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May 8, 2025

To whom it may concern

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### Notice Concerning Measures (Update) for Realizing Management Aware of Capital Cost and Share Price

NICHIDEN Corporation (the "Company") hereby announces that it has analyzed and evaluated the current status of the "Measures for Realizing Management Aware of Capital Cost and Share Price" announced on May 8, 2024 and updated the status of initiatives taken, as follows.

#### 1. Initiatives for Term 74 (FY2024) and Recognition of Current Status (Trends in the Company's various indicators)

Account closing month and year		March 2020	March 2021	March 2022	March 2023	March 2024	March 2025
Net sales	(Millions of yen)	112,334	102,751	123,964	131,609	126,912	134,771
Ordinary profit	(Millions of yen)	5,382	4,176	6,082	6,756	6,431	7,200
Profit	(Millions of yen)	3,467	2,841	4,245	4,967	4,674	4,892
BPS	(Yen)	2,442.16	2,557.49	2,652.83	2,748.72	2,900.78	2,920.65
PER	(Times)	19.2	24.2	16.0	12.0	17.5	17.6
PBR	(Times)	0.87	0.86	0.81	0.69	0.90	0.99
Dividend per share	(Yen)	45.00	40.00	65.00	65.00	65.00	75.00
Amount of treasury shares purchased	(Millions of yen)	—	—	—	—	2,448	2,999
Total amount of dividends	(Millions of yen)	1,413	1,256	2,041	2,041	1,976	2,214
Total dividends and treasury shares purchases	(Millions of yen)	1,413	1,256	2,041	2,041	4,424	5,214
Dividend payout ratio	(%)	40.8	44.2	48.1	41.1	42.8	45.6
Total return ratio	(%)	40.8	44.2	48.1	41.1	94.7	106.0

(1) Performance Progress of Medium-Term Management Plan, 『New Dedication 2026』

Capital investment to address sustainability issues in the manufacturing industry is strong.

Net sales, operating profit, and ordinary profit all reached record highs, exceeding the first-year target values of the medium-term management plan, 『New Dedication 2026』.

	Targets for FY2024	FY2024 Results
Consolidated net sales	¥134.0 billion	¥134.7 billion
Consolidated operating profit	¥6.1 billion	¥6.8 billion
Consolidated ordinary profit	¥6.5 billion	¥7.2 billion
Consolidated profit	¥4.7 billion	¥4.8 billion

(2) Recognition of FY2024 Current Status (PBR)

At the end of March 2025, the Company's return on equity (ROE) improved by 0.2 percentage points from the previous fiscal year and the price-earnings ratio (PER) was above the market average of 16.2.

As for the share price trend, the price-to-book ratio (PBR) did not consistently exceed 1 for the full year, although it sometimes exceeded 1 during the period.

(3) Recognition of FY2024 Current Status (ROE Component Analysis)

(i) Profit ratio

Gain on sale of investment securities declined in FY2024, decreasing the profit ratio.

(ii) Total assets turnover

The numerical value improved due to the purchase of treasury shares and a decrease in trade payables, in addition to an increase in net sales.

(iii) Financial leverage

The drop in total assets was greater than the drop in net assets, decreasing the numerical value.

(4) Enhancing sustainability disclosure

(i) Strengthening supply chain management

- Formulated Human Rights Policy, Environmental Policy, Ethics and Compliance Policy, and Sustainable Procurement Guidelines

(ii) TCFD disclosure: Disclosed Scope 1 and 2 actual and target values

(iii) CDP score: D in FY2023 to C in FY2024

(5) Human Capital Management Initiatives

- Advancement and engagement of women

January 9, 2025 Received the grand prize at the winners of the 7th Men and Women Ikiiki Business Awards in Osaka Prefecture.

February 5, 2025 Obtained the first stage of Eruboshi certification, which is certified by the Minister of Health, Labour and Welfare.

2. Policy for future initiatives

(1) Promotion of the Fourth Medium-Term Management Plan, 『New Dedication 2026』 - New Contributions -

The Company will strive to increase its corporate value by focusing on ROE and capital costs and implementing the Market Strategy and Corporate Strategy of the Fourth Medium-Term Management Plan. It will also consider flexible return of profits and enhance dialogue and disclosure with shareholders and investors in various ways.

<Target values>

	Targets for FY2025	Targets for FY2026
Consolidated net sales	¥140.0 billion	¥150.0 billion
Consolidated operating profit	¥5.8 billion	¥6.6 billion
Consolidated ordinary profit	¥6.2 billion	¥7.0 billion
Consolidated profit	¥4.7 billion	¥5.0 billion

(2) Details of initiatives for FY2024

(i) ROE Analysis

- Expansion of solution business
- Improving operational efficiency through internal promotion of DX
- Efficient inventory management and strategic inventory enhancement
- Strategic capital investment (Hasuda Logistics Center, Kumamoto Logis, &N LABO)

(ii) PER analysis

- Collaboration of Apérza Inc. **apérza**
- Creating the value of our logistics functions
- Enhancing sustainability disclosure
- Consideration of flexible purchase of treasury shares as needed

(3) Strategic capital investment

(i) New construction of Hasuda Logistics Center (scheduled to be completed around the end of April 2026)

Relocation and establishment of consolidated subsidiary, NPa SYSTEM

Installation of self-consumption photovoltaic power generation system and automatic irrigation system for rainwater reuse

Site area: 6,877.67 m<sup>2</sup>/total floor area: 12,193.02 m<sup>2</sup>

(ii) New construction of Kumamoto Logis (scheduled to be completed around the end of May 2025)

Installation of simple clean booths for the semiconductor industry, in addition to self-consumption photovoltaic power generation system

Site area: 1,203.00 m<sup>2</sup>/total floor area: 964.47 m<sup>2</sup>

(iii) Full-scale operation of experience-based exhibition facility, &N LABO in Higashiosaka Logistics Center

A facility where various AGV/AMR operations and cooperation with related facilities can be actually experienced under the theme of mobility robotics as digitalization of production processes and [DX] x [Automation]

(4) Growth expectation

(i) Expansion of in-house logistics functions

- Realize the convenience and operational efficiency demanded by customers through one-stop functions.
- Establish a timely commodity supply system through system cooperation with customers.

(ii) Collaboration of Apérza Inc. **apérza**

- Improve information dissemination and marketing functions.
- Promote the introduction of DX by companies through DX applications, content, and services, and solve problems caused by a declining workforce.
- Enhance and strengthen the Company group's offering value.

(5) Consideration of appropriate and flexible capital policies and implementation of investment

Cash allocation policy from FY2025 to FY2026

(i) Strategic capital investment and expansion of strategic inventories

- (ii) Dividends considering business performance and dividend policy
- (iii) Consideration of flexible purchase of treasury shares as needed

(6) Dialogue with diverse investors

The Company will increase opportunities for dialogue with diverse stakeholders, such as individual interviews with institutional investors and company briefings for individual investors.

(7) Expansion of information disclosure

Disclosure of enhanced details on financial information, management strategies, and non-financial information. Specifically, the Company will steadily expand information disclosure to meet the expectations of its stakeholders, including the publication of an integrated report, renewal of its website, enhancement of sustainability disclosure, and disclosure in English.