FUJILLOY

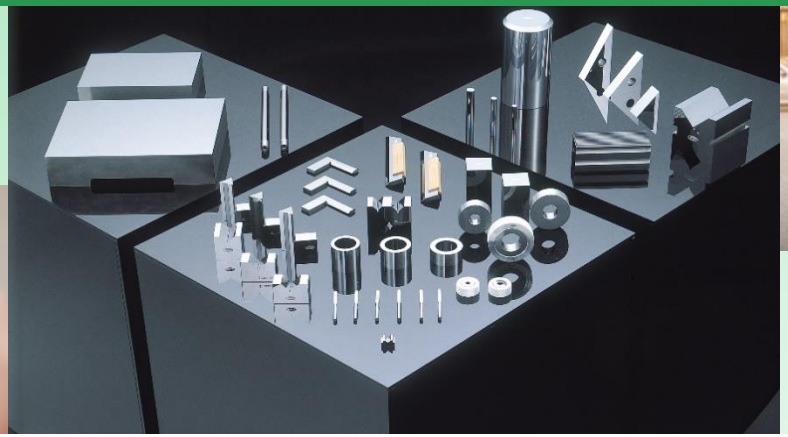
TSE Prime (6167)

75 years supporting World's key industries

Fuji Die Co., Ltd.

Financial Results for the Six Months Ended September 30, 2024 - Supplementary Materials







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November 29, 2024

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01

Company Overview

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Company Profile (As of November 2024)

Trade name	Fuji Die Co., Ltd.
Location	2-17-10, Shimomaruko, Ohta-ku, Tokyo
Capital	164 million yen
Representative	Yoshikazu Haruta, Representative Director and President
Founded	June 1949
Business activities	Manufacture and sale of wear-resistant tools and molds made of cemented carbide
Consolidated subsidiaries	SHINWA DIE CO., LTD. FUJI SHAFT CO., LTD. FUJILLOY (THAILAND) CO., LTD. FUJI DIE TRADING (SHANGHAI) CO., LTD. PT. FUJILLOY INDONESIA FUJILLOY INDIA PRIVATE LIMITED FUJILLOY MALAYSIA SDN. BHD.
Number of employees	1,106 (as of March 31, 2024; including employees of consolidated subsidiaries)



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Our Strengths

Top market share for carbide wear-resistant tools

Held the top share in the domestic carbide wear-resistant tool industry over a long period

Specialize mainly in sales of high value-added products in high-mix low-volume, with stable sales prices

Over 30% industry share

High-level R&D (technological) capability to support long-term growth

New materials development technology to meet market needs by leveraging powder metallurgy technology

Integration of manual technology with current technology through research on state-of-the-art equipment and optimization of manufacturing methods

Core technologies
- **Powder metallurgy technology**
- **Ultra-precision processing technology**

Development capability - production engineering capability - sales capability are the source of competitiveness

Direct sales system that can meet customers' individual needs in a customized manner

Solid and proven track record with many customers in a wide range of industries

Integrated production system from design to base powder preparation, sintering, machining, and product inspection

Approx. 3,000 customer companies
(consolidated subsidiaries)

Financial foundation: Continued profitable operations and high equity ratio

Net cash	7,412 million yen
Free cash flow	592 million yen

(As of September 30, 2024)

80.2% equity ratio
(As of September 30, 2024)

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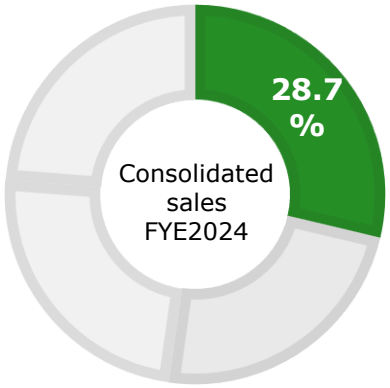
Business Activities - Product Categories

- Specialized in manufacture of tools and molds (wear-resistant tools) mainly made of cemented carbide

Carbide tools

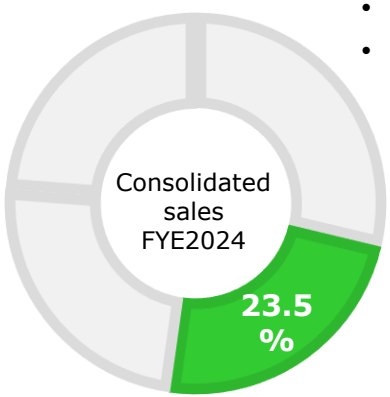


- Dies and plugs
- Grooving plugs
- Hot rolling mill rolls
- Tools for ultra high pressure generator, etc.





Carbide molds



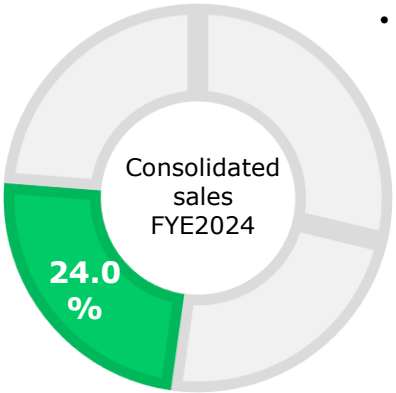
- Molds for automotive parts
- Can manufacturing tools
- Battery-related molds, etc.







Other carbide products



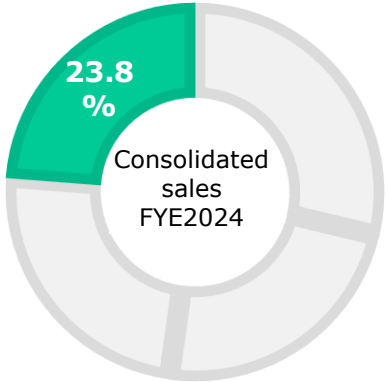
- Carbide blank materials
- Parts for semiconductor production equipment, etc.







Non-carbide



- Steel products
- KF2 products
- Ceramic products
- Diamond grinding wheels
- FHR products
- Copper-tungsten
- NF-metal
- Drawn steel pipes, etc.







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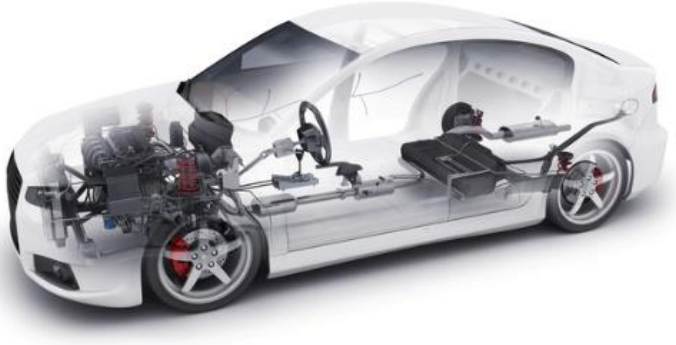
Life Tools
Supporting foundation of “Monozukuri” (Craftsmanship)

Vehicles



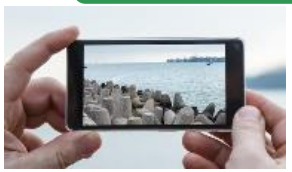
Molds and tools for manufacturing lines of vehicle engines and various components

Food and beverage cans



High market-share of high precision cemented carbide can manufacturing molds

Camera lenses





Molds for lenses of smartphones SLR cameras

Home appliances such as air conditioners, Transportation equipment such as airplanes

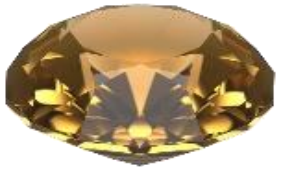




Railway overhead wires, tires, Infrastructure



Artificial diamonds



Widely used in home appliances such as air conditioners, transportation machinery such as aircraft, and infrastructure equipment such as railroad overhead lines and electric cables, as well as

Tools for manufacturing of artificial diamonds and creation of new materials

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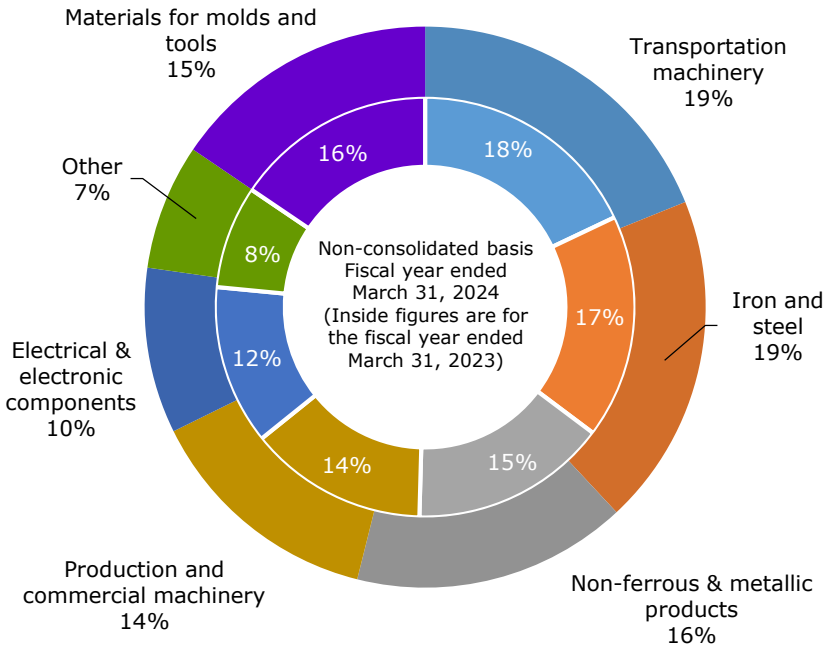
Made to Order and Direct Sales System with Over 3,000 Customer Companies

Engaged in custom made to order and direct sales for each customer with high mix products in low volume
Strong network with customers, with approximately 3,000 customer companies in a wide range of industries
Our strength is stability that is not affected by specific industry trends

Share of sales by customer industry category (%)



Sales offices and production sites (as of October 31, 2024)

Japan
- Production sites and sales offices 5 locations
- Production sites 2 locations
- Sales offices 5 locations

Overseas
- Production sites and sales offices 2 countries
  Thailand and Indonesia
- Sales offices 3 countries
  China, Malaysia, and India (currently dormant)

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Market Size of Carbide Tools in Japan (Surveyed by Japan Cutting & Wear-resistant Tool Association)

Japan Cutting & Wear-resistant Tool Association shipment (FY2023)

473.2 billion yen

Cutting tools, mining and civil engineering tools, and other tools
438.2 billion yen 92.6%



Wear-resistant tools
35.0 billion yen 7.4%

Fuji Die 34.0%

Our share in the wear-resistant tools market: 34.0%

Sales of our carbide tools: 11.9 billion yen

★Non-consolidated sales in FY2023: approximately 14.8 billion yen.
Carbide wear-resistant tools are our flagship product (carbide products account for approximately 80% of our total products), and we also manufacture and sell copper-tungsten alloy and ceramic products, diamond tools, and other tools

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Latest TOPICS (1)

Won the “First Prize” in the (8th) JSPE Monozukuri Award for FY2024

- **The development of new hard material used in high thermal expansion for glass forming (Fujilloy TR05/TR30) and establishment of ultra-precision processing technology were highly evaluated, and we were awarded the “First Prize” in the (8th) JSPE Monozukuri Award for FY2024** hosted by The Japan Society for Precision Engineering.
- This was the **third award we won**, following the “Grand Prize for Technical Achievement” in the “2023 Japan Cutting & Wear-resistant Tool Association Award” and “Monozukuri Award” in the “2023 The 66th Top 10 New Products Award.”





Award ceremony and “Monozukuri Award-Winning Lecture” held at Okayama University

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Latest TOPICS (2)

Exhibited at JIMTOF2024 (The 32nd Japan International Machine Tool Fair)

- **Exhibited at JIMTOF2024 (held in Tokyo Big Sight from November 5 to November 10), one of the world's largest machine tool fairs**
- **Exhibited our products, mainly new products** we had developed including **electrode used in green hydrogen generating equipment [PME]** and **new materials for motor core molds [Fujilloy VG51]**, in a booth designed to resemble a **"molds clinic,"** with a concept of **"solving customers' issues with FUJILLOY to achieve a sustainable society," and showed examples of solutions to problems related to mold parts and tools** with our products
- Tried a new approach such as **holding workshops on cemented carbide and opening a space where customers can consult with us about their questions and concerns for mold parts and tools**



[Our booth at JIMTOF]

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Latest TOPICS (3)

Developed Electrode for Green Hydrogen

- **Developed nickel electrode used in green hydrogen generating equipment**
- **Reducing voltage used to produce hydrogen by 20% compared to conventional electrodes**
- **Leveraged our ultra high pressure synthesis technology to develop catalyst and mixed the catalyst into nickel using powder metallurgy technology to make electrodes**



グリーン水素 電力抑え製造

富士ダイスがニッケル電極

富士ダイスは、水素を製造する際に電圧を従来比20%削減するニッケル製の電極を開発した。電力の使用を抑えられ、また貴金属を使用していないために環境負荷が低いという。主力事業の超硬合金製造の粉末冶金技術などを応用した。再生可能エネルギー電力を使った水の電気分解によるグリーン水素の製造装置向けに、2027年までの商品化を目指す。

富士ダイスが開発したグリーン水素向け電極

装置向け27年商品化

富士ダイスが開発した電極「PME＝写真」は従来のニッケル電極に比べて、低い電圧で同じ量の水素を発生できる。ニッケル中に触媒を混ぜ込んだ構造を採用し、表面積を大きくして性能を高めた。

超硬合金の製造に求められる粉末冶金技術と超高圧の合成技術を触媒の開発に生かし、掛け合わせることで電極にした。触媒と電極化の関連で2件の特許を取得した。

国内外でカーボンニュートラル（CN、温室効果ガス〈GHG〉排出量実質ゼロ）に向けた投資が加速している。化石燃料から脱炭素のエネルギーへの転換が見込まれる中、グリーン水素はCNの有力技術になると目される。

5日に東京ビッグサイトで開幕する工作機械の展示会「日本国際工作機械見本市（JIMTOF2024）」で披露する。

[Article in Nikkan Kogyo Shimbun on November 5, 2024]

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02

Summary of Business Results for the Six Months ended September 30, 2024

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Overall Summary of Six Months Ended September 30, 2024

Consolidated net sales 8,277million yen (up 0.8 % year on year)

Consolidated operating profit 291million yen (down 34.0% year on year)

- **Consolidated net sales increased slightly year on year**
- **Profits dropped due to surging cost of raw materials and enhanced investments in IT and human resources**

Net sales	Increase factors	■ Increased demand for hot rolling mill rolls for overseas markets ■ Increased demand for can manufacturing molds and molds for next-generation automotive parts ■ Solid demand for semiconductor production equipment remained ■ Carbide materials for overseas markets were in a recovery trend
	Decrease factors	■ Decreased demand for Grooved rolls for overseas due to inventory adjustments at customers markets ■ Decreased demand for kneading tools
Profits	Increase factors	■ Measures to improve productivity and operational efficiency yielded some results
	Decrease factors	■ surging cost of raw materials ■ Increase in expenses due to expansion of investments in IT and human resources

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024

- **Consolidated net sales increased slightly y/y, yet short of forecast**
- **Profits at each stage decreased from y/y and forecast**

(Million yen)	FYE2024 Q2 results	FYE2025 Q2 results	Year-on-year change rate	FYE2025 2Q forecast	Compared to Q2 forecast	FYE2025 results forecast	Results forecast progress rate
Net sales	8,210	**8,277**	**0.8%**	8,800	**(5.9)%**	18,000	46.0%
Operating profit	441	**291**	**(34.0)%**	470	**(38.0)%**	1,020	28.6%
[Operating profit margin]	[5.4%]	[3.5%]	[(34.6)%]	[5.3%]	[(34.1)%]	[5.7%]	
Ordinary profit	501	**394**	**(21.3)%**	530	**(25.5)%**	1,150	34.3%
[Ordinary profit margin]	[6.1%]	[4.8%]	[(22.0)%]	[6.0%]	[(20.8)%]	[6.4%]	
Profit attributable to owners of parent	380	**250**	**(34.2)%**	380	**(34.1)%**	830	30.2%
[Profit margin]	[4.6%]	[3.0%]	[(34.7)%]				
Basic earnings per share	19.15	**12.59**	**(34.3)%**	19.13	**(34.2)%**	41.78	-
Equity ratio	79.0% (March 31, 2024)	**80.2%**	-				

(Amounts rounded down to the nearest million yen)

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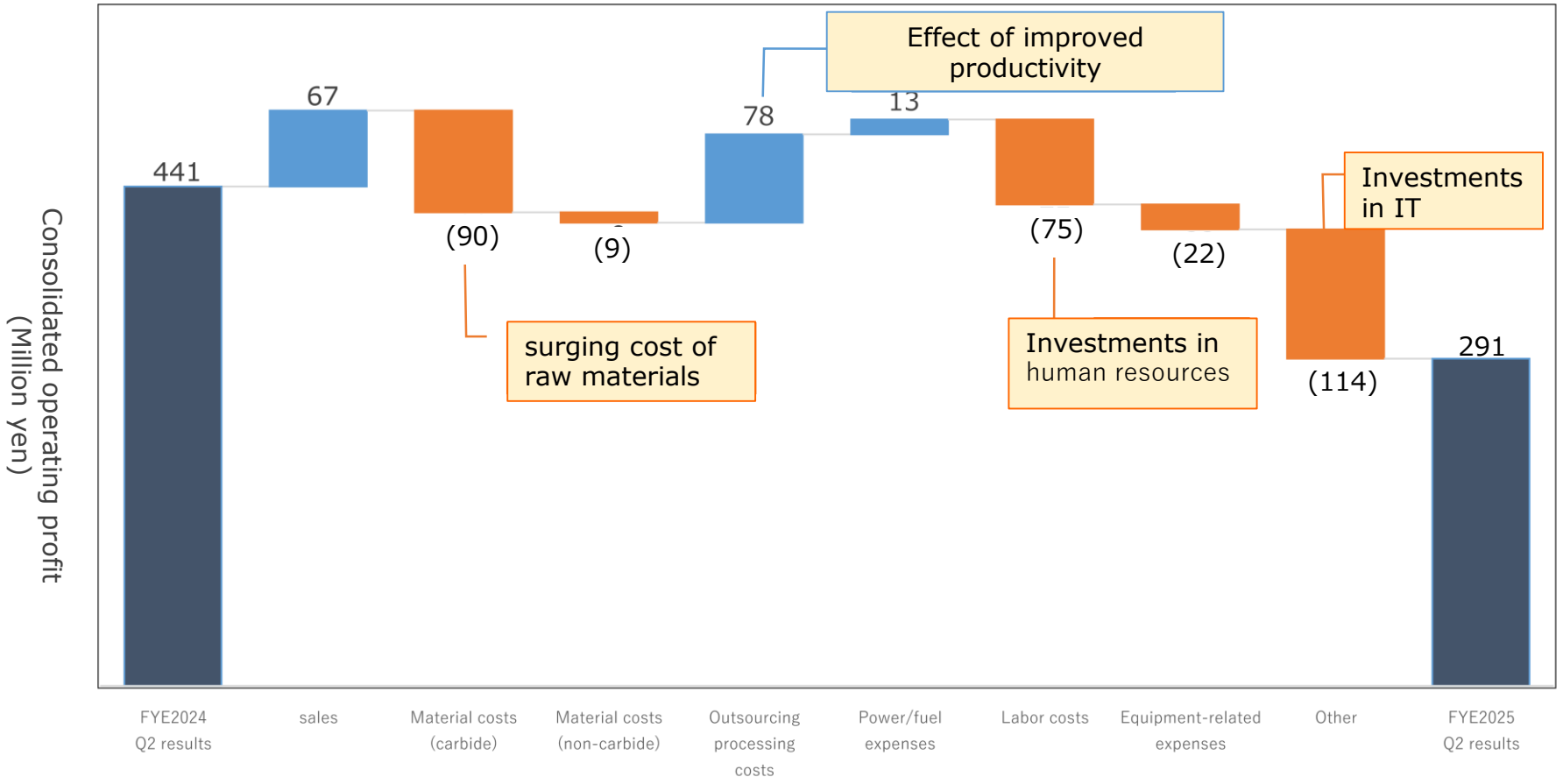
Consolidated Operating Profit for the Six Months Ended September 30, 2024 - Factors of Increase/Decrease (Y-o-Y)

Operating profit

Despite the effects of measures to improve productivity and operational efficiency, profits decreased due to surging cost of raw materials and enhanced investments in IT and human resources



(Million yen / Amounts are rounded down to the nearest million yen)

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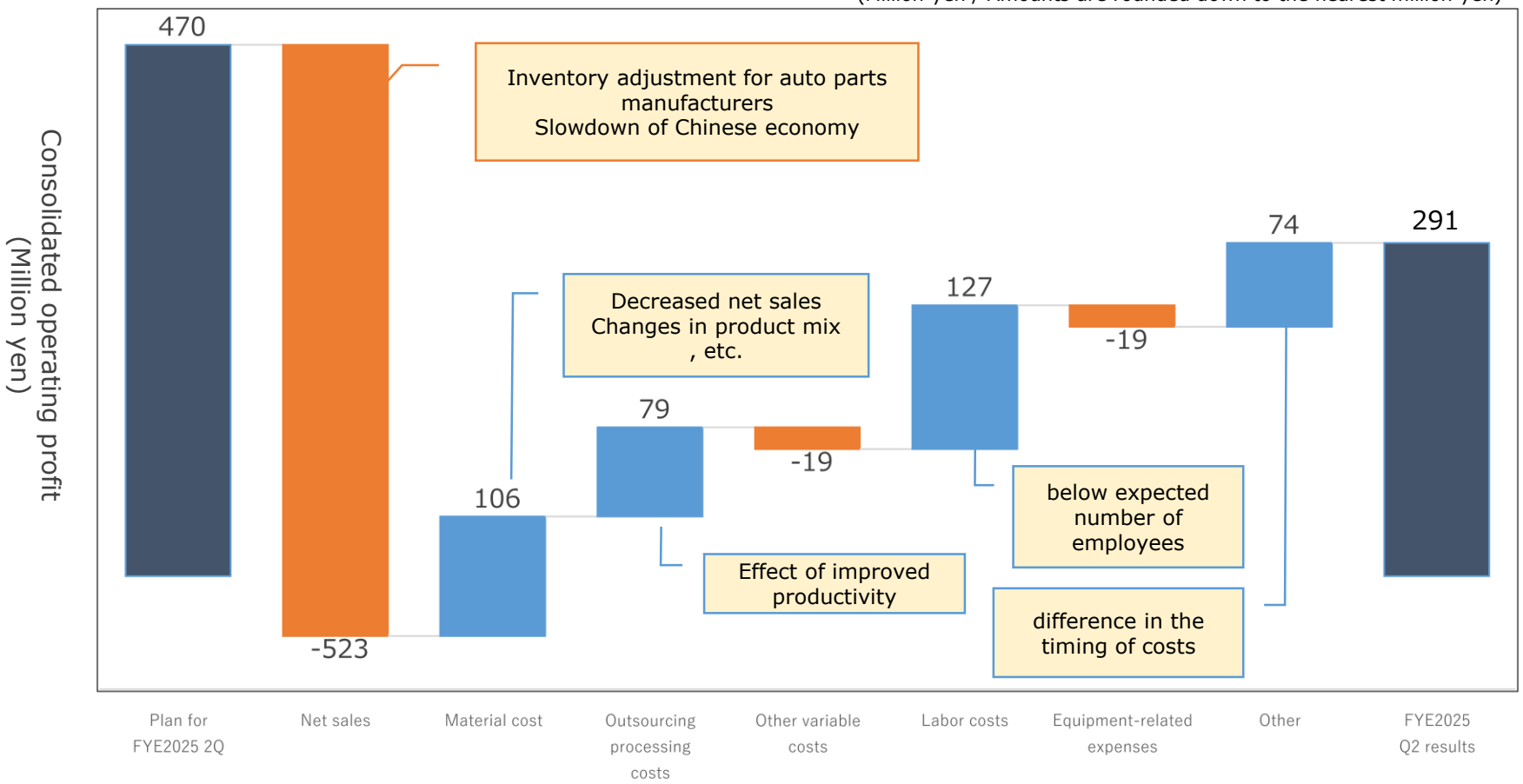
Consolidated Operating Profit for the Six Months Ended September 30, 2024 - Factors of Increase/Decrease (Versus forecast)

Operating profit: (179) million yen versus forecast

(Million yen / Amounts are rounded down to the nearest million yen)



Assumptions for profit forecast for the fiscal year ended March 31, 2025
(1) APT (ammonium paratungstate) price: $310/10 kg
(2) Exchange rate: 150 yen/U.S. dollar

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Financial Status at the End of Q2 of the Fiscal Year Ending March 31, 2025 - Consolidated Balance Sheets and Analysis of Changes

- **Current assets decreased 428 million yen due to a 353 million yen decrease in notes and accounts receivable - trade and 193 million yen in electronically recorded monetary claims**
- **Non-current assets decreased 212 million yen due to decreases of 140 million yen in buildings and structures and 129 million yen in machinery, equipment and vehicles, net**

Financial Status

September 30, 2024 * [ ] is the difference from March 31, 2024

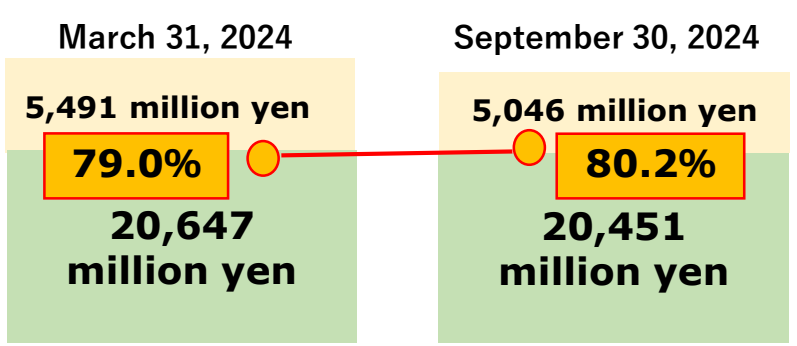
Assets
25,498 million yen
[(640) million yen]

Liabilities
5,046 million yen
[(444) million yen]

Net assets
20,451million yen
[(195) million yen]

Million yen	March 31, 2024	September 30, 2024
Current assets	15,024	14,596
Non-current assets	11,114	10,902
Total assets	26,138	25,498
Current liabilities	3,871	3,444
Non-current liabilities	1,619	1,602
Total liabilities	5,491	5,046
Total net assets	26,138	25,498

Liabilities, Net Assets and Equity Ratio



Cash and deposits	6,440 million yen
Raw materials and supplies	1,305 million yen
Buildings and structures, net	4,871 million yen
Machinery, equipment and vehicles, net	2,081 million yen

Short-term borrowings	28 million yen
Long-term borrowings	- million yen
Retirement benefit liability	1,551 million yen

Retained earnings	19,510 million yen
Accumulated other comprehensive income	835 million yen

(Amounts are rounded down to the nearest million yen; equity ratio is rounded to the first decimal place.)

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Six Months Ended September 30, 2024 - Statements of Cash Flows

Operating CF : Profit before income taxes [394 million yen]
・Depreciation [480 million yen]
Investing CF : Purchase of property, plant and equipment [401 million yen]
Financing CF : Dividends paid [634 million yen]

(Million yen)	Results for the six months ended September 30, 2023	Results for the six months ended September 30, 2024	Increase/ decrease
CF from operating activities	**1,216**	**1,057**	(158)
CF from investing activities	**(724)**	**(464)**	259
Free CF	**491**	**592**	101
CF from financing activities	**(641)**	**(651)**	(10)

(Rounded down to the nearest million yen)

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03

Financial Results Forecast for the Fiscal Year Ending March 31, 2025

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Financial Results Forecast for the Fiscal Year Ending March 31, 2025 Revised Downward

Although measures to improve productivity and business efficiency yielded some results, all kinds of profits are expected to be lower than the financial results forecast previously announced, affected by a decrease in net sales due to inventory adjustment of the automotive parts manufacturers and economic slowdown in China.

Operating profit
0.68 billion yen
(Down 16.0% year on year)

(Million yen)	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Previously announced forecast (A)	18,000	1,020	1,150	830	41.78 yen
Revised forecast (B)	**17,000**	**680**	**850**	**590**	**29.68 yen**
Change (B-A)	**(1,000)**	**(340)**	**(300)**	**(240)**	
Percentage change	**(5.6)%**	**(33.3)%**	**(26.1)%**	**(28.9)%**	
Actual results (FYE2024)	16,678	809	882	709	35.72 yen
Year-on-year Percentage change	1.9%	(16.0)%	(3.6)%	(16.8)%	

(Amounts rounded down to the nearest million yen)

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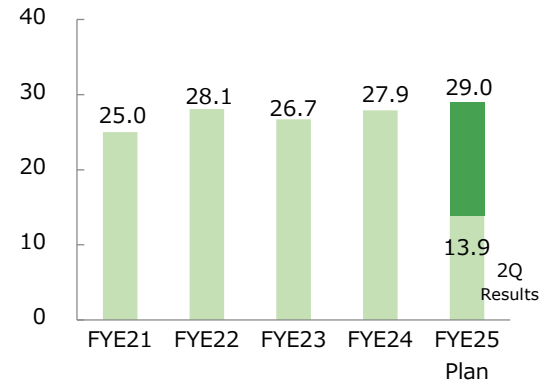
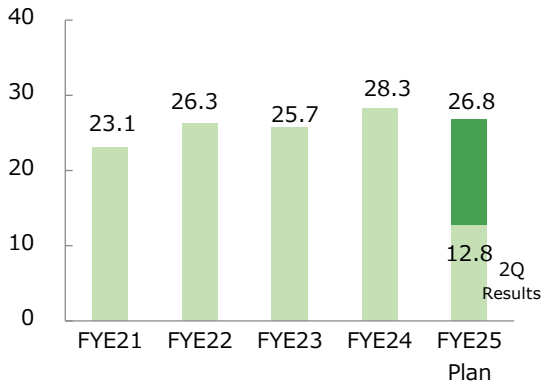
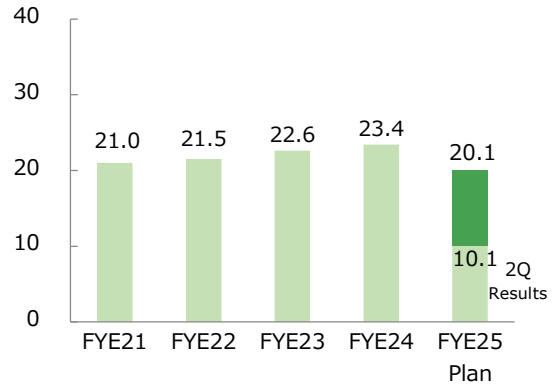
Status by Major Industry Category (Non-consolidated Basis, Net Sales) - Financial Results Outlook (Fiscal Year Ending March 31, 2025)

	Transportation machinery	Iron and steel	Non-ferrous & metallic products
Net sales (Hundred million yen)			
Pictures of products	 Forging tools	 Rolling mill rolls	 Canning tools
Business overview	• Overall performance in Q2 of FYE Mar. 2025 was sluggish, affected by inventory adjustment of the automotive parts manufacturers • From Q3 of FYE Mar. 2025 onward, demand for motor core molds and products for next-generation vehicles is expected to increase due to recovery in automobile production	• In Q2 of FYE Mar. 2025, sales of hot rolling mill rolls for overseas market remained strong. However, they could not offset the impact of the decreased automobile production • From Q3 of FYE Mar. 2025 onward, demand is expected to recover due to recovery in automobile production and sales for iron and steel for overseas market	• In FYE Mar. 2024, grooving rolls for overseas market remained strong. • In FYE Mar. 2025, demand for aluminum-proof products is expected to increase, despite reactionary decline expected in grooving rolls for overseas market.

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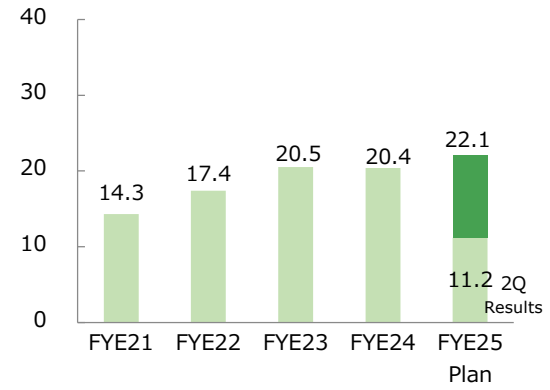
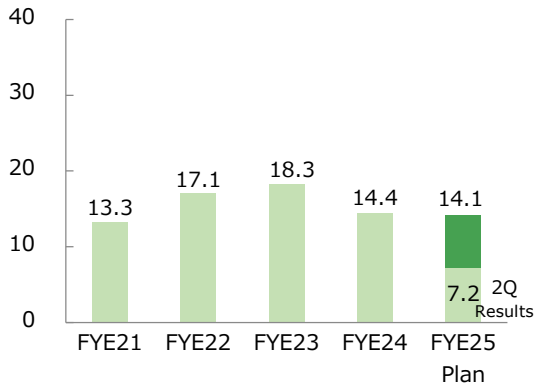
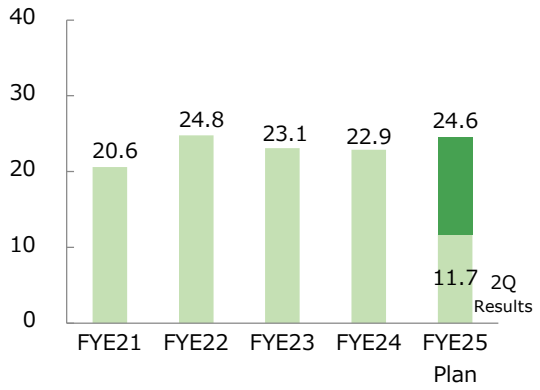
Status by Major Industry Category (Non-consolidated Basis, Net Sales) - Financial Results Outlook (Fiscal Year Ending March 31, 2025)

	Production and commercial machinery	Electrical & electronic components	Materials for mold parts and tools
Net sales (Hundred million yen)			
Pictures of products	 Mold parts for optical elements	 Mold parts for battery	 Materials for mold parts and tools
Business overview	• Although sales for semiconductor production equipment and optical elements were strong in FYE Mar. 2024, planned target was not achieved. • In FYE Mar. 2025, sales for semiconductor production equipment are expected to remain strong, and expanded sales are expected from market launch of new materials for optical elements.	• In Q2 of FYE Mar. 2025, although demand for products used in automotive batteries recovered from the drop in demand in the previous fiscal year, that for products for semiconductor remained sluggish • From Q3 of FYE Mar. 2025 onward, demand for products used in automotive batteries is expected to expand	• In Q2 of FYE Mar. 2025, although sales of EV-related products remained sluggish, sales of carbide materials for overseas markets were recovering • From 3Q of FYE Mar. 2025 onward, sales of carbide materials for overseas markets are expected to expand due mainly to exploring and cultivating Chinese semiconductor-related market

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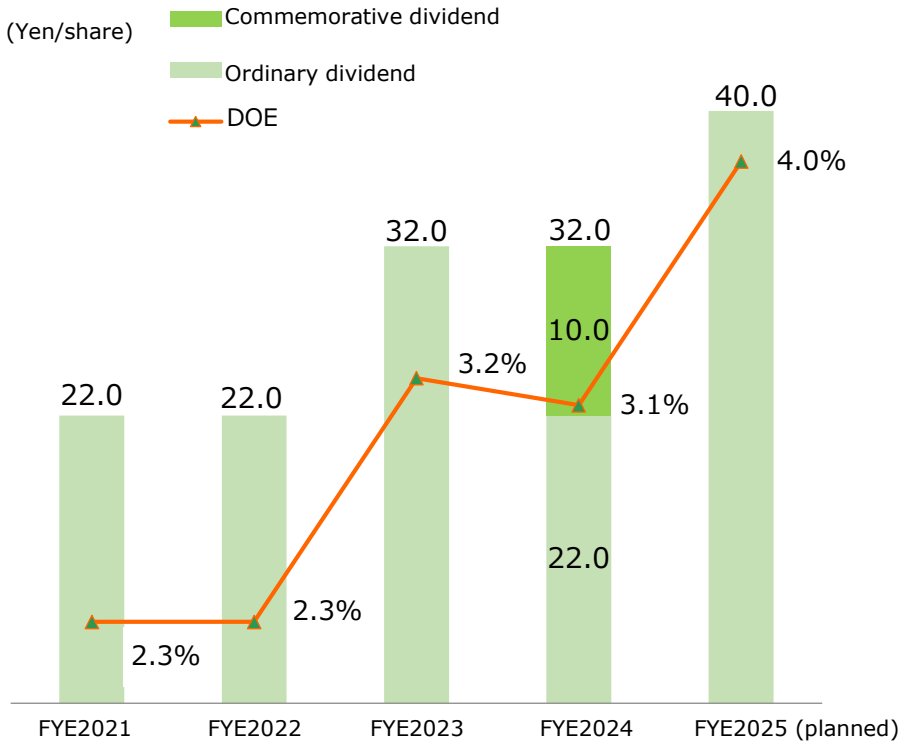
Shareholder Returns / Dividends for the Fiscal Year Ending March 31, 2025

・**40 yen per share for the fiscal year ending March 31, 2025**
[8 yen increase from 32 yen per share for the fiscal year ended March 31, 2024]

Annual dividend
40 yen

Based on the change in dividend policy, plan an increase of 8 yen to 40 yen per share (18 yen increase for ordinary dividend) from 32 yen per share for the fiscal year ended March 31, 2024



Share price

As of March 31, 2024

Share price	687 yen
Dividend yield	4.66%
Market capitalization	13.7 billion yen

"Initiatives for the realization of management conscious of capital cost and share prices" announced on May 23, 2024

As of November 28, 2024

Share price	**775 yen**
Dividend yield	**5.16%**
Market capitalization	**15.5 billion yen**

Share price up 13%

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04

Progress of Priority Measures for Fiscal Year Ending March 31, 2025 and Initiatives for the Third Quarter Onward

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Medium-Term Management Plan 2026 (FYE2025-FYE2027) Priority Measure

Concept : Transforming the company structure to adapt business resilience

(1) Strengthen the management foundation

Raise organizational capability and expedite business judgement based on sustainability management and DX

(2) Increasing productivity and improving business efficiency

Promote business efficiency improvement by automation, labor-saving, and DX in each department

(3) Leaping forward in overseas business

Aim to increase overseas sales through both overseas subsidiaries and direct exports from Japan
In addition to expanding market share in Asia, promote the development of markets in North America/India

(4) Contributing to a zero carbon / recycling-based society

Active development and launch of products contributing to the formation of a zero carbon / recycling-based society

(5) Development of new business

Aim toward reaching the status of a 100-year company, establish specialized organization for new business, and accelerate the commercialization of new business seeds

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Progress of Priority Measures and Initiatives for the Third Quarter Onward (1) Strengthen the Management Foundation

Promote digitalization

■ Innovated core system (Started operation on October 1)

- Integrated quotation management, materials management, and import/export management that were separate systems
- Paper-based management ⇒ Data-based management (paperless)
  Improved searchability streamlined operations

Strengthen governance

■ Newly established Quality Assurance Division (To be operational on January 1, 2025)

- Newly established a cross-group department to strengthen governance and quality control
- Improved corporate value through the manufacture of high-quality products while maintaining a safe and stable production system

Strengthen investment in human capital

■ Introduced a new welfare benefit and expanded e-learning (from June)

- Introduced a new welfare benefit to increase employee engagement with the aim of becoming a 100-year company
- Expanded e-learning program

Contribute to solving environmental and social issues

■ Issued the first Sustainability Report (on December 2, 2024)

Corporate branding

■ Launched branding projects

- Completely redesigned the corporate website (end of August)

Initiatives

Promote further digitalization such as strengthening business activities including IT utilization

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Progress of Priority Measures and Initiatives for the Third Quarter Onward (2) Increasing productivity and improving business efficiency

Promoted automation at Koriyama and Kumamoto Manufacturing Plants

Automated robots introduced at the Koriyama Manufacturing Plant, and full-scale operation started

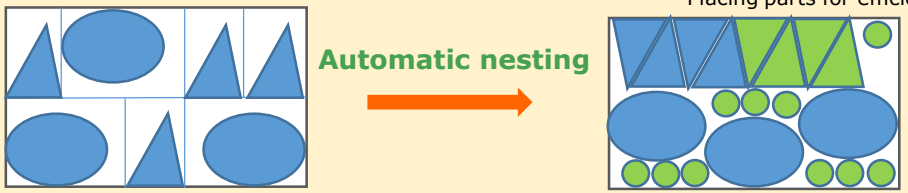
- Automated robots introduced into grinding process operations at the Koriyama Manufacturing Plant and full-scale operation started
- Unmanned processing through the introduction of robots improved output by 10%
- Studying under way to have multiple units with robots, including off-line setup



Automated machining line introduced at the Kumamoto Manufacturing Plant, and full-scale operation started

- Automated machining line using a NC processing machine with CAD and CAM introduced in the metallurgical process at the Kumamoto Manufacturing Plant and full-scale operation started
  60% transfer rate from manual to automatic machining in flat surface machining
- Testing under way for automatic nesting* with CAD and CAM to optimize parts placement, aiming to introduce it in the next fiscal year ⇒ promote materials cost reduction by using materials efficiently and improving yield rates

* Placing parts for efficient removing from plates, bars, etc.



Initiatives

- Renovations were made to expand the range of products supported by automated robots in the metallurgical process at the Koriyama Manufacturing Plant at the end of October
- Study of possible processes for automation and plan for implementation, full-scale introduction of automation at each plant to be implemented in the next fiscal year, and promotion of labor-saving

FYE2027: Production departments cost rate reduction: 3.0%point
Material departments productivity: 15% improvement (compared to FYE2024)

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Progress of Priority Measures and Initiatives for the Third Quarter Onward (3) Leaping Forward in Overseas Business

China

Fuji Die Trading: sales office

Progress **Captured new customers by expanding product lineup**

- With the sales office in Dongguan newly established in March 2024 as a foothold, expanded product lineup to successfully develop new customers, and sales expanded
- Exhibited at the 25th China International Optoelectronic Exposition (CIOE 2024) held in Shenzhen, Guangdong province from September 11 to September 13, and promoted sales of molds materials used in glass molding for automotive camera lenses [FujilloyTR05]

Initiatives **Expand sales to EV-related manufacturers by further increasing name recognition**

North America

Progress **Exhibited at trade show for the first time and promoted market research**

- Exhibited at IMTS2024 - International Manufacturing Technology Show held in Chicago in the United States from September 9 to September 14, and conducted market research there

Initiatives **Strengthen new business activities to increase name recognition in North America and capture potential demand**

ASEAN

Fujilloy Thailand: production site/sales office

Fujilloy Indonesia: production site/sales office

Fujilloy Malaysia: sales office

Progress **Productivity improved and product lineup expanded**

- **Thailand:** producing products with the same high precision as those produced in Japan with technical guidance from Japan
  Can supply products to ASEAN and other countries, becoming a production base for ASEAN
  ⇒ Reduce transportation costs, increase sales capability through shorter delivery time
- **Indonesia:** improved productivity, range of available products expanded, and business with local companies has expanded

Initiatives **Explore and cultivate major vehicle- and semiconductor-related manufacturers**
Promote new customer development, also targeting other industries

India

Progress **Strengthening examination of the market to restart operations**

- Shipments on an export basis are increasing

Initiatives **Scheduled to exhibit at trade show to be held at the end of January to increase name recognition and capture potential demand**
Aim to restart operations by FYE2027

Target overseas sales ratio for FYE Mar. 2027: 25% or more

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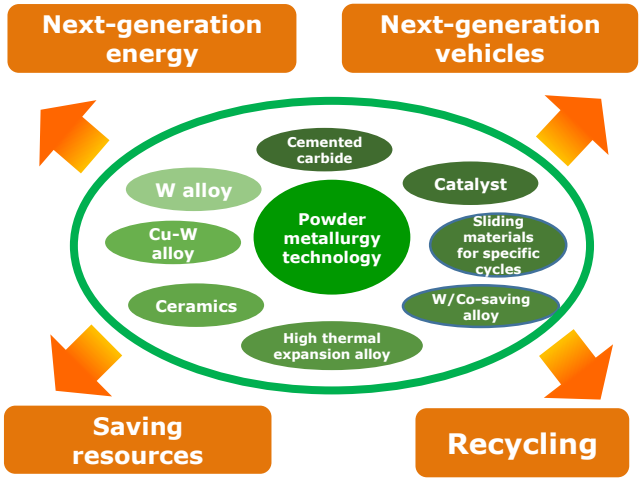
Progress of Priority Measures and Initiatives for the Third Quarter Onward (4) Contributing to a Zero Carbon/Recycling-Based Society

Developed new product (electrode containing catalyst [PME]) by combining powder metallurgy technology, one of our core technologies, and high pressure generating technology

Field	Overview	State of Progress	Sales period (planned) FYE2025	FYE2026	FYE2027
Next-generation energy	(1) Catalyst for CO_2 reduction (2) Catalyst for hydrogen generation ・Electrode (PME) (3) Catalyst and electrode (PME) for zinc-air rechargeable batteries	(1) Development completed (evaluator under consideration) (2) Development of catalyst and electrode completed (evaluator under consideration) (3) Under evaluation by customers			
Next-generation vehicles	(1) Molds for lenses with high thermal expansion (TR alloy) (2) Carbide materials suitable for electrical discharge machining for long hours (VG51)	(1) On sale (2) On sale			
Saving resources	(1) Tungsten- and cobalt-saving alloy (2) Establishment of additive manufacturing technology (3D molding technology applied to cemented carbide)	(1) Add to lineup Under evaluation by customers (Patent acquired) (2) Product sample prototyping (Under evaluation by customers)			
Recycling	Launch of recycling business	Commercialization under consideration by the Business Development Office (1) Study scheme (2) Test operation (3) Full-scale operation			

Active development and launch of products contributing to the formation of a zero carbon / recycling-based society



Dotted arrows: Under development
Solid arrows: Under evaluation by customers
Double-line arrow: On sale

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Progress of Priority Measures and Initiatives for the Third Quarter Onward (4) Contributing to a Zero Carbon/Recycling-Based Society

Next-generation energy

Hydrogen generating catalysts and electrode (PME*)

* Powder Metallurgy Electrode (electrode containing catalyst)

Market launch phases

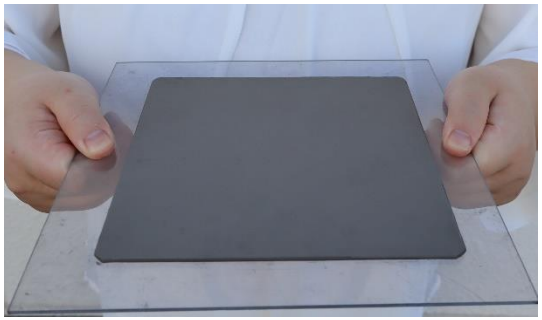
Start development → Prototype under construction

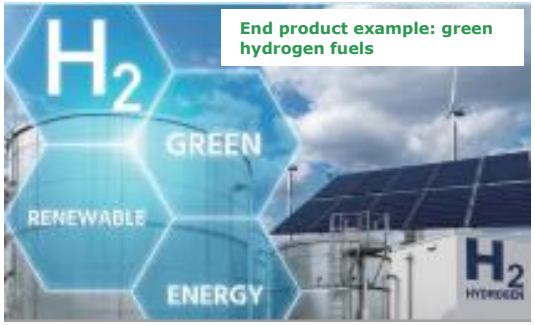
Electrode used in green hydrogen generating equipment that electrolyzes water, reducing power consumption by 20% compared to conventional products

Feature 1 Developed catalyst by leveraging our ultra high pressure synthesis technology and mixed the catalyst into nickel using powder metallurgy technology to make an electrode

Feature 2 Catalyst is oxides of calcium, iron, copper and oxygen, precious metal free, with low environmental impact

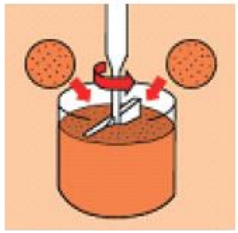
Feature 3 Achieved high surface area and high performance, reducing power consumption by 20% compared to conventional products





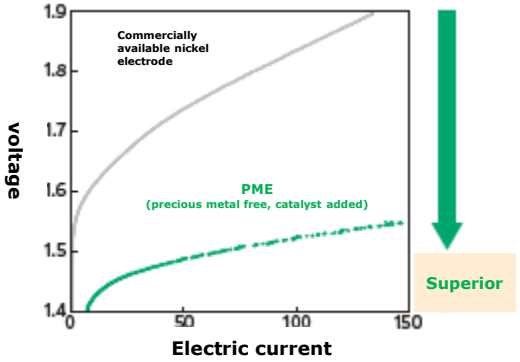


Ultra high pressure synthesis technology (catalyst development)



Powder metallurgy technology (making an electrode)

Using PME to reduce power consumption



Aim for commercialization by 2027

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Progress of Priority Measures and Initiatives for the Third Quarter Onward (4) Contributing to a Zero Carbon/Recycling-Based Society

Next-generation vehicles

New materials for motor core molds [Fujilloy VG51]

Market launch phases

Start development → Full-scale sales

New materials of cemented carbide for motor core molds [Fujilloy V series]
Cemented carbide for wire electrical discharge machining for long hours with water as the machining fluid

Feature 1 Prevent deep erosion caused by wire electrical discharge machining for long hours with water as the machining fluid

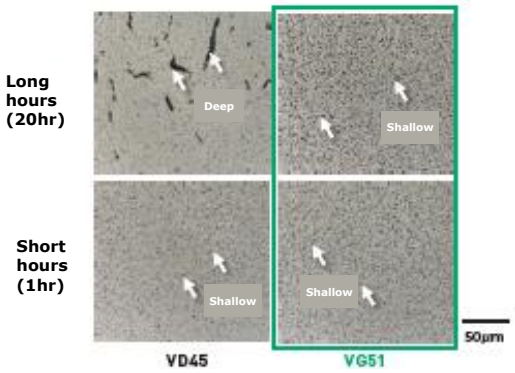
Feature 2 Reduce machining hours compared to machining with oil as the machining fluid to prevent erosion
Reduce costs for molds making



End product example: motor core







Example of surface observation of wire EDM + lapping machine

Expand product lineup of materials for motor core molds to capture new potential customers

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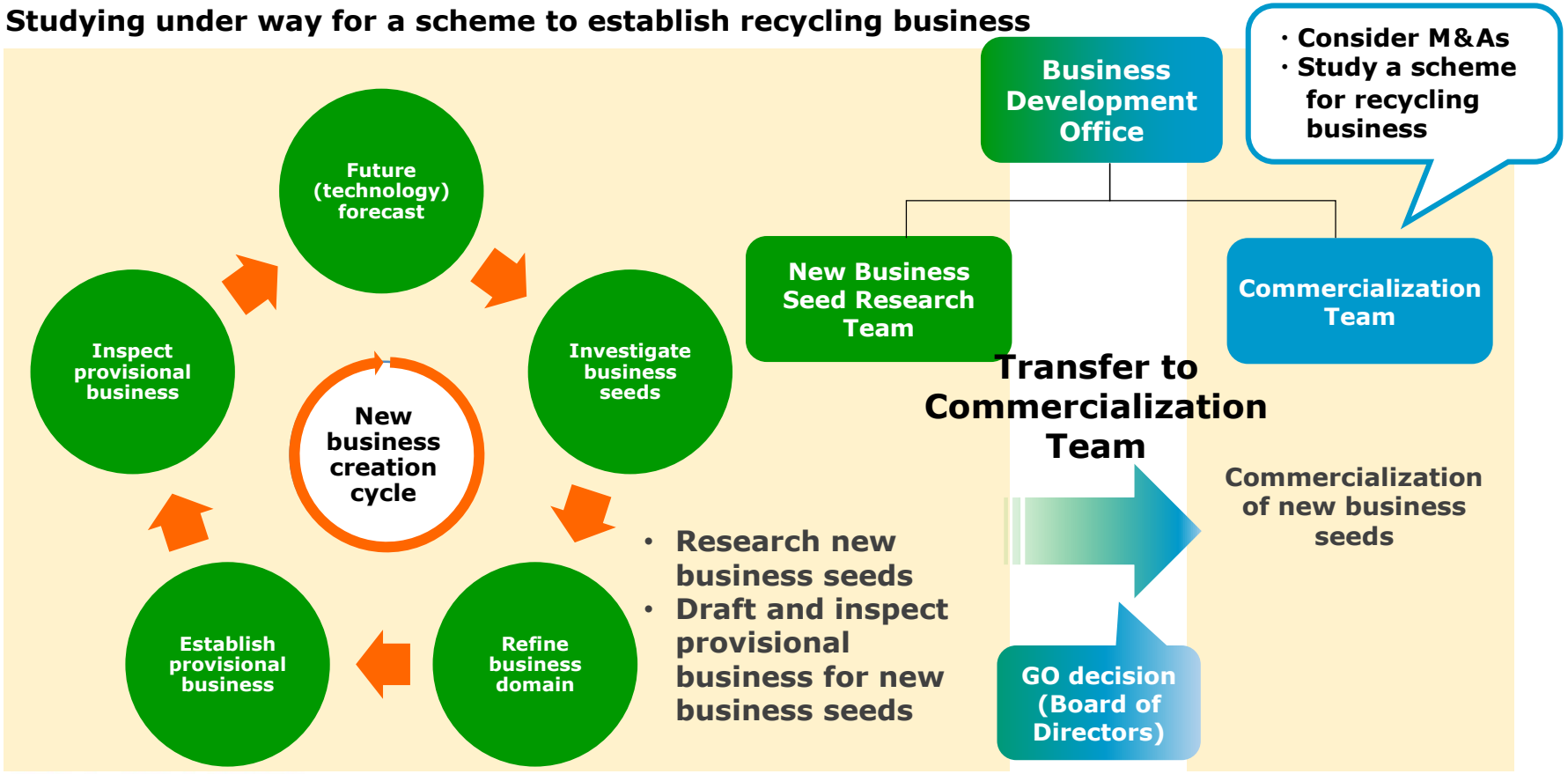
Progress of Priority Measures and Initiatives for the Third Quarter Onward (5) Development of New Business

Aim toward reaching the status of a 100-year company, establish specialized organization for new business, and accelerate the commercialization of new business seeds

- **Launched new business organization (July 2024)**
- **M&As for early launch of new businesses, engaging in business alliances are under consideration**
- **Studying under way for a scheme to establish recycling business**



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Medium-Term Management Plan 2026 - Consolidated Numerical Targets

Consolidated numerical targets in the fiscal year ending March 31, 2027

Consolidated net sales
20.0 billion yen

Operating profit
2.0 billion yen

Ordinary profit margin
10.5%
(Ordinary profit: 2.1 billion yen)

ROE
7.0%

(Million yen)	FYE2024 results	FYE2025 results forecast	FYE2026 target	FYE2027 target
Net sales	16.67 billion yen	**17.0 billion yen**	**19.0 billion yen**	**20.0 billion yen**
Operating profit	0.80 billion yen	**0.68 billion yen**	**1.50 billion yen**	**2.00 billion yen**
Ordinary profit	0.88 billion yen	**0.85 billion yen**	**1.60 billion yen**	**2.10 billion yen**
Ordinary profit margin	5.3%	**5.0%**	**8.4%**	**10.5%**
Profit	0.70 billion yen	**0.59 billion yen**	**1.15 billion yen**	**1.50 billion yen**
ROE	3.5%	**2.8%**	**5.5%**	**7.0%**

(Amounts rounded down to the nearest million yen)

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05

APPENDIX

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Fuji Die's Corporate Philosophy, Cherished Values, and Long-term Vision

Corporate Philosophy

- Contributing broadly to society and creating happiness for people
- Respect for people, and management that is human-centered

Basic Mindset (Our Cherished Values)

- Thankfulness
- Harmony
- Creation and innovation
- Integrity
- Simplicity and fortitude

Long-term Vision

1. To be the world's leading manufacturing company
2. To be a group of companies and business people with integrity

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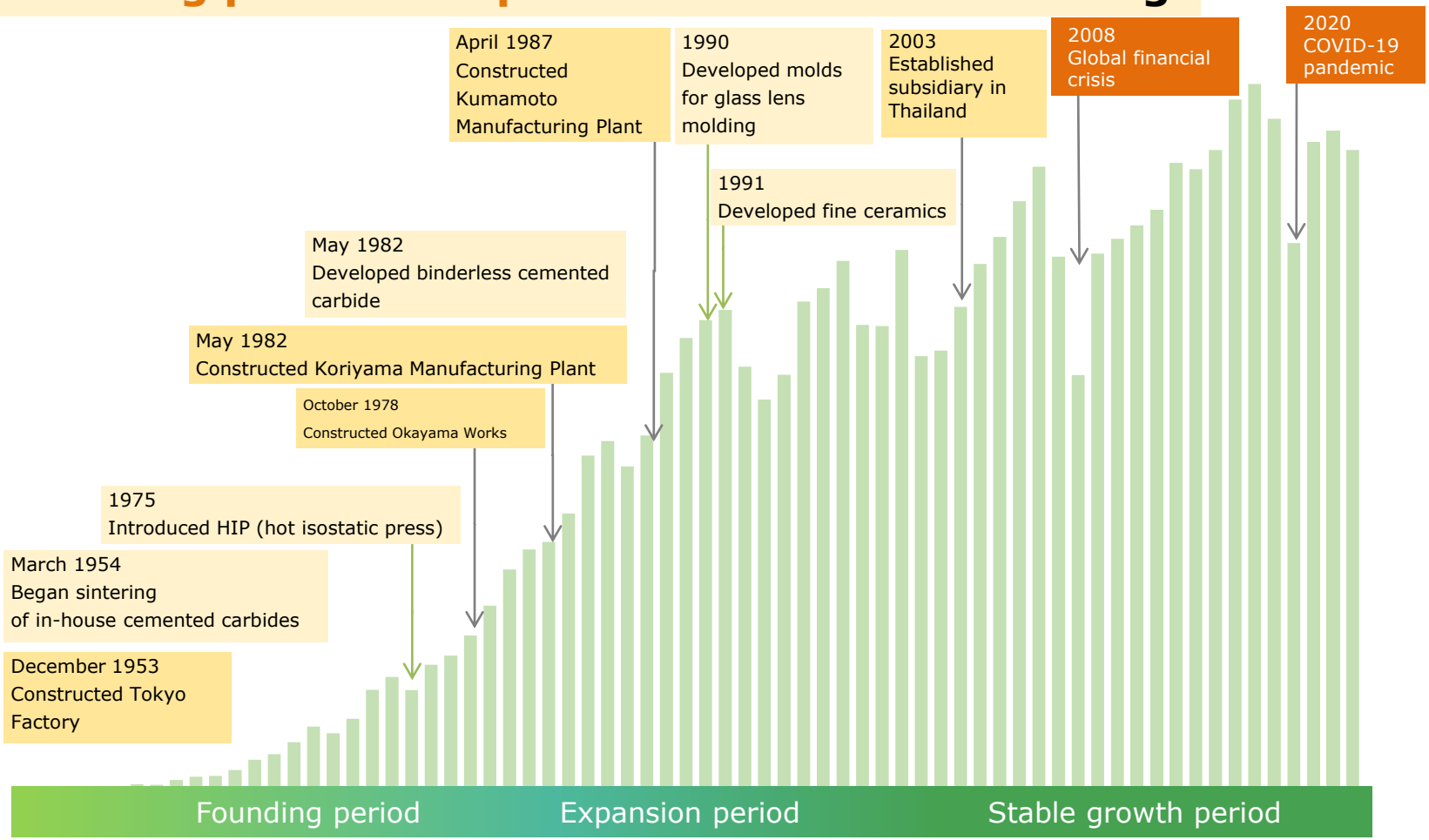
Key Milestones and Net Sales Trends

Maintaining profitable operations since our founding



(Note) Net sales for FY2012 onward are consolidated net sales

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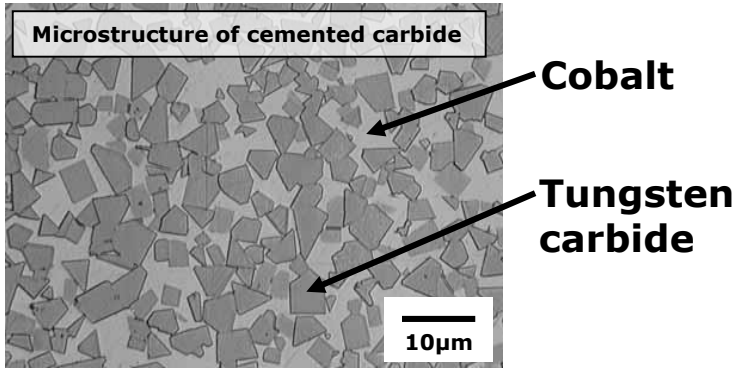
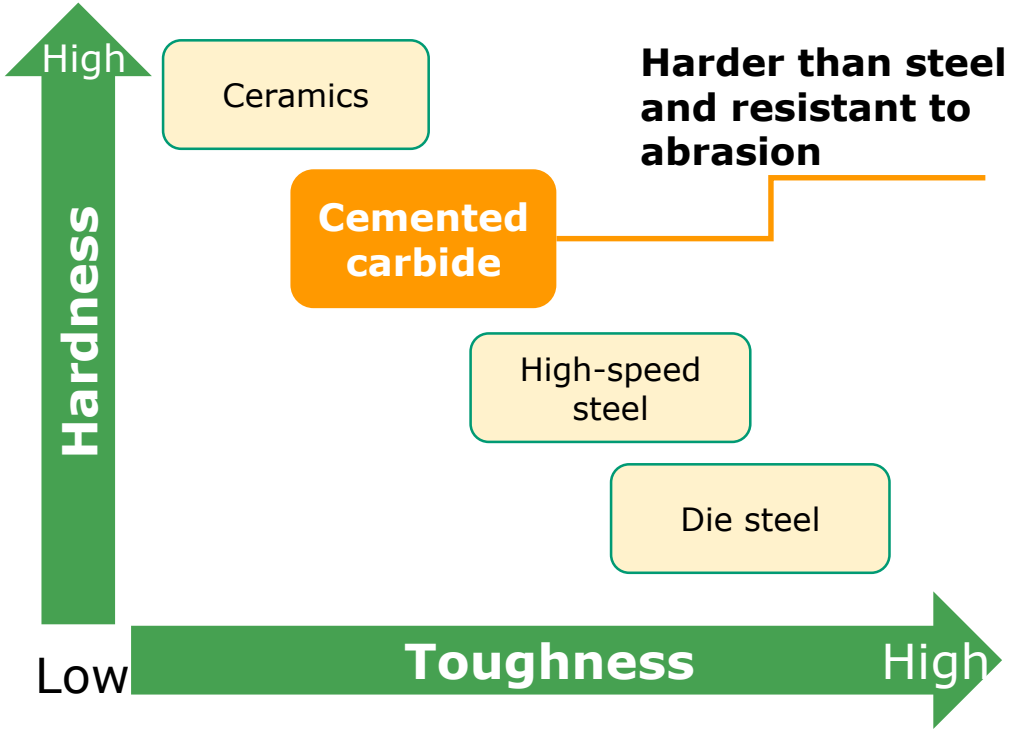
What is Cemented Carbide?

- **Metallic materials** combining **hard carbides** such as tungsten carbide and **metals** such as cobalt
- Boasts a **hardness** surpassing stainless steel and iron, and has excellent **compressive strength** and **abrasion resistance**
- **Resistant to deformation**, so suitable as a **material for molds and tools** requiring high precision
- Manufactured by the **powder metallurgy method**, whereby metal powder is placed in a mold to be compressed and formed, and then sintered for long hours at a temperature below melting point to solidify it





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Examples of Typical Products

Tools for drawing, extruding, and rolling processes

Used in transportation machinery, construction materials, infrastructure-related facilities, etc.

Our products





Dies and plugs



Rolls

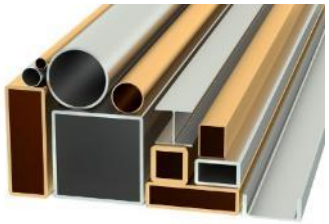
Molding components



Pipes



Wires



Deformed pipes

End product examples



Home appliances such as air condition



transportation machinery such as aircraft



infrastructure equipment such as railroad overhead lines and electric cables,

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Examples of Typical Products

Tools and dies for manufacturing beverage and food cans

Dies for making beverage cans for alcoholic beverages, soft drinks, etc.

Molds for manufacturing optical elements

Molds to produce lenses for single-lens reflex, telecommunications, and surveillance cameras

Our products



Canning tools

End product examples



Beverage and food cans

Our products



Mold parts for optical elements

End product examples



Cell-phone lenses



Camera lenses



Surveillance cameras

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Examples of Typical Products

Forging tools and molds

Molds for making parts for motorcycles, automobiles, various manufacturing machines, etc.

High-pressure tools

Tools used to manufacture artificial diamonds, develop new materials, and study the Earth's internal environment

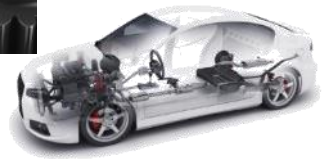
Our products



Forging tools

End product examples





Parts for automobiles and various machines

Our products

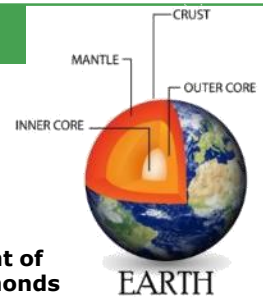


High-pressure tools

End product examples



Development of artificial diamonds and new materials



Geophysical research

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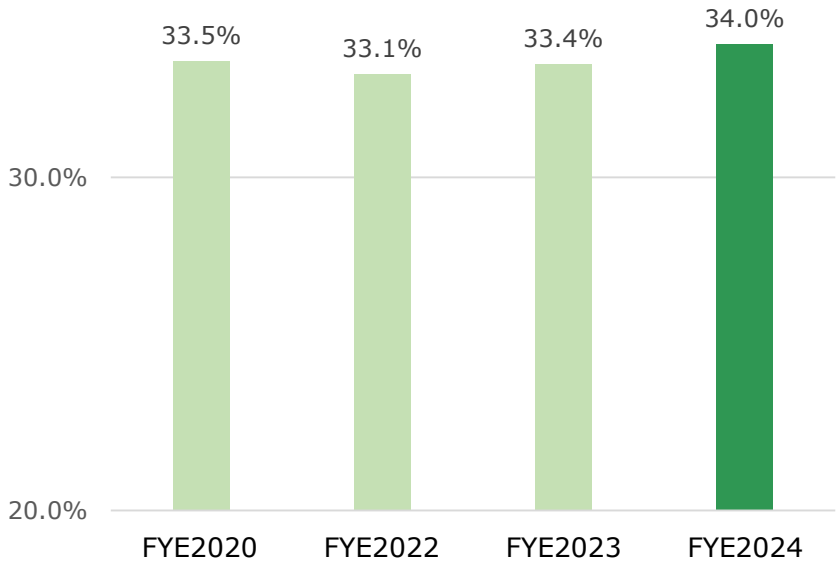
Top Manufacturer in Japan Specializing in Wear-resistant Tools

Held the top share (over 30%) in the domestic carbide wear-resistant tool industry over a long period

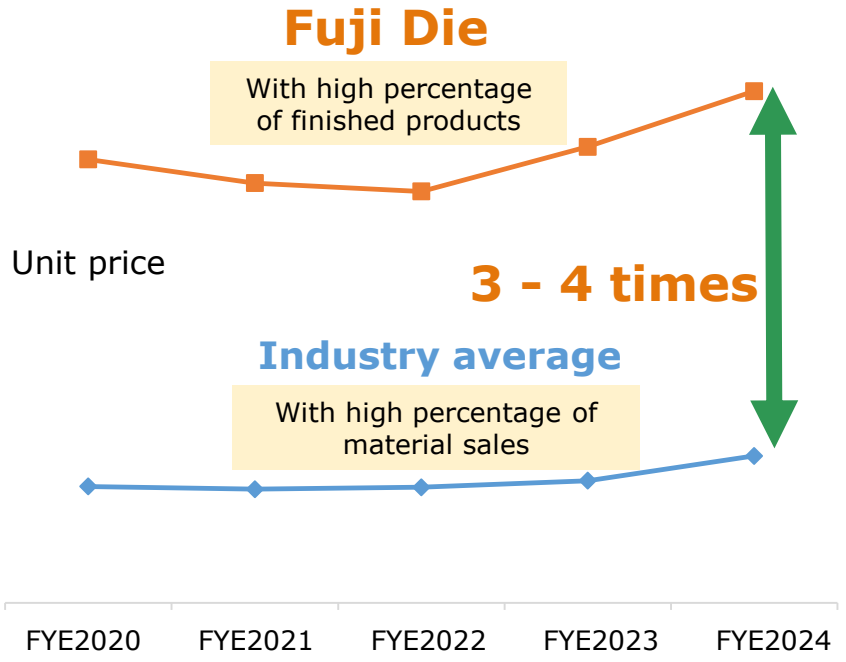
Specialize mainly in sales of high value-added products in low-volume high-mix, with stable sales prices

Share of carbide wear-resistant tools shipment in Japan



* Share for FYE 2021 was excluded due to the significant impact of COVID-19

Average unit price of product



Source: Japan Cutting & Wear-resistant Tool Association

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Tool Industry Positioning Map (Listed Companies)

Finished products
(higher added value)

Company A

Company B

Company C

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Cutting tools
(many competitors)



Wear-resistant tools
(few competitors)



Materials
(low added value)

* Plotted according to the size of the sales composition

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Industrial Production Index and Shipments of Carbide Wear-Resistant Tools

Although recovering as compared to FY2020, both indices have not yet returned to pre-COVID levels.

Industrial Production and Shipments of Carbide Wear-Resistant Tools - Index Trends



Source: "Carbide Tool Statistics," Japan Cutting & Wear-resistant Tool Association
"Indices of Industrial Production," Ministry of Economy, Trade and Industry

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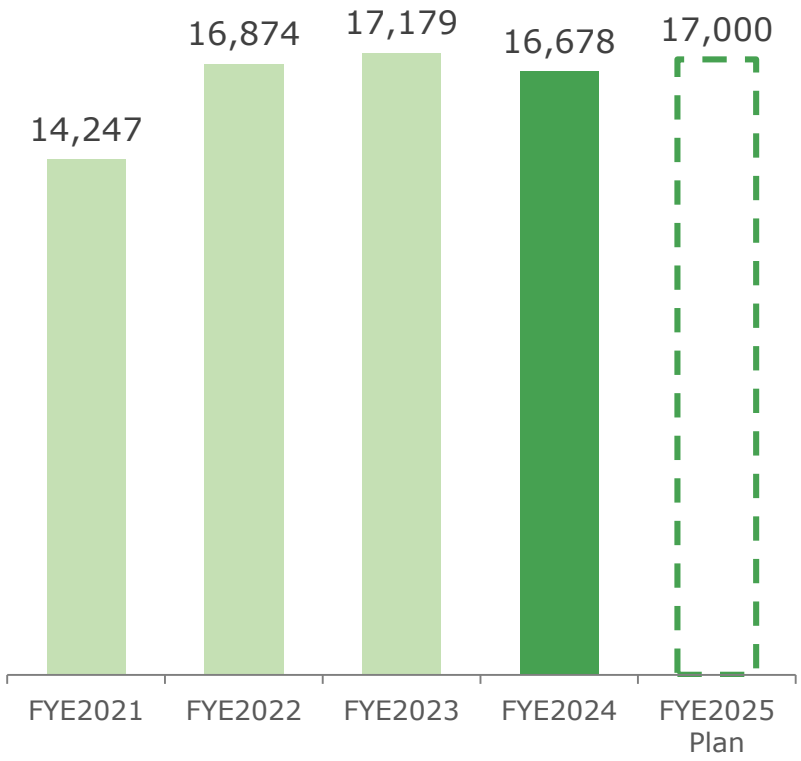
Financial Results 1/3

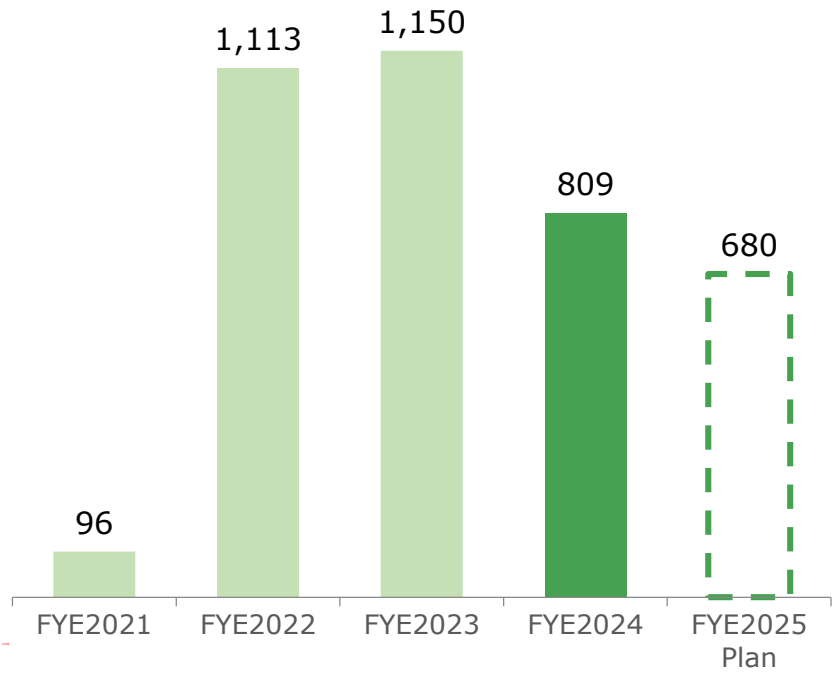
Net sales

(Million yen)



Operating profit

(Million yen)



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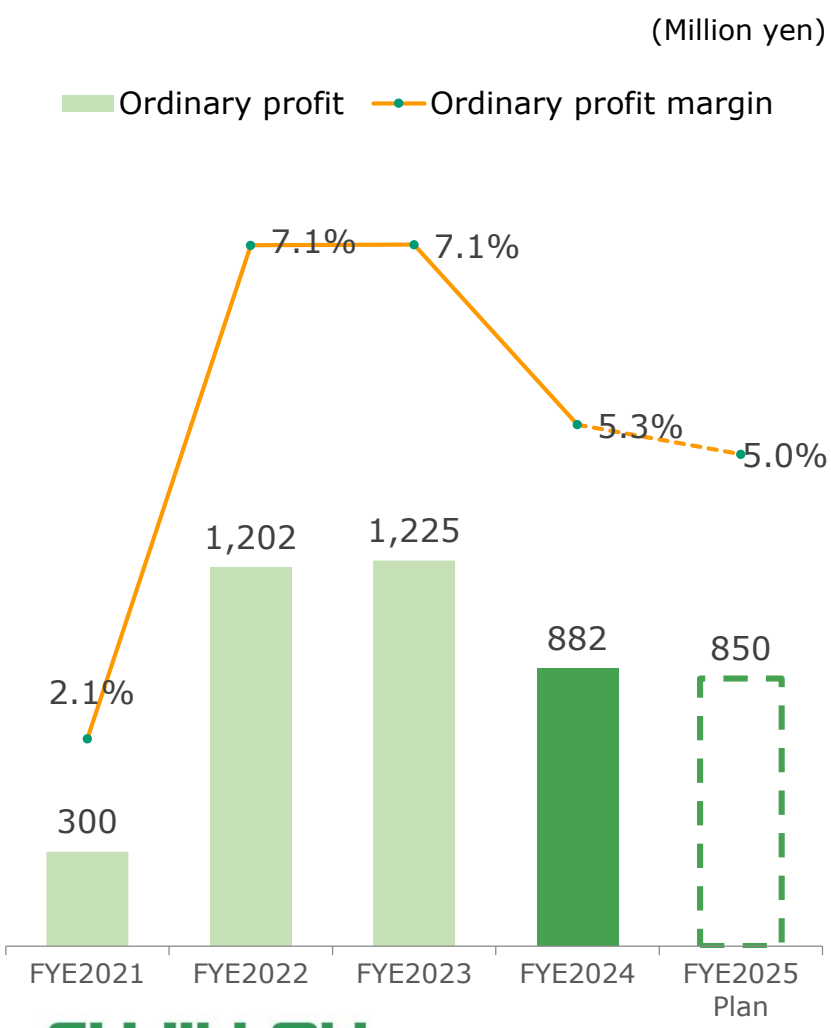
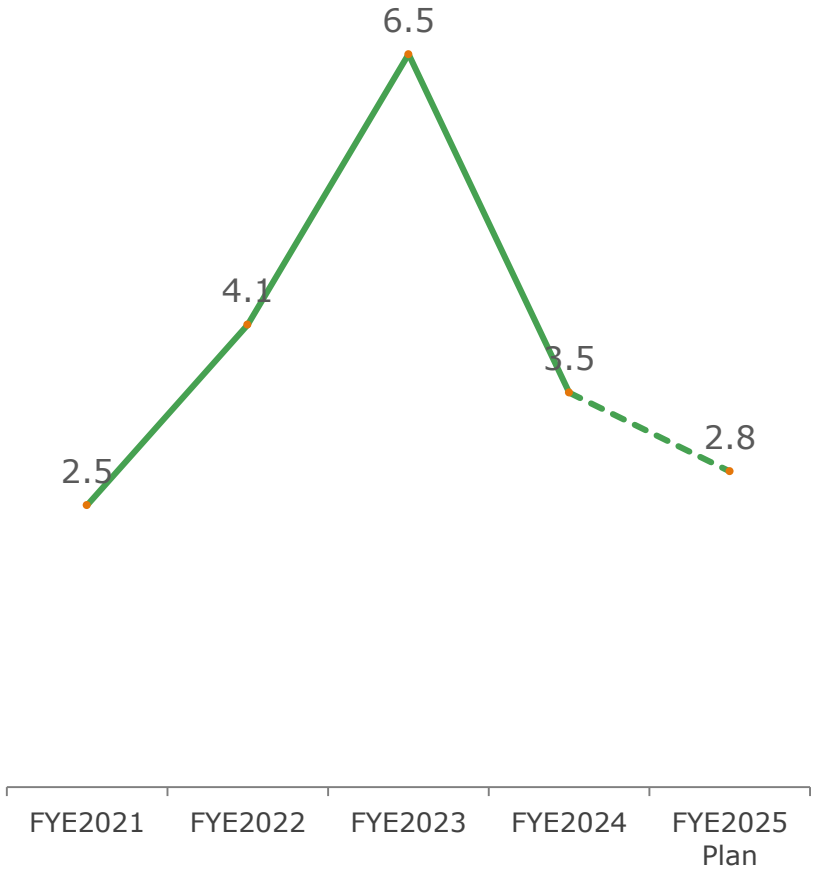
Financial Results 2/3

Ordinary profit



ROE



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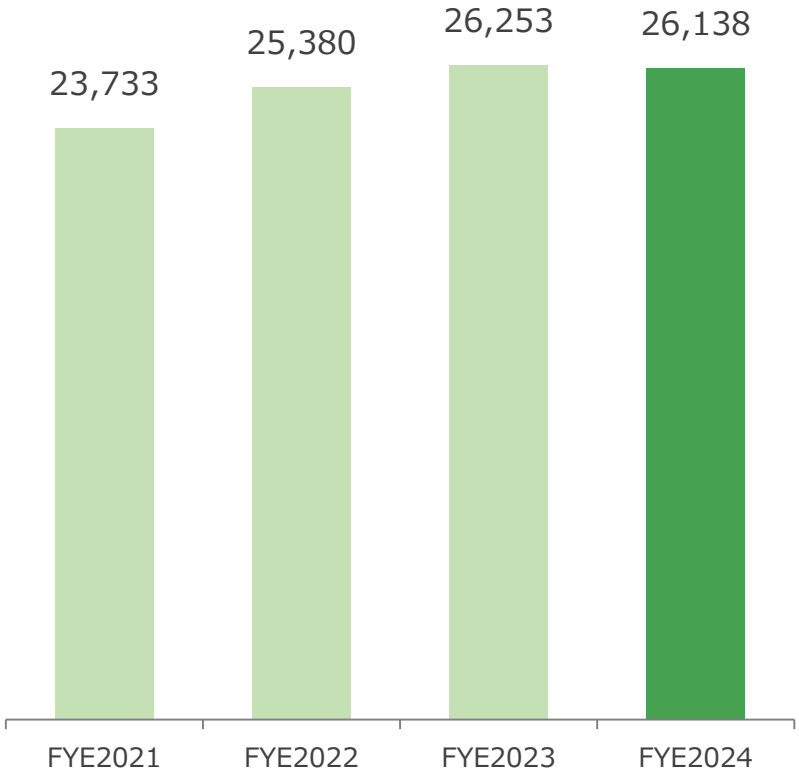
Financial Results 3/3

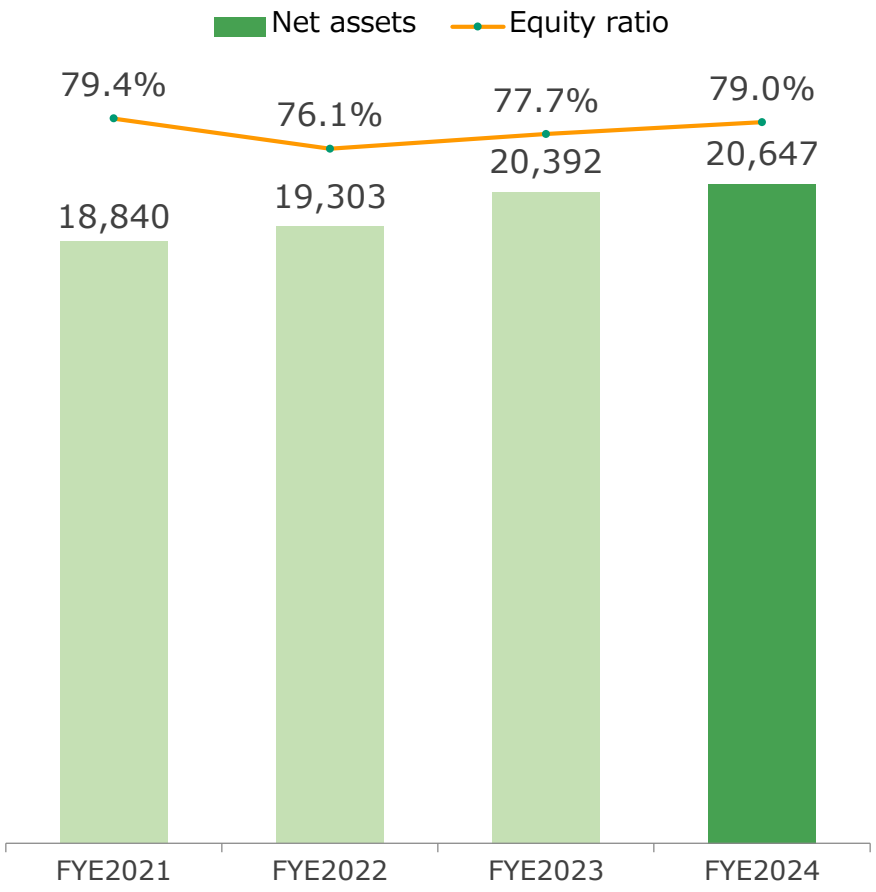
Total assets

(Million yen)



Net assets

(Million yen)



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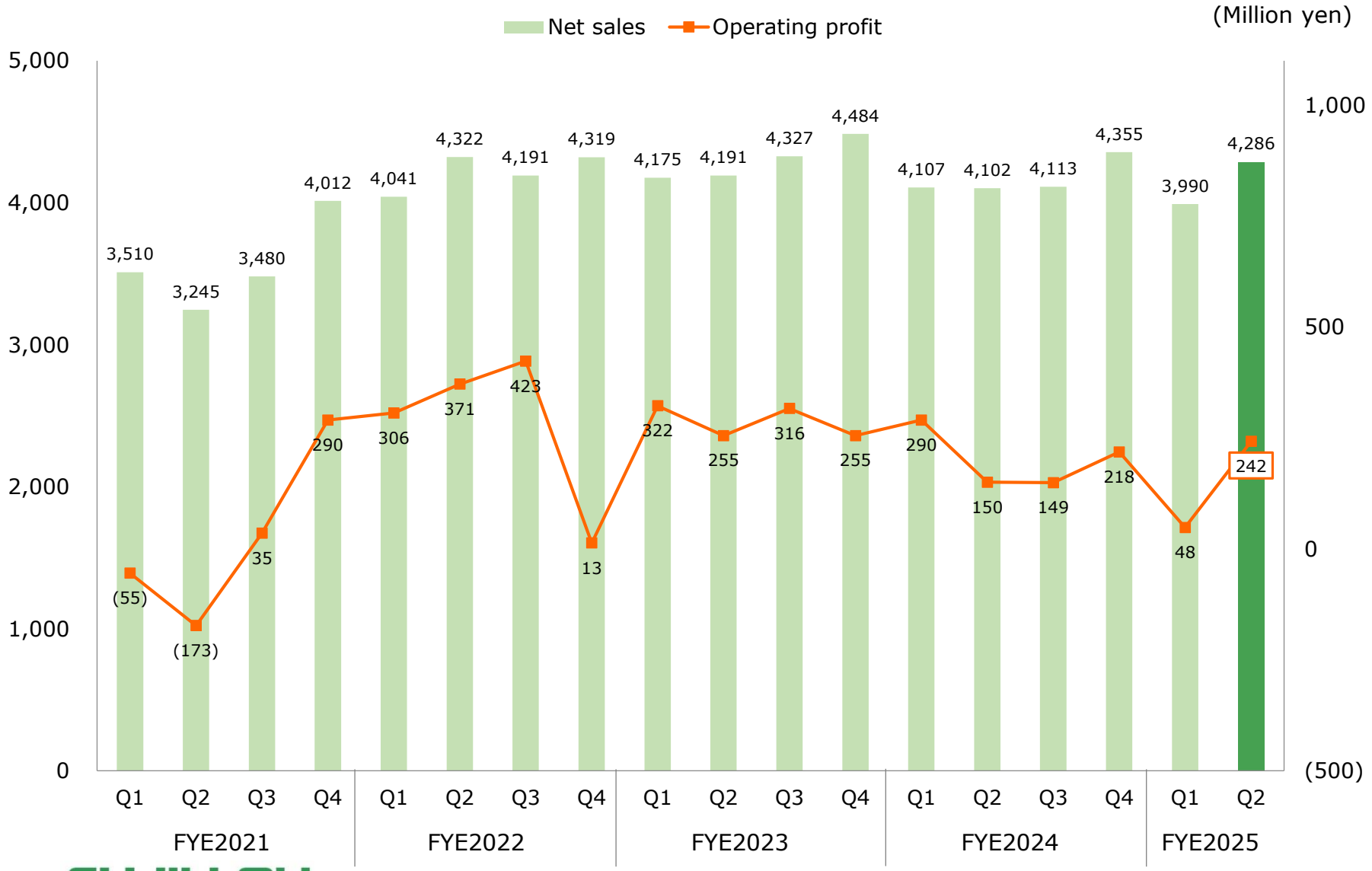
Consolidated Quarterly Financial Results



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