Presentation of Financial Results for the 3rd Quarter Ended December 31, 2024

SMC Corporation

Masahiro Ota,
Director and Executive Officer
General Manager of Finance & Accounting Division
February 14, 2025



Consolidated Statement of Income

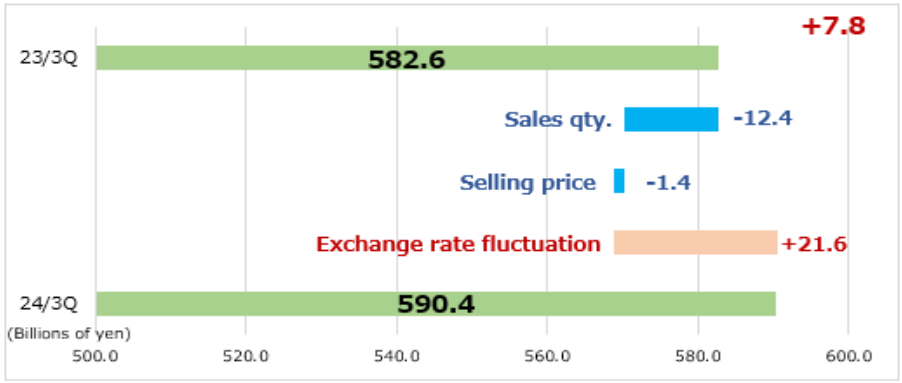
(Billions of Yen)

	FY23/3Q Result		FY24/3Q Result		YoY (23/3Q vs 24/3Q)		FY24 Forecast		FY24 2Q		FY24 3Q		QoQ (24/2Q vs 24/3Q)	
	Amount	vs net sales	Amount	vs net sales	Amount	%	Amount	Progress %	Amount	vs net sales	Amount	vs net sales	Amount	%
Net sales	582.6		590.4		7.8	1.3%	820.0	72.0%	192.2		195.3		3.1	1.6%
Cost of sales	302.5	51.9%	318.4	53.9%	15.9	5.3%	432.0	73.7%	103.4	53.8%	108.9	55.7%	5.5	5.3%
Gross profit	280.0	48.1%	272.0	46.1%	-8.0	-2.9%	388.0	70.1%	88.8	46.2%	86.4	44.3%	-2.3	-2.7%
Selling, general & administrative expenses	124.8	21.4%	129.2	21.9%	4.3	3.5%	174.0	74.3%	41.7	21.7%	43.1	22.1%	1.4	3.5%
Operating profit	155.1	26.6%	142.7	24.2%	-12.3	-8.0%	214.0	66.7%	47.1	24.5%	43.2	22.2%	-3.8	-8.2%
Ordinary profit	185.5	31.9%	166.2	28.1%	-19.3	-10.4%	238.0	69.8%	36.0	18.7%	61.9	31.7%	25.9	72.0%
Net profit	137.3	23.6%	120.3	20.4%	-16.9	-12.3%	167.0	72.1%	29.4	15.3%	42.1	21.6%	12.7	43.1%
Average exchange rate														
USD	143.32		152.60		+9.28	6.5%	149.00		149.68		152.27		+2.59	1.7%
EUR	155.31		164.88		+9.57	6.2%	162.00		164.25		162.54		-1.71	-1.0%
CNY	19.97		21.15		+1.18	5.9%	20.80		20.84		21.14		+0.30	1.4%
Depreciation	24.5		24.6		0.0	0.1%	44.0	55.9%						
R&D expenses	22.9		24.8		1.8	8.3%	35.0	71.1%						

[YoY] Factors of Change of Net Sales and Operating Profit

①Net Sales

(Billions of yen)



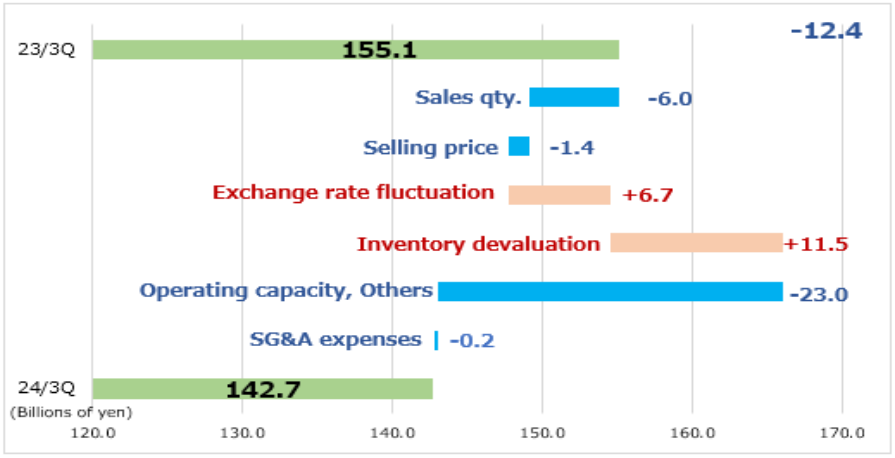
< Sales qty. > 2.1% decrease
Japan -3.5 (-3%), North America -11.2 (-12%), Europe -8.3 (-8%),
Greater China +7.5 (+5%), Other Asia +2.7 (+3%)

< Selling price > 0.3% down
Japan +0.3, Overseas -1.8

< Exchange rate fluctuation > 3.7% increase

North America (mainly USD)	+4.6
Europe (mainly EUR)	+4.2
Greater China (mainly CNY)	+8.9

②Operating Profit



< Exchange rate fluctuation >
- From transaction (Foreign currency export & import) +3.5
- From conversion (Overseas subs P&L conversion) +3.2

< Inventory devaluation >
- Increase in inventory turn-over ratio, decrease devaluation

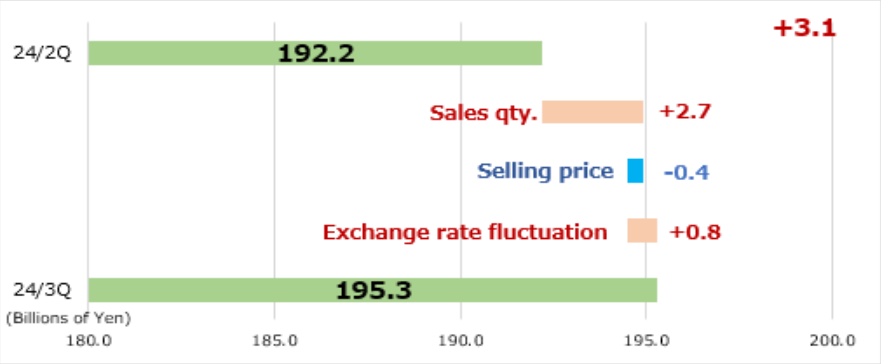
< Operating capacity >
- Operating efficiency decreased from decrease in production volume.

< SG&A expenses >
- Delivery expenses +0.9, Personnel +0.5, Communication -0.3, Advertisement -0.3, Other -1

[QoQ] Factors of Change of Net Sales and Operating Profit

①Net Sales

(Billions of yen)



< Sales qty. > 1.4% Increase

Japan +4.3 (+11%), North America -3.1 (-11%),
Europe -1.2 (-4%), Greater China +3.0 (+6%),
Other Asia +0.0 (±0%)

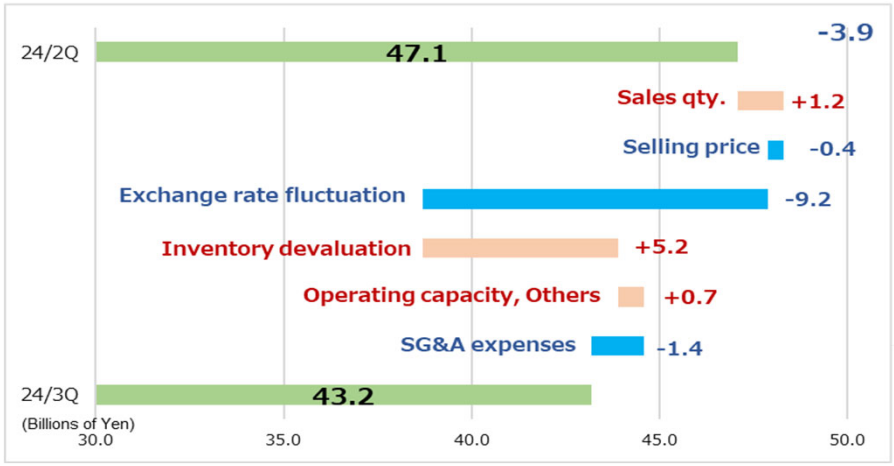
<Selling price> 0.2% down

Japan +0.7, Overseas -1.2

< Exchange rate fluctuation > 0.4% Increase

North America (mainly USD)	+0.2
Europe (mainly EUR)	-0.3
Greater China (mainly CNY)	+0.8

②Operating Profit



< Exchange rate fluctuation >

▪ From transaction (Foreign currency export & import)	-9.4
▪ From conversion (Overseas subs P&L conversion)	+0.1

<Inventory devaluation>

▪ Decrease in devaluation.

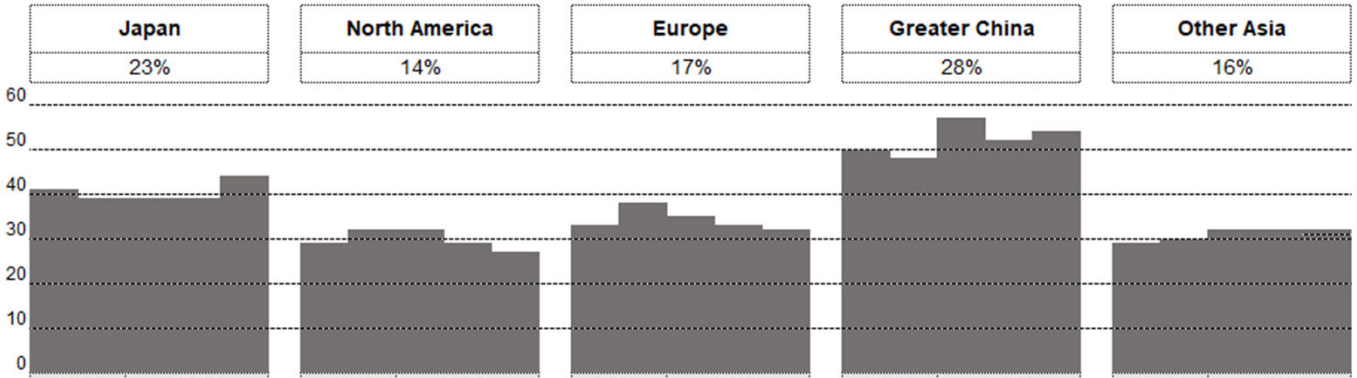
< Operating capacity >

▪ Operating efficiency increased from increase in production volume.

< SG&A expenses >

▪ Welfare -0.2, Advertisement -0.1, Traveling -0.1, Donation -0.1, R&D -0.1, Depreciation -0.1, Other-0.7

[Quarterly] Consolidated Net Sales by Location



	Japan	North America	Europe	Greater China	Other Asia
Sales Ratio	23%	14%	17%	28%	16%

	FY23		FY24			FY23		FY24			FY23		FY24			FY23		FY24			FY23		FY24		
	3Q	4Q	1Q	2Q	3Q	3Q	4Q	1Q	2Q	3Q	3Q	4Q	1Q	2Q	3Q	3Q	4Q	1Q	2Q	3Q	3Q	4Q	1Q	2Q	3Q
Net Sales (Bil. Of Yen)	41.7	39.1	39.7	39.1	44.3	29.0	32.8	32.2	29.8	27.1	33.3	38.7	35.7	33.8	32.4	50.4	48.6	57.6	52.6	54.8	29.5	30.0	32.1	31.7	31.9

	Japan		North America		Europe		Greater China		Other Asia		Consolidated	
Ratio of Sales by Industry (Cumulative)	Semiconductor	23%	Semiconductor	13%	Semiconductor	8%	Semiconductor	24%	Semiconductor	30%	Semiconductor	19%
	Electric	10%	Electric	3%	Electric	3%	Electric	22%	Electric	16%	Electric	11%
	Automobile	20%	Automobile	20%	Automobile	12%	Automobile	20%	Automobile	18%	Automobile	17%
	Machine tools	9%	Machine tools	7%	Machine tools	13%	Machine tools	11%	Machine tools	12%	Machine tools	10%
	Food	5%	Food	11%	Food	12%	Food	4%	Food	3%	Food	7%
	Medical	4%	Medical	8%	Medical	11%	Medical	5%	Medical	2%	Medical	6%
	Others	28%	Others	38%	Others	40%	Others	13%	Others	20%	Others	30%
Production Base	Soka and etc., total of 6 factories		〈USA, Indiana〉		〈Czech〉		Beijing・Tianjin		Vietnam・Singapore・India			
R&D Base	Tsukubamirai City		USA		UK・Germany		Beijing		–			
Foreign Exchange Sensitivity (1%)*	–		USD	0.67 bil. yen	EUR	0.59 bil.yen	CNY	0.99 bil.yen	KRW	0.39 bil.yen		

*Impact to operating profit from 1% exchange rate change (total impact of the above major currencies is approximately 2.9 billion yen)

Consolidated Balance Sheet

(Billions of Yen)

	FY23	FY24/3Q	Change	
Assets	2,094.5	2,124.5	30.0	1.4%
Current assets	1,307.9	1,360.1	52.1	4.0%
(①Cash and deposits)	(511.2)	(566.6)	(55.3)	(10.8%)
(Trade receivables)	(217.6)	(206.3)	(-11.3)	(-5.2%)
(②Securities)	(0.0)	(31.2)	(31.2)	(-)
(Inventories)	(519.5)	(517.4)	(-2.1)	(-0.4%)
Non-current assets	786.5	764.4	-22.1	-2.8%
(③Investment securities with fair value)	(155.0)	(132.2)	(-22.8)	(-14.8%)
(④Insurance funds)	(147.1)	(90.0)	(-57.1)	(-38.8%)
*Cashable Financial Assets ①+②+③+④	813.5	820.1	6.5	0.8%
Liabilities	208.6	178.6	-30.0	-14.4%
Current liabilities	164.6	136.8	-27.7	-16.8%
(Trade payables)	(58.8)	(52.9)	(-5.8)	(-9.9%)
Non-current liabilities	44.0	41.7	-2.3	-5.2%
Net assets	1,885.8	1,945.8	60.0	3.2%
Equity ratio	89.8%	91.6%	+1.8	
Net assets per share (yen)	29,338	30,512	+1,174	
ROE	10.0%	6.3%	(*The annualized rate 8.4%)	

(Billions of Yen)

	FY23	FY24/3Q	Change
Total inventory	519.5	517.4	-2.1
Merchandise and finished goods	197.3	187.9	-9.3
Work in process	37.2	34.4	-2.7
Raw materials, parts and supplies	285.0	295.0	9.9
Impact due to exchange rate fluctuation			6.1
Impact due to inventory devaluation			-6.7
Actual change			**-1.5**
FY average monthly sales ratio	8.0	7.9	-0.1
Closing month sales ratio	7.9	8.4	0.5
Closing exchange rate			
USD	151.40	158.18	6.78
EUR	163.28	164.84	1.56
CNY	20.84	21.66	0.82

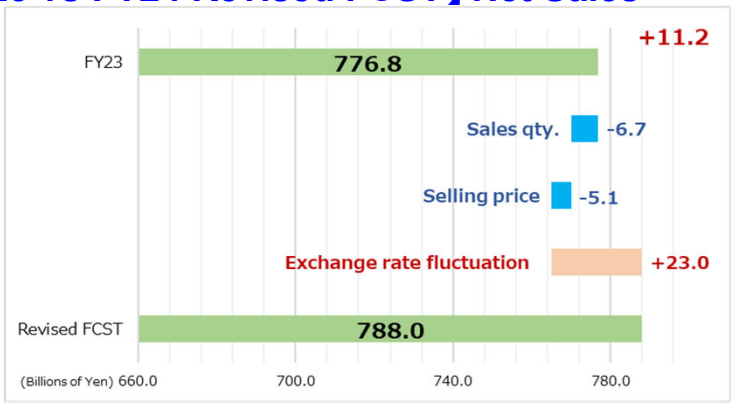
Revision of Forecast

(Billions of Yen)

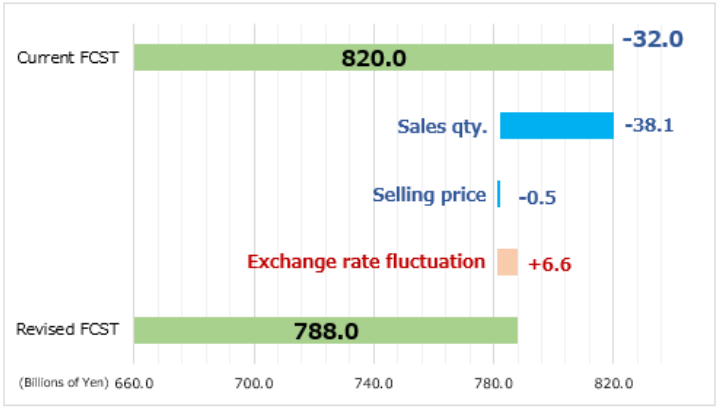
	FY23 Result		FY24 Current Forecast		FY24 Revised Forecast		YoY (FY23 vs Revised FCST)		FCST vs FCST (Current FCST vs Revised FCST)	
	Amount	vs net sales	Amount	vs net sales	Amount	vs net sales	Amount	%	Amount	%
Net Sales	776.8		820.0		788.0		11.1	1.4%	-32.0	-3.9%
Cost of sales	413.7	53.3%	432.0	52.7%	425.0	53.9%	11.2	2.7%	-7.0	-1.6%
Gross profit	363.0	46.7%	388.0	47.3%	363.0	46.1%	0.0	0.0%	-25.0	-6.4%
Selling, general & administrative expenses	166.8	21.5%	174.0	21.2%	172.0	21.8%	5.1	3.1%	-2.0	-1.1%
Operating profit	196.2	25.3%	214.0	26.1%	191.0	24.2%	-5.2	-2.7%	-23.0	-10.7%
Ordinary profit	251.0	32.3%	238.0	29.0%	215.0	27.3%	-36.0	-14.3%	-23.0	-9.7%
Net profit	178.3	23.0%	167.0	20.4%	151.0	19.2%	-27.3	-15.3%	-16.0	-9.6%
Average exchange rate										
USD	144.58		149.00		152.00		+7.42	5.1%	+3.00	2.0%
EUR	156.74		162.00		162.00		+5.26	3.4%	+0.00	0.0%
CNY	20.13		20.80		21.10		+0.97	4.8%	+0.30	1.4%
Capital expenditure	105.5		120.0		100.0		-5.5	-5.2%	-20.0	-16.7%
Depreciation	33.3		44.0		35.0		1.6	4.9%	-9.0	-20.5%
R&D expenses	31.1		35.0		35.0		3.8	12.4%	0.0	0.0%
Dividend per share (JPY)	950		1,000		1,000		50		0	

Factors of Change of Net Sales and Operating Profit for Revised FCST

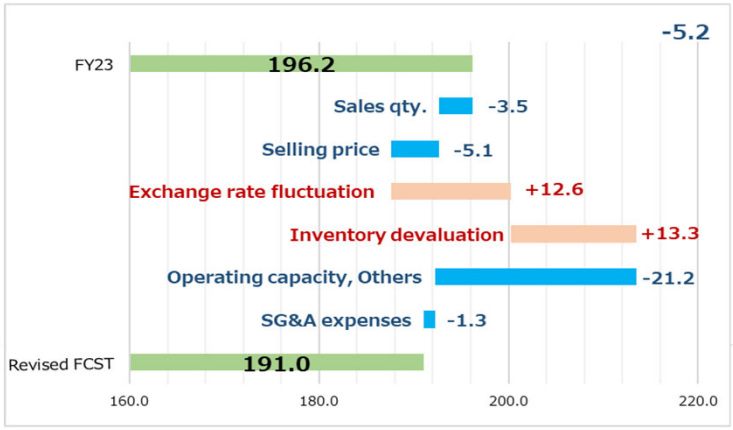
【FY23 vs FY24 Revised FCST】Net Sales



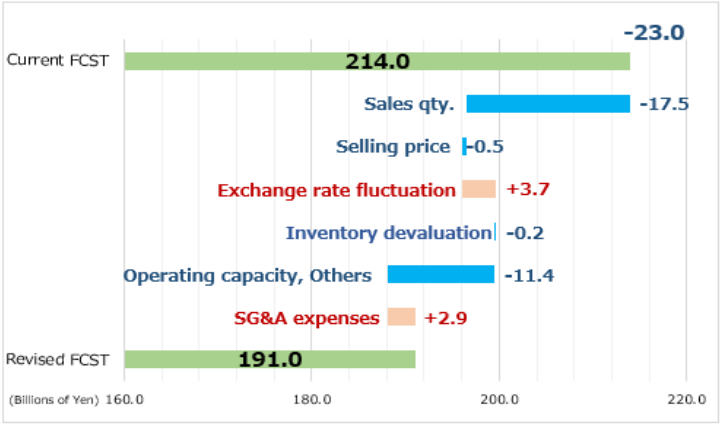
【Current vs Revised FCST】Net Sales



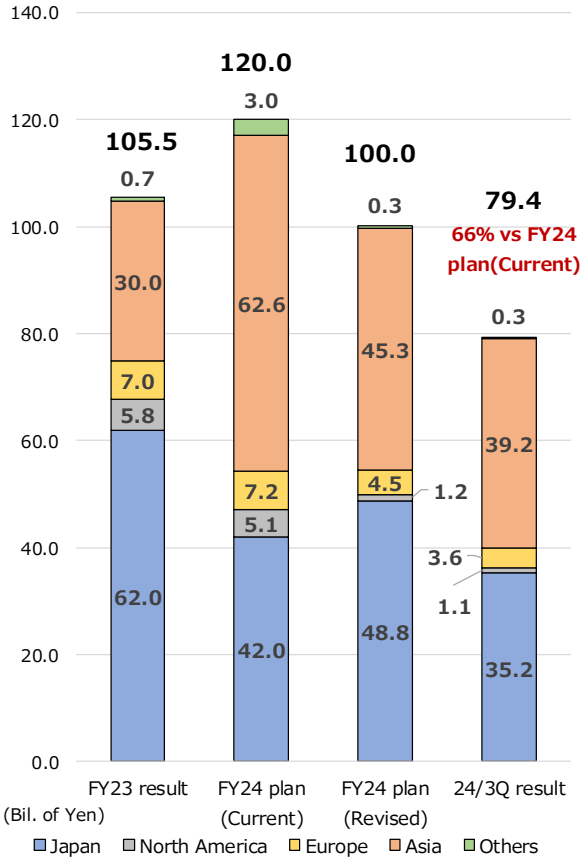
【FY23 vs FY24 Revised FCST】Operating Profit



【Current vs Revised FCST】Operating Profit



Capital Expenditure



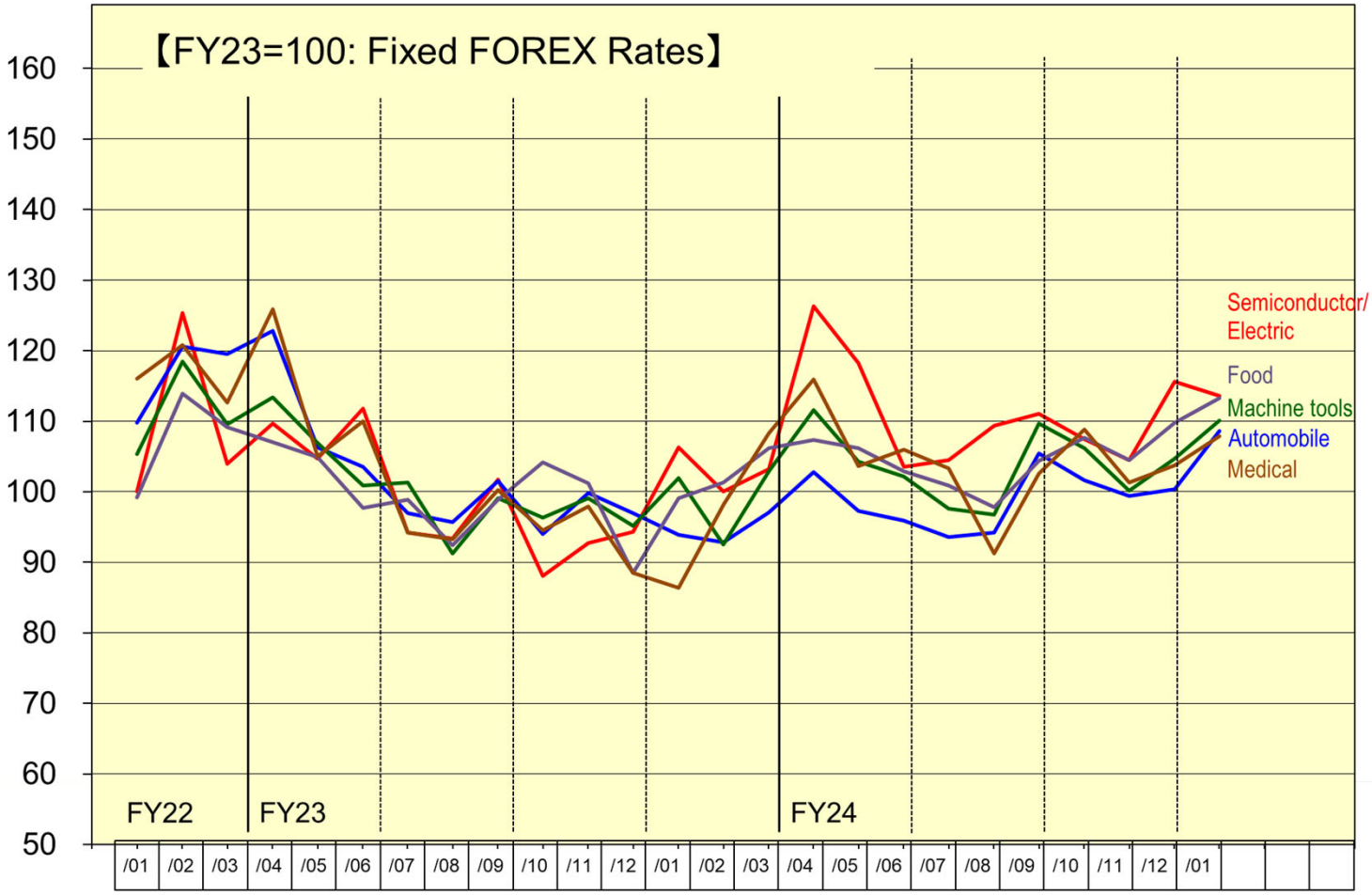
(Billions of Yen)

Function	Place	Item	FY24 Plan Current	FY24 Plan Revised	24/3Q Result
PRD	Japan	Tono Fac. Shimotsuma Fac. Kamaishi Fac. Others	30.9	35.5	22.8
	Overseas	Vietnam Mfg SMC Korea China Mfg(s) SMC Czech Others	57.1	41.2	36.2
Admin. R&D Sales Logistics	Japan	New HQ building New Technical Center East&West Logistics Others	11.1	12.5	12.5
	Overseas	SMC China (Sales) China R&D SMC Taiwan SMC Australia SMC Malaysia Others	20.9	10.8	7.9
Total			120.0	100.0	79.4

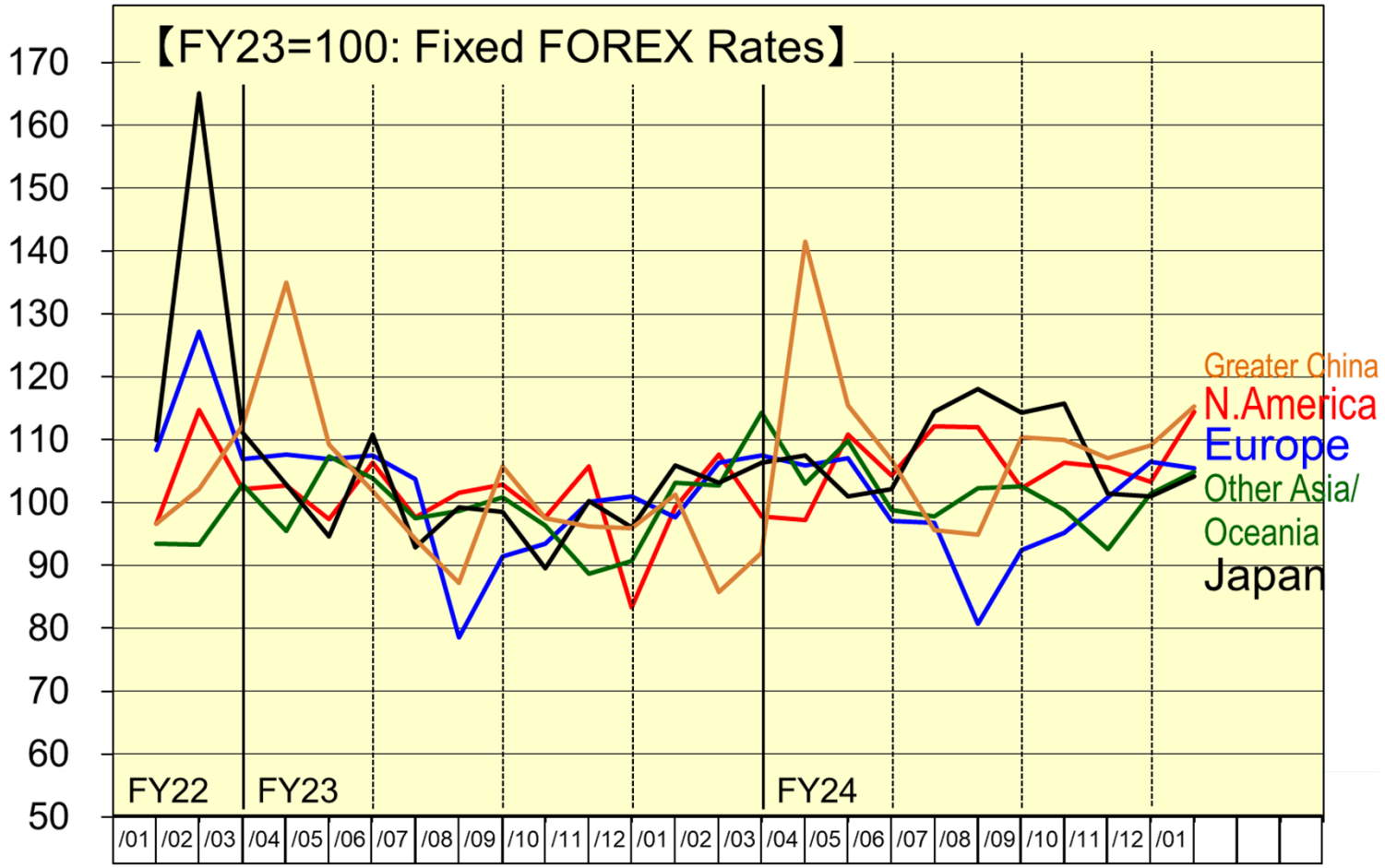
Current Order Situation (FY23=100)

		FY24	'24/2Q	'24/3Q	'25/01	25/01 Situation
Consolidated	Semiconductor/Electric	112	108	109	114	[Increase] Greater China, Other Asia [Decrease] Japan
	Automobile	100	98	101	109	[Increase] North America, Greater China [Stable] Japan
	Machine tools	104	101	104	110	[Increase] All Regions
	Food	106	101	107	113	[Increase] North America, Europe
	Medical	104	99	105	108	[Increase] Europe, Greater China
	Other	105	101	103	112	
Japan		108	116	107	104	[Decrease] Semiconductor [Slow recovery] Other industries
North America		107	109	105	114	[Stable] Semiconductor [Increase] Automobile, Food
Europe		99	90	101	105	[Increase] Machine tools, Food
Greater China		111	100	109	115	[Increase] Semiconductor, Automobile, Machine tools
Other Asia/ Oceania		101	101	98	105	[Increase] Semiconductor
Consolidated		106	103	104	110	

Consolidated Orders Trend By Industry



Consolidated Orders Trend By Region



This document contains projections concerning future performance estimates of SMC. These statements are information available at the time of the compiling of this report and may include potential risks and unforeseen factors. Accordingly, please be aware that actual results may change considerably according to multiple factors that influences the industrial market.

Thank you for your time and attention

