

Financial Results Explanatory Material for FY2025 (FY ended March 31, 2026)

May 2026

Nippon Chemi-Con Corporation

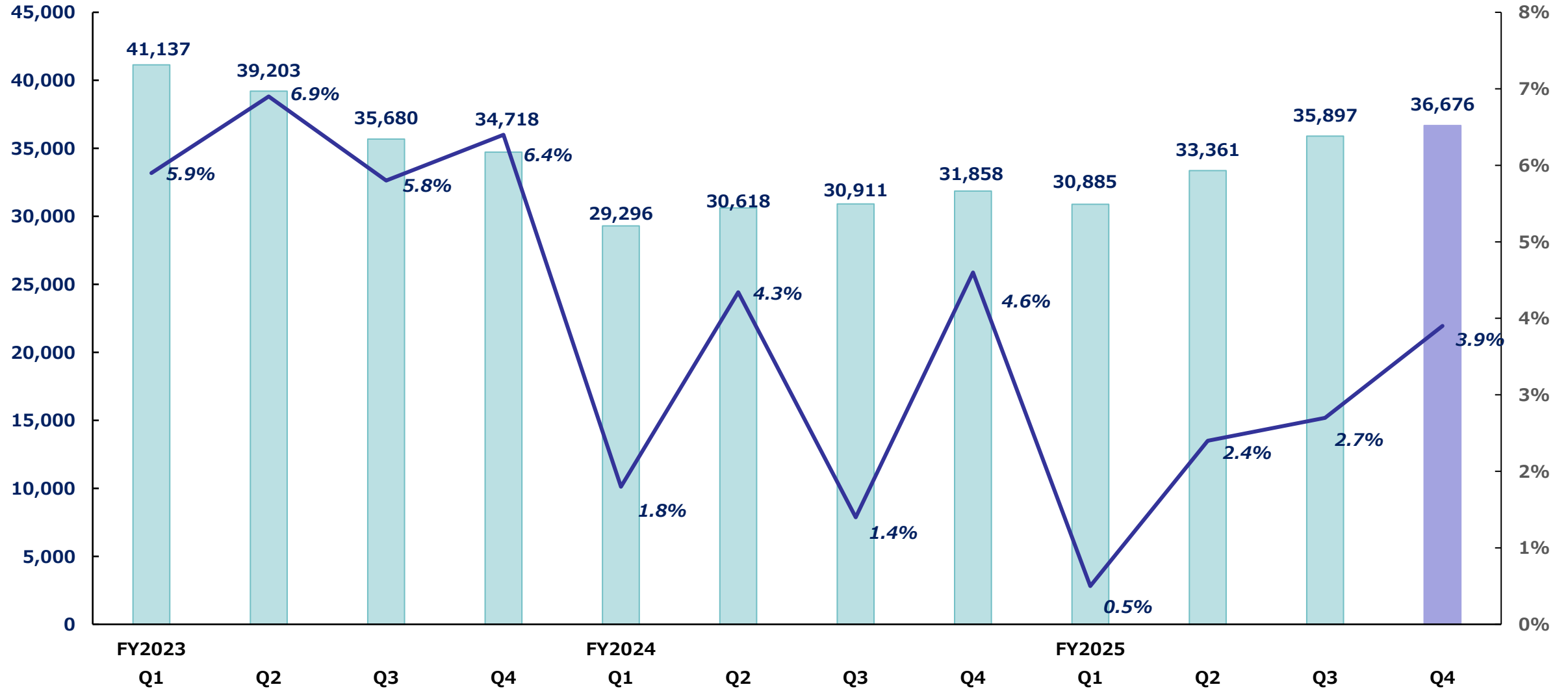
TSE Prime Market, Securities code:6997

Trend in Quarterly Earnings

Net Sales
Unit: Million yen

Operating Margin (%)

Trends in Net Sales and Operating Margin



Main Points of FY2025 Financial Results

Main Points	
Net Sales	<ul style="list-style-type: none"> ◇ Net sales (Market Trends) <ul style="list-style-type: none"> ◆ ICT market The market was firm, mainly on the mass production of large-sized aluminum electrolytic capacitors for AI servers and hybrid capacitors. ◆ Automotive electronics market Market demand improved thanks to automotive electronics and normalization of the status of customer parts inventory. However, the market recover was sluggish due to the impact of factors such as the end of EV subsidies and stagnant consumption attributable to the rising cost of living. ◆ Industrial equipment market Although investment sentiment was down due to factors such as US tariff policies, the market trended towards recovery mainly thanks to data center-related investments. ◇ Operating profit We worked to improve our operating margin by strengthening sales of high-performance products but profits decreased due to factors such as the soaring cost of materials and changes in product mix.
136,821 million yen YoY +11.5%	
Operating profit	
3,369 million yen YoY -9.9%	
Profit attributable to owners of parent	
2,367 million yen YoY +2,330 million yen	

FY2025 Consolidated Results (YoY)

Profit decreased due to soaring material prices despite an increase in net sales thanks to AI server growth and a recovery of the industrial equipment and automotive electronics markets

Unit: Million yen, %

	FY2024	FY2025	YoY	
	Results	Results	Change	% Change
Net Sales	122,684	136,821	+14,137	+11.5%
Operating profit	3,740	3,369	-371	-9.9%
Ratio to net sales	3.0%	2.5%	-0.5pt	-
Profit attributable to owners of parent	37	2,367	+2,330	-
Ratio to net sales	0.0%	1.7%	+1.7pt	-
Capital investment	7,631	5,911	-1,720	-22.5%
Depreciation and amortization	6,640	6,842	+202	+3.0%
R&D expenses	4,228	3,892	-336	-7.9%
Avg. exchange rate: USD (yen)	152.58	150.77	1.2% yen appreciation	

FY2025 Net Sales by Product (YoY)

Net sales from aluminum electrolytic capacitors increased mainly on growth in data center demand (including AI servers)

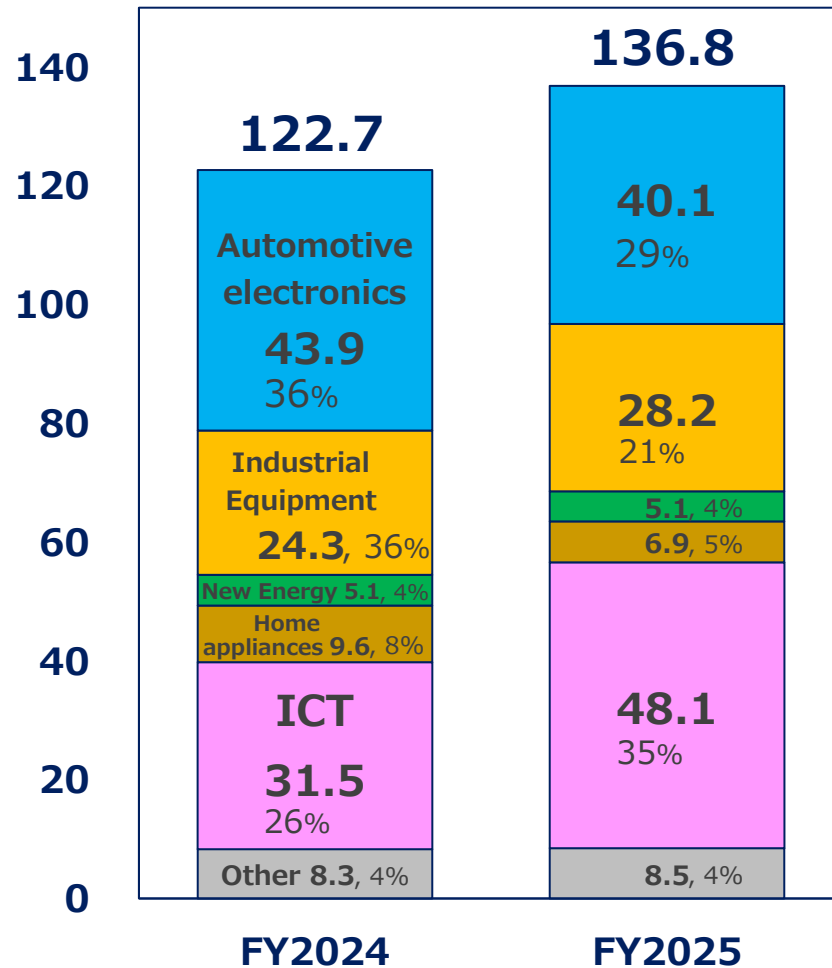
Unit: Million yen, %

	FY2024		FY2025		YoY	
	Amount	% of total	Amount	% of total	Change	% Change
Aluminum electrolytic	106,114	86.5%	120,025	87.7%	+13,911	+13.1%
Conductive polymer	20,306	16.6%	23,174	16.9%	+2,868	+14.1%
DLCAP™	3,751	3.1%	3,593	2.6%	-158	-4.2%
Ceramic capacitors/ Varistors	2,453	2.0%	2,561	1.9%	+109	+4.4%
Mechanical parts and other parts	3,441	2.8%	3,155	2.3%	-286	-8.3%
Capacitor materials	5,703	4.6%	5,643	4.1%	-60	-1.1%
Other	1,220	1.0%	1,842	1.4%	+622	+51.0%
Total	122,684	100.0%	136,821	100.0%	+14,137	+11.5%

FY2025 Net Sales Trends

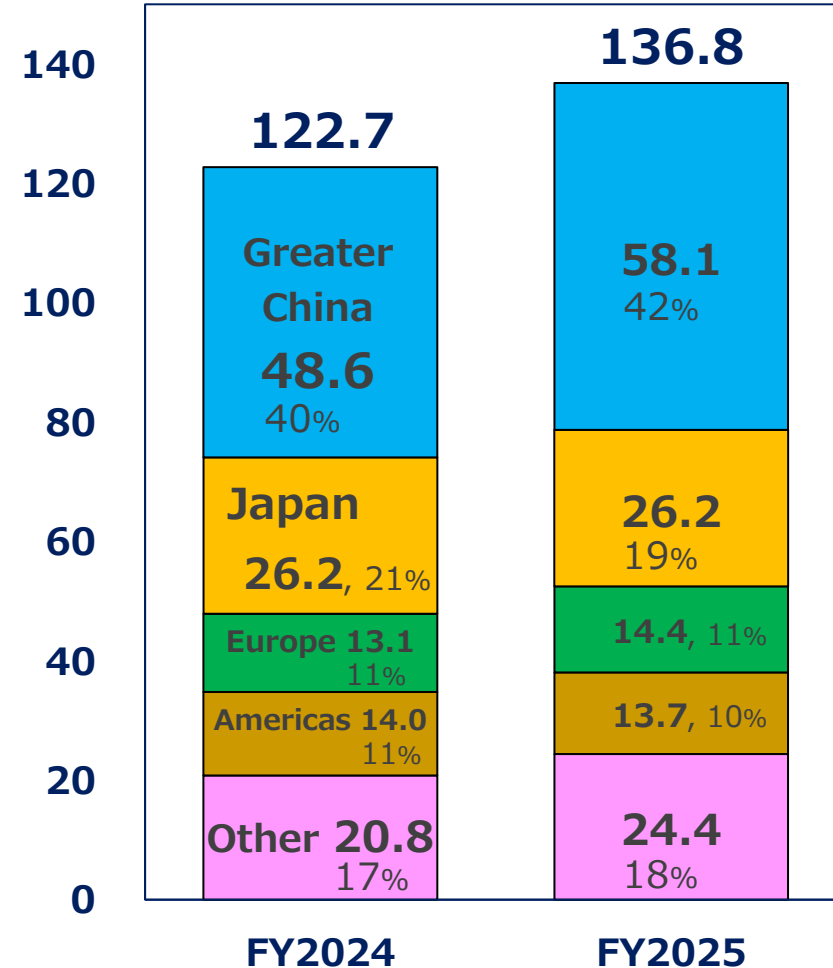
Net Sales by Market

Unit: Billion yen



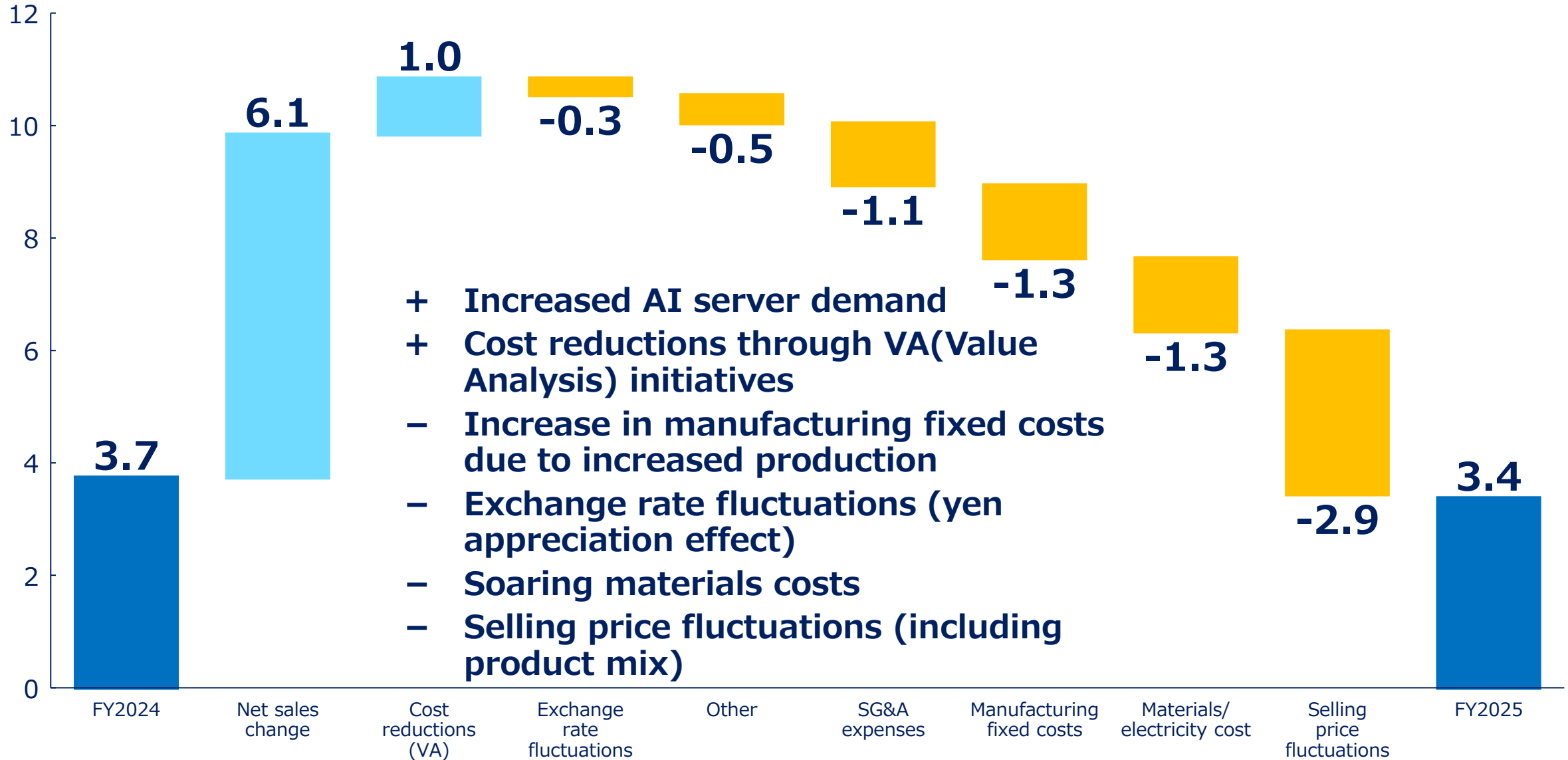
Net Sales by Region

Unit: Billion yen



FY2025 Operating Profit (YoY)

Unit: Billion yen



FY2025 Financial Results Summary (Statement of Cash Flow)

- ◆ Free cash flow increased YoY mainly due to an increase in net income before taxes and other adjustments and the receipt of settlement payments from the Taiwan Fair Trade Commission
- ◆ The balance of cash and cash equivalents decreased YoY due to the lowering of interest-bearing debt and investment in growth sectors, etc.

Unit: Million yen	FY2024 Results	FY2025 Results	Change
Cash flows from operating activities	-493	7,622	8,115
Cash flow from investment activities	-9,754	-5,288	4,465
Free cash flow	-10,247	◆ 2,333	12,581
Cash flow from financing activities	-11,931	-6,232	5,698
Impact (amount) of exchange rate fluctuations	748	1,320	572
Cash and cash equivalents balance	23,864	◆ 21,286	-2,578

FY2025 Capital Investment and R&D Investment Results

FY2025: Executed capital investment policy focused on selection and concentration targeting
(FY2024: Conducted capital investments related to establishing a new manufacturing building for hybrid capacitors)

Unit: Million yen	FY2024 Results	FY2025 Results	Change
① Product business investments	5,063	3,520	-1,542
② Materials business investments	1,012	1,343	331
③ Staff-related investments	1,556	1,047	-509
Total	7,631	5,911	-1,720

- ① Concentrated investments on providing high-performance products to promising growth markets
 - Expanded facilities to respond to increased demand for aluminum electrolytic capacitors for AI servers
 - Increased production capacity for hybrid capacitors with focus on automotive electronics and AI markets
- ② Developed high-capacitance aluminum foils as core materials for high-performance products
- ③ Investments for system upgrades to enable DX promotion and strengthening human resources

View on FY2026 Business Environment

Business environment assumptions

Macro-environment risks

Stagnant procurement sentiment due to inflation factors such as tariff policy
Impact of soaring energy and materials costs triggered by geopolitical risks
Impact of demand for PC components due to semiconductor shortages

Market environment

Continued data center investments mainly by major US IT companies
Component demand expanding thanks to next-gen GPUs for AI servers with high energy consumption
Recovery of industrial equipment market thanks to data center construction and increase in peripheral equipment

Main points of initiatives for FY2026

Product strategy

Increase production capacity for large-sized aluminum electrolytic capacitors for AI server PSU
Continue development and investments to increase production for high-capacitance and high-output hybrid capacitors
Develop next-gen high-capacitance top foil to increase competitiveness

Cost restructuring

Improve cost structure by promoting shift to overseas production
Leverage use of external aluminum foils in general purpose products and promote local procurement overseas
Improve productivity and reduce costs by increasing mass production and promoting smart factories

Main Points of FY2026 Consolidated Earnings Forecast

Main points of FY2026 Accounting

Net Sales

160,000 million yen
YoY +16.9%

Operating Profit

8,000 million yen
YoY +137.4%

Profit attributable to owners of parent

4,000 million yen
YoY +68.9%

◇ Net Sales

◆ ICT market

Forecasting strong increase in demand centered on AI servers

◆ Automotive electronics market

Forecasting strong increase in sales on increased volume for automotive electronics products driven by electrification, normalization of the status of customer parts inventory, and increased market share.

◆ Industrial equipment market

Strong demand is expected, driven mainly by data center-related investment. Projecting market recovery on increased capital investment sentiment, particularly in the US, and normalization of the status of customer parts inventory.

◇ Operating profit

We aim to increase profits by strengthening sales targeting growth markets, mainly large-sized aluminum electrolytic capacitors and hybrid capacitors for AI servers, and by promoting price adjustment as well as cost restructuring.

FY2026 Full-Year Earnings Forecast

Forecasting increased net sales and profit from aggressive sales to growth markets, particularly AI servers

Unit: Million yen	FY2025	FY2026				
	Full-year Results	1H Plan	2H Plan	Full-Year Plan	Change	% Change
Net Sales	136,821	77,000	83,000	160,000	+23,179	+16.9%
Operating profit	3,369	3,000	5,000	8,000	+4,631	+137.4%
Operating margin	2.5%	3.9%	6.0%	5.0%	+2.5pt	-
Profit attributable to owners of parent	2,367	1,500	2,500	4,000	+1,633	+68.9%
ROE	4.0%	2.5%	-	6.6%	+2.6pt	-
Capital investment	5,911	2,800	2,900	5,700	-211	-3.5%
Depreciation and amortization	6,842	3,300	3,300	6,600	-242	-3.5%
R&D expenses	3,892	1,950	2,050	4,000	+108	+2.7%
Exchange rate: USD (yen)	150.77	153.00	153.00	153.00	1.5% yen depreciation	

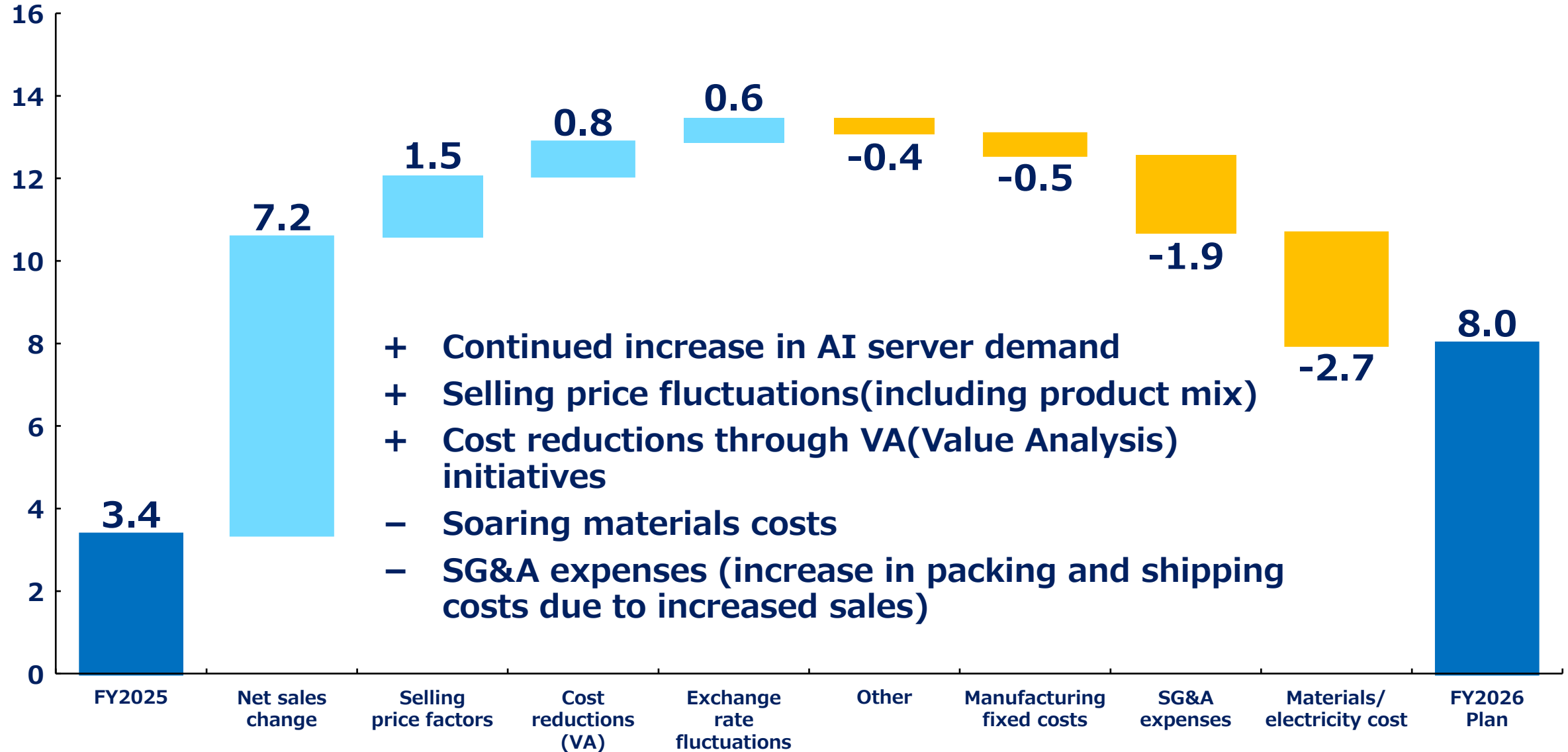
FY2026 Product-specific Sales Forecast

Forecasting increased sales, mainly from large-sized aluminum electrolytic capacitors and hybrid capacitors for AI servers

Unit: Million yen	FY2025 Results	FY2026				
		1H Plan	2H Plan	Full-Year Plan	YoY Change	YoY Rate of Change (%)
Aluminum electrolytic	120,025	69,300	75,400	144,700	+24,675	+20.6%
Conductive polymer	23,175	13,600	15,200	28,800	+5,626	+24.3%
DLCAP™	3,593	1,600	1,500	3,100	-493	-13.7%
Ceramic capacitors/ Varistors	2,561	1,200	1,200	2,400	-161	-6.3%
Mechanical parts and other parts	3,155	1,350	1,250	2,600	-555	-17.6%
Capacitor materials	5,643	2,850	2,950	5,800	+157	+2.8%
Other	1,842	700	700	1,400	-442	-24.0%
Total	136,821	77,000	83,000	160,000	+23,179	+16.9%

FY2026 Analysis of Factors Behind YoY Change in Operating Profit

Unit: Billion yen



Disclaimer

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