



Fiscal Year Ending December 2025

# Consolidated Financial Report for the First Half

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August 5, 2025



TSE Prime Market  
5563

# INDEX

**1**

**Business Overview**

**2**

**FY2025 1H Financial Results**

**3**

**FY2025 Earnings Projection**

**4**

**Progress of the Medium-Term  
Business Plan**

**5**

**Shareholder Return**

**6**

**Appendix**



# 1-1. Business Overview

Our Group aims to be a company on a constant quest for a better future by supporting people's lives through “Materials” and “Environment”

## Materials

### Ferroalloys

Facility: Tokushima Plant  
Pertama Ferroalloys Sdn. Bhd. (overseas affiliates)

- Top domestic manganese ferroalloy supplier. Consistent supply of high-quality ferroalloys with outstanding global competitiveness
- Green ferroalloy production using hydroelectric power (overseas affiliates)

#### Main Products

High-carbon ferromanganese / SLP ferromanganese / Silicomanganese / Ferrosilicon

#### Main Applications

Additives for steel to improve its hardness, tensile strength, and other properties  
Desulfurization and deoxidation agent in steel



High-carbon ferromanganese

### Functional Materials

Facility: Toyama Plant (Imizu and Takaoka areas)  
Myoko Plant / Tokushima Plant

- Providing materials for advanced components supporting a decarbonization and digitalization society
- Distinctive material lineup, such as “No.1” and domestically produced “One-of-a-kind” products in the Japanese market

#### Main Products

Zirconium oxide / Boron oxide / Ferroboron / Metal hydride alloys / Cathode materials for lithium-ion batteries/ Manganese inorganic chemical products

#### Main Applications

Ceramic capacitors / Glass substrates for displays / Neodymium magnets / Anode materials for HVs' nickel-hydride batteries / Cathode materials for EVs' lithium-ion batteries / Additives for electronic components, etc.



Zirconium oxide

## Environment

### Incineration Ash Recycling

Facility: Kashima Plant

- Contributing to a recycling-oriented society by recovering resources from incineration ash
  - To increase the capacity of landfill sites by collecting and treating incineration ash
  - To extract metals containing valuable metals from incineration ash
  - To recycle incineration ash as engineering and construction materials

#### Main Services & Products

Collection and treatment of incineration ash  
Metals containing valuable metals  
ECOLAROCK (engineering and construction materials)

#### Main Applications

Precious and nonferrous metals for industrial purposes  
Construction materials such as roadbed materials



Metals containing valuable metals

### Aqua Solutions

Facility: Koriyama Plant

- Contribute to the realization of circular economy and carbon-neutral society through our wastewater purification and pure water production technology and services

#### Main Products

Wastewater treatment equipment  
Pure water production system

#### Main Applications

Treatment of industrial wastewater  
Production of pure water for hydrogen stations, etc.



Pure water production system

### Electric Power

Facility: Hidaka Office

- Stable sale of electricity by utilizing renewable energy Feed-In Tariff system (FIT)
- Stable supply of green electricity through the largest private-sector owned dams
- Introducing the environmental advantages of green electricity



Horomangawa river Hydroelectric power plants

# 2-1. FY2025 1H Financial Results

FY2025  
1H Results

- Ordinary profit (accounting basis) in the Ferroalloys business decreased due to the negative impact of inventories, etc. On the other hand, that in the Functional Materials business increased as the sales volume recovered thanks to the end of inventory adjustment by our customers. As a result, ordinary profit (accounting basis) remained almost at the same level YoY.
- The underlying ordinary profit excluding inventory impact increased by ¥0.2 bil. YoY.

	FY2024 1H	FY2025 1H	YoY
Net Sales	36.5 bil. yen	38.1	+1.6
Ordinary Profit	1.2 bil. yen	1.2	0.0
Inventory Impact etc.	(0.8) bil. yen	(1.0)	− 0.2
Underlying Ordinary Profit*	2.0 bil. yen	2.2	+0.2
Profit Attributable to Owners of Parent (semi-annual)	0.5 bil. yen	0.5	0.0

\*Ordinary profit excluding inventory impact and one-time factors.  
Adopted in 2023 as one of the management indicators to accurately grasp our inherent performance.  
A common indicator for calculating the dividend payout ratio as well as compensation and bonuses for directors and employees.

## Global Situation

Continued instability in Ukraine and the Middle East

Turmoil due to the US trade policy

Economic slowdown in China

## Business Environment

Decline in the global ferroalloy market prices due to the easing of steel supply/demand

Slowdown in EV market growth

Ongoing rising commodity prices



## Initiatives

Steady promotion of growth strategies in the Medium-Term Business Plan

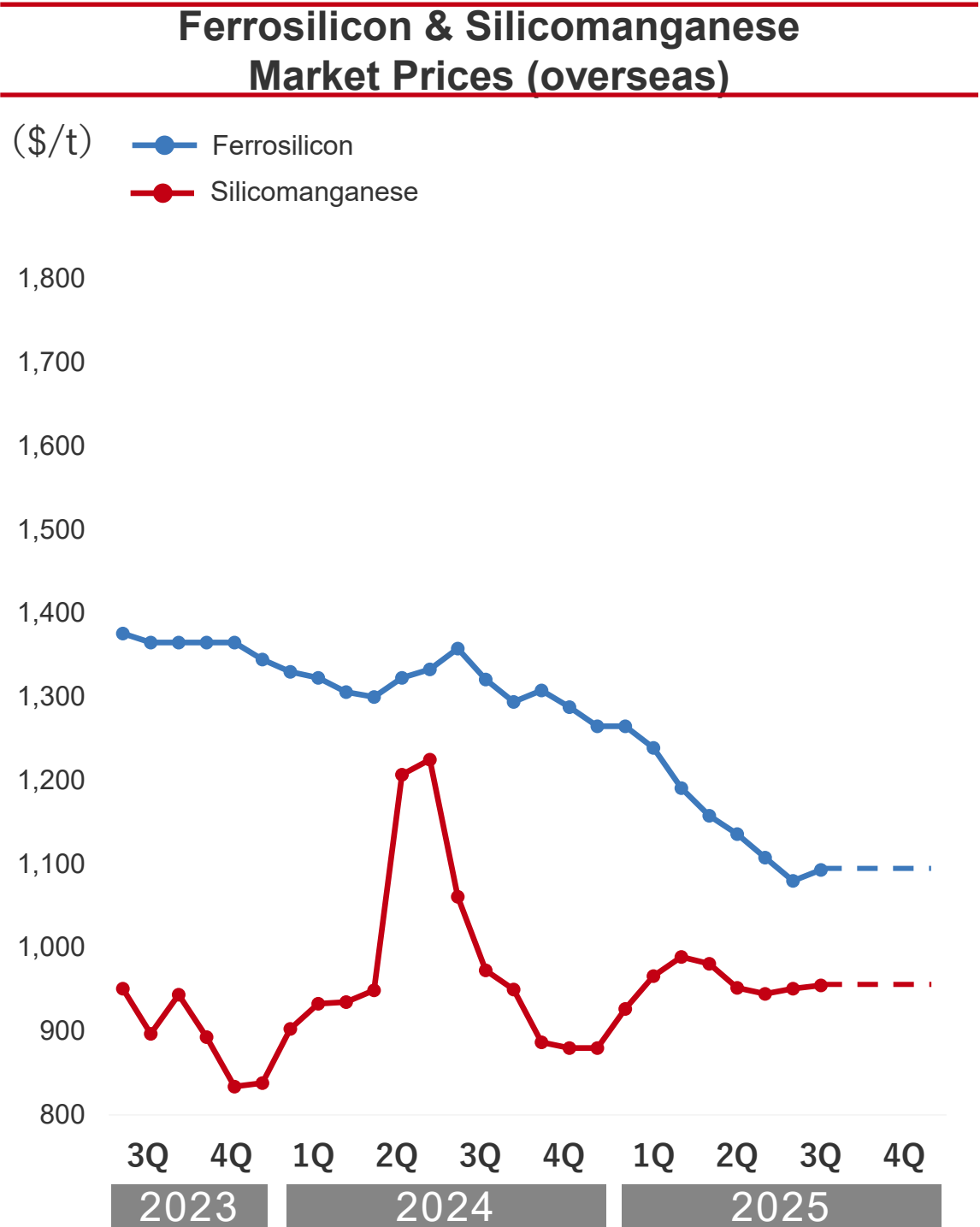
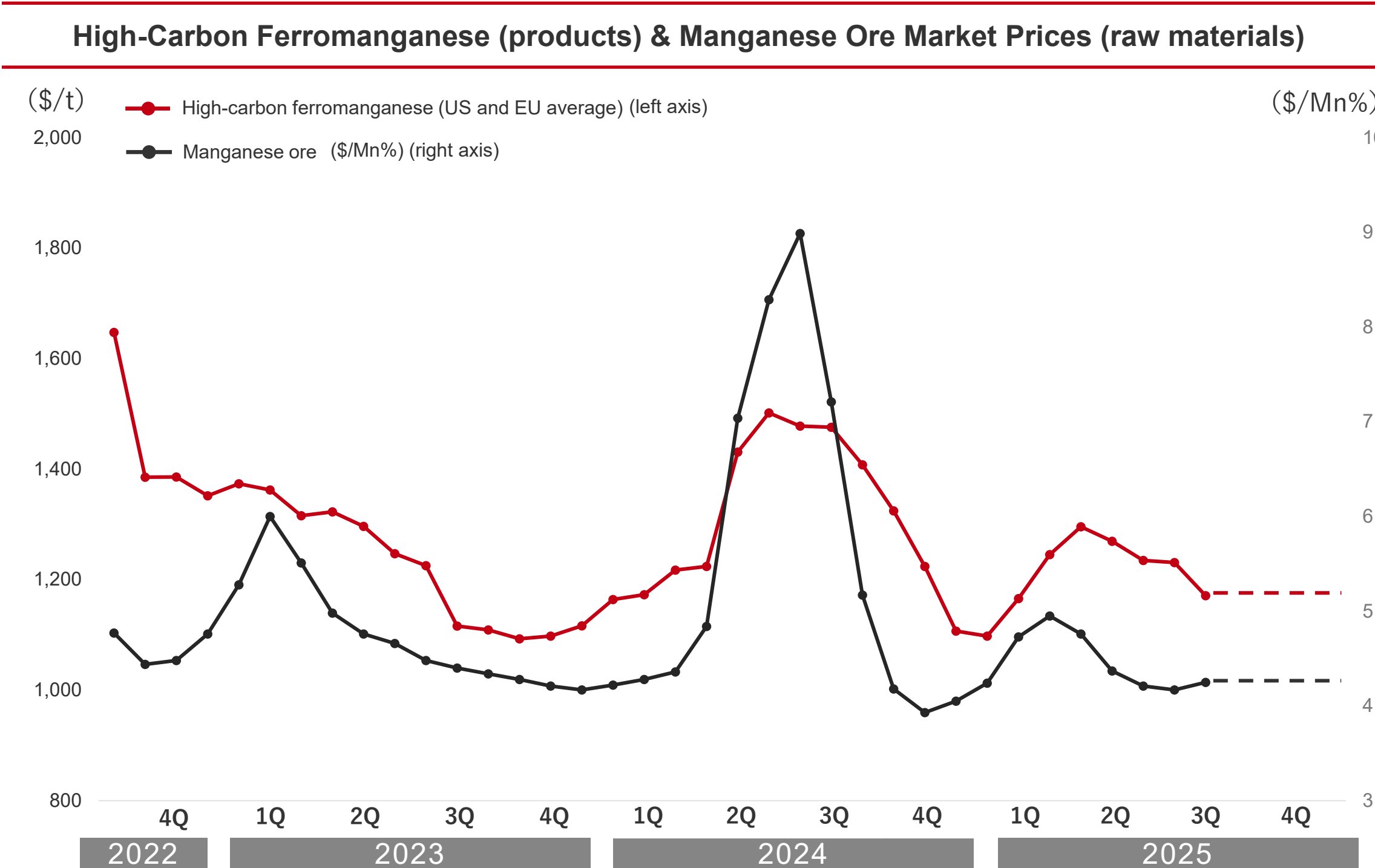
Implementation of proactive profit improvement by price optimization, cost reduction, etc.

Inventory reduction and optimization

# 3-2. Ferroalloys / Manganese Ore Market Trend

FY2025  
Projection

- The manganese ore market prices, which surged in the middle of FY2024, declined toward the end of FY2024. ➡ Inventory impact expands in FY2025
- Manganese ferroalloys and manganese ore market prices have been sluggish ➡ Continuing tight margins
- The ferrosilicon market price has declined compared to FY2024, hovering at its lowest levels since the COVID-19 period.



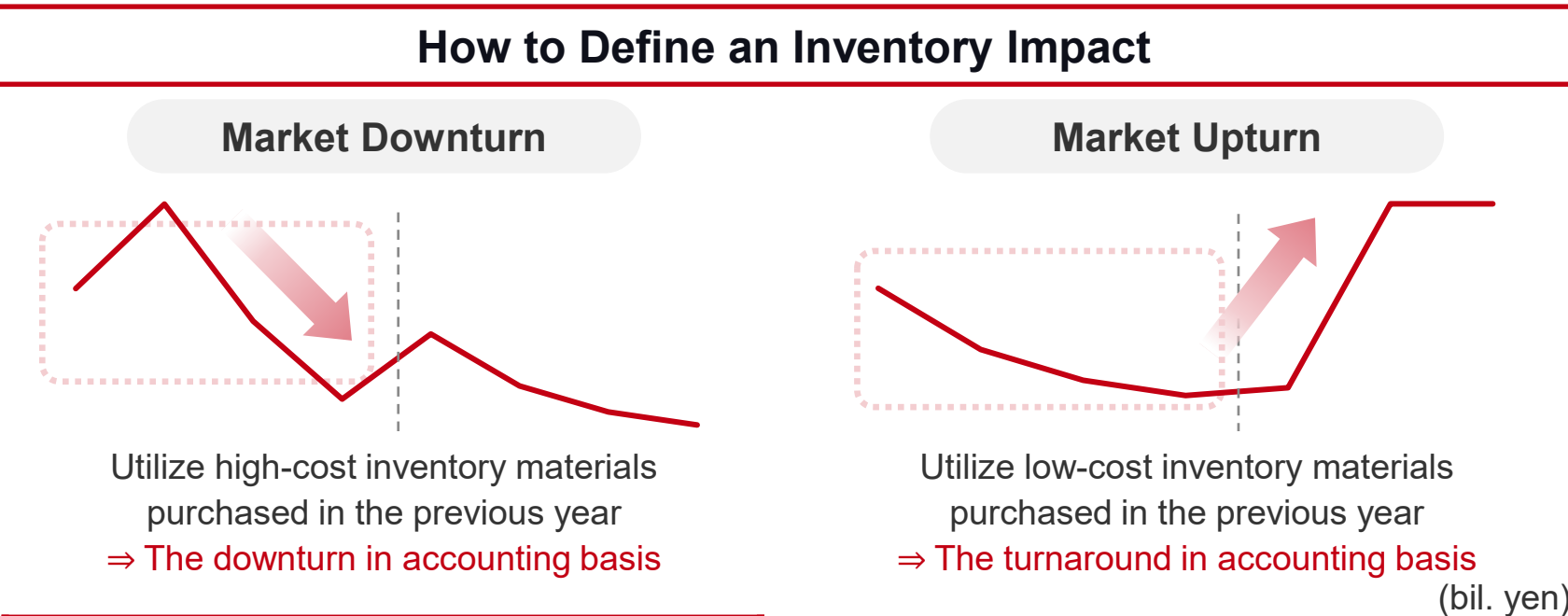
Source: High-carbon ferromanganese (Fastmarkets, METALS WEEK) Manganese ore (Fastmarkets) Ferrosilicon (CRU) Silicomanganese (CRU)



# 3-3. FY2025 Earnings Projection

FY2025  
Projection

- **Ordinary profit (accounting basis)** : Decreased due to the inventory impact following the decline in manganese ore market prices, which had soared in FY2024.
- **Underlying ordinary profit** : Remained almost at the same level YoY, as decreased production arising from periodic repairs and other factors in the Ferroalloys business as well as increased costs due to rising commodity prices was offset by improved profitability and other measures.



	FY2024	FY2025 Projection	YoY
Net Sales	78.2	78.2	0.0
Ordinary Profit	4.9	3.0	− 1.9
Inventory Impact etc.	(0.3)	(2.0)	− 1.7
Underlying Ordinary Profit*1	5.2	5.0	− 0.2
Profit Attributable to Owners of Parent	3.1	1.6	− 1.5
Underlying Profit*2	3.6	3.5	− 0.1
FX (¥/\$US)	151	146	−

\*1 Ordinary profit excluding inventory impact and one-time factors

\*2 Underlying ordinary profit × 0.7 (income taxes, etc.)

# 3-4. FY2025 Earnings Projection by Segments (Underlying ordinary profit\*)

FY2025  
Projection

- The underlying ordinary profit remained on par YoY, as increased profits in the Functional Materials business and the Incineration Ash Recycling business compensated for decreased profits in the Ferroalloys business due to decreased production arising from periodic repairs (domestic) and margin decline (overseas).

		(bil. yen)					
		FY2024		FY2025		YoY	
		Net Sales	Underlying Ordinary Profit*	Net Sales	Underlying Ordinary Profit*	Net Sales	Underlying Ordinary Profit*
Ferroalloys		51.8	1.1	49.5	0.5	− 2.3	− 0.6
	Domestic	51.8	1.7	49.5	1.3	− 2.3	− 0.4
	Overseas	-	(0.6)	-	(0.8)	-	− 0.2
Functional Materials		14.0	2.0	14.8	2.2	+0.8	+0.2
Incineration Ash Recycling		7.7	1.4	8.7	1.7	+1.0	+0.3
Aqua Solutions		1.6	0.1	1.7	0.1	+0.1	0.0
Electric Power		1.4	0.4	1.4	0.3	0.0	− 0.1
Others		1.8	0.2	2.1	0.2	+0.3	0.0
Total		78.2	5.2	78.2	5.0	0.0	− 0.2

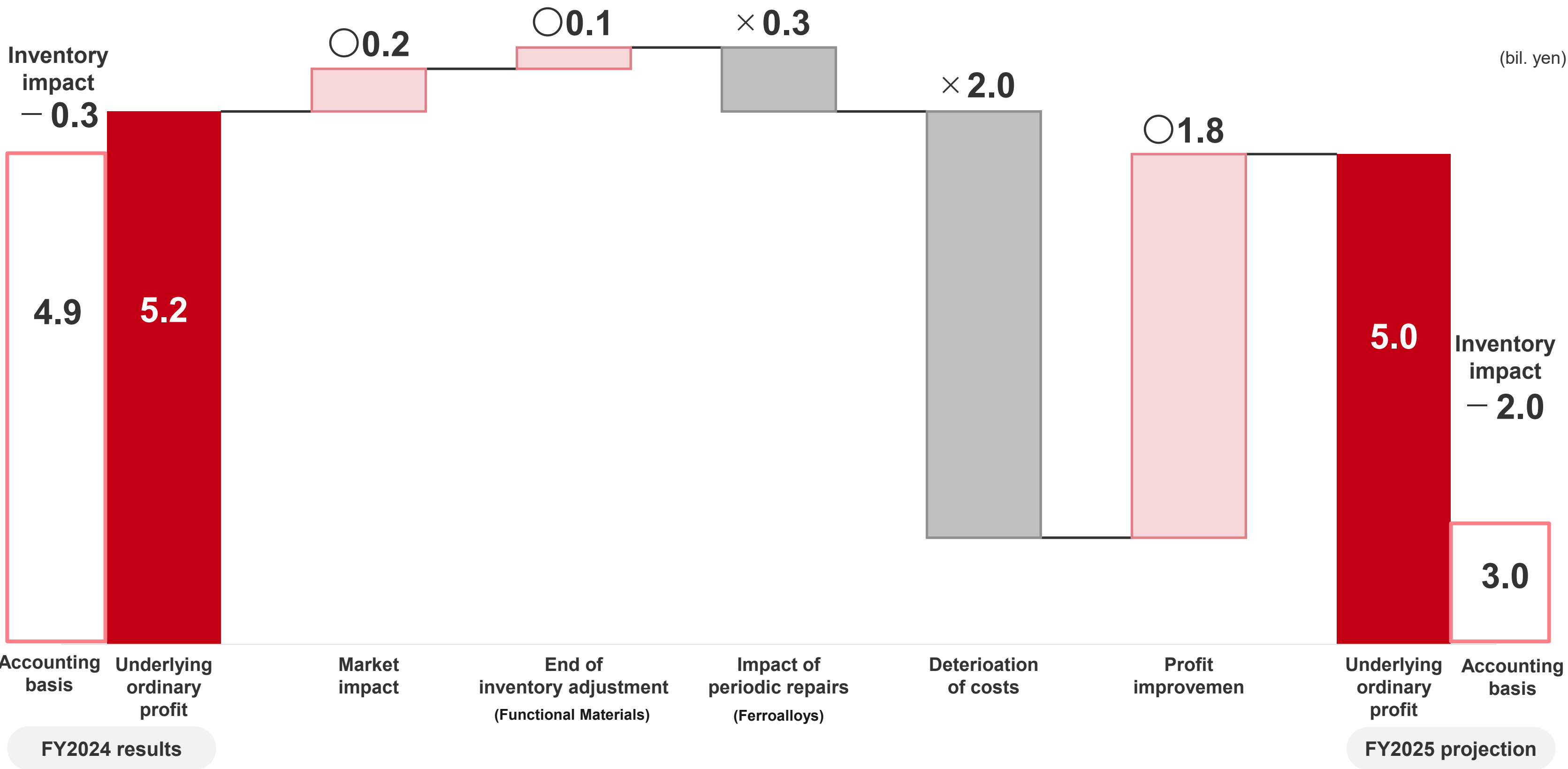
\* Ordinary profit excluding inventory impact and one-time factors



# 3-5. FY2025 Earnings Projection (Underlying ordinary profit variance)

FY2025  
Projection

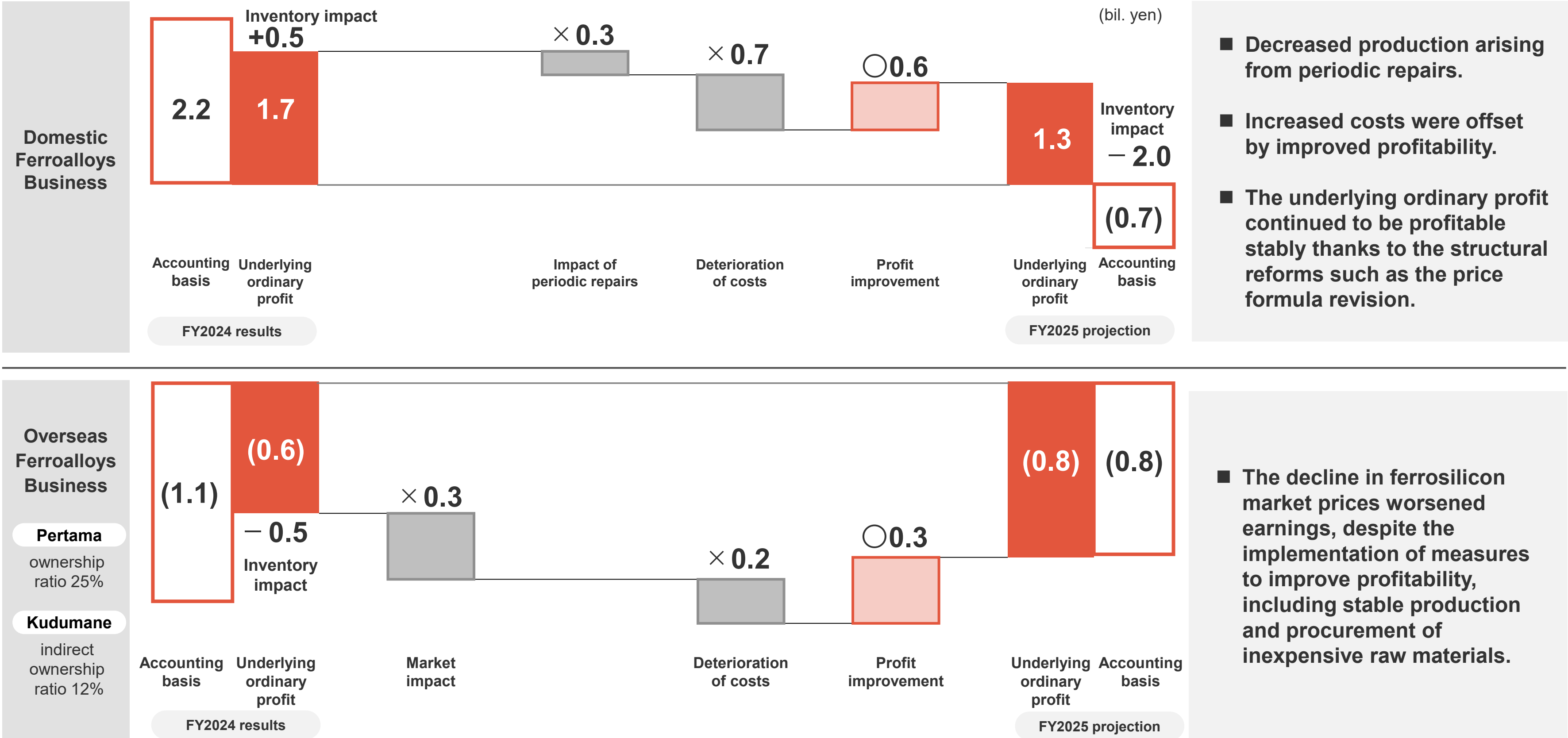
## Underlying Ordinary Profit Variance Analysis



# 3-6. FY2025 Earnings Projection by Segment (Underlying ordinary profit variance)

FY2025  
Projection

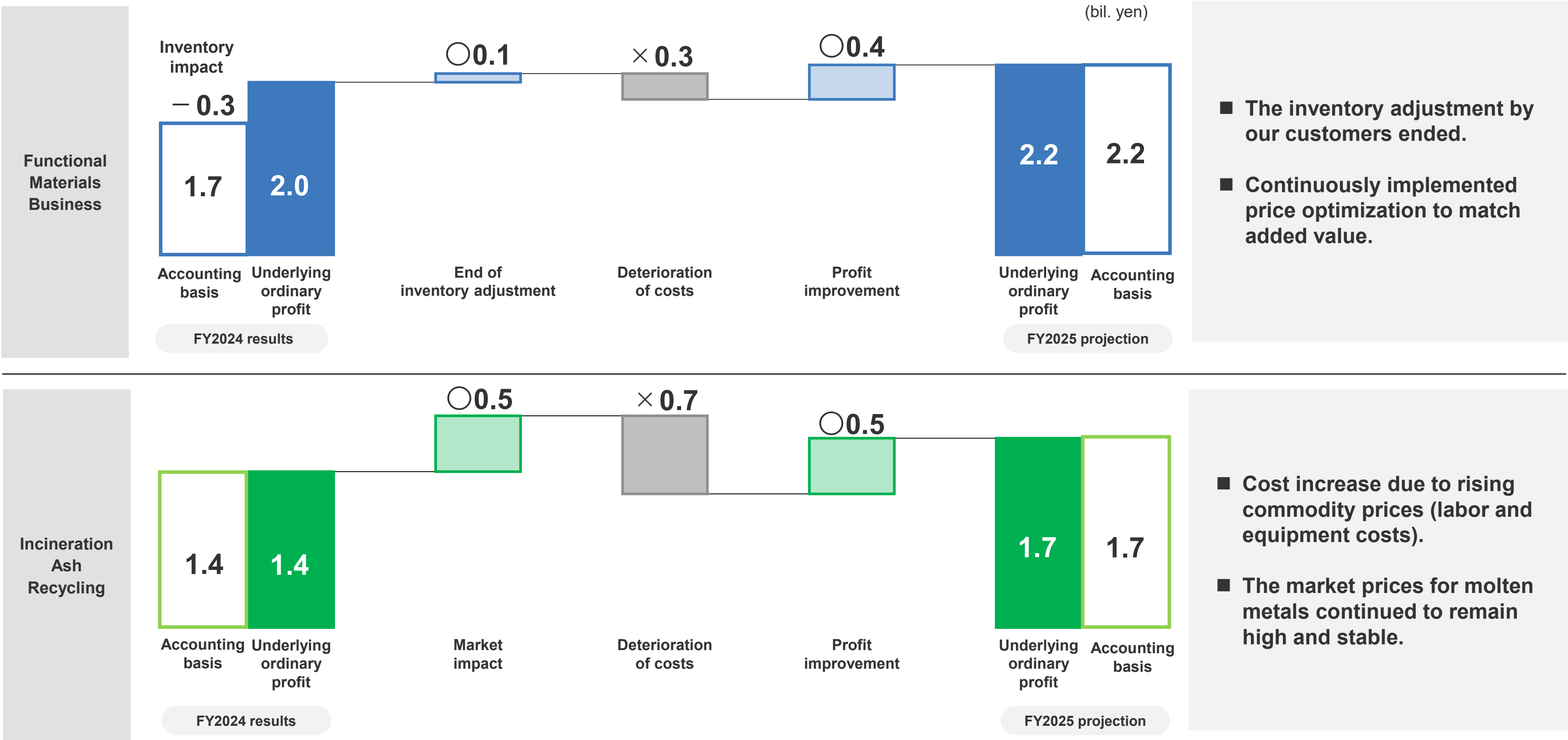
## Underlying Ordinary Profit Variance Analysis



# 3-7. FY2025 Earnings Projection by Segment (Underlying ordinary profit variance)

FY2025  
Projection

## Underlying Ordinary Profit Variance Analysis



# 3-8. B/S · C/F

FY2025  
Projection

- Reduction of inventories and other measures streamlined B/S and improved C/F.
- Net D/E ratio declined temporarily as free cash flow was temporarily allocated to repay borrowings.

Consolidated B/S (bil. yen)		
	End of FY2024	End of June FY2025 Projection
Total current assets	54.0	48.7
(incl. Inventories)	34.0	30.7
Total non-current assets	48.2	48.1
Total assets	102.2	96.8
Total liabilities	28.5	23.1
(incl. Interest-bearing debt)	17.1	13.8
Total net assets	73.7	73.7
Total liabilities and net assets	102.2	96.8
Net D/E ratio	0.15	0.11
Inventory turnover period (month)	6.1	6.0
Fixed ratio (%)	65.5	65.2

Consolidated C/F (bil. yen)		
	FY2025 1H	FY2025 Projection
Cash flows from operating activities	6.6	11.0
(incl. Ordinary profit)	1.2	3.0
(incl. Depreciation)	1.6	3.5
(incl. Share of profit (loss) of entities accounted for using equity method)	0.4	0.8
(incl. Changes in working capital)	2.9	3.7
Cash flows from investing activities	(2.6)	(7.0)
Free cash flows	4.0	4.0
FY2024 Free cash flows		1.1
FY2024 Reduction of cash on hand		1.9
FY2024-FY2025 free cash flows and reduction of cash on hand		7.0
The positive free cash flows and reduction of cash on hand totaling ¥7 bil. for FY2024 to FY2025 will be allocated to shareholder returns as part of the financial strategy.		

- Net D/E ratio: Temporarily allocate the strong cash flow to debt repayment (revise during the second half of FY2025, and aim for 0.30-0.45 in the medium to long term by changing financial leverage)
- Inventory turnover period: Shorten turnover period due to decrease in inventories (making efforts to streamline inventories and strive to reduce inventories and cash on hand)
- Fixed ratio: Continue investment exceeding depreciation (active investment to support growth strategy)

# 4-1. “Our Ideal State” in 2030 and the “9th Medium-Term Business Plan”

Progress of  
MTBP

- “Our Ideal State” in 2030  
Net sales of **¥110 bil.** or larger, underlying ordinary profit of **¥13 bil.** or larger, and ROE of **10%** or higher.

## Four Targets

### Growth Strategy

Proactively investing in growing field **¥45 bil. to ¥50 bil.**  
(FY2021 to FY2023 : ¥0.6 bil.)

### To Improve and Stabilize Profitability

**ROE of 10% or higher**

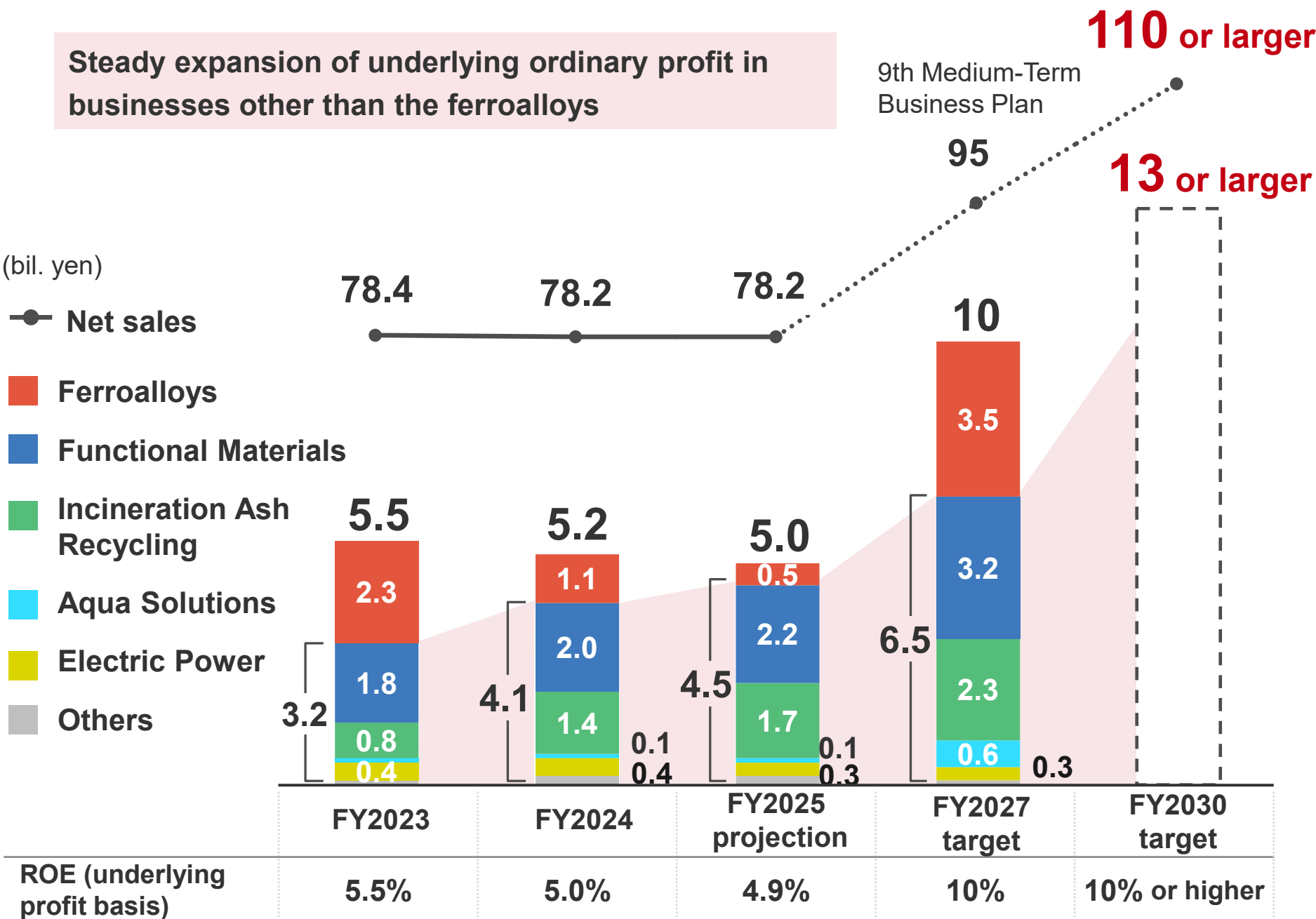
### Financial Strategy

- **Proactive of shareholder returns**
- Utilization of financial leverage (borrowing, etc.)

### Sustainability-Related Measures

- Carbon neutrality
- Investment in human capital

## Net Sales/ Underlying Ordinary Profit • ROE



# 4-2. Progress of Growth Investment

Progress of  
MTBP

- FY2024 to FY2030: ¥45 bil. to ¥50 bil. scale.
- FY2024 and FY2025: A strategic investment totaling ¥17 bil. is planned, including a large-scale investment in the incineration ash recycling.



	Investment Themes in FY2025	Current Situation
Incineration Ash Recycling	Reinforcement of incineration ash melting furnaces (melting furnace No. 5)	Investment decision scheduled to be made in FY2025 (¥10 bil. scale)
Aqua Solutions	Capturing demand for heavy metal recycling	Execution of investment in venture companies
DX Investment	Production DX infrastructure development	Execution of investment in Tokushima, Koriyama, and Kashima plants
GX Investment	Investment in energy-saving equipment	Introduction of high-efficiency power generation facilities for ferroalloy production



# 4-3. Progress of Growth Investment : Incineration Ash Recycling Business

Progress of  
MTBP

■ Consideration of investment in **the melting furnace No. 5** : Decision to be made for **large-scale investment totaling ¥10 bil.** by the end of FY2025.

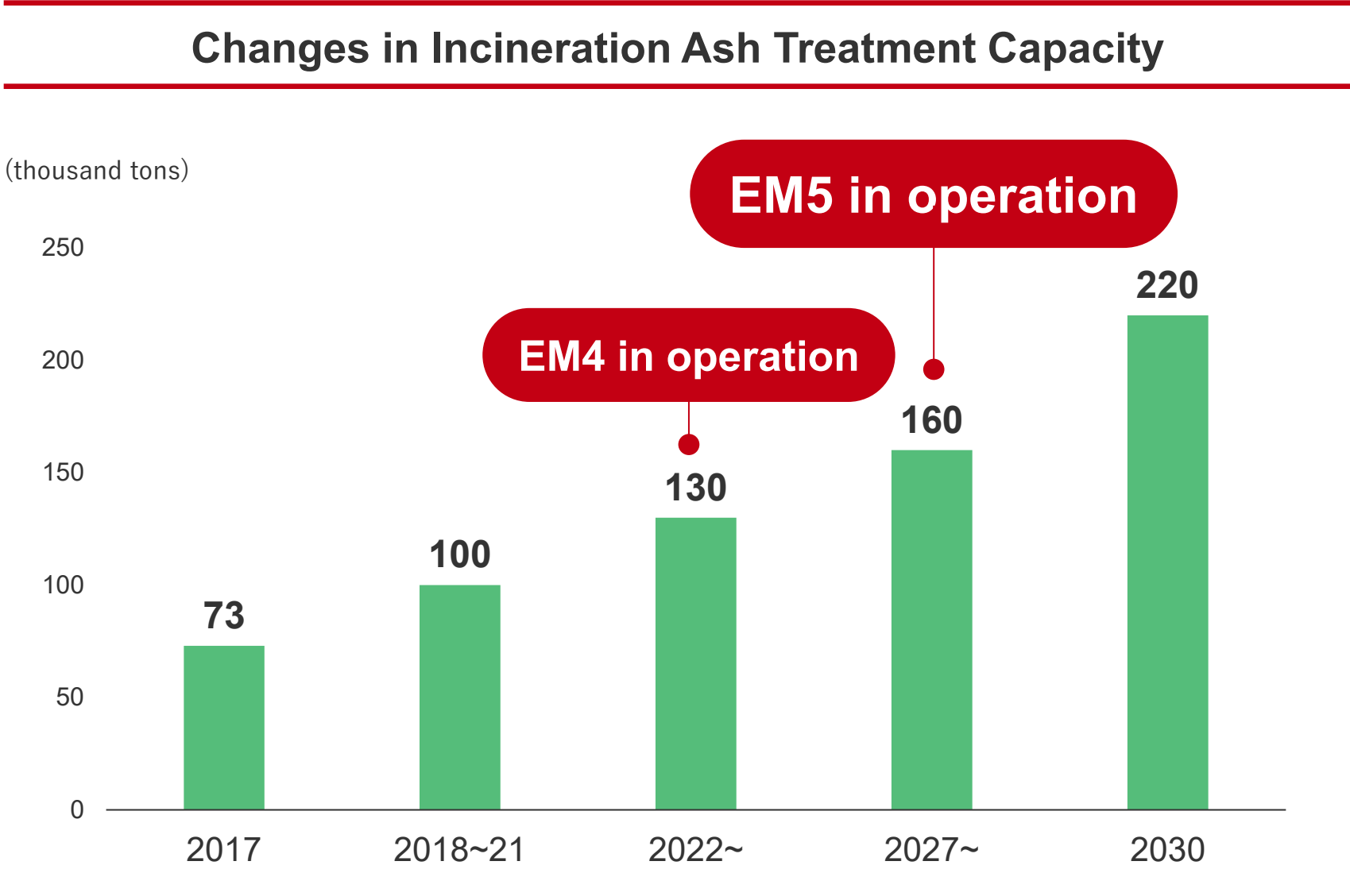
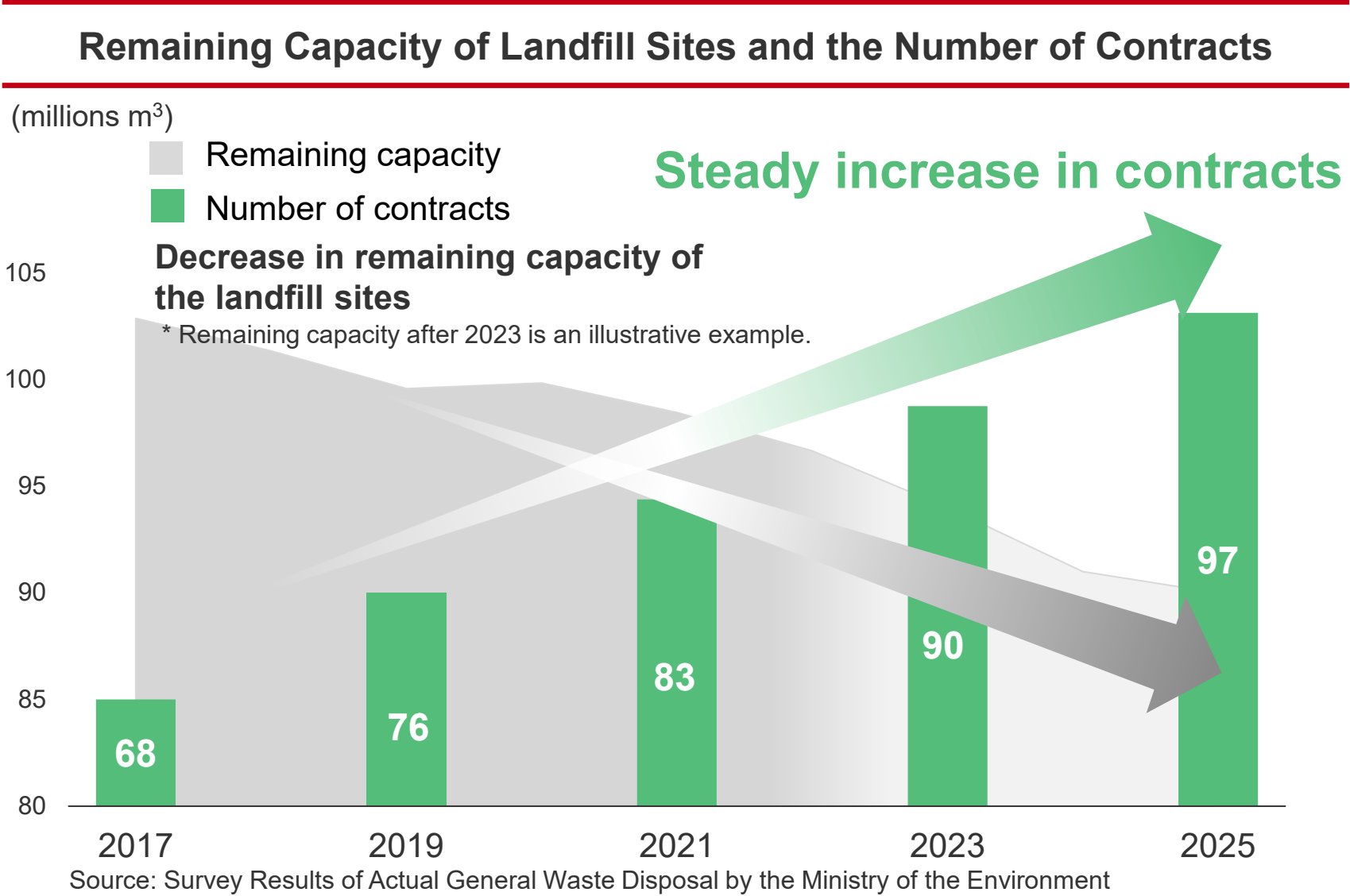
**Increased demand for resource recycling due to a decrease in the remaining capacity of landfill sites**

- Increase of the volume of incineration ash collected from existing customers
- Acquisition of new contracts outside the Kanto region
- Ensure a stable volume of incineration ash collected over the long term by gaining long-term contracts for DBO\*

\*Design / Build / Operate

**Toward the expanding of incineration ash treatment capacity**

- Consideration of the addition of a new incineration ash melting furnace (melting furnace No. 5) (scheduled to start operation in FY2027)
- Expansion of annual treatment capacity from 130,000 tons to 160,000 tons



- Promoting investment in and business partnership with Galdieria Co., Ltd. to achieve a circular economy.

## Realization of “External Collaboration to Create New Businesses”

- Investing in two VC funds as one of our growth strategies.
- Promoting the creation of new business through collaboration with start-up companies that possess cutting-edge technologies.  
**Galdieria Co., Ltd. is one of the investees through the above VC funds.**
- This is the first capital participation in a start-up company aimed at realizing the “Our Ideal State,” and a key step toward accelerating future growth strategies in the future.

## About Galdieria Co., Ltd.

### Summary

- A startup company aiming to solve global social issues such as environmental problems, food issues, and the promotion of a circular economy through R&D of *Galdieria*, microalgae that live in hot springs.

### About Galdieria

- The Galdieria sulphuraria-derived adsorbent has the property of selectively adsorbing precious metals to cell surfaces, achieving the efficient recovery of gold, palladium, and other precious metals in factory wastewater even from low-concentration solutions, from which it was challenging to recover precious metals using conventional technology.

## Development of New Business Domains

### Background and objectives of investment and collaboration

- Invested **¥0.2 bil.** in Galdieria Co., Ltd. in February 2025.
- The Aqua Solutions business will leverage its sales base cultivated in the water treatment business and its expertise in precious metal recovery processes to develop new solutions in collaboration with Galdieria and to foray into new business areas.



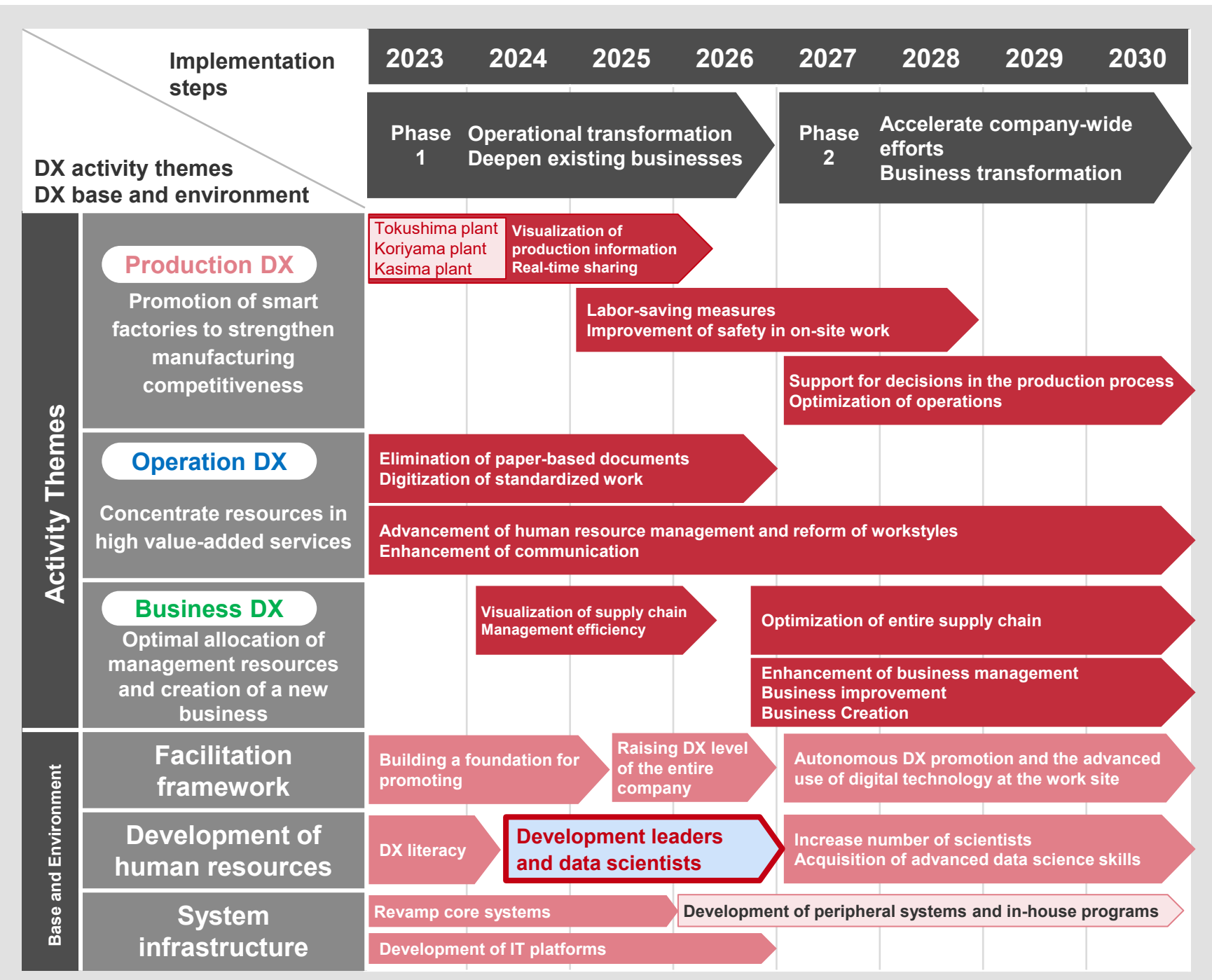
By collaborating, we will work on the social implementation of precious metal recovery using algae and co-create a resource recycling model

# 4-5. Progress of Growth Investment : DX

## DX Vision

Realizing Optimal Manufacturing and Creation of New Value Through Digital Transformation and Self-innovation

## DX Roadmap



## Fostering and Securing Digital Talent

### Targets for 2030

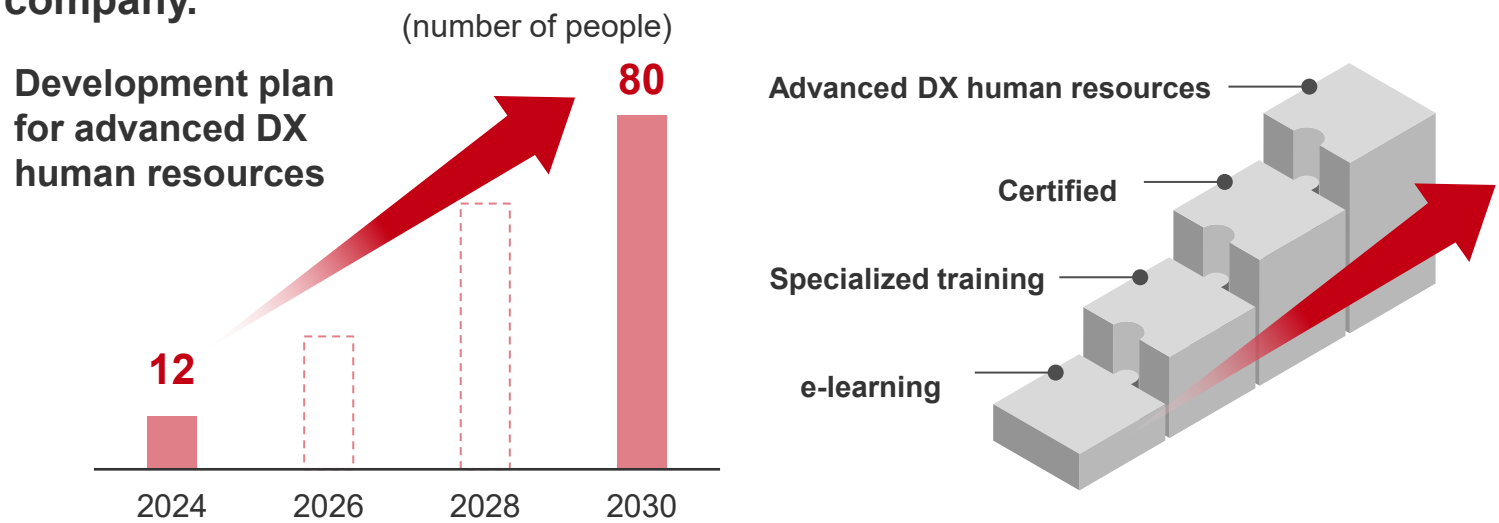
Setting a goal of training 80 advanced DX human resources, such as DX promotion leaders, and promote systematic trainings. Aiming to secure workers with specialized skills capable of leading DX.

### Achievements in 2024

Based on e-learning test results, we selected candidates and provided trainings on specialized skill. A total of 12 employees are expected to be certified as advanced DX human resources after completing the certification exam.

### Plan for 2025

We will continue to provide the same training program in FY2025 to promote the development of human resources who can lead DX. To achieve our long-term goals, we will continue to strengthen the DX capabilities of the entire company.

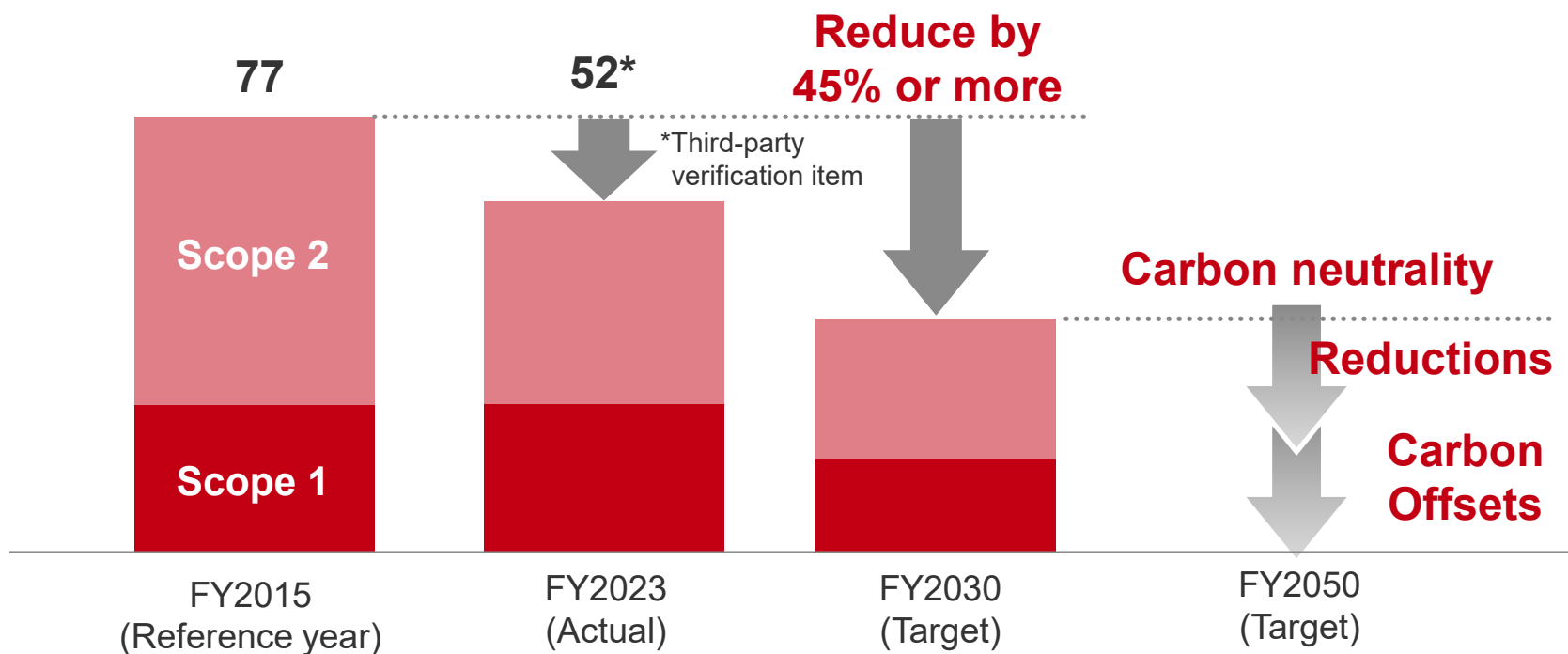


# 4-6. Progress of Growth Investment : GX

To implement measures to achieve carbon neutrality and aim to reduce our CO2 emissions by 45% or more\* in FY2030. (\*Scopes 1 and 2, vs. FY2015)

CO2 Emission Reduction Target			
FY2030	Reduce by 45% or more (Scopes 1 and 2, vs. FY2015)	FY2050	Carbon neutrality

## CO2 Emissions of Nippon Denko Group (10 thousand tons/year)



**Scope 1** Direct emissions by Nippon Denko Group (mainly derived from the coal cokes reduction process in high-carbon ferromanganese manufacturing)

<Over 90% of Scope 1 CO2 emissions derive from ferroalloy manufacturing>

**Scope 2** Indirect emissions from the use of electricity and heat supplied from external sources

## Activities Towards Carbon Neutrality

### ■ Towards a 45% or more reduction by FY2030

- Consideration of **the application of renewable wood cokes to the manufacture of high-carbon ferromanganese.**
- The decision to be made in FY2025 for **the installation of high-efficiency power generation facilities for ferroalloy production.**

### ■ FY2050 carbon neutrality

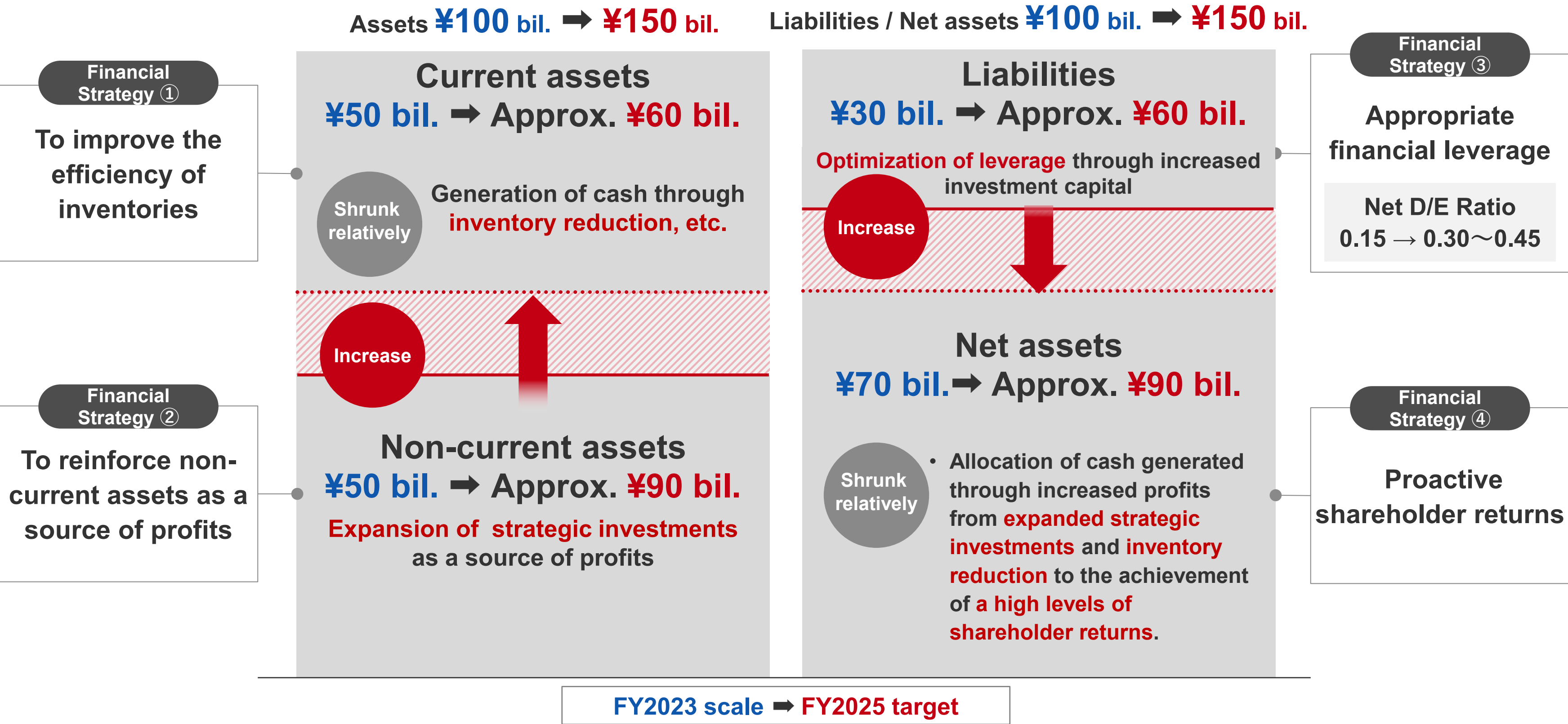
- Explore **innovative high-carbon ferromanganese reduction technologies.**

Accelerate research for practical application by utilizing “The Technology Development for Decarbonization and Energy Conservation in the Ferromanganese Production Process,” which was adopted in NEDO’s Program to Develop and Promote the Commercialization of Energy Conservation Technologies to Realize a Decarbonized Society.

# 4-7. Improvement of ROE through Financial Strategy (FY2030 Target)

Progress of  
MTBP

■ To realize “Our Ideal State” in 2030, we will work to improve ROE through financial strategies (① to ④).

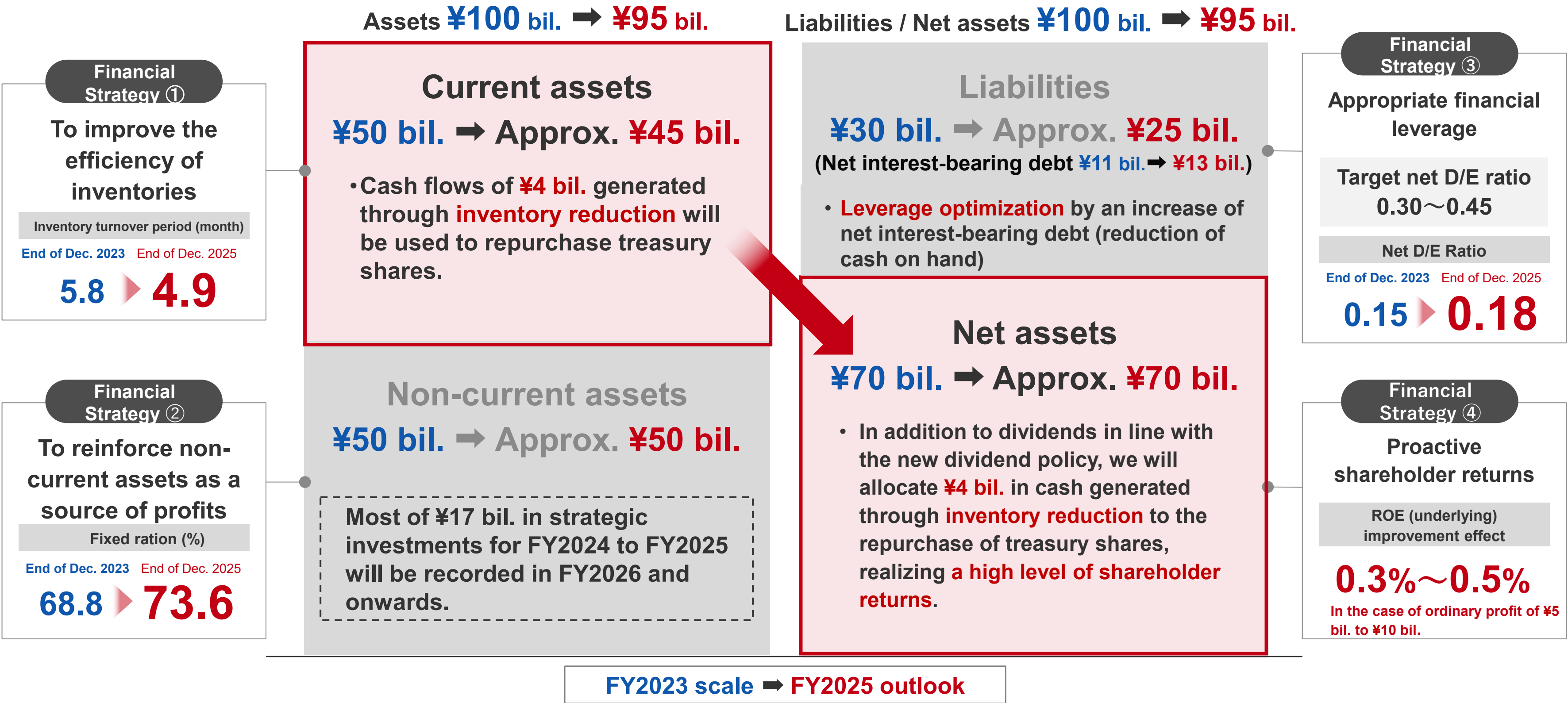




# 4-8. Improvement of ROE through Financial Strategy (Progress by FY2025)

Progress of  
MTBP

- The strategic investments currently implemented will lead to an expansion of fixed assets after FY2026.
- Free cash flows resulting from the reduction of inventories at the moment will first be allocated to shareholder returns.





# 5-1. New Shareholder Return Policy

■ Implementing shareholder returns under a new policy from FY2024

Items	Previous Dividend Policy	New Shareholder Return Policy	Note
Base profit	Profit (accounting basis)	Underlying profit	Underlying profit =Underlying ordinary profit × 0.7 (income taxes, etc.)
Dividend payout ratio	Approx. 30%	Approx. 40%	10% increase
Minimum dividend per share	N/A	¥10 (annual)	Minimum of ¥10 regardless of the dividend payout ratio
< Reference >		*Acquisition of treasury shares is positioned to supplement dividends	
Inventory impact (Impact of raw material prices)	In the event of a sharp decline in raw material prices →Negative impact on dividends  In the event of a sharp rise in raw material prices →Positive impact on dividends	No impact on dividends	<ul style="list-style-type: none"><li>Inventory impact affects accounting profit/loss in the short term, but has no impact in the long term.</li><li>Provide stable dividends by reducing the impact of inventory, a factor that causes large fluctuations.</li></ul>
Extraordinary gains/losses	Affecting dividends	No impact on dividends	Not affected by temporary factors such as extraordinary losses

# 5-2. FY2025 Shareholder Returns

- **Repurchase of treasury shares:** Repurchase of treasury shares up to ¥4 bil.  
(Combination of pre-announced off-floor trading [ToSTNet-3] and open market purchase)
- In accordance with the new shareholder return policy which stipulates a payout ratio of approximately 40%, the annual ordinary dividend is expected to be **¥11** per share.
- Plan to pay **a commemorative dividend of ¥1** to celebrate the 100<sup>th</sup> anniversary of the company's founding.  
Details of shareholder returns  
(New shareholder return policy + 100<sup>th</sup> anniversary commemorative dividend + Repurchase of treasury shares)

- Measures for financial strategy  
Allocate FCF from FY2024 to FY2025 to the optimization of financing leverage.

	FY2024	FY2025 Projection		FY2025 to FY2025
Annual dividends per share (yen)	11 (interim ¥4)	12 (interim ¥5)	CF from operating activities	17.0
(Ordinary dividends)	11 (interim ¥4)	11 (interim ¥5)	CF from investing activities	(11.8)
(Commemorative dividends)	-	1	FCF	5.1
Total amount of dividends (bil. yen)	1.5	1.6	Reduction of cash on hand	1.9
Total amount of share acquisition costs (bil. yen)	-	4.0	Total	7.0
Payout ratio: Underlying profit (%)	41	47		
Payout ratio: Net profit (%)	48	103		

# 5-3. Treasury Share Disposal Policy

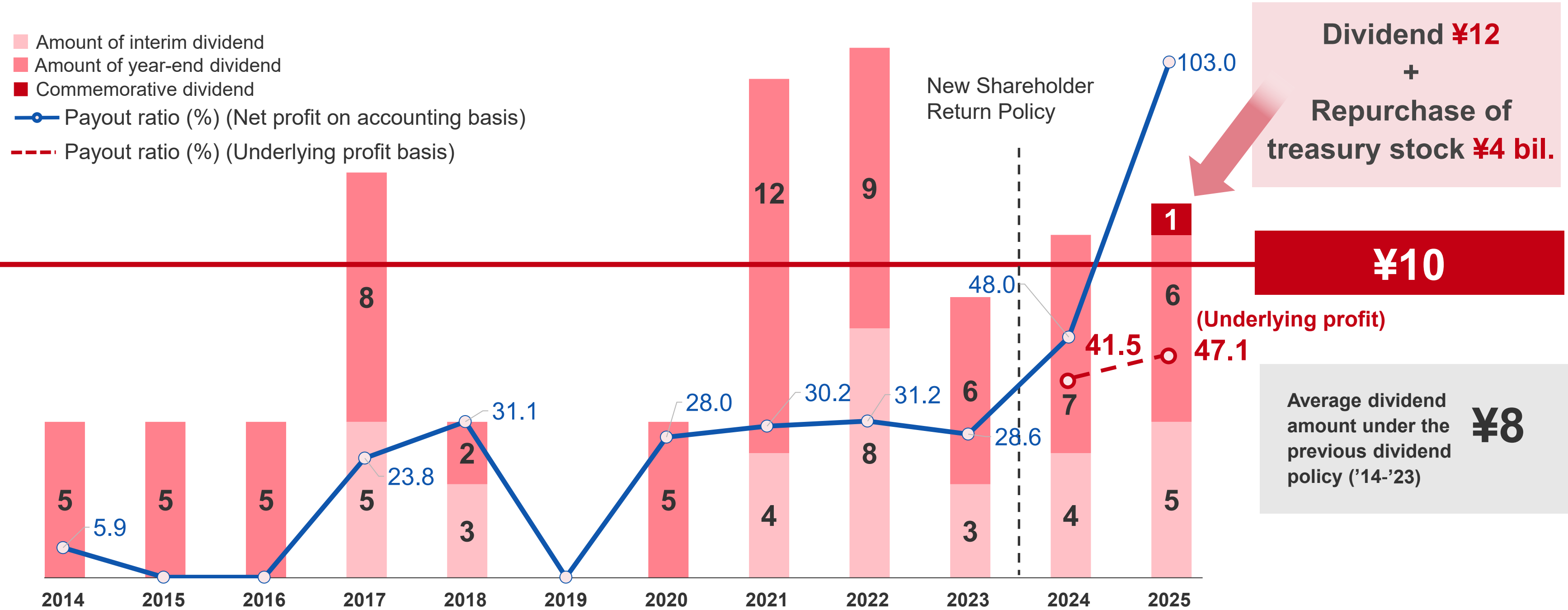
- All repurchased treasury shares are basically planned to be disposed.  
(Excluding certain shares subject to restricted stocks granted to directors and employees' shareholding association)

	Acquisition of Treasury Shares	Restricted Stocks [RS] (Directors' RS, Employees' Shareholding Association RS)
Aug. 5	Announcement of repurchase (ToSTNeT-3/open market purchase) Total amount: ¥4 bil.	Announcement of RS for the Employees' Shareholding Association
Aug. 6	Repurchase of treasury shares at ToSTNeT-3	<div>About Employees' Shareholding Association RS</div> <div><ul style="list-style-type: none"><li>• Incentive plan to provide opportunities for acquiring restricted stocks through the Employees' Shareholding Association as part of measures to enhance employees' welfare</li><li>• This plan serves as a means to support employees in their asset formation while aiming to deepen the sharing of value with our shareholders.</li><li>• It was implemented to commemorate the company's 100<sup>th</sup> anniversary and aims to promote employees' engagement and vitalize the Employees' Shareholding Association.</li></ul></div>
	Repurchase of treasury shares on the open market	
	<div>Repurchase of Treasury Shares</div>	
End of Mar. 2026	Completion of repurchase (planned)	<div>Stock Grant</div>
	Disposal	

# 5-4. Shareholder Returns Variance

## Variations in Dividends

- With the dividends under the new shareholder return policy, the current dividend amount and payout ratio exceed the levels over the past 10 years.
- Repurchase of treasury shares amounting to ¥4 bil. is scheduled in FY2025, like the case during last Medium-Term Business Plan.  
(FY2021-FY2023)



# 6-1. FY2025 1H Financial Results

	FY2024			FY2025			YoY		
	Q1	Q2	1H	Q1	Q2	1H	Q1	Q2	1H
Net Sales	17.7	18.8	36.5	19.4	18.7	38.1	+1.7	-0.1	+1.6
Ordinary Profit	0.0	1.1	1.2	0.4	0.8	1.2	+0.4	-0.3	0.0
Inventory Impact etc.	(0.6)	(0.3)	(0.8)	(0.1)	(0.9)	(1.0)	+0.5	-0.6	-0.2
Underlying Ordinary Profit*	0.6	1.4	2.0	0.5	1.7	2.2	-0.1	+0.3	+0.2
Profit Attributable to Owners of Parent	(0.3)	0.9	0.5	0.0	0.4	0.5	+0.3	-0.4	-0.1
FX (¥/\$US)	149	156	152	153	145	149	-	-	-

\* Ordinary profit excluding inventory impact and one-time factors

# 6-2. FY2025 Financial Results by Segments (Underlying ordinary profit\*)

		(bil. yen)																	
		FY2024						FY2025						YoY					
		Net Sales			Underlying Ordinary Profit*			Net Sales			Underlying Ordinary Profit*			Net Sales			Underlying Ordinary Profit*		
		Q1	Q2	1H	Q1	Q2	1H	Q1	Q2	1H	Q1	Q2	1H	Q1	Q2	1H	Q1	Q2	1H
Ferroalloys		12.4	11.7	24.1	0.2	(0.1)	0.1	13.3	11.2	24.5	(0.2)	0.4	0.2	+0.9	-0.5	+0.4	-0.4	+0.5	+0.1
	Domestic	12.4	11.7	24.1	0.3	0.0	0.3	13.3	11.2	24.5	0.1	0.3	0.4	+0.9	-0.5	+0.4	-0.2	+0.3	+0.1
	Overseas	-	-	-	(0.1)	(0.1)	(0.2)	-	-	-	(0.3)	0.1	(0.2)	-	-	-	-0.2	+0.2	0.0
Functional Materials		3.0	3.4	6.3	0.4	0.4	0.8	3.4	3.9	7.3	0.5	0.5	1.0	+0.4	+0.6	+1.0	+0.1	+0.1	+0.2
Incineration Ash Recycling		1.5	2.3	3.8	0.1	0.7	0.8	1.8	2.0	3.9	0.3	0.3	0.6	+0.3	-0.3	0.0	+0.2	-0.4	-0.2
Aqua Solutions		0.4	0.4	0.8	0.0	0.1	0.1	0.4	0.4	0.8	0.0	0.0	0.0	-0.0	0.0	0.0	0.0	-0.1	-0.1
Electric Power		0.2	0.5	0.6	(0.1)	0.2	0.1	0.2	0.5	0.7	(0.1)	0.3	0.2	-0.0	0.0	0.0	0.0	+0.1	+0.1
Others		0.3	0.5	0.8	0.0	0.1	0.1	0.3	0.6	0.9	0.0	0.1	0.1	0.0	+0.1	+0.1	0.0	0.0	0.0
Total		17.7	18.8	36.5	0.6	1.4	2.0	19.4	18.7	38.1	0.5	1.7	2.2	+1.7	-0.1	+1.6	-0.1	+0.3	+0.2

\* Ordinary profit excluding inventory impact and one-time factors



# 6-3. FY2025 Earnings Projection

(bil. yen)

	FY2024			FY2025 Projection			YoY		
	1H	2H	Full Year	1H results	2H	Full Year	1H	2H	Full Year
Net Sales	36.5	41.7	78.2	38.1	40.1	78.2	+1.6	-1.6	0.0
Ordinary Profit	1.2	3.7	4.9	1.2	1.8	3.0	0.0	-1.9	-1.9
Inventory Impact etc.	(0.8)	+0.5	(0.3)	(1.0)	(1.0)	(2.0)	-0.2	-1.5	-1.7
Underlying Ordinary Profit*1	2.0	3.2	5.2	2.2	2.8	5.0	+0.2	-0.4	-0.2
Profit Attributable to Owners of Parent	0.5	2.6	3.1	0.5	1.1	1.6	-0.1	-1.5	-1.5
Underlying profit*2	1.4	2.2	3.6	1.5	2.0	3.5	+0.1	-0.2	-0.1
FX (¥/\$US)	152	151	151	149	145	146	-	-	-

\*1 Ordinary profit excluding inventory impact and one-time factors

\*2 Underlying ordinary profit × 0.7 (income taxes, etc.)

6-4. FY2025 Earnings Projection by Segments (Underlying ordinary profit\*)

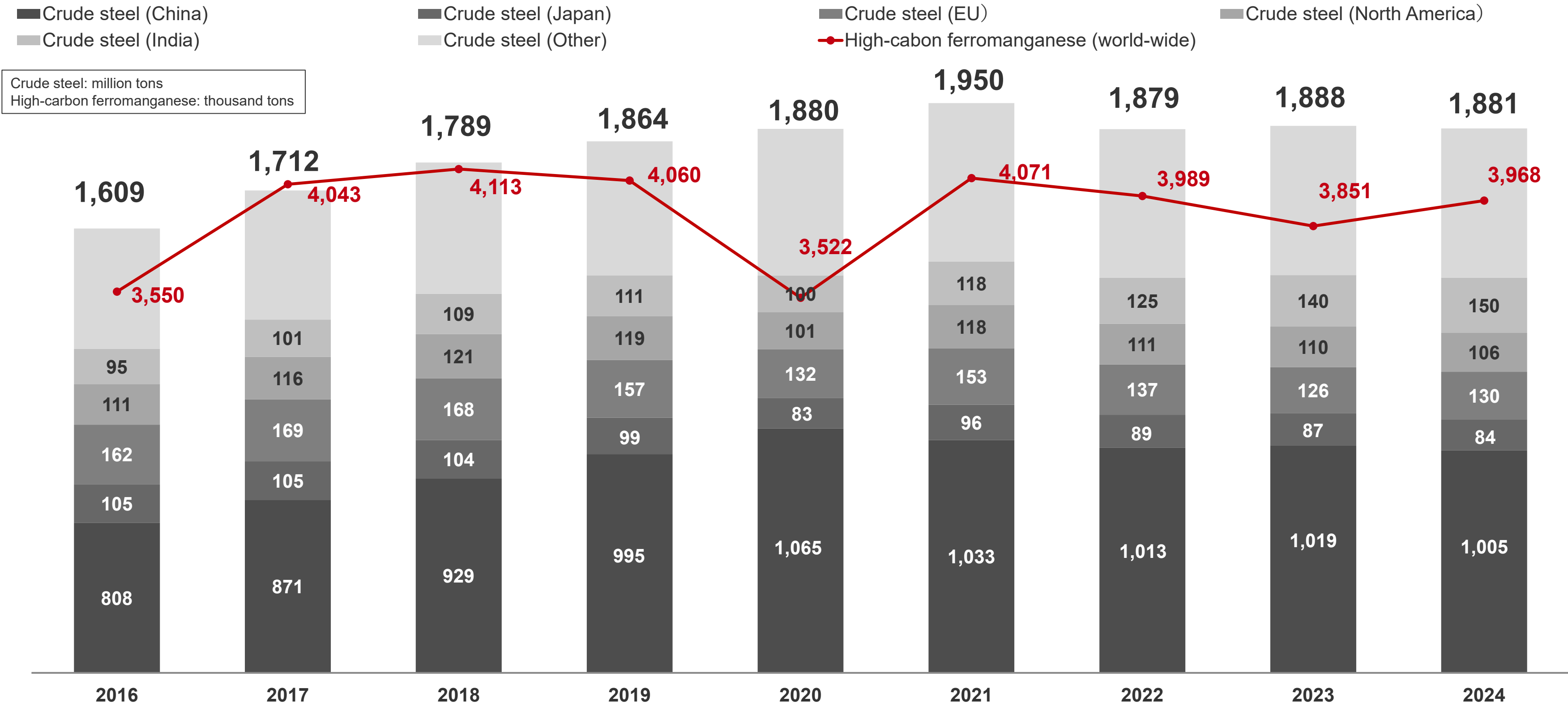
Appendix

(bil. yen)

		FY2024						FY2025 Projection						YoY					
		Net Sales			Underlying Ordinary Profit*			Net Sales			Underlying Ordinary Profit*			Net Sales			Underlying Ordinary Profit*		
		1H	2H	Full Year	1H	2H	Full Year	1H	2H	Full Year	1H	2H	Full Year	1H	2H	Full Year	1H	2H	Full Year
Ferroalloys		24.1	27.6	51.8	0.1	1.0	1.1	24.5	25.0	49.5	0.2	0.3	0.5	+0.4	-2.7	-2.3	+0.1	-0.7	-0.6
	Domestic	24.1	27.6	51.8	0.3	1.4	1.7	24.5	25.0	49.5	0.4	0.9	1.3	+0.4	-2.7	-2.3	+0.1	-0.5	-0.4
	Overseas	-	-	-	(0.2)	(0.4)	(0.6)	-	-	-	(0.2)	(0.6)	(0.8)	-	-	-	0.0	-0.2	-0.2
Functional Materials		6.3	7.6	14.0	0.8	1.2	2.0	7.3	7.5	14.8	1.0	1.2	2.2	+1.0	-0.2	+0.8	+0.2	0.0	+0.2
Incineration Ash Recycling		3.8	3.9	7.7	0.8	0.6	1.4	3.9	4.8	8.7	0.6	1.1	1.7	0.0	+0.9	+1.0	-0.2	+0.5	+0.3
Aqua Solutions		0.8	0.8	1.6	0.1	0.0	0.1	0.8	0.9	1.7	0.0	0.1	0.1	0.0	+0.1	+0.1	-0.1	+0.1	0.0
Electric Power		0.6	0.8	1.4	0.1	0.3	0.4	0.7	0.7	1.4	0.2	0.1	0.3	0.0	0.0	0.0	+0.1	-0.2	-0.1
Others		0.8	1.0	1.8	0.1	0.1	0.2	0.9	1.2	2.1	0.1	0.1	0.2	+0.1	+0.2	+0.3	0.0	0.0	0.0
Total		36.5	41.7	78.2	2.0	3.2	5.2	38.1	40.1	78.2	2.2	2.8	5.0	+1.6	-1.6	0.0	+0.2	-0.4	-0.2

\* Ordinary profit excluding inventory impact and one-time factors

# 6-5. Crude Steel & High-Carbon Ferromanganese Production Trend



# 6-6. Ferroalloys / Manganese Ore Market Prices

## Quarterly Market Trends



# 6-7. Management Indicators

	(mil. yen)							
	2017	2018	2019	2020	2021	2022	2023	2024
Net sales	71,346	73,944	70,477	54,004	65,978	79,341	78,390	78,235
Underlying ordinary profit (bil. yen)	-	-	-	-	5.2	5.6	5.5	5.2
Inventory impact etc. (bil. yen)	-	-	-	-	+1.7	+4.8	-3.1	-0.3
Ordinary profit	9,239	1,947	(6,426)	3,063	6,870	10,367	2,420	4,859
Profit attributable to owners of parent	7,988	2,352	(14,240)	2,615	7,768	7,949	4,330	3,144
Capital Investment	7,715	7,356	6,902	3,205	3,716	5,555	3,826	3,851
Depreciation	1,433	1,721	2,437	1,824	2,124	2,463	2,945	3,245
R&D expenses	413	452	423	345	353	559	631	588
Total assets (end of FY)	98,447	99,786	85,224	86,171	95,888	104,943	100,750	102,200
Equity-to-asset ratio (end of FY)	71.8%	69.2%	63.6%	65.4%	67.0%	65.9%	70.9%	72.1%
Net D/E ratio	-0.05	0.06	0.20	0.17	0.12	0.18	0.15	0.15
Fixed ratio (%)	52.6	58.1	65.6	67.8	66.0	69.4	68.8	65.5
Inventory turnover period (month)	4.7	5.3	4.8	6.4	5.3	5.4	5.8	6.1
Dividends per share (yen)	13.00	5.00	0	5.00	16.00	17.00	9.00	11.00
Return on equity (ROE)	12.1%	3.4%	-23.1%	4.7%	12.9%	11.9%	6.2%	4.3%
Underlying ordinary profit basis ROE	-	-	-	-	6.0%	5.9%	5.5%	5.0%
Highest share price during the period (yen)	545	528	249	320	410	459	394	331
Lowest share price during the period (yen)	242	193	148	108	263	272	259	225



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