

URL : <https://www.niterragroup.com/english/>
 Stock listing : Tokyo Prime section, Nagoya Premier section
 Code number : 5334
 Head office : 1-1-1 Higashisakura, Higashi-ku, Nagoya, Aichi, 461-0005, Japan
 Representative : Takeshi Kawai, President and COO

	Billions of yen					
	Three months ended					
	2024			2025		
	Jun.30	Sep.30	Dec.31	Mar.31	Jun.30	Sep.30
For the three months:						
Revenue	165.5	159.1	161.1	167.3	169.9	181.2
Operating profit	39.1	33.2	31.0	26.3	33.8	38.1
Profit before income taxes	42.4	29.5	35.0	26.4	33.8	42.3
Profit attributable to owners of the parent	27.8	22.5	24.1	18.2	24.0	29.7
Revenue by industry segments:						
Spark & glow plugs	92.0	90.4	88.7	91.5	92.3	97.1
Automotive sensors	46.4	42.0	45.5	46.2	47.7	48.2
Automotive components	138.5	132.4	134.2	137.8	140.0	145.3
Component solutions	25.2	24.6	25.5	27.7	28.0	33.5
	Yen					
Actual exchange rate:						
Yen - U.S. dollar	156	149	152	153	145	147
Yen - Euro	168	164	163	161	164	172

(Note) As for the changes in reportable segments, please refer to the segment information for further details.

Forecast for the fiscal year ending March 31, 2026

	Forecast for the fiscal year ending March 31, 2026					(Reference) Fiscal year ended March 31, 2025
	Automotive components	Component solutions	Others	Adjustment	Consolidated	
	Millions of yen					
Revenue	567,271	118,333	3,600	(1,204)	688,000	652,993
Operating profit	123,484	6,516	0	-	130,000	129,660
Profit before income taxes					129,000	133,313
Profit attributable to owners of the parent					90,000	92,625
Depreciation	31,933	6,405	-	-	38,339	39,690
Capital expenditure	21,830	16,114	-	-	37,944	37,532
					Yen	
Earnings per share (Basic)					453.10	466.34
Dividends per share					186.00	178.00

Note : Assumed exchange rates in the latter half of this fiscal year are;

1 U.S. dollar = 145 Yen 1 Euro = 170 Yen

The financial results for this interim consolidated fiscal year exceeded our financial forecast announced at the beginning of this fiscal year for the following reasons: The exchange rates moved towards yen depreciation in addition to that the estimated effect of U.S. tariff increase was reduced by the decrease in tax rates, and the delay in accounting timing due to the effects of effective timing and inventory status.

Regarding the latter half after the third quarter, we revised the estimated exchange rates 1 U.S. dollar = 140 yen and 1 Euro = 155 yen premised at the beginning of this fiscal year to 1 U.S. dollar = 145 yen and 1 Euro = 170 yen, assuming a trend of performance improvement. We also revised the estimated financial effect of U.S. tariff measures on our business performance in the same way as for this interim consolidated fiscal year. While we initially estimated a negative effect of approximately 6 billion yen on operating income for this consolidated fiscal year, we now estimate that this negative effect will be reduced to approximately 1 billion yen.

On the other hand, a sharp rise in the price of precious metals, which are parts of main raw materials, has been newly identified as another temporary factor contributing to business decline. The demand trend in the U.S. finished product market remains uncertain after the price revision as a solution for the impact of tariffs.

Furthermore, the purchase price allocation (PPA) and depreciation of Nitterra Materials included as our consolidated subsidiary from this consolidated fiscal year has not been decided yet.

Considering these circumstances, we have decided to forgo upward revisions to the full-year consolidated performance forecast and keep the financial forecast announced at the beginning of this fiscal year unchanged.

Disclaimer statements:

The above forecast is based on information available at the time of this announcement. Therefore, we cannot guarantee accuracy and completeness of the forecast due to various factors.

**Condensed Quarterly Consolidated Statement of Financial Position
as of March 31, 2025 and September 30, 2025**

		Millions of yen	
		March 31, 2025	September 30, 2025
Assets			
Current assets			
Cash and cash equivalents	208,192		252,030
Trade and other receivables	147,551		159,576
Other financial assets	25,263		11,067
Inventories	183,932		204,246
Other current assets	20,778		22,615
Subtotal	585,718		649,535
Assets held for sale	2,800		1,437
Total current assets	588,518		650,972
Noncurrent assets			
Property, plant and equipment	219,974		248,632
Goodwill and intangible assets	44,221		164,410
Right-of-use assets	9,872		11,154
Investments accounted for using the equity method	19,199		23,267
Other financial assets	93,082		91,955
Deferred tax assets	14,456		17,443
Other noncurrent assets	1,641		1,817
Total noncurrent assets	402,448		558,682
Total assets	990,966		1,209,654

		Millions of yen	
		March 31, 2025	September 30, 2025
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables	57,660		67,697
Bonds and borrowings	16,719		111,902
Other financial liabilities	3,871		5,306
Income taxes payable	21,935		22,750
Other current liabilities	53,000		59,437
Subtotal	153,187		267,094
Liabilities directly associated with assets held for sale	461		-
Total current liabilities	153,648		267,094
Noncurrent liabilities			
Bonds and borrowings	139,964		190,831
Net defined benefit liabilities	8,827		11,453
Other financial liabilities	7,310		8,403
Income tax payable - noncurrent	105		-
Deferred tax liabilities	2,332		1,911
Other noncurrent liabilities	4,054		4,970
Total noncurrent liabilities	162,594		217,569
Total liabilities	316,243		484,663
Equity			
Capital stock	47,869		47,869
Capital surplus	55,724		55,319
Retained earnings	509,900		548,607
Treasury stock	(2,199)		(1,672)
Other components of equity	63,278		71,722
Total equity attributable to owners of the parent	674,573		721,847
Noncontrolling interests	149		3,143
Total equity	674,722		724,991
Total liabilities and equity	990,966		1,209,654

Condensed Quarterly Consolidated Statement of Profit or Loss and Comprehensive Income

Condensed Quarterly Consolidated Statement of Profit or Loss for the Six Months Ended September 30, 2024 and 2025

	Millions of yen	
	2024	2025
Revenue	324,587	351,171
Costs of sales	(193,566)	(214,155)
Gross profit	131,020	137,015
Selling, general and administrative expenses	(62,036)	(63,861)
Share of profit of investments accounted for using the equity method	634	624
Other income	3,566	1,200
Other expenses	(892)	(2,987)
Operating profit	72,292	71,991
Finance income	5,154	6,840
Finance expenses	(5,556)	(2,714)
Profit before income taxes	71,890	76,118
Income tax expenses	(21,482)	(19,249)
Profit	50,408	56,868
Profit attributable to owners of the parent	50,398	53,756
Profit attributable to noncontrolling interests	9	3,112
	Yen	
Earnings per share		
- Basic	253.51	270.68
- Diluted	-	-

**Condensed Quarterly Consolidated Statement of Comprehensive Income
for the Six Months Ended September 30, 2024 and 2025**

	Millions of yen	
	2024	2025
Profit	50,408	56,868
Other comprehensive income (net of tax effects)		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(1,376)	2,106
Share of other comprehensive income of investments accounted for using the equity method	0	(9)
Total of items that will not be reclassified to profit or loss	(1,376)	2,096
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	(10,947)	8,584
Share of other comprehensive income of investments accounted for using the equity method	(386)	819
Total of items that may be reclassified subsequently to profit or loss	(11,333)	9,403
Total other comprehensive income (net of tax effects)	(12,710)	11,500
Comprehensive income	37,697	68,369
Comprehensive income attributable to:		
Owners of the parent	37,541	65,053
Noncontrolling interests	156	3,316

Condensed Quarterly Consolidated Statement of Changes in Equity

For the six months ended September 30, 2024

	Millions of yen										
	Equity attributable to owners of the parent										
					Other components of equity						
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Remeasurements of defined benefit plans	Total other components of equity	Total equity attributable to owners of the parent	Noncontrolling interests	Total equity
Balance at April 1, 2024	47,869	55,597	470,445	(11,699)	20,000	55,464	-	75,465	637,678	621	638,300
Profit			50,398					-	50,398	9	50,408
Other comprehensive income					(1,376)	(11,480)		(12,857)	(12,857)	147	(12,710)
Total comprehensive income	-	-	50,398	-	(1,376)	(11,480)	-	(12,857)	37,541	156	37,697
Purchase of treasury stock				(10,001)				-	(10,001)		(10,001)
Cancellation of treasury stock		(0)	(19,413)	19,413				-	-		-
Dividends			(16,881)					-	(16,881)	(543)	(17,425)
Share-based remuneration transactions		15		90				-	106		106
Transfer from other components of equity to retained earnings			896		(896)			(896)	-		-
Total transactions with owners	-	15	(35,398)	9,502	(896)	-	-	(896)	(26,777)	(543)	(27,321)
Balance at September 30, 2024	47,869	55,613	485,445	(2,196)	17,727	43,983	-	61,711	648,442	234	648,676

For the six months ended September 30, 2025

Millions of yen											
Equity attributable to owners of the parent											
Capital stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity				Total equity attributable to owners of the parent	Noncontrolling interests	Total equity	
				Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Remeasurements of defined benefit plans	Total other components of equity				
Balance at April 1, 2025	47,869	55,724	509,900	(2,199)	14,389	48,889	-	63,278	674,573	149	674,722
Profit			53,756					-	53,756	3,112	56,868
Other comprehensive income				2,104	9,200	(8)	11,296	11,296	203		11,500
Total comprehensive income	-	-	53,756	-	2,104	9,200	(8)	11,296	65,053	3,316	68,369
Purchase of treasury stock				(3)				-	(3)		(3)
Dividends			(17,902)					-	(17,902)	(321)	(18,224)
Share-based remuneration Transactions		(404)		530				-	126		126
Transfer from other components of equity to retained earnings			2,852		(2,861)		8	(2,852)	-		-
Total transactions with owners	-	(404)	(15,049)	527	(2,861)	-	8	(2,852)	(17,780)	(321)	(18,101)
Balance at September 30, 2025	47,869	55,319	548,607	(1,672)	13,633	58,089	-	71,722	721,847	3,143	724,991

Condensed Quarterly Consolidated Statement of Cash Flows for the Six Months Ended September 30, 2024 and 2025

	Millions of yen	
	2024	2025
Cash flows from operating activities		
Profit before income taxes	71,890	76,118
Depreciation and amortization	19,888	20,619
Foreign exchange (gain) loss	3,253	(2,918)
Interest and dividends income	(3,456)	(3,365)
Interest expenses	898	1,523
Share of profit of investments accounted for using the equity method	(634)	(624)
Loss (gain) on disposal of noncurrent assets	(639)	501
Loss on sale of shares of subsidiaries and associates	155	230
Increase in trade and other receivables	(4,192)	(4,319)
(Increase) decrease in inventories	1,043	(11,919)
Increase (decrease) in trade and other payables	(2,156)	1,279
Increase (decrease) in net defined benefit liabilities	(1,914)	103
Other, net	4,195	(71)
Subtotal	88,332	77,156
Dividends received	609	487
Interest received	2,107	1,918
Interest paid	(755)	(1,289)
Income taxes paid	(17,666)	(20,560)
Net cash provided by operating activities	72,627	57,712
Cash flows from investing activities		
Net decrease in time deposits	4,978	2,590
Net decrease in short-term investment securities	-	12,000
Purchase of property, plant and equipment	(15,652)	(14,940)
Proceeds from sale of property, plant and equipment	1,807	175
Purchase of intangible assets	(2,475)	(1,514)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(147,486)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	91	220
Purchase of investment securities	(3,864)	(443)
Proceeds from sale and redemption of investment securities	2,560	5,352
Other, net	629	133
Net cash used in investing activities	(11,924)	(143,911)

	Millions of yen	
	2024	2025
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(21,794)	100,249
Proceeds from long-term loans payable	19,911	49,786
Repayments of long-term loans payable	(28)	(3,338)
Redemption of bonds	(20,000)	-
Repayments of lease liabilities	(2,036)	(2,009)
Purchase of treasury stock	(10,001)	(3)
Dividends paid to owners of the parent	(16,867)	(17,890)
Dividends paid to noncontrolling interests	(543)	(321)
Net cash provided by (used in) financing activities	(51,361)	126,473
Effect of exchange rate change on cash and cash equivalents	(1,021)	3,133
Net increase in cash and cash equivalents	8,320	43,407
Cash and cash equivalents at the beginning of the period	180,684	208,192
Net increase in cash and cash equivalents resulting from transfer to assets held for sale	35	430
Cash and cash equivalents at the end of the period	189,040	252,030

Segment information

Information about revenue and segment profit (loss) by reportable segments

Reportable segments			Other (Note 1)	Total	Adjustment	Consolidated (Note 2)
Automotive components	Component solutions	Total				
Millions of yen						

Six months ended September 30, 2024

Revenue:

External customers	270,870	49,467	320,338	4,248	324,587	-	324,587
Inter-segment	-	382	382	-	382	(382)	-
Total	270,870	49,849	320,720	4,248	324,969	(382)	324,587
Segment profit (loss)	71,980	(1,188)	70,792	1,500	72,292	-	72,292
Finance income							5,154
Finance expenses							(5,556)
Profit before income taxes							71,890

Six months ended September 30, 2025

Revenue:

External customers	285,202	61,000	346,203	4,968	351,171	-	351,171
Inter-segment	-	412	412	-	412	(412)	-
Total	285,202	61,413	346,615	4,968	351,584	(412)	351,171
Segment profit	70,654	720	71,375	616	71,991	-	71,991
Finance income							6,840
Finance expenses							(2,714)
Profit before income taxes							76,118

Note 1: "Other" represents businesses such as material sales and welfare program service, which are not included in reportable segments.

Note 2: Segment profit (loss) is reconciled to operating profit of "Condensed Quarterly Consolidated Statement of Profit or Loss".

Changes in reportable segments

As a result of the reorganization effective April 1, 2025, the reportable segment classifications was changed from "Automotive components", "Ceramics" and "New businesses" to 2 segments, "Automotive components" and "Component solutions". In addition to the conventional "Ceramics", the fuel cell business, silicon nitride-related products and other businesses expected to grow in the future, which were previously included in "New businesses" have been transferred to "Component solutions". Other company-wide development costs have been included by allocation to each reportable segment.

As a result of the above changes in reportable segments, the segment information for the six months ended September 30, 2024 is prepared and reported based on the reportable segments of the six months ended September 30, 2025.

Significant subsequent events

(Repurchase of own shares)

Niterra Co., Ltd. resolved at a meeting of its Board of Directors held on October 31, 2025, to repurchase own shares, pursuant to the provisions of the Article 459, Paragraph 1 of the Companies Act. For the detail, please refer to another notice "Notice Concerning Determination of Matters Related to Repurchase of Own Shares (Repurchase of Own Shares under the Provision of the Article 459, Paragraph 1 of the Companies Act)".