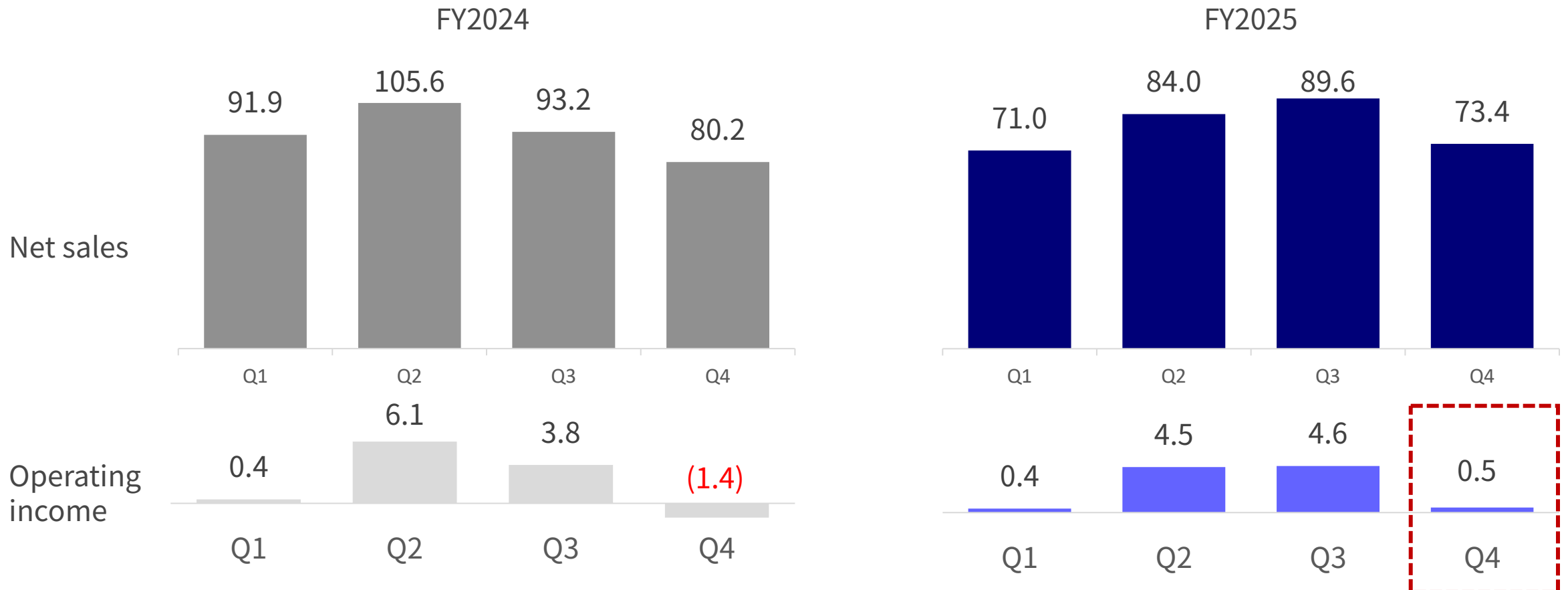


Electronic Product: Quarterly Forecasts



Thanks to continued initiatives such as restructuring and efforts to minimize seasonal fluctuation in production etc., we forecast all quarters (including Q4) to be profitable.

Electronic Product: Quarterly trend (bil.)



Capital Allocation: Achieve 3-Year Target of MTP

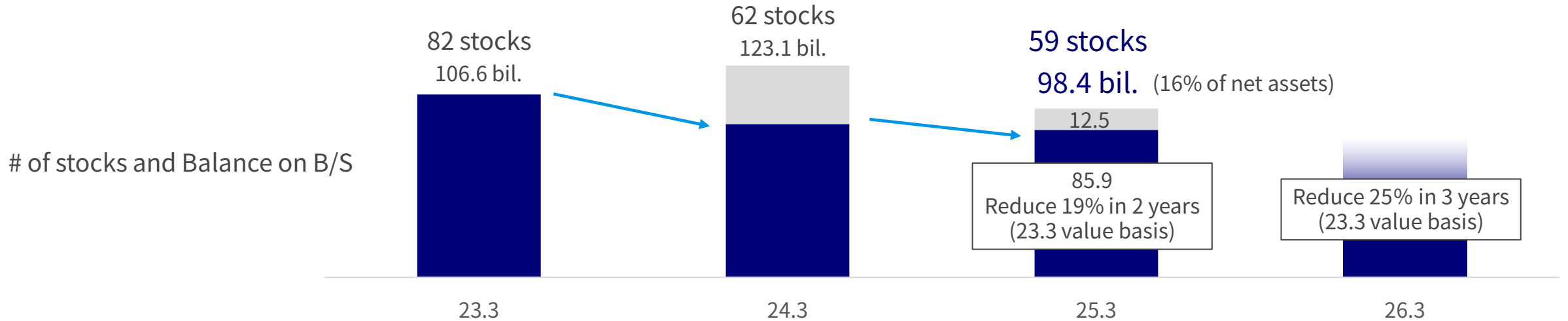


Shareholder return: >67.5 billion/3 years



Reduce cross-shareholding: Continue to reduce toward optimal level even after achieving MTP target*

*MTP target: Reduce 25% of balance as of Mar. 2023 (2023.3 value basis)



- Top priority is strategic business investment (for organic/inorganic growth, capital expenditure).
- Stepwise increase of dividends based on mid-/long-term business growth.
- Share buyback with comprehensive consideration of cash status including business investment.

Our shareholder return to be composed of stepwise increase of dividends on mid-/long-term business growth and share buyback.

Total shareholder return (billion yen)



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