



FY2024 Financial Results Briefing

(April 1, 2023 through March 31, 2024)

F.C.C. CO., LTD.
(May 17, 2024)

Stock Code : 7296
Prime, Tokyo Stock Exchange
<https://www.fcc-net.co.jp>

The background is a solid blue color with a fine grid pattern. A faint, light-colored line graph is visible, showing a fluctuating trend across the top and bottom of the slide. The text is centered in the middle of the slide.

Consolidated Results Outline for FY24
Consolidated Forecasts Outline for FY25

Executive Summary



(million yen)

	FY24 Results	FY25 Forecast	Change (%)
Revenue	240,283	238,000	-1.0%
Operating profit	15,102	16,000	5.9%
Operating profit ratio	6.3%	6.7%	
Profit attributable to owners of parent	12,231	12,400	1.4%
Exchange rate (USD)	¥144.63	¥140.00	-3.2%

FY24 Results

- Revenue and income increased, with revenue reaching a record level
- Promoted the increase of profitability in the core (clutch) business
 - Motorcycles: Injection of development expenses and expansion in India and ASEAN
 - Automobiles: Optimizing production and steady strengthening of structure in North America
- Injected cash earned from core business as resources into growth areas
- Total shareholders return ratio 40.7%

(yen)

Dividends per share	FY23 Results	FY24 Results	Increase/Decrease from FY23	FY25 (Forecast)
2nd Quarter End	26	30	4	38
4th Quarter End	30	44	14	38
Fiscal Year	56	74	18	76
Purchase of treasury shares	—	¥1.3 billion	¥1.3 billion	
Total shareholders return ratio	29.1%	40.7%	—	40% or more

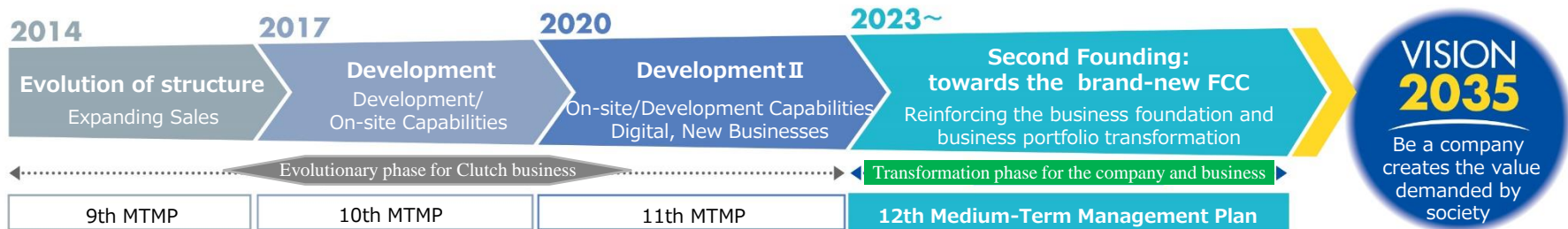
FY25 Forecast

- Secure the highest operating profit on record
- Continue to promote earning power of core businesses
 - Motorcycles: Increased share in India and ASEAN
 - Automobiles: Optimizing production and securing profitability due to HEV trends
- Starting partial mass production in some new business areas



Progress of 12th Medium-term Management Plan (From FY24 – FY26)

Steadily promoting reinforcing the business foundation and business portfolio transformation for the second founding



Reinforcing the business foundation

Core business (clutch)

Enhancing profitability of motorcycle and automobile businesses

Motorcycles

Demand remained solid centered on India and Indonesia

- Expansion of market share through new orders from Indian customers
- Increase in aftermarket sales at each location

Automobiles

Maximize revenue through recovery of US market and strengthening structure

- Despite sluggish Chinese economy there is a recovery trend in US market
- Increased earnings by passing on inflationary costs to prices and strengthening internal structure

Sustainability

Promoting solutions to ESG issues

- Development of energy saving and renewable energy measures
- Engagement survey for HR strategy and promotion of systematization of DX human resource development

Business portfolio transformation

New businesses

Promoting growth investments and injection of resources
Partial start of production

Motorcycles

Preparation for mass production of key electric components and power units

- India: Preparation for mass production of key electric components and power units
- Japan: Installation of motor mass production test line

Automobiles

Preparation for mass production in motor core submodule market

- China: Preparation for mass production in motor core submodule market
- Japan: Preparation for installation of motor core mass production test line

Non-mobility

Business development that contributes to carbon neutrality

- Preparation for mass production of ceramic setters (Scheduled launch: 2024)
- Preparation of test line for LiB conductive auxiliary agent (Scheduled launch: 2025)

Progress of key performance indicators

- Due to the expansion of core businesses and the effect of the weakened yen, we expect to achieve the Medium-Term Management Plan targets for revenue and operating profit one year ahead of schedule.
- Promoting injection of resources and making the transition to preparation for partial mass production for new business creation aimed at business portfolio transformation

	12th Medium-Term Management Plan Final year targets (Announced in May 2023)	FY24 Results of 1st year of Medium-Term Management Plan	FY25 Forecast for 2nd year of Medium-Term Management Plan	FY26 Forecast for 3rd year of Medium-Term Management Plan
Revenue (¥ billion)	234.0	240.3	238.0	239.0
Operating profit (¥ billion)	16.0	15.1	16.0	16.5
ROE	8.0%	7.1%	6.7%	7.5% or more
Total shareholders return ratio	40%	40.7%	40% or more	40% or more
Business portfolio transformation/ New business creation	Completion of preparation	Injection of resources into growth areas Transition to preparation for partial mass production	Acceleration of injection of resources into growth areas	Completion of preparation for second founding
Exchange rate (USD)	135	144.63	140	140

Motorcycle business: Promotion of expansion in all directions in core and new businesses

Core business | Clutch business |



New businesses | CASE area |



Strong demand, commercial rights acquired through the introduction of moderate to high-value-added technologies, and earnings generally in line with plans

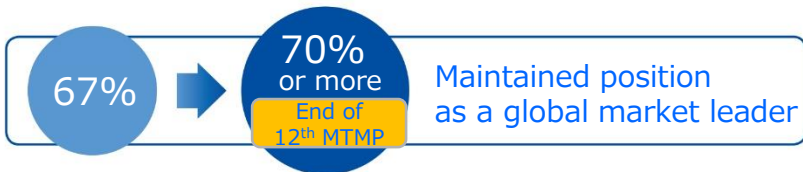
Markets

- Overall market: Demand increased year on year
- Strong centered on India and Indonesia
- Movements toward the global south including Brazil and the Philippines

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- Preparations aimed at a 70% share in the India market
 - ▶ Expanding sales of moderate value models with a view to next-generation markets
 - ▶ Activities to further reduce costs
- Promotion of global after market strategy

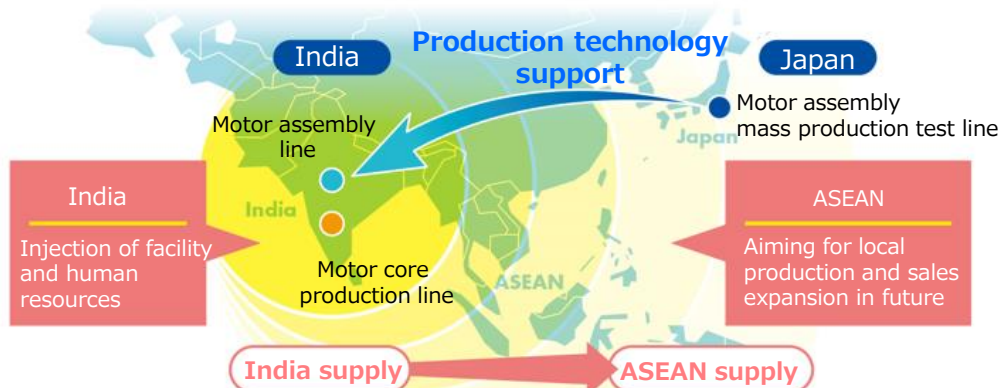
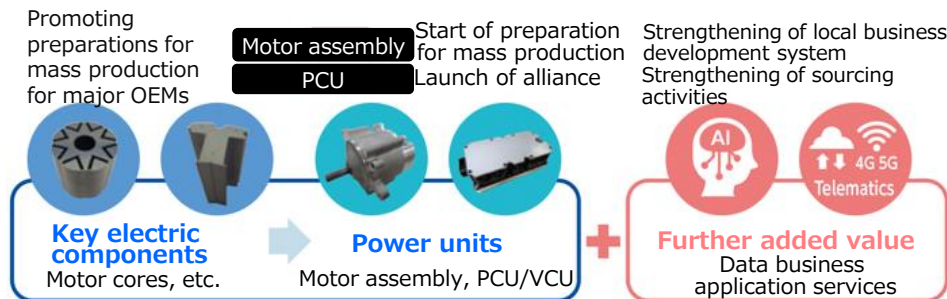
Expansion of share in India



Regional strategy aimed at shift to electrification

Main battleground
India (ASEAN)

Building value chain and injecting resources



Automobile business: **Maximized revenue from core businesses and shifted resources to new businesses**

Core business | Clutch business |



Continued to maximize revenue through market recovery and structural improvement measures

Markets

- China: Sluggish economy
- North America: Market recovery
- Change in trend from **ICE** → **BEV** to **ICE** → **HEV** → **BEV**

F.C.C.

- Secured profits through optimizing production for the HEV trend
- Improved corporate structure by appropriately passing on costs to prices and cost control
- Promoted resource shift to new businesses

New businesses | CASE area |



Transitioned to stage of preparation for mass production in motor core submodule market

- Promoted development of differentiated technologies, made transition to preparation for partial mass production
- Expanded motor core test lines in China and Japan
- Continued to approach customers to secure orders

Injected
5 billion yen
 as growth
 investment(FY25)

Japan ¥3.5 billion
 China ¥1.5 billion

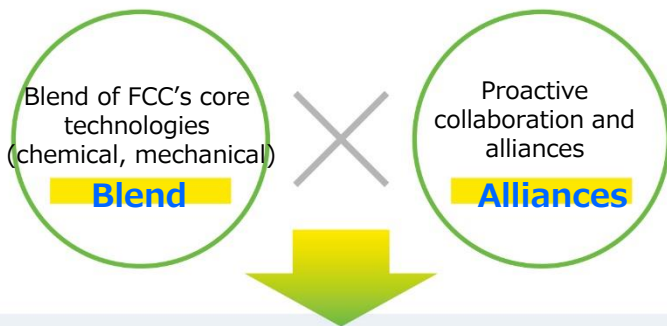
※Including development expenses

Aiming to realize local production and expand sales by taking advantage of our global locations



Non-mobility business x carbon neutral/solutions to social issues

Developing businesses that contribute to carbon neutrality and solutions to social issues, and building a foundation for business diversification



- Circular economy**
 - ▶ Products and solutions that lead to the cleansing of the water and atmosphere, or to recycling systems
- Energy solutions**
 - ▶ Energy solutions that generate, store, and save energy, or use thermal management (fuel cells, catalysts, etc.)
- Create diverse biz that generate new value, foster cultural transformation**
 - ▶ "Experience" business
 - ▶ Fostering of creative culture within the company, development of new businesses to meet overseas needs

Major Initiatives and Progress

1 Example of carbon neutrality initiatives

Semiconductor chip firing setter

Target	Chip firing jig
Functional material utilized	Porous ceramics
Scheduled market launch	2024
Progress to market launch	75%

Condition during chip firing



Semiconductor firing jig market
103 billion yen
(2030 forecast)

2 Example of energy solution initiatives

Also expanding into the mobility area

Conductive auxiliaries for LiB

Target	LiB electrodes
Functional material utilized	Multilayer CNT
Scheduled market launch	2025
Progress to market launch	50%



CNT conductive auxiliaries market
306 billion yen
(2030 forecast)

3 Preparation and search for diversification

- Orders for recycled fibers
- Drone business orders (infrastructure inspection)



Recycled fiber (Japanese paper yarn)

Sustainability Initiatives



Promote energy saving and renewable energy measures throughout the FCC Group toward carbon neutrality (2050)

Active use of renewable energy

Solar power generation facilities

Hamakita Factory



Estimated annual power generation

417,444 kWh

(Approx. 8% of annual electricity use)

Heat exchange unit using groundwater

Watagashima Factory



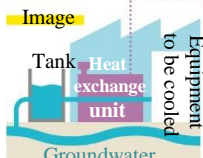
Power Reduction rate

90%

CO₂ emissions

20.3 t-CO₂/

Reduction per year



Actual greenhouse gas (GHG) reductions in FY24

Energy saving

2,730 t-CO₂

Renewable energy

3,667 t-CO₂



Formulate and promote a human resource strategy to generate innovation

Establish and promote three pillars of HR strategy

Diversity

Fostering an organizational culture in which diverse human resources can play an active role

Engagement

Implementation of engagement survey

HR development

Promotion of systematization of DX HR development

Promotion of diversity

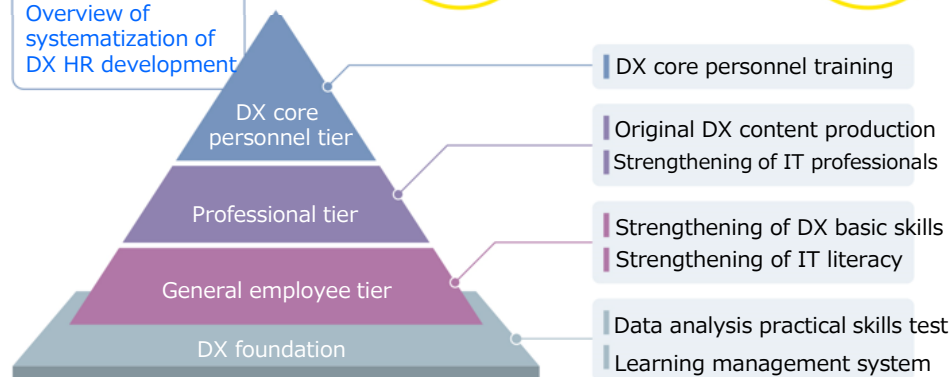
HR strategy
3 pillars

Create infrastructure to generate innovation by developing HR who work to bring about "the new FCC" of their own accord

Increased engagement

HR development capacity building

Overview of systematization of DX HR development



Progress of cash allocation and resource injection

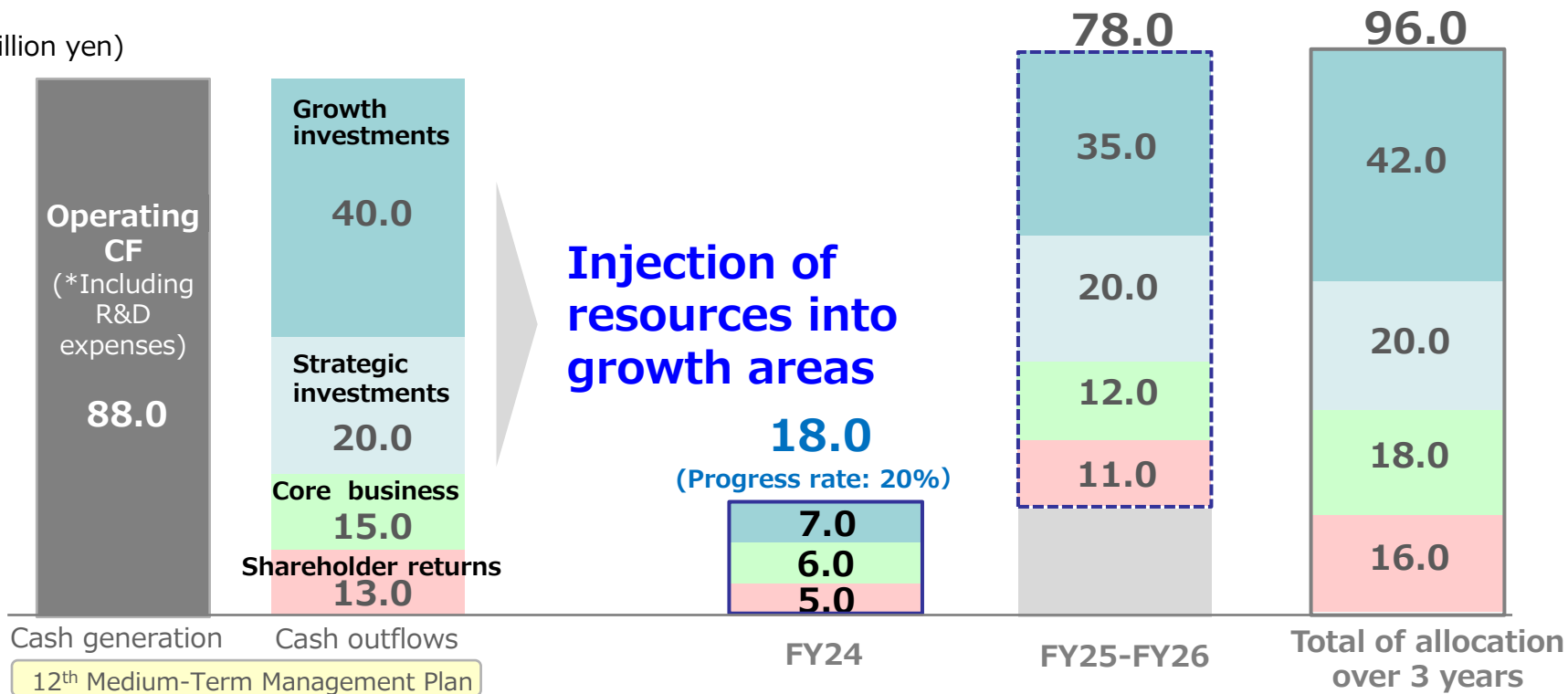
Cash allocation

- Maintained sound financial health
- Focused allocation of investments to core businesses and growth investments with an awareness of investment efficiency
- Total shareholders return ratio of 40% or more

Acceleration of injection of resources into growth areas

- Shifted resources (more than 400 people) to growth areas and promoted human resource development, including DX personnel, during the period covered by the 12th Medium-term Management Plan

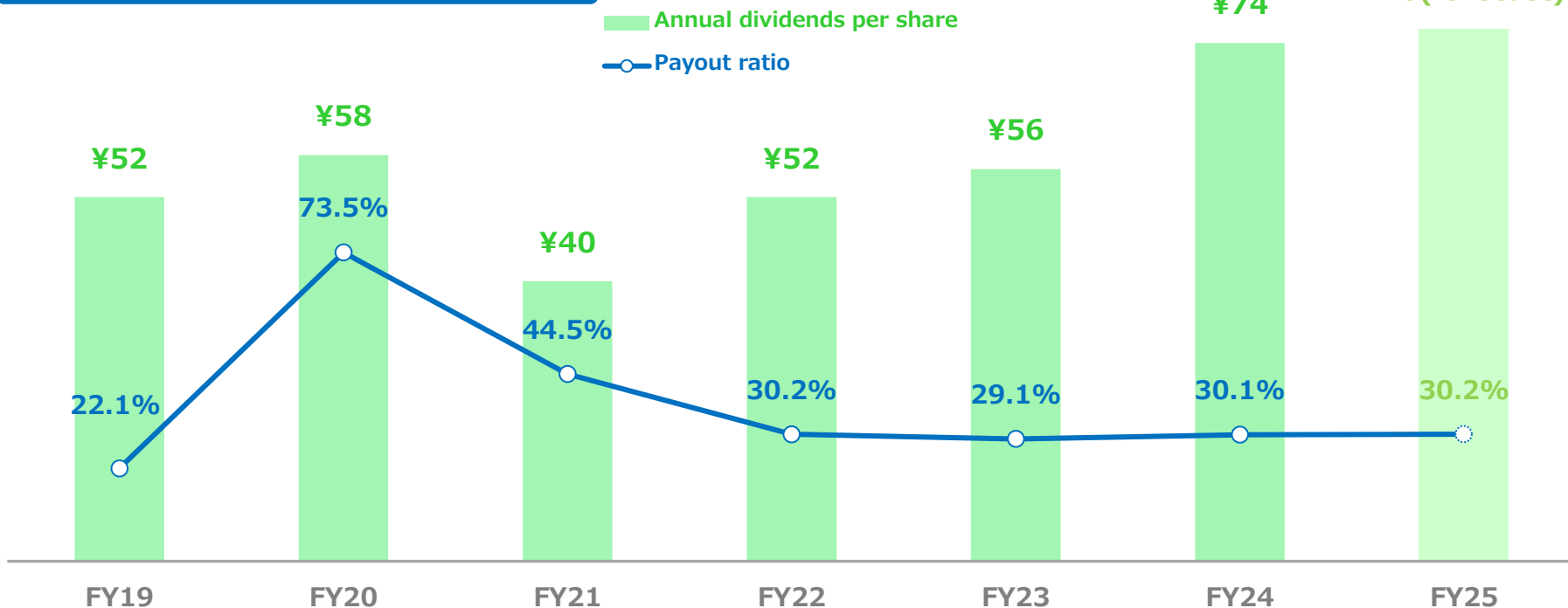
(billion yen)



* Growth investments include development expenses 11

Shareholder returns

Transition of annual dividends per share



Purchases of treasury shares

¥1.378 billion

¥1.3 billion (maximum)

Total shareholders return ratio

33.7%

73.5%

44.5%

30.2%

29.1%

40.7%

40% or more

Consolidated Results for FY24

Consolidated Results Outline for FY24



Consolidated

(million yen)

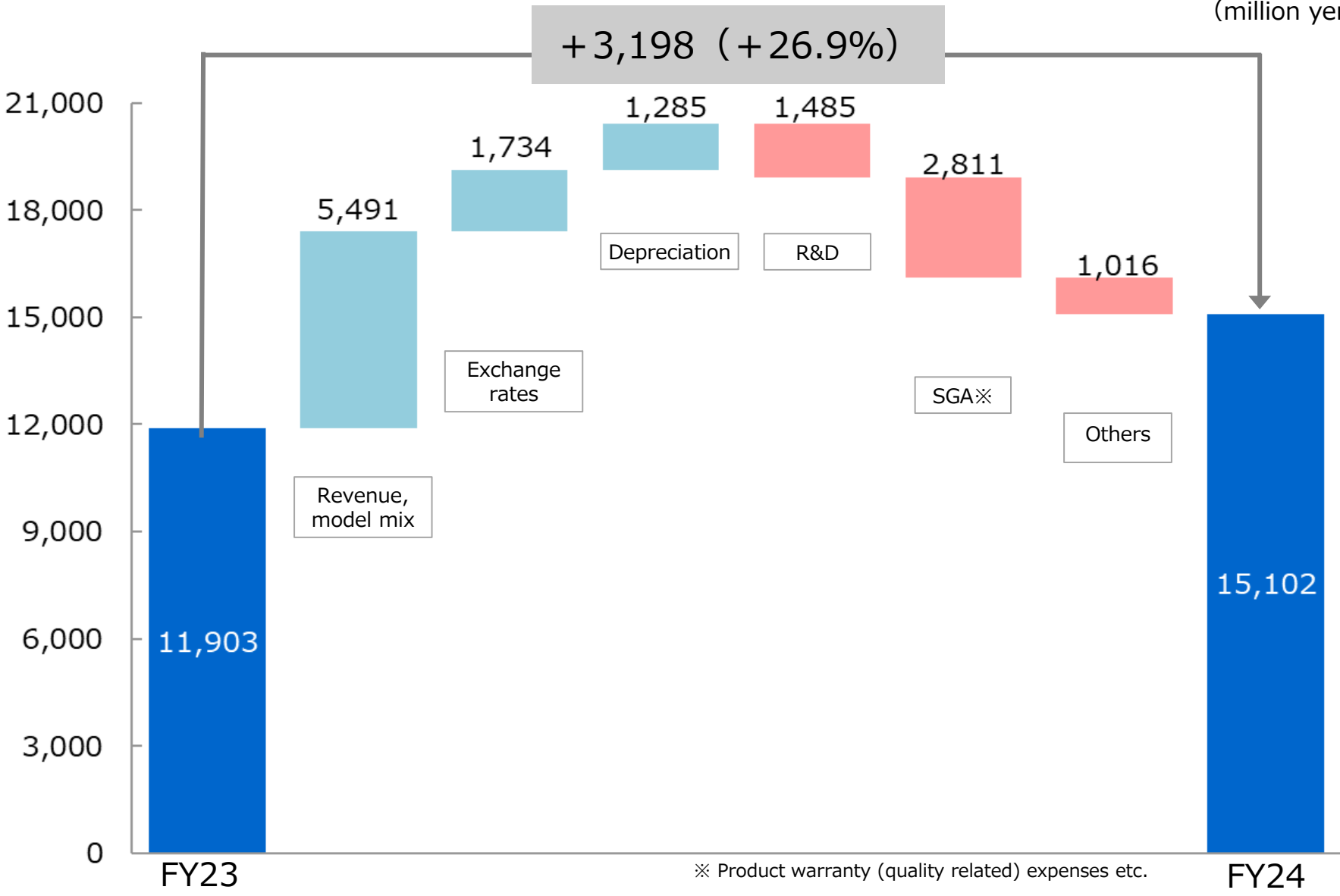
	FY23 Results	FY24 Results	Change (amount)	Change (%)
Revenue	218,939	240,283	21,343	9.7%
Operating profit	11,903	15,102	3,198	26.9%
Profit before income taxes	13,641	19,169	5,528	40.5%
Profit	9,802	12,456	2,653	27.1%
Profit attributable to owners of parent	9,566	12,231	2,665	27.9%
Basic earnings per share (Yen)	192.41	245.91	53.50	27.8%

Average exchange rate	FY23 Result	FY24 Result	Change
USD	¥ 135.48	¥144.63	9.15

FY24 Fluctuations for Operating Profit



(million yen)



※ Product warranty (quality related) expenses etc.

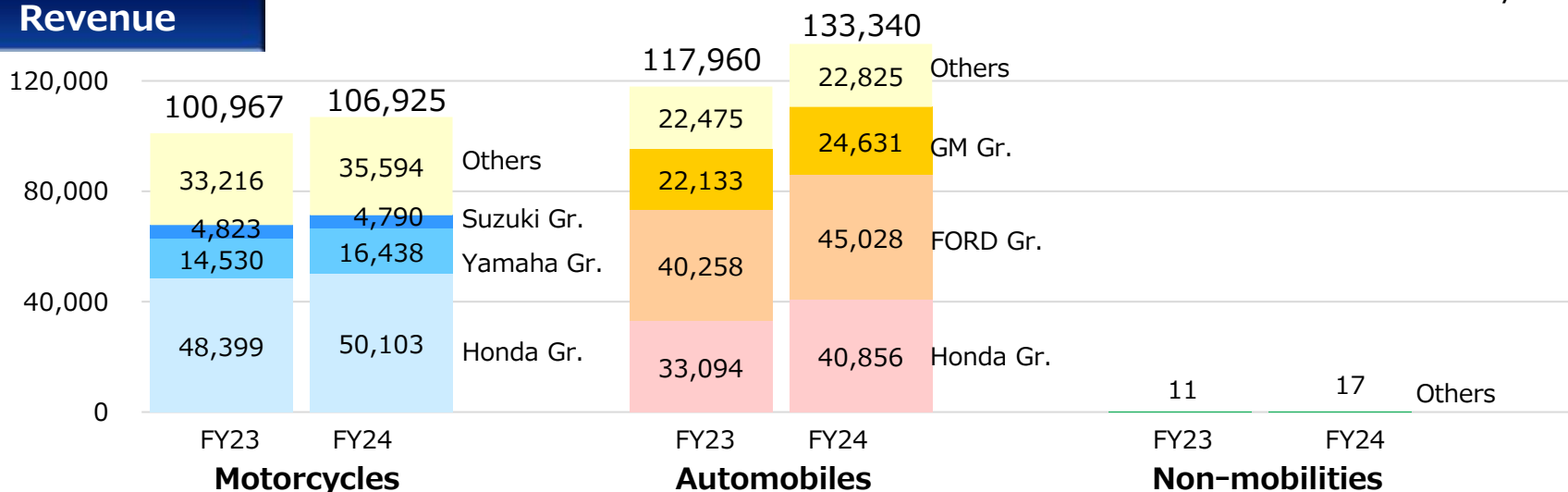
Revenue/Operating Profit by Business Segment (FY24)



Consolidated

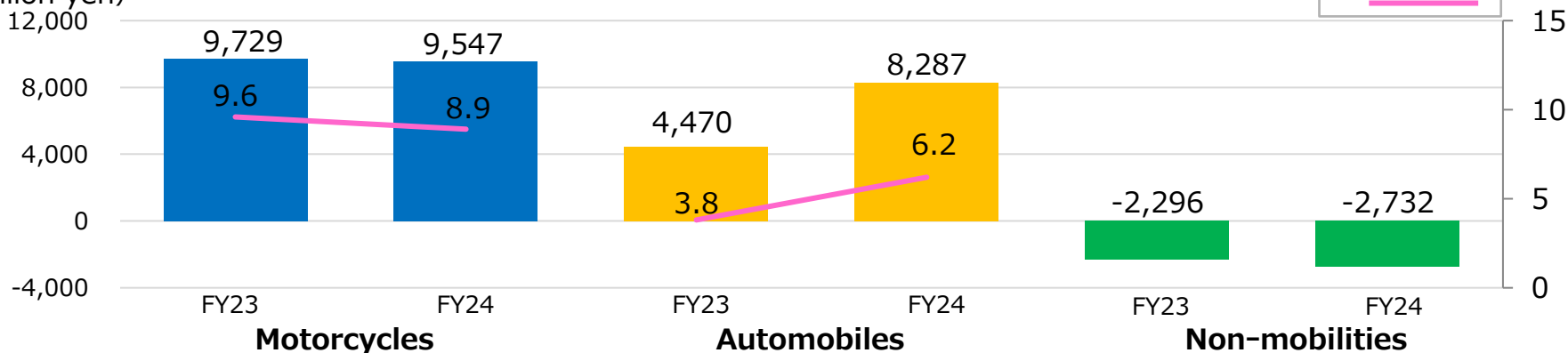
(million yen)

Revenue



Operating profit Ratio

(million yen)



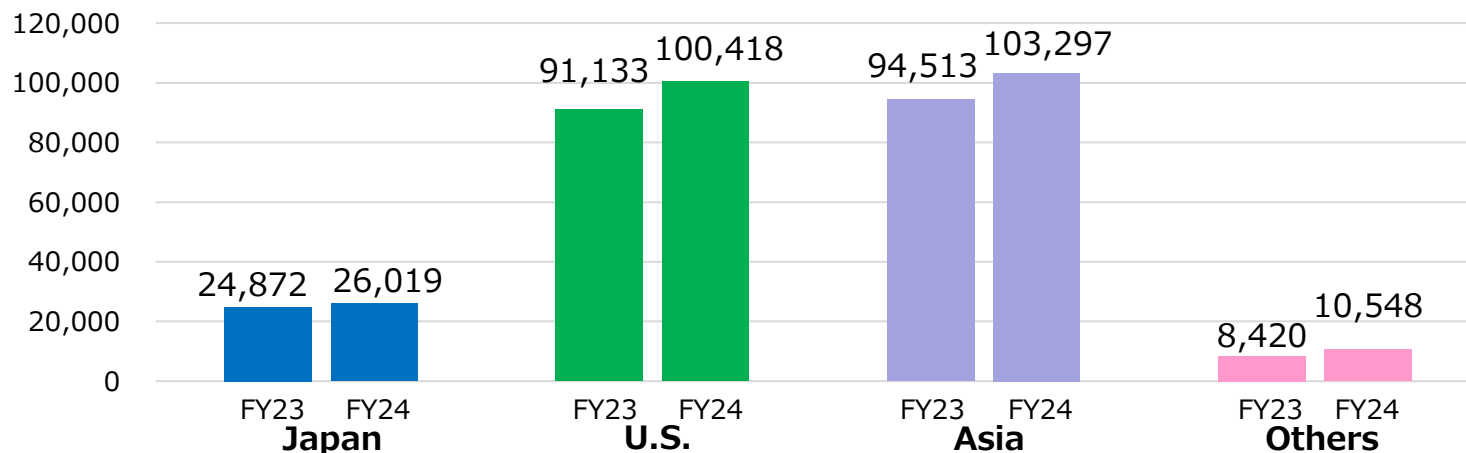
Revenue/Operating Profit by Geographical Segment (FY24)



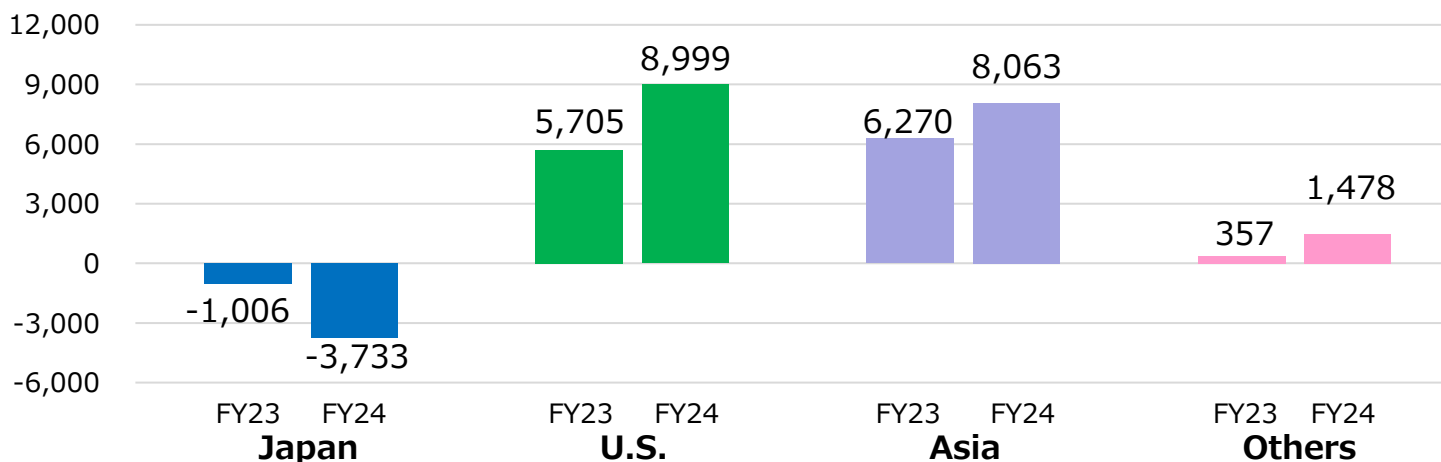
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Revenue

(million yen)



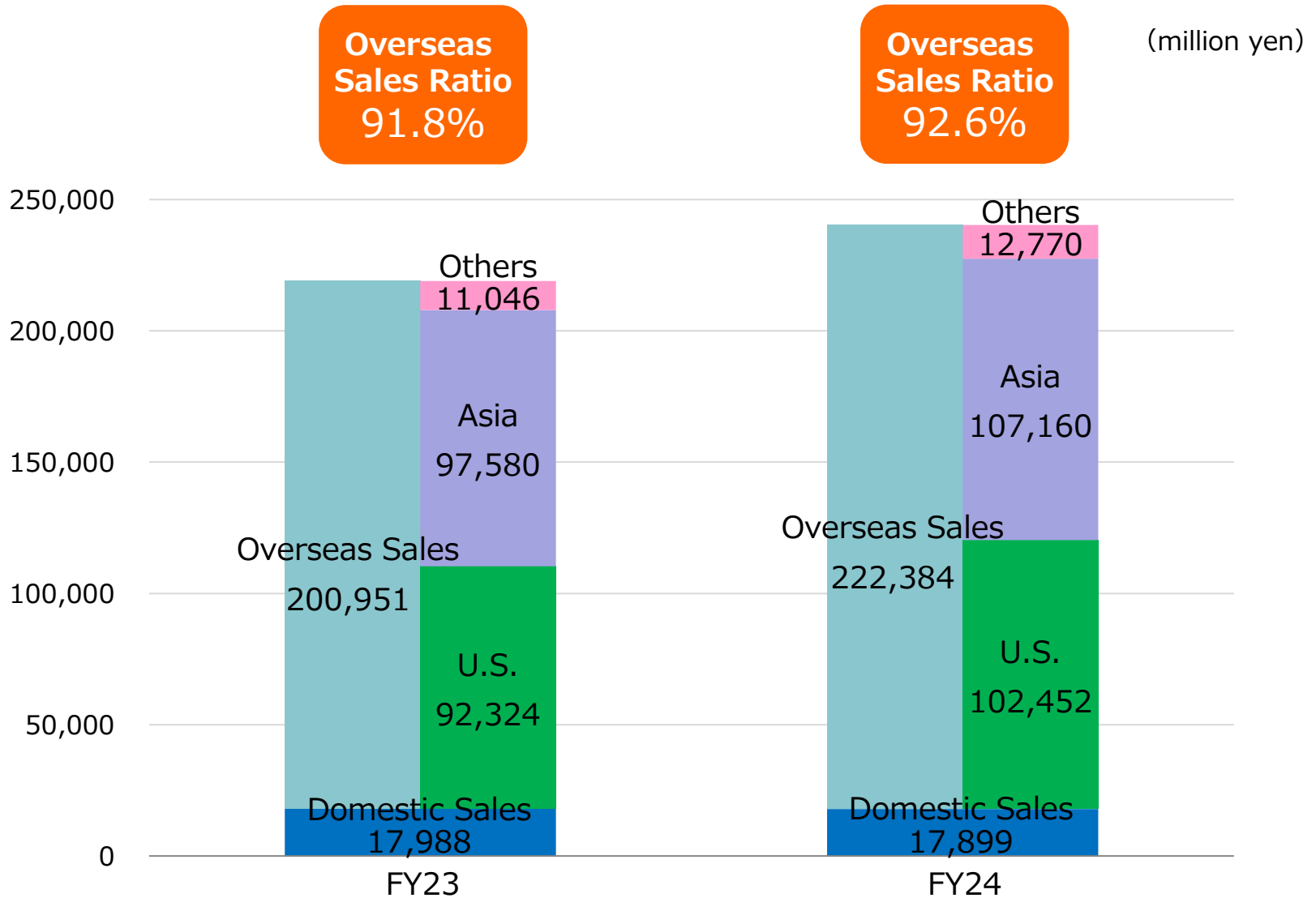
Operating profit



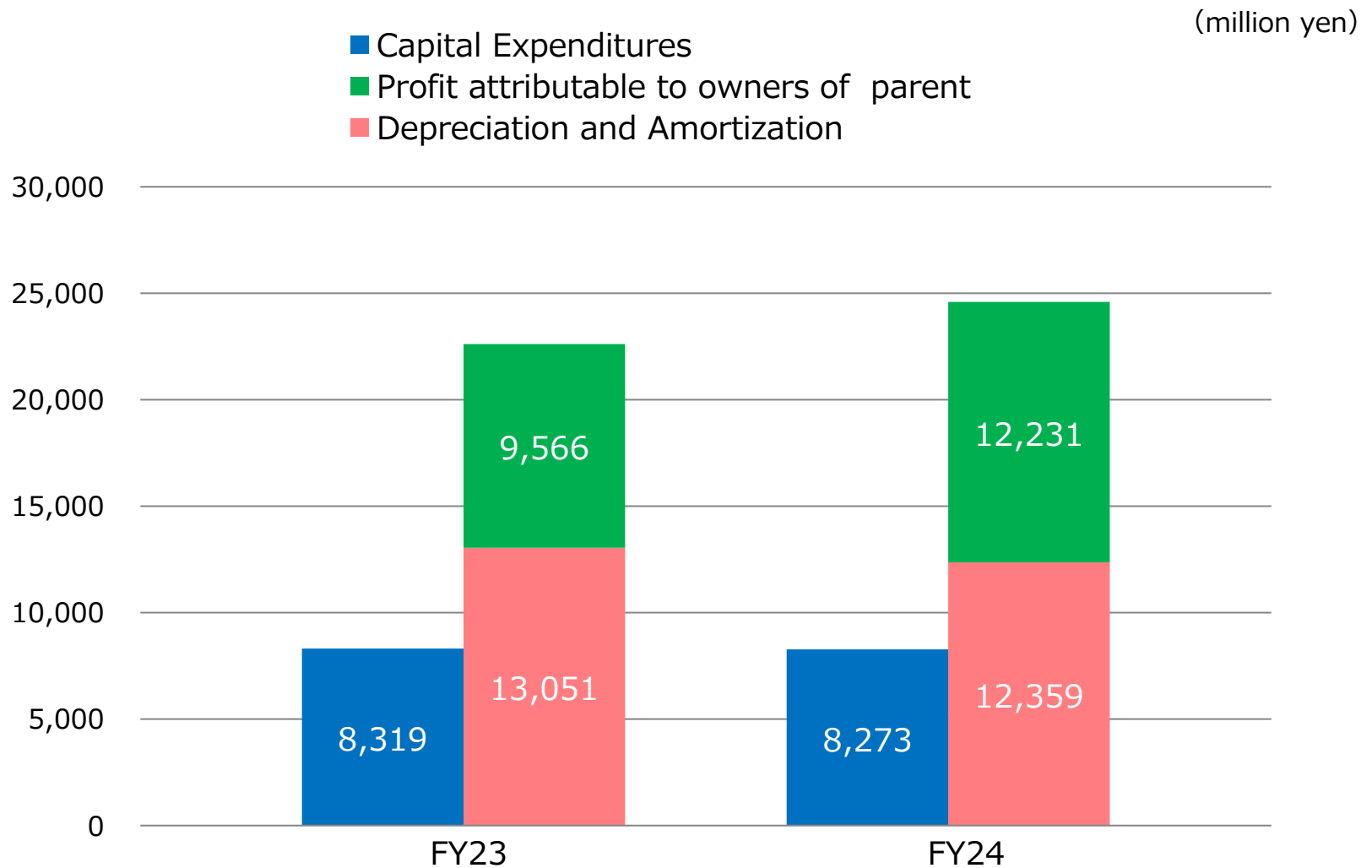
The Foreign Sales Ratio



Consolidated



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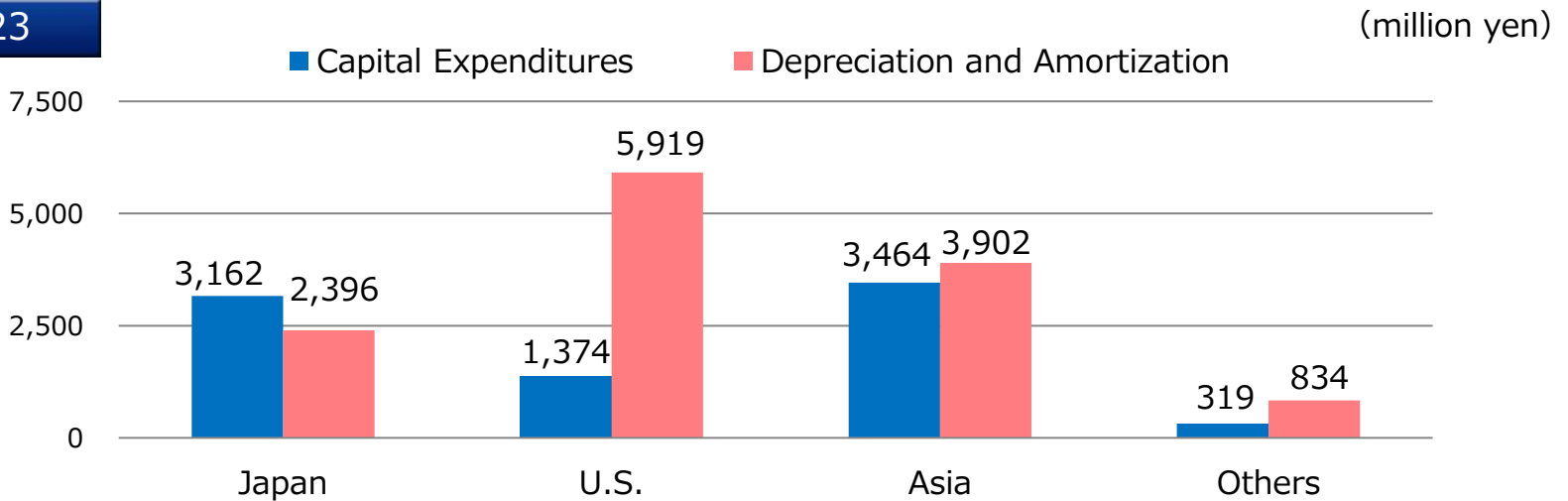


Capital Expenditures & Depreciation and Amortization by Geographical Segment

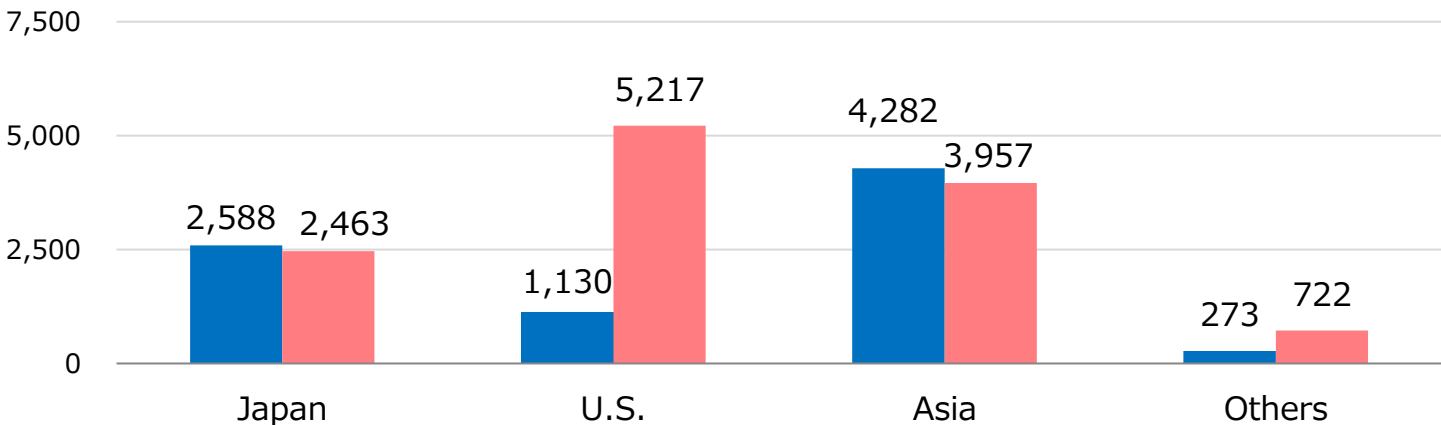


Consolidated

FY23



FY24



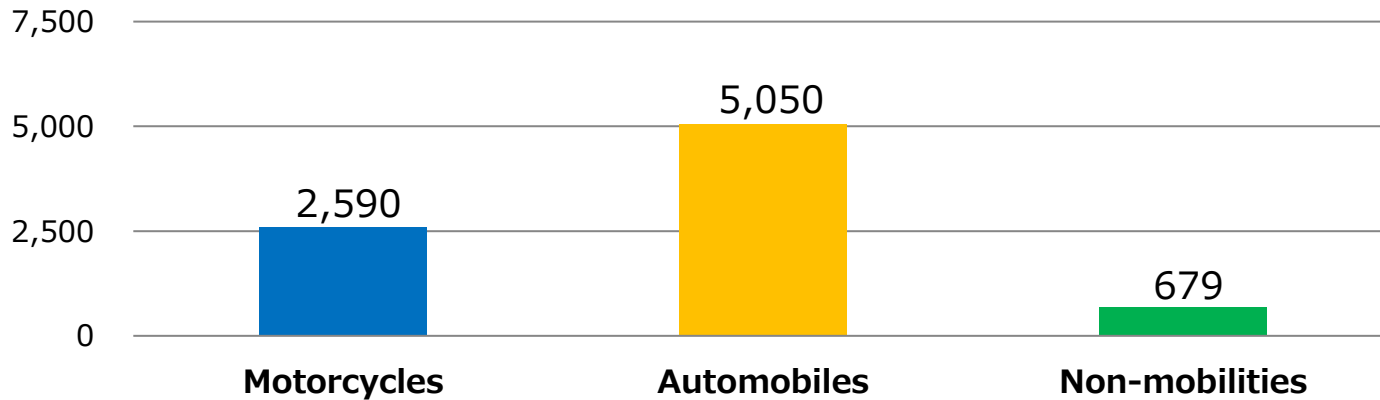
Capital Expenditures by Business Segment



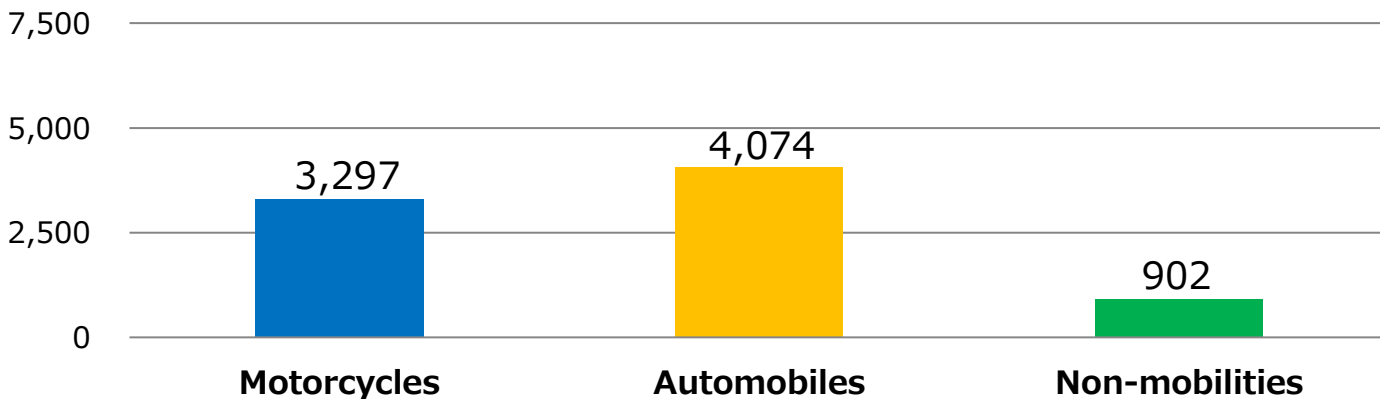
Consolidated

FY23

(million yen)



FY24



The principal capital expenditures



FY24 Results

(million yen)

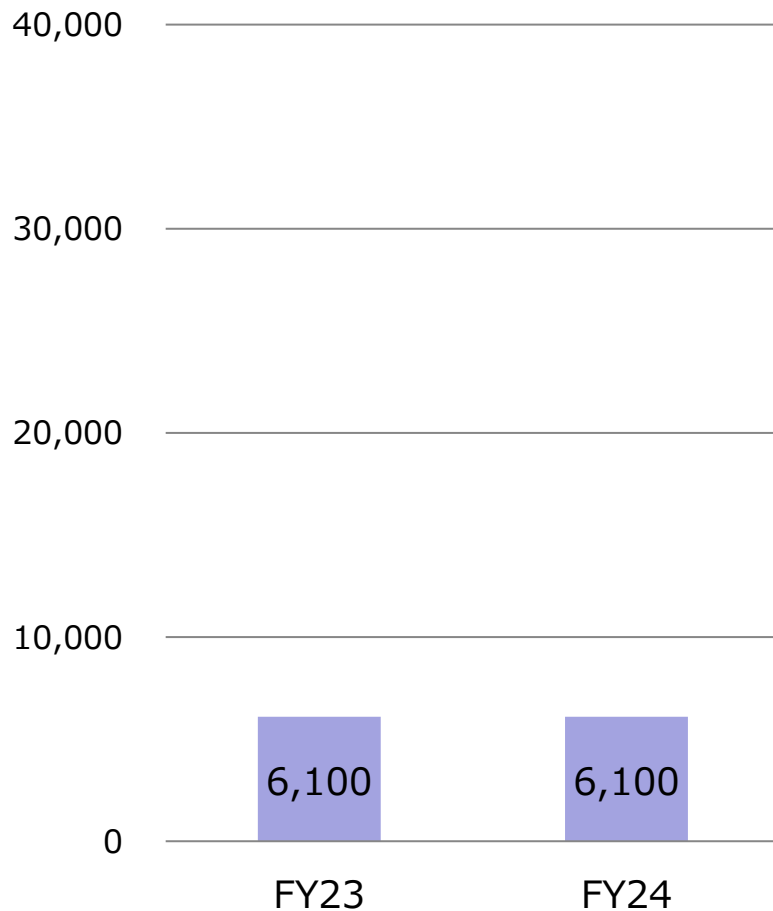
Region	Base	amount	Item
Japan	F.C.C. CO., LTD.	2,284	Buildings, mfg facilities to produce new models and prod. capacity expansion
U.S.	FCC (Adams), LLC	852	Mfg facilities to produce new models and prod. capacity expansion
	FCC (INDIANA), LLC	251	Mfg facilities to produce new models and prod. capacity expansion
Asia	FCC INDIA	1,678	Mfg facilities to produce new models and prod. capacity expansion
	FCC(VIETNAM)CO.,LTD.	835	Mfg facilities to produce new models and prod. capacity expansion
	CHINA FCC FOSHAN CO.,LTD.	601	Mfg facilities to produce new models and prod. capacity expansion
	PT. FCC INDONESIA	487	Mfg facilities to produce new models and prod. capacity expansion
Others	FCC DO BRASIL LTDA.	188	Prod. capacity expansion

Interest-Bearing Debts and Cash Flows



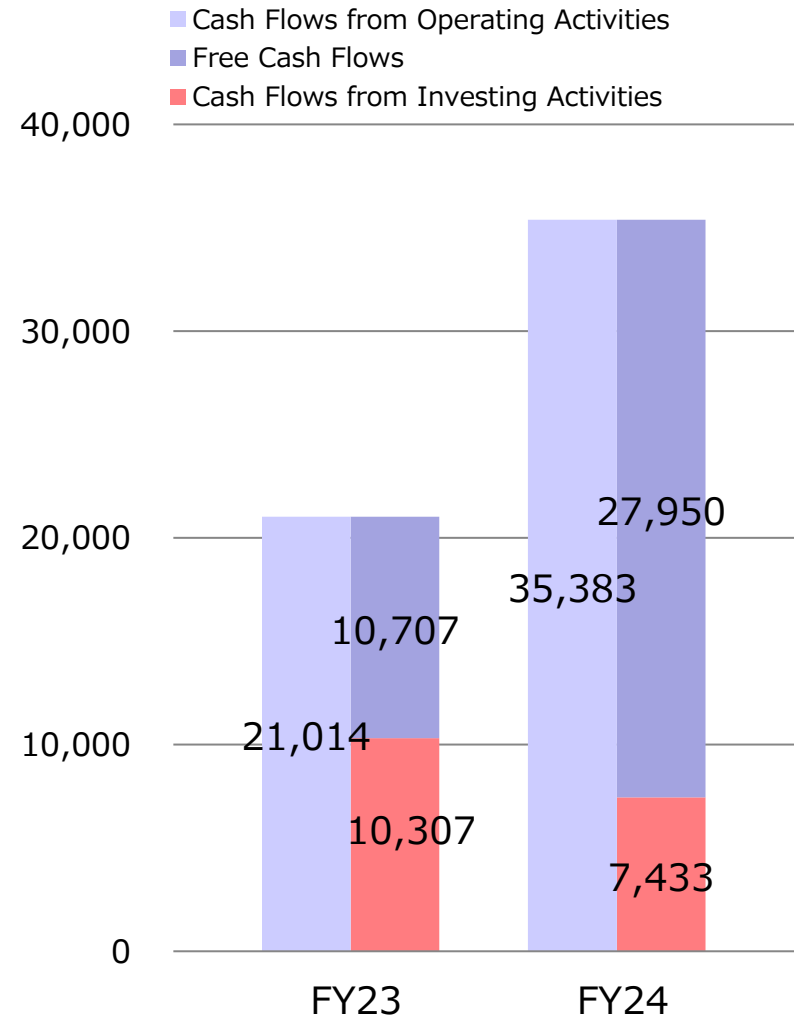
Interest-Bearing Debts

(million yen)



Cash Flows

(million yen)



Exchange Rates FY24



(Average exchange rate)

Location	Currency	FY23	FY24	Change
U.S.	USD	¥135.48	¥144.63	6.8%
Mexico	MXN	¥6.90	¥8.36	21.2%
Thailand	THB	¥3.85	¥4.11	6.8%
Indonesia	IDR	¥0.0090	¥0.0094	4.4%
India	INR	¥1.69	¥1.75	3.6%
China	CNY	¥19.75	¥20.15	2.0%
Brazil	BRL	¥26.31	¥29.32	11.4%
Taiwan	TWD	¥4.46	¥4.60	3.1%
Philippines	PHP	¥2.45	¥2.59	5.7%
Vietnam	VND	¥0.00573	¥0.00600	4.7%

Consolidated Forecast for FY25

Consolidated Forecasts Outline for FY25



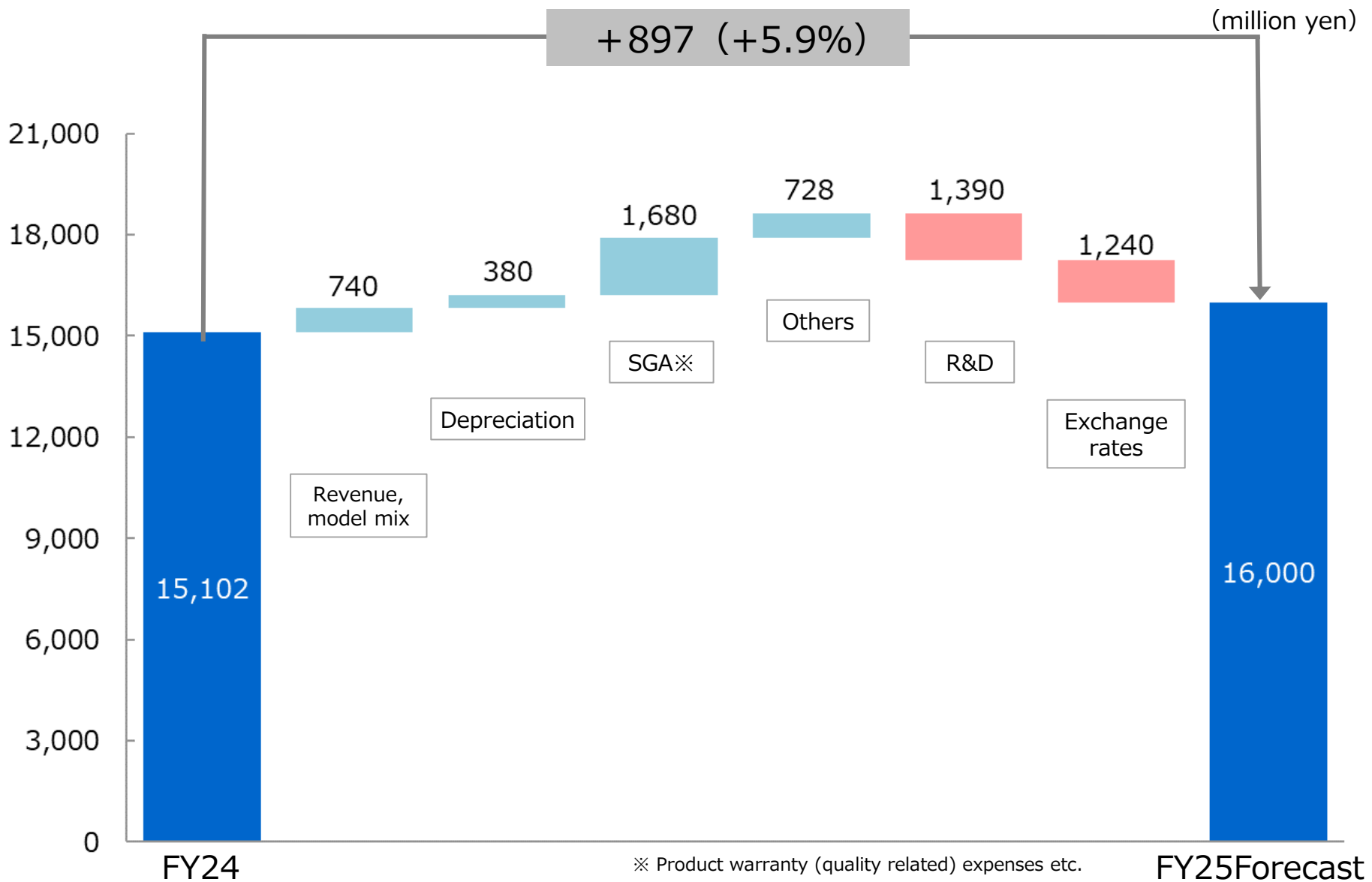
Consolidated

(million yen)

	FY24 Results	FY25 Forecast	Change (amount)	Change (%)
Revenue	240,283	238,000	-2,283	-1.0%
Operating profit	15,102	16,000	897	5.9%
Profit before income taxes	19,169	17,800	-1,369	-7.1%
Profit	12,456	12,500	43	0.4%
Profit attributable to owners of parent	12,231	12,400	168	1.4%
Basic earnings per share (Yen)	245.91	251.57	5.66	2.3%

Average exchange rate	FY24 Result	FY25 Forecast	Change
USD	¥ 144.63	¥ 140.00	-4.63

Forecast of Fluctuations for Operating Profit (FY25)

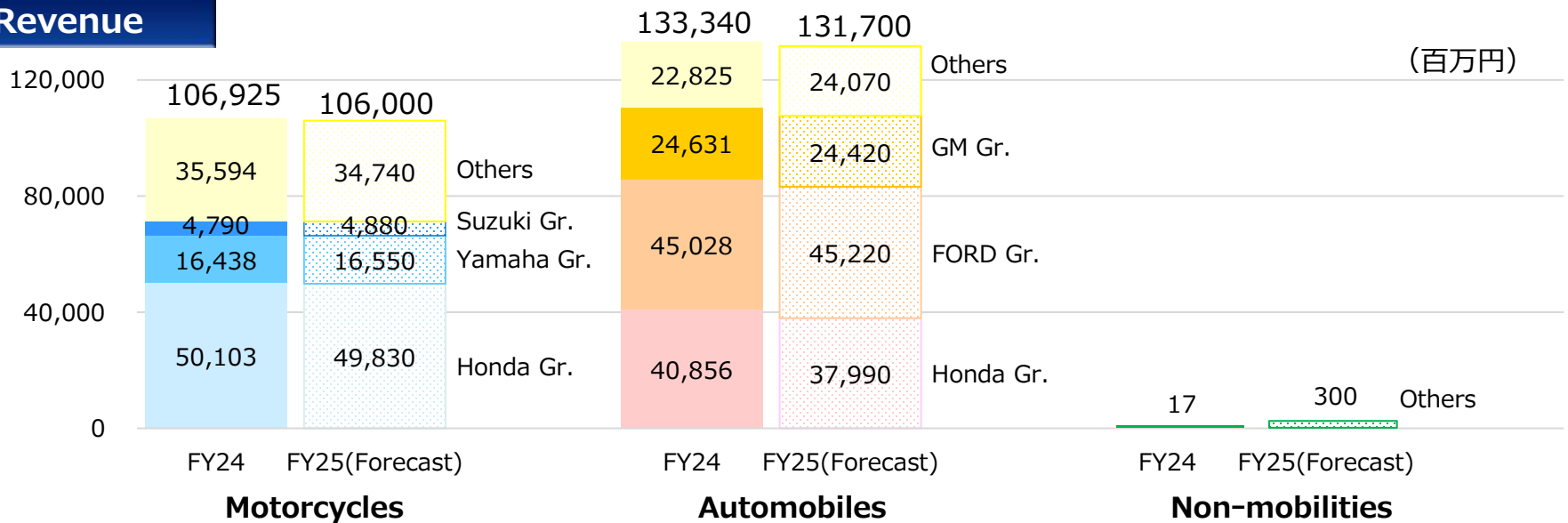


Revenue/Operating Profit by Business Segment (FY25 Forecast)

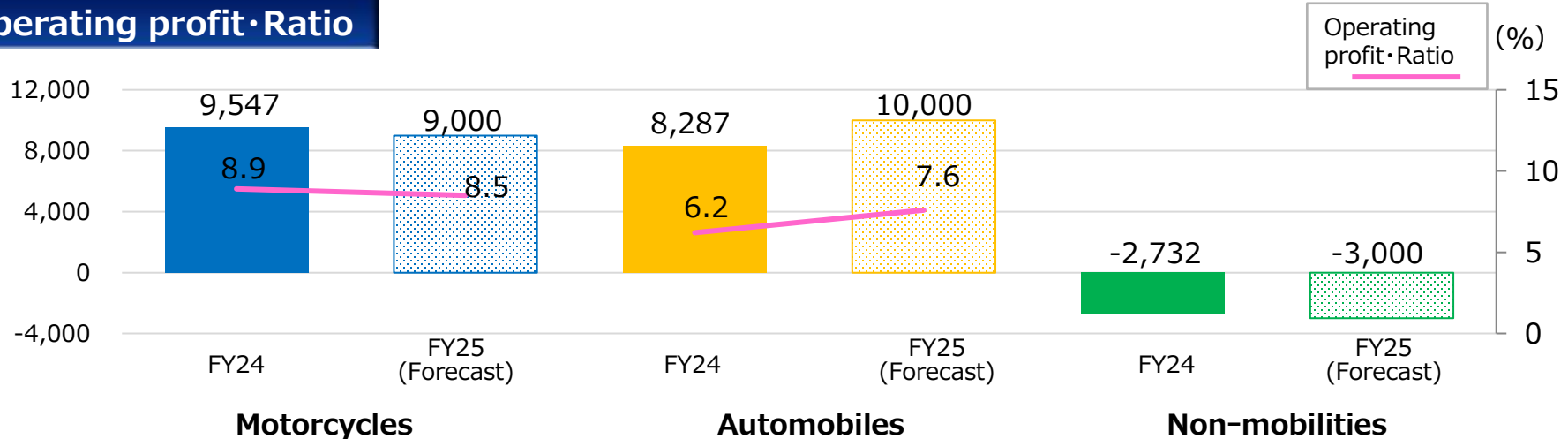


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Revenue



Operating profit·Ratio



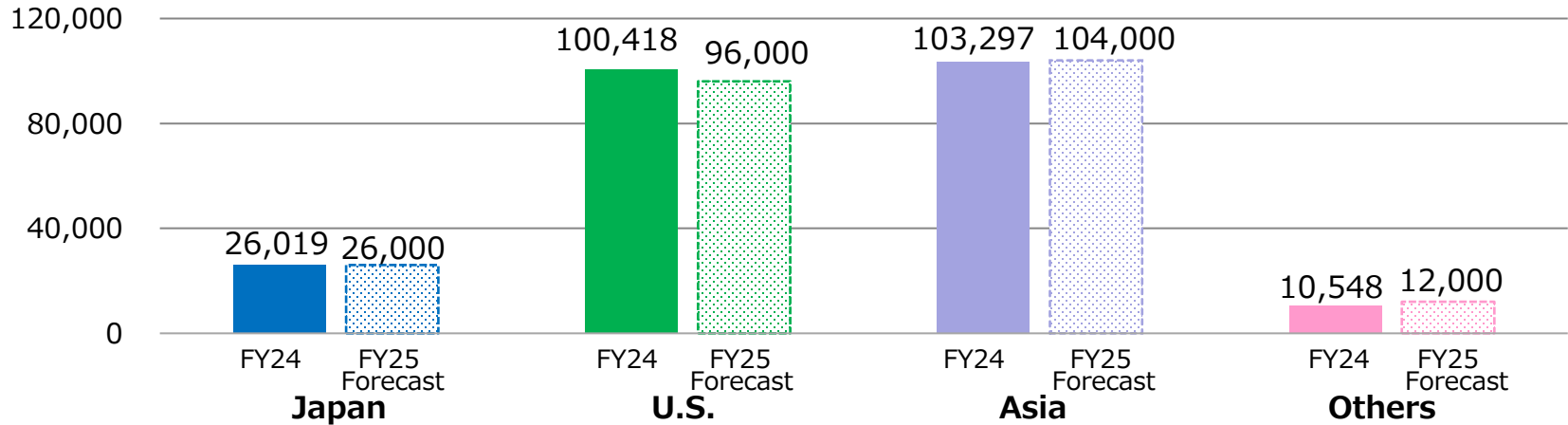
Revenue/Operating Profit by Geographical Segment (FY25 Forecast)



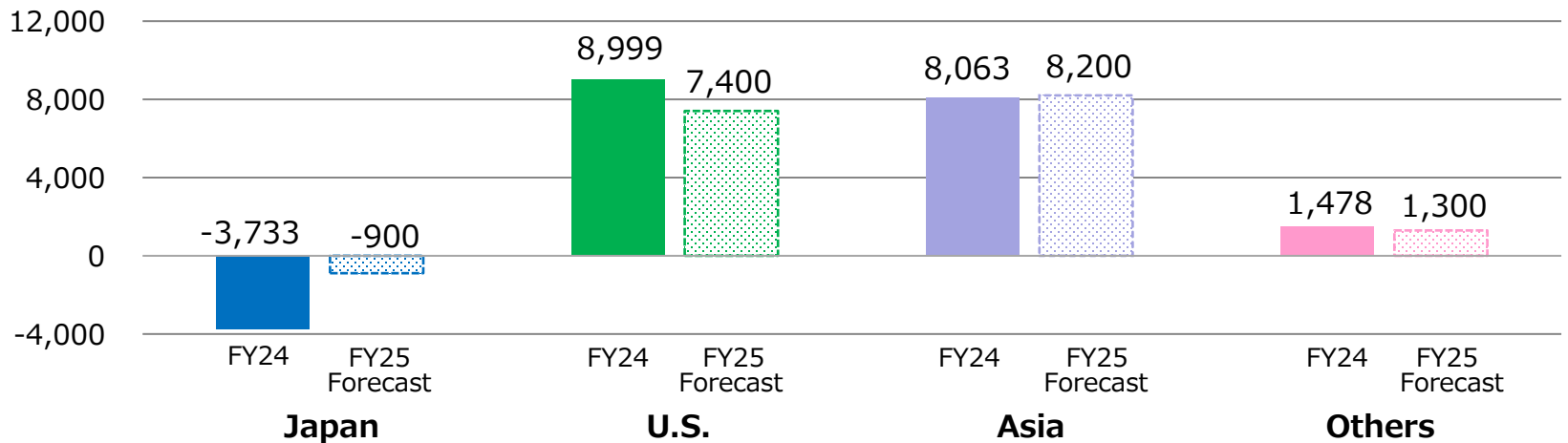
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Revenue

(million yen)



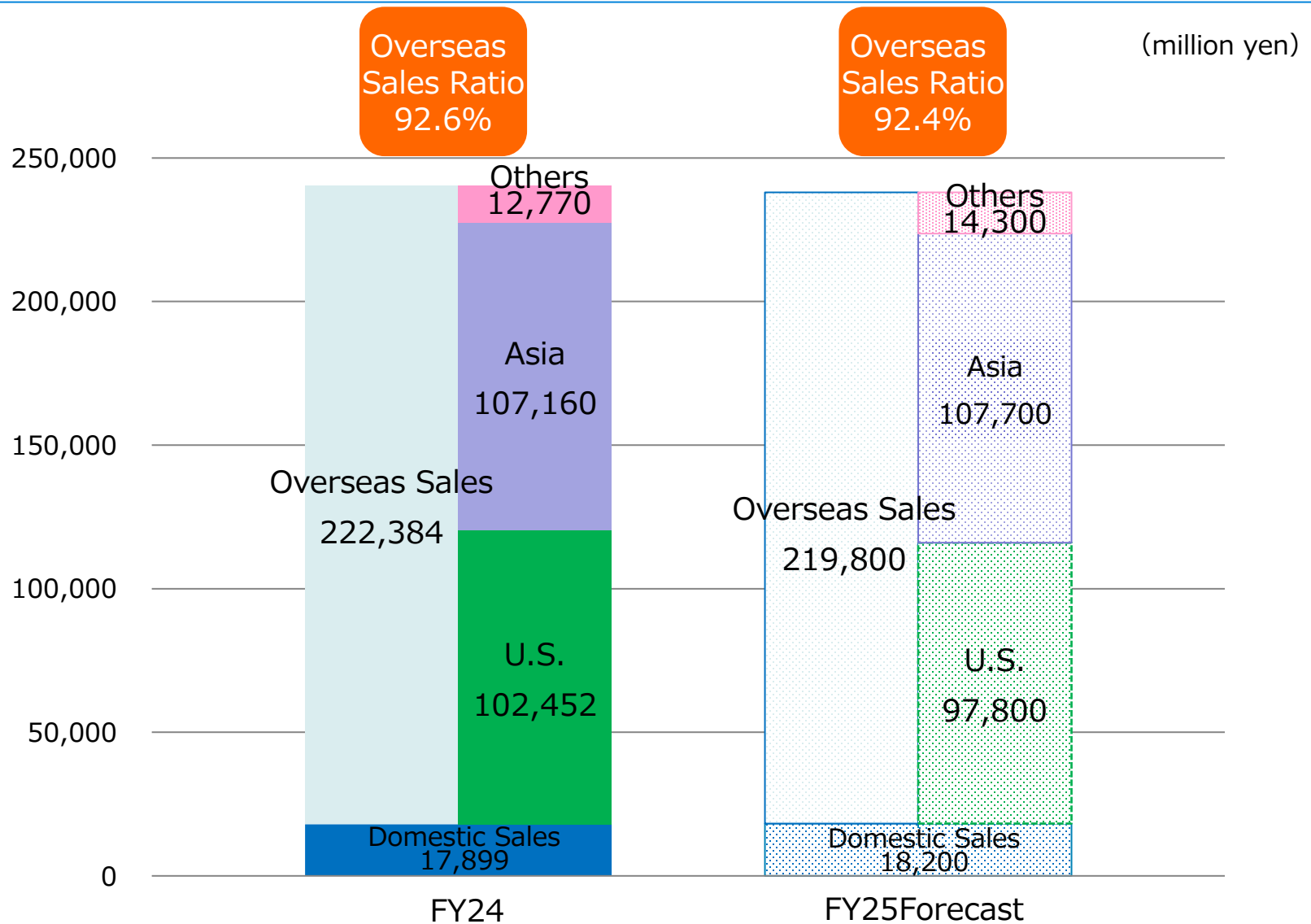
Operating profit



The Foreign Sales Ratio (FY25 Forecast)



Consolidated



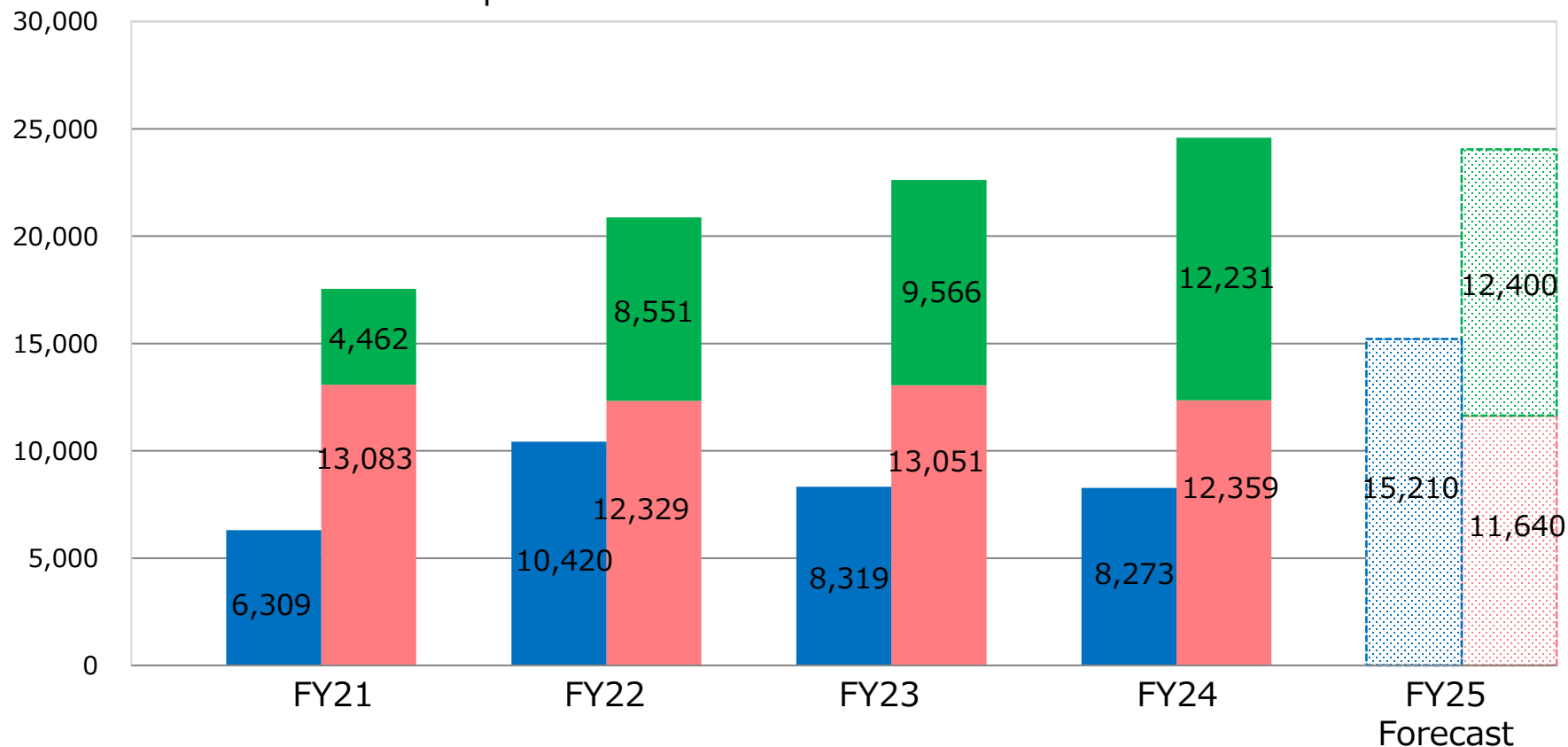
Capital Expenditures & Depreciation and Amortization (FY25 Forecast)



Consolidated

(million yen)

- Capital Expenditures
- Profit attributable to owners of parent
- Depreciation and Amortization



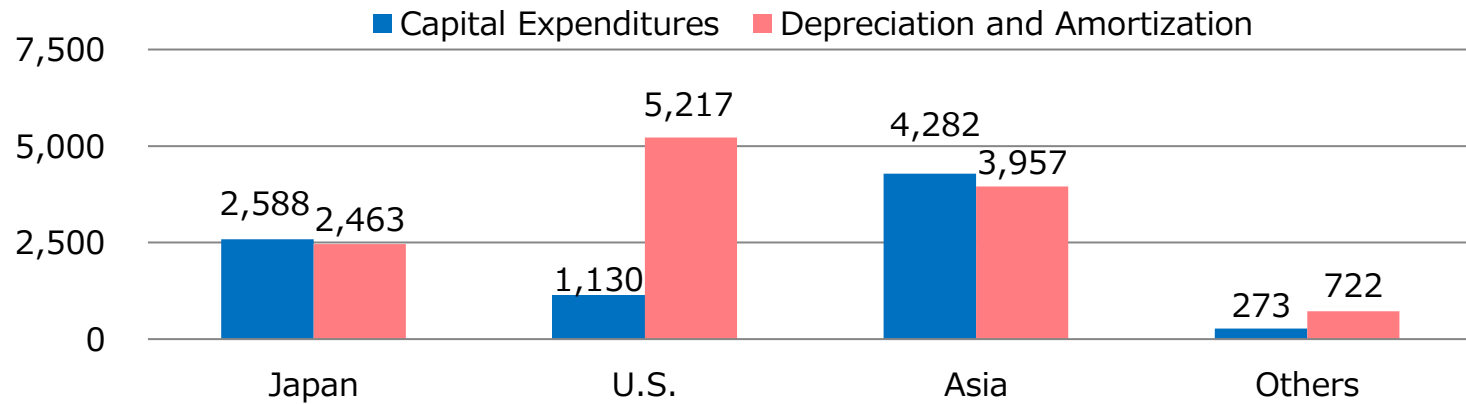
Capital Expenditures & Depreciation and Amortization by Geographical Segment (FY25 Forecast)



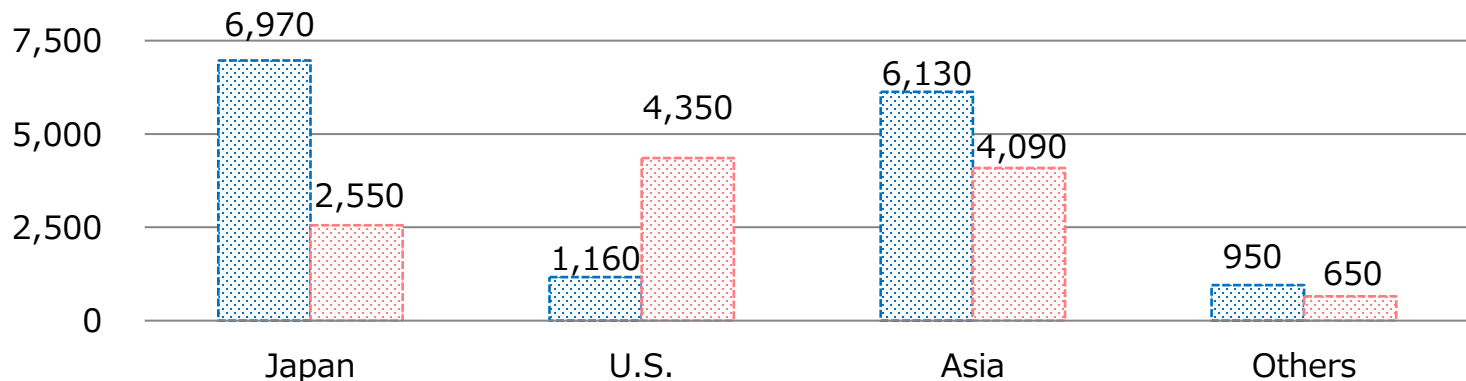
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FY24

(million yen)



FY25 Forecast



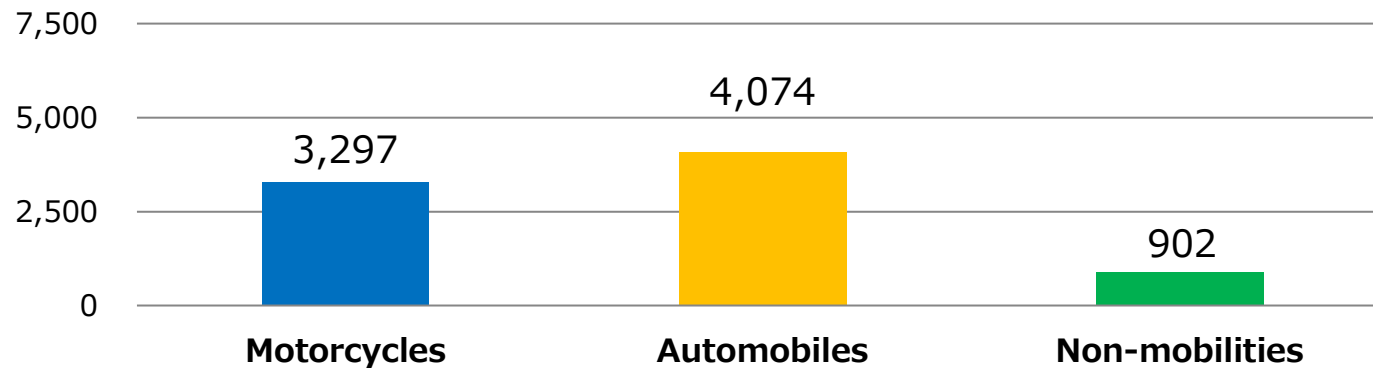
Capital Expenditures by Business Segment (FY25 Forecast)



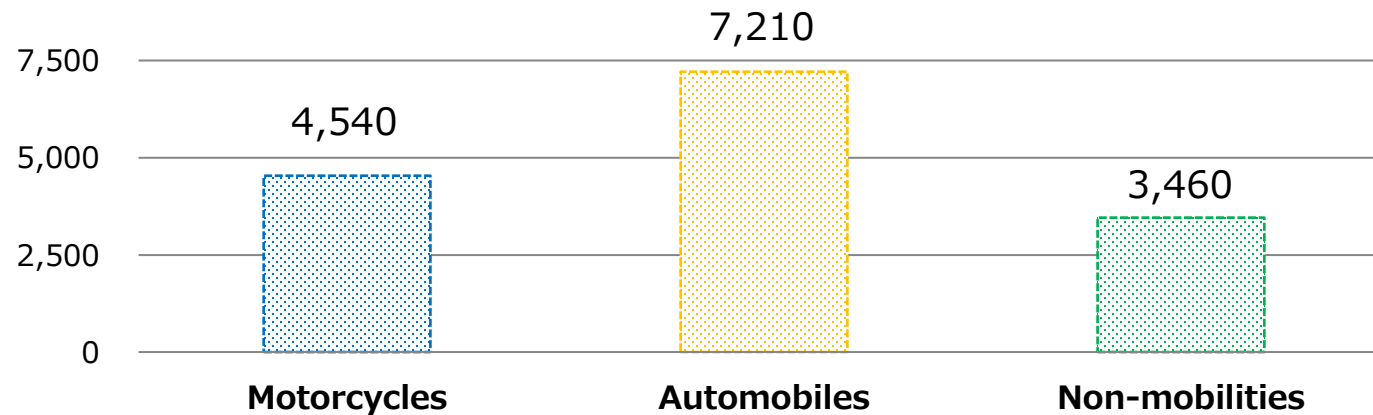
Consolidated

FY24

(million yen)



FY25 Forecast



The principal capital expenditures (FY25 Forecast)



FY25 Forecast

(million yen)

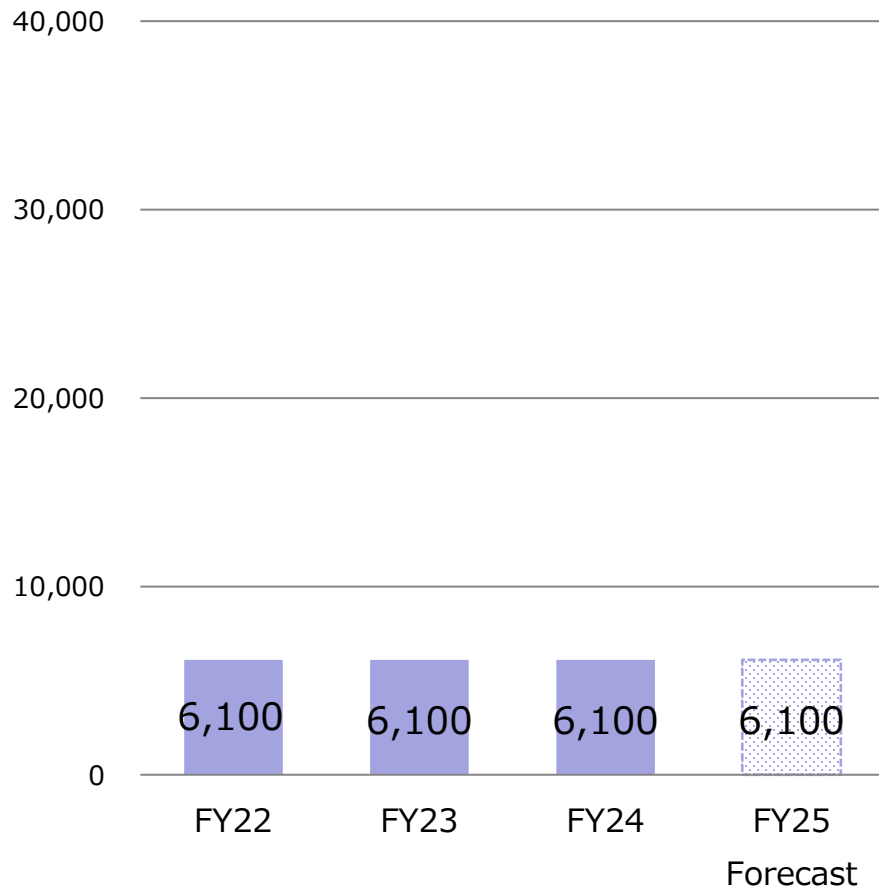
Region	Base	amount	Item
Japan	F.C.C. CO., LTD.	6,290	New businesses, mfg facilities to produce new models and prod. capacity expansion
	FLINT CO., LTD.	410	prod. capacity expansion
U.S.	FCC (INDIANA), LLC	710	Mfg facilities to produce new models and prod. capacity expansion
	FCC (Adams), LLC	420	Mfg facilities to produce new models and prod. capacity expansion
Asia	FCC INDIA	2,180	New businesses, mfg facilities to produce new models and prod. capacity expansion
	CHINA FCC FOSHAN CO., LTD.	1,850	New businesses, mfg facilities to produce new models and prod. capacity expansion
	FCC(VIETNAM)CO.,LTD.	900	Mfg facilities to produce new models and prod. capacity expansion
	FCC (PHILIPPINES) CORP.	680	Mfg facilities to produce new models and prod. capacity expansion
Others	FCC MEXICO	550	Prod. capacity expansion
	FCC DO BRASIL LTDA.	400	Prod. capacity expansion

Interest-Bearing Debts and Cash Flows (FY25 Forecast)



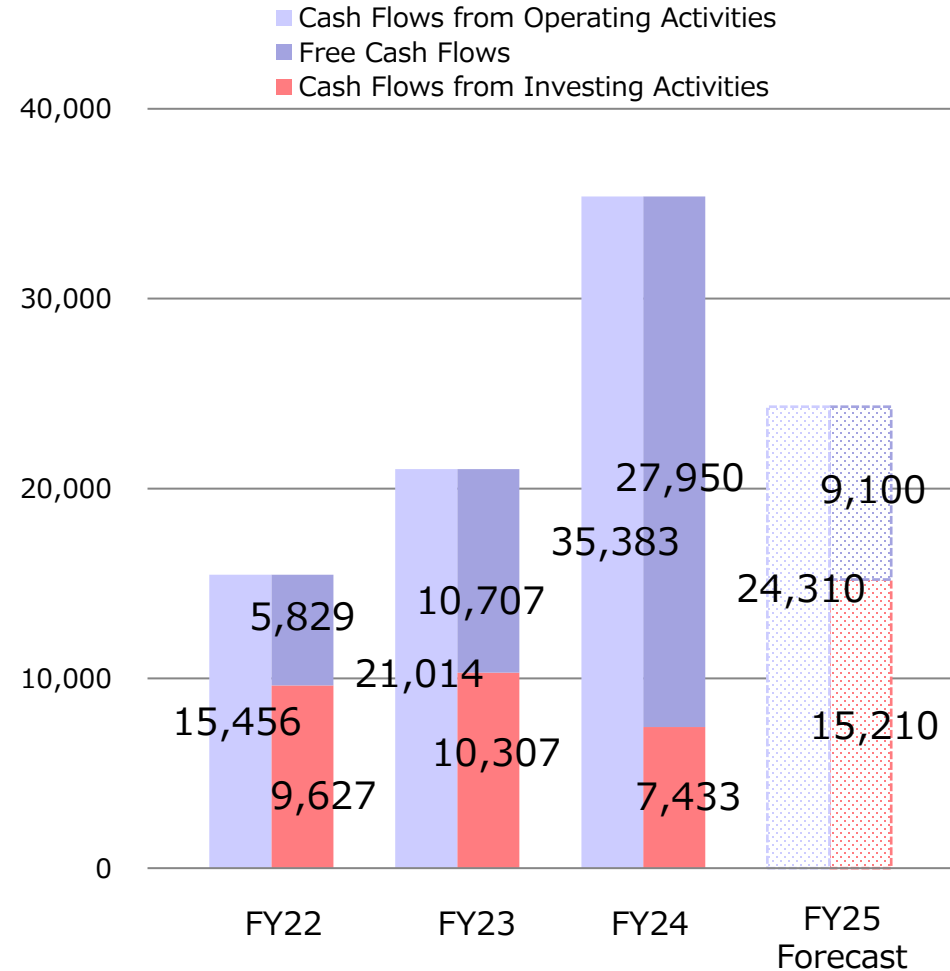
Interest-Bearing Debts

(million yen)



Cash Flows

(million yen)




Exchange Rates (FY25 Forecast)



(Average exchange rate)

Location	Currency	FY24 Results	FY25 Forecast	Change
U.S.	USD	¥144.63	¥140.00	-3.2%
Mexico	MXN	¥8.36	¥8.03	-3.9%
Thailand	THB	¥4.11	¥3.93	-4.4%
Indonesia	IDR	¥0.0094	¥0.0090	-4.3%
India	INR	¥1.75	¥1.68	-4.0%
China	CNY	¥20.15	¥19.30	-4.2%
Brazil	BRL	¥29.32	¥28.70	-2.1%
Taiwan	TWD	¥4.60	¥4.36	-5.2%
Philippines	PHP	¥2.59	¥2.51	-3.1%
Vietnam	VND	¥0.00600	¥0.00576	-4.0%



【appendix】
FY24 Sales by Customer
Forecast of Sales by Customer
(FY25 Forecast)

FY24 Sales by Customer



Total

(million yen)

	FY23 Results		FY24 Results		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
HONDA Group	81,493	37.2%	90,959	37.9%	9,466	11.6%
YAMAHA Group	14,530	6.6%	16,438	6.8%	1,908	13.1%
SUZUKI Group	4,823	2.2%	4,790	2.0%	-33	-0.7%
KAWASAKI Group	2,380	1.1%	2,437	1.0%	57	2.4%
FORD	40,258	18.4%	45,028	18.7%	4,770	11.8%
GM	22,133	10.1%	24,631	10.3%	2,498	11.3%
ZF/STELLANTIS	12,841	5.9%	9,968	4.1%	-2,873	-22.4%
Kanematsu (Harley-Davidson ,etc.)	6,337	2.9%	6,055	2.5%	-282	-4.5%
Others	34,144	15.6%	39,977	16.6%	5,833	17.1%
Total	218,939	100.0%	240,283	100.0%	21,344	9.7%

FY24 Sales by Customer



Motorcycle business

(million yen)

	FY23 Results		FY24 Results		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
HONDA Group	48,399	47.9%	50,103	46.9%	1,704	3.5%
YAMAHA Group	14,530	14.4%	16,438	15.4%	1,908	13.1%
SUZUKI Group	4,823	4.8%	4,790	4.5%	-33	-0.7%
KAWASAKI Group	2,380	2.4%	2,437	2.3%	57	2.4%
Kanematsu (Harley- Davidson ,etc.)	6,139	6.1%	5,907	5.5%	-232	-3.8%
Hero	4,822	4.8%	5,177	4.8%	355	7.4%
Bajaj	2,650	2.6%	3,081	2.9%	431	16.3%
TVS	5,134	5.1%	6,125	5.7%	991	19.3%
Others	12,091	12.0%	12,868	12.0%	777	6.4%
Total	100,967	100.0%	106,925	100.0%	5,958	5.9%

FY24 Sales by Customer



Automobile business

(million yen)

	FY23 Results		FY24 Results		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
HONDA Group	33,094	28.1%	40,856	30.6%	7,762	23.5%
FORD	40,258	34.1%	45,028	33.8%	4,770	11.8%
GM	22,133	18.8%	24,631	18.5%	2,498	11.3%
ZF	6,329	5.4%	5,211	3.9%	-1,118	-17.7%
STELLANTIS	6,512	5.5%	4,757	3.6%	-1,755	-27.0%
Others	9,634	8.2%	12,857	9.6%	3,223	33.5%
Total	117,960	100.0%	133,340	100.0%	15,380	13.0%

FY24 Sales by Customer



Non-mobilities business

(million yen)

	FY23 Results		FY24 Results		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
Others	11	100.0%	17	100.0%	6	54.5%
Total	11	100.0%	17	100.0%	6	54.5%

Forecast of Sales by Customer

(FY25 Forecast)



Total

(million yen)

	FY24 Results		FY25 Forecast		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
HONDA Group	90,959	37.9%	87,820	36.9%	-3,139	-3.5%
YAMAHA Group	16,438	6.8%	16,550	7.0%	112	0.7%
SUZUKI Group	4,790	2.0%	4,880	2.1%	90	1.9%
KAWASAKI Group	2,437	1.0%	2,480	1.0%	43	1.8%
FORD	45,028	18.7%	45,220	19.0%	192	0.4%
GM	24,631	10.3%	24,420	10.3%	-211	-0.9%
ZF/STELLANTIS	9,968	4.1%	10,280	4.3%	312	3.1%
Kanematsu (Harley-Davidson ,etc.)	6,055	2.5%	5,840	2.5%	-215	-3.6%
Others	39,977	16.6%	40,510	17.0%	533	1.3%
Total	240,283	100.0%	238,000	100.0%	-2,283	-1.0%

Forecast of Sales by Customer

(FY25 Forecast)



Motorcycle business

(million yen)

	FY24 Results		FY25 Forecast		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
HONDA Group	50,103	46.9%	49,830	47.0%	-273	-0.5%
YAMAHA Group	16,438	15.4%	16,550	15.6%	112	0.7%
SUZUKI Group	4,790	4.5%	4,880	4.6%	90	1.9%
KAWASAKI Group	2,437	2.3%	2,480	2.3%	43	1.8%
Kanematsu (Harley-Davidson ,etc.)	5,907	5.5%	5,690	5.4%	-217	-3.7%
Hero	5,177	4.8%	5,300	5.0%	123	2.4%
Bajaj	3,081	2.9%	2,900	2.7%	-181	-5.9%
TVS	6,125	5.7%	6,140	5.8%	15	0.2%
Others	12,868	12.0%	12,230	11.5%	-638	-5.0%
Total	106,925	100.0%	106,000	100.0%	-925	-0.9%

Forecast of Sales by Customer

(FY25 Forecast)



Automobile business

(million yen)

	FY24 Results		FY25 Forecast		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
HONDA Group	40,856	30.6%	37,990	28.8%	-2,866	-7.0%
FORD	45,028	33.8%	45,220	34.3%	192	0.4%
GM	24,631	18.5%	24,420	18.5%	-211	-0.9%
ZF	5,211	3.9%	5,450	4.1%	239	4.6%
STELLANTIS	4,757	3.6%	4,830	3.7%	73	1.5%
Others	12,857	9.6%	13,790	10.5%	933	7.3%
Total	133,340	100.0%	131,700	100.0%	-1,640	-1.2%

Forecast of Sales by Customer

(FY25 Forecast)



Non-mobilities business

(million yen)

	FY24 Results		FY25 Forecast		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
Others	17	100.0%	300	100.0%	283	1,665%
Total	17	100.0%	300	100.0%	283	1,665%

Inquiry Information



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