



## Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 [IFRS]

February 13, 2025

Company name: Nissha Co., Ltd.  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 7915  
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 Scheduled date of the Ordinary General Meeting of Shareholders: March 21, 2025  
 Scheduled date of commencing dividend payments: March 3, 2025  
 Scheduled date of filing annual securities report: March 21, 2025  
 Availability of supplementary briefing material on financial results: Available  
 Schedule of financial results briefing session: Scheduled (for institutional investors)

(Amounts of less than one million yen are rounded down)

### 1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended December 31, 2024	195,598	16.6	5,486	–	6,213	–	4,027	–	3,862	–	11,774	222.8
Fiscal year ended December 31, 2023	167,726	(13.5)	(3,817)	–	(2,762)	–	(3,014)	–	(2,988)	–	3,647	(77.1)

	Basic earnings per share	Diluted earnings per share	Ratio of return on equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended December 31, 2024	80.15	–	3.4	2.7	2.8
Fiscal year ended December 31, 2023	(61.13)	–	(2.7)	(1.2)	(2.3)

(Reference) Share of profit (loss) of investments accounted for using equity method

Fiscal year ended December 31, 2024: ¥(331) million

Fiscal year ended December 31, 2023: ¥(243) million

### (2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity per share attributable to owners of parent
	Million yen	Million yen	Million yen	%	Yen
As of December 31, 2024	250,780	115,521	114,167	45.5	2,391.31
As of December 31, 2023	217,853	110,852	110,913	50.9	2,281.64

**(3) Consolidated Cash Flows**

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended December 31, 2024	12,312	(11,431)	9,147	50,970
Fiscal year ended December 31, 2023	1,486	(8,019)	(12,629)	37,854

**2. Dividends**

	Annual dividends					Total dividends	Payout ratio (consolidated)	Ratio of dividends to equity attributable to owners of parent (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended December 31, 2023	–	25.00	–	25.00	50.00	2,460	–	2.2
Fiscal year ended December 31, 2024	–	25.00	–	25.00	50.00	2,420	62.4	2.1
Fiscal year ending December 31, 2025 (Forecast)	–	25.00	–	25.00	50.00		59.7	

**3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2025 (January 1, 2025 to December 31, 2025)**

(% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	92,400	(7.3)	2,100	(52.3)	1,600	(74.0)	800	(81.7)	16.76
Full year	190,800	(2.5)	6,600	20.3	5,700	(8.3)	4,000	3.6	83.78

**Notes:**

(1) Significant changes in the scope of consolidation during the period under review: No  
New: – ( ), Exclusion: – ( )

(2) Changes in accounting policies and changes in accounting estimates

1) Changes in accounting policies required by IFRS: No

2) Any changes other than 1) above: No

3) Changes in accounting estimates: No

(3) Total number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury shares):

As of December 31, 2024	50,855,638 shares
As of December 31, 2023	50,855,638 shares

2) Total number of treasury shares at the end of the period:

As of December 31, 2024	3,112,739 shares
As of December 31, 2023	2,244,496 shares

3) Average number of shares during the period:

Fiscal year ended December 31, 2024	48,191,552 shares
Fiscal year ended December 31, 2023	48,891,898 shares

\* This report on consolidated financial results is exempted from auditing by certified public accountant or auditing corporation.

\* Explanation of the proper use of financial results forecast and other notes

The performance forecasts and other forward-looking statements contained in this report are based on information available to the Company on the date of this report's release and certain premises that the Company deems to be reasonable. Therefore, the Company has not prepared these descriptions with intent to commit to realize them. Actual results, etc. may differ significantly from the forecasts, however, as a consequence of various factors in the future. For details on the premises of the performance forecasts of the Company and the points to note when using the performance forecasts, please see "1. Overview of Consolidated Operating Results, etc. (4) Forecast for the fiscal year ending December 31, 2025" on page 5 of the appendix.

We are scheduled to hold a briefing session for institutional investors on Thursday, February 13, 2025. Reference materials to be distributed at the briefing session are scheduled to be posted on our website on that day, as well.

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## **1. Overview of Consolidated Operating Results, etc.**

### **(1) Overview of consolidated operating results for the term**

The Group's Mission is to use the diverse capabilities of its people and core technologies as an engine for growth to create highly competitive, feature-rich products and services that realize customer value and contribute to better lives for all.

Guided by this Mission, we established our Sustainability Vision as our long-term vision for 2030, and aim to create social and economic value by contributing to solving global social issues in the priority markets of Medical, Mobility, and Sustainable Materials, with the integration and orchestration of the diverse talents of our people and our technologies. Correspondingly, we have formulated and implemented the 8th Medium-term Business Plan that sets forth the medium-term plan to be achieved in the three years from fiscal 2024 to 2026 and a strategy to get there, reflecting backwards the Sustainability Vision. Aiming to achieve stable growth and increased capital efficiency, we will improve and stabilize profitability by strengthening the business portfolio we have built up to date.

During the fiscal year ended December 31, 2024, the global economy trended toward recovery. In the United States, the economy expanded as consumer spending and other factors remained firm. In Europe, the economy came to a temporary standstill as production activities slowed down due to sluggish foreign demand, etc. In China, a weak economy continued against a backdrop of the real estate slump and other factors. Meanwhile, the Japanese economy recovered moderately due to firm capital investments, among other factors.

Under these conditions, during the fiscal year ended December 31, 2024, product demand in the field of decorations in the Industrial Materials segment remained firm, and we saw a recovery in demand for products, such as sustainable materials in the Industrial Materials segment and products for tablets and handheld terminals (logistics related) in the Devices segment, which had been sluggish in the previous fiscal year. In the Medical Technologies segment, the acquisition of companies has begun to contribute to earnings, while product demand remained firm.

As a result, regarding the financial results for the fiscal year ended December 31, 2024, net sales were ¥195,598 million (an increase of 16.6% as compared to the previous year), operating profit was ¥5,486 million (operating loss of ¥3,817 million in the previous year) and profit attributable to owners of parent was ¥3,862 million (loss attributable to owners of parent of ¥2,988 million in the previous year).

Following is an overview by business segment.

#### **Industrial Materials**

In the Industrial Materials segment, we mainly offer proprietary technologies that enable to create added value on the surfaces of various materials. IMD, IML, and IME, which facilitate simultaneous in-mold decoration, design and function adding of plastic products, are extensively used in mobility components and home appliances in global markets. Also, the metallized paper, which unites the properties of metallic luster and printing friendliness, has the largest market share in the industry as sustainable materials for beverages and foods on a global basis.

During the fiscal year ended December 31, 2024, demand for mobility components and home appliances in the field of decorations remained firm. And product demand for metallized paper in the field of sustainable materials steadily recovered from the weak levels in the previous fiscal year. In addition to these demand trends, the effects of the exchange rate and other factors helped increase net sales year on year. On top of the increase in net sales, operating profit also increased year on year, backed by the Company's efforts to improve productivity and efficiency.

As a result, segment sales for the fiscal year ended December 31, 2024 were ¥74,090 million (an increase of 7.7% as compared to the previous year). Segment profit (operating profit) was ¥4,900 million (an increase of 5,131.3% as compared to the previous year).

## Devices

In the Devices segment, we produce components and module products that pursue precision and functionality. Our main products, film-based Touch Sensors are widely adopted mainly in tablets, handheld terminals (logistics related), mobility components, and gaming devices in global markets. In addition, we offer gas sensors that can detect gas conditions, along with other products.

During the fiscal year ended December 31, 2024, product demand for tablets and handheld terminals, which had been sluggish in the previous fiscal year, recovered. In line with these demand trends, net sales increased year on year while operating profit turned to the black.

As a result, segment sales for the fiscal year ended December 31, 2024 were ¥67,542 million (an increase of 23.1% as compared to the previous year). Segment profit (operating profit) was ¥1,798 million (segment loss (operating loss) of ¥1,580 million in the previous year).

## Medical Technologies

The Medical Technologies segment is a business segment that offers high-quality and value-added products in medical devices and other related markets to contribute to healthy and affluent life. The segment currently provides contract design/development manufacturing services for major medical device manufacturers, especially for those in North America and Europe, with products such as surgical instruments for minimal invasive medical treatments and medical wearable sensors used for a wide range of therapeutic areas. In addition to these, the segment manufactures and sells its own brand products to medical institutions.

During the fiscal year ended December 31, 2024, both net sales and operating profit increased year on year, driven by steady product demand for our mainstay contract design/development manufacturing services for medical devices and the contribution to earnings from acquired companies, coupled with the effects of the foreign exchange rate.

As a result, segment sales for the fiscal year ended December 31, 2024 were ¥45,622 million (an increase of 26.7% as compared to the previous year). Segment profit (operating profit) was ¥2,388 million (an increase of 60.0% as compared to the previous year).

## **(2) Overview of consolidated financial position for the term**

Total assets at the end of the fiscal year ended December 31, 2024 increased by ¥32,926 million from the end of the previous year (the fiscal year ended December 31, 2023) to ¥250,780 million.

Current assets increased by ¥21,225 million from the end of the previous year to ¥128,627 million. This was mainly because of a ¥13,115 million increase of cash and cash equivalents and a ¥6,320 million increase of trade and other receivables.

Non-current assets increased by ¥11,701 million from the end of the previous year to ¥122,153 million. This was mainly because a ¥3,306 million increase of property, plant and equipment, and a ¥13,493 million increase of goodwill due to new acquisitions and others outweighed an ¥8,180 million decrease of other financial assets mainly due to a change in the fair value and sales of financial assets measured at fair value through other comprehensive income.

Total liabilities at the end of the fiscal year ended December 31, 2024 increased by ¥28,257 million from the end of the previous year to ¥135,258 million.

Current liabilities increased by ¥17,389 million from the end of the previous year to ¥63,982 million. This was mainly because of a ¥3,519 million increase of trade and other payables and a ¥9,135 million increase of borrowings.

Non-current liabilities increased by ¥10,868 million from the end of the previous year to ¥71,276 million. This was mainly because of an ¥8,112 million increase of bonds and borrowings and a ¥5,624 million increase of other financial liabilities due to new acquisitions and others.

Total equity at the end of the fiscal year ended December 31, 2024 increased by ¥4,669 million from the end of the previous year to ¥115,521 million. This was mainly because a ¥2,224 million increase of other components of equity due to the impact of foreign exchange conversion, etc. and a ¥6,897 million increase of retained earnings mainly due to the recording of profit attributable to owners of parent outweighed a ¥4,333 million decrease of capital surplus due to new acquisitions and others.

## **(3) Overview of consolidated cash flows for the term**

The balance of cash and cash equivalents (the “funds”) on a consolidated basis at the end of the fiscal year ended December 31, 2024 was ¥50,970 million, an increase of ¥13,115 million compared to the end of the previous year.

The following describes the conditions of each cash flow and the underlying causes for the fiscal year ended December 31, 2024.

(Net cash provided by (used in) operating activities)

The funds provided by operating activities amounted to ¥12,312 million (an increase of 728.1% as compared to the previous year). This was mainly because there were ¥6,213 million of profit before tax, ¥9,513 million of depreciation and amortization, and ¥1,852 million of increase in trade and other payables, while there was ¥3,934 million of increase in trade and other receivables.

(Net cash provided by (used in) investing activities)

The funds used in investing activities amounted to ¥11,431 million (an increase of 42.5% as compared to the previous year). This was mainly because of ¥6,710 million of purchase of property, plant and equipment and ¥11,320 payments for acquisition of subsidiaries, while there was ¥8,185 million of proceeds from sale of investment securities.

(Net cash provided by (used in) financing activities)

The funds provided by financing activities amounted to ¥9,147 million (¥12,629 million used for the previous year). This was mainly because there were ¥2,534 million of repayments of short-term borrowings, ¥2,116 million of repayments of lease liabilities, ¥2,703 million of repayments of long-term borrowings, and ¥2,424 million of dividends paid to owners of parent, while there was ¥11,134 million of proceeds from short-term borrowings and ¥8,953 million of proceeds from issuance of bonds.

#### **(4) Forecast for the fiscal year ending December 31, 2025**

Concerning the global economic environment in the fiscal year ending December 31, 2025, we expect that the economy will continue to trend toward a recovery. On the other hand, however, the economic outlook is uncertain due primarily to policies to be adopted by the new U.S. administration, interest rate levels in the United States and Europe, foreign exchange fluctuations, and sluggish economic trends in China and Europe.

Under these conditions, the Industrial Materials segment plans to respond to firm product demand in the existing fields, while starting to supply new products for mobility exterior components. In addition, we project a steady rise in demand for our main field of contract design/development manufacturing services for medical devices in the Medical Technologies segment, and a contribution to our financial results from the company that we decided to acquire in the fiscal year ended December 31, 2024 in Other segment. Meanwhile, we expect product demand for tablets in the Devices segment to decline due to changes in the product mix, etc. Therefore, we will pursue higher productivity and efficiency by reviewing our production structure in this segment.

As these results, for the consolidated financial results for the fiscal year ending December 31, 2025, we expect net sales of ¥190,800 million, operating profit of ¥6,600 million, profit before tax of ¥5,700 million and profit attributable to owners of parent of ¥4,000 million. These figures are based on an exchange rate of 1US\$ = ¥140 for the fiscal year ending December 31, 2025.

Consolidated net sales forecast by segment (January 1, 2025 to December 31, 2025)

Segment	Amount (Million yen)	Ratio (%)	YoY (%)
Industrial Materials	75,700	39.7	+2.2
Devices	55,200	28.9	(18.3)
Medical Technologies	46,500	24.4	+1.9
Other	13,400	7.0	+60.6
Total	190,800	100.0	(2.5)

## **2. Basic Approach to the Selection of Accounting Standards**

For the purposes of enhancing international comparability of financial information and strengthening global Group management control, beginning from the consolidated financial statements in the annual securities report for the fiscal year ended December 31, 2019, the Group has voluntarily adopted International Financial Reporting Standards (IFRS).



### 3. Consolidated Financial Statements and Principal Notes

#### (1) Consolidated statements of financial position

(Million yen)

	As of December 31, 2023	As of December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	37,854	50,970
Trade and other receivables	31,267	37,588
Inventories	31,260	35,730
Other financial assets	868	178
Other current assets	6,149	4,159
Total current assets	107,401	128,627
Non-current assets		
Property, plant and equipment	43,169	46,475
Goodwill	20,238	33,732
Intangible assets	14,644	18,081
Right-of-use assets	9,693	9,408
Investments accounted for using equity method	4,539	5,136
Other financial assets	16,313	8,132
Retirement benefit asset	371	80
Deferred tax assets	1,211	747
Other non-current assets	270	357
Total non-current assets	110,451	122,153
Total assets	217,853	250,780

(Million yen)

	As of December 31, 2023	As of December 31, 2024
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	28,609	32,129
Borrowings	7,823	16,958
Other financial liabilities	1,535	2,700
Lease liabilities	1,857	1,910
Income taxes payable, etc.	636	2,638
Provisions	74	56
Other current liabilities	6,055	7,588
<b>Total current liabilities</b>	<b>46,592</b>	<b>63,982</b>
<b>Non-current liabilities</b>		
Bonds and borrowings	37,225	45,338
Other financial liabilities	23	5,647
Lease liabilities	8,862	8,577
Retirement benefit liability	6,395	5,267
Provisions	52	60
Deferred tax liabilities	7,576	5,995
Other non-current liabilities	271	388
<b>Total non-current liabilities</b>	<b>60,407</b>	<b>71,276</b>
<b>Total liabilities</b>	<b>107,000</b>	<b>135,258</b>
<b>Equity</b>		
Share capital	12,119	12,119
Capital surplus	14,865	10,531
Retained earnings	69,934	76,831
Treasury shares	(4,019)	(5,553)
Other components of equity	18,013	20,238
<b>Total equity attributable to owners of parent</b>	<b>110,913</b>	<b>114,167</b>
Non-controlling interests	(60)	1,353
<b>Total equity</b>	<b>110,852</b>	<b>115,521</b>
<b>Total liabilities and equity</b>	<b>217,853</b>	<b>250,780</b>

## (2) Consolidated statements of profit or loss and comprehensive income

### Consolidated statements of profit or loss

(Million yen)

	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024
Net sales	167,726	195,598
Cost of sales	(135,103)	(151,800)
Gross profit	32,622	43,798
Selling, general and administrative expenses	(33,000)	(37,126)
Other income	698	439
Other expenses	(3,894)	(1,293)
Share of profit (loss) of investments accounted for using equity method	(243)	(331)
Operating profit (loss)	(3,817)	5,486
Finance income	2,897	2,539
Finance costs	(1,842)	(1,812)
Profit (loss) before tax	(2,762)	6,213
Income tax expense	(252)	(2,185)
Profit (loss)	(3,014)	4,027
Profit (loss) attributable to:		
Owners of parent	(2,988)	3,862
Non-controlling interests	(25)	165
Profit (loss)	(3,014)	4,027
Earnings (loss) per share attributable to owners of parent		
Basic earnings (loss) per share (Yen)	(61.13)	80.15
Diluted earnings (loss) per share (Yen)	-	-

## Consolidated statements of comprehensive income

(Million yen)

	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024
Profit (loss)	(3,014)	4,027
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of financial assets measured through other comprehensive income	2,539	474
Remeasurements of defined benefit plans	(27)	367
Total of items that will not be reclassified to profit or loss	2,511	842
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	3,883	6,494
Share of other comprehensive income of investments accounted for using equity method	267	410
Total of items that may be reclassified to profit or loss	4,151	6,904
Total other comprehensive income	6,662	7,747
Total comprehensive income	3,647	11,774
Comprehensive income attributable to:		
Owners of parent	3,673	11,546
Non-controlling interests	(25)	228
Total comprehensive income	3,647	11,774

### (3) Consolidated statements of changes in equity

(Million yen)

	Equity attributable to owners of parent											
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity						Non-controlling interests	Total equity
					Net change in fair value of financial assets measured through other comprehensive income	Remeasurements of defined benefit plans	Exchange differences on translation of foreign operations	Total other components of equity	Total equity attributable to owners of parent			
Balance at January 1, 2023	12,119	14,841	75,658	(2,632)	5,388	—	6,177	11,565	111,553	(34)	111,518	
Profit (loss)	—	—	(2,988)	—	—	—	—	—	(2,988)	(25)	(3,014)	
Other comprehensive income	—	—	—	—	2,539	(27)	4,151	6,662	6,662	—	6,662	
Total comprehensive income	—	—	(2,988)	—	2,539	(27)	4,151	6,662	3,673	(25)	3,647	
Purchase of treasury shares	—	—	—	(1,539)	—	—	—	—	(1,539)	—	(1,539)	
Disposal of treasury shares	—	(24)	—	151	—	—	—	—	127	—	127	
Dividends of surplus	—	—	(2,950)	—	—	—	—	—	(2,950)	—	(2,950)	
Share-based payment transactions	—	47	—	—	—	—	—	—	47	—	47	
Changes in ownership interest	—	—	—	—	—	—	—	—	—	—	—	
Increase (decrease) by business combination	—	—	—	—	—	—	—	—	—	—	—	
Put options granted to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	
Transfer from other components of equity to retained earnings	—	—	214	—	(242)	27	—	(214)	—	—	—	
Total transactions with owners, etc.	—	23	(2,735)	(1,387)	(242)	27	—	(214)	(4,314)	—	(4,314)	
Balance at December 31, 2023	12,119	14,865	69,934	(4,019)	7,684	—	10,329	18,013	110,913	(60)	110,852	
Profit (loss)	—	—	3,862	—	—	—	—	—	3,862	165	4,027	
Other comprehensive income	—	—	—	—	474	367	6,841	7,684	7,684	62	7,747	
Total comprehensive income	—	—	3,862	—	474	367	6,841	7,684	11,546	228	11,774	
Purchase of treasury shares	—	—	—	(1,916)	—	—	—	—	(1,916)	—	(1,916)	
Disposal of treasury shares	—	(162)	—	382	—	—	—	—	220	—	220	
Dividends of surplus	—	—	(2,424)	—	—	—	—	—	(2,424)	(94)	(2,519)	
Share-based payment transactions	—	64	—	—	—	—	—	—	64	—	64	
Changes in ownership interest	—	(83)	—	—	—	—	—	—	(83)	79	(3)	
Increase (decrease) by business combination	—	—	—	—	—	—	—	—	—	1,202	1,202	
Put options granted to non-controlling interests	—	(4,152)	—	—	—	—	—	—	(4,152)	—	(4,152)	
Transfer from other components of equity to retained earnings	—	—	5,459	—	(5,091)	(367)	—	(5,459)	—	—	—	
Total transactions with owners, etc.	—	(4,333)	3,034	(1,533)	(5,091)	(367)	—	(5,459)	(8,292)	1,186	(7,105)	
Balance at December 31, 2024	12,119	10,531	76,831	(5,553)	3,067	—	17,170	20,238	114,167	1,353	115,521	

**(4) Consolidated statements of cash flows**

(Million yen)

	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024
Cash flows from operating activities		
Profit (loss) before tax	(2,762)	6,213
Depreciation and amortization	9,137	9,513
Impairment losses	2,722	—
Loss (gain) on sale and retirement of fixed assets	8	108
Share of loss (profit) of investments accounted for using equity method	243	331
Finance income	(2,897)	(2,539)
Finance costs	1,842	1,812
Decrease (increase) in trade and other receivables	3,925	(3,934)
Decrease (increase) in inventories	3,146	(2,299)
Increase (decrease) in trade and other payables	(11,405)	1,852
Increase (decrease) in provisions	(39)	(8)
Increase (decrease) in retirement benefit asset or liability	239	(508)
Other	618	3,012
Subtotal	4,780	13,554
Interest received	455	510
Dividends received	352	290
Interest paid	(1,512)	(1,530)
Income taxes paid	(2,979)	(1,602)
Income taxes refund	390	1,090
Net cash provided by (used in) operating activities	1,486	12,312
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	130	7
Purchase of property, plant and equipment	(4,430)	(6,710)
Payments for retirement of property, plant and equipment	(10)	(49)
Proceeds from sale of property, plant and equipment	102	127
Purchase of intangible assets	(1,037)	(1,398)
Purchase of investment securities	(12)	(138)
Proceeds from sale of investment securities	891	8,185
Payments for acquisition of subsidiaries	—	(11,320)
Purchase of shares of affiliates	(3,752)	(540)
Other	97	406
Net cash provided by (used in) investing activities	(8,019)	(11,431)

(Million yen)

	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024
Cash flows from financing activities		
Proceeds from short-term borrowings	5,453	11,134
Repayments of short-term borrowings	(8,939)	(2,534)
Repayments of lease liabilities	(2,006)	(2,116)
Proceeds from long-term borrowings	306	857
Repayments of long-term borrowings	(2,012)	(2,703)
Proceeds from issuance of bonds	–	8,953
Purchase of treasury shares	(1,539)	(1,916)
Proceeds from sale of treasury shares	126	210
Decrease (increase) in deposit paid for repurchase of treasury stock	(639)	639
Dividends paid to owners of parent	(2,948)	(2,424)
Dividends paid to non-controlling shareholders	–	(94)
Other	(428)	(857)
Net cash provided by (used in) financing activities	(12,629)	9,147
Effect of exchange rate changes on cash and cash equivalents	2,690	3,087
Net increase (decrease) in cash and cash equivalents	(16,471)	13,115
Cash and cash equivalents at beginning of period	54,325	37,854
Cash and cash equivalents at end of period	37,854	50,970

## **(5) Notes to consolidated financial statements**

(Notes to going concern assumptions)

Not applicable

(Segment information)

### 1. Description of reportable segments

The Group's reportable segments are those for which separate financial information is available and regular evaluation by the board of directors is being performed in order to decide the allocation of management resources and to review business results.

The Group sets up divisions by product or service. Each division draws up a plan for comprehensive strategies in Japan and overseas for the products and services it handles, and thereupon develops its business activities.

Accordingly, the Group consists of segments by product and service based on the divisions. The three reportable segments are the Industrial Materials segment, Devices segment, and Medical Technologies segment.

The Industrial Materials segment manufactures and sells decorative films, decorative molded parts, metallized paper, sustainable molded products and others. The Devices segment manufactures and sells film-based Touch Sensors, gas sensors and others. The Medical Technologies segment provides contract design/development and manufacturing services for major medical device manufacturers especially for those in North America and Europe, along with products such as surgical instruments for minimally invasive treatments, medical wearable sensors and disposable electrocardiogram (ECG) electrodes. In addition to these, the segment manufactures and sells its own brand products to medical institutions.

### 2. Methods of measurement for the amounts of sales, profit (loss), assets, and other items for each reportable segment

The accounting methods for the reportable segments are the same as those used in preparing the consolidated financial statements. Segment profit is based on operating profit, and inter-segment sales is based on current market prices.



### 3. Information about sales, profit (loss), assets, and other items by reportable segment

The fiscal year ended December 31, 2023 (January 1, 2023 to December 31, 2023)

(Million yen)

	Reportable segment				Other (Note 1)	Total	Reconcili- ations (Note 2)	Consolidated (Note 3)
	Industrial Materials	Devices	Medical Technologies	Sub-total				
Sales from external customers	68,762	54,862	36,011	159,637	8,088	167,726	–	167,726
Inter-segment sales	196	8	–	205	1,001	1,206	(1,206)	–
Total	68,959	54,871	36,011	159,842	9,090	168,933	(1,206)	167,726
Segment profit (loss)	93	(1,580)	1,493	6	(860)	(853)	(2,963)	(3,817)
Finance income	–	–	–	–	–	–	–	2,897
Finance costs	–	–	–	–	–	–	–	(1,842)
Profit (loss) before tax	–	–	–	–	–	–	–	(2,762)
Segment assets	54,725	34,369	50,341	139,437	10,633	150,071	67,782	217,853
Other								
Depreciation and amortization	4,023	2,325	1,651	8,000	758	8,758	378	9,137
Share of profit (loss) of investments accounted for using equity method	(139)	–	(0)	(140)	(103)	(243)	–	(243)
Impairment losses	2,722	–	–	2,722	–	2,722	–	2,722
Increase in property, plant and equipment, intangible assets and right-of-use assets	3,217	2,132	1,487	6,837	419	7,256	303	7,559
Investments accounted for using equity method	2,334	–	697	3,032	1,507	4,539	–	4,539

(Notes) 1. The “Other” category consists of a business segment not included in the reportable segments and includes the Information and Communication and the prescription pharmaceutical manufacturing business.

2. Reconciliations are as follows:

- (1) The negative ¥2,963 million of reconciliations in segment profit (loss) includes unallocated corporate expenses, etc. Corporate expenses mainly consist of general and administrative expenses and foreign exchange loss or gain not attributable to any reportable segment.
- (2) The positive ¥67,782 million of reconciliations in segment assets consists of the positive ¥67,889 million in total of cash and cash equivalents, investment securities, and corporate (R&D and administrative) property, plant and equipment, not allocated to reportable segments and the negative ¥107 million of inter-segment elimination of receivables and payables.
- (3) The positive ¥378 million of reconciliations in depreciation and amortization relates to corporate (R&D and administrative) property, plant and equipment, etc.
- (4) The positive ¥303 million of reconciliations in increase in property, plant and equipment, intangible assets and right-of-use assets is the amount of corporate (R&D and administrative) capital investment.

3. Segment profit (loss) is reconciled with operating profit (loss) recorded in the consolidated statements of profit or loss.

The fiscal year ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(Million yen)

	Reportable segment				Other (Note 1)	Total	Reconcili- ations (Note 2)	Consolidated (Note 3)
	Industrial Materials	Devices	Medical Technologies	Sub-total				
Sales from external customers	74,090	67,542	45,622	187,255	8,343	195,598	—	195,598
Inter-segment sales	61	22	—	83	997	1,081	(1,081)	—
Total	74,151	67,564	45,622	187,338	9,341	196,680	(1,081)	195,598
Segment profit (loss)	4,900	1,798	2,388	9,087	(731)	8,356	(2,869)	5,486
Finance income	—	—	—	—	—	—	—	2,539
Finance costs	—	—	—	—	—	—	—	(1,812)
Profit (loss) before tax	—	—	—	—	—	—	—	6,213
Segment assets	64,581	38,756	67,917	171,255	10,969	182,224	68,555	250,780
Other								
Depreciation and amortization	4,152	2,293	2,016	8,462	797	9,260	252	9,513
Share of profit (loss) of investments accounted for using equity method	(131)	—	(51)	(182)	(148)	(331)	—	(331)
Impairment losses	—	—	—	—	—	—	—	—
Increase in property, plant and equipment, intangible assets and right-of-use assets	5,441	1,485	1,824	8,752	532	9,284	326	9,611
Investments accounted for using equity method	2,319	—	711	3,031	2,105	5,136	—	5,136

(Notes) 1. The “Other” category consists of a business segment not included in the reportable segments and includes the Information and Communication and the prescription pharmaceutical manufacturing business.

2. Reconciliations are as follows:

- (1) The negative ¥2,869 million of reconciliations in segment profit (loss) includes unallocated corporate expenses, etc. Corporate expenses mainly consist of general and administrative expenses and foreign exchange loss or gain not attributable to any reportable segment.
- (2) The positive ¥68,555 million of reconciliations in segment assets consists of the positive ¥68,673 million in total of cash and cash equivalents, investment securities, and corporate (R&D and administrative) property, plant and equipment, not allocated to reportable segments and the negative ¥118 million of inter-segment elimination of receivables and payables.
- (3) The positive ¥252 million of reconciliations in depreciation and amortization relates to corporate (R&D and administrative) property, plant and equipment, etc.
- (4) The positive ¥326 million of reconciliations in increase in property, plant and equipment, intangible assets and right-of-use assets is the amount of corporate (R&D and administrative) capital investment.

3. Segment profit (loss) is reconciled with operating profit (loss) recorded in the consolidated statements of profit or loss.