

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

February 10, 2025

## Summary of Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (Based on Japanese GAAP)



Company name: Nippon Carbon Co., Ltd.

Stock exchange listing: Tokyo

Stock code: 5302

URL: <https://www.carbon.co.jp>

Representative: Representative Director, CEO Takafumi Miyashita

Inquiries: General Manager of Business Control Div. Hiroshi Fujikawa

TEL: +81-3-6891-3730

Scheduled date of annual general meeting of shareholders: March 28, 2025

Scheduled date to commence dividend payments: March 31, 2025

Scheduled date to file annual securities report: March 28, 2025

Preparation of supplementary material on financial results: No

Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	37,956	0.2	6,319	(3.9)	6,692	(5.9)	4,078	0.7
December 31, 2023	37,867	5.8	6,573	37.2	7,115	41.1	4,050	26.8

Note: Comprehensive income For the fiscal year ended December 31, 2024: ¥5,480 million [(20.1)%]  
For the fiscal year ended December 31, 2023: ¥6,854 million [107.1%]

	Earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
December 31, 2024	369.03	—	8.0	8.3	16.6
December 31, 2023	366.75	—	8.5	9.3	17.4

Reference: Share of profit (loss) of entities accounted for using equity method  
For the fiscal year ended December 31, 2024: ¥166 million  
For the fiscal year ended December 31, 2023: ¥146 million

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2024	82,348	60,819	63.2	4,704.60
December 31, 2023	78,466	57,681	63.0	4,478.09

Reference: Equity  
As of December 31, 2024: ¥52,014 million  
As of December 31, 2023: ¥49,455 million

### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2024	5,234	(5,546)	(1,985)	12,154
December 31, 2023	3,189	(4,426)	(2,614)	14,382

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended December 31, 2023	—	100.00	—	100.00	200.00	2,208	54.5	4.6
Fiscal year ended December 31, 2024	—	100.00	—	100.00	200.00	2,211	54.2	4.4
Fiscal year ending December 31, 2025 (Forecast)	—	100.00	—	100.00	200.00		53.9	

### 3. Consolidated financial result forecasts for the fiscal year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	20,000	6.4	3,000	(11.6)	3,000	(20.5)	1,800	(21.5)	162.81
Full year	40,000	5.4	6,500	2.9	6,800	1.6	4,100	0.5	370.91

**\* Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
  - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None
- (3) Number of issued shares (common shares)
  - (i) Total number of issued shares at the end of the period (including treasury shares)
 

As of December 31, 2024	11,832,504 shares
As of December 31, 2023	11,832,504 shares
  - (ii) Number of treasury shares at the end of the period
 

As of December 31, 2024	776,336 shares
As of December 31, 2023	788,617 shares
  - (iii) Average number of shares outstanding during the period
 

Fiscal year ended December 31, 2024	11,052,422 shares
Fiscal year ended December 31, 2023	11,044,237 shares

**[Reference] Overview of non-consolidated financial results**

**1. Non-consolidated financial results for the fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)**

**Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	23,384	(0.9)	3,285	(14.2)	4,101	(12.9)	3,083	(5.2)
December 31, 2023	23,592	7.3	3,831	32.6	4,708	40.9	3,253	29.4

	Earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
December 31, 2024	278.97	—
December 31, 2023	294.62	—

**(1) Non-consolidated financial position**

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2024	57,819	44,349	76.7	4,011.27
December 31, 2023	55,829	42,924	76.9	3,886.70

Reference: Equity

As of December 31, 2024:	¥44,349 million
As of December 31, 2023:	¥42,924 million

## (1) Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2023	As of December 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	14,527	12,299
Notes and accounts receivable - trade, and contract assets	11,703	11,277
Electronically recorded monetary claims - operating	1,878	1,927
Merchandise and finished goods	10,760	11,301
Work in process	4,555	4,543
Raw materials and supplies	3,545	3,991
Income taxes refund receivable	—	27
Other	459	964
Allowance for doubtful accounts	(12)	(12)
Total current assets	47,416	46,319
Non-current assets		
Property, plant and equipment		
Buildings and structures	17,608	19,096
Accumulated depreciation and impairment	(11,146)	(11,586)
Buildings and structures, net	6,462	7,509
Machinery and equipment	49,318	51,150
Accumulated depreciation and impairment	(41,059)	(42,339)
Machinery and equipment, net	8,259	8,811
Vehicles, tools, furniture and fixtures	3,803	4,230
Accumulated depreciation and impairment	(3,225)	(3,446)
Vehicles, tools, furniture and fixtures, net	578	784
Land	3,565	3,575
Construction in progress	732	2,183
Total property, plant and equipment	19,599	22,863
Intangible assets	215	182
Investments and other assets		
Investment securities	8,667	10,431
Deferred tax assets	514	599
Other	2,057	1,953
Allowance for doubtful accounts	(3)	(2)
Total investments and other assets	11,235	12,982
Total non-current assets	31,049	36,029
<b>Total assets</b>	<b>78,466</b>	<b>82,348</b>

(Millions of yen)

	As of December 31, 2023	As of December 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	4,091	3,435
Electronically recorded obligations - operating	835	653
Short-term borrowings	8,576	9,016
Accrued expenses	635	504
Income taxes payable	1,410	1,165
Advances received	454	270
Provision for bonuses	236	237
Provision for bonuses for directors (and other officers)	72	64
Other	1,609	3,191
Total current liabilities	17,923	18,538
Non-current liabilities		
Long-term borrowings	278	196
Deferred tax liabilities	1,254	1,570
Retirement benefit liability	766	698
Provision for retirement benefits for directors (and other officers)	32	36
Provision for share awards for directors (and other officers)	104	60
Provision for environmental measures	0	0
Asset retirement obligations	62	62
Other	361	365
Total non-current liabilities	2,861	2,990
Total liabilities	20,784	21,529
<b>Net assets</b>		
Shareholders' equity		
Share capital	7,402	7,402
Capital surplus	7,858	7,858
Retained earnings	32,586	34,454
Treasury shares	(2,012)	(1,969)
Total shareholders' equity	45,835	47,745
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,421	3,921
Deferred gains or losses on hedges	(1)	—
Foreign currency translation adjustment	258	336
Remeasurements of defined benefit plans	(57)	11
Total accumulated other comprehensive income	3,620	4,268
Non-controlling interests	8,226	8,804
Total net assets	57,681	60,819
<b>Total liabilities and net assets</b>	<b>78,466</b>	<b>82,348</b>

(2) Consolidated Statements of Income and Comprehensive Income  
Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Net sales	37,867	37,956
Cost of sales	26,016	26,471
Gross profit	11,850	11,485
Selling, general and administrative expenses	5,276	5,165
Operating profit	6,573	6,319
Non-operating income		
Interest income	3	11
Dividend income	176	256
Foreign exchange gains	227	149
Share of profit of entities accounted for using equity method	146	166
Insurance claim income	185	—
Other	140	182
Total non-operating income	879	766
Non-operating expenses		
Interest expenses	44	62
Loss on retirement of non-current assets	87	117
Depreciation of inactive non-current assets	146	146
Other	59	66
Total non-operating expenses	337	393
Ordinary profit	7,115	6,692
Extraordinary income		
Gain on sale of property, plant and equipment	—	196
Gain on sale of investment securities	22	6
Total extraordinary income	22	203
Extraordinary losses		
Loss on fire	158	—
Total extraordinary losses	158	—
Profit before income taxes	6,979	6,895
Income taxes - current	2,197	2,104
Income taxes - deferred	34	(10)
Total income taxes	2,232	2,093
Profit	4,747	4,801
Profit attributable to non-controlling interests	696	723
Profit attributable to owners of parent	4,050	4,078

# Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Profit	4,747	4,801
Other comprehensive income		
Valuation difference on available-for-sale securities	1,930	493
Deferred gains or losses on hedges	(1)	1
Foreign currency translation adjustment	141	119
Remeasurements of defined benefit plans, net of tax	36	64
Total other comprehensive income	2,107	678
Comprehensive income	6,854	5,480
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,101	4,723
Comprehensive income attributable to non-controlling interests	753	756

### (3) Consolidated Statements of Changes in Equity

Fiscal year ended December 31, 2023 (from January 1, 2023 to December 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,402	7,858	30,744	(2,012)	43,992
Changes during period					
Dividends of surplus			(2,208)		(2,208)
Profit attributable to owners of parent			4,050		4,050
Purchase of treasury shares				(3)	(3)
Disposal of treasury shares				4	4
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	1,841	0	1,842
Balance at end of period	7,402	7,858	32,586	(2,012)	45,835

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,493	—	170	(93)	1,570	7,647	53,210
Changes during period							
Dividends of surplus					—		(2,208)
Profit attributable to owners of parent					—		4,050
Purchase of treasury shares					—		(3)
Disposal of treasury shares					—		4
Net changes in items other than shareholders' equity	1,927	(1)	87	36	2,050	579	2,629
Total changes during period	1,927	(1)	87	36	2,050	579	4,471
Balance at end of period	3,421	(1)	258	(57)	3,620	8,226	57,681



Fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,402	7,858	32,586	(2,012)	45,835
Changes during period					
Dividends of surplus			(2,210)		(2,210)
Profit attributable to owners of parent			4,078		4,078
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares				44	44
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	1,868	42	1,910
Balance at end of period	7,402	7,858	34,454	(1,969)	47,745

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	3,421	(1)	258	(57)	3,620	8,226	57,681
Changes during period							
Dividends of surplus					—		(2,210)
Profit attributable to owners of parent					—		4,078
Purchase of treasury shares					—		(2)
Disposal of treasury shares					—		44
Net changes in items other than shareholders' equity	500	1	78	68	648	577	1,226
Total changes during period	500	1	78	68	648	577	3,137
Balance at end of period	3,921	—	336	11	4,268	8,804	60,819

#### (4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Cash flows from operating activities		
Profit before income taxes	6,979	6,895
Depreciation	2,666	2,986
Increase (decrease) in retirement benefit liability	35	24
Increase (decrease) in provision for retirement benefits for directors (and other officers)	13	4
Interest and dividend income	(180)	(267)
Insurance claim income	(185)	—
Interest expenses	44	62
Share of loss (profit) of entities accounted for using equity method	(146)	(166)
Gain on sale of non-current assets	—	(196)
Loss (gain) on sale of investment securities	(22)	(6)
Loss on fire	158	—
Loss on retirement of non-current assets	87	117
Decrease (increase) in trade receivables, and contract assets	(1,578)	428
Decrease (increase) in inventories	(2,243)	(891)
Increase (decrease) in trade payables	(499)	(843)
Increase (decrease) in accrued expenses	(103)	(130)
Increase (decrease) in advances received	(346)	(184)
Decrease (increase) in accounts receivable - other	357	(351)
Other, net	(125)	(765)
Subtotal	4,910	6,715
Interest and dividends received	221	343
Interest paid	(45)	(64)
Income taxes refund	24	—
Income taxes paid	(2,119)	(2,321)
Proceeds from insurance income	197	562
Net cash provided by (used in) operating activities	3,189	5,234
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,056)	(4,667)
Proceeds from sale of property, plant and equipment	—	196
Purchase of intangible assets	(55)	(53)
Purchase of investment securities	(1,343)	(1,032)
Proceeds from sale of investment securities	28	9
Net cash provided by (used in) investing activities	(4,426)	(5,546)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	800	430
Proceeds from long-term borrowings	300	100
Repayments of long-term borrowings	(1,337)	(171)
Net decrease (increase) in treasury shares	0	42
Dividends paid	(2,203)	(2,206)
Dividends paid to non-controlling interests	(174)	(178)
Net cash provided by (used in) financing activities	(2,614)	(1,985)
Effect of exchange rate change on cash and cash equivalents	57	68
Net increase (decrease) in cash and cash equivalents	(3,794)	(2,228)
Cash and cash equivalents at beginning of period	18,177	14,382
Cash and cash equivalents at end of period	14,382	12,154