



Investor Relations Meeting FY2025 Financial Results & Outlook

**March 12th, 2026
Ichikoh Industries, Ltd.**

VISION IN MOTION



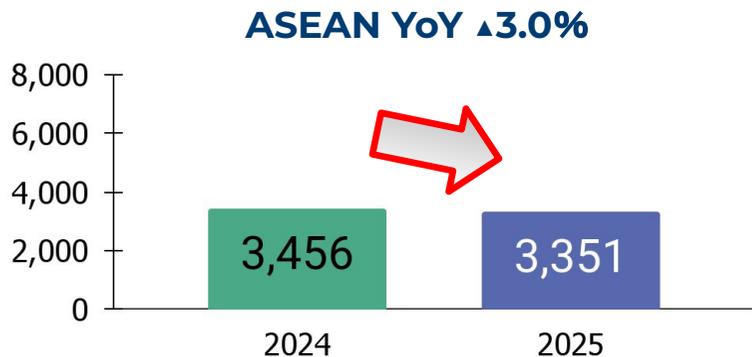
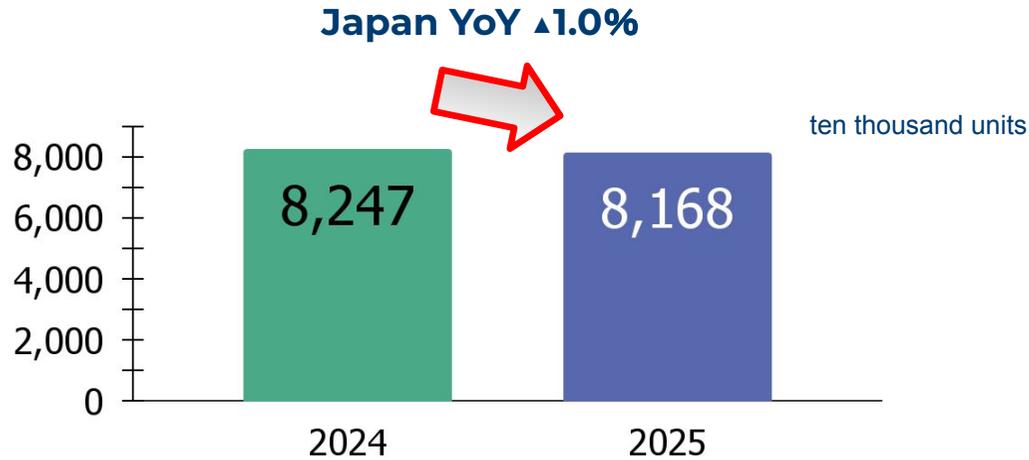
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01 FY2025 Financial Results (January~December 2025)

SALES PERFORMANCE VS. MARKET - AN UNCERTAIN CONTEXT

FY2024 Production Volumes per Market
(Source from Marklines)



2025 Sales(excl.PIAA) performance vs Market

2025 vs 2024	Sales excl. forex impact and tooling variance	Market Production volume variance	Sales performance vs Market production volume
Total	\uparrow7.1%	\uparrow1.6%	\uparrow5.5 pt
Japan	\uparrow6.6%	\uparrow1.0%	\uparrow5.6 pt
ASEAN*	\uparrow8.1%	\uparrow3.0%	\uparrow5.1 pt

*ASEAN: Indonesia, Malaysia, Thailand

Sales excl tooling -5.5pts vs market production volume:

- Japan sales **-5.6pts** vs Japan production volume due to specific headwinds (customer under restructuring and ramp up delay)
- ASEAN **-5.1pt** vs Asean production volume with a dull market performance in Indonesia while C-OEMs shown a higher penetration rate

FY2025 FINANCIAL RESULT (YEAR-ON-YEAR)

- ◆ Sales revenue decreased due to the **PIAA divestiture in 2024 (sales revenue: 4.2 billion yen)** and **lower demand specific to certain customer**.
- ◆ Operating income increase driven by **positive inflation balance management, higher tooling income from new launches, break even point reduction actions and other productivities, doing more than offsetting decrease of PIAA's contribution following divestiture.**

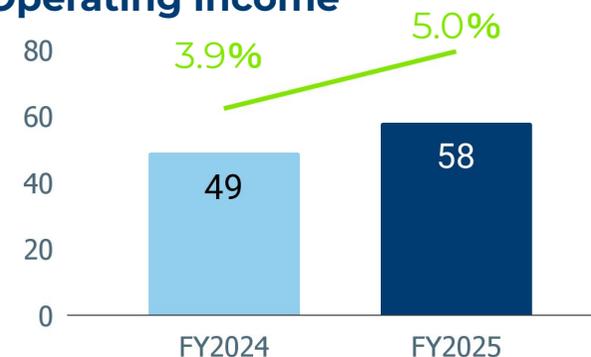
Hundreds million yen

	FY2024 (Jan.~Dec. 2024)	FY2025 (Jan.~Dec. 2025)	Increase/Decrease		Increase /Decrease
Sales	1,255	1,171	①	▲85	▲6.7%
Operating Income	49	58	②	9	19.1%
Operating Margin (%)	3.9%	5.0%	②/①	▲11.0%	1.1 pt
Ordinary Income	65	76		10	16.1%
Net Income	45	62		17	38.8%

Sales



Operating Income



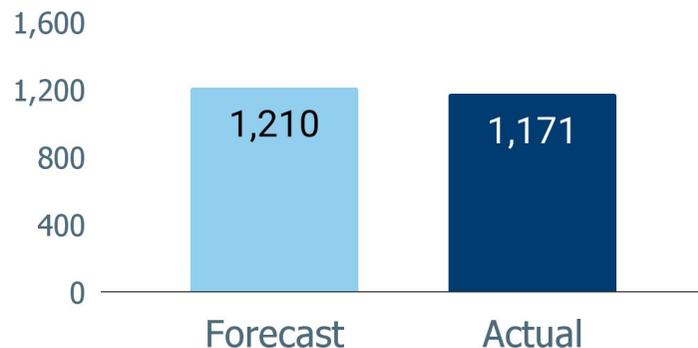
FY2025 FINANCIAL RESULT (VS. FORECAST)

- ◆ Sales fell short of expectations due to **the contraction of the ASEAN market** while **specific customers are facing headwinds** and **slower launch of new models**
- ◆ In terms of profits, Operating income significant improvements is driven by **operational productivities, self-help measures, good inflation management**, as well as **customer compensations for cancelled programs** while Ordinary/ Net income is further improved by **Equity contribution from Chinese JVs and Real Estate sales**.

Hundreds million yen

	FY2025 Forecast <small>Forecast announced in TSE on Nov. 14th, 2025</small>	FY2025 Actual (Jan.~Dec. 2025)	Increase /Decrease (vs. forecast)		Increase /Decrease
Sales	1,210	1,171	①	▲39	▲3.2%
Operating Income	54	58	②	4	7.7%
Operating Margin (%)	4.5%	5.0%	②/①	▲10.6%	0.5 pt
Ordinary Income	62	76		14	22.0%
Net Income	39	62		23	59.1%

Sales



Operating Income



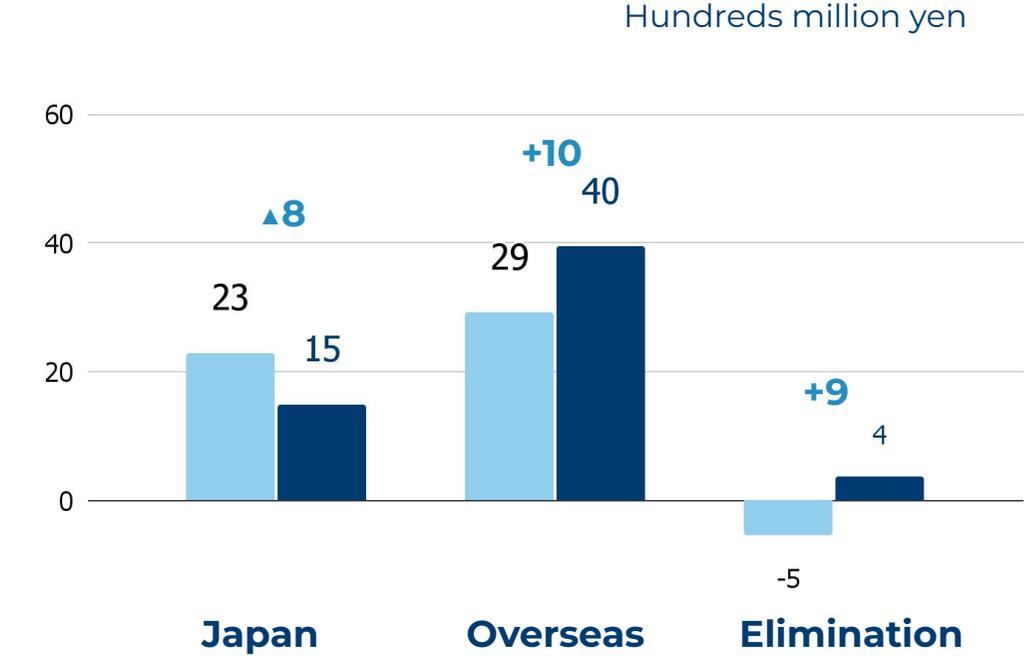
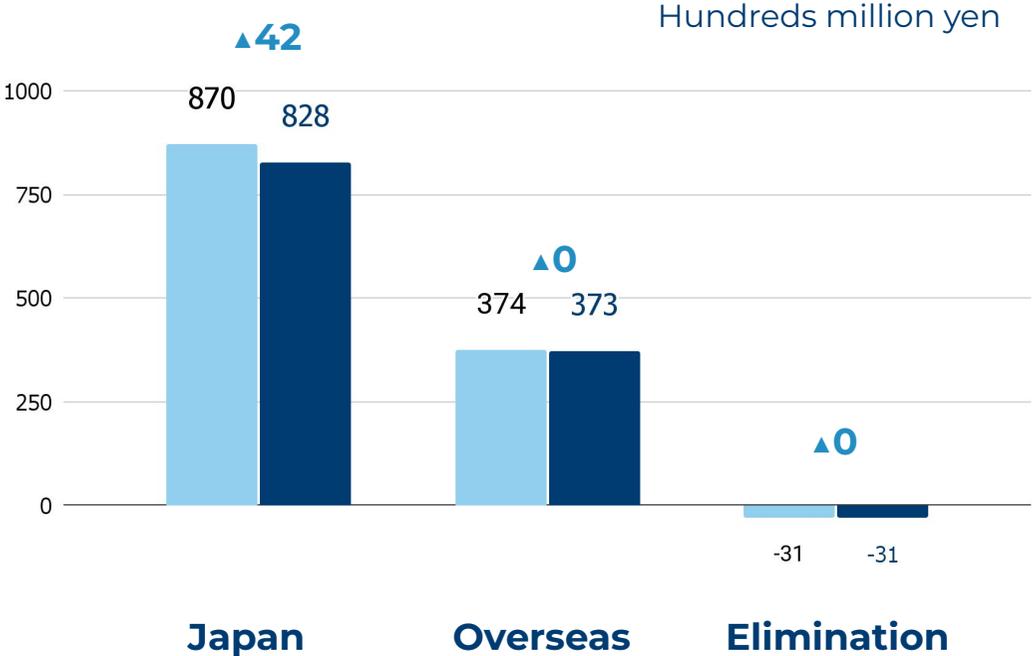
FY2025 RESULTS BY REGION vs FY2024-excl. PIAA

- ◆ Japan: Decrease of operating income essentially from sales reduction and offset by productivities and self-help measures.
- ◆ Asean: Increased profits driven by **tooling income for new product launches, positive inflation balance management, reduction of non quality costs and productivity gains.**

■ FY 2024
 ■ FY2025

Sales 1,213⇒1,171 (YoY ▲42)

Operating Income 47⇒58 (YoY +11)
 Operating Margin % 3.9%⇒5.0% (YoY +1.1 pt.)

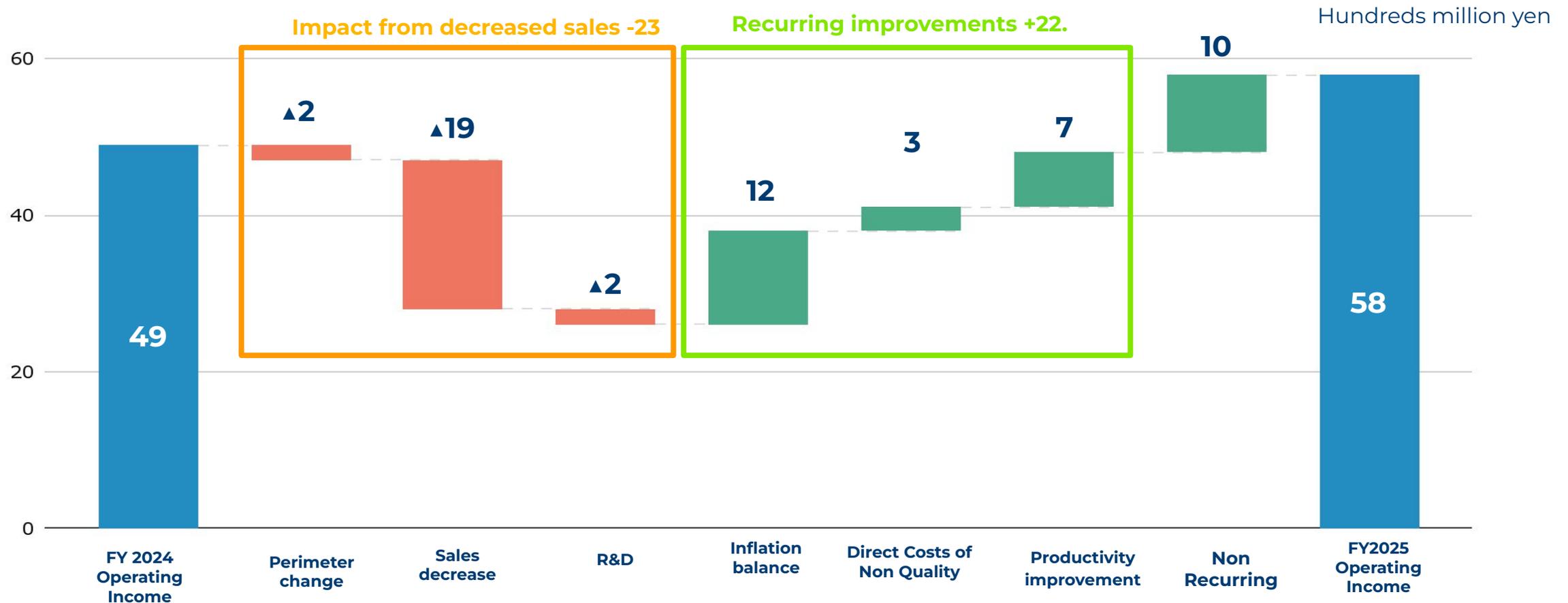


Japan: Ichikoh non-consolidated (Isehara•Fujioka•HQ) and Kyushu Ichikoh (Only Operating Income)
 Overseas : Indonesia•Malaysia•Thailand

OPERATING INCOME BRIDGE - FY2025 vs FY2024

【OPERATING INCOME】

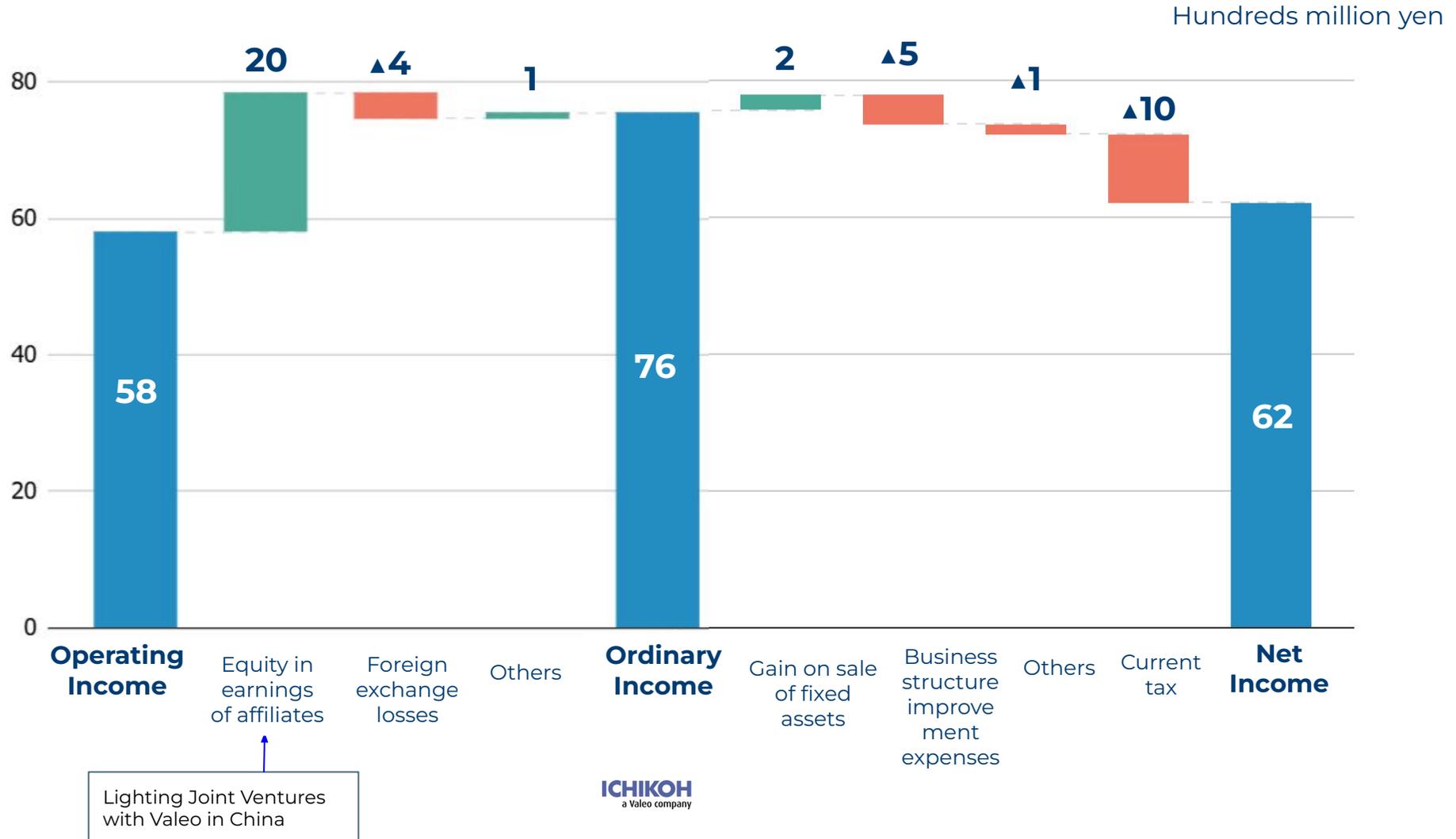
- ◆ The negative impact of reduced sales due to **PIAA's divestiture** and **lower production by specific customer** is more than offset by **productivities, positive inflation balance management** and **customer compensations** for project cancellations and volume drop.



FY2025 FINANCIAL RESULTS POINTS

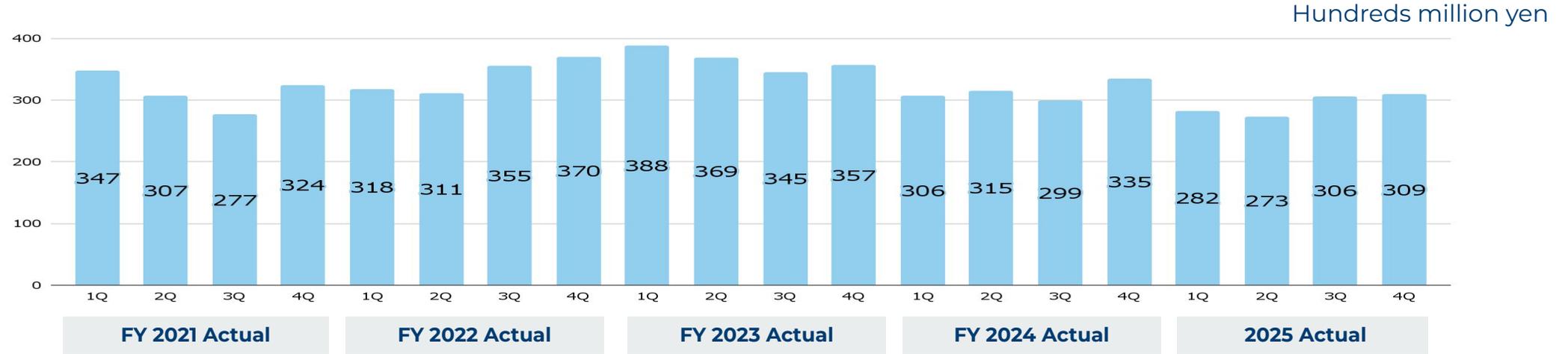
[OPERATING INCOME~ORDINARY INCOME~NET INCOME]

- ◆ Ordinary profit: Equity income from the lighting joint venture with Valeo in China is +2BY
- ◆ Net income: Gains on real estate sales partly offsetting restructuring expenses



TREND IN QUARTERLY FINANCIAL RESULTS

Sales



Operating Income



CONSOLIDATED BALANCE SHEET (COMPARISON WITH PREVIOUS PERIOD)

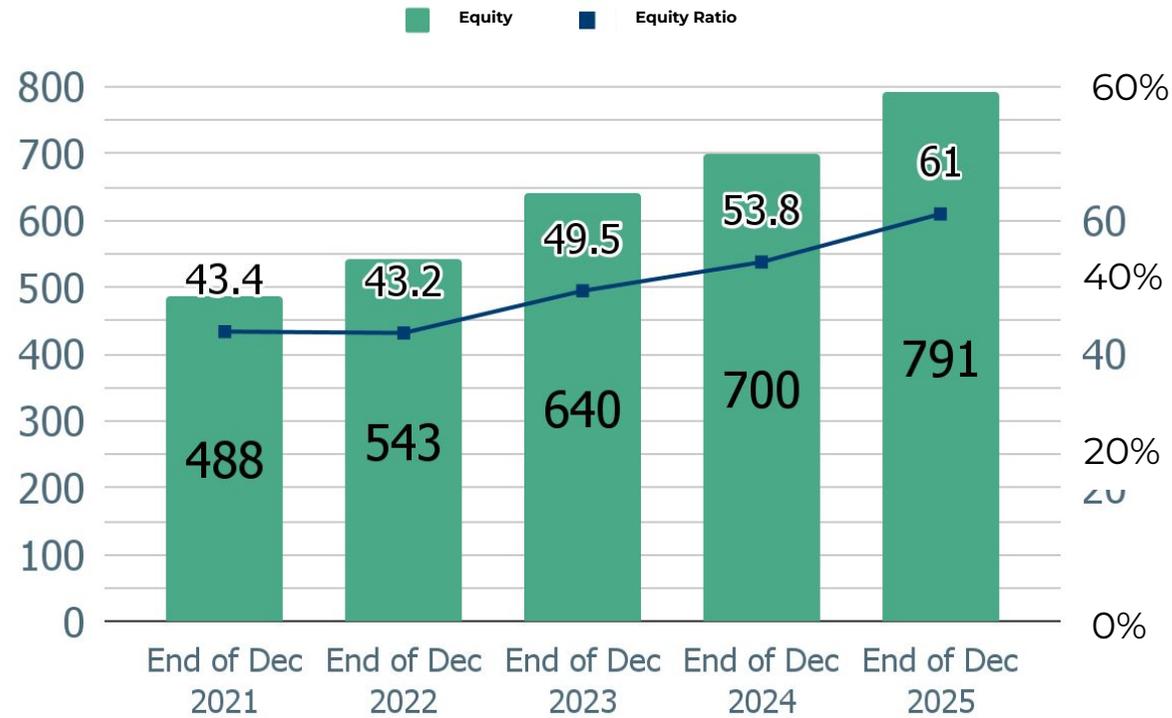
Hundreds million yen

	End of Dec 2024	End of Dec 2025	Increase/ Decrease
Cash and equivalents	126	124	▲2
Accounts receivable	166	126	▲40
Inventory	88	86	▲2
Short term loans	259	332	72
Tangible and Intangible Fixed Assets	385	378	▲7
Others	276	251	▲25
Total Assets	1,301	1,296	▲4
Accounts payable	306	263	▲44
Interest Bearing Debt	44	55	12
Other Liabilities	241	177	▲64
Total Liabilities	591	495	▲96
Shareholders' Equity	663	713	49
Accumulated other comprehensive income	37	79	41
Minority Interest	9	10	1
Net Assets	709	801	92

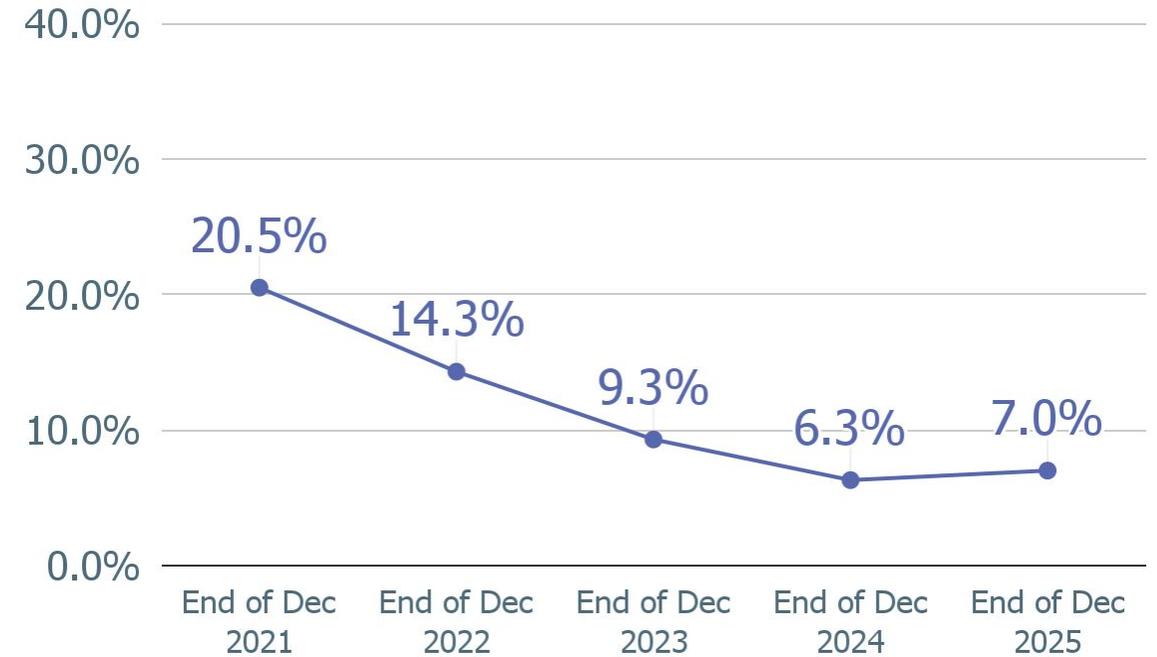
EQUITY RATIO AND D/E RATIO

Equity ratio is over 60%

Hundreds million yen

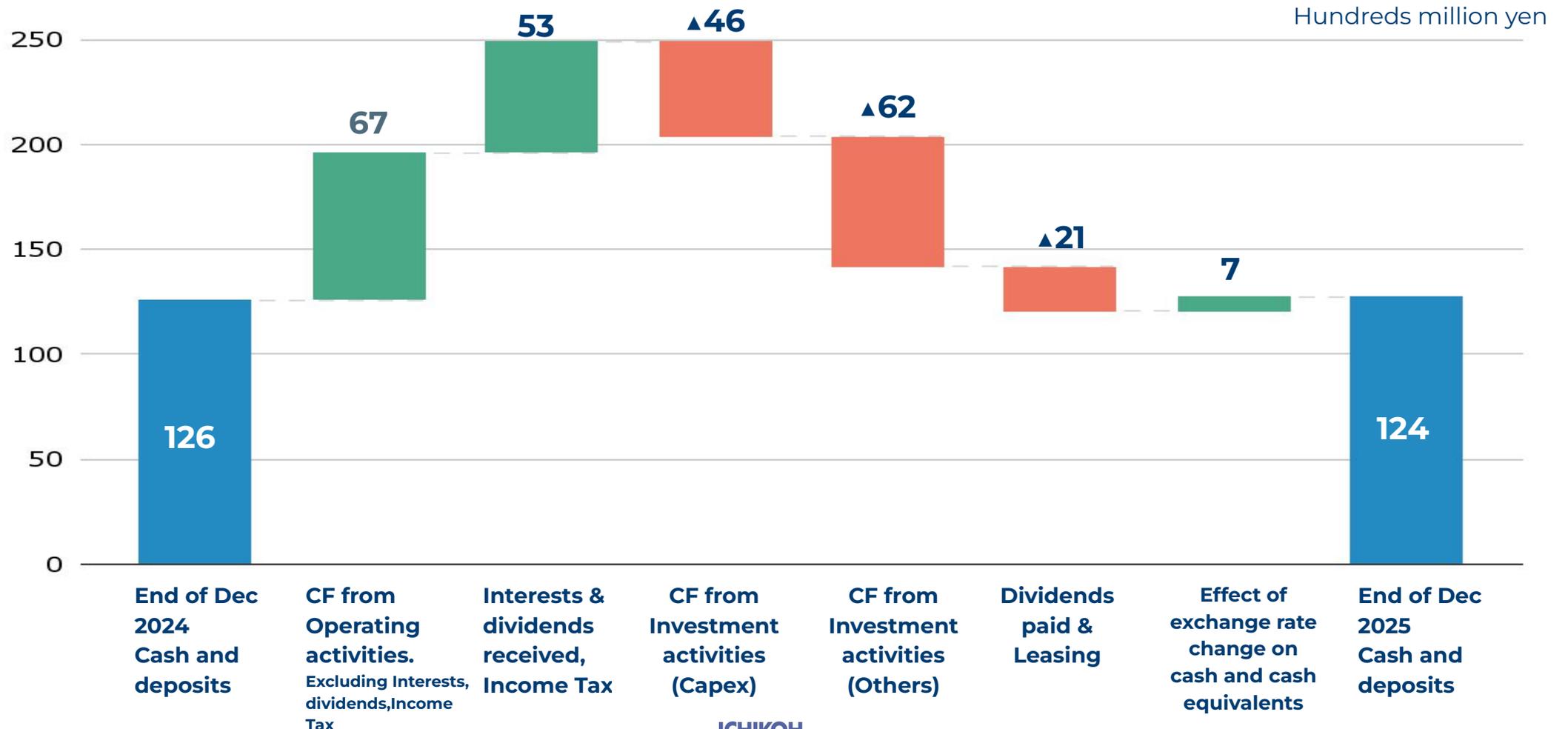


D/E ratio impacted by increase in lease liabilities



FY 2025 CONSOLIDATED STATEMENT OF CASH FLOW (YEAR-ON-YEAR COMPARISON OF “CHANGES IN CASH”)

- ◆ Operating cash flow of 12 billion (including interest, dividends, and corporate taxes) was used to fund capital expenditures of 4.6 billion and financing activities of 2.1 billion.



02 FY2026 Financial Forecast (January~December 2026)

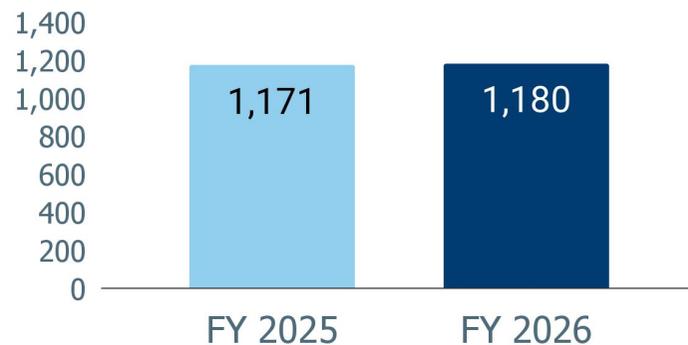
FY2026 CONSOLIDATED FORECAST

- ◆ Sales: persistent **headwinds on specific customer** while **Asean Volumes** remain **uncertain**
- ◆ Operating income: **lower one shot compensation from customers**, persisting **inflation** and **weak JPY** impacts are offset by **efficiency**, **NQC reduction in Asean** and **productivities**.

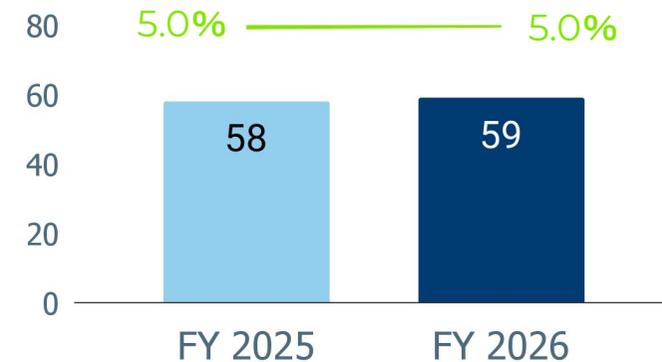
Hundreds million yen

	FY 2025 (Jan.~Dec. 2025)	FY 2026 (Jan.~Dec. 2026)	Increase /Decrease		Increase /Decrease %
Sales	1,171	1,180	①	9	0.8%
Operating Income	58	59	②	1	1.5%
Operating Margin (%)	5.0%	5.0%	②/①	9.3%	0.6 pt
Ordinary Income	76	66		▲10	▲12.8%
Net Income	62	50		▲12	▲19.4%

Sales



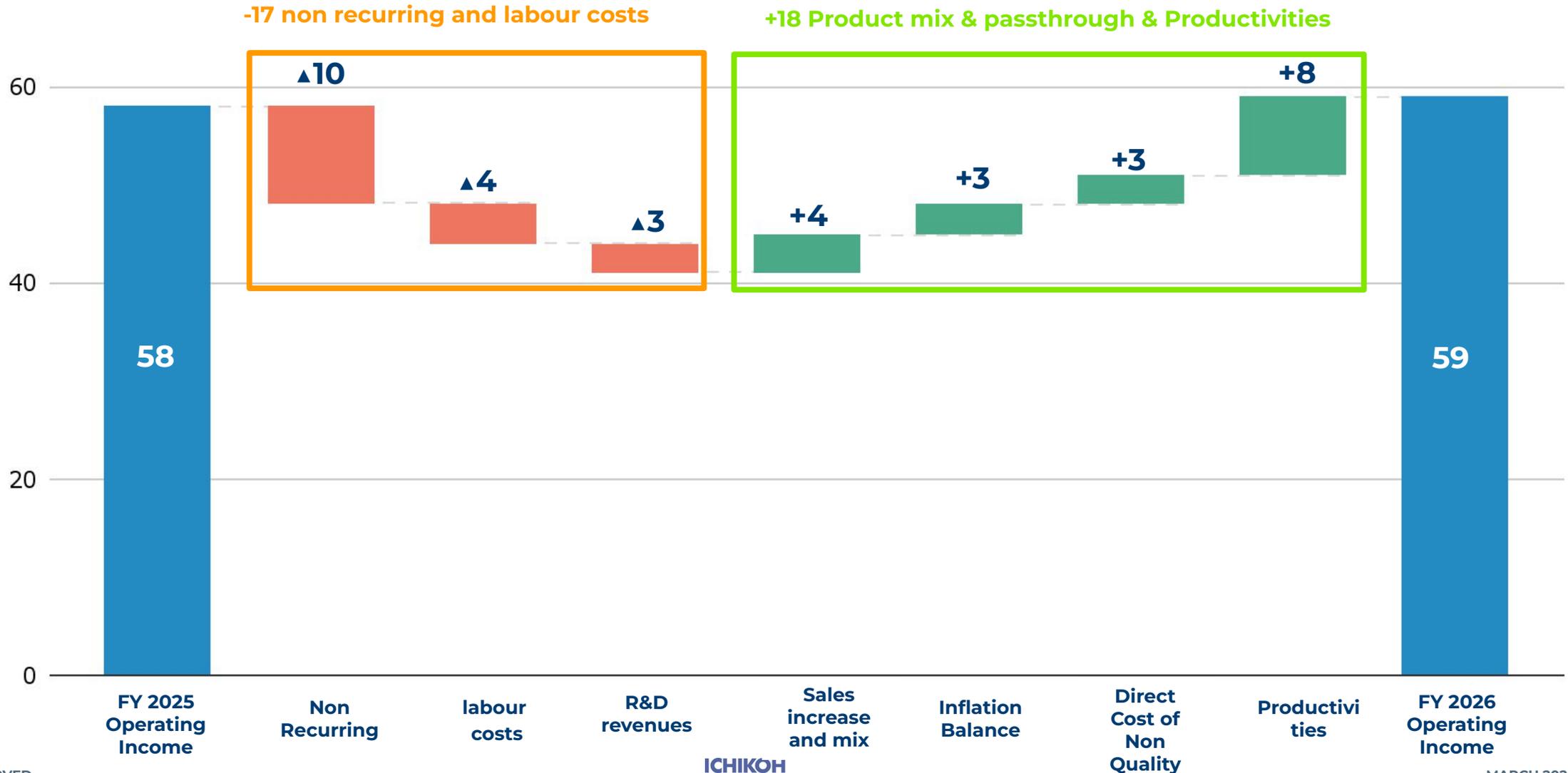
Operating Income



FY2026 FORECAST BRIDGE FOR OPERATING INCOME

- ◆ **Productivities improvement and positive inflation balance management doing more than offsetting less one shot customer compensations and labor costs increase.**

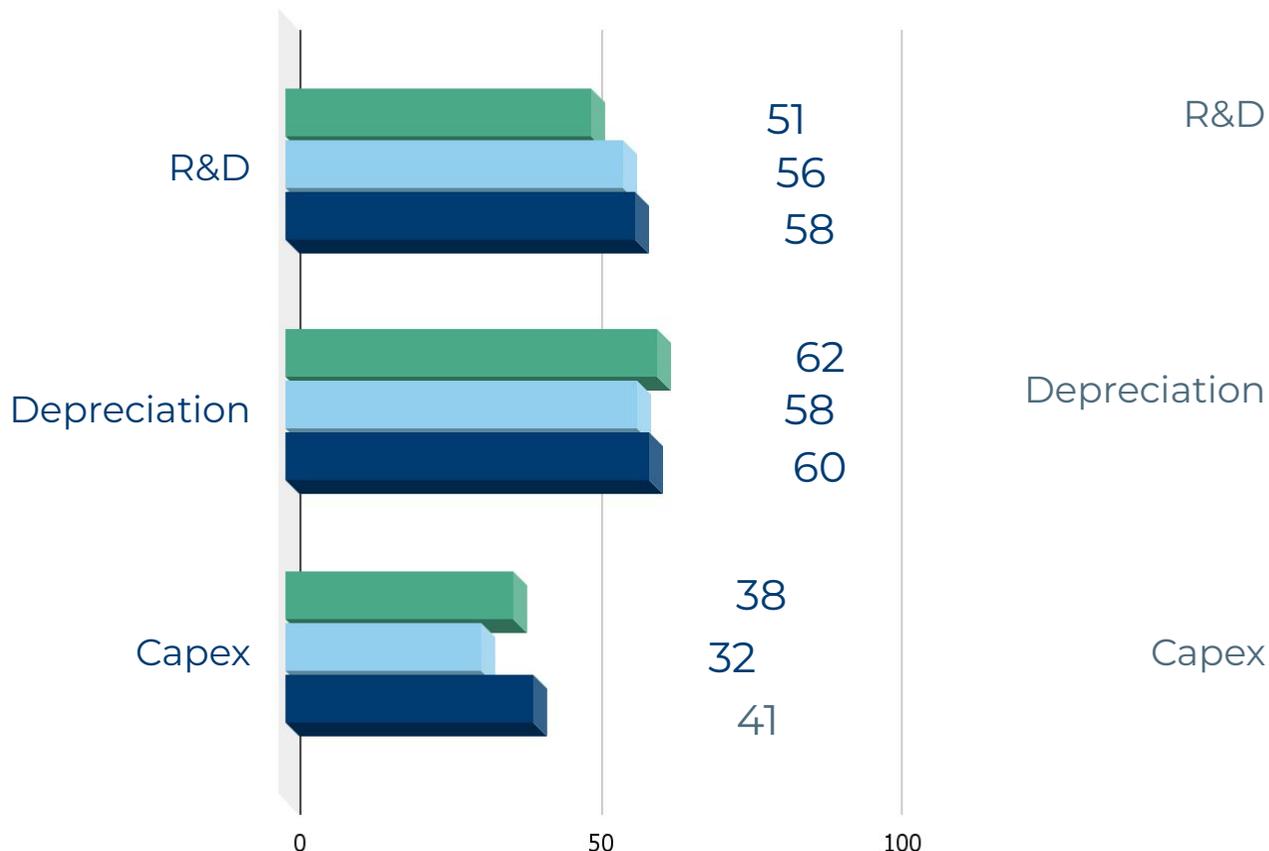
Hundreds million yen



FY2026 R&D·DEPRECIATION·CAPEX (PLAN)

Hundreds million yen

■ 2026 Plan ■ 2025 Actual ■ 2024 Actual



✓ **Following the increase in FY2025 to enhance development of high-end products and preparation of the product evolution for the next BEV generation we will see a reduction of the R&D spendings thanks to AI efficiency.**

✓ **Will increase due to refurbishment of building to host production for new SOPs and large products.**

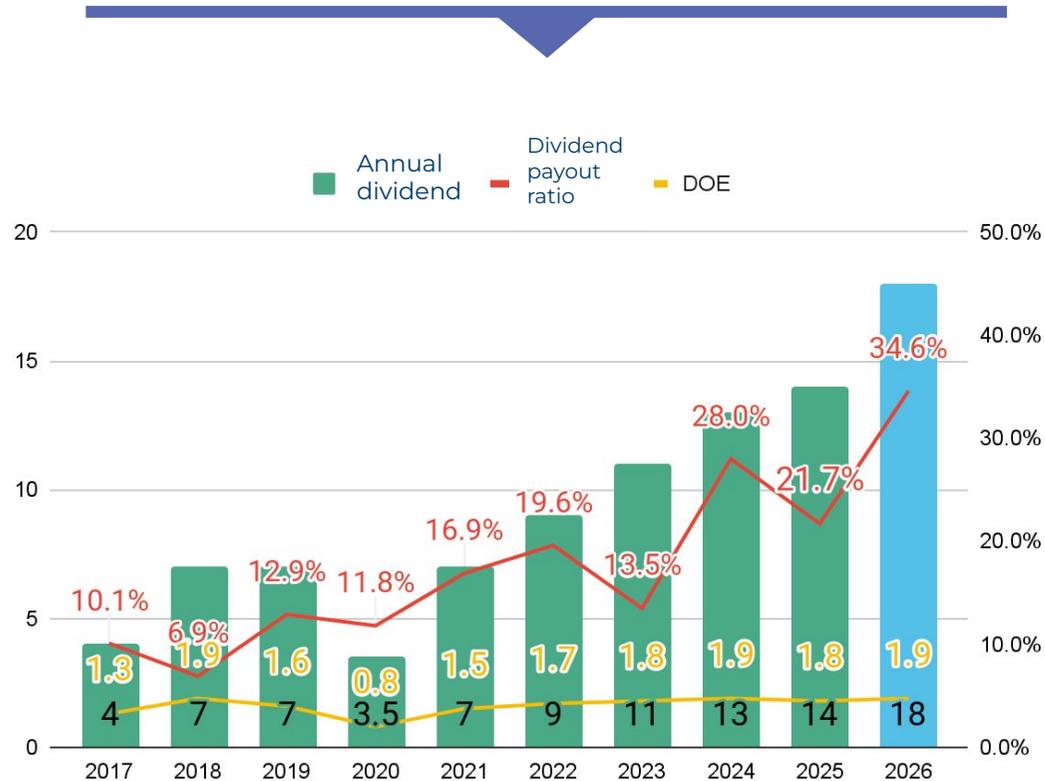
✓ **Increasing in FY2026 to accompany Nissan in its footprint reallocation, new technology and productivities.**

- ✘ R & D does not include prototype costs and PJ development costs
- ✘ Depreciation does not include leased assets depreciation
- ✘ Capex does not include investment resulting from leases

DIVIDEND POLICY AND PAYOUT RATIO

Change the dividend **Payout Ratio to 35% or higher**

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 35% or more** or DOE of 2.5

FY 2025 Dividend

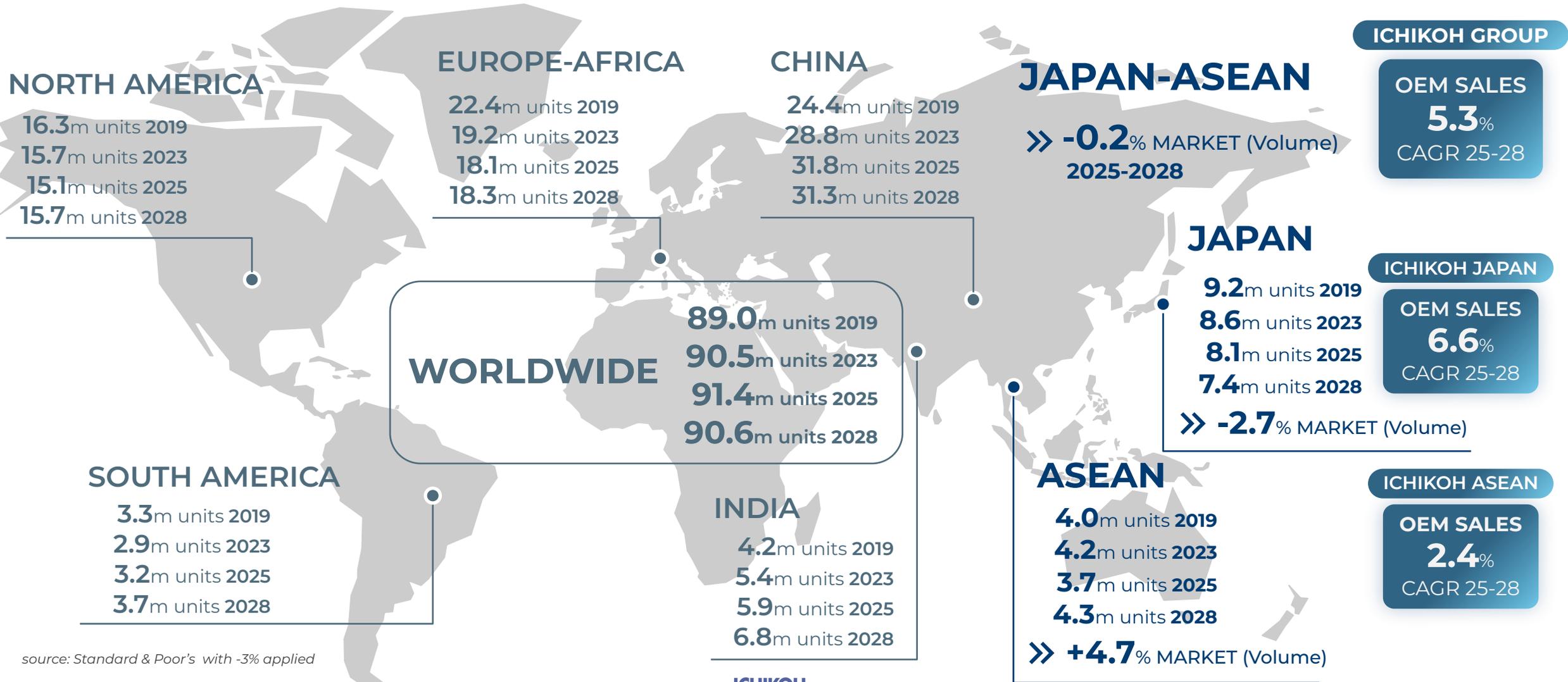
- ✓ Planned annual dividend of 14 yen => 1 yen increase from last fiscal year
- ✓ Due to profits exceeding expectations, the dividend payout ratio remains at 21.7%

FY2026 Dividend - Forecast

- ✓ Dividend Payout Ratio considered to achieve **35%**
- ✓ Planned annual dividend of 18 yen => 4 yen increase from last fiscal year

03 Towards Sustainable Enhancement of Corporate Value

GLOBAL MARKET GROWTH 2019 - 2028



source: Standard & Poor's with -3% applied

2025 ACTUAL - A YEAR OF IMPROVEMENT

Operating Profit
increasing by

+19% vs 2024

2025 @
5.0% OR 5.8BY



2024 @
3.9% OR 4.9BY



UNSTABLE SITUATION FOR
SOME SPECIFIC CUSTOMER
& WEAK JPY ARE 2025
CHALLENGES

CUSTOMER
COMPENSATION
FOR CANCELLED
PROGRAMS

SELF-HELP
MEASURES
(BEP reduction
through ERP)

NQC
REDUCTION
IN ASEAN

EFFICIENCY
&
PRODUCTIVITIES

Despite a challenging market with some specific customers facing difficulties and the weak JPY, Ichikoh's profit has improved, and we have still room for progress !

2026 - A YEAR CONFIRMING IMPROVEMENTS DESPITE HEADWINDS !



Despite a challenging market with some specific customers facing difficulties, inflationary economies and weak JPY, Ichikoh's Operating Profit will confirm 2025 improved level !

2027-2030 - PROFITABLE GROWTH RECOVERY

ICHIKOH has become a recognized Technological Leader

ICHIKOH is transitioning from “*Passive Lighting*” to “**INTELLIGENT LIGHTING**”

- HD Lighting to be launched in S2 2027
- New H/L launched gradually from S2 2026 with Ichikoh/Valeo developed LDM positioning us as a System Provider
- Further innovation to come with the integration of sensors, cameras, radars, and Communicative Lighting



This Technological Leadership will drive growth thanks to increased content per vehicle while Ichikoh already supplies the most successful vehicles in Japan and positions itself on EVs launched in 2026 !

GROWTH STRATEGY - TRANSFORMATION PLAN

NEW TERRITORY #1: Schedule of India business



Aug. 2025

Joint Venture Agreement Execution



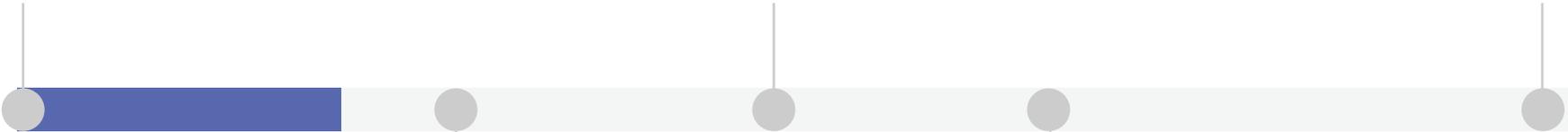
Scheduled First Half 2026

Business Plan Formulation



2028 -

Profit contribution



Scheduled March/April 2026

Business Transfer Agreement Execution to Acquire Lighting Business of Valeo India



Scheduled Aug. 2026

Establishment of a J.V. company Business Commencement Date

GROWTH STRATEGY - TRANSFORMATION PLAN

RESTORE GROWTH THROUGH...

Preparation Phase
for future growth

Growth Realization Phase

117~ B-JPY

~129 B-JPY

~135 B-JPY

STABLE SALES

SALES
GROWTH

GROWTH STRATEGY

NEW CUSTOMERS & NEW PROJECTS

NEW TECHNOLOGY

NEW TERRITORY #1

NEW
TERRITORY #2

Target
Impact

12 billion JPY

8 billion JPY

9 billion JPY*

Under
Consideration

2025

2026

2027

2028

2029

2030

*Not included in 2028
target sales 129 billion JPY

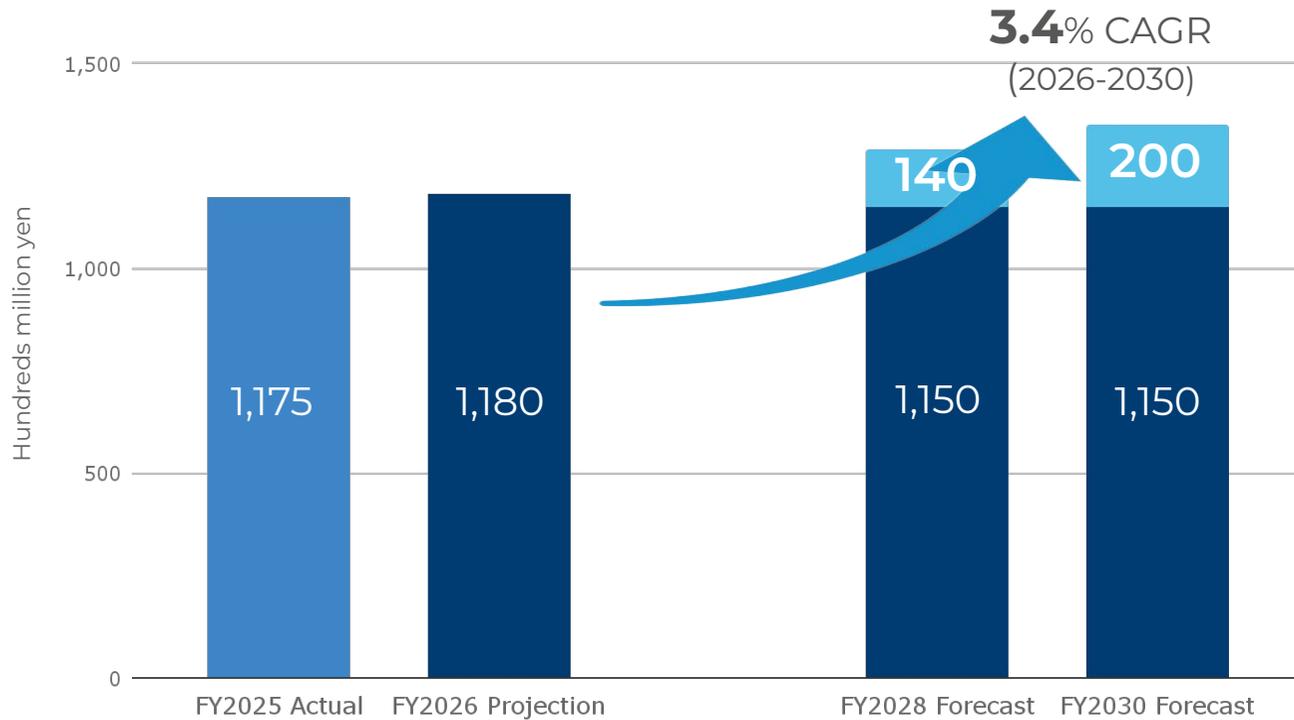
WHERE DO WE STAND...

We are progressing with:

- **New Customers & New Projects:**
9.0 B JPY secured with FORD & HYUNDAI in 2028
- **New Technology:**
5.0 B JPY secured with HD Lighting & Drivers in 2028
- **New Territory#1:**
Business Transfer Agreement to be signed shortly, targeting commencement of JV activity in Q3 2026

OUTLINE OF MID-TERM PLAN - Excluding the Indian business

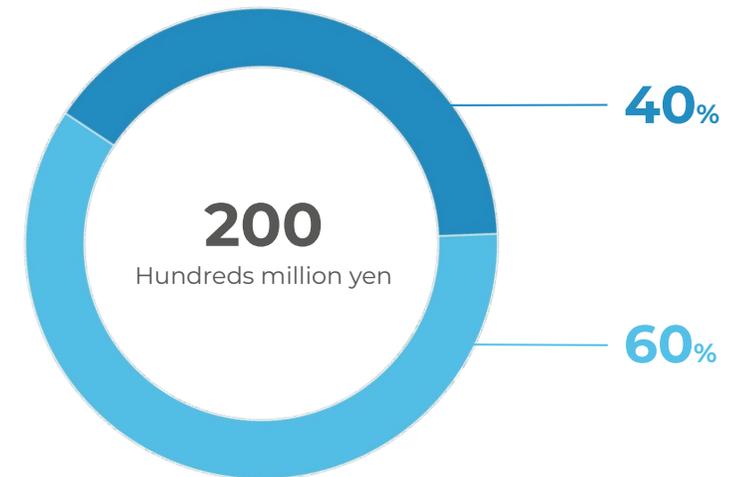
Amidst a persistently challenging automotive environment, marked by uncertain EV market, restructuring of certain OEM customer and aggressive penetration of the C-OEM customers in Asean, Ichikoh is developing in New Business Fields to achieve growth.



Total Sales
Operating Margin %

1,175	1,180	1,290	1,350
5.0%	5.0%	~6.0%	~7.0%

New Business Field

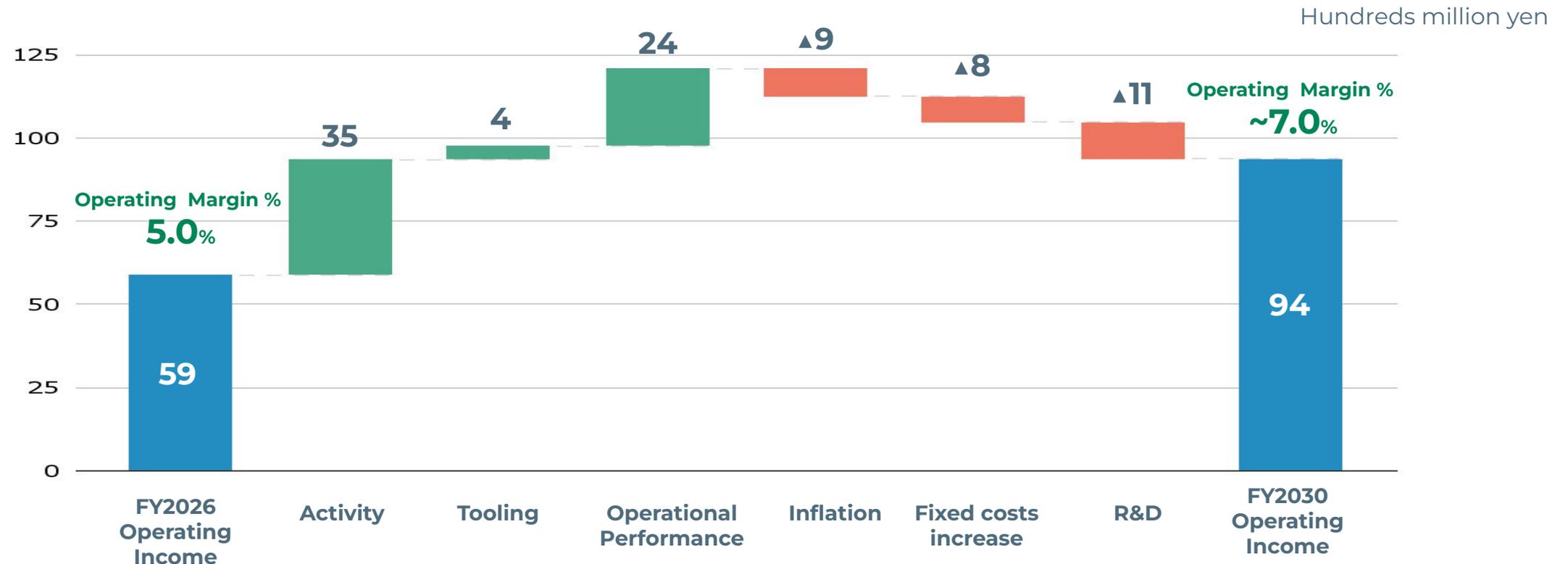


- New Technologies
- New Customers & New Projects

MID-TERM PROFITABILITY ROADMAP (2026 -> 2030)

【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 expenses increase



ICHIKOH, A COMPANY CONTRIBUTING TO ITS SHAREHOLDERS & SOCIETY...



Further Equity Method Contribution from our JVs in the dynamic markets of China

More than $\frac{2}{3}$ of new Order Intake in China is with C-OEMs



A Stable and Increasing Dividend Policy Rewarding Shareholders

5 years consecutive dividend increase & 35% payout ratio as target for 2026



Strong ESG Results



Water consumption reduced by 89% vs 2019



CO2 emission scope 1&2 reduced by 30% vs 2019

We have the levers to further improve our Corporate Value

AND A PLAN TO CONTRIBUTE EVEN MORE THROUGH VALUE CREATION...

With LIQUIDITY > DEBT, ICHIKOH has a potential to create even More Value



Opportunities under study for Vertical Integration (SMT for PCBA...)



Investment in Innovative Technologies & Products



Rapid Expansion in India



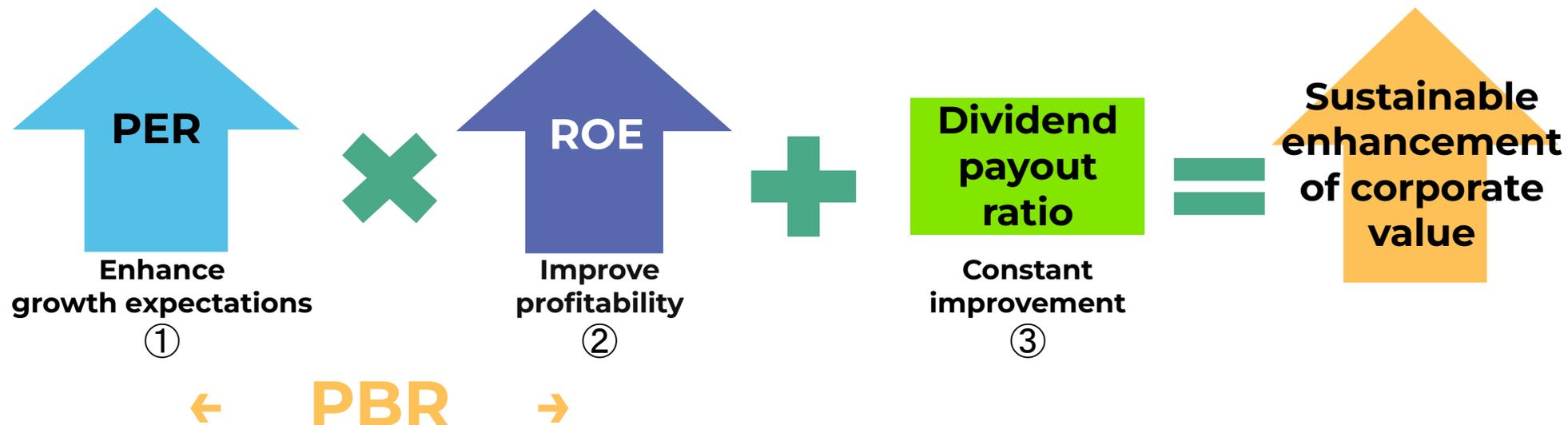
Cash Allocation Strategy 1) Financial stability / 2) Foundation reinforcement / 3) Growth strategy

The 2025-2026 Profit improvement is only the first part of the plan !

04 Regarding PBR

MEASURES TO IMPROVE CORPORATE VALUE

Aiming for sustainable growth in corporate value by increase of **PBR (over 1x)** and dividend payout ratio



Indicator	Actual at the end of 2025	Forecast at the end of 2028	2030 Target
PER	8.0 times	11.0 times	12.0 times
ROE	8.3%	8.7%	10.0%
Dividend Payout Ratio	21.7%	35%	35% <
PBR	0.7	1.0	1.2

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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