

2024 Consolidated Financial Results (Summary) under IFRS

I. Results for 2024, Forecast for 2025

1. Summary

(Unit: billions of yen, except for "per share" indicators)

Items	2023	2024	Increase/ decrease	2025 Forecast	Increase/ decrease
Revenue	1,295.4	1,391.5	96.1	1,422.0	30.5
Core Operating Profit	9.9	92.1	82.3	98.0	5.9
Operating Profit	(9.4)	89.0	98.4	49.0	(40.0)
Profit before Tax	(14.2)	84.6	98.9	38.0	(46.6)
Profit	(6.5)	74.8	81.3	27.0	(47.8)
Profit Attributable to Owners of the Parent	(6.5)	73.5	80.0	26.0	(47.5)
Basic Earnings per Share	(¥35.91)	¥406.61	¥442.52	¥143.87	(¥262.74)
Annual Dividend per Share	¥65.00	¥65.00	-	¥65.00	-

2. Revenue and Core Operating Profit by Segment (Year to year comparison)

(Unit: billions of yen)

Segment		2023	2024	Increase/ decrease
Semiconductor and Electronic Materials	Revenue	338.1	445.1	107.0
	Core Op. Profit	3.3	73.7	70.4
Mobility	Revenue	219.0	215.5	(3.5)
	Core Op. Profit	7.0	6.7	(0.2)
Innovation Enabling Materials	Revenue	93.0	97.0	4.0
	Core Op. Profit	8.7	11.3	2.6
Chemicals	Revenue	519.4	517.2	(2.3)
	Core Op. Profit	6.1	10.1	4.0
Others, Adjustments	Revenue	125.8	116.6	(9.2)
	Core Op. Profit	(15.3)	(9.7)	5.6
Total	Revenue	1,295.4	1,391.5	96.1
	Core Op. Profit	9.9	92.1	82.3

The 2023-2024 results have been converted to IFRS while keeping the old segment classifications. 2024 results in new segment classifications will be announced at a later date. Please refer to the summary of financial results announced on February 13 for segment information for 2025 forecast (new segment classifications).

II. Cash flow

(Unit: billions of yen)

Items	2023	2024	Increase/ decrease	2025 Forecast	Increase/ decrease
Operating Activities	118.7	163.7	44.9	130.0	(33.7)
Investing Activities	(55.2)	(52.3)	2.9	(130.0)	(77.7)
Free Cash Flow	63.6	111.3	47.8	0.0	(111.3)
Financing Activities	(73.1)	(20.5)	52.6	(10.0)	10.5
Others	11.5	14.6	3.1	-	-
Net Increase in Cash and Cash Equivalents	1.9	105.5	103.5	-	-

III. Reference

(Unit: billions of yen, expect for exchange rate, and domestic naphtha price)

Items	2023	2024	Increase/ decrease	2025 Forecast	Increase/ decrease
Capital expenditures	99.1	102.0	3.0	131.4	29.3
Depreciation and amortization	96.5	98.0	1.5	95.8	(2.2)
R&D expenditures	42.7	44.8	2.1	47.8	3.0
Gap between interest expense and interest & dividend income	(11.5)	(11.5)	(0.1)	(15.1)	(3.6)
Exchange rate (yen/US\$)	140.6	151.6	Yen depreciated by 11.0	150.0	Yen appreciated by 1.6
Domestic naphtha price (yen/kl)	67,600	75,400	7,800	78,000	2,600
Interest-bearing liabilities	1,030.1	1,023.7	(6.4)	1,033.0	9.3
Total assets	2,054.6	2,172.6	118.0		

Note : The above forecast is based on the information available as of today and assumptions as of today regarding risk factors that could affect our future performance. Actual results may differ materially from the forecast due to a variety of risk factors, including, but not limited to, the international situation, costs of naphtha and other raw materials, demand or market conditions for our products such as graphite electrodes and other commodities, and foreign exchange rates. We undertake no obligation to update the forward-looking statements unless required by law.

Consolidated Financial Statements

for the fiscal year ended December 31, 2024
(Under IFRS)



I . Consolidated Financial Results

March 26, 2025

(All amounts are rounded to the nearest million yen)

(1) Results of operations:

(Percentages indicate year-on-year changes)

Fiscal year ended	Revenue		Core operating profit		Operating profit		Profit		Profit attributable to owners of the parent		Comprehensive Income	
	Yen	%	Yen	%	Yen	%	Yen	%	Yen	%	Yen	%
December 31, 2024	1,391,480	7.4	92,145	832.0	89,036	—	74,772	—	73,503	—	116,742	276.0
December 31, 2023	1,295,395	—	9,887	—	(9,407)	—	(6,517)	—	(6,505)	—	31,047	—

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of the parent	Ratio of profit before tax to total assets	Ratio of core operating profit to revenue
	Yen	Yen	%	%	%
December 31, 2024	406.61	406.61	12.0	4.0	6.6
December 31, 2023	(35.91)	(35.91)	(1.2)	(0.7)	0.8

Reference:

Important changes in accounting policies: not applicable

Profit before tax

Results for the year ended December 31, 2024 ¥ 84,647 million (—%)

Results for the year ended December 31, 2023 ¥(14,218) million (—%)

Share of profit of investments accounted for using the equity method

Results for the year ended December 31, 2024 ¥ 6,798 million

Results for the year ended December 31, 2023 ¥ 5,907 million

* Core operating profit is calculated as operating profit excluding certain gains and expenses attributable to non-recurring factors.

(2) Financial position:

Fiscal year ended	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets	Equity attributable to owners of the parent per share
	Yen	Yen	Yen	%	Yen
December 31, 2024	2,172,626	692,006	664,616	30.6	3,677.50
December 31, 2023	2,054,594	586,511	560,129	27.3	3,092.32

(3) Cash flows:

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of the year
	Yen	Yen	Yen	Yen
December 31, 2024	163,653	(52,306)	(20,468)	294,656
December 31, 2023	118,715	(55,158)	(73,086)	190,642

(4) Dividends:

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen		%	%
December 31, 2023	—	0.00	—	65.00	65.00	11,788	—	2.1
December 31, 2024	—	0.00	—	65.00	65.00	11,787	16.0	1.9
December 31, 2025 (Forecast)	—	0.00	—	65.00	65.00		45.2	

II. Forecast of performance for the year ending December 31, 2025

(Percentages indicate year-on-year changes)

	Revenue		Core operating profit		Operating profit		Profit		Profit attributable to owners of the parent		Basic earnings per share
		%		%		%		%		%	Yen
1st half	676,000	—	28,000	—	16,000	—	5,500	—	5,400	—	29.88
Fiscal year	1,422,000	2.2	98,000	6.4	49,000	(45.0)	27,000	(63.9)	26,000	(64.6)	143.87

Reference:

Profit before tax

1st half ¥ 10,000 million (—%)

Fiscal year ¥38,000 million ((55.1)%)

*The above forecast is based on the information available at this point of time. Actual results may differ materially due to a variety of reasons, including such economic factors as fluctuations in foreign currency exchange rates as well as market supply and demand condition

Voluntary Adoption of IFRS:

The Group has voluntarily adopted IFRS from the financial statements in the Securities Report for the fiscal year ending December 2024.

This “Consolidated Financial Statements under IFRS” discloses the main items disclosed in the Securities Report. “Consolidated Financial Statements” based on Japanese GAAP was announced on February 13, 2025.

Consolidated financial statements and other information

(1) Consolidated financial statements

(i) Consolidated statement of financial position

	(Millions of yen)		
	Transition date (January 1, 2023)	As of December 31, 2023	As of December 31, 2024
Assets			
Current assets			
Cash and cash equivalents	188,700	190,642	294,656
Trade receivables	268,209	265,511	274,485
Inventories	250,854	224,571	220,812
Income taxes receivable	11,070	7,574	3,674
Other financial assets	42,712	27,572	28,735
Other current assets	31,214	35,214	36,184
Subtotal	792,759	751,084	858,546
Assets held for sale	–	14,346	28,002
Total current assets	792,759	765,430	886,548
Non-current assets			
Property, plant and equipment	671,610	668,686	670,776
Intangible assets	490,194	461,422	442,417
Retirement benefit asset	18,046	28,038	38,514
Deferred tax assets	14,595	14,174	17,867
Investments accounted for using the equity method	66,797	68,707	70,396
Other financial assets	31,915	22,127	23,640
Other non-current assets	25,276	26,011	22,468
Total non-current assets	1,318,433	1,289,164	1,286,078
Total assets	2,111,192	2,054,594	2,172,626

	(Millions of yen)		
	Transition date (January 1, 2023)	As of December 31, 2023	As of December 31, 2024
Liabilities			
Current liabilities			
Trade payables	197,345	177,776	171,433
Bonds and borrowings	114,682	123,343	137,862
Accrued expenses	34,426	37,766	38,157
Income taxes payable	5,438	3,779	8,344
Lease liabilities	5,016	5,228	4,837
Provisions	587	927	3,358
Other financial liabilities	103,436	93,445	96,934
Other current liabilities	12,492	21,695	17,707
Subtotal	<u>473,422</u>	<u>463,959</u>	<u>478,632</u>
Liabilities directly associated with assets held for sale	–	–	16,541
Total current liabilities	<u>473,422</u>	<u>463,959</u>	<u>495,173</u>
Non-current liabilities			
Bonds and borrowings	931,446	875,377	858,399
Retirement benefit liability	10,925	10,513	10,300
Provisions	5,278	6,106	5,970
Lease liabilities	24,227	26,197	22,608
Other financial liabilities	7,620	14,685	10,731
Deferred tax liabilities	81,297	65,647	71,273
Other non-current liabilities	10,399	5,599	6,166
Total non-current liabilities	<u>1,071,192</u>	<u>1,004,124</u>	<u>985,447</u>
Total liabilities	<u>1,544,614</u>	<u>1,468,083</u>	<u>1,480,620</u>
Equity			
Share capital	182,146	182,146	182,146
Capital surplus	101,743	104,692	108,863
Treasury shares	(11,612)	(11,593)	(13,172)
Retained earnings	260,375	249,838	318,643
Accumulated other comprehensive income	7,155	35,046	68,136
Total equity attributable to owners of the parent	<u>539,807</u>	<u>560,129</u>	<u>664,616</u>
Non-controlling interests	26,771	26,382	27,390
Total equity	<u>566,578</u>	<u>586,511</u>	<u>692,006</u>
Total liabilities and equity	<u>2,111,192</u>	<u>2,054,594</u>	<u>2,172,626</u>

(ii) **Consolidated statement of profit or loss and consolidated statement of comprehensive income**

Consolidated statement of profit or loss

	(Millions of yen)	
	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Revenue	1,295,395	1,391,480
Cost of sales	(1,066,822)	(1,080,381)
Gross profit	228,573	311,099
Selling, general and administrative expenses	(246,476)	(242,936)
Other income	37,319	38,713
Other expenses	(28,823)	(17,840)
Operating profit (loss)	(9,407)	89,036
Finance income	4,151	4,755
Finance costs	(14,869)	(15,942)
Share of profit of investments accounted for using the equity method	5,907	6,798
Profit (loss) before tax	(14,218)	84,647
Income tax expense	7,701	(9,875)
Profit (loss)	(6,517)	74,772
Profit (loss) attributable to		
Owners of the parent	(6,505)	73,503
Non-controlling interests	(12)	1,269
Earnings per share (Yen)		
Basic earnings (loss) per share	(35.91)	406.61
Diluted earnings (loss) per share	(35.91)	406.61

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Profit (loss)	(6,517)	74,772
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net changes in fair value of financial assets measured at fair value through other comprehensive income	(400)	1,646
Remeasurements of defined benefit plans	7,781	6,997
Share of other comprehensive income of investments accounted for using the equity method	118	(83)
Total	7,499	8,560
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	29,538	33,519
Net changes in fair value of cash flow hedges	(269)	(1,418)
Share of other comprehensive income of investments accounted for using the equity method	796	1,309
Total	30,065	33,410
Total other comprehensive income	37,564	41,970
Comprehensive income	31,047	116,742
Comprehensive income attributable to		
Owners of the parent	29,141	113,682
Non-controlling interests	1,906	3,060

(iii) Consolidated statement of changes in equity

Fiscal year ended December 31, 2023

(Millions of yen)

	Equity attributable to owners of the parent					
	Share capital	Capital surplus	Treasury shares	Retained earnings	Accumulated other comprehensive income	
					Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance at beginning of period	182,146	101,743	(11,612)	260,375	5,697	–
Loss				(6,505)		
Other comprehensive income					(695)	7,797
Total comprehensive income				(6,505)	(695)	7,797
Dividends				(11,788)		
Purchase of treasury shares			(4)			
Disposal of treasury shares		(0)	23			
Share-based payment transactions		275				
Purchase of non-controlling interests		2,674				
Issuance of convertible bonds with share acquisition rights						
Transfer from accumulated other comprehensive income to retained earnings				7,755	41	(7,797)
Total transactions with owners		2,949	19	(4,033)	41	(7,797)
Balance at end of period	182,146	104,692	(11,593)	249,838	5,043	–

	Equity attributable to owners of the parent					
	Accumulated other comprehensive income			Total	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Cash flow hedges	Total			
Balance at beginning of period	–	1,458	7,155	539,807	26,771	566,578
Loss			–	(6,505)	(12)	(6,517)
Other comprehensive income	28,813	(269)	35,646	35,646	1,918	37,564
Total comprehensive income	28,813	(269)	35,646	29,141	1,906	31,047
Dividends			–	(11,788)	(1,203)	(12,991)
Purchase of treasury shares			–	(4)		(4)
Disposal of treasury shares			–	23		23
Share-based payment transactions			–	275		275
Purchase of non-controlling interests			–	2,674	(1,092)	1,582
Issuance of convertible bonds with share acquisition rights						
Transfer from accumulated other comprehensive income to retained earnings	1		(7,755)	–		–
Total transactions with owners	1	–	(7,755)	(8,820)	(2,295)	(11,115)
Balance at end of period	28,814	1,189	35,046	560,129	26,382	586,511

Fiscal year ended December 31, 2024

(Millions of yen)

	Equity attributable to owners of the parent					
	Share capital	Capital surplus	Treasury shares	Retained earnings	Accumulated other comprehensive income	
					Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance at beginning of period	182,146	104,692	(11,593)	249,838	5,043	–
Profit				73,503		
Other comprehensive income					1,564	6,999
Total comprehensive income	–	–	–	73,503	1,564	6,999
Dividends				(11,787)		
Purchase of treasury shares			(1,883)			
Disposal of treasury shares		0	304			
Share-based payment transactions		389				
Purchase of non-controlling interests		239				
Issuance of convertible bonds with share acquisition rights		3,543				
Transfer from accumulated other comprehensive income to retained earnings				7,089	(90)	(6,999)
Total transactions with owners	–	4,171	(1,579)	(4,698)	(90)	(6,999)
Balance at end of period	182,146	108,863	(13,172)	318,643	6,517	–

	Equity attributable to owners of the parent					
	Accumulated other comprehensive income			Total	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Cash flow hedges	Total			
Balance at beginning of period	28,814	1,189	35,046	560,129	26,382	586,511
Profit			–	73,503	1,269	74,772
Other comprehensive income	33,034	(1,418)	40,179	40,179	1,791	41,970
Total comprehensive income	33,034	(1,418)	40,179	113,682	3,060	116,742
Dividends			–	(11,787)	(1,176)	(12,963)
Purchase of treasury shares			–	(1,883)		(1,883)
Disposal of treasury shares			–	304		304
Share-based payment transactions			–	389		389
Purchase of non-controlling interests			–	239	(876)	(637)
Issuance of convertible bonds with share acquisition rights			–	3,543		3,543
Transfer from accumulated other comprehensive income to retained earnings	–	–	(7,089)	–		–
Total transactions with owners	–	–	(7,089)	(9,195)	(2,052)	(11,247)
Balance at end of period	61,848	(229)	68,136	664,616	27,390	692,006

(iv) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Cash flows from operating activities		
Profit (loss)	(6,517)	74,772
Depreciation and amortization	96,486	98,026
Income tax expense	(7,701)	9,875
Impairment losses (reversal of impairment losses)	27,790	23,982
Interest and dividend income	(2,245)	(2,743)
Interest expenses	13,702	14,268
Share of loss (profit) of investments accounted for using the equity method	(5,907)	(6,798)
Decrease (increase) in trade receivables	6,572	(5,695)
Decrease (increase) in accounts receivable - other	21,972	(1,417)
Decrease (increase) in inventories	31,592	7,726
Increase (decrease) in trade payables	(21,808)	(3,415)
Increase or decrease in retirement benefit asset or liability	(10,466)	(10,966)
Other	(11,491)	(23,452)
Subtotal	131,979	174,163
Interest received	1,955	2,196
Dividends received	5,265	6,987
Interest paid	(12,425)	(12,390)
Income taxes refund (paid)	(8,059)	(7,303)
Net cash provided by (used in) operating activities	118,715	163,653
Cash flows from investing activities		
Purchase of property, plant and equipment	(85,559)	(88,312)
Proceeds from sale of property, plant and equipment	5,535	32,385
Proceeds from sale of subsidiaries and businesses	31,692	732
Purchase of securities and other investments	(358)	(288)
Proceeds from sale and redemption of securities and other investments	3,283	602
Net decrease (increase) in short-term loans receivable	688	36
Other	(10,439)	2,539
Net cash provided by (used in) investing activities	(55,158)	(52,306)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(23,721)	4,900
Net increase (decrease) in commercial papers	10,000	(10,000)
Proceeds from long-term borrowings	65,300	172,436
Repayments of long-term borrowings	(131,724)	(250,708)
Proceeds from issuance of bonds	29,843	24,887
Redemption of bonds	–	(40,000)
Proceeds from issuance of convertible bonds with share acquisition rights	–	99,904
Repayments of lease liabilities	(5,171)	(6,411)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(4,552)	(538)
Purchase of treasury shares	(4)	(1,883)
Dividends paid to owners of the parent	(11,794)	(11,760)
Dividends paid to non-controlling interests	(1,263)	(1,220)
Other	–	(75)
Net cash provided by (used in) financing activities	(73,086)	(20,468)
Effect of exchange rate changes on cash and cash equivalents	11,471	14,593
Net increase (decrease) in cash and cash equivalents	1,942	105,472
Cash and cash equivalents at beginning of period	188,700	190,642
Net increase (decrease) in cash and cash equivalents resulting from transfer to assets held for sale	–	(1,458)
Cash and cash equivalents at end of period	190,642	294,656