

Quarterly Consolidated Financial Statements in accordance with IFRS for the nine months ended December 31, 2025

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

Quarterly financial results highlights

	Billions of yen						
	Three months ended						
	2024			2025			
	Jun.30	Sep.30	Dec.31	Mar.31	Jun.30	Sep.30	Dec.31
For the three months:							
Revenue	165.5	159.1	161.1	167.3	169.9	181.2	174.9
Operating profit	39.1	33.2	31.0	26.3	33.8	38.1	38.9
Profit before income taxes	42.4	29.5	35.0	26.4	33.8	42.3	42.1
Profit attributable to owners of the parent	27.8	22.5	24.1	18.2	24.0	29.7	29.8
Revenue by industry segments:							
Spark & glow plugs	92.0	90.4	88.7	91.5	92.3	97.1	89.1
Automotive sensors	46.4	42.0	45.5	46.2	47.7	48.2	49.4
Automotive components	138.5	132.4	134.2	137.8	140.0	145.3	138.5
Component solutions	25.2	24.6	25.5	27.7	28.0	33.5	32.9
	Yen						
Actual exchange rate:							
Yen - U.S. dollar	156	149	152	153	145	147	154
Yen - Euro	168	164	163	161	164	172	179

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

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

	Millions of yen	
	March 31, 2025	December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	208,192	231,162
Trade and other receivables	147,551	163,768
Other financial assets	25,263	11,931
Inventories	183,932	220,319
Other current assets	20,778	30,742
Subtotal	<u>585,718</u>	<u>657,923</u>
Assets held for sale	2,800	1,494
Total current assets	<u>588,518</u>	<u>659,418</u>
Noncurrent assets		
Property, plant and equipment	219,974	254,708
Goodwill and intangible assets	44,221	165,235
Right-of-use assets	9,872	12,350
Investments accounted for using the equity method	19,199	24,252
Other financial assets	93,082	93,758
Deferred tax assets	14,456	18,331
Other noncurrent assets	1,641	1,803
Total noncurrent assets	<u>402,448</u>	<u>570,439</u>
Total assets	<u>990,966</u>	<u>1,229,857</u>

		Millions of yen	
		March 31, 2025	December 31, 2025
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables	57,660		67,602
Bonds and borrowings	16,719		142,000
Other financial liabilities	3,871		6,075
Income taxes payable	21,935		18,738
Other current liabilities	53,000		58,346
Subtotal	153,187		292,762
Liabilities directly associated with assets held for sale	461		-
Total current liabilities	153,648		292,762
Noncurrent liabilities			
Bonds and borrowings	139,964		160,709
Net defined benefit liabilities	8,827		11,639
Other financial liabilities	7,310		8,946
Income tax payable - noncurrent	105		-
Deferred tax liabilities	2,332		3,794
Other noncurrent liabilities	4,054		4,993
Total noncurrent liabilities	162,594		190,083
Total liabilities	316,243		482,845
Equity			
Capital stock	47,869		47,869
Capital surplus	55,724		55,334
Retained earnings	509,900		561,977
Treasury stock	(2,199)		(10,922)
Other components of equity	63,278		89,146
Total equity attributable to owners of the parent	674,573		743,404
Noncontrolling interests	149		3,607
Total equity	674,722		747,011
Total liabilities and equity	990,966		1,229,857

Condensed Quarterly Consolidated Statement of Profit or Loss and Comprehensive Income

Condensed Quarterly Consolidated Statement of Profit or Loss for the Nine Months Ended December 31, 2024 and 2025

	Millions of yen	
	2024	2025
Revenue	485,673	526,055
Costs of sales	(291,315)	(316,091)
Gross profit	194,357	209,963
Selling, general and administrative expenses	(95,206)	(98,732)
Share of profit of investments accounted for using the equity method	820	889
Other income	4,595	2,413
Other expenses	(1,236)	(3,627)
Operating profit	103,329	110,907
Finance income	6,144	10,966
Finance expenses	(2,540)	(3,698)
Profit before income taxes	106,933	118,174
Income tax expenses	(32,372)	(31,303)
Profit	74,560	86,871
Profit attributable to owners of the parent	74,449	83,551
Profit attributable to noncontrolling interests	110	3,319
	Yen	
Earnings per share		
- Basic	374.72	421.10
- Diluted	-	-

**Condensed Quarterly Consolidated Statement of Comprehensive Income
for the Nine Months Ended December 31, 2024 and 2025**

	Millions of yen	
	2024	2025
Profit	74,560	86,871
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	(2,533)	3,731
Remeasurements of defined benefit plans	1	(3)
Share of other comprehensive income of investments accounted for using the equity method	(11)	134
Total of items that will not be reclassified to profit or loss	(2,543)	3,861
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	8,686	26,043
Share of other comprehensive income of investments accounted for using the equity method	(647)	1,349
Total of items that may be reclassified subsequently to profit or loss	8,039	27,392
Total other comprehensive income (net of tax effects)	5,495	31,254
Comprehensive income	80,056	118,125
Comprehensive income attributable to:		
Owners of the parent	79,652	114,345
Noncontrolling interests	403	3,779

Condensed Quarterly Consolidated Statement of Changes in Equity

For the nine months ended December 31, 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			74,449					-	74,449	110	74,560
Other comprehensive income					(2,557)	7,746	13	5,202	5,202	292	5,495
Total comprehensive income	-	-	74,449	-	(2,557)	7,746	13	5,202	79,652	403	80,056
Purchase of treasury stock				(10,003)				-	(10,003)		(10,003)
Cancellation of treasury stock		(0)	(19,413)	19,413				-	-		-
Dividends			(34,386)					-	(34,386)	(543)	(34,930)
Share-based remuneration transactions		71		90				-	161		161
Transfer from other components of equity to retained earnings			910		(896)		(13)	(910)	-		-
Total transactions with owners	-	71	(52,889)	9,500	(896)	-	(13)	(910)	(44,228)	(543)	(44,772)
Balance at December 31, 2024	47,869	55,669	492,005	(2,198)	16,546	63,211	-	79,757	673,102	481	673,583

For the nine months ended December 31, 2025

	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, 2025	47,869	55,724	509,900	(2,199)	14,389	48,889	-	63,278	674,573	149	674,722
Profit			83,551					-	83,551	3,319	86,871
Other comprehensive income					3,806	26,932	54	30,794	30,794	460	31,254
Total comprehensive income	-	-	83,551	-	3,806	26,932	54	30,794	114,345	3,779	118,125
Purchase of treasury stock				(9,253)				-	(9,253)		(9,253)
Dividends			(36,402)					-	(36,402)	(321)	(36,723)
Share-based remuneration transactions		(390)		530				-	140		140
Transfer from other components of equity to retained earnings			4,926		(4,872)		(54)	(4,926)	-		-
Total transactions with owners	-	(390)	(31,475)	(8,723)	(4,872)	-	(54)	(4,926)	(45,515)	(321)	(45,837)
Balance at December 31, 2025	47,869	55,334	561,977	(10,922)	13,323	75,822	-	89,146	743,404	3,607	747,011

Condensed Quarterly Consolidated Statement of Cash Flows for the Nine Months Ended December 31, 2024 and 2025

	Millions of yen	
	2024	2025
Cash flows from operating activities		
Profit before income taxes	106,933	118,174
Depreciation and amortization	29,781	31,426
Impairment loss	146	-
Foreign exchange gains	(4,150)	(9,162)
Interest and dividends income	(5,276)	(5,294)
Interest expenses	1,237	2,275
Share of profit of investments accounted for using the equity method	(820)	(889)
Loss (gain) on disposal of noncurrent assets	(384)	585
Loss on sale of shares of subsidiaries and associates	155	230
Increase in trade and other receivables	(4,701)	(2,008)
Increase in inventories	(1,183)	(20,488)
Increase in trade and other payables	45	478
Increase (decrease) in net defined benefit liabilities	(1,891)	158
Other, net	4,832	(9,891)
Subtotal	124,725	105,595
Dividends received	1,039	875
Interest received	3,232	2,921
Interest paid	(1,152)	(2,015)
Income taxes paid	(34,301)	(36,777)
Net cash provided by operating activities	93,542	70,600
Cash flows from investing activities		
Net decrease in time deposits	3,428	2,090
Net decrease (increase) in short-term investment securities	(3,000)	12,000
Purchase of property, plant and equipment	(23,311)	(25,949)
Proceeds from sale of property, plant and equipment	1,806	235
Purchase of intangible assets	(3,441)	(1,778)
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	(4,752)	(2,318)
Proceeds from sale and redemption of investment securities	2,560	8,913
Other, net	684	391
Net cash used in investing activities	(25,935)	(153,681)

	Millions of yen	
	2024	2025
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(21,773)	100,362
Proceeds from long-term loans payable	19,911	49,786
Repayments of long-term loans payable	(41)	(3,515)
Redemption of bonds	(20,000)	-
Repayments of lease liabilities	(3,044)	(3,129)
Purchase of treasury stock	(10,003)	(9,253)
Dividends paid to owners of the parent	(34,319)	(36,345)
Dividends paid to noncontrolling interests	(543)	(321)
Net cash provided by (used in) financing activities	(69,814)	97,582
Effect of exchange rate change on cash and cash equivalents	3,709	8,037
Net increase in cash and cash equivalents	1,501	22,538
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	34	430
Cash and cash equivalents at the end of the period	182,221	231,162

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							
Nine months ended December 31, 2024							
Revenue:							
External customers	405,050	74,787	479,837	5,835	485,673	-	485,673
Inter-segment	-	581	581	-	581	(581)	-
Total	405,050	75,369	480,419	5,835	486,255	(581)	485,673
Segment profit (loss)	104,021	(1,989)	102,031	1,298	103,329	-	103,329
Finance income							6,144
Finance expenses							(2,540)
Profit before income taxes							106,933
Other material items							
Impairment loss	146	-	146	-	146	-	146
Nine months ended December 31, 2025							
Revenue:							
External customers	423,702	93,673	517,376	8,679	526,055	-	526,055
Inter-segment	-	595	595	-	595	(595)	-
Total	423,702	94,269	517,971	8,679	526,650	(595)	526,055
Segment profit	107,713	1,849	109,562	1,344	110,907	-	110,907
Finance income							10,966
Finance expenses							(3,698)
Profit before income taxes							118,174

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 nine months ended December 31, 2024 is prepared and reported based on the reportable segments of the nine months ended December 31, 2025.

Significant subsequent events

(Refinancing of funds)

At a meeting of Board of Directors held on December 22, 2025, we resolved to refinance of funds for the purpose of improving the efficiency of invested capital and securing fund stability. We entered into a syndicated loan agreement on January 27, 2026 and borrowed funds and repaid short term borrowings of 100,000 million yen for acquisition of Niterra Materials Co., Ltd. on January 30, 2026.

1. Lenders	Syndicate arranged by MUFG Bank, Ltd. and Mizuho Bank, Ltd.
2. Loan amount and interest rate	50,000 million yen
	Fixed interest rate
3. Loan period	5~10 years
4. Collateral, etc.	None